



ISSAQUAH
SCHOOL DISTRICT 411

*A Guide to Understanding the
2018-19 Budget*

CONTENTS

Financial Plan Overview	Pages	1 - 7
Board Guidelines for Budget Development	Page	8
Where Does the Money Come From? - Revenues	Page	9
Where Does the Money Go? - Expenditures	Page	10
Fund 1 – General Fund	Page	11
Budget Comparisons	Page	12
❖ Enrollment		
❖ Expenditures		
❖ Staffing		
Seven Cost Centers	Pages	13 - 20
Fund 2 – Capital Project Fund	Page	21
Fund 3 – Debt Service Fund	Page	22
Fund 4 – ASB Fund	Page	23
Fund 5 – Transportation Vehicle Fund	Page	24
Administrative Cost Comparisons	Page	25
Enrollment Projections	Page	26

Overview of the Issaquah School District 2018-19 Budget

The District

Issaquah School District is an urban school district of approximately 21,000 students, fifteen elementary schools, five middle schools, three comprehensive high schools, and a choice high school. Over the past two decades the district has experienced very rapid expansion requiring the addition of seven elementary schools, two middle schools and one high school. This rapid growth continues and the District plans on adding four new school facilities in the next few years. Total enrollment will continue to grow at a quick and steady pace in the near term. Long term enrollment patterns will be dependent upon land use decisions and the overall pace of housing development.

The Budget Process

Each spring the budget process begins with the Board establishing broad parameters for budget development. (Adopted 2-14-2018) The Administration follows the Board's parameters and reinforces these parameters during actual budget development. These guidelines have been observed and incorporated into the 2018-19 Budget.

From 2009-10 to 2011-12 (3 fiscal years) the District had cumulative reductions in state funding totaling nearly \$16 million. State funding as a percentage of District revenues has dropped from 68% in 2008-09 to 60.8% in 2012-13. The trend of declining state revenue subsided in 2012-13 and for budget years, 2013-14 through 2016-17, there was an actual increase in state revenue. State revenue has continued to grow in 2018-19 and will now comprise 71.4% of the District's operating revenue, an increase of 7.2% over the prior fiscal year (2017-18). The State is now 3.4% above the recent historical peak in state funding as a percentage of total operating revenue.

The State legislature has continued to increase education funding pursuant to the McCleary decision, however a large portion of this "new" revenue comes in the form of salary and benefit allocations, making the funds less flexible than local levy dollars.

The legislature has provided significant structural changes to the education funding for 2018-19 and beyond, which included a decrease in local levy authority (capped at \$2500 per student or \$1.50/1000, whichever is less) this results in a decrease in calendar year 2019 of an estimated \$15.2M in local levy collections (\$59.7M vs. \$44.5M). This drop in local levy funding is coupled with new restrictions on what and how local levy funds can be used to support and supplement basic education.

The State in 2018-19 also moves away from the current salary allocation model for certificated staff and funds all employee types (certificated, classified and certificated administrator) on statewide minimum salary allocation that is then to be adjusted by regional factors(18% for ISD).

Overall, the increase in state revenue has allowed the District to make key programmatic investments, which as a community have been desired for many years. The District has concerns however on how local enrichment levies can be used in the future and what changes may be foisted upon us by the creation of the School Employee Benefit Board who will subsume all of the health benefit plans for all K-12 employees across the state.

In order to keep staff and community informed and seek input, we offer several communication avenues: the District creates a budget website with a timeline and ongoing updates; the School Board scheduled time at each business meeting for legislative and budget updates (podcasted for the public), administrators met with key groups such as the PTSA to provide updates; the District asked for comments and suggestions via a budget e-mail account, and the District shared information via eNews and staff e-mail messages.

Where the Money Comes From

The District receives funding from three primary sources. The State of Washington provides approximately 71.4% of the funding for general operating costs, the federal government provides 2.2%, and 26.2% is generated through local fees and the M&O Levy.

There are 295 school districts in the State of Washington and 18 other Local Education Agencies that receive funding. Issaquah School District is ranked 286 out of the 313 K-12 agencies in terms of total revenue per student. This means that funding has been challenge for the district. The average district in 2016-17 received \$12,037 in revenue for each student while Issaquah School District received \$10,851per student. This puts Issaquah School District at a revenue disadvantage of \$24.2 million per year when compared to the state average per student rate.

The good news however, is that in 2018-19 the State Legislature (persuaded by the McCleary Decision) significantly changed Issaquah School District's revenue per pupil predominately due to increased funding amounts for salary allocations. The 2018-19 revenue per pupil is approximately \$14,900.

Where the Money Goes

The Issaquah School District is the second largest employer in Issaquah with over 2,700 full time and part time staff members. (This excludes several hundred substitute employees) These employees are represented by 1,400 teachers, 370 educational assistants, 135 bus drivers, 70 food service workers, 195 office/support staff, 140 custodial/maintenance personnel, and other administrative and support staff.

The District budget is represented by seven distinct cost centers. These cost centers encompass all of the above staff and help to present a visual picture of the district and its many programs and services. These cost centers are defined as follows:

(1) Basic Education (Classroom Services)

Educational services for the district's 21,000 students are provided in fifteen elementary schools, five middle schools, and three comprehensive high schools. The basic education class room staffing allocation goal for each grade level has been established as follows:

K-3	21 students to 1 teacher (Range of 18 to 24)
4-5	25 students to 1 teacher (Range of 22 to 28)
6-8	25.5 students to 1 teacher (Range of 26 to 32 when adjusted for prep period)
9-12	26.0 students to 1 teacher (Range of 28 to 34 when adjusted for prep period)

The district offers a full program of basic education services to students. Each school is equipped with a library, counseling services, nursing services, and extra-curricular programs. The Teaching and Learning Department and Student Assessment Department work together to align the classroom curriculum with local, state and national learning goals.

Parent participation in the educational process is extremely high. Membership in PTSA is 100% in some schools and approaches this rate in most schools. Parental support is vital to the success of Issaquah School District.

The District offers the latest in technology to support student learning. Teachers are provided opportunities to learn how to use technology in the classroom to best enhance the learning environment. Equipment and software tools are upgraded on a continuous basis.

The district also provides many co-curricular and extra-curricular opportunities for students. These activities are designed to promote physical, intellectual and leadership development. In addition, students are able to participate in a Running Start Program that enables them to earn college credit for classes taken in high school while advancing their standing in higher education and in the pursuit of a future career.

(2) Basic Education (Support Services)

Support services for the district connects our many schools and programs through educational leadership and by providing the materials, equipment, facilities and other support needed for a quality educational environment. The departments in this cost center provide for the governance of the district, the hiring of 150-250 staff members each year, and maintaining the grounds and buildings to ensure a quality learning environment. Many of the items we all take for granted, such as heat, lights, water, telephones, insurance, warehousing services and data processing services are associated with support services.

(3) Special Education

The District serves over 1,850 special education students. These services are designed to provide an individualized educational program to meet the handicapping condition of each student. This is a quality program that results in many students meeting the same demanding curriculum standards as regular education students. The cost of the program is approximately \$29.5 million next year.

The District participated in an appeal to the State Supreme Court regarding the inadequate funding of special education programs. The district lost its case against the State, but still believes that the legislature should define special education as part of the basic education program, and require it to be fully funded under the parameters established in the state constitution. The district is budgeting \$6.1 million in the coming year to backfill the special education shortfall in funding created by the state's current funding formula.

(4) Echo Glen

The State of Washington contracts with the Issaquah School District to provide educational programs to serve the Echo Glen Children's Center for juvenile offenders. This program provides educational programs to approximately 110-140 students belonging to districts all around the State of Washington. This program is not a financial responsibility of the Issaquah School District and should be fully funded by the State of Washington.

(5) Food Services

The Food Service Program provides over 8,000 lunches to students and staff members every day. That is the equivalent of 1.4 million meals each year. The state and federal government provide minimal funding to support this program. Approximately 92% of the cost of this program is paid for from the fees charged for each meal served. This program represents \$5.43M of the total district operating budget.

(6) Transportation

Approximately 50% of the students ride the bus on any given day. This means that nearly 10,000 students ride the bus from home to school, and back home on a daily basis. The district has over 155 school buses that are operated and maintained by district employees and travel over 1.4 million miles each year. The cost of providing these services will be approximately 9.5 million dollars next year.

Like special education, transportation is defined as part of the basic education program; thus it is required to be fully funded by the state under the parameters established in the state constitution. The state currently funds approximately 88% of this obligation, leaving the other 12% to be funded from the local Maintenance and Operations (M&O) Levy. According to the State, they have fully funded the to/from school transportation model.

(7) Other Programs

The district provides a number of other educational programs including remediation in reading, assistance for English language learners, ROTC and traffic safety. The district also provides a before and after school child care program and night/summer school programs that are totally funded by tuition and fees charged for these services.

Budgetary Goals and Philosophy for 2018-19

The Board of Directors and Superintendent have established the primary goal of funding a comprehensive educational program that reflects overall community values and directs resources in support of the District Mission and Ends learning goals for students. This endeavor is to be accomplished within the parameters of:

- The District Mission, Executive Limitations, and Ends learning goals for students.
- A comprehensive educational program which reflects overall community values and interests and provides an equitable and balanced educational experience for all students.
- A comprehensive educational program balanced to reflect overall community values including the course capacity and opportunity for all students to take four years of mathematics, three years of lab-based science, take at least two years of world languages, and engage in social emotional learning
- Maintaining an unassigned fund balance of 3-7% of the general fund budget
- Establishing staff compensation and benefit levels that do not deviate materially from the local professional market, insofar as district resources allow
- Maintaining administrative costs at a level no higher than the King County average (Currently: 12.29%) for school districts. (Issaquah's admin expense is set for 9.26% in the 2018-19 Budget)
- Maintaining and managing the district's resources to protect district assets and guarantee the board's financial goals, including an annual review of program that is sufficient to determine how much local Educational Programs and Operations levy must be collected/rolled back.

Major Budget Drivers for 2018-19:

- State revenue increase of approximately **\$49 million**, as the legislature provided funding in an amount sufficient to remove the order of contempt from the Supreme Court.
 - The majority of this funding was driven out via an increase to the funding of salary amounts that are the largest portion of the state apportionment process.
- Projected enrollment growth of 400 new students.
- Loss of Local Levy Authority in 2018-19 of just under \$7 million
- Loss of an estimated \$850,000 as the calculation for a student FTE increases to 1665 minutes per week.
- \$2.5M in increased non-employee costs; fuel, commodities, insurance, and utilities.

Educational Program Investments for 2018-19:

- The District will be adding nearly 165 full time positions (totaling about \$16M) targeted strategically at our most needed areas;
 - \$3.2 million was provided for 7 additional Swedish Mental Health Counselors, 7.5 additional elementary counseling staff, 7.5 additional Positive Behavior Coaches, and 8 additional secondary counselors
 - \$1.3M was invested in lower class size at 3rd grade (adding 13 classroom staff)
 - \$1.3 M was allocated for increased elementary special education staffing adding 13 certificated staff
 - \$1.2 M has been invested in creating a mentor/staff induction program for certificated and classified staff
 - \$800,000 was provided to our three comprehensive high schools for lower class sizes (8 FTE)
 - \$500,000 for 4 FTE for additional school psychologists
 - \$500,000 for 5 additional ELL teachers
 - \$1M leveraged for TOSA's, Elementary Dual Languages and CTE

- \$1.3M for additional paraeducator support in General and Special Education
- 3 new family partnership liaison positions and increased in equity work totaling \$500,000
- \$1.8 million in additional operation positions (HVAC, Grounds, Custodian, Bus, Business office, Etc.)
- \$500,000 in additional building secretarial support
- \$2M in additional administrative and admin support positions.
- \$2M in increasing labor cost for settled bargaining agreements
- \$4.5M has been obligated for changes to the High School schedule/learning opportunities for students
- The remainder of the District resources will be used to settle our current and pending compensation demands.

Summary:

The 2018-19 has the greatest investments in program the District has ever been able to make. We have to thank the State for increasing funding, the local community for supporting our recent levy passage. Finally, thanks to the Board of Directors for providing stable governance and supporting the investments in our educational program that have been talked about for decades.

**ISSAQUAH SCHOOL DISTRICT
BOARD OF DIRECTOR'S BUDGET DEVELOPMENT GUIDELINES**

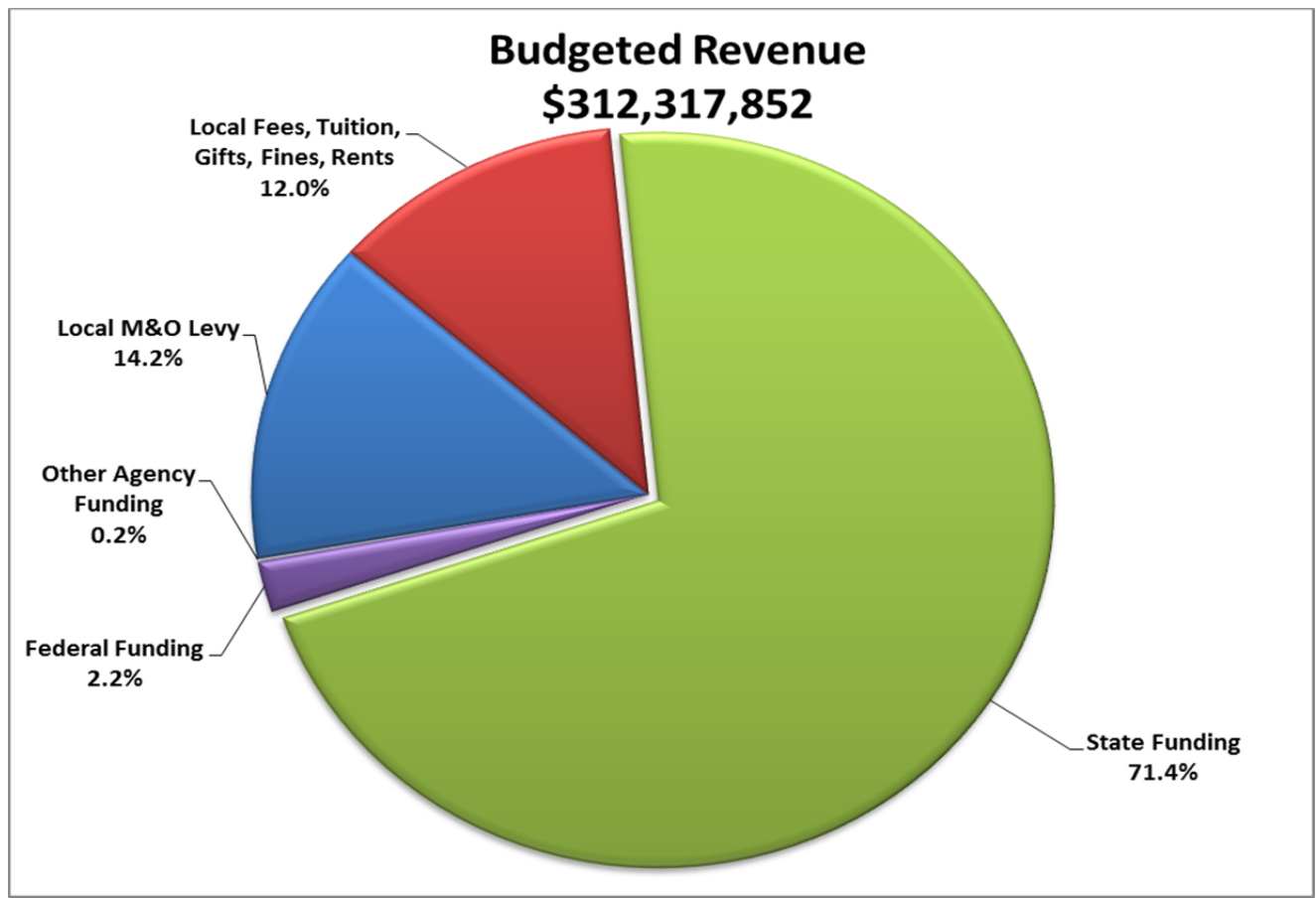
I. The budget should direct resources toward the support of:

- The District Mission, Executive Limitations, and Ends learning goals for students.
- A comprehensive educational program which reflects overall community values and interests and provides an equitable and balanced educational experience for all students.
- Overall growth in student learning toward state and federal learning targets, as well as growth for each of the disaggregated groups. This includes students working above standard.
- A comprehensive educational program balanced to reflect overall community values including the course capacity and opportunity for all students to take four years of mathematics, three years of lab-based science, at least two years of world languages, and engage in social emotional learning.

II. In directing District resources toward the accomplishment of the above, the following guidelines will be observed:

- Financial planning for any fiscal year, or the remaining part of any fiscal year, shall not deviate materially from the Board's Ends priorities, risk fiscal jeopardy, or fail to be derived from a multi-year plan, including the following specific requirements:
 - Maintain an unrestricted reserve fund of 3-7% of the general fund budget.
 - Maintain sufficient reserves for start-up operating costs associated with new schools.
 - Limit use of the Board-designated emergency reserve fund; (\$1,000,000) to emergency capital equipment and/or facility repair/replacement needs, and/or other unforeseen liabilities or expenses while maintaining the fund at an adequate level.
 - Annually, provide sufficient budget detail that will allow for the Board of Directors to determine the amount of revenue that must be collected or rolled-back from the local Educational Programs and Operations Levy to implement the Superintendent's enrichment recommendations.
- The Superintendent shall not cause or allow corporate assets to be unprotected, inadequately maintained, or unnecessarily risked.
- The Superintendent shall not provide less for Board prerogatives during the year than is set forth in Board policy entitled "Cost of Governance."
- With respect to employment, compensation, and benefits to employees, consultants, contract workers and volunteers, the Superintendent shall not cause or allow jeopardy to fiscal integrity or to public image. Further, the Superintendent shall:
 - not change the Superintendent's own compensation and benefits, except as his/her benefits are consistent with a package for all other employees.
 - not allow current compensation and benefits to deviate materially from the geographic and/or professional market for the skills employed, insofar as District resources allow.
 - not create obligations over a longer term than revenues can be safely projected or fail to establish provisions for modifying obligations in the event of revenue loss.

Where does the money come from? – Revenue



State Apportionment – The largest portion (71.4%) of the Issaquah School District’s general fund revenue comes directly from the state in the form of “state apportionment”. The amount received is determined by enrollment and a series of formula factors including legislatively set base salaries, employee benefits, and non-labor allocations.

The state also provides categorical funding for programs such as special education, pupil transportation, English as a second language, learning assistance, Echo Glen, and other educational enhancements. These revenues are received for specific programs and are not available for other purposes.

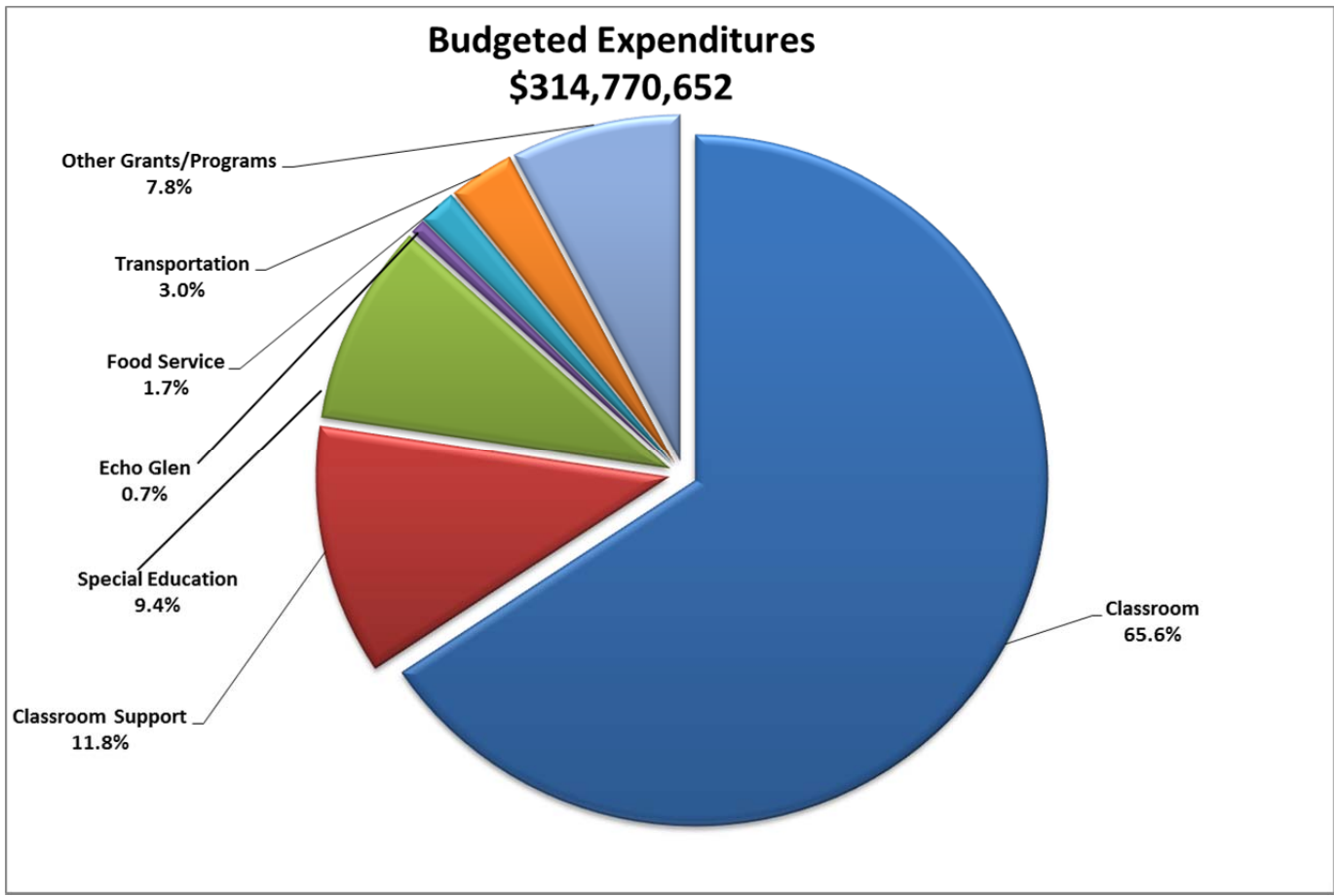
Local Levy – The local operations levy provides 14.2% of the district’s general fund revenues. The levy amount is capped by the legislature and must be approved by district voters in a special election every two to four years. The District’s levy authority has been reduced significantly as state revenue has grown. Local levy is now capped at \$2,500 per student or \$1.50/1000 of assessed value whichever is less.

Federal Funds – Federal categorical funds comprise 2.2% of district revenues. These monies fund supplemental special education programs, Head Start, Title I, and support free and reduced lunches in the food service program. These revenues may only be used for their specific program purpose.

Tuition and Fees – This 12.0% in local non-tax funds is generated by fee-based programs such as school lunches and before and after school care. Also included are investment interest earnings.

Other School District & Agency Funds – Payments from other districts for participation in joint programs and grants from non-state agencies account for 0.20% of budgeted revenues.

Where does the money go? – Expenditures



Classroom – 65.6% of the district budget is spent directly on the classroom (this excludes special education which is 9.4% of the budget). This includes expenditures for teachers, counselors, librarians, principals, educational assistants, teaching supplies, materials, textbooks, extra curricular programs, staff development, curriculum development, and technology support.

Classroom Support – Classroom support represents 11.8% of the district budget. It includes district administration, maintenance, custodial services, utilities, security, insurance, etc.

Special Education – 9.4% of the district budget is spent to assist children with special needs. 20.7% of this program (\$6.1 million) is funded from the local “Educational Programs and Operations levy”, and 15.4% is funded by the Federal government.

Echo Glen – The district runs the educational program for the state detention facility at Echo Glen. This program represents 0.70% of the district budget and is 100% funded by the state.

Food Service – This program represents 1.7% of the district budget and provides lunches for students at mid-day. The goal is for this program to be totally self-supporting.

Transportation – 3.0% of the district budget is used for the costs of transporting students between home and school for the regular school day. 88% of this program is now state funded.

Other Grants/Programs – 7.8% of the district budget goes to support special programs such as LAP, Traffic Safety and before and after school childcare. These programs are fully paid for from state and federal grants or fees paid by parents for services.

FUND 1 - GENERAL FUND Budget Summary

Beginning Fund Balance 9-1-2018

Reserve for Inventory	\$ 2,000,000	
Reserve for Uninsured Risks	500,000	
Restricted for Revenue Carryover	1,251,699	
Committed to Other Purposes	1,088,220	
Assigned to Contingencies	500,000	
Assigned to Other Purposes	14,500,000	
Unassigned Balance	13,160,081	
Total Beginning Fund Balance	33,000,000	\$ 33,000,000

Revenue:

M & O Levy	\$ 44,439,867	
Tuition/Fees/Gifts/Fines/Rents/Interest	37,431,066	
State Funding	222,975,842	
Federal Funding	6,994,362	
Other District/Agency Funds	476,715	
Total Revenue	312,317,852	312,317,852

Total Available Resources **\$ 345,317,852**

Expenditures:

Basic Education - Classroom	\$ 206,607,004	
Basic Education - Support Services	37,017,865	
Special Education	29,513,650	
Echo Glen	2,210,205	
Food Services	5,435,917	
Transportation	9,555,133	
Other Grants/Programs	24,430,878	
Total Expenditures	314,770,652	314,770,652

Ending Fund Balance 8-31-2019

Reserve for Inventory	\$ 2,000,000	
Reserve for Uninsured Risks	500,000	
Restricted for Revenue Carryover	1,479,273	
Committed to Other Purposes	1,088,220	
Assigned to Contingencies	500,000	
Assigned to Other Purposes	14,500,000	
Unassigned Balance	10,479,707	
Total Ending Fund Balance	30,547,200	\$ 30,547,200

General Fund - Used for recording day to day operational expenses of the school district.

Note: Although the budget shows a draw down of Fund Balance from \$33,000,000 to \$30,547,200 the district is actually projecting stable or flat year-end Fund Balance

Fund 1 - General Fund Budget Comparisons

Enrollment - October 1st

	Actual 2016-17	Budget 2017-18	Budget 2018-19	% Change
Elementary K-5	9,423.4	9,543.0	9,659.0	1.2%
Middle School 6-8	4,847.8	4,927.0	5,034.0	2.2%
High Schools 9-12	5,359.0	5,670.0	5,779.0	1.9%
Running Start (College Classes)	462.9	460.0	496.2	7.9%
Alternative Learning Enroll. (ALE)	10.0	7.5	6.1	-18.7%
Total Enrollment	20,103.1	20,607.5	20,974.2	1.8%

Budgeted Expenditures

	Actual 2016-17	Budget 2017-18	Budget 2018-19	% Change
Salaries and Benefits	\$ 182,443,362	\$ 214,793,715	\$ 258,345,641	20.3%
Supplies & Materials	11,237,411	15,526,822	16,780,703	8.1%
Contract Services	21,591,706	24,066,717	34,423,758	43.0%
Travel	297,030	448,789	516,167	15.0%
Capital Outlay	1,139,746	1,626,923	4,704,383	189.2%
Total Budgeted Expenses	\$ 216,709,255	\$ 256,462,966	\$ 314,770,652	22.7%

Staffing

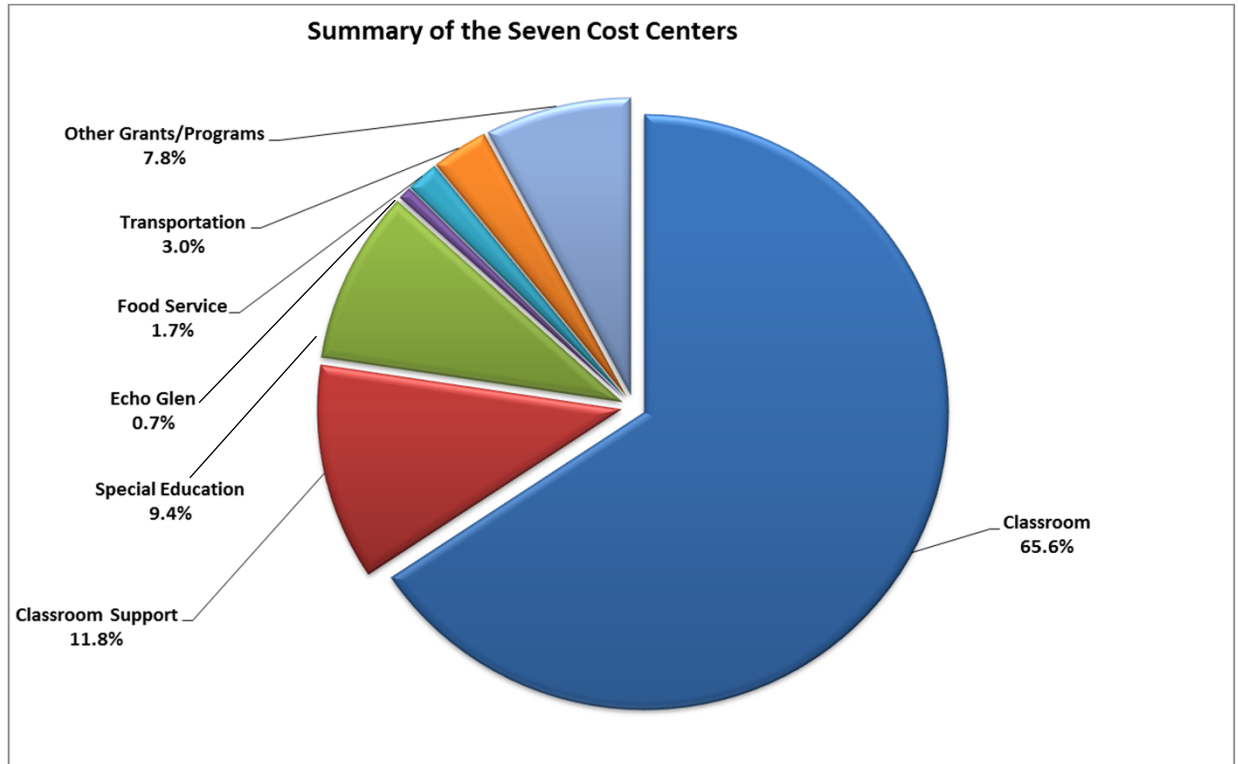
	Actual 2016-17	Budget 2017-18	Budget 2018-19	% Change
Certificated Staff	1,223.7	1,301.4	1,428.7	9.8%
Classified Staff	657.5	771.3	855.3	10.9%
Total Staff	1,881.2	2,072.7	2,284.0	10.2%

Summary of the Seven Cost Centers

	Totals	Debit/Credit Transfer	Salaries/ Benefits	Supplies & Materials	Contract Services	Travel	Capital Outlay	Cert FTE	Class FTE
Basic Ed. - Classroom	\$ 206,607,004	\$ 486,933	\$ 179,387,725	\$ 7,433,391	\$ 15,277,099	\$ 291,605	\$ 3,730,251	1,198.56	265.94
Basic Ed. - Support	37,017,865	2,508	23,024,572	1,701,376	11,534,611	87,584	667,214	5.00	217.19
Special Education	29,513,650	-	24,877,978	331,102	4,232,068	45,000	27,502	158.47	108.37
Echo Glen	2,210,205	2	2,093,233	31,358	73,102	8,500	4,010	10.00	8.35
Food Services	5,435,917	(587,000)	3,338,709	2,474,002	184,204	6,000	20,002	-	43.47
Transportation	9,555,133	(1,306,947)	8,184,836	1,222,000	1,413,744	13,000	28,500	-	87.62
Other Grants/Programs	24,430,878	1,404,504	17,438,628	3,587,454	1,708,920	64,468	226,904	56.70	124.39
Total Expenditure Summary	\$ 314,770,652	\$ -	\$ 258,345,681	\$ 16,780,683	\$ 34,423,748	\$ 516,157	\$ 4,704,383	1,428.73	855.32

Source of Funding

Local M&O Levy	\$ 44,439,867	14.1%
Local Fees, Tuition, Gifts, Fines, Rents, Interest	37,431,066	11.9%
State Funding	222,975,842	70.8%
Federal Funding	6,994,362	2.2%
Other Agency Funding	476,715	0.2%
Use of Fund Balance - (To) From	2,452,840	0.8%
Total Funding	\$ 314,770,692	100.0%



Basic Education - Classroom Services

	<u>Totals</u>	<u>Debit/Credit Transfer</u>	<u>Salaries/ Benefits</u>	<u>Supplies & Materials</u>	<u>Contract Services</u>	<u>Travel</u>	<u>Capital Outlay</u>	<u>Cert FTE</u>	<u>Class FTE</u>
Classroom	\$ 149,982,949	\$ 126,517 (2)	\$ 131,938,853	\$ 4,974,074 (2)	\$ 9,236,531 (2)	\$ 124,522 (2)	\$ 3,582,452 (2)	1,018.10 (1)	93.71
Extra Curricular	4,588,529	345,000 (3)	4,165,475	-	75,304	2,750	-	3.06	11.68
Student Assessment	894,085	-	753,381	40,200 (13)	92,502	2,002	6,000	2.00	2.00
Curriculum & Instruction	2,431,337	-	2,156,231	64,456	174,150 (5)	15,000 (5)	21,500	6.00 (11)	6.72
Technology Department	3,583,580	2	3,437,118	95,500 (6)	30,960 (6)	9,000	11,000	6.50	16.25
Tech Specialists	1,983,900	-	1,979,900	1,000	1,000	2,000	-	-	23.58
Certificated Web/Tech	2,269,275	(14)	2,194,275	-	75,000	-	-	-	-
Running Start/Payments	3,850,000	-	-	-	3,850,000	-	-	-	-
Library	3,753,415	-	3,128,520	603,981 (7)	15,446 (7)	538	4,930 (7)	25.90	0.69
Principal's Office	12,679,628	4,060	12,182,141	240,021 (2)	112,994 (2)	98,299 (8)	42,113 (2)	50.00	24.30
Guidance/Counseling	8,142,054	11,000	7,028,790	16,179	1,084,074 (15)	802	1,209	54.50 (10)	25.33
Student Mgmt/Safety	2,191,810	-	1,794,306	2	362,502 (9)	-	35,000	-	22.62
Health Services	4,772,601	2	4,701,596	29,359	27,442	4,200	10,002	22.50 (16)	32.07 (16)
Elem/Sec./CTE Directors	3,139,352	352	2,873,649	77,600	139,204	32,502	16,045	10.00 (12)	6.99 (12)
Prof Development (State)	1,053,490	-	1,053,490	-	-	-	-	-	-
Curriculum	1,291,039	-	-	1,291,039 (4)	-	-	-	-	-
Total Basic Ed	\$ 206,607,044	\$ 486,933	\$ 179,387,725	\$ 7,433,411	\$ 15,277,109	\$ 291,615	\$ 3,730,251	1,198.56	265.94

Source of Funding

Local M&O Levy	\$ 30,535,893	14.8%
Local Fees, Tuition, Gifts, Fines, Rents, Interest	12,140,921	5.9%
State Funding	159,720,825	77.3%
Federal Funding	108,900	0.1%
Other Agency Funding	-	0.0%
Use of Fund Balance - (To) From	4,100,505	2.0%
Total Funding	\$ 206,607,044	100.0%

Footnotes:

1. Student/Teacher Allocations: K-3 21:1; 4-5 25:1; 6-8 25.5 : 1; 9-12 26 : 1
2. Building Budgets: Elem. \$104.25 per student; Mid. Sch. \$105.85 per student; High Sch. \$114.52 per student, Voc Grant Reserve \$50,000, Reserve Budget Capacity
3. High School Sports/ASB Transportation
4. Textbook Adoptions, Curriculum Refurbishment, Enrollment Increase Textbooks
5. Staff Dev. Contracts, Orchestra Instrument Repair, 1st Aide Training, 5th Grade Arts Program
6. Supplies and contracts for operations, training, equipment repair
7. Building Budgets, Library Support
8. Principal Leadership Training on law, instruction, discipline, risk management human relations, sports, Title IX, evaluation, etc.
9. School Resource Officers
10. Counselors: Elem. .5 FTE; Middle School 2.0 FTE; High School 3 to 4 FTE
11. Asst. Supt of TLS 1.0 FTE, Ex. Dir, TLS Directors 2.0 FTE., & 3.0 FTE TOSA
12. Ed Directors, Counseling and CTE Dir., Library/Counseling Time, Support Staff
13. Testing and Scoring of Assessments
14. Technology training and Web Presence for Certificated Staff
15. Contracted Mental Health Counseling Services
16. Nurses, Health Room Techs, and PBSES Support

Basic Education - Support Services

	<u>Totals</u>	<u>Debit/Credit Transfer</u>	<u>Salaries/ Benefits</u>	<u>Supplies & Materials</u>	<u>Contract Services</u>	<u>Travel</u>	<u>Capital Outlay</u>	<u>Cert FTE</u>	<u>Class FTE</u>
Board of Directors	\$ 705,956	\$ 4	\$ -	\$ 19,352	\$ 661,100	(1) \$ 22,000	\$ 3,500	-	-
Superintendent's Office	1,335,393	4	1,247,389	16,000	56,502	9,500	5,998	2.00	2.66
Business Office	2,677,529	1,000	2,477,571	77,002	(2) 102,956	(3) 7,500	11,500	-	18.98 (13)
Human Resources	2,166,456	1,000	1,932,450	27,502	167,004	(4) 21,000	17,500	3.00	8.29
Public Relations	611,428	-	438,728	24,000	(11) 135,200	(11) 3,500	10,000	-	2.57
Supervision of Cust/Maint	507,537	-	453,935	30,850	8,272	7,980	6,500	-	3.15
Grounds Dept.	2,295,670	-	1,687,666	146,000	(5) 210,000	(6) 2,000	250,004	-	17.93
Custodial Dept.	8,630,201	500	7,841,945	607,552	(7) 57,504	2,500	120,200	-	104.86 (12)
Maintenance Dept.	4,657,038	-	2,909,632	617,000	(8) 922,906	(8) 2,500	205,000	-	27.88 (14)
Utilities	5,945,453	-	99,506	-	5,845,947	(9) -	-	-	0.86
Plant Security	80,622	-	620	4,000	76,000	-	2	-	-
Insurance	2,019,711	-	-	-	2,019,711	-	-	-	-
Data Processing	2,189,673	-	1,101,121	5,000	1,056,052	(10) 5,500	22,000	-	8.11
Printing	10,560	-	560	-	10,000	(11) -	-	-	-
Warehouse	458,447	-	427,760	24,002	4,085	100	2,500	-	4.66
Motor Pool	457,597	-	397,593	42,004	17,000	-	1,000	-	4.00
Operations Coord.	388,863	-	354,409	9,100	21,354	2,000	2,000	-	2.25
Emergency Preparedness	177,413	-	22,309	40,002	112,602	500	2,000	-	-
Construction Dept.	1,518,738	-	1,518,698	10	16	4	10	-	10.00
Telecomm Operations	183,580	-	112,680	12,000	50,400	1,000	7,500	-	1.00
Total Support Services	\$ 37,017,865	\$ 2,508	\$ 23,024,572	\$ 1,701,376	\$ 11,534,611	\$ 87,584	\$ 667,214	5.00	217.19

Source of Funding

Local M&O Levy	\$ 5,471,128	14.8%
Local Fees, Tuition, Gifts, Fines, Rents, Interest	1,624,346	4.4%
State Funding	28,617,243	77.3%
Federal Funding	-	0.0%
Other Agency Funding	-	0.0%
Use of Fund Balance - (To) From	1,305,148	3.5%
Total Funding	\$ 37,017,865	100.0%

Footnotes:

1. Audit Fees, Election Expenses, Legal Fees, Policy Governance and Board Professional Development
2. Postage, Software, Purchase Orders, Warrants, Forms, Paper, etc.
3. Unemployment Claims Contract, King County Banker Fees, Software, Copiers
4. EAP Program, Sub-System, Advertising, Finger Printing, Flex Plan, Legal Fees
5. Fuel, Lumber, Irrigation Parts, Sand/Gravel, Play Grd. Chips, Fertilizer
6. Asphalt Repair, Fencing, Tree Removal, Pest Management, Pond/Drain Cleaning
7. Soap, Waxes, Hand Towels, Toilet Paper, Garbage Liners, etc.
8. HVAC, Lights, Painting, Plumbing, Fire Alarm and Elevator Permits
9. Power, Natural Gas, Water/Sewer, Telephones, Data and Waste Disposal
10. Systems Support and Training – Student Records and Financial Management Systems (Payroll, Purchasing, Accts. Payable/Receivable, HR, Budget, Inventories, etc.)
11. News Letter; Community/Staff Communications; Surveys; Printing; Postage; Paper; etc.
12. Custodians: Elem. 2.0-3.0 FTE; Middle School 3.5-4 FTE; High Schools 0.5- 9.0 FTE
13. CFO/COO, Exec Director of Fin/Building Supp, Admin Asst, Budget Analyst, Controller
4.0 Accts. Pay., Accts. Rec., Purchasing Director, Pur. Sec., Inventory, Payroll Dir.,
3.0 Cert. Payroll, 2 Class. Payroll, 2 Health Benefits, 1.0 Accountant
14. Maintenance: 3 Carpenters, 4 Electricians, 7 HVAC, 5 Painters, 3 Plumbers,
1 Locksmith, 1 Boiler Specialist

Special Education

	<u>Totals</u>	<u>Debit/Credit Transfer</u>	<u>Salaries/ Benefits</u>	<u>Supplies & Materials</u>	<u>Contract Services</u>	<u>Travel</u>	<u>Capital Outlay</u>	<u>Cert FTE</u>	<u>Class FTE</u>
Supervision	\$ 1,608,903	-	1,400,399	19,502	155,502 (1)	25,000	8,500	5.00	3.55 (7)
Guidance/Counseling	2	-	2	-	-	-	-	-	-
Health	6,319,177	-	5,458,477	90,500 (2)	750,200 (3)	10,000	10,000	45.87 *	6.70
Classroom	21,385,566	-	18,019,100	221,100 (5)	3,126,364 (6)	10,000	9,002	107.60 (4)	98.13
Payment to Other Districts	200,002	-	-	-	200,002	-	-	-	-
Total Special Ed	\$ 29,513,650	\$ -	\$ 24,877,978	\$ 331,102	\$ 4,232,068	\$ 45,000	\$ 27,502	158.47	108.37

Source of Funding

Local M&O Levy	\$ 6,107,713	20.7%
Local Fees, Tuition, Gifts, Fines, Rents, Interest	-	0.0%
State Funding	18,862,740	63.9%
Federal Funding	4,543,197	15.4%
Other Agency Funding	1	0.0%
Use of Fund Balance - (To) From	(1)	0.0%
Total Funding	\$ 29,513,650	100.0%

* Health Cert. Staffing FTE

Psychologists	18.30
OT/PT	9.00
Speech/Communication	18.57
Total	45.87

Footnotes:

1. Placement/IEP Hearing Fees, IEP Software
2. Unique Needs, testing materials, supplies for Psych, OT, PT, SLP and Nurses
3. Contracts for Psych, OT, PT and Other Related Services
4. PS – 12:1; LRC I Elem 27:1; LRC I Mid. Sch./High Sch. 30:1
LRC II Elem/Mid. Sch. 10:1; LRC II High Schools 12:1
5. Special Education classroom materials
6. Out of District Placements (i.e. Overlake, San Marcos, Fairfax, HW Hearing)
Birth thru 2, ESY, etc.) Federal Grant Reserve \$750,000
7. Asst. to Director, Grant/Staffing/Budget Secretary, IEP Secretaries

Echo Glen

	<u>Totals</u>	<u>Debit/Credit Transfer</u>	<u>Salaries/ Benefits</u>	<u>Supplies & Materials</u>	<u>Contract Services</u>	<u>Travel</u>	<u>Capital Outlay</u>	<u>Cert FTE</u>	<u>Class FTE</u>
Principals Office	\$ 318,057	\$ -	\$ 315,671	\$ 880	\$ 500	\$ 1,000	\$ 6	1.00	1.00
Library/Tech	50,677	-	47,125	3,450	100	-	2	-	0.55
Student Mgmt/Safety	111,329	-	111,329	-	-	-	-	-	1.50
Health	118,466	-	117,666	800	-	-	-	1.00	-
Classroom	1,611,676	2	1,501,442	26,228	72,502 (1)	7,500	4,002 (2)	8.00	5.30
Total Echo Glen	\$ 2,210,205	\$ 2	\$ 2,093,233	\$ 31,358	\$ 73,102	\$ 8,500	\$ 4,010	10.00	8.35

Source of Funding

Local M&O Levy	\$ -	0.0%
Local Fees, Tuition, Gifts, Fines, Rents, Interest	-	0.0%
State Funding	2,041,356	92.4%
Federal Funding	327,357	14.8%
Other Agency Funding	-	0.0%
Use of Fund Balance - (To) From	(158,508)	-7.2%
Total Funding	\$ 2,210,205	100.0%

Footnotes:

1. Grant Reserve \$60,000
2. Computers, Desks and Equipment

Food Service

	<u>Totals</u>	<u>Debit/Credit Transfer</u>	<u>Salaries/ Benefits</u>	<u>Supplies & Materials</u>	<u>Contract Services</u>	<u>Travel</u>	<u>Capital Outlay</u>	<u>Cert FTE</u>	<u>Class FTE</u>
Supervision	\$ 381,936	\$ -	\$ 356,534	\$ 7,700	\$ 13,200	\$ 4,500	\$ 2	-	2.57
Food	1,978,000	-	-	1,978,000	-	-	-	-	-
Commodities	419,002	-	-	290,000	129,002	-	-	-	-
Cooks/Servers	3,243,979	-	2,982,175	198,302	(1) 42,002	(2) 1,500	20,000	-	40.90
Transfers	(587,000)	(587,000)	-	-	-	-	-	-	-
Total Food Services	\$ 5,435,917	\$ (587,000)	\$ 3,338,709	\$ 2,474,002	\$ 184,204	\$ 6,000	\$ 20,002	-	43.47

Source of Funding

Local M&O Levy	\$ -	0.0%
Local Fees, Tuition, Gifts, Fines, Rents, Interest	4,991,581	91.8%
State Funding	3,000	0.1%
Federal Funding	988,900	18.2%
Other Agency Funding	-	0.0%
Use of Fund Balance - (To) From	(547,564)	-10.1%
Total Funding	\$ 5,435,917	100.0%

Footnotes:

1. Paper and Cleaning Supplies
2. Health Permits, Point of Sale Software
3. Managers, Bakers, Food Assistants, Cashiers

Transportation

	<u>Totals</u>	<u>Debit/Credit Transfer</u>	<u>Salaries/ Benefits</u>	<u>Supplies & Materials</u>	<u>Contract Services</u>	<u>Travel</u>	<u>Capital Outlay</u>	<u>Cert FTE</u>	<u>Class FTE</u>	
Supr/Training/Dispatch	\$ 887,338	\$ 802	\$ 814,534	\$ 32,500	\$ 26,502	(1) \$ 8,000	\$ 5,000	-	6.74	(6)
Bus Operations	8,700,585	-	6,729,885	861,500	(2) 1,091,200	(3) 3,000	15,000	-	74.88	(7)
Mechanics	1,075,821	-	640,417	328,000	(4) 96,904	(5) 2,000	8,500	-	6.00	
Insurance	199,138	-	-	-	199,138	(8) -	-	-	-	
Transfers	(1,307,749)	(1,307,749)	-	-	-	-	-	-	-	
Total Transportation	\$ 9,555,133	\$ (1,306,947)	\$ 8,184,836	\$ 1,222,000	\$ 1,413,744	\$ 13,000	\$ 28,500	-	87.62	

Source of Funding

Local M&O Levy	\$ 725,133	7.6%
Local Fees, Tuition, Gifts, Fines, Rents, Interest	430,000	4.5%
State Funding	8,400,000	87.9%
Federal Funding	-	0.0%
Other Agency Funding	-	0.0%
Use of Fund Balance - (To) From	-	0.0%
Total Funding	\$ 9,555,133	100.0%

Footnotes:

1. Physicals, Drug/Alcohol Testing, CDL Licensing, Versatrans Software
2. Fuel
3. Charter Services, Mckinney V, CDL Testing, Physicals
4. Parts, Tires, Tools, Grease/Oil, Filters, Lights, etc.
5. Major Contracted Repairs (Engines/Transmissions)
6. Director, 2 Asst. Dir, Secretary, Payroll Routing Secretary, Trainer, Dispatch/Versatrans, Supervisor of Bus Drivers
7. Bus Drivers
8. Insurance

Other Grants/Programs

	<u>Totals</u>	<u>Debit/Credit Transfer</u>	<u>Salaries/ Benefits</u>	<u>Supplies & Materials</u>	<u>Contract Services</u>	<u>Travel</u>	<u>Capital Outlay</u>	<u>Cert FTE</u>	<u>Class FTE</u>
Title I/LAP	\$ 2,008,420	\$ 25,010	\$ 1,885,076	\$ 83,828	(2) \$ 11,506	(2) \$ 3,000	\$ -	17.60	(1) -
Teacher Quality	403,292	(3) -	403,284	4	2	2	-	3.50	-
Teacher Asst./Prof. Standards	12,399	-	12,399	-	-	-	-	-	-
State Pilot Programs	1,127,694	(9) -	1,002,678	14	125,000	(8) 2	-	-	-
Head Start	600	-	600	-	-	-	-	-	-
English as 2nd Language	2,830,633	-	2,761,361	60,108	5,660	2,004	1,500	27.10	(4) 2.17
NROTC	253,818	-	209,818	4,500	36,500	(8) 3,000	-	-	2.00
Traffic Safety	130,403	(5) -	86,203	5,600	2,100	1,500	35,000	-	-
Summer/Night School	248,795	(5) 2,000	226,195	4,500	16,000	100	-	-	-
Gifted	657,497	(6) -	566,243	86,154	3,050	2,000	50	7.50	-
Gifts/Grants	3,618,055	(10) 92	825,057	2,507,746	283,596	1,510	54	1.00	8.04
School Age Care	13,139,272	(7) 1,377,402	9,459,714	835,000	1,225,506	51,350	190,300	-	112.17
Other	-	-	-	-	-	-	-	-	-
Total Grants/Programs	\$ 24,430,878	\$ 1,404,504	\$ 17,438,628	\$ 3,587,454	\$ 1,708,920	\$ 64,468	\$ 226,904	56.70	124.39

Source of Funding

Local M&O Levy	\$ 1,600,000	6.5%
Local Fees, Tuition, Gifts, Fines, Rents, Interest	18,244,218	74.7%
State Funding	5,330,678	21.8%
Federal Funding	1,026,008	4.2%
Other Agency Funding	476,714	2.0%
Use of Fund Balance - (To) From	<u>(2,246,740)</u>	-9.2%
Total Funding	<u>\$ 24,430,878</u>	100.0%

Footnotes:

1. 0.5 to 2.5 teachers per bldg. based on poverty factor and % meeting standard;
2. Title I required "set asides"
3. Teacher training – Aligns curriculum across grade spans - TOSA FTE
4. Cert/Class distributed based on number of ELL students served.
5. TSE and summer school self supporting
6. Expended for purpose money is given
7. School Age Care is self supporting
8. Grant Reserve(s) - \$75,000 and \$35,000 (NROTC)
9. Budget Capacity for National Board Stipend (State Pass Through)
10. Budget Capacity for potential gifts & Donations

Fund 2 - Capital Projects Fund Budget Summary

Beginning Fund Balance 9-1-2018		\$ 250,000,000
Revenue:		
Local Property Tax	\$ 15,736,100	
Investment Earnings	1,200,007	
Rental Fees/Misc.	17,002	
Impact Fees	1,365,002	
Bond Premium/Subsidy	539,000	
Sale of Bonds	100,000,002	
Total Revenue		<u>118,857,113</u>
Total Available Resources		\$ 368,857,113
Expenditures:		
Sites	\$ 65,000,000	
Buildings	234,500,000	
Equipment	10,500,000	
Instructional Tech	4,500,000	
Debt (Arbitrage)	<u>100,000</u>	
Total Expenditures		<u>314,600,000</u>
Ending Fund Balance 8-31-2019		<u><u>\$ 54,257,113</u></u>

Capital Projects Fund - Used for the acquisition of school sites, the construction of new schools, or the renovation of existing schools.

Fund 3 - Debt Service Fund Budget Summary

Beginning Fund Balance 9-1-2018		\$ 15,000,000
Revenue:		
Local Property Tax	\$ 53,261,432	
Investment Earnings	92,731	
State, General Purpose	40,002	
Total Revenue		53,394,165
Total Available Resources		\$ 68,394,165
Expenditures:		
Bonds Redeemed	\$ 21,205,000	
Interest on Bonds	29,988,803	
Transfer Fees	200,010	
Total Expenditures		51,393,813
Ending Fund Balance 8-31-2019		<u>\$ 17,000,352</u>

Debt Service Fund - Pays the principal and interest payments on outstanding bonds which were sold to pay for building new schools and remodeling existing schools.

Fund 4 - Associated Student Body Fund Budget Summary

Beginning Fund Balance 9-1-2018		\$ 2,600,000
Revenue:		
General ASB	\$ 6,623,452	
Athletics	2,049,250	
Classes	274,140	
Clubs	1,446,400	
Private Monies	265,200	
Total Revenue	10,658,442	
Total Available Resources		\$ 13,258,442
Expenditures:		
General ASB	\$ 6,179,822	
Athletics	2,430,490	
Classes	293,840	
Clubs	1,499,090	
Private Monies	255,200	
Total Expenditures	10,658,442	
Ending Fund Balance 8-31-2019		<u><u>\$ 2,600,000</u></u>

Associated Student Body Fund - A special fund used for student activities in student government, athletic programs, classes, and clubs.

Fund 5 - Transportation Vehicle Fund Budget Summary

Beginning Fund Balance 9-1-2018		\$ 3,600,000
Revenue:		
Local Property Tax	\$ 1,050,095	
Investment Earnings	20,001	
State Depreciation Reimbursement	1,716,984	
Other Financing Sources	<u>2</u>	
Total Revenue		<u>2,787,082</u>
Total Available Resources		\$ 6,387,082
Expenditures:		
School Bus Purchases		<u>4,247,381</u>
Ending Fund Balance 8-31-2019		<u><u>\$ 2,139,701</u></u>

Transportation Vehicle Fund - Used exclusively for the purchase of school buses for student transportation.

Administrative Costs 2018-19 F-195 (Budget)

	Actual King County Dist. Average <u>2016-17</u>	Actual Issaquah <u>2016-17</u>	Budget Issaquah <u>2018-19</u>
11 Board of Directors	0.28%	0.24%	0.22%
12 Superintendents Office	0.53%	0.37%	0.55%
13 Finance Office	0.99%	0.94%	0.85%
14 Human Resources	0.91%	0.63%	0.69%
15 Public Relations	0.22%	0.20%	0.19%
21 Supervision-Instruction	2.32%	1.98%	2.05%
41 Supervision-Food Service	0.19%	0.15%	0.12%
51 Supervision-Transportation	0.38%	0.32%	0.28%
61 Supervision-Maintenance/Operations	0.25%	0.24%	0.16%
Total Central Administration	<u>6.07%</u>	<u>5.07%</u>	<u>5.12%</u>
23 Building Administration	6.22%	4.44%	4.14%
Total Central & Building Admin.	<u><u>12.29%</u></u>	<u><u>9.51%</u></u>	<u><u>9.26%</u></u>

**Issaquah School District
2018-19
Enrollment Projections**

FTE GRADE	FTE PROJECTION							2019-20	2020-21	2021-22	FTE 2022-23
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19				
K	650.50	653.50	693.50	661.00	1407.50	1446.90	1446.51	1370.65	1406.38	1397.83	1396.18
1ST	1360.80	1489.00	1494.00	1547.15	1482.50	1561.40	1611.02	1610.19	1529.76	1565.23	1556.37
2ND	1467.10	1413.81	1552.00	1557.68	1623.30	1535.10	1616.84	1671.59	1670.27	1589.19	1621.29
3RD	1496.40	1526.00	1477.50	1615.00	1609.10	1691.10	1589.92	1675.37	1729.03	1726.60	1646.59
4TH	1440.20	1498.02	1544.70	1547.78	1649.90	1641.00	1715.82	1624.43	1712.96	1760.02	1756.82
5TH	1448.00	1477.23	1555.10	1582.37	1603.60	1680.00	1677.98	1757.63	1663.28	1751.96	1795.61
6TH	1361.80	1461.96	1511.70	1599.50	1626.30	1627.00	1705.31	1710.60	1789.80	1693.11	1778.87
7TH	1447.40	1391.33	1490.90	1551.60	1625.70	1655.30	1651.21	1733.26	1738.34	1815.03	1718.24
8TH	1338.80	1463.01	1432.30	1519.60	1584.80	1650.50	1677.33	1679.50	1758.93	1763.40	1838.39
9TH	1412.10	1343.78	1494.60	1472.40	1565.00	1629.10	1677.17	1713.27	1716.30	1794.99	1797.59
10TH	1353.10	1403.63	1351.60	1488.80	1474.70	1546.10	1617.97	1670.35	1703.49	1705.72	1781.75
11TH	1225.40	1233.44	1292.40	1166.50	1290.20	1243.00	1370.66	1435.94	1474.11	1504.98	1507.22
12TH	1145.60	1110.26	1115.30	1135.80	1063.10	1165.30	1114.39	1242.96	1306.26	1349.78	1376.43
TOTAL - FTE	17147.20	17464.97	18005.60	18445.18	19605.70	20071.80	20472.13	20895.74	21198.90	21417.85	21571.36
K-5TH	7863.00	8057.56	8316.80	8510.98	9375.90	9555.50	9658.08	9709.87	9711.67	9790.84	9772.86
6TH-8TH	4148.00	4316.30	4434.90	4670.70	4836.80	4932.80	5033.85	5123.35	5287.07	5271.54	5335.50
9TH-12TH	5136.20	5091.11	5253.90	5263.50	5393.00	5583.50	5780.20	6062.52	6200.16	6355.46	6463.00
TOTAL - FTE	17147.20	17464.97	18005.60	18445.18	19605.70	20071.80	20472.13	20895.74	21198.90	21417.85	21571.36
Running Start	223.99	227.00	294.40	311.04	381.00	475.00	475.00	475.00	475.00	475.00	475.00
Total FTE	17371.19	17691.97	18300.00	18756.22	19986.70	20546.80	20947.13	21370.74	21673.90	21892.85	22046.36
Growth		320.78	608.03	456.22	1230.48	560.10	400.33	423.61	303.16	218.94	153.51

Note: First six years reflect actual enrollments on Oct. 1st.
Last five years reflect projected enrollments on Oct. 1st.
Running Start per August 31 - 1191E