DRAFT

Pullman School District

Minutes

Finance Committee Meeting

Date and Time
Thursday February 19, 2026 at 3:30 PM

Location
Pioneer Center
Bob's Office

Committee Members Present
Arron Carter, Bob Maxwell, Cameron Grow, Dagny Myers, Diane Hodge, Lisa Waananen Jones

Committee Members Absent
Juston Pollestad, Pam Brantner, Ryan Mulvey

Guests Present
jfleury@psd267.org

I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

Diane Hodge called a meeting of the Finance Committee Committee of Pullman School District to order on Thursday Feb 19, 2026 at 3:30 PM.

C. Approve Minutes

II. Finance Committee

A. Item 1: Financial Status Update

Diane provided an update on the District's financial status and cash flow. January closed with a 6.71% ending fund balance, and current projections show an estimated August ending fund balance of 10.2%, which meets the District's target. The District anticipates receiving its primary property tax collection in April, which will significantly improve cash flow.

Diane also reported late invoices from Washington State University related to Running Start and noted that enrollment decreased by 7.34 FTE from January to February, which will impact state funding calculations moving forward.

B. Item 2: Legislative Update

Bob reviewed the current legislative update. The most recent revenue forecast is up $340 million; however, the state is still facing a $2.3 billion shortfall. MSOC, Passenger Safety Net, and LEA bills did not advance past cutoff, and there has been no positive discussion regarding K–12 budget enhancements. A bill to fully exempt districts from sales and use tax is awaiting a vote on the House floor. There are also at least three active bills addressing employees in binding conditions. Overall, the legislative outlook for K–12 remains challenging.

C. Item 3: Property Update

The closing date for the Quist property has been extended by a couple of weeks. The original plat included an easement, and the buyers requested its removal as they already have access to their property from the south end. The District is also finalizing remaining items related to the Johnson property transaction.

Additionally, Jerrod inquired about potential grant opportunities for turf. Bob indicated that the District is actively exploring available grant options.

D. Item 4: Committee Recommendations to the Board

Diane proposed bringing a recommendation to the Board to increase the District's minimum fund balance policy from 7.5% to 10%. She explained that current monthly payroll is approximately $3.2 million, excluding accounts payable, and that maintaining a 10% fund balance would better align with covering approximately one month of payroll and accounts payable obligations. Diane also noted that auditors have expressed concern that the District is currently operating at approximately 32 days of cash on hand, which is below the 60 days they recommend.

Arron asked whether increasing the minimum fund balance would require budget cuts. Diane responded that while the District must remain cautious in its spending due to the

state not fully funding education, immediate cuts are not necessarily required. She emphasized the need to prioritize purchasing needs over wants and to address the public narrative suggesting the District is holding excessive funds. Bob noted that the minimum/maximum fund balance bill remains active in the legislature and discussed the need to pursue a levy in the near future. The committee agreed to bring the minimum fund balance policy recommendation to the Board at the first March board meeting, with further discussion scheduled for the March board work session.

III. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 4:30 PM.

Respectfully Submitted,
Bob Maxwell

Next meeting: March 19, 2026, at 3:30 p.m.