

Yakima School District



2018/19 Final Budget

August 21, 2018

Executive Summary

Overview

The Yakima School District's Roadmap serves as the district's strategic plan and outlines our goals, targets and areas of focus. Our District Goals provide accountability in ensuring our students are career and college ready as they graduate and leave our system.



Budget Process

Board Policy 1000.2.4 "Financial Planning/Budgeting" establishes the budget framework. Budget Development Parameters are established annually to guide the discussion and analysis to establish the budget.

Budget Highlights

State Allocations:

- Increase to fully fund McCleary decision
- Inflationary index allocation begins in 2019/20
- 1.9% increase Materials Supplies and Operating Costs
- \$10.5M reallocation for K-3 high poverty class size no compliance required
- \$4.1M SPED increase
- \$2.7M increase Vocational & Skill Center programs; indirects allowed now only 5%
- 3.3% / 3.1% salary increase included in the budget



Budget Highlights con't

- Getting closer to a balanced budget; \$(1,125,830)
- All agreements are open for salary impacts and no settlements to date
- Phase two of the Davis auditorium expansion at \$2.5M is NOT in the budget
- An estimated ending fund balance of \$19.6M; contains unreserved amount of 5.3% meets the minimum fund balance stated in Board Policy 1000.2.3(3) ***Fund Balance is subject to negotiations**
- The projected enrollment is 16,026 Annual Average Full Time Equivalent (AAFTE) which is a 209 increase from the 2017/18 budget.
- State apportionment is increased by approximately \$18 million.
- The local levy of \$10.6 million is a decrease of \$3.3M
- Local Effort Assistance is \$17.4 million a decrease of \$1.3M

"Building Community through Education"

The Yakima School District creates hope for the future by preparing all students to be constructive members of the community, society and the world, and to live productive, satisfying lives. Each student will graduate with the skills necessary for success in work, school and life.

Graduation

Career and College Ready



21st Century Teaching and Learning

Mastery of the Basics and Beyond

Each student will integrate technology and demonstrate academic language acquisition early in the mastery of basic academic concepts in order to achieve long-term success in the core areas of reading, writing, math, science, and social studies.



Early Learning

Innovation and Creative Expression

Each student will demonstrate innovation and artistic expression beginning early and throughout the educational process, resulting in creative problem-solving, creative thinking, and an increased appreciation for the arts.

Relevance and Connections

All students benefit when they and their families experience high levels of relevant connection within their schools and within the broader community.



Alignment of Resources

The Yakima School District and its schools will make efficient and effective use of resources, including district-identified, research-based instructional best practices, careful expenditures of funds, teacher and staff talent, and time.



Teaching and Learning Environment

Schools will be safe, secure, healthy, and mutually respectful teaching and learning environments.



Teaching & Learning Focus for 2018-19

- **District Strategic Committees**
 - District Level Lens
 - District Instructional Leadership Team
 - District Committees-Vertical Teams
 - Administrative Cohorts
 - Building Level
 - Instructional Leadership Teams (ILT)
 - Building Committees-Vertical teams
 - Content/Grade Level teams
- **Intentional Aggregated and Disaggregated Data Reviews**
 - Focus on increasing Student Achievement by meeting District Goals through specific, targeted assessments administered to all students within a grade level.
 - Connecting aggregate and disaggregated data by gender, race, ethnicity and program to building school improvement plans, district improvement plan and board goals for both accountability and compliance.

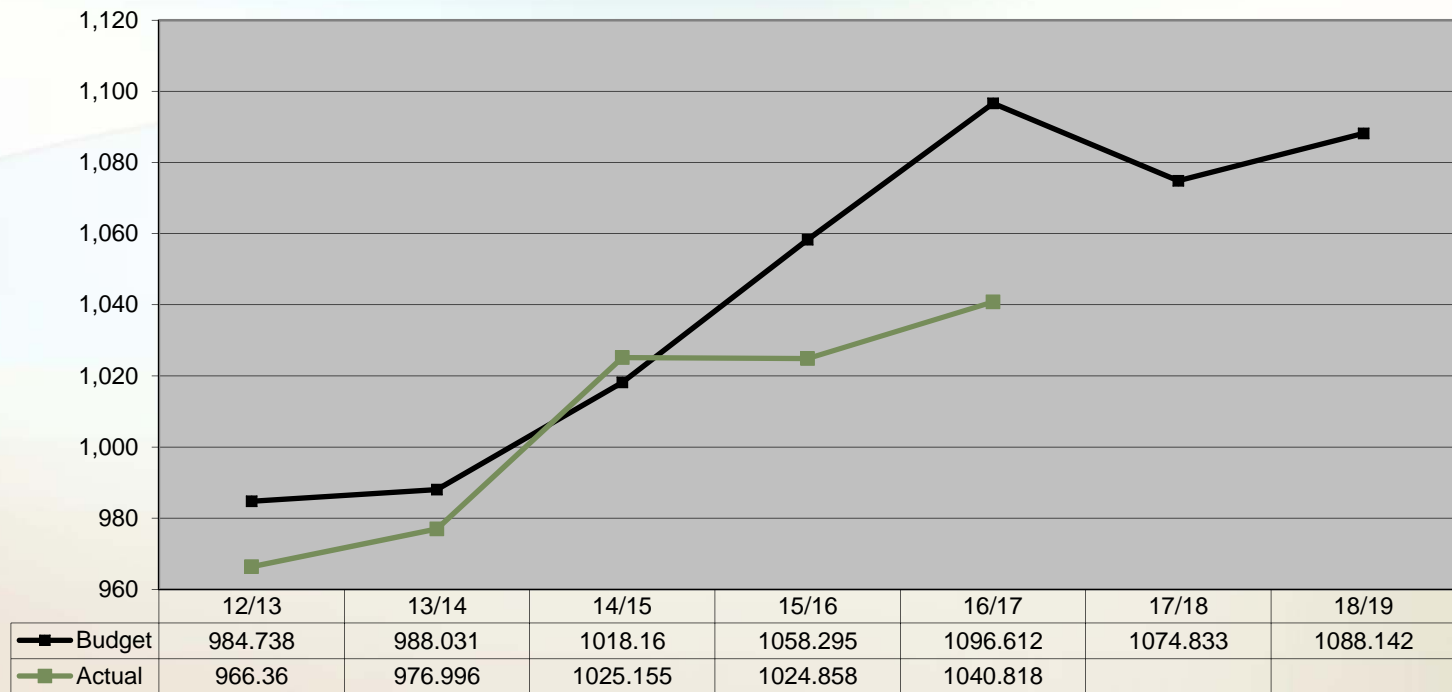
- **Student Support**

- PBIS: Positive Behavior Intervention and Supports
 - Continued refinement of Tier I building-wide student supports to ensure consistency and predictability for all of our students
 - Development of Tier II and Tier III supports to meet the needs of our students who need additional assistance
 - Refinement of Building Student Education Teams (BSET)
- Social Emotional Support
 - Student Life Program Manager
 - Three (3) Social-Emotional Specialists at the Elementary Level
 - Three (3) Social-Emotional Specialists at the Secondary Level
 - One Social-Emotional Specialist focusing on all sites
 - Board Certified Behavior Analyst Program Manager
- Community Partnerships
 - Increasing opportunities for collaboration with Community agencies.

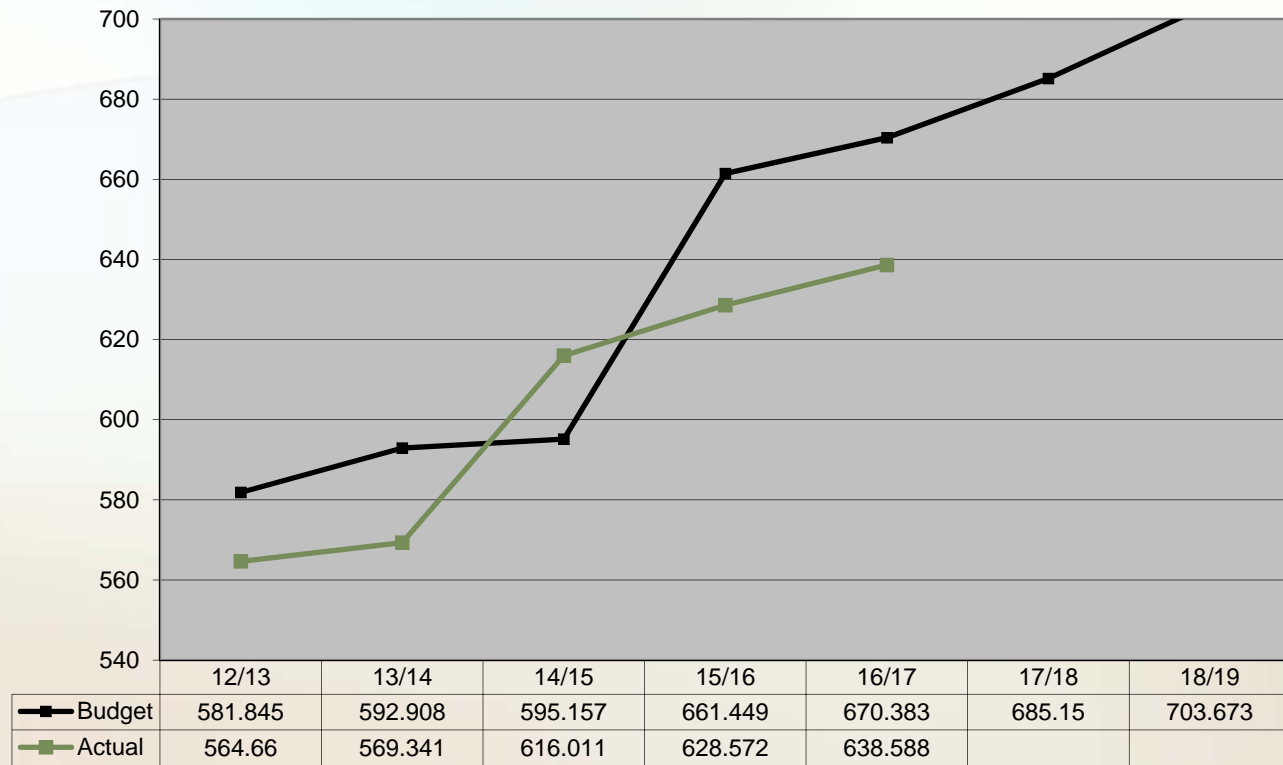
Student Enrollment

	Actual 2014/15	Actual 2015/16	Actual 2016/17	Budget 2017/18	Budget 2018/19
Kindergarten	1,340.77	1,301.20	1,244.15	1,214.00	1,214.00
Grade 1	1,316.00	1,308.82	1,268.70	1,209.00	1,183.00
Grade 2	1,351.20	1,309.06	1,275.95	1,229.00	1,179.00
Grade 3	1,240.53	1,329.93	1,281.25	1,246.00	1,238.00
Grade 4	1,152.85	1,220.12	1,301.20	1,250.00	1,265.00
Grade 5	1,176.40	1,141.39	1,206.76	1,281.00	1,276.00
Grade 6	1,096.17	1,177.88	1,117.39	1,181.00	1,275.00
Grade 7	1,104.29	1,087.42	1,147.63	1,085.00	1,181.00
Grade 8	1,141.75	1,091.84	1,071.05	1,128.00	1,127.00
Grade 9	1,149.59	1,282.41	1,278.86	1,197.00	1,238.00
Grade 10	1,133.86	1,149.38	1,254.05	1,188.00	1,174.00
Grade 11	1,055.64	1,051.07	1,158.56	1,171.00	1,138.00
Grade 12	1,234.40	1,125.07	1,216.53	1,108.00	1,205.00
Running start	110.93	107.83	123.25	122.00	121.00
Dropout Reengagement	31.18	59.43	83.52	84.00	84.00
ALE	154.47	145.67	134.49	124.00	128.00
Total	15,790.03	15,888.52	16,163.34	15,817.00	16,026.00

Staffing – Certificated FTE



Staffing – Classified FTE



General Fund Revenue & Expenditure Executive Summary

2018-19 FINAL BUDGET ANALYSIS OF THE PROJECTED REVENUE AND EXPENDITURES

DESCRIPTION	REVENUE	EXPENDITURES	Excess/ (Deficit)
BASIC EDUCATION PROGRAMS - LEVY & STATE FUNDED			
<i>REGULAR INSTRUCTION</i>		\$105,514,767	
<i>DISTRICT WIDE SUPPORT SERVICES</i>		\$29,913,139	
	\$139,271,531	\$135,427,906	\$3,843,625
SPECIAL EDUCATION - LEVY & STATE FUNDED	\$27,236,167	\$32,757,575	(\$5,521,408)
VOCATIONAL EDUCATION INSTRUCTION	\$11,115,702	\$10,611,186	\$504,516
SKILLS CENTER INSTRUCTION	\$4,995,052	\$4,880,786	\$114,266
STATE & FEDERAL GRANTS & SELF-FUNDED PROGRAMS	\$39,077,341	\$38,093,512	\$983,829
FOOD SERVICES PROGRAM	\$9,538,539	\$10,079,849	(\$541,310)
PUPIL TRANSPORTATION OPERATIONS	\$3,779,455	\$3,588,803	\$190,652
TOTALS	\$235,013,787	\$235,439,617	(\$425,830)
TRANSFER- DEBT SERVICE FUND			(\$700,000)
NET REVENUES / (EXPENDITURES)			(\$1,125,830)

Expenditures by Program

PROGRAM	Actual 2014/15	Actual 2015/16	Actual 2016/17	Budget 2017/18	Budget 2018/19
Regular Instruction (00)	\$83,940,333	\$84,353,562	\$94,144,616	\$103,197,546	\$105,514,838
% of Total Budget	46.4%	46.4%	48.0%	46.6%	44.8%
Special Education State (20)	\$20,847,738	\$23,034,218	\$25,049,159	\$28,116,288	\$32,757,555
% of Total Budget	11.5%	12.7%	12.7%	12.7%	13.9%
Vocational Instruction (30)	\$6,900,352	\$6,909,676	\$6,910,335	\$7,844,315	\$10,611,174
% of Total Budget	3.8%	3.8%	3.5%	3.6%	4.5%
Skills Center Instruction (40)	\$4,016,847	\$3,862,673	\$4,005,088	\$3,880,502	\$4,880,784
% of Total Budget	2.2%	2.1%	2.0%	1.8%	2.1%
Compensatory Programs (50/60)	\$23,497,617	\$26,001,247	\$25,076,736	\$28,304,760	\$29,982,370
% of Total Budget	13.0%	14.3%	12.7%	12.8%	12.7%
Other Instructional Programs (70)	\$839,645	\$1,017,035	\$1,233,872	\$7,410,180	\$7,490,874
% of Total Budget	0.5%	0.6%	0.6%	3.4%	3.2%
Community Services (80)	\$387,397	\$391,347	\$427,980	\$458,020	\$620,240
% of Total Budget	0.2%	0.2%	0.2%	0.2%	0.3%
Support Services (90)	\$40,485,999	\$36,142,311	\$39,923,591	\$41,634,284	\$43,581,782
% of Total Budget	22.4%	19.9%	20.3%	18.9%	18.5%
TOTAL EXPENDITURES	\$180,915,928	\$181,712,069	\$196,771,377	\$220,845,895	\$235,439,617

Expenditures By Object...

Certificated Salaries – salary for persons who hold a professional education certificate issued by the Office of Superintendent of Public Instruction

Classified Salaries – salary for person in positions that are not certificated, such as para-educators, office/clerical staff, bus drivers, cooks, maintenance staff and custodians

Employee Benefits – employee payroll-generated benefits and employer taxes, including Social Security, Medicare, state retirement, unemployment insurance, workers' compensation, and health care

OBJECT	Actual 2014/15	Actual 2015/16	Actual 2016/17	Budget 2017/18	Budget 2018/19
2 - Certificated Salaries	\$73,898,232	\$75,923,827	\$83,201,876	\$87,364,637	\$90,796,545
% of Total Budget	40.86%	41.78%	43.29%	39.56%	38.56%
3 - Classified Salaries	\$27,028,924	\$28,412,183	\$29,787,187	\$31,865,213	\$34,104,241
% of Total Budget	14.94%	15.64%	14.87%	14.43%	14.49%
4 - Employee Benefits	\$38,849,230	\$42,133,869	\$44,845,220	\$50,855,962	\$53,604,765
% of Total Budget	21.47%	23.19%	22.39%	23.03%	22.77%
TOTAL	\$139,776,387	\$146,469,879	\$157,834,284	\$170,085,813	\$178,505,552

Expenditures By Object...

Supplies/Materials – supplies, instructional resources - expendable and consumed in use such as textbooks, computers and related supplies, office supplies, on-line assessment and testing

Purchased Services – services from independent contractors or service providers (not district employees) that are rendered to the school district under expressed or implied contracts, i.e., training consultants for staff development, conference registration, and printer/copier repair

OBJECT	Actual 2014/15	Actual 2015/16	Actual 2016/17	Budget 2017/18	Budget 2018/19
5 - Supplies / Materials	\$10,464,443	\$9,881,806	\$11,949,050	\$19,946,009	\$19,928,724
% of Total Budget	5.78%	5.44%	5.97%	9.03%	8.46%
7 - Purchased Services	\$21,953,563	\$22,674,305	\$25,568,262	\$25,602,196	\$35,511,893
% of Total Budget	12.13%	12.47%	12.77%	11.59%	15.08%
TOTAL	\$32,418,006	\$32,556,111	\$37,517,312	\$45,548,205	\$55,440,617

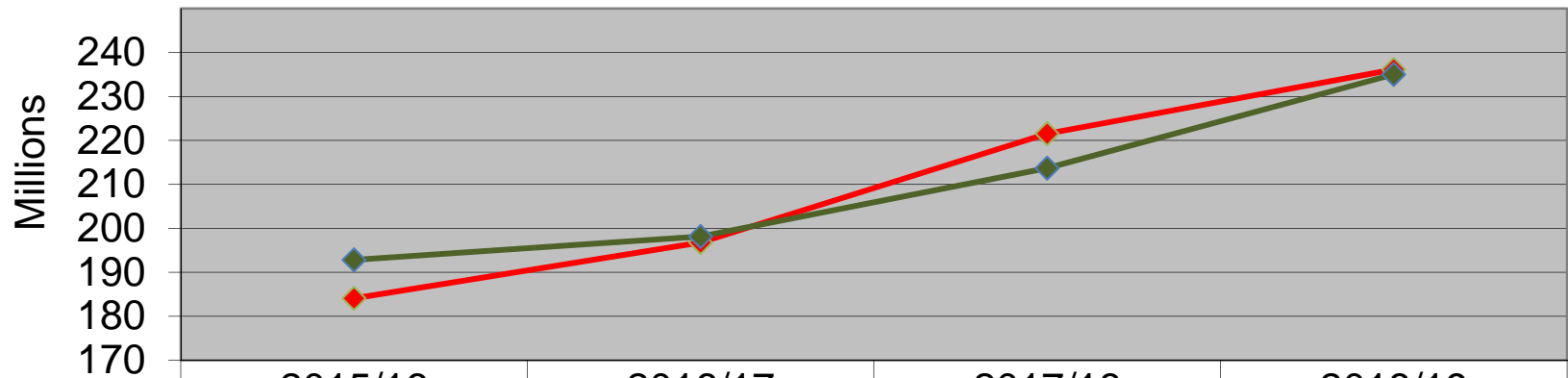
Expenditures By Object...

Travel – travel authorized by policies of the school district. Does not include pupil transportation.

Capital Outlay – capitalized equipment and improvements to buildings and/or grounds infrastructure. Equipment is defined as an item having a useful life of more than one year, such as lawn mowers, snow blowers, district vehicles. Improvement to buildings and/or grounds are defined as those expenditures that materially increase the value or useful life of the building or grounds facility.

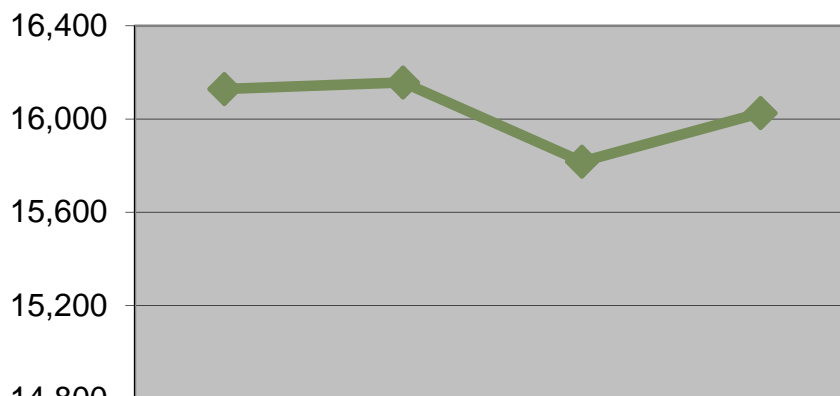
OBJECT	Actual 2014/15	Actual 2015/16	Actual 2016/17	Budget 2017/18	Budget 2018/19
8 - Travel	\$599,428	\$810,237	\$804,832	\$1,349,883	\$1,059,450
% of Total Budget	0.33%	0.45%	0.40%	0.61%	0.45%
9 - Capital Outlay	\$8,122,106	\$1,875,842	\$61,494	\$3,861,999	\$433,999
% of Total Budget	4.49%	1.03%	0.31%	1.75%	0.18%
TOTAL	\$8,721,534	\$2,686,079	\$1,419,781	\$5,211,882	\$1,493,449

Expenditures / Revenue



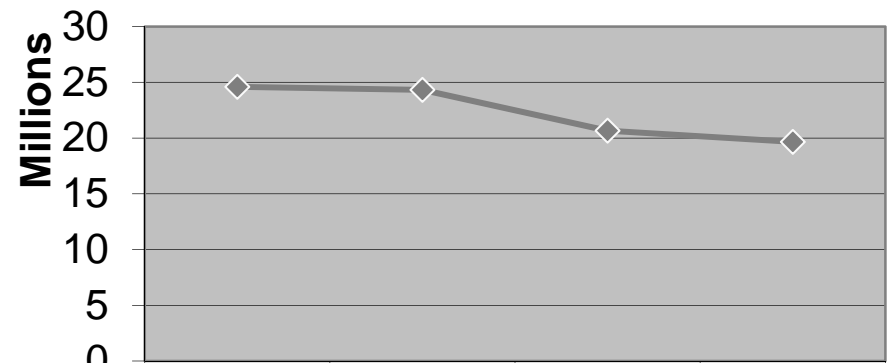
	2015/16 Actual	2016/17 Actual	2017/18 Budget	2018/19 Budget
Expenses	184,089,257	196,771,377	221,545,895	236,139,617
Revenue	192,828,399	198,161,254	213,700,046	235,013,788

Enrollment



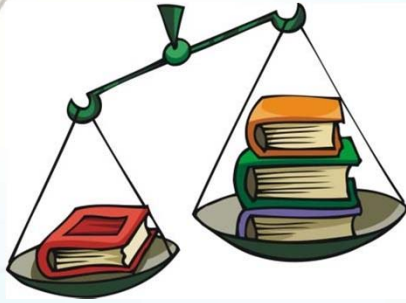
	2015/16 Actual	2016/17 Actual	2017/18 Budget	2018/19 Budget
Enrollment	16,129	16,157	15,817	16,026

Fund Balance



	2015/16 Actual	2016/17 Actual	2017/18 Budget	2018/19 Budget
Fund Balance	24,588,570	24,322,498	20,654,148	19,650,817

General Fund Recap



Beginning Fund Balance	\$11,827,276	\$15,849,428	\$24,588,570	\$24,322,797	\$20,776,646
Revenue	\$184,938,080	\$192,828,399	\$198,161,254	\$213,700,048	\$235,013,788
Expenditures	(\$180,915,928)	(\$181,712,069)	(\$196,771,377)	(\$220,845,900)	(\$235,439,617)
Transfer to Trans. Vehicle Fund					
Transfer to Capital Projects		(\$1,900,000)	(\$1,000,000)		
Transfer to Debt Service		(\$477,188)	(\$655,950)	(\$700,000)	(\$700,000)
Ending Fund Balance	\$15,849,428	\$24,588,570	\$24,322,497	\$16,476,945	\$19,650,817
Percentage of Expenditures	8.76%	13.53%	12.36%	7.46%	8.35%

**Fund Balance is subject to negotiations*

General Fund Breakdown of Ending Fund Balance

Restricted:

<i>GL 821 Restricted for Carryover of Restricted Revenues:</i>	\$ 1,500,000.00	
CTE, LAP, Various Local and State Grants		
<i>GL 825 Restricted for Skills Centers</i>	\$ 600,000.00	
<i>GL 830 Restricted for Debt Service</i>	\$ 700,000.00	
<i>GL 845 Restricted for Self Insurance</i>	\$ 2,000,000.00	
<i>GL 850 Restricted for Uninsured Risks</i>	\$ 350,000.00	
Total Restricted Fund Balance	\$ 5,150,000.00	

Committed:

<i>GL 870 Committed ESD105 Unemployment Pool</i>	\$ 230,000.00	
Total Committed Fund Balance	\$ 230,000.00	

Assigned:

<i>GL 888 Other Purposes:</i>	\$ 1,900,000.00	
Building Budgets, EE Group Inservice, Levy, Dept Budgets		
Total Assigned Fund Balance	\$ 1,900,000.00	

Unassigned:

<i>GL 890 Unassigned Fund Balance</i>	\$ 598,836.00	
<i>GL 891 Unassigned Minimum Fund Balance Policy</i>	\$ 11,771,981.00	
Total Unassigned Fund Balance	\$ 12,370,817.00	

Total Ending Fund Balance	\$19,650,817
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4 YEAR FORECAST GENERAL FUND

	18/19	19/20	20/21	21/22
Enrollment	16,026	16,007	16,059	16,065
Estimated Beg. Fund Balance	\$20,776,646	\$19,650,817	\$11,478,002	\$5,085,354
Excess Revenues over(under) Expendit	(\$1,125,829)	(\$6,638,415)	(\$6,232,248)	(\$5,519,657)
Increase in summer maintenance costs		(\$1,534,400)	(\$160,400)	\$241,600
Auditorium remodel				(\$2,500,000)
Estimated Ending Fund Balance	\$19,650,817	\$11,478,002	\$5,085,354	(\$2,692,703)

NOTES:

NOT IN BUDGET

Curriculum Adoption on Hold	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
Uncertain K3 compliance requirement		\$10,463,835	\$10,463,835	\$10,463,835

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 2014/15	Actual 2015/16	Actual 2016/17	Budget 2017/18	Budget 2018/19
Beginning Fund Balance	\$485,017	\$435,580	\$472,238	\$434,975	\$472,003
Revenue	\$613,590	\$726,759	\$829,118	\$788,738	\$959,053
Expenditures	(\$663,026)	(\$690,101)	(\$773,364)	(\$771,697)	(\$977,843)
Ending Fund Balance	<u>\$435,581</u>	<u>\$472,238</u>	<u>\$527,991</u>	<u>\$452,016</u>	<u>\$453,213</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:

\$ 94,255,000 voted debt

\$ 6,450,000 non-voted debt

Debt Service Fund Recap

	Actual 2014/15	Actual 2015/16	Actual 2016/17	Budget 2017/18	Budget 2018/19
Beginning Fund Balance	\$5,926,878	\$7,281,254	\$8,586,513	\$9,050,000	\$11,085,254
Revenue	\$8,164,608	\$8,288,864	\$8,355,236	\$8,970,750	\$9,190,840
Other Financing Sources		\$220,741			
Transfer From General Fund	\$0	\$477,188	\$655,950	\$0	\$0
Expenditures	(\$6,810,231)	(\$7,681,533)	(\$7,734,894)	(\$9,415,000)	(\$9,430,000)
Ending Fund Balance	\$7,281,255	\$8,586,513	\$9,862,805	\$8,605,750	\$10,846,094

*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 2014/15	Actual 2015/16	Actual 2016/17	Budget 2017/18	Budget 2018/19
Beginning Fund Balance	\$12,667,803	\$8,314,335	\$8,161,155	\$2,563,000	\$3,729,205
Revenue	\$26,824,113	\$3,588,142	\$733,400	\$20,000	\$20,000
Other Financing Sources					
Transfer From General Fund	\$0	\$1,900,000	\$1,000,000	\$0	\$0
Expenditures	(\$31,177,581)	(\$5,641,322)	(\$5,193,032)	(\$1,450,000)	(\$2,600,000)
Ending Fund Balance	\$8,314,335	\$8,161,155	\$4,701,523	\$1,133,000	\$1,149,205

Facilities Maintenance Outlook

SUMMARY - YSD 1 - 20 YEAR PROJECT PLAN

PROJECT TYPE	2018	2019	2020	2021	2022	2023	2024
Asphalt Preservation	\$135,000.00	\$145,000.00	\$110,000.00	\$115,000.00	\$120,000.00	\$185,000.00	\$150,000.00
Athletic Track	\$400,000.00	\$75,000.00	\$1,250,000.00	\$55,000.00	\$45,000.00	\$45,000.00	\$350,000.00
Carpentry & Painting	\$570,000.00	\$250,000.00	\$350,000.00	\$250,000.00	\$325,000.00	\$200,000.00	\$275,000.00
Concrete	\$70,000.00	\$100,000.00	\$110,000.00	\$125,000.00	\$95,000.00	\$115,000.00	\$175,000.00
Davis		\$25,000.00		\$251,000.00	\$120,000.00		
Eisenhower	\$150,000.00	\$45,000.00	\$340,000.00				\$40,000.00
Flooring	\$171,000.00	\$147,000.00	\$135,000.00	\$85,000.00	\$95,000.00	\$107,000.00	\$79,000.00
HVAC	\$602,000.00	\$852,000.00	\$1,027,400.00	\$1,215,400.00	\$1,014,400.00	\$1,023,400.00	\$1,069,400.00
Plumbing	\$185,000.00	\$280,000.00	\$148,000.00				
Projectors	\$150,000.00	\$75,000.00	\$75,000.00	\$185,000.00	\$185,000.00	\$90,000.00	\$90,000.00
Roofing	\$574,000.00	\$472,000.00	\$320,000.00	\$470,000.00	\$350,000.00	\$226,400.00	\$385,000.00
Security	\$251,000.00	\$125,000.00	\$260,000.00				
TOTAL	\$3,258,000.00	\$2,591,000.00	\$4,125,400.00	\$2,751,400.00	\$2,349,400.00	\$1,991,800.00	\$2,613,400.00

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 2014/15	Actual 2015/16	Actual 2016/17	Budget 2017/18	Budget 2018/19
Beginning Fund Balance	\$1,381,258	\$606,422	\$1,166,237	\$890,904	\$707,664
Revenue	\$498,125	\$540,337	\$523,822	\$520,000	\$545,000
Other Financing Sources	\$19,300	\$19,478	\$3,810		
Transfer From General Fund					
Expenditures	(\$1,292,261)	\$0	(\$800,991)	(\$1,360,904)	(\$1,200,000)
Ending Fund Balance	\$606,422	\$1,166,237	\$892,879	\$50,000	\$52,664



4 YEAR FORECAST

ASB

	18/19	19/20	20/21	21/22
Estimated Beg. Fund Balance	\$472,003	\$453,213	\$371,213	\$300,213
Excess Revenues over(under) Expenditures	(\$18,790)	(\$82,000)	(\$71,000)	(\$60,000)
Estimated Ending Fund Balance	\$453,213	\$371,213	\$300,213	\$240,213

DEBT SERVICES

	18/19	19/20	20/21	21/22
Estimated Beg. Fund Balance	\$11,085,254	\$10,846,094	\$10,559,934	\$10,180,774
Excess Revenues over(under) Expenditures	(\$239,160)	(\$286,160)	(\$379,160)	\$15,840
Estimated Ending Fund Balance	\$10,846,094	\$10,559,934	\$10,180,774	\$10,196,614

CAPITAL PROJECTS

	18/19	19/20	20/21	21/22
Estimated Beg. Fund Balance	\$3,729,205	\$1,149,205	\$1,159,205	\$1,169,205
Excess Revenues over(under) Expenditures	(\$2,580,000)	\$10,000	\$10,000	\$10,000
Estimated Ending Fund Balance	\$1,149,205	\$1,159,205	\$1,169,205	\$1,179,205

TRANSPORTATION

	18/19	19/20	20/21	21/22
Estimated Beg. Fund Balance	\$707,664	\$52,664	\$48,664	\$46,664
Excess Revenues over(under) Expenditures	(\$655,000)	(\$4,000)	(\$2,000)	(\$1,000)
Estimated Ending Fund Balance	\$52,664	\$48,664	\$46,664	\$45,664