

Yakima School District



2019/20 Preliminary Budget

June 25, 2019



Budget Highlights

State Allocations:

- Inflationary adjustment based on the Implicit Price Deflator is 1.99%
- 2.0% increase Materials Supplies and Operating Costs
- Decrease of \$(7.9)M for K-3 class size compliance requirement
- \$1.1M SPED increase in revenues
- Change in levy formula had neutral impact for 19/20 due to implementation and collection % cycle
- YSD did not receive regionalization dollars
- YSD did not receive Staff Mix Formula adjustment
- State Employee Benefits Board health insurance program was adopted



Budget Highlights (cont.)

- Out of balance condition of: **(\$15,012,010)**
- An estimated ending fund balance of \$10.1M; contains unreserved amount of 1.25%
- The projected enrollment is 15,962 Annual Average Full Time Equivalent (AAFTE) which is a 62 FTE decrease from the 2018/19 budget.
- Certificated salaries increased 10.49%
- Classified salaries increased 7.71%
- Benefits increased 7.4%
- Special Education costs increased \$1.3M
- Phase two of the Davis auditorium expansion at \$2.5M is NOT in the budget
- Maintenance projects of \$6M are deferred

Budget Highlights (cont.)

- Teaching & Learning Curriculum adoption budget is reduced to \$500K
- Technology Budgets reduced \$450K
- 2.0% salary increase and latest offers for unfinished bargains included in the budget
- Legal costs increased \$675K
- Food Service estimated deficit \$1.1M

Teaching & Learning Focus for 2019-20

- **Academic Achievement**

- Focus on Instruction
 - Knowledge of standards and expectations
 - Inquiry Cycles
 - Formative Assessment
- Intentionality to individual student needs: EL, SWD, HiCap
- New Science Curriculum
 - Continued implementation of StemScopes: P-5
 - Year 1 implementation of StemScopes: Grades 6-8
 - Year 1 implementation of Science Techbook: Grades 9-12

- **Job-Embedded Coaching**

- Intentional use of Instructional Facilitators
- Intentional and differentiated use of Professional Development Specialists

- **Efficiency and Effectiveness of Instructional Leadership Teams (ILT)**
 - District Level
 - Building Level
 - Content/Grade Level
- **Social/Emotional Support**
 - PBIS: Positive Behavior Intervention and Supports
 - Continued refinement of Building Student Education Teams (B-SET)
 - Continued improvement of Tier I and Tier II implementation
 - Community Partnerships



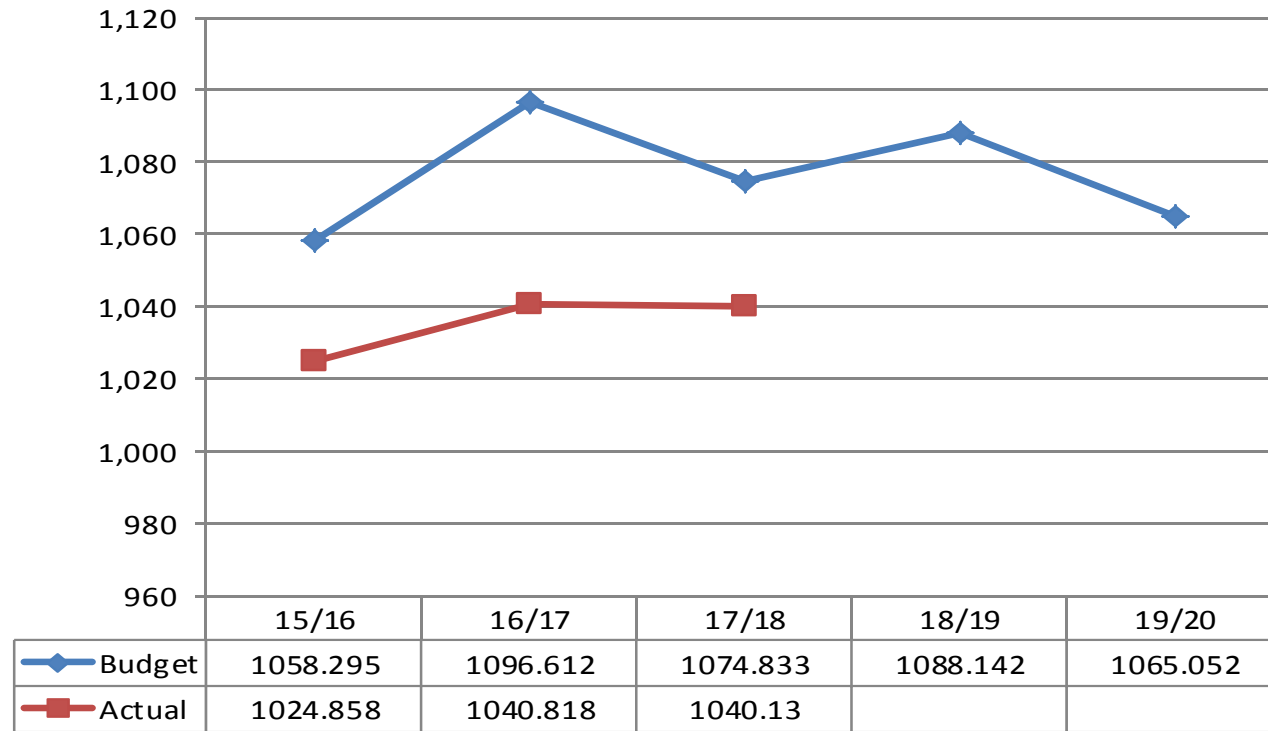
Student Enrollment

	Actual 2015/16	Actual 2016/17	Actual 2017/18	Actual 2018/19	Budget 2019/20
Kindergarten	1,301.20	1,244.15	1,224.80	1,215.00	1,214.00
Grade 1	1,308.82	1,268.70	1,189.48	1,218.40	1,201.00
Grade 2	1,309.06	1,275.95	1,245.02	1,167.00	1,189.00
Grade 3	1,329.93	1,281.25	1,258.61	1,240.20	1,164.00
Grade 4	1,220.12	1,301.20	1,272.43	1,254.97	1,238.00
Grade 5	1,141.39	1,206.76	1,285.60	1,266.09	1,245.00
Grade 6	1,177.88	1,117.39	1,173.07	1,257.34	1,235.00
Grade 7	1,087.42	1,147.63	1,116.70	1,171.38	1,260.00
Grade 8	1,091.84	1,071.05	1,143.93	1,098.47	1,167.00
Grade 9	1,282.41	1,278.86	1,141.17	1,250.05	1,197.00
Grade 10	1,149.38	1,254.05	1,178.76	1,137.54	1,253.00
Grade 11	1,051.07	1,158.56	1,280.73	1,217.62	1,188.00
Grade 12	1,125.07	1,216.53	1,319.48	1,158.11	1,085.00
Running start	107.83	123.25	119.51	128.45	130.00
Dropout Reengagement	59.43	83.52	81.30	77.43	80.00
ALE	145.67	134.49	126.92	121.80	116.00
Total	15,888.52	16,163.34	16,157.51	15,979.85	15,962.00

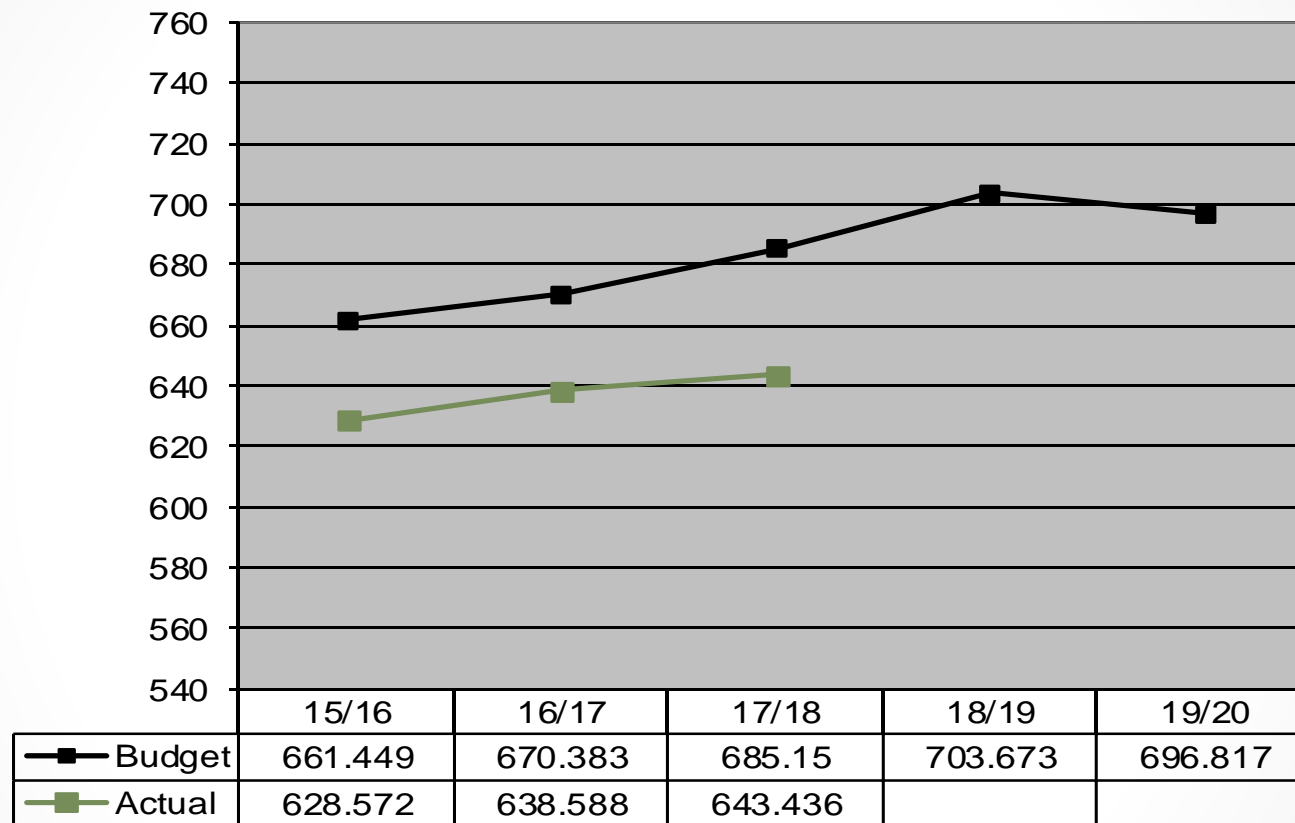
FTE BY BARGAINING GROUP

Association	FTE Budget 2018-19	FTE Budget 2019-20
Directors	28.0000	31.0000
Exempt	4.0000	4.0000
OSG (Office Support Group)	13.0000	13.0000
PSE (Food Services)	60.9509	60.6711
Superintendent	4.0000	5.0000
Technology	16.0000	18.0000
Transportation	27.2387	26.3314
YABS (Yakima Association of Building Services)	85.0000	84.0000
YAP (Yakima Association of Paraeducators)	249.0480	247.6153
YEA (Yakima Education Association)	1017.7420	988.1420
YEOP (Yakima Education Office Professionals)	113.6447	111.3978
YMA (Yakima Maintenance Association)	29.0000	30.0000
YPA (Yakima Principals Association)	54.0000	55.0000
YPTA (Yakima Professional Technical Association)	90.6398	89.3441
TOTAL BUDGET FTE	1792.2641	1763.5017

Staffing– Certificated FTE



Staffing – Classified FTE



2019-20 PRELIMINARY BUDGET

ANALYSIS OF THE ACTUAL REVENUE AND EXPENDITURES

DESCRIPTION	REVENUE	EXPENDITURES	Over/(Under)
REGULAR INSTRUCTION		117,217,674	
DISTRICT WIDE SUPPORT SERVICES		29,113,273	
	110,906,179	146,330,947	(35,424,768)
SPECIAL EDUCATION	27,897,755	35,771,995	(7,874,240)
CAREER & TECHNICAL EDUCATION	10,378,823	10,378,827	(4)
SKILLS CENTER INSTRUCTION	4,426,675	4,259,128	167,547
LAP (INCLUDING HIGH POVERTY ENHANCEMENT)	11,632,474	11,632,474	(0)
BILINGUAL	6,476,688	6,476,702	(14)
HIGHLY CAPABLE	370,049	370,050	(1)
FEDERAL GRANTS	14,209,934	14,209,976	(42)
OTHER STATE GRANTS/PROGRAMS	5,391,820	6,066,243	(674,423)
LOCAL GRANTS	81,200	0	81,200
FOOD SERVICES PROGRAM	9,538,539	10,719,726	(1,181,187)
PUPIL TRANSPORTATION OPERATIONS	3,875,311	3,699,905	175,406
LEVY	10,798,910		10,798,910
LOCAL EFFORT ASSISTANCE	17,010,751		17,010,751
MISCELLANEOUS LOCAL REVENUES	891,445		891,445
FEDERAL GRANT INDIRECTS	182,722		182,722
LAP, BILINGUAL, HIGHLY CAPABLE INDIRECTS	1,452,148		1,452,148
OTHER STATE GRANTS INDIRECTS	82,541		82,541
Subtotal	\$235,603,963	\$249,915,973	(\$14,312,010)
TRANSFER TO DEBT SERVICE FUND (LEVY)			(700,000)
TOTALS	\$235,603,963	\$249,915,973	(\$15,012,010)
ESTIMATED BEGINNING FUND BALANCE	\$25,180,000		
	(\$15,012,010)		
ESTIMATED ENDING FUND BALANCE	\$10,167,990		

Fund Balance History

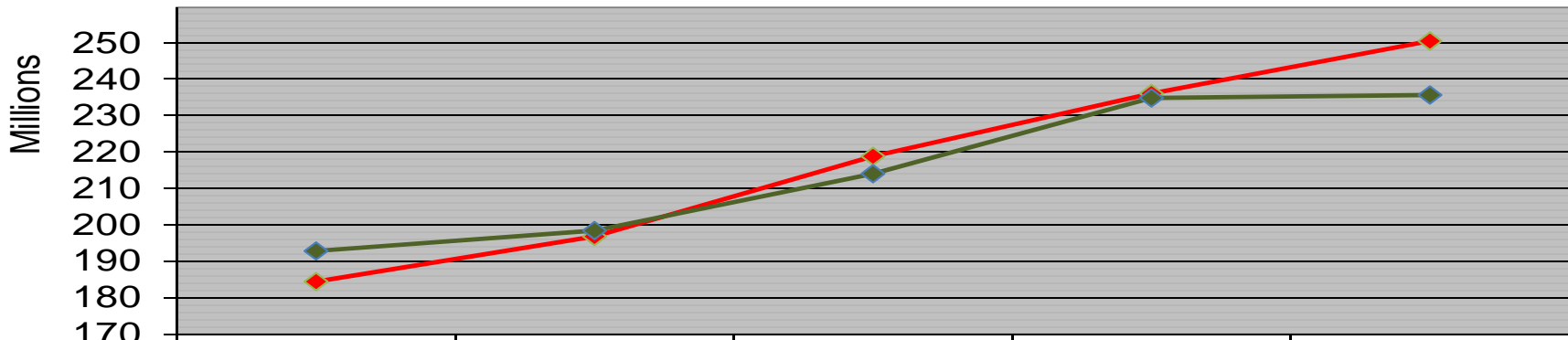
	Jan	Feb	Mar	Apr	May	June	July	Aug
2018-19	23,146,057	24,075,092	24,982,544	29,735,123	28,965,253			
2017-18	20,163,680	18,860,574	18,012,499	23,659,467	26,434,247	20,008,474	20,366,126	18,739,775
2016-17	27,484,583	26,098,760	25,536,678	30,699,123	33,731,932	26,523,417	25,916,035	24,322,498
2015-16	19,389,965	17,437,277	18,962,577	24,226,331	27,308,816	21,749,342	23,711,325	24,588,570
2014-15	8,024,865	5,897,896	6,320,451	10,370,564	21,126,716	15,828,349	16,667,223	15,849,428
2013-14	19,079,672	17,454,469	15,792,171	20,681,360	23,170,830	18,024,662	18,984,598	11,827,276
2012-13	23,680,676	21,593,572	18,083,417	20,593,708	22,591,587	18,747,197	18,340,873	19,241,742
2011-12	25,088,005	22,200,962	22,014,696	25,941,229	27,898,403	25,302,415	24,772,063	25,327,178
2010-11	23,529,492	21,550,834	19,870,131	23,611,539	27,830,461	21,677,960	24,026,564	28,569,015
2009-10	17,426,234	16,036,206	15,733,088	16,343,106	19,315,960	16,584,725	17,318,027	25,353,138
2008-09	9,751,973	9,389,803	8,728,397	11,642,355	14,873,134	8,185,540	9,325,352	13,342,639
2007-08	8,718,287	7,274,112	7,261,478	9,768,857	11,459,144	9,043,214	8,857,992	11,693,505
2006-07	10,253,697	10,131,588	8,838,666	10,582,724	11,910,454	9,806,686	9,026,049	10,870,194
2005-06	9,390,984	9,308,426	9,096,448	11,431,516	12,454,607	10,211,320	9,699,924	11,875,212
2004-05	7,856,626	7,874,893	7,403,893	9,601,202	10,287,401	8,723,139	7,599,140	9,109,128
2003-04	7,624,989	6,514,297	7,702,475	9,505,095	10,792,608	8,938,201	8,737,898	9,252,872
2002-03	3,780,804	3,056,474	3,128,537	5,519,564	6,507,425	4,233,125	3,812,384	6,713,863

General Fund Recap



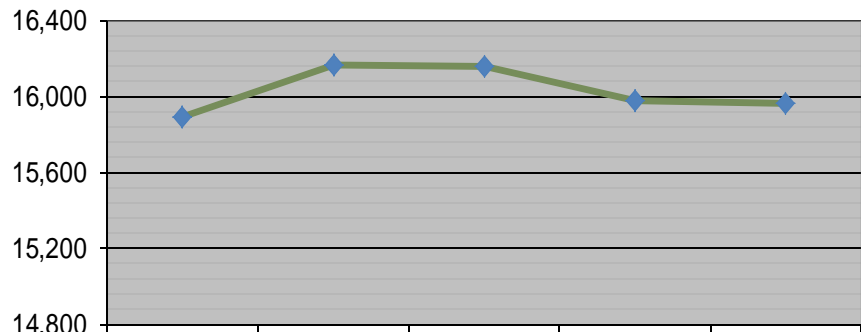
	Actual 2015/16	Actual 2016/17	Actual 2017/18	Budget 2018/19	Budget 2019/20
Beginning Fund Balance	\$15,849,428	\$24,588,570	\$24,322,498	\$20,776,646	\$25,180,000
Revenue	\$192,828,399	\$198,161,254	\$214,049,997	\$235,013,788	\$235,603,963
Expenditures	(\$181,712,069)	(\$196,771,377)	(\$218,975,842)	(\$235,439,617)	(\$249,915,973)
Transfer to Capital Projects	(\$1,900,000)	(\$1,000,000)			
Transfer to Debt Service	(\$477,188)	(\$655,950)	(\$656,879)	(\$700,000)	(\$700,000)
Ending Fund Balance	\$24,588,570	\$24,322,497	\$18,739,775	\$19,650,817	\$10,167,990
Percentage of Expenditures	13.53%	12.36%	8.56%	8.35% <i>*Fund Balance is subject to negotiations</i>	4.07% <i>*Fund Balance is subject to negotiations</i>

Expenditures / Revenue



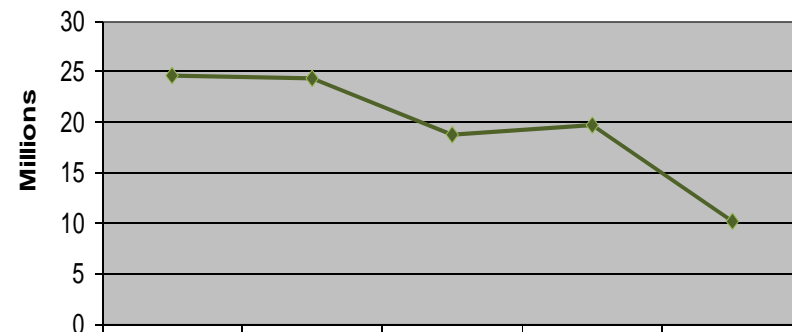
	2015/16 Actual	2016/17 Actual	2017/18 Actual	2018/19 Budget	2019/20 Budget
Expenses	184,089,257	196,771,377	218,975,842	236,139,617	250,615,973
Revenue	192,828,399	198,161,254	214,049,997	235,013,788	235,603,963

Enrollment



	2015/16 Actual	2016/17 Actual	2017/18 Actual	2018/19 Budget	2019/20 Budget
Enrollment	15,889	16,163	16,158	15,980	15,962

Fund Balance



	2015/16 Actual	2016/17 Actual	2017/18 Actual	2018/19 Budget	2019/20 Budget
Fund Balance	24,588,570	24,322,498	18,739,775	19,650,817	10,167,990

4 YEAR FORECAST GENERAL FUND

	19/20	20/21	21/22	22/23
Enrollment	15,962	16,059	16,065	16,065
Estimated Beg. Fund Balance	\$25,180,000	\$10,167,990	(\$2,965,501)	(\$16,349,520)
Levy Revenue	\$10,771,484	\$13,612,239	\$14,152,023	\$14,486,149
LEA Revenue	\$17,010,751	\$16,890,400	\$16,958,810	\$17,244,048
All Other Revenue	\$207,821,728	\$211,978,163	\$216,217,726	\$220,542,080
Total Revenue	\$235,603,963	\$242,480,802	\$247,328,559	\$252,272,277
Expenditures	(\$249,915,973)	(\$254,914,292)	(\$260,012,578)	(\$265,212,830)
Transfer to Debt Services	(\$700,000)	(\$700,000)	(\$700,000)	(\$700,000)
Net Revenue/Expenditures : Over/(Under)	(\$15,012,010)	(\$13,133,491)	(\$13,384,019)	(\$13,640,553)
Estimated Ending Fund Balance	\$10,167,990	(\$2,965,501)	(\$16,349,520)	(\$29,990,073)

Why is the budget not balanced?

1. Salary and benefits exceed state funding allocations
2. Student enrollment continues to decline
3. The K-3 class size reduction compliance formula was implemented
4. Materials Supplies & Operating Costs (MSOC) funding allocations do not keep pace with actual increases
5. Special Education costs exceed state & federal funding allocations and continue to grow at a higher rate than the revenue
6. The Levy and Local Effort Assistance formula change will not increase revenues until the 20/21 school year
7. Legal costs have increased
8. Food Service costs projected to exceed revenues

ASB Fund Recap

The ASB fund is financed, in part, by the establishment and collection of fees from students and non-students as a condition of their attendance at any optional non-credit extracurricular event of the district. As a special revenue fund, the ASB fund is under the control, supervision, and approval of the Board of Directors, and the school district legally owns the resources accounted for in the ASB fund.



	Actual 2015/16	Actual 2016/17	Actual 2017/18	Budget 2018/19	Budget 2019/20
Beginning Fund Balance	\$435,580	\$472,238	\$527,991	\$472,003	\$536,313
Revenue	\$726,759	\$829,118	\$715,468	\$959,053	\$1,074,586
Expenditures	(\$690,101)	(\$773,364)	(\$688,381)	(\$977,843)	(\$1,091,863)
Ending Fund Balance	<u>\$472,238</u>	<u>\$527,991</u>	<u>\$555,078</u>	<u>\$453,213</u>	<u>\$519,036</u>

Debt Service Fund

Washington State law requires that a fund be established in the county treasury for the redemption of outstanding bonds and payment of interest. The County Treasurer also handles disbursement for the district.

Provisions must be made annually for the making of a levy sufficient to meet payment of principal and interest. The County Treasurer holds collected levy monies in authorized interest earning accounts and/or securities until bond maturity or interest payment date.

Expenditures include payments for:

\$ 91,380,000 voted debt

\$ 6,230,000 non-voted debt

Debt Service Fund Recap



Debt Service

	Actual 2015/16	Actual 2016/17	Actual 2017/18	Budget 2018/19	Budget 2019/20
Beginning Fund Balance	\$7,281,254	\$8,586,513	\$9,862,805	\$11,085,254	\$12,208,000
Revenue	\$8,288,864	\$8,355,236	\$8,256,759	\$9,190,840	\$8,697,750
Other Financing Sources	\$220,741		\$656,879		
Transfer From General Fund	\$477,188	\$655,950	\$0	\$0	\$700,000
Expenditures	(\$7,681,533)	(\$7,734,894)	(\$7,852,410)	(\$9,430,000)	(\$9,680,000)
Ending Fund Balance	<u>\$8,586,513</u>	<u>\$9,862,805</u>	<u>\$10,924,032</u>	<u>\$10,846,094</u>	<u>\$11,925,750</u>

*Includes \$6,935,365 Bond Sinking Fund

Capital Projects Fund Recap

The Capital Projects Fund includes all monies and resources set aside for the construction of buildings, certain purchases of new equipment, conducting energy audits, and making capital improvements to buildings. The Capital Projects Fund also pays for the replacement of roofs, carpets, and services systems. This fund usually includes the proceeds of the sale of bonds, state matching funds where applicable, transfers from the General Fund, special levies, and investment earnings.



	Actual 2015/16	Actual 2016/17	Actual 2017/18	Budget 2018/19	Budget 2019/20
Beginning Fund Balance	\$8,314,335	\$8,161,155	\$4,701,523	\$3,729,205	\$1,721,295
Revenue	\$3,588,142	\$733,400	\$542,032	\$0	\$2,020,000
Other Financing Sources					
Transfer From General Fund	\$1,900,000	\$1,000,000	\$0	\$0	\$0
Expenditures	(\$5,641,322)	(\$5,193,032)	(\$1,967,404)	(\$2,580,000)	(\$2,500,000)
Ending Fund Balance	\$8,161,155	\$4,701,523	\$3,276,152	\$1,149,205	\$1,241,295

Facilities Maintenance Outlook

PROJECT TYPE	2019	2020	2021	2022	2023	2024-2035
Asphalt Preservation	\$135,000.00	\$710,000.00	\$145,000.00	\$155,000.00	\$185,000.00	\$5,545,000.00
Athletic Track	\$75,000.00	\$1,295,000.00	\$55,000.00	\$65,000.00	\$75,000.00	\$7,475,000.00
Carpentry & Painting	\$355,000.00	\$420,000.00	\$355,000.00	\$200,000.00	\$230,000.00	\$1,069,000.00
Concrete	\$271,000.00	\$488,000.00	\$389,000.00	\$466,500.00	\$369,000.00	\$2,081,000.00
Davis		\$370,000.00		\$35,000.00		\$2,500,000.00
Eisenhower		\$255,000.00	\$260,000.00			\$40,000.00
Flooring	\$147,000.00	\$275,000.00	\$255,000.00	\$325,000.00	\$335,000.00	\$955,000.00
HVAC	\$113,000.00	\$1,597,400.00	\$1,215,400.00	\$1,014,400.00	\$1,023,400.00	\$5,945,600.00
Plumbing	\$300,000.00	\$278,000.00	\$210,000.00	\$375,000.00	\$55,000.00	\$1,260,000.00
Projectors		\$225,000.00	\$150,000.00	\$150,000.00	\$150,000.00	\$870,000.00
Roofing	\$1,092,000.00	\$490,000.00	\$470,000.00	\$416,000.00	\$226,400.00	\$10,828,000.00
Security	\$125,000.00	\$260,000.00				\$0.00
TOTAL	\$2,613,000.00	\$6,663,400.00	\$3,504,400.00	\$3,201,900.00	\$2,648,800.00	\$38,568,600.00

Transportation Vehicle Fund Recap

The Transportation Vehicle Fund is provided to account for the state reimbursement to school districts for depreciation of approved school busses, and for the purchase and major repair of pupil transportation equipment.



	Actual 2015/16	Actual 2016/17	Actual 2017/18	Budget 2018/19	Budget 2019/20
Beginning Fund Balance	\$606,422	\$1,166,237	\$892,879	\$707,664	\$763,000
Revenue	\$540,337	\$523,822	\$553,571	\$545,000	\$568,000
Other Financing Sources	\$19,478	\$3,810	\$6,000		
Transfer From General Fund					
Expenditures	\$0	(\$800,991)	(\$739,250)	(\$1,200,000)	(\$1,300,000)
Ending Fund Balance	\$1,166,237	\$892,879	\$713,200	\$52,664	\$31,000