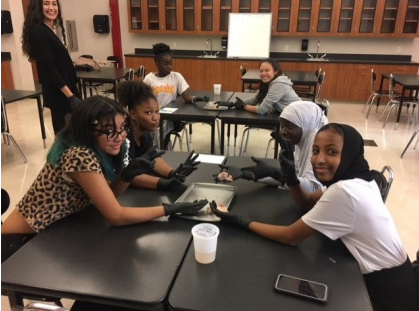




**For the fiscal year ended 2020-2021**

# Proposed BUDGET

**Hillsboro School District 1J  
Administration enter  
3083 NE 49th Place Hillsboro, OR  
[www.hsd.k12.o](http://www.hsd.k12.o)**





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Dear Hillsboro School District Budget Committee Members and Patrons:

In accordance with ORS 294.391, Superintendent Mike Scott will present the 2020-21 Budget Message for Hillsboro School District 1J at the Budget Committee meeting being held at the Administration Center, 3083 NE 49<sup>th</sup> Place, Hillsboro, Oregon, on May 12, 2020.

The budget message will be recorded in the 2020-21 Approved Budget document, which will be presented at the Budget Hearing on June 23, 2020.



## ORGANIZATION OVERVIEW

### THE DISTRICT

Hillsboro School District, a unified school district, is the fourth largest of 197 districts in Oregon, enrolling approximately 3.5 percent of the total k-12 student population, and projecting to serve approximately 20,200 students during the 2020-21 school year. Hillsboro School District comprises four high schools, four middle schools, twenty-five elementary schools, two alternative education schools, one online academy, and one charter school.

Hillsboro is conveniently located 18 miles west of Portland (Oregon's largest metropolitan city), 60 miles east of the Oregon coast, and 80 miles from the ski slopes of the Cascade Mountains. Encompassing 195 square miles, Hillsboro School District serves families from the communities of Hillsboro, North Plains, Cornelius, Aloha, and a portion of Sherwood. District property is located in three separate counties: Washington, Multnomah, and Yamhill.

From high-tech companies to institutions of higher education, strong community partners provide extensive resources to the District through grants, volunteering, and donations. The City of Hillsboro is a key partner with Hillsboro School District, providing an abundance of parks, recreation, and after-school and summer programs for children.

Hillsboro's government takes pride in its business-like efficiency, concern for livability, and careful planning for residential and industrial growth. Professionally advanced police and fire departments provide comprehensive emergency response service to community residents. In addition, residents of all ages have access to parks, libraries, and community centers that provide recreational, educational, and social opportunities.

### THE BOARD OF DIRECTORS

Hillsboro School District is governed by a Board of Directors, comprising seven elected members serving four-year terms. Board members are community volunteers and do not receive compensation for their work. The Board annually elects a chairperson and a vice-chairperson from the seven members. The Board has legal authority over all public schools in the Hillsboro School District, within the framework set by the Oregon Legislature and the State Board of Education. The Board establishes policy based on Oregon and federal laws governing schools. The Board acts to interpret the educational needs of the District, then meets those needs with policies and facilities that motivate students and stimulate the learning process. The Board is also responsible for employing the Superintendent to administer the District. Public meetings notices and documents can be found here: <https://www.hsd.k12.or.us/board>.

The ongoing duties of the Board include allocating resources, formulating policy, and interacting with the community in support of the District's mission and the objectives of the Strategic Plan.

The Board members and their terms are as follows:



**Position 1**

Erika Lopez  
July 2017 -  
June 2021

**Position 2**

Mark Watson  
July 2017 -  
June 2021

**Position 3**

Martin Granum  
July 2017 -  
June 2021

**Position 4**

See Eun Kim  
July 2019 -  
June 2023

**Position 5**

Lisa Allen  
July 2019 -  
June 2023

**Position 6**

Jaci Spross  
July 2017 -  
June 2021

**Position 7**

Yadira Martinez  
February 2019 -  
June 2023

**BUDGET COMMITTEE**

The Hillsboro School District’s Budget Committee comprises all seven Board members and an equal number of community members who are appointed by the Board. Staff members are not eligible to serve on the Budget Committee.

The Budget Committee members are appointed for three-year terms. The terms are staggered so that, as near as practicable, one-third of the appointive members’ terms end each year.

According to Board policy DBEA: Budget Committee, “The budget committee shall hold one or more meetings to receive the budget message, receive the budget document, and provide members of the public with an opportunity to ask questions about and comment on the budget document.” Those official meetings occur annually each spring.



## Budget Committee Membership:

| <b>Name</b>       | <b>Designation Position</b> | <b>Expiration</b> |
|-------------------|-----------------------------|-------------------|
| Erika Lopez       | School Board, Position 1    | 2021              |
| Mark Watson       | School Board, Position 2    | 2021              |
| Martin Granum     | School Board, Position 3    | 2021              |
| See Eun Kim       | School Board, Position 4    | 2023              |
| Lisa Allen        | School Board, Position 5    | 2019              |
| Jaci Spross       | School Board, Position 6    | 2021              |
| Yadira Martinez   | School Board, Position 7    | 2019              |
| Christopher Clark | Community, Position 1       | 2020              |
| Michael Smith     | Community, Position 2       | 2020              |
| Nina Carlson      | Community, Position 3       | 2021              |
| Kyle Taylor       | Community, Position 4       | 2021              |
| Kim Strelchun     | Community, Position 5       | 2022              |
| Monica Uribe      | Community, Position 6       | 2022              |
| Kevin Murphy      | Community, Position 7       | 2022              |

**SUPERINTENDENT**

Superintendent Mike Scott was appointed by the Board to serve as the chief executive officer of the District. The Superintendent is a professional educator employed to advise the Board on all matters concerning management of the schools, and to administer laws, regulations, and policies adopted by the Board.

As the leader for teaching and learning in Hillsboro School District, the Superintendent is responsible for guiding the development of the curriculum and educational programs that address the needs of students, and providing leadership and advocacy for education. The Superintendent is accountable for the fiscal management of the District, guiding the direction of employees, and ensuring their ongoing professional development.

**CHIEF FINANCIAL OFFICER**

Chief Financial Officer Michelle Morrison is accountable to the Board and administration for all financial operations.



## DISTRICT STRATEGIC PLAN

The Strategic Plan is intended to provide direction and purpose to all aspects of District and school activities. The plan is intentionally flexible in structure with a central objective, consistent areas of accountability, and annually-developed action plans and goals to directly address areas where growth needs to be made and where successes can be capitalized upon for the year ahead.

The plan has three main components:

1) the overarching plan, which provides a broad overview and remains consistent over the five-year term; 2) the annual Report of Student Achievement (Key Academic Achievement Indicators); and 3) the Annual Work Plan and SMART Goals. Taken together, these documents should provide a comprehensive snapshot of the District's mission, strategic objective, beliefs, key initiatives, student achievement progress, and implementation plans and goals at any given time.



In the 2016-2021 Strategic Plan, you will find the following:

- *Mission Statement*      *An actionable, concise statement of our purpose as an educational system.*
- *Strategic Objective*      *The end goal and results we want to achieve.*
- *Our Pride*      *A memorable tagline that indicates our collective pride.*
- *Agreements and Commitments*      *Our goals and values as a system.*
- *Focal Areas*      *A division of our work based on the relevance and impact to students and their educational experience and outcomes.*

## The Strategic Financial Plan and Smarter School Spending

The Hillsboro School District joined the Alliance for Excellence in School Budgeting in 2017. The alliance consists of school districts across the nation participating in a budget development process called Smarter School Spending (S3), which was founded on best practices and is endorsed by the Government Finance Officers Association. Each district undergoes a thorough assessment to determine readiness for transition to the Smarter School Spending budget development process.

One of the critical components of the process is developing a Strategic Financial Plan that identifies the resources required to remain focused on investments that increase student achievement. Fortunately, in Hillsboro there is already a stakeholder-driven 5-year Strategic Plan in place and it is possible to identify the resources that support it. The five phases of budget development are listed in the table below, as are the district activities under way to move this work forward.

| Smarter School Spending | Action   | Timeline  |
|-------------------------|--|---|
| Plan and Prepare        | <ul style="list-style-type: none"> <li>Budget Development Cycle</li> </ul>   | <ul style="list-style-type: none"> <li>Annual</li> </ul>  |
| Identify Priorities     | <ul style="list-style-type: none"> <li>Strategic Plan Components</li> </ul>  | <ul style="list-style-type: none"> <li>5 years with annual targets</li> </ul>                             |
| Pay for Priorities      | <ul style="list-style-type: none"> <li>Identify/allocate resources in alignment with Strategic Plan</li> <li>Apply Academic Return on Investment</li> </ul>    | <ul style="list-style-type: none"> <li>Annual, continuous</li> <li>Ongoing with annual updates</li> </ul> |
| Implement Plan          | <ul style="list-style-type: none"> <li>Central- and Building-Level Staffing</li> <li>Discretionary Budget Allocation</li> </ul>                                | <ul style="list-style-type: none"> <li>Annual</li> <li>Annual</li> </ul>                                  |
| Ensure Sustainability   | <ul style="list-style-type: none"> <li>Implement Cost Analysis Action Plan items</li> <li>Analyze implemented action items for actual savings yield</li> </ul> | <ul style="list-style-type: none"> <li>Conduct in alignment with the Strategic Plan</li> </ul>            |



Plan and Prepare



Set Instructional Priorities



Pay for Priorities



Implement Plan



Ensure Stability

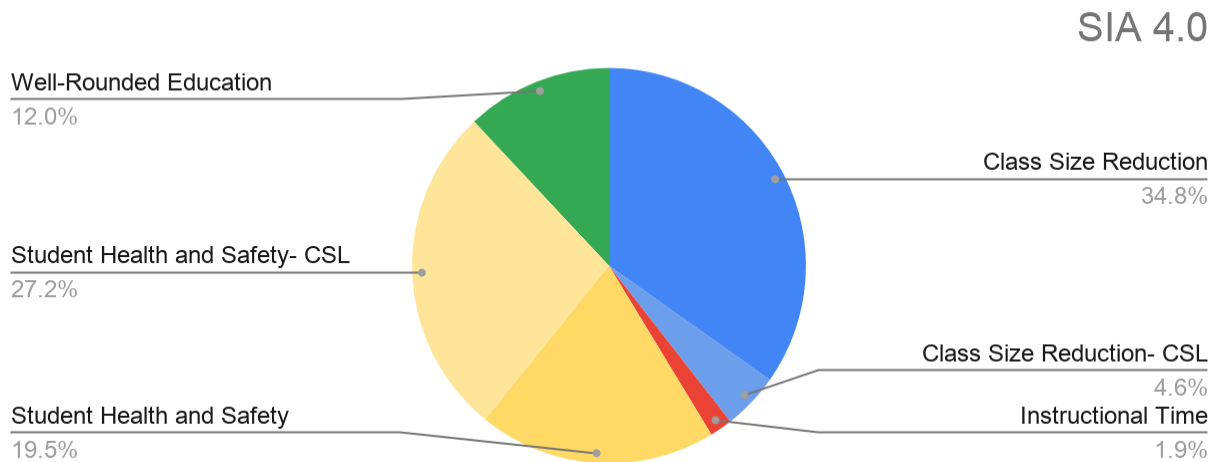
## Aligning Resources with Strategic Plan Goals

During the 2019 Legislative Session, state leaders authorized a new Corporate Activity Tax with revenues targeted to K-12 education, the Student Success Act. This unprecedented investment is estimated to yield \$2.0 billion every biennia to fund the Student Investment Act, Statewide Education Initiatives (including full funding of Measure 98 High School Success) and Early Learning. In Hillsboro, for the 2020-21 school year, the yield is expected to be \$16.5 million dollars.

In order to access the Student Investment Act (SIA) funds, District staff engaged in a thorough stakeholder engagement process, specifically designed to gain insight on how to better serve traditionally underserved students and families. Initially, staff aligned the investments with the state-required Continuous Improvement Plan (CIP), a set of goals and strategic activities to meet those goals, and measurable outcomes. After many feedback sessions and iterations, the application for funds includes items under each of the 4 areas allowed under the grant, including \$4.0 million in services that would otherwise be targeted for reduction due to underfunding of the operational budget. Areas and activities are outlined in the table below.

| SIA Area                               | Investments                  | Impact  | Metrics  |
|--|------------------------------|---|--|
| Class Size Reduction<br>\$6,568,883    | Class Size & Caseload        | -Student contact time<br>-Inclusive schools<br>-Student engagement<br>-Interventions and extensions | -3rd grade reading<br>-9th grade on-track<br>-Grad rates<br>-Diversity of staff  |
|  | Professional Development     |   |  |
| Student Health & Safety<br>\$7,130,994 | Mental and Behavioral Health | -More counselors, nurses, and school psychologists<br>-Direct services to students                  | -3rd grade reading<br>-9th grade on-track<br>-Grad rates<br>-Regular attenders ↑ |
| Learning Time<br>\$310,000             | After School Partnerships    | -Academic supports<br>-Extracurriculars/Co-curriculars<br>-Equitable access                         | -3rd grade reading<br>-9th grade on-track<br>-Grad rates<br>-Regular attenders ↑ |
| Well-Rounded Learning<br>\$2,000,000   | Curriculum                   | -Tools for teaching<br>-Tools for learning  | -3rd grade reading<br>-9th grade on-track<br>-Grad rates<br>-Regular attenders ↑ |
|  | Educator Pathways            | -Inclusive schools<br>-Student engagement   |  |

In order to increase transparency in the financial plan, the following chart was presented to the school board during public sessions to represent the proportionality of community priorities in the final application. (CSL = 2019-20 current service level items.)



Due to the economic impacts of the COVID 19 pandemic, contingency plans at the 0%, 25%, 50, and 75% funding levels are under development with respect to the feedback provided during the pre-application community engagement process.

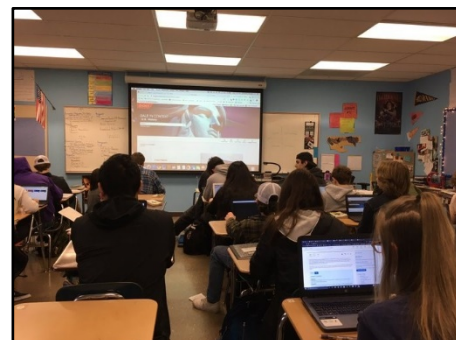
### Cost Analysis Action Plan- Implementation and Evaluation

The goal of the Cost Saving Analysis completed in 2018 was to help the District team identify potential opportunities to reallocate resources to address the District's strategic priorities. The formalized assessment of 31 potential opportunity areas encouraged the Smarter School Spending Team to consider changes that at first glance may not seem to have high potential, but are worthy of further investigation.

There are two main types of resource reallocation opportunities targeted in the Cost Savings Analysis:

1. Can the District free up funds for its strategic priorities?
2. Can the District increase the impact of current spending at little or no additional cost, thereby reducing the need to free up funds for priorities?
3. Some opportunities are a combination of both.

The Office of School Performance will continue to monitor and research Class Size (at each level), Professional Development Strategies, Instructional Coaching, Paraprofessionals, Online Learning, Alternative Education, and Central Office (General Functions).



Areas reviewed that are currently cost effective in their implementation: Transportation; Energy; Custodial Services; Food Services; Instructional Technology; Speech Language Therapists; Out-of-District Special Education Placements; Medicaid Reimbursement; Professional Development; School-based Administrator Positions; Clerical Support Positions; Library/Media Specialist Positions; Title 1; Guidance Counselors; and Free and Reduced Meals. Although the S3 Team will continue monitoring these areas, our initial assessment indicates the District is in alignment with best practices in terms of efficiency. As part of the Continuous Improvement Process, District staff will conduct the analysis again in 2021 in alignment with the development of the 2021-2026 Strategic Plan.

### **Review of Services for Struggling Learners**

The District engaged in a thorough technical review of Services for Struggling Learners in February and March 2019 with [District Management Group](#) (DMGroup). After gathering data through interviews and other collections, DMGroup developed a list of recommendations for District staff to use for a custom action plan to ensure resources for struggling learners are in alignment with best practices. See below for review highlights.

#### Commendations

1. The district is committed to improving the quality of education for all students.
2. The district has made efforts to develop systems that will support students' social, emotional and behavioral needs by creating wellness centers and hiring student success coaches.
3. The district has instituted common interim assessments for elementary schools.
4. The district has expanded supports for English Language Learners (EL) students.
5. The district developed a system for more closely monitoring the use and hiring of regular and special education assistants.
6. District leaders are open to making bold, significant changes to better support all students.

#### Recommendations

1. Ensure that general education teachers are well equipped to meet the needs of nearly all students, including students who struggle.
2. Create a model intervention plan for both elementary and secondary schools that schools can opt into and receive additional supports for.
3. Ensure sufficient mental health expertise at each school by revisiting current staffing levels and proactively pursuing community partnerships.
4. Refine and streamline the district's approach to providing supports to EL students by codifying implementation practices at all levels.
5. Encourage special education staff to align their strengths whenever possible to improve work satisfaction and student outcomes.
6. Develop an inclusive planning process that identifies concrete steps, ownership, and measures of success with disciplined, monitored implementation over a 3-year period.

## Academic Return on Investment

Academic return on investment (A-ROI) is the practice of scientifically evaluating the cost-effectiveness of academic programs and using that information to allocate resources accordingly. Put more simply, A-ROI is a structured approach to getting the most “bang for the buck.” A-ROI has six conceptual foundations:

1. Reconsider your knowledge of what really works.
2. Define the problem before seeking its solution.
3. Follow the scientific method.
4. Seek out the greatest net benefit.
5. Ignore costs that have already been incurred and cannot be recovered.
6. Pay attention to opportunity costs.

Practitioners, including school district leaders and professional education researchers, have learned a great deal about how to be successful with A-ROI. This paper divides their lessons into six categories that represent the stages of progression through A-ROI, as shown in the diagram below.



The Smarter School Spending (S3) Team identified 4 areas of study for A-ROI and accompanying “Theories of Action” that apply the logic, “if we do (this), then we should expect (these outcomes).” Each area has an assigned S3 Team subgroup and lead contact that identified data points to be tracked longitudinally to determine the effectiveness of the initiative at the district level. The next step is to work with technology services and information systems to develop appropriate data collection tools at the school/program and district level. The data will be consolidated in a standardized reporting format to drive decision-making to increase outcomes for students.

### **AREA 1: Student Success Coaches**

Theory of Action: If we invest in Student Success Coaches, then teachers will receive the coaching and support to gain the skills to teach students regulation strategies. This will increase students’ learning and therefore decrease the need for Limited Student Support (LSS) and reduce the number of negative student discipline interactions.

The 2017-18 Year established baseline data in three categories and 3 sub-categories: Limited Student Support Requests, Newly Eligible for Special Education, and Behavior Referrals for students in Kindergarten through 2nd Grade. Sub-categories were all students, boys only, and boys of color.



### **AREA 2: Grad Coaches**

Theory of Action: If we have Graduation Coaches at every grade level in high school working with counselors, administrative team and parents to support student needs, then we will see fewer dropouts, increased attendance, more passing grades in core classes, and more students graduating career and college ready.

Measurables have been identified as 1) graduation data for 4 and 5 year cohorts, 2) non-completers, and 3) “On Track” data that may predict whether or not students are statistically on target to graduate on time.

### **AREA 3: HSD Preschools**

Theory of Action: If we have HSD Preschools, then students will transition into Kindergarten “school ready” and will be more successful in subsequent years.

Schools and Community

- Families, schools and community partners act in partnership to support our children’s development into thriving community members
- Stronger school-family partnerships beyond preschool

Students

- Social and emotional stability
- Trusting relationships
- Challenge themselves
- Self-reliance
- See themselves as part of a broader cultural world

Measurables for this area will be collected for three categories 1) HSD Preschool, 2) Headstart, and 3) no preschool experience. Skill areas will be self-regulation and interpersonal skills, English letter sounds, and early math.

### **AREA 4: Wellness Centers**

Theory of Action: If we create wellness centers and increase our professional development for staff around trauma-informed practices, then we will better meet students’ needs and create a safer and more engaging school environment for students and staff.

Brookwood Elementary School piloted the first Wellness Center and data is focused there over a period of 4 years to track 1) all students, 2) English Language Learners (EL’s), and 3) students that are experiencing disabilities (have IEP’s).

Data sets will be collected for major and minor behavior referrals, chronic absenteeism, and staff attrition by classification.



## New Program Implementation Process

New programs provide an opportunity to use the District's resources to achieve the District's student learning goals in new and exciting ways. Some programs new to the District have already been successfully implemented in other districts and have data to support their viability. Other programs are ones that the District has developed using research and best practices and is spearheading to lead positive change. In many cases, evidence may not be immediately available, as quality programs take time to implement with fidelity and to produce sustainable results.



### Analysis of Expected Costs and Benefits:

The proposal for a new program will be accompanied by a thorough analysis of its expected costs and benefits. Staff shall develop methods to test the strength of the assumptions upon which these expected costs and benefits are based. The proposal for the new program should also clearly identify the goals and criteria that will be used to evaluate the program's effectiveness.

### Preference for Pilot Programs:

Whenever possible, new programs will initially be tested on a "pilot" basis. The length of the pilot or experimental period can and will vary according to the nature of the program, but there should be a clearly defined beginning and ending point. This strategy is intended to mitigate the risk associated with new programs and maximize the benefit they generate in alignment with the District's Strategic Plan and Strategic Financial Plan.

Funding for the pilot program is exclusively for the timeframe of the pilot period. After the pilot period ends, the District formally assesses the effectiveness of the program against its stated goals and then makes a formal decision on whether to: 1) Discontinue the program; 2) Continue the pilot or expand its scope for purpose of further study; or 3) Move beyond the pilot to full implementation.

### Preference for Measuring Academic Return on Investment:

Academic Return on Investment (A-ROI) measures the cost of the program against the benefit the program provides in terms of improvements to student learning, in alignment with the District's Strategic Plan and Strategic Financial Plan. Whenever possible, and especially for large new programs, staff shall develop the means to collect the data necessary to calculate A-ROI for that program.

**Special thanks to contributors:**

Mike Scott, Superintendent

Adam Stewart, Capital Projects Officer

Travis Reiman, Assistant Superintendent, OSP

Dayle Spitzer, Assistant Superintendent, OSP

Beth Graser, Chief Communications Officer

Kona Lew-Williams, Chief Human Resources Officer

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Olga Acuña, Director of Federal Programs

Tom Luba, Coordinator of Assessment & Data Analytics

Casey Waletich, Chief Operations Officer

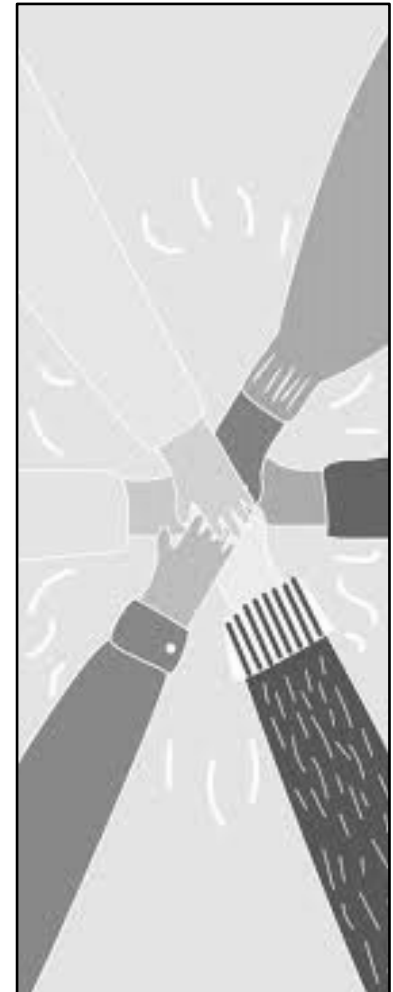
Michelle Morrison, Chief Financial Officer

Audrea Neville, Director of Schools, OSP

Francesca Sinapi, Director of Schools, OSP

Jeff Jones, Manager of Business Services

Kori Sakamoto, District Data Technician



## Budget Planning Calendar

Hillsboro School District Budget Development activities are listed in the table below. The items may be modified as relevant information becomes available. Please watch for new information on the Budget Matters website.

| <b>Date</b>         | <b>Activity</b>  |
|---------------------|--|
| June 27, 2019       | Appoint Budget Officer   |
| October 29, 2019    | Appoint Budget Committee Members to Vacant Positions   |
| December 10, 2019   | Budget Planning Calendar Approved  |
| January 28, 2020    | Budget update during Board Work Session  |
| February 25, 2020   | Budget update during Board Work Session  |
| April 14, 2020      | Budget update during Board Work Session  |
| May 12, 2020        | Budget Committee Meeting<br>Budget Committee reviews proposed budget document, receive Budget Message, and may approve the budget for Hearing. |
| May 19 and 26, 2020 | Additional Budget Committee Meetings (if needed)   |
| June 23, 2020       | Budget Hearing<br>Board Adopts Budget, Makes Appropriations, Declares the Levy.  |
| July 15, 2020       | Levy Certified to Assessor, and Adopted Budgets distributed per Local Budget Law and district best practice.                                   |

### Publications:

Per local budget law (ORS 294), the Notice of Budget Meeting will be published in the *Hillsboro News Times* twice; the first time not more than 30 days prior to the meeting date and the second time not less than 5 days prior to the meeting (with a minimum of 7 days in between publications).

The Notice of Budget Hearing and Budget Summary will be published once not more than 25 days or less than 5 days prior to the Budget Hearing date.



## MANAGEMENT DISCUSSION AND ANALYSIS

### BUDGET PRESENTATION

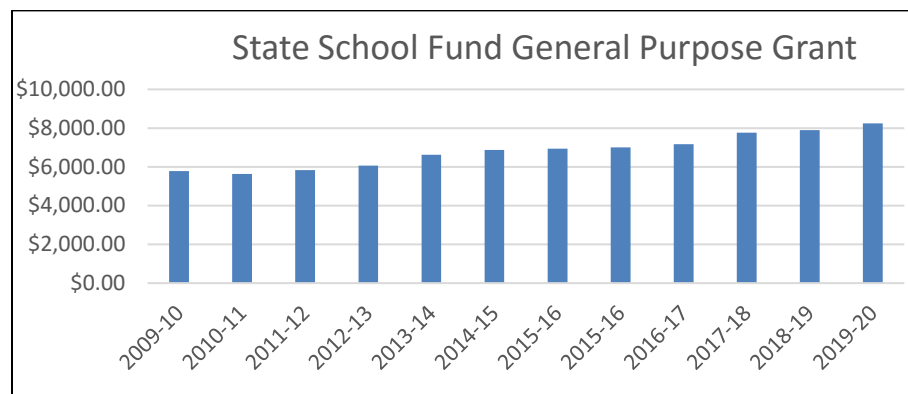
Hillsboro School District is proud to publish and provide budget information to the Budget Committee and our community. The District’s goal is to present the budget data in a manner that provides a clear, accurate account of the District’s educational programs and services for the 2020-21 fiscal year. The information contained in this budget document has been developed, in part, from a combination of District staff and community feedback.

We welcome the opportunity to discuss any financial information or to answer questions regarding the data presented in this report. Current information regarding budget development is available by request or on the internet at <https://www.hsd.k12.or.us/Page/2060>.

### STATE FUNDING OF K-12 EDUCATION

During the 1990s, Oregon voters approved a property tax limitation that shifted major responsibility for funding K-12 programs from local property taxes to Oregon’s general fund. The measures approved by the voters required the Oregon Legislature to replace these property taxes. As property taxes were reduced, the reliance on the State General Fund increased.

The State School Fund (SSF) allocates funding for each attending student in Oregon through a weighted distribution system. A ten-year historical review of the SSF dollars per ADMr (Average Daily Membership) as shown in the chart below.



Without a state sales tax, Oregon’s primary revenue sources are the state income tax and lottery revenues. Therefore, funding levels for K-12 education statewide are significantly affected by fluctuations in the economic climate. In addition, prior to 2007, Oregon’s Kicker Law required the state to return any income tax collections in excess of two percent of projections to tax payers. This effectively kept the state from being able to “save” during the

good times in anticipation of economic downturns. The Rainy Day Fund established by ORS 293.144 in 2017 represented an attempt to stabilize state funding.

The unprecedented economic recession, which began during the second half of 2008, necessitated reductions of nearly \$70 million to Hillsboro School District’s current service level budgets. The reductions have included reduced staffing, lost school days, and reduced budgets at every level. With a slow and stable recovery, the District has been very deliberate with targeted investments and fair bargaining to maintain competitive compensation packages for staff within locally bargained agreements and state and federal regulations.

## STUDENT ENROLLMENT

For the 2020-21 school year, the District will operate twenty-five elementary schools, serving Grades K-6; one elementary school, serving Grades K-8; four middle schools, serving Grades 7-8; and four high schools, serving Grades 9-12. Hillsboro School District also serves students in one alternative school, one online academy, and one charter school.

In order to have the most complete picture possible for projecting enrollment, the District has multiple tools for estimating the number and types of students to serve. Enrollment projections drive the State School Fund formula and predict funding levels. Recent residential development trends also rely on projections. Please see methods described below.

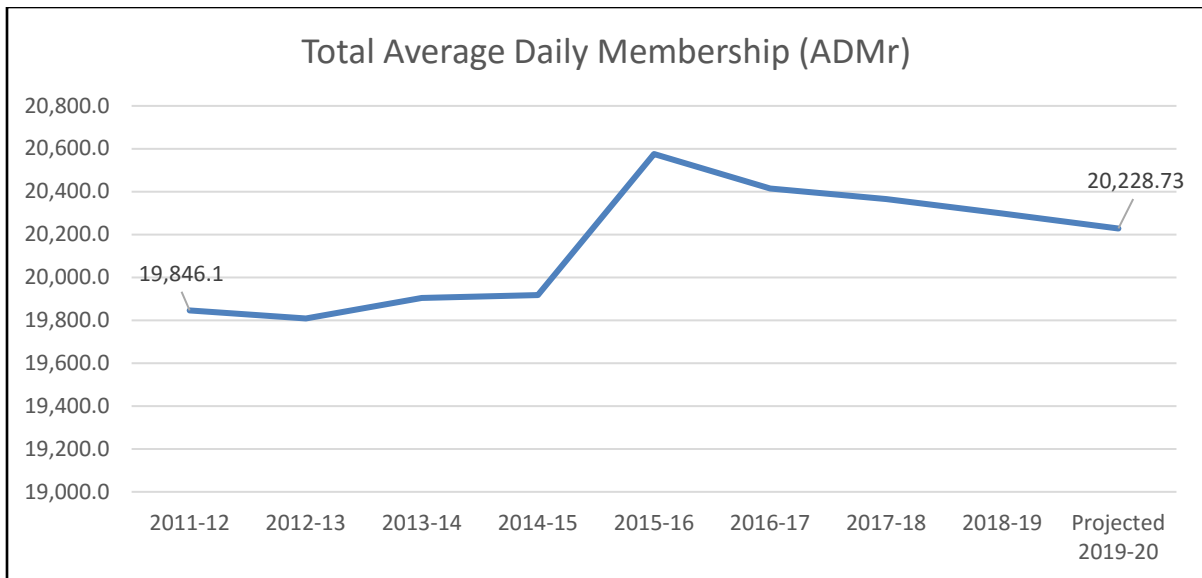
|  |  |  |
|--|--|--|
| <a href="#">Davis Demographics Reports<sup>1</sup></a>     | (2016, 2017, 2018, 2019) This annual report is based on historical student enrollment by school, participation and mobility trends, and regional residential development.    | The most recent report shows there are housing projects underway and the District is only beginning to see new students. |
| <a href="#">Oregon Department of Education<sup>2</sup></a> | (Quarterly) Consolidated student enrollment reports and state school fund estimates provide insight to enrollment and demographics for the District and the state of Oregon. | The District’s Student Information System provides the data and staff verify that data prior to use.                     |
| Historical Student Data                                    | District staff record and analyze data monthly to project staffing and facility needs for instruction at the targeted student-teacher ratio.                                 |  |

<sup>1</sup> Davis Demographics Report:

[https://www.hsd.k12.or.us/cms/lib/OR02216643/Centricity/domain/103/documents/Revised%20Report%20SY1617\\_wSE.pdf](https://www.hsd.k12.or.us/cms/lib/OR02216643/Centricity/domain/103/documents/Revised%20Report%20SY1617_wSE.pdf)

<sup>2</sup> Oregon Department of Education: <http://www.oregon.gov/ODE/Pages/default.aspx>

The Average Daily Membership (ADMr) represents the number of resident students in attendance at schools within the district. The district submits a quarterly and annual report generated by the student information system to the Department of Education that drives the base level of state funding, prior to weighting for various types of students. Typically, the first quarter enrollment report from October 1st is higher than the finalized annual report that determines funding. Please note in the chart below that in 2015-16 Kindergarten changed from .5 FTE to 1.0 FTE in order for districts to fund full-day services.



Another key piece of data is the October 1<sup>st</sup> District enrollment report. Historically, the October 1<sup>st</sup> enrollment marks the highest student count of the year and projections are used for staffing and determining discretionary budgets for schools. The district has experienced level and declining enrollment over the last five years. Although student growth is anticipated due to new available housing within the district, birth rates are down (consistent with national trends), and student mobility (students exiting the District across all grades) is a challenge that district staff are focusing on.

### October 1<sup>st</sup> Enrollment

| Grade Level       | 2017-18       | 2018-19       | 2019-20       | 2020-21       | Increase/Decrease from Prior Year |
|-------------------|---------------|---------------|---------------|---------------|-----------------------------------|
| Elementary School | 11,147        | 11,151        | 11,023        | 10,882        | -1.28%                            |
| Middle School     | 3,144         | 3,087         | 3,083         | 3,271         | 6.10%                             |
| High School       | 6,082         | 6,117         | 6,011         | 5,846         | -2.74%                            |
| <b>TOTAL</b>      | <b>20,373</b> | <b>20,355</b> | <b>20,117</b> | <b>19,999</b> | <b>-0.59%</b>                     |



## 2020-21 BUDGET AT A GLANCE

- The 2020-21 school year is the second year of the 2019-2021 biennium.
- Although enrollment is expected to increase due to the availability of new housing in the district, the recent trend is flat with a slight decline as graduating classes are larger than incoming Kindergarten classes, birth rates are down, and student mobility factors indicated that students are leaving the district and/or not returning after break periods.
- The General Fund operating revenue is projected to increase by \$11.0 million, or 4.5 percent based on the Governor's Budget appropriation to K12 of \$9.0 billion.
- Due to the biennial increase of PERS rates, exhaustion of reserves, and other roll-up costs required to maintain the Current Service Level (CSL), reductions totaling \$4.65 million were required in the General Fund. Those services will be reclassified to Special Revenue Funds and funded with Student Investment Act dollars.
- Special Revenue Funds are estimated to increase by a net total of \$16.0 million due to reductions in some federal resources and increases to state resources due to the Student Success Act.
- Debt Service will increase by \$2.7 million to meet the principal and interest payments for capital construction and pension obligation bonds.
- The Capital Construction Fund appropriated at the level required to complete projects according to district timelines and per the ballot title approved by voters in 2017.
- The Internal Services Fund represented the PERS Reserve available for transfers to offset increasing pension costs in the General Fund and were exhausted over the 2017-2019 biennium.
- The top priority is the effective use of resources to improve student achievement.
- To the extent possible, the budget must ensure financial stability through the end of the 2019-2021 biennium and look forward to the next several biennia. The COVID-19 pandemic and impact to the economy are to be determined. It is critical to maintain stability by using conservative assumptions and flexible strategies.
- Resources are in alignment with the 2016-2021 District Strategic Plan. The District will continue to target efficiencies within general operations and support services, with quality instruction as a high priority.
- The District will target a 4 percent General Fund ending balance over the biennium.
- The District will continue to utilize Special Revenue Funds such as the Construction Excise Tax, SB1149 (Senate Bill 1149, est. 2002, public purpose charge for energy conservation strategies), and Bond funds for eligible expenses to reduce the impact of operational budget reductions to instruction.
- Federal program revenues are based on historical trends and estimates provided by the Department of Education.

### 2020-21 Budget – All Funds

| Fund                   | FY 2019-20           | FY 2020-21           | Increase/Decrease from Prior Year |
|------------------------|----------------------|----------------------|-----------------------------------|
| General (Operational)  | \$231,905,143        | \$242,875,026        | 4.73%                             |
| Special Revenue        | \$39,576,735         | \$55,567,555         | 40.40%                            |
| Debt Service           | \$48,730,971         | \$51,492,124         | 5.67%                             |
| Capital Construction   | \$245,423,965        | \$186,302,038        | -24.09%                           |
| Internal Services      | \$0                  | \$0                  | --                                |
| <b>Total All Funds</b> | <b>\$565,636,814</b> | <b>\$536,236,743</b> | <b>-5.20%</b>                     |

### EXTENDED PROJECTION ASSUMPTIONS

The following assumptions describe the budgetary outlook beyond the current annual budget adoption:

#### Revenues

- State School Fund revenue will increase by 10% per biennia (property and income taxes) and will be held harmless from further “carve-out” grant designations.
- Measure 98 funds for College and Career Readiness and Drop-out Prevention will be sustained and accounted for as a Special Revenue Fund.
- Other local revenue collections will grow at an annual rate of 4 percent.
- Annual District & ESD Local Revenue increase 3 percent.
- Enrollment is based on historical trend analysis and projected impact of new construction.
- There are zero fund transfers in or out of the General Fund.
- The Capital Construction Fund bond revenue will be invested per policy and earn interest to be used in the “out” years between bond asks of the community. The 2017 Bond authorization is divided over two sales (2017, 2020) to provide cash flow in accordance with the project schedule.

## Expenditures

- The budget assumes a full school year, with no reductions to the targeted investment areas of the Arts, Athletics, Activities, TAG, STEM/STEAM, or serving students in poverty.
- PERS payroll rate remains flat over the next several biennium based on the most recent valuation, bond debt service rates, and impact of the state level system reforms provided by Senate Bill 1049<sup>3</sup>.
- Debt service requirements are calculated on consolidated schedule based on current obligations, assessed property values, and collection rates.
- Staffing projections are based on the 2019-20 current service level and aligned with Student Investment Act and full funding of Measure 98. Licensed staffing will be adjusted in 2020-21 according to student enrollment. Class size targets are tiered by grade level: Kindergarten, 26:1; Grades 1-2, 27:1 (reduced from 28:1); and Grades 3-12, 29.5:1 (reduced from 31:1).
- There is a 5.0 percent annual increase in utility, equipment, and property/liability costs, and a 2.0 percent annual increase in supply costs for 2020-21 and beyond.
- Non-consumable supplies for technology, equipment, energy-savings improvements, and certain maintenance services up to \$2,000,000 annually may be paid from Bond Funds if aligned with the ballot title.
- The General Fund end balance will remain at the 4.0 percent target.



<sup>3</sup> <https://www.oregon.gov/pers/EMP/Pages/Employer-Rate-Summary.aspx>,  
<https://www.oregon.gov/pers/EMP/Pages/Employer-Rate-Projection-Tool.aspx>

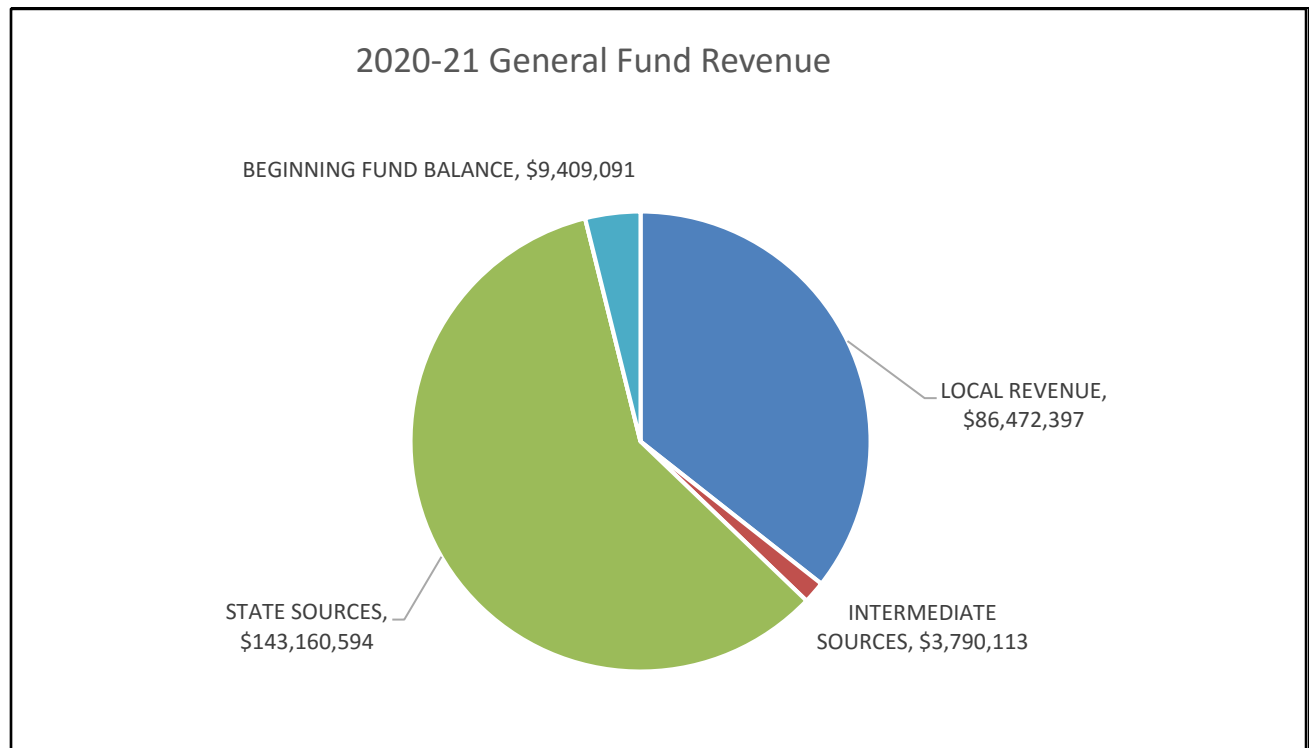


## BUDGET GENERAL FUND REVENUE

The General Fund is used to account for all transactions related to the District's operations, except those required to be accounted for in other funds. Major revenue sources include local property taxes and the State School Fund.

General Fund expenditures encompass the day-to-day operations of the District, except for those expenditures related to programs funded by federal, state, and local sources for designated purposes, payment of bonded debt, capital facility acquisition and construction, food service, internal services, and trust/agency.

General Fund expenditures are subject to appropriation. Year-end unreserved fund balances are carried forward to the following year as Beginning Fund Balances.



## GENERAL FUND REVENUES

### Current Year's Taxes

The current tax levy is one of the main sources of revenue for funding the operation of the Hillsboro School District. It is based on the assessed valuation of all taxable property within the District. It is collected by the County Treasurer and includes current taxes, prior year taxes, and any penalties or interest paid.

The tax amount remains stable due to property tax limitation Ballot Measures 5, 47, and 50. The current rate is \$4.9749 per \$1,000 of assessed value to support the General Fund.

| 2017-18 Actual | 2018-19 Actual | 2019-20 Adopted | 2020-21 Proposed |
|----------------|----------------|-----------------|------------------|
| \$72,653,545   | \$76,145,402   | \$75,855,778    | \$82,507,073     |

### Interest on Investments

Interest on investments is interest earned from the investment of District revenue. Investment of all funds is the responsibility of the Chief Financial Officer and follows the District investment policy.

| 2017-18 Actual | 2018-19 Actual | 2019-20 Adopted | 2020-21 Proposed |
|----------------|----------------|-----------------|------------------|
| \$992,253      | \$1,182,493    | \$1,200,343     | \$1,200,353      |

### Other Local Revenue

Other local revenue consists of fees, building rentals, prior year property taxes, and gate receipts.

| 2017-18 Actual | 2018-19 Actual | 2019-20 Adopted | 2020-21 Proposed |
|----------------|----------------|-----------------|------------------|
| \$1,210,849    | \$1,212,752    | \$2,004,826     | \$2,764,971      |

### County School Fund

An act of Congress granted roughly 6 percent of acquired state lands for the support of K-12 education. Revenue comes from state leasing rights, unclaimed property, forest management, and gifts. The funds are invested and the earnings are distributed to K-12 districts.

| 2017-18 Actual | 2018-19 Actual | 2019-20 Adopted | 2020-21 Proposed |
|----------------|----------------|-----------------|------------------|
| \$535,503      | \$676,651      | \$482,040       | \$496,500        |

### **ESD Pass-Through Dollars**

The Northwest Regional Education Service District (NWRESA) provides a menu of services for districts to purchase using service credits. Revenue from the state flows through the NWRESA to the individual districts as either service credits to be used for support in special education, curriculum planning, or professional development, or as cash (up to 90 percent).

| 2017-18 Actual | 2018-19 Actual | 2019-20 Adopted | 2020-21 Proposed |
|----------------|----------------|-----------------|------------------|
| \$3,363,599    | \$3,345,833    | \$3,197,681     | \$3,293,612      |

### **State Sources**

State sources make up approximately 59.0 percent of all revenue received in the General Fund. The State School Fund, Common School Fund, state timber taxes, and transportation reimbursement comprise state sources. The Oregon Department of Education is required to provide districts with estimates of State School Support in March of each year. The current estimate is based on a \$9.0 billion K-12 allocation for the 2019-21 biennium.

| 2017-18 Actual | 2018-19 Actual | 2019-20 Adopted | 2020-21 Proposed |
|----------------|----------------|-----------------|------------------|
| \$134,002,096  | \$133,882,639  | \$140,165,278   | \$143,160,594    |

### **Other Sources**

Other sources comprise revenue from transfers and the sale of District assets.

| 2017-18 Actual | 2018-19 Actual | 2019-20 Adopted | 2020-21 Proposed |
|----------------|----------------|-----------------|------------------|
| \$1,120,693    | \$1,042,832    | \$0             | \$42,832         |

### **Beginning Fund Balance**

The Beginning Fund balance is rolled over from the Ending Fund balance of the prior year, and is used to provide revenue until tax revenues are received in November. The 2019-20 Beginning Fund balance of \$9,409,091 is 3.9% percent of the total revenues.

| 2017-18 Actual | 2018-19 Actual | 2019-20 Adopted | 2020-21 Proposed |
|----------------|----------------|-----------------|------------------|
| \$12,711,074   | \$12,795,799   | \$8,999,197     | \$9,409,091      |

### **Total Revenue**

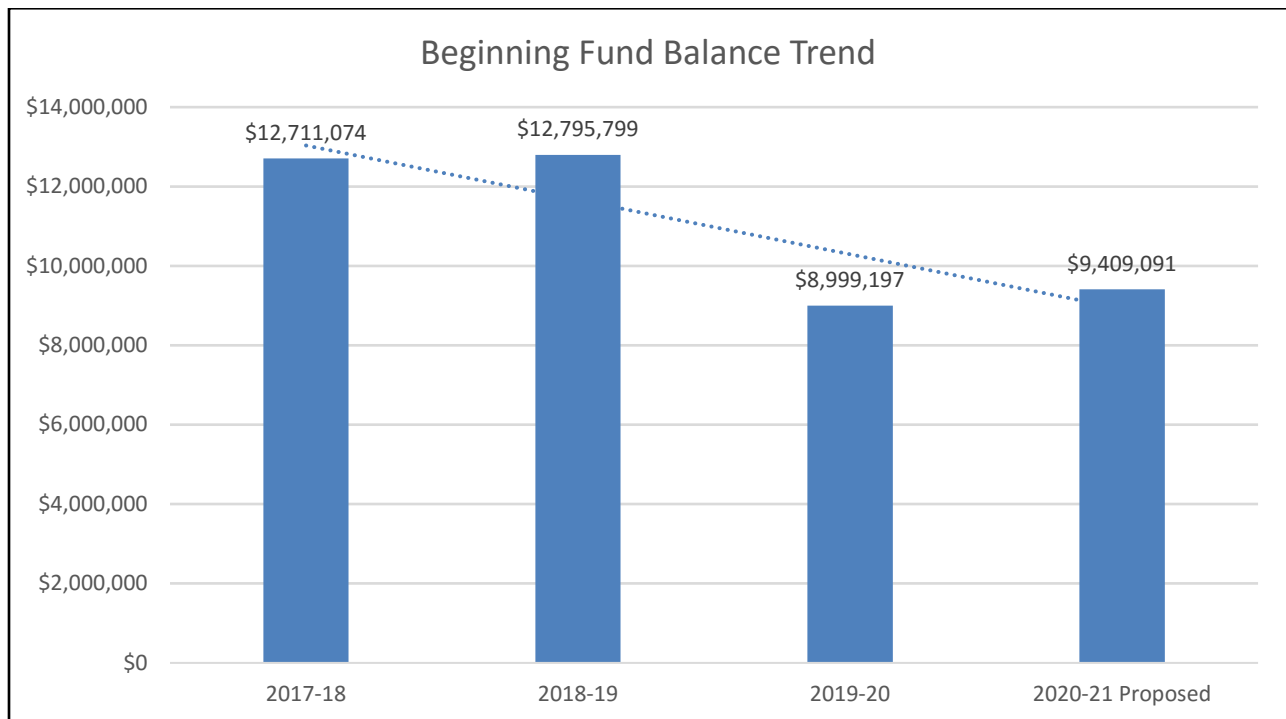
| 2017-18 Actual | 2018-19 Actual | 2019-20 Adopted | 2020-21 Proposed |
|----------------|----------------|-----------------|------------------|
| \$226,589,612  | \$230,284,401  | \$231,905,143   | \$242,875,026    |



## BEGINNING FUND BALANCE AND FINANCIAL STABILITY

With the uncertainty in state funding, an important element in maintaining sustainability from one year to another is the Beginning Fund balance. The Beginning Fund balance is used to maintain a positive cash flow until tax revenues are received in November, and to smooth out unexpected shortages of revenues.

The District is targeting a Beginning Fund Balance target of 4.0 percent for 2020-21. The budget includes \$9,409,091 as the Beginning Fund balance, which is a \$409,894 increase from the 2019-20 adopted budget beginning fund balance.



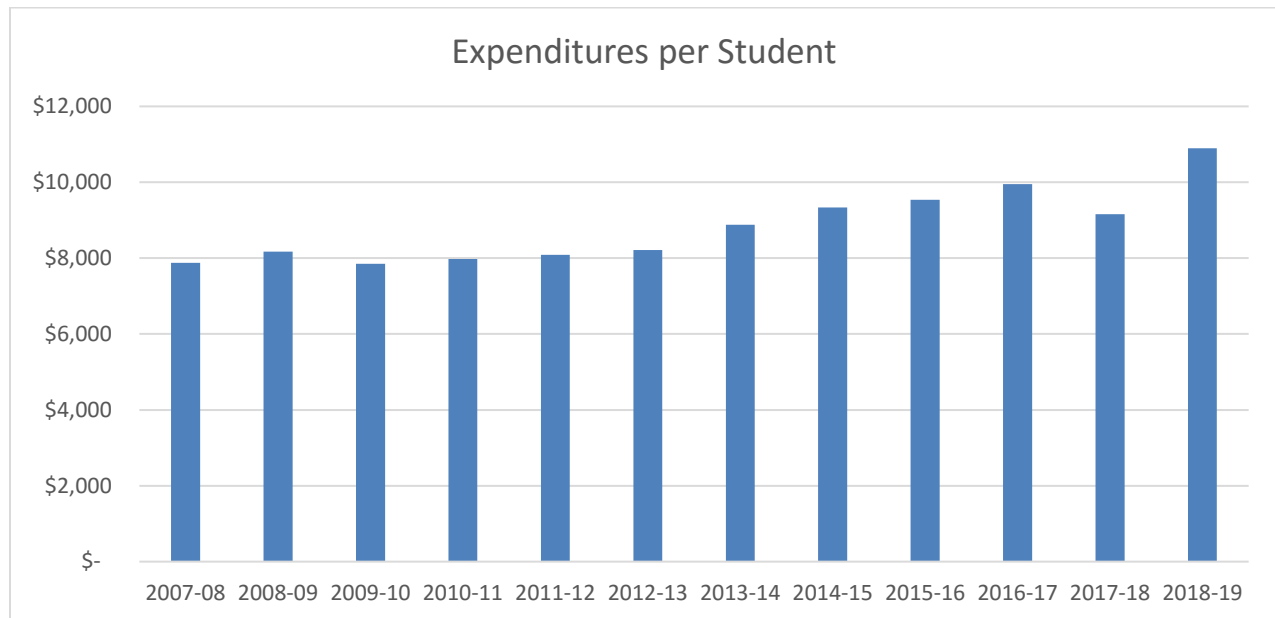


| ACCOUNT                               | DESCRIPTION                 | 2017-18<br>ACTUAL    | 2018-19<br>ACTUAL    | 2019-20<br>ADOPTED   | 2020-21<br>Proposed  |
|---------------------------------------|-----------------------------|----------------------|----------------------|----------------------|----------------------|
| 100.0000.1111                         | CURRENT YEAR PROPERTY TAX   | \$72,008,445         | \$73,912,246         | \$75,025,205         | \$81,608,260         |
| 100.0000.1112                         | PRIOR YEAR PROPERTY TAX     | \$563,856            | \$2,146,571          | \$750,252            | \$816,083            |
| 100.0000.1113                         | COUNTY TAX SALES/BACK TAX   | \$0                  | \$0                  | \$13,656             | \$14,065             |
| 100.0000.1114                         | PAYMENTS IN LIEU OF PR TX   | \$11,994             | \$14,812             | \$17,948             | \$18,486             |
| 100.0000.1190                         | PENALTIES & INTEREST ON TAX | \$43,251             | \$71,773             | \$48,717             | \$50,178             |
| 100.0000.1200                         | HOUSING AUTHORITY           | \$25,999             | \$0                  | \$0                  | \$0                  |
| 100.0000.1312                         | NON-RESIDENT TUITION        | \$28,202             | \$4,408              | \$0                  | \$0                  |
| 100.0000.1411                         | TRANSP FEES FROM INDIVID    | \$31,524             | \$42,285             | \$107,758            | \$110,990            |
| 100.0000.1512                         | INTEREST ON LGIP            | \$992,222            | \$1,182,462          | \$1,200,000          | \$1,200,000          |
| 100.0000.1513                         | INTEREST ON BANK ACCOUNTS   | \$31                 | \$31                 | \$343                | \$353                |
| 100.0000.1710                         | GATE RECEIPTS               | \$64,386             | \$82,156             | \$76,578             | \$78,876             |
| 100.0000.1742                         | STUDENT TOWEL FEES          | \$55                 | \$165                | \$1,619              | \$1,668              |
| 100.0000.1744                         | STUDENT PARTICIPATION FEES  | \$305,803            | \$390,532            | \$404,112            | \$416,236            |
| 100.0000.1910                         | RENTAL/BLDG USAGE           | \$170,761            | \$225,832            | \$289,809            | \$298,503            |
| 100.0000.1920                         | CONTRIBUTIONS/DONATIONS     | \$150                | \$0                  | \$51,500             | \$53,045             |
| 100.0000.1960                         | RECOVERY PRIOR YEAR EXP     | \$7,425              | (\$49,387)           | \$35,573             | \$36,640             |
| 100.0000.1975                         | REBATE                      | \$33,073             | \$0                  | \$132,997            | \$136,987            |
| 100.0000.1980                         | FEES CHARGED TO GRANTS      | \$427,660            | \$405,258            | \$793,319            | \$1,517,119          |
| 100.0000.1990                         | MISCELLANEOUS REVENUE       | \$11,513             | \$94,453             | \$29,964             | \$30,863             |
| 100.0000.1993                         | REIMBURSE/EXPENSE           | \$107,645            | \$3,800              | \$8,778              | \$0                  |
| 100.0000.1995                         | PRINTING REVENUE            | \$1,431              | (\$908)              | \$47,069             | \$9,041              |
| 100.0000.1996                         | TEXTBOOK SALES              | \$572                | \$4,896              | \$0                  | \$48,481             |
| 100.0000.1998                         | REIMBRSMT -MODIFIED WORKER  | \$20,649             | \$9,262              | \$25,750             | \$26,523             |
| <b>TOTAL LOCAL REVENUE</b>            |                             | <b>\$74,856,647</b>  | <b>\$78,540,647</b>  | <b>\$79,060,947</b>  | <b>\$86,472,397</b>  |
| 100.0000.2101                         | COUNTY SCHOOL FUND          | \$535,503            | \$676,651            | \$482,040            | \$496,500            |
| 100.0000.2103                         | ESD PASS THROUGH            | \$3,363,599          | \$3,345,833          | \$3,197,681          | \$3,293,612          |
| <b>TOTAL INTERMEDIATE SOURCES</b>     |                             | <b>\$3,899,102</b>   | <b>\$4,022,484</b>   | <b>\$3,679,721</b>   | <b>\$3,790,112</b>   |
| 100.0000.3101                         | STATE SCH FUND              | \$120,268,585        | \$119,676,390        | \$124,122,863        | \$126,674,482        |
| 100.0000.3103                         | COMMON SCHOOL FUND          | \$2,109,549          | \$2,254,742          | \$2,692,415          | \$2,800,112          |
| 100.0000.3104                         | STATE TIMBER REVENUE        | \$1,123,962          | \$1,331,507          | \$650,000            | \$650,000            |
| 100.0000.3105                         | SSF TRANSPORTATION          | \$10,500,000         | \$10,620,000         | \$11,200,000         | \$11,536,000         |
| 100.0000.3199                         | OTHER UNRESTRICTED GRANTS   | \$0                  | \$0                  | \$1,500,000          | \$1,500,000          |
| <b>TOTAL STATE SOURCES</b>            |                             | <b>\$134,002,096</b> | <b>\$133,882,639</b> | <b>\$140,165,278</b> | <b>\$143,160,594</b> |
| 100.0000.5200                         | TRANSFERS                   | \$1,000,000          | \$1,000,000          | \$0                  | \$0                  |
| <b>TOTAL TRANSFERS</b>                |                             | <b>\$1,000,000</b>   | <b>\$1,000,000</b>   | <b>\$0</b>           | <b>\$0</b>           |
| 100.0000.5300                         | COMPENSATION/LOSS           | \$120,693            | \$42,832             | \$0                  | \$42,832             |
| <b>TOTAL COMPENSATION/LOSS ASSETS</b> |                             | <b>\$120,693</b>     | <b>\$42,832</b>      | <b>\$0</b>           | <b>\$42,832</b>      |
| <b>TOTAL BEGINNING FUND BALANCE</b>   |                             | <b>\$12,711,074</b>  | <b>\$12,795,799</b>  | <b>\$8,999,197</b>   | <b>\$9,409,091</b>   |
| <b>TOTAL REVENUE</b>                  |                             | <b>\$226,589,612</b> | <b>\$230,284,401</b> | <b>\$231,905,143</b> | <b>\$242,875,026</b> |

Note: Immaterial rounding differences may exist between tables.

## GENERAL FUND EXPENDITURES

Each year, the Oregon Department of Education (ODE) calculates the spending per student for the General Fund, based on actual data compiled from District audits reported to ODE.



At the end of the 2018-19 fiscal year, the average operational cost of educating a student in the Hillsboro School District was \$10,894. This figure is determined by dividing total General Fund expenditures for 2018-19, \$220,193,859, by our total Average Daily Membership (ADM) of 20,213 ( $\$220,193,859 / 20,213 = \$10,894$ ). The breakdown of the \$10,894 is as follows:

**Instruction (\$6,029 per student).** Staffing, materials, and supplies for classroom instruction, alternative education, ESL, Youth Corrections program, summer school, and Talented and Gifted (TAG) program.

**Special Education (\$1,275 per student).** Staffing, materials and supplies for students with disabilities in less restrictive programs, and students with disabilities in restrictive programs.

**Student Services (\$362 per student).** Staffing and office supplies for attendance, guidance, health services, media services, assessment, testing, and instructional staff development.

**Central Services (\$449 per student).** Expenditures related to the Board of Directors, Superintendent, Business Office, Print Shop, and Human Resources.

**School Administration (\$929 per student).** Principals, assistant principals, teachers on special assignment (TOSAs), supplies, materials, purchased administrative services, and support at each campus.

**Facilities (\$816 per student).** Personnel and supplies for custodial and maintenance services, plus major maintenance projects district wide.

**Transportation (\$750 per student).** Transportation costs for home-to-school, special education, and athletic/activity events. Seventy percent of eligible transportation costs are reimbursed by the state.

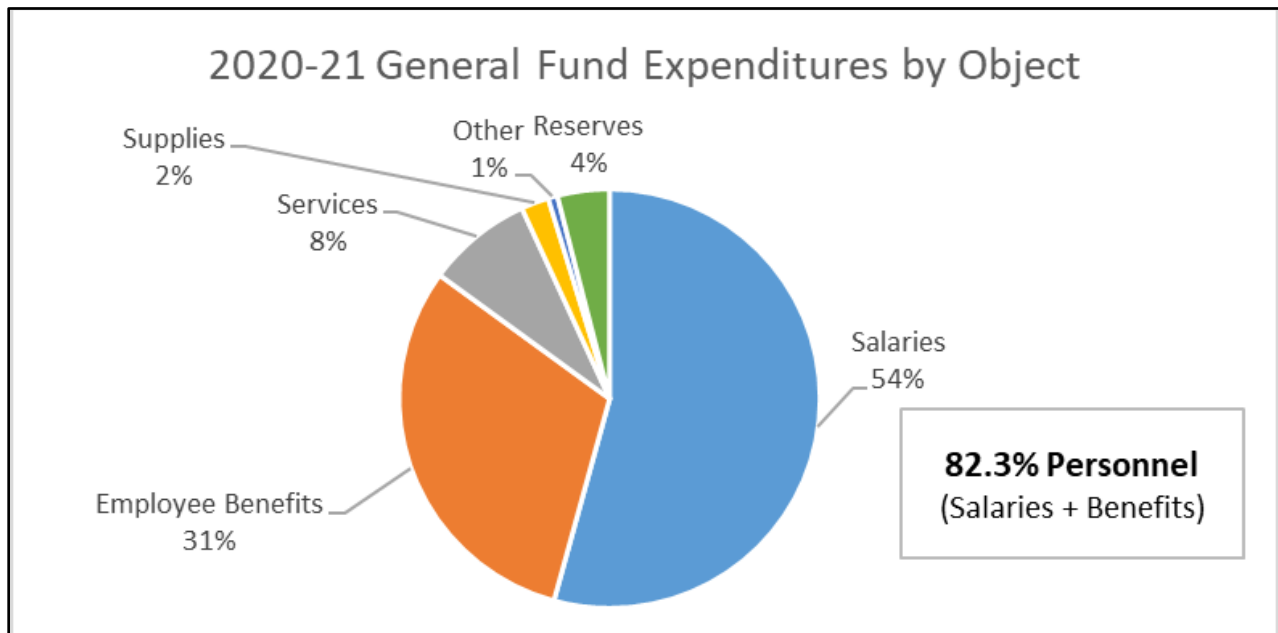
**Technology (\$229 per student).** Staffing and new technology for classroom instruction.

**Community Service (\$55 per student).** Personnel and supplies used to perform a variety of community services, primarily the Office of Hispanic Outreach.



### General Fund Budget by Object Summary

| Object                 | Description   | 2018-19 Actual       | 2019-20 Adopted      | 2020-21 Proposed     | Increase/Decrease from Prior Year |
|------------------------|---|----------------------|----------------------|----------------------|-----------------------------------|
| Salaries               | All salaries including negotiated increases.  | \$123,616,394        | \$125,841,225        | \$126,998,297        | 0.92%                             |
| Benefits               | Includes associated payroll costs, PERS, health insurance caps, tuition reimbursement | \$67,092,481         | \$71,371,236         | \$72,804,372         | 2.01%                             |
| Purchased Services     | Utilities, printing, charter school payments, contracted services                     | \$21,036,388         | \$18,811,642         | \$22,972,531         | 22.12%                            |
| Supplies and Materials | Supplies, textbooks, computer hardware and software, gasoline                         | \$6,868,737          | \$4,945,810          | \$7,546,233          | 52.58%                            |
| Capital Expenditures   | New and replacement equipment   | \$128,003            | \$0                  | \$0                  | 0.00%                             |
| Other                  | Dues, Fees, and Insurance   | \$1,451,856          | \$1,659,028          | \$1,559,581          | -5.99%                            |
| Reserves               | Planned reserves for next year  | \$10,090,542         | \$9,276,202          | \$10,994,012         | 18.52%                            |
| <b>Total</b>           |   | <b>\$230,284,401</b> | <b>\$231,905,143</b> | <b>\$242,875,026</b> | <b>4.73%</b>                      |





**General Fund by Object**

| ACCOUNT               | DESCRIPTION              | 2017-18<br>ACTUAL    | 2018-19<br>ACTUAL    | 2019-20<br>ADOPTED   | 2020-21<br>PROPOSED  | 2020-21<br>FTE  |
|-----------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|-----------------|
| 100.0000.0111         | REG LICENSED SALARIES    | \$72,990,213         | \$76,450,479         | \$78,426,635         | \$78,594,960         | 981.30          |
| 100.0000.0112         | REG CLASSIFIED SALARIES  | \$30,207,874         | \$30,484,310         | \$31,213,438         | \$30,896,404         | 693.20          |
| 100.0000.0113         | REG ADMIN SALARIES       | \$7,906,271          | \$8,200,111          | \$8,237,582          | \$8,448,730          | 62.10           |
| 100.0000.0114         | REG SUPERVISORY SALARIES | \$1,975,448          | \$2,021,999          | \$2,157,363          | \$2,229,365          | 27.5            |
| 100.0000.0116         | EARLY RETIREMENT STIPEND | \$13,000             | \$7,000              | \$0                  | \$0                  | 0.0             |
| 100.0000.0121         | SUBSTITUTES-LICENSED     | \$99,545             | \$142,124            | \$106,090            | \$150,414            | 0.0             |
| 100.0000.0122         | SUBSTITUTES-CLASSIFIED   | \$79,390             | \$42,424             | \$79,568             | \$44,898             | 0.0             |
| 100.0000.0123         | CERTIFIED TEMPORARY WAGE | \$59,055             | \$107,649            | \$210,359            | \$113,928            | 0.0             |
| 100.0000.0124         | TEMPORARY-CLASSIFIED     | \$694,848            | \$962,817            | \$273,182            | \$1,018,974          | 0.0             |
| 100.0000.0126         | SUBSTITUTES-ADMIN        | \$0                  | \$0                  | \$49,378             | \$0                  | 0.0             |
| 100.0000.0130         | ADDITIONAL SALARIES      | \$6,767              | \$5,718              | \$49,589             | \$6,051              | 0.0             |
| 100.0000.0131         | EXTENDED CONTRACT        | \$1,217,202          | \$1,308,434          | \$1,471,672          | \$1,384,749          | 0.0             |
| 100.0000.0132         | DEPT COORDINATOR STIPEND | \$933,529            | \$1,014,088          | \$749,310            | \$1,073,235          | 0.0             |
| 100.0000.0133         | ATHLETIC COACHING PAY    | \$661,267            | \$743,783            | \$727,957            | \$787,164            | 0.0             |
| 100.0000.0134         | ADVISOR PAY              | \$177,404            | \$186,626            | \$208,809            | \$197,511            | 0.0             |
| 100.0000.0135         | STUDENT SUPERVISION PAY  | \$84,408             | \$86,175             | \$87,024             | \$91,201             | 0.0             |
| 100.0000.0136         | ATHLETIC/ACTIVITY PAY    | \$121,118            | \$134,714            | \$138,937            | \$142,571            | 0.0             |
| 100.0000.0138         | EXTRA DUTY STIPEND       | \$0                  | \$0                  | \$0                  | \$0                  | 0.0             |
| 100.0000.0139         | OVERTIME SALARIES        | \$977,351            | \$907,726            | \$975,059            | \$960,670            | 0.0             |
| 100.0000.0140         | OTHER TIME               | \$731,180            | \$779,515            | \$660,887            | \$824,980            | 0.0             |
| 100.0000.0144         | STUDENT WAGES            | \$21,533             | \$30,702             | \$18,386             | \$32,492             | 0.0             |
| <b>TOTAL SALARIES</b> |                          | <b>\$118,957,403</b> | <b>\$123,616,394</b> | <b>\$125,841,225</b> | <b>\$126,998,297</b> | <b>1,764.10</b> |
| 100.0000.0200         | EMPLOYEE BENEFITS        | \$18                 | \$0                  | \$0                  | \$0                  | 0.0             |
| 100.0000.0211         | PERS EMPLOYER CONTRBUTN  | \$7,723,345          | \$7,356,348          | \$6,015,966          | \$11,463,941         | 0.0             |
| 100.0000.0212         | PERS-EMPLOYEE PICKUP     | \$0                  | \$0                  | \$0                  | \$0                  | 0.0             |
| 100.0000.0213         | PERS UAL BOND 2005       | \$7,797,814          | \$8,055,369          | \$8,283,790          | \$8,353,557          | 0.0             |
| 100.0000.0214         | PERS UAL BOND 2015       | \$2,227,356          | \$2,292,097          | \$2,365,751          | \$2,355,463          | 0.0             |
| 100.0000.0216         | PERS EMPLOYER-TIER III   | \$8,306,946          | \$8,942,921          | \$15,979,822         | \$12,086,600         | 0.0             |
| 100.0000.0218         | PERS- PRIOR PERIOD REC   | \$80,845             | \$53,518             | \$0                  | \$0                  | 0.0             |
| 100.0000.0220         | SOCIAL SECURITY ADMIN    | \$9,065,580          | \$9,375,253          | \$9,626,854          | \$9,715,370          | 0.0             |
| 100.0000.0231         | WORKERS' COMPENSATION    | \$759,135            | \$737,347            | \$629,206            | \$634,991            | 0.0             |
| 100.0000.0232         | UNEMPLOYMENT COMPENSTN   | \$118,503            | \$122,701            | \$125,841            | \$126,998            | 0.0             |
| 100.0000.0240         | POST EMPLOYMENT BENEFIT  | \$0                  | \$0                  | \$0                  | \$0                  | 0.0             |
| 100.0000.0241         | DISABILITY INSURANCE     | \$506,024            | \$476,932            | \$0                  | \$524,377            | 0.0             |
| 100.0000.0242         | MEDICAL INSURANCE        | \$22,843,235         | \$23,845,181         | \$23,676,598         | \$22,743,172         | 0.0             |
| 100.0000.0243         | LIFE INSURANCE           | \$126,377            | \$113,082            | \$90,000             | \$90,000             | 0.0             |
| 100.0000.0244         | EMPLOYEE ASSISTANCE      | \$22,631             | \$22,156             | \$0                  | \$0                  | 0.0             |



| ACCOUNT               | DESCRIPTION               | 2017-18<br>ACTUAL   | 2018-19<br>ACTUAL   | 2019-20<br>ADOPTED  | 2020-21<br>PROPOSED | 2020-21<br>FTE |
|-----------------------|---------------------------|---------------------|---------------------|---------------------|---------------------|----------------|
| 100.0000.0245         | TRAVEL ALLOWANCE          | \$113,010           | \$117,422           | \$100,000           | \$100,000           | 0.0            |
| 100.0000.0246         | DENTAL INSURANCE          | \$2,855,489         | \$2,926,205         | \$2,517,408         | \$2,649,903         | 0.0            |
| 100.0000.0247         | EMPLOYER PROVIDED TSA     | \$71,211            | \$35,000            | \$0                 | \$0                 | 0.0            |
| 100.0000.0248         | VISION INSURANCE          | \$659,793           | \$686,116           | \$150,000           | \$150,000           | 0.0            |
| 100.0000.0249         | TUITION REIMBURSEMENT     | \$514,493           | \$464,441           | \$500,000           | \$500,000           | 0.0            |
| 100.0000.0251         | ADMIN FLEX BENEFIT        | \$1,313,440         | \$1,404,680         | \$1,250,000         | \$1,250,000         | 0.0            |
| 100.0000.0252         | DOMESTIC PARTNER TAXABLE  | (\$1,482)           | (\$710)             | \$0                 | \$0                 | 0.0            |
| 100.0000.0254         | COMMUNICATIONS STIPEND    | \$55,955            | \$66,422            | \$50,000            | \$50,000            | 0.0            |
| 100.0000.0255         | CLASSIFIED PROF IMPR      | \$0                 | \$0                 | \$10,000            | \$10,000            | 0.0            |
| <b>TOTAL BENEFITS</b> |                           | <b>\$65,159,718</b> | <b>\$67,092,481</b> | <b>\$71,371,236</b> | <b>\$72,804,372</b> | <b>0.0</b>     |
| 100.0000.0310         | INSTRUCTION SERVICES      | \$62,068            | \$57,044            | \$85,187            | \$62,891            | 0.0            |
| 100.0000.0311         | INSTRUCTION SERVICES      | \$31,416            | \$24,065            | \$54,400            | \$26,531            | 0.0            |
| 100.0000.0312         | INSTR PROG IMPROVEMENT    | \$55,499            | \$170,580           | \$54,978            | \$188,064           | 0.0            |
| 100.0000.0313         | STUDENT SERVICES          | \$1,272,870         | \$1,259,089         | \$1,151,149         | \$1,388,146         | 0.0            |
| 100.0000.0318         | PROF IMPRV/NON INSTRUCT   | \$4,278             | \$2,420             | \$11,926            | \$2,668             | 0.0            |
| 100.0000.0319         | OTHER PROF & TECH INSTRNL | \$407,858           | \$410,175           | \$459,468           | \$452,218           | 0.0            |
| 100.0000.0320         | PROPERTY SERVICES         | \$1,932             | \$4,184             | \$840               | \$4,613             | 0.0            |
| 100.0000.0321         | CUSTODIAL SERVICES        | \$4,514             | \$0                 | \$0                 | \$0                 | 0.0            |
| 100.0000.0322         | REPAIR & MAINTENANCE      | \$446,390           | \$461,882           | \$780,989           | \$509,225           | 0.0            |
| 100.0000.0323         | LAUNDRY & DRY CLEANING    | \$172,160           | \$231,511           | \$302,041           | \$255,241           | 0.0            |
| 100.0000.0324         | RENTAL EXPENSE            | \$587,301           | \$523,291           | \$582,269           | \$576,929           | 0.0            |
| 100.0000.0325         | ELECTRICITY               | \$2,487,697         | \$2,755,696         | \$2,526,578         | \$3,038,155         | 0.0            |
| 100.0000.0326         | HEATING FUEL              | \$622,242           | \$592,148           | \$777,066           | \$652,844           | 0.0            |
| 100.0000.0327         | WATER & SEWAGE            | \$1,332,973         | \$1,531,868         | \$1,161,830         | \$1,688,884         | 0.0            |
| 100.0000.0328         | GARBAGE                   | \$337,115           | \$435,377           | \$347,288           | \$480,003           | 0.0            |
| 100.0000.0329         | OTHER PROPERTY SERVICES   | \$19,629            | \$14,753            | \$255,608           | \$16,265            | 0.0            |
| 100.0000.0330         | STUDENT TRANSPORTATION    | \$90                | \$264               | \$0                 | \$291               | 0.0            |
| 100.0000.0331         | REIMBURSABLE STUDNT TRAN  | (\$160,245)         | (\$188,812)         | (\$172,802)         | (\$208,166)         | 0.0            |
| 100.0000.0332         | NONREIMB STUDENT TRANS    | \$126,458           | \$126,091           | \$138,305           | \$139,015           | 0.0            |
| 100.0000.0340         | TRAVEL                    | \$509,787           | \$482,281           | \$520,573           | \$531,715           | 0.0            |
| 100.0000.0342         | TRAVEL – IN DISTRICT      | \$4,326             | \$1,703             | \$123               | \$1,878             | 0.0            |
| 100.0000.0343         | STUDENT OUT OF DIST TRANS | \$30,290            | \$6,760             | \$5,812             | \$7,453             | 0.0            |
| 100.0000.0351         | TELEPHONE                 | \$279,485           | \$496,138           | \$114,536           | \$546,992           | 0.0            |
| 100.0000.0353         | POSTAGE                   | \$116,280           | \$113,343           | \$170,659           | \$124,960           | 0.0            |
| 100.0000.0354         | ADVERTISING               | \$18,538            | \$5,200             | \$16,624            | \$5,733             | 0.0            |
| 100.0000.0355         | PRINTING AND BINDING      | (\$21,953)          | \$28,707            | \$7,438             | \$31,650            | 0.0            |
| 100.0000.0360         | CHARTER SCHOOL PAYMENTS   | \$1,315,133         | \$1,296,431         | \$1,574,848         | \$1,497,377         | 0.0            |
| 100.0000.0371         | TUITION TO PUBLIC SCHOOLS | \$194,514           | \$214,870           | \$190,194           | \$236,894           | 0.0            |
| 100.0000.0372         | TUITION OUT OF STATE      | \$92,702            | \$0                 | \$40,900            | \$0                 | 0.0            |
| 100.0000.0373         | TUITION TO PRIVATE SCHOOL | \$0                 | \$13,967            | \$0                 | \$15,399            | 0.0            |
| 100.0000.0374         | OTHER TUITION PAYMENTS    | \$247,922           | \$721,846           | \$0                 | \$795,835           | 0.0            |





| ACCOUNT                               | DESCRIPTION              | 2017-18<br>ACTUAL   | 2018-19<br>ACTUAL   | 2019-20<br>ADOPTED  | 2020-21<br>PROPOSED | 2020-21<br>FTE |
|---------------------------------------|--------------------------|---------------------|---------------------|---------------------|---------------------|----------------|
| 100.0000.0380                         | NON-INSTRUCT PROF SERV   | \$231,526           | \$209,164           | \$177,829           | \$230,604           | 0.0            |
| 100.0000.0381                         | AUDIT SERVICES           | \$85,000            | \$35,000            | \$64,595            | \$38,588            | 0.0            |
| 100.0000.0382                         | LEGAL SERVICES           | \$92,109            | \$115,700           | \$108,931           | \$127,559           | 0.0            |
| 100.0000.0383                         | ARCHITECT/ENGINEER SVCS  | \$1,050             | \$8,030             | \$61,504            | \$8,853             | 0.0            |
| 100.0000.0384                         | NEGOTIATION SERVICES     | \$22,054            | \$0                 | \$0                 | \$0                 | 0.0            |
| 100.0000.0385                         | MANAGEMENT SERVICES      | \$6,134             | \$0                 | \$0                 | \$0                 | 0.0            |
| 100.0000.0388                         | ELECTION SERVICES        | \$0                 | \$33,615            | \$0                 | \$37,061            | 0.0            |
| 100.0000.0390                         | OTHER PROF & TECH SRV    | \$2,329,027         | \$1,972,560         | \$198,450           | \$2,174,747         | 0.0            |
| 100.0000.0391                         | SUBSTITUTE – LICENSED    | \$3,429,010         | \$3,463,326         | \$4,496,381         | \$3,672,858         | 0.0            |
| 100.0000.0392                         | BANK SERVICE FEE         | \$5,204             | \$1,486             | \$0                 | \$1,941             | 0.0            |
| 100.0000.0399                         | SUBSTITUTE – CLASSIFIED  | \$2,880,671         | \$3,404,635         | \$2,545,125         | \$3,610,617         | 0.0            |
| <b>TOTAL PURCHASED SERVICES</b>       |                          | <b>\$19,681,055</b> | <b>\$21,036,388</b> | <b>\$18,811,642</b> | <b>\$22,972,531</b> | <b>0.0</b>     |
| 100.0000.0410                         | SUPPLIES AND MATERIALS   | \$3,568,063         | \$2,520,351         | \$1,700,014         | \$2,622,173         | 0.0            |
| 100.0000.0412                         | CUSTODIAL SUPPLIES       | \$490,648           | \$433,700           | \$568,319           | \$451,222           | 0.0            |
| 100.0000.0417                         | MAINTENANCE SUPPLIES     | \$289,608           | \$249,528           | \$36,588            | \$259,608           | 0.0            |
| 100.0000.0418                         | GASOLINE AND OIL         | \$910,737           | \$912,010           | \$395,352           | \$948,855           | 0.0            |
| 100.0000.0419                         | TIRES                    | \$44,289            | \$66,142            | \$0                 | \$68,814            | 0.0            |
| 100.0000.0420                         | TEXTBOOKS                | \$122,686           | \$274,946           | \$31,083            | \$686,054           | 0.0            |
| 100.0000.0430                         | LIBRARY BOOKS            | \$25,358            | \$40,422            | \$31,307            | \$42,056            | 0.0            |
| 100.0000.0440                         | PERIODICAL SUBSCRIPTIONS | \$41,542            | \$52,621            | \$0                 | \$54,746            | 0.0            |
| 100.0000.0450                         | FOOD                     | \$0                 | \$83                | \$0                 | \$86                | 0.0            |
| 100.0000.0460                         | NON-CONSUMABLE ITEMS     | \$247,412           | \$312,630           | \$204,674           | \$325,260           | 0.0            |
| 100.0000.0461                         | <\$5000 EQUIPMENT        | \$175,826           | \$164,254           | \$494,190           | \$170,890           | 0.0            |
| 100.0000.0470                         | COMPUTER SOFTWARE        | \$1,009,367         | \$1,337,884         | \$1,236,960         | \$1,391,935         | 0.0            |
| 100.0000.0480                         | COMPUTER HARDWARE        | \$482,958           | \$319,011           | \$164,807           | \$331,899           | 0.0            |
| 100.0000.0481                         | <\$5000 COMPUTER HARDWAR | \$805,380           | \$185,155           | \$82,516            | \$192,635           | 0.0            |
| <b>TOTAL SUPPLIES &amp; MATERIALS</b> |                          | <b>\$8,213,874</b>  | <b>\$6,868,737</b>  | <b>\$4,945,810</b>  | <b>\$7,546,233</b>  | <b>0.0</b>     |
| 100.0000.0520                         | BUILDING ACQUISITIONS    | \$16,895            | \$0                 | \$0                 | \$0                 | 0.0            |
| 100.0000.0530                         | IMPROVEMENTS TO BUILDING | \$90,369            | \$0                 | \$0                 | \$0                 | 0.0            |
| 100.0000.0540                         | CAPITAL EQUIPMENT        | \$17,765            | \$122,400           | \$0                 | \$0                 | 0.0            |
| 100.0000.0542                         | REPLACEMENT EQUIPMENT    | \$36,732            | \$0                 | \$0                 | \$0                 | 0.0            |
| 100.0000.0550                         | CAPITAL TECHNOLOGY       | \$0                 | \$5,603             | \$0                 | \$0                 | 0.0            |
| <b>TOTAL CAPITAL EQUIPMENT</b>        |                          | <b>\$161,761</b>    | <b>\$128,003</b>    | <b>\$0</b>          | <b>\$0</b>          | <b>0.0</b>     |
| 100.0000.0610                         | REDEMPTION OF PRINCIPAL  | \$0                 | \$0                 | \$0                 | \$0                 | 0.0            |
| 100.0000.0621                         | INTEREST                 | \$0                 | \$82                | \$0                 | \$0                 | 0.0            |
| 100.0000.0630                         | BAD DEBT WRITE-OFF       | \$0                 | \$21,608            | \$0                 | \$0                 | 0.0            |
| 100.0000.0640                         | DUES & FEES              | \$335,490           | \$325,658           | \$320,470           | \$358,541           | 0.0            |
| 100.0000.0650                         | INSURANCE AND JUDGMENTS  | \$0                 | \$0                 | \$0                 | \$265,938           | 0.0            |
| 100.0000.0651                         | LIABILITY INSURANCE      | \$347,109           | \$253,275           | \$375,199           | \$210               | 0.0            |
| 100.0000.0652                         | FIDELITY BOND PREMIUMS   | \$200               | \$200               | \$243               | \$861,558           | 0.0            |
| 100.0000.0653                         | PROPERTY & CASULTY INS   | \$911,210           | \$820,531           | \$856,747           | \$4,000             | 0.0            |

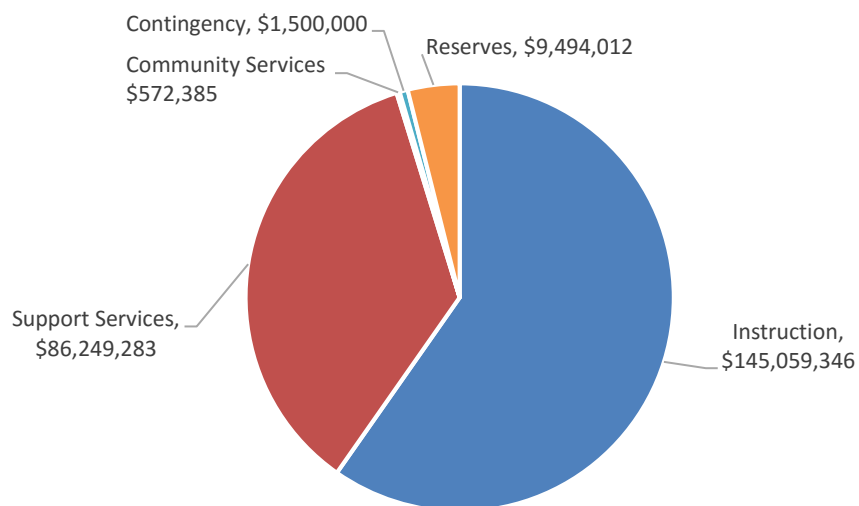
| ACCOUNT                    | DESCRIPTION              | 2017-18<br>ACTUAL    | 2018-19<br>ACTUAL    | 2019-20<br>ADOPTED   | 2020-21<br>PROPOSED  | 2020-21<br>FTE  |
|----------------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|-----------------|
| 100.0000.0655              | JUDGEMENTS & SETTLEMNTS  | \$12,100             | \$4,000              | \$83,193             | \$26,502             | 0.0             |
| 100.0000.0670              | TAXES & LICENSES         | \$13,893             | \$26,502             | \$23,176             | \$42,832             | 0.0             |
| <b>TOTAL DUES AND FEES</b> |                          | <b>\$1,620,002</b>   | <b>\$1,451,856</b>   | <b>\$1,659,028</b>   | <b>\$1,559,581</b>   | <b>0.0</b>      |
| 100.0000.790               | TRANSFER TO PERS RESERVE | \$0                  | \$0                  | \$0                  | \$0                  | 0.0             |
| <b>TOTAL TRANSFERS</b>     |                          | <b>\$0</b>           | <b>\$0</b>           | <b>\$0</b>           | <b>\$0</b>           | <b>0.0</b>      |
| 100.0000.0810              | PLANNED RESERVE          | \$0                  | \$0                  | \$3,000,000          | \$1,500,000          | 0.0             |
| 100.0000.0820              | RESERVED FOR NEXT YEAR   | \$12,795,799         | \$10,090,542         | \$6,276,202          | \$9,494,012          | 0.0             |
| <b>TOTAL EXPENDITURES</b>  |                          | <b>\$226,589,612</b> | <b>\$230,284,401</b> | <b>\$231,905,143</b> | <b>\$242,875,026</b> | <b>1,764.10</b> |



### General Fund Budget by Function Summary

| Function              | Description   | 2018-19 Actuals      | 2019-20 Adopted      | 2020-21 Proposed     | Change from Prior Year |
|-----------------------|---|----------------------|----------------------|----------------------|------------------------|
| Instruction           | Direct classroom  | \$137,748,135        | \$137,814,845        | \$145,059,346        | 5.26%                  |
| Support Services      | Counselors, media, assessment, central administration, facilities, transportation | \$81,902,188         | \$84,124,933         | \$86,249,283         | 2.53%                  |
| Community Services    | Office of Hispanic Outreach   | \$543,536            | \$689,163            | \$572,385            | -16.94%                |
| Building Improvements | Building acquisitions and capital improvements                                    | \$0                  | \$0                  | \$0                  | 0.00%                  |
| Other                 | Debt Service on Admin Center Building   | \$0                  | \$0                  | \$0                  | 0.00%                  |
| Contingency           | Unexpected expenditures   | \$0                  | \$3,000,000          | \$1,500,000          | -50.00%                |
| Reserves              | Next year's reserve   | \$10,090,542         | \$6,276,202          | \$9,494,012          | 51.27%                 |
| <b>Total</b>          |   | <b>\$230,284,401</b> | <b>\$231,905,143</b> | <b>\$242,875,026</b> | <b>4.73%</b>           |

2020-21 General Fund Expenditures by Function





**General Fund by Function**

| ACCOUNT                             | DESCRIPTION              | 2017-18<br>ACTUAL    | 2018-19<br>ACTUAL    | 2019-20<br>ADOPTED   | 2020-21<br>PROPOSED  | 2020-21<br>FTE |
|-------------------------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|----------------|
| 100.1111.0000                       | PRIMARY EDUCATION        | \$48,878,409         | \$49,560,583         | \$50,898,121         | \$52,191,093         | 428.5          |
| 100.1113.0000                       | ELEMENTARY EXTRACURRIC   | \$144,642            | \$182,631            | \$150,619            | \$192,324            | 0.0            |
| 100.1121.0000                       | MIDDLE SCHOOL PROGRAMS   | \$11,699,621         | \$11,457,315         | \$12,183,063         | \$12,065,431         | 94.9           |
| 100.1122.0000                       | MIDDLE SCHL EXTRACURRIC  | \$94,590             | \$88,403             | \$98,499             | \$93,095             | 0.0            |
| 100.1131.0000                       | HIGH SCHOOL PROGRAMS     | \$24,292,851         | \$25,463,676         | \$25,296,659         | \$26,815,203         | 188.0          |
| 100.1132.0000                       | HIGH SCHOOL EXTRACURRIC  | \$2,508,974          | \$2,711,951          | \$2,612,648          | \$2,855,892          | 7.9            |
| 100.1133.0000                       | SATURDAY SCHOOL-HIGH SCH | \$10,630             | \$15,041             | \$11,069             | \$15,839             | 0.0            |
| 100.1140.0000                       | PRE-KINDERGARTEN PROG    | \$0                  | \$70                 | \$0                  | \$74                 | 0.0            |
| 100.1210.0000                       | TALENTED AND GIFTED      | \$508,418            | \$523,909            | \$529,426            | \$551,716            | 2.3            |
| 100.1220.0000                       | RESTRICTIVE PROG-SP PROG | \$708,737            | \$697,496            | \$738,023            | \$734,517            | 0.0            |
| 100.1221.0000                       | LEARNING CNTRS-STRUCTUR  | \$10,285,179         | \$10,664,615         | \$10,710,174         | \$11,230,657         | 135.4          |
| 100.1223.0000                       | COMMUNITY TRANSITION     | \$1,780,661          | \$1,651,599          | \$1,854,240          | \$1,739,260          | 23.4           |
| 100.1224.0000                       | LIFE SKILLS WITH NURSING | \$1,382,037          | \$1,552,458          | \$1,439,144          | \$1,634,857          | 14.0           |
| 100.1225.0000                       | OUT OF DISTRICT PROGRAMS | \$714,696            | \$676,845            | \$744,228            | \$712,770            | 0.0            |
| 100.1226.0000                       | HOME INSTRUCTION         | \$210,599            | \$173,238            | \$219,301            | \$182,433            | 1.0            |
| 100.1227.0000                       | EXTENDED SCHOOL YR       | \$117,214            | \$114,508            | \$122,057            | \$120,586            | 0.0            |
| 100.1250.0000                       | LESS RESTRICTIVE PROGRMS | \$13,725,725         | \$14,736,025         | \$14,292,888         | \$15,518,164         | 151.5          |
| 100.1270.0000                       | EDUCATIONALLY DISADV     | \$0                  | \$102,832            | \$0                  | \$108,290            | 0.0            |
| 100.1272.0000                       | TITLE I                  | \$1,157              | \$51,128             | \$1,205              | \$53,842             | 0.0            |
| 100.1280.0000                       | ALTERNATIVE EDUCATION    | \$1,243,542          | \$1,279,969          | \$1,294,927          | \$1,347,905          | 11.0           |
| 100.1288.0000                       | CHARTER SCHOOLS          | \$1,353,640          | \$1,336,942          | \$1,409,574          | \$1,407,902          | 0.0            |
| 100.1289.0000                       | OPTIONS PROGRAMS         | \$750,652            | \$737,866            | \$781,670            | \$777,029            | 0.8            |
| 100.1290.0000                       | DESIGNATED PROGRAMS      | \$18                 | \$0                  | \$19                 | \$0                  | 0.0            |
| 100.1291.0000                       | ENGLISH 2ND LANGUAG PROG | \$10,864,861         | \$12,825,118         | \$11,313,810         | \$13,505,832         | 97.9           |
| 100.1292.0000                       | TEEN PARENT PROGRAMS     | \$723,571            | \$763,705            | \$753,470            | \$804,240            | 4.1            |
| 100.1293.0000                       | MIGRANT EDUCATION        | \$0                  | (\$1,450)            | \$0                  | (\$1,527)            | 0.0            |
| 100.1294.0000                       | YOUTH CORRECTN EDUCATN   | \$695                | \$234,917            | \$724                | \$247,386            | 1.0            |
| 100.1296.0000                       | ACADEMIC INTERVENTIONS   | \$195,233            | \$143,917            | \$203,300            | \$151,557            | 1.3            |
| 100.1430.0000                       | SECONDARY SUMMER SCH     | \$149,798            | \$2,828              | \$155,987            | \$2,979              | 0.0            |
| <b>TOTAL INSTRUCTIONAL SERVICES</b> |                          | <b>\$132,346,150</b> | <b>\$137,748,135</b> | <b>\$137,814,845</b> | <b>\$145,059,346</b> | <b>1,163.0</b> |
| 100.2110.0000                       | ATTENDANC & SOCL WRK SVC | \$527,823            | \$136,948            | \$549,633            | \$144,217            | 4.0            |
| 100.2112.0000                       | ATTENDANCE SERVICES      | \$519,781            | \$505,849            | \$541,259            | \$532,698            | 5.7            |
| 100.2115.0000                       | STUDENT SAFETY           | \$1,230,467          | \$1,182,189          | \$1,281,311          | \$1,244,936          | 6.5            |
| 100.2116.0000                       | BEHAVIORIAL SERVICES     | \$699,781            | \$903,680            | \$728,697            | \$951,644            | 0.0            |
| 100.2118.0000                       | LIMITED STUDENT SUPPORT  | \$1,316,171          | \$1,884,694          | \$1,370,557          | \$1,984,727          | 0.0            |
| 100.2122.0000                       | COUNSELING SERVICES      | \$5,059,785          | \$6,002,221          | \$5,268,861          | \$6,320,799          | 44.2           |
| 100.2126.0000                       | PLACEMENT SERVICES       | \$75,284             | \$86,320             | \$78,395             | \$90,902             | 3.4            |
| 100.2130.0000                       | HEALTH SERVICES          | \$92,633             | \$78,269             | \$96,461             | \$82,423             | 0.6            |



| ACCOUNT                       | DESCRIPTION              | 2017-18<br>ACTUAL   | 2018-19<br>ACTUAL   | 2019-20<br>ADOPTED  | 2020-21<br>PROPOSED | 2020-21<br>FTE |
|-------------------------------|--------------------------|---------------------|---------------------|---------------------|---------------------|----------------|
| 100.2132.0000                 | MEDICAL SERVICES         | \$141,582           | \$232,383           | \$147,432           | \$244,717           | 0.0            |
| 100.2134.0000                 | NURSE SERVICES           | \$269,037           | \$635,743           | \$280,154           | \$669,486           | 6.9            |
| 100.2139.0000                 | OTHER HEALTH SERVICES    | \$360,871           | \$427,189           | \$375,783           | \$449,863           | 3.9            |
| 100.2140.0000                 | PSYCHOLOGICAL SERVICES   | \$1,017,154         | \$923,956           | \$1,059,184         | \$972,997           | 8.2            |
| 100.2150.0000                 | SPEECH & AUDIO SERVICES  | \$3,270,543         | \$3,739,516         | \$3,405,686         | \$3,937,997         | 28.0           |
| 100.2160.0000                 | STUDENT TREATMNT CENTER  | \$115,467           | \$114,893           | \$120,238           | \$120,991           | 0.0            |
| 100.2190.0000                 | STUDENT SERVICES DIRECTR | \$197,232           | \$341,801           | \$205,382           | \$359,943           | 0.0            |
| 100.2210.0000                 | IMPROVEMNT OF INSTRCTN   | \$942,179           | \$669,297           | \$981,111           | \$704,821           | 1.0            |
| 100.2211.0000                 | SERVICE AREA DIRECTION   | \$0                 | \$0                 | \$0                 | \$0                 | 0.0            |
| 100.2212.0000                 | OTHER CURRICULUM INSTR   | \$0                 | \$0                 | \$0                 | \$0                 | 0.0            |
| 100.2213.0000                 | CURRICULUM DEVELOPMENT   | \$980,101           | \$335,053           | \$1,020,600         | \$352,836           | 0.0            |
| 100.2220.0000                 | EDUCATIONAL MEDIA SVCS   | \$6,472             | \$2,910             | \$6,739             | \$3,064             | 0.0            |
| 100.2222.0000                 | LIBRARY MEDIA CENTER     | \$1,358,288         | \$1,362,608         | \$1,414,414         | \$1,434,931         | 15.3           |
| 100.2223.0000                 | MULTIMEDIA SERVICES      | \$2,121             | \$3,452             | \$2,209             | \$3,635             | 0.0            |
| 100.2230.0000                 | ASSESSMENT & TESTING     | \$165,771           | \$313,307           | \$172,621           | \$329,936           | 0.0            |
| 100.2240.0000                 | INSTRUCTNL STAFF DEVELOP | \$1,635,561         | \$1,561,890         | \$1,703,144         | \$1,644,790         | 1.8            |
| 100.2310.0000                 | BOARD OF EDUCATION       | \$231,363           | \$234,123           | \$240,923           | \$246,549           | 1.0            |
| 100.2321.0000                 | OFFICE OF SUPERINTENDENT | \$604,632           | \$570,000           | \$629,616           | \$600,254           | 2.0            |
| 100.2410.0000                 | OFFICE OF THE PRINCIPAL  | \$14,795,791        | \$15,240,556        | \$15,407,170        | \$16,049,474        | 105.1          |
| 100.2490.0000                 | OTHER ADMINISTRATION     | \$2,648,383         | \$2,737,369         | \$2,757,817         | \$2,882,659         | 14.0           |
| 100.2510.0000                 | DIRECTOR BUSINESS SVC    | \$995,111           | \$918,403           | \$1,036,230         | \$967,149           | 7.2            |
| 100.2520.0000                 | FISCAL SERVICES          | \$62,424            | \$275,410           | \$65,003            | \$290,028           | 0.0            |
| 100.2524.0000                 | PAYROLL SERVICES         | \$345,889           | \$361,939           | \$360,182           | \$381,150           | 4.6            |
| 100.2525.0000                 | FINANCIAL ACCOUNTING     | \$238,057           | \$272,305           | \$247,894           | \$286,758           | 3.0            |
| 100.2528.0000                 | RISK MANAGEMENT SERVICES | \$264,114           | \$984,009           | \$275,027           | \$1,036,237         | 1.0            |
| 100.2529.0000                 | OTHER FISCAL SERVICES    | \$42,844            | \$43,192            | \$44,614            | \$45,484            | 1.0            |
| 100.2540.0000                 | FACILITIES MAINTENANCE   | \$17,199,660        | \$16,197,598        | \$17,910,370        | \$17,057,312        | 116.2          |
| 100.2545.0000                 | HVAC SERVICES            | \$239,458           | \$294,290           | \$249,353           | \$309,910           | 0.0            |
| 100.2550.0000                 | STUDENT TRANSPORTATION   | \$15,225,758        | \$15,155,844        | \$15,854,904        | \$15,960,266        | 169.3          |
| 100.2573.0000                 | WAREHOUSE/DISTRIBUTION   | \$23,479            | \$25,352            | \$24,449            | \$26,698            | 0.5            |
| 100.2574.0000                 | PRINTING SERVICES        | \$11,149            | \$146,309           | \$11,610            | \$154,075           | 4.0            |
| 100.2620.0000                 | PLANNING & DEVELPMNT SVC | \$1,515             | (\$1,367)           | \$1,578             | (\$1,440)           | 0.0            |
| 100.2630.0000                 | COMMUNITY RELATIONS      | \$569,276           | \$555,870           | \$592,799           | \$585,374           | 5.0            |
| 100.2639.0000                 | OTHER INFORMATION SRVS   | \$0                 | \$0                 | \$0                 | \$0                 | 0.0            |
| 100.2640.0000                 | STAFF SERVICES           | \$1,976,168         | \$1,976,045         | \$2,057,826         | \$2,080,927         | 12.4           |
| 100.2660.0000                 | TECHNOLOGY SERVICES      | \$5,285,806         | \$4,404,319         | \$5,504,222         | \$4,638,086         | 21.2           |
| 100.2670.0000                 | RECORDS MANAGEMENT       | \$27,757            | \$58,918            | \$28,904            | \$62,045            | 0.0            |
| 100.2700.0000                 | EARLY RETIREMENT         | \$13,995            | \$7,536             | \$14,571            | \$7,936             | 0.0            |
| <b>TOTAL SUPPORT SERVICES</b> |                          | <b>\$80,786,733</b> | <b>\$81,902,188</b> | <b>\$84,124,933</b> | <b>\$86,249,283</b> | <b>597.0</b>   |



| ACCOUNT                                  | DESCRIPTION              | 2017-18<br>ACTUAL    | 2018-19<br>ACTUAL    | 2019-20<br>ADOPTED   | 2020-21<br>PROPOSED  | 2020-21<br>FTE |
|--|--------------------------|----------------------|----------------------|----------------------|----------------------|----------------|
| 100.3300.0000                            | OTHER COMMUNITY SERVICES | \$661,816            | \$543,536            | \$689,163            | \$572,385            | 4.1            |
| <b>TOTAL OFFICE OF HISPANIC OUTREACH</b> |                          | <b>\$661,816</b>     | <b>\$543,536</b>     | <b>\$689,163</b>     | <b>\$572,385</b>     | <b>4.1</b>     |
| 100.4150.0000                            | BUILDING IMPROVEMENTS    | \$0                  | \$0                  | \$0                  | \$0                  | 0.0            |
| <b>TOTAL BUILDING IMPROVEMENTS</b>       |                          | <b>\$0</b>           | <b>\$0</b>           | <b>\$0</b>           | <b>\$0</b>           | <b>0.0</b>     |
| 100.5110.0000                            | LONG TERM DEBT SERVICE   | (\$886)              | \$0                  | \$0                  | \$0                  | 0.0            |
| <b>TOTAL DEBT SERVICE</b>                |                          | <b>(\$886)</b>       | <b>\$0</b>           | <b>\$0</b>           | <b>\$0</b>           | <b>0.0</b>     |
| 100.5200.0000                            | TRANSFER TO PERS RESERVE | \$0                  | \$0                  | \$0                  | \$0                  | 0.0            |
| <b>TOTAL TRANSFERS</b>                   |                          | <b>\$0</b>           | <b>\$0</b>           | <b>\$0</b>           | <b>\$0</b>           | <b>0.0</b>     |
| 100.6110.0000                            | OPERATING CONTINGENCY    | \$0                  | \$0                  | \$3,000,000          | \$1,500,000          | 0.0            |
| 100.7000.0000                            | UNAPPROPRIATED END BAL   | \$12,795,799         | \$10,090,542         | \$6,276,202          | \$9,494,012          | 0.0            |
| <b>TOTAL EXPENDITURES</b>                |                          | <b>\$226,589,612</b> | <b>\$230,284,401</b> | <b>\$231,905,143</b> | <b>\$242,875,026</b> | <b>1,764.1</b> |

Note: Immaterial rounding differences may exist between tables.



According to the [Oregon Department of Education Program and Accounting Manual](#), the “Function” is the second dimension of numbers in the standardized account code. Budget expenditures are reported by the following dimensions:

Fund: xxx

Function: xxxx

Object: xxx

The “Fund” is the first dimension and represents the type of management accounts represented in the following account detail. The “Function” describes the activity for which a service or material object is acquired and are listed below. The “Object” describes the type of item purchased and the definitions are self-evident. The “Functions” are described in more detail below.

**1111 Primary Programs K-6**

All regular elementary school instructional programs for kindergarten through third grade. Includes staff, services, teaching supplies, and equipment.

**1113 Elementary Extracurricular**

Staff stipends for after-school activities.

**1121 Middle School Programs**

All regular middle school instructional programs. Includes staff, services, teaching supplies, and equipment.

**1122 Middle School Extracurricular**

Advisor stipends and supplies for extracurricular activities.

**1131 High School Programs**

All regular high school instruction programs. Includes staff, services, teaching supplies, and equipment.

**1132 High School Extracurricular**

Extracurricular activities and athletics. Includes staff, coaches, advisors, services, supplies, and dues.

**1133 Saturday School – High School**

Extended contract time to staff high school Saturday school programs

**1140 Pre-Kindergarten Programs**

Includes staff, services, teaching supplies, and equipment for pre-kindergarten programs.

**1210 Talented and Gifted (TAG) Programs**

TAG program services and supplies.

- 1221 Learning Centers – Structured and Intensive**  
Learning experiences for students with disabilities who spend one-half or more of their time in a restricted setting, such as Life Skills Centers or Social Communications Centers. This includes staff, services, and teaching supplies.
- 1223 Community Transition Centers**  
Learning experiences for students with disabilities who are 16 years of age or older, and who spend a portion of their school day in a community-based program, such as Portland Community College.
- 1224 Life Skills with Nursing**  
Learning experiences for students with disabilities who work primarily on functional skills and who receive nursing services, such as health impaired classrooms.
- 1225 Out-of-District Programs**  
Programs for students placed outside District schools, such as ESD programs or private schools.
- 1226 Home Instruction**  
Home tutoring services for students who are temporarily unable to attend school due to disability, illness, injury, or for an alternative placement.
- 1227 Extended School Year**  
Learning experiences for students with disabilities who show significant regression during non-instructional periods, and do not recoup the skills within a reasonable time. Students receive extended opportunities, such as summer school.
- 1250 Less-Restrictive Programs for Students with Disabilities**  
Special learning experiences outside the regular classroom for students with disabilities. Students spend certain periods of the school day in this program to receive remedial instruction in specific subject areas or other remedial activities. Includes staff, services, and teaching supplies.
- 1270 Educationally Disadvantaged**  
Instructional activities designed for students who are disadvantaged due to socioeconomic status or other circumstances that can affect their ability to learn.
- 1272 Title IA/D**  
Title I instructional activities. Includes staff and teaching supplies.
- 1280 Alternative Education**  
Alternative programs outside the regular school setting for students. Includes alternative middle school, alternative high school, and other alternative programs.
- 1288 Charter Schools**  
Payments made to City View Charter School, a District-sponsored charter school.



- 1289 Other Alternative Programs**  
District non-traditional instructional programs, including the Hillsboro Online Academy.
- 1290 Designated Programs**  
Special learning experiences for other students with special needs.
- 1291 English Language Learner (ELL) Programs**  
ELL programs include staff, services, and teaching supplies.
- 1292 Teen Parent Program**  
The Teen Parent program, for pregnant or parenting students, includes staff, services, and teaching supplies.
- 1293 Migrant Education**  
The migration education instructional program is designed to meet the needs of migrant students, including staff, services, supplies, and transportation.
- 1294 Youth Corrections Education**  
Instructional programs delivered to youths in detention.
- 1295 Indian Education Program**  
Instructional programs designed to meet the needs of culturally relevant curriculum about Oregon Native Americans.
- 1296 Academic Interventions**  
Instructional programs delivered to youths in support of academic interventions.
- 1400 Summer School Programs**  
Summer school for students includes staff and material operating costs.
- 1410 Elementary School Summer School**  
Summer school for elementary school students includes staff and material operating costs.
- 1420 Middle/Junior High School Summer School**  
Summer school for middle/junior high school students includes staff and material operating costs.
- 1430 High School Summer School**  
Summer school for high school students includes staff and material operating costs.
- 1440 K-3 Summer School**  
Summer school for Kindergarten through 3<sup>rd</sup> grade students includes staff and material operating costs.

- 1495 Identification and Recruitment – Migrant Summer School**  
Includes staff and material costs to identify and recruit children identified as “Migrant” for the Migrant Summer Program.
- 2100 Support Services - Students**  
Activities designed to assess and improve the well-being of students and/or supplement the teaching process.
- 2110 Attendance and Social Work Services**  
Activities designed to improve student attendance at school. This includes contract services with Youth Contact to provide intervention and counseling services.
- 2112 Attendance Services**  
Attendance record keeping.
- 2113 Social Work Services**  
Activities to investigate and diagnose student problems, casework, group work for students and parents, and interpretation of student problems for other staff members. This includes staff and services.
- 2115 Student Safety**  
Crossing guards and all activities associated with services to enhance student and campus safety.
- 2116 Behavioral Services**  
Student Success Coaches and all activities associated with services.
- 2117 Identification and Recruitment of Migrant Children**  
Includes staff and material costs to identify and recruit children identified as “Migrant.”
- 2118 Limited Student Support**  
Includes staff and sub costs to support students in need of additional assistance.
- 2119 Other Attendance and Social Services**  
Services other than attendance services, social work services, and student safety.
- 2120 Guidance Services**  
Activities of counseling students and parents.
- 2122 Counseling Services**  
Includes staff, services, and materials.
- 2126 Placement Services**  
Career placement assistance for students.

- 2130 Health Services**  
Includes the cost of consultants, training, and services related to special health needs.
- 2132 Medical Services**  
Activities related to student physical and mental health, including such activities as screening, health examinations, emergency injury and illness care, and communication with parents and medical officials. Includes staff, services, and supplies.
- 2134 Nurse Services**  
Nursing activities that are not instruction, such as health inspection, treatment of minor injuries, and referrals for other health services. Includes staff, services, and supplies.
- 2139 Other Health Services**  
Health office staff and supplies.
- 2140 Psychological Services**  
Includes staff, services, and supplies to provide services for students Districtwide.
- 2150 Speech Pathology and Audiology Services**  
Speech therapist program serving students Districtwide.
- 2160 Other Student Treatment Services**  
Services such as occupational therapy, physical therapy, and adaptive physical education. Includes staff, services, and supplies.
- 2190 Service Direction, Student Support Services**  
Direction and management of student support services (e.g., special education director and at-risk programs).
- 2210 Improvement of Instruction Services**  
Activities that assist instructional staff to plan, develop, and evaluate the process of providing learning experiences to students.
- 2211 Improvement of Instruction Services - Service Area Direction**  
Activities associated with directing and managing the improvement of instruction services.
- 2213 Curriculum Development**  
Includes Administration Center staff and expenses.
- 2219 Other Improvement of Instruction**  
Activities associated with directing and managing the improvement of instruction services.
- 2220 Educational Media Services**  
Includes staff, services, and supplies for a variety of staff and student media.

- 2222 Library/Media Center**  
Includes staff, services, and supplies for school libraries.
- 2223 Multimedia Services**  
Includes materials, supplies, and equipment for multimedia services.
- 2230 Assessment and Testing**  
Includes staff, services, and materials to provide Districtwide testing and evaluation services to monitor individual and group progress in reaching District and state learning goals and requirements.
- 2240 Instructional Staff Development**  
Costs for instructional staff, including educational assistants.
- 2300 Support Services – General Administration**  
Activities concerned with establishing and administering policy in connection with operating the District.
- 2310 Board of Education Services**  
Includes expenses for audit, legal services, elections, dues, supplies, professional development, and secretarial staff.
- 2321 Office of the Superintendent**  
Includes Administration Center staff and expenses.
- 2410 Office of the Principal Services**  
Includes staff, services, and supplies to operate the office at each school.
- 2490 Other Support Services—School Administration**  
Includes Administration Center staff and services for grades K-12 school operations.
- 2510 Director of Business Support Services**  
Includes Administration Center staff and expenses.
- 2520 Fiscal Services**  
Includes activities concerned with the fiscal operations of the District.
- 2524 Payroll Services**  
Includes Administration Center staff and expenses.
- 2525 Financial Accounting Services**  
Includes Administration Center staff and expenses.
- 2528 Risk Management Services**  
Includes Administration Center staff and expenses.

- 2529 Other Fiscal Services**  
Includes Administration Center staff and expenses.
- 2540 Facilities and Maintenance**  
Costs associated with the maintenance and operation of District facilities. Includes custodians, utilities, and maintenance staff.
- 2542 Care and Upkeep of Buildings Services**  
Costs associated with keeping a physical plant (facilities) clean and ready for daily use.
- 2543 Energy Conservation Program**  
Costs associated with conserving energy throughout the District.
- 2545 HVAC Services**  
Includes costs associated with the repair, maintenance, and upkeep of District heating, ventilating, and air conditioning (HVAC) equipment.
- 2550 Student Transportation**  
Includes costs for labor, fuel, repairs, etc., to operate the bus fleet and transporting District students. This includes transportation to school, activity trips, field trips, and summer school.
- 2573 Warehouse/Distribution**  
Includes costs of staff for District courier and warehouse services.
- 2574 Printing Services**  
Includes costs of staff, supplies, and equipment for the District's print shop, less the portion recouped from charges back to users.
- 2610 Direction of Central Support Services**  
Includes Administration Center staff and expenses.
- 2620 Planning, Research, Development, Evaluation Services, Grant-Writing, and Statistical Services**  
Includes staff, services, and supplies.
- 2630 Information Services**  
Includes writing, editing, and other preparation necessary to disseminate educational and administrative information to pupils, staff, managers, or the general public through direct mailing, various news media, or personal contact. Includes Administration Center staff and expenses.
- 2640 Staff Services**  
Activities concerned with maintaining an efficient staff for the District. Includes such activities as recruiting and placement, staff transfers, health services, and staff accounting. Includes Administration Center staff and expenses.

- 2660 Technology Services**  
Districtwide technology, including computing and data processing services, such as networking, and telecommunications costs. Includes staff, equipment, software maintenance fees, repairs, supplies, and capital outlay.
- 2670 Records Management Services**  
Districtwide activities concerned with the retention and disposal of District records.
- 2700 Supplemental Retirement Program**  
Costs associated with a supplemental retirement program provided to both current and prior employees by the District.
- 3110 Food Services – Service Area Direction**  
Activities of directing and managing the Nutrition Services Program.
- 3120 Food Services – Food Preparation**  
Activities related to preparing and serving regular and incidental meals.
- 3130 Food Services – Food Delivery Services**  
Activities related to delivering food to the school or District.
- 3300 Community Services**  
Activities which are not directly related to the provision of education for pupils in the District.
- 3390 Other Community Services**  
Services provided for the community, such as parental involvement and college scholarship expenditures.
- 4110 Service Area Direction**  
Activities pertaining to directing and managing facilities acquisition and construction services.
- 4150 Building Acquisition, Construction, and Improvement Services**  
Activities related to District property that may be capitalized per Generally Accepted Accounting Principles (GAAP).
- 4180 Other Capital Items**  
Activities related to major capital expenditures that are eligible for general obligation bonding like textbooks and technology.
- 5100 Debt Service**  
Payment for debt retirement.
- 5110 Long-Term Debt Service**  
Payment for debt retirement exceeding 12 months.

**5200 Transfer of Funds**

Transactions that withdraw money from one fund and place it in another fund.

**6110 Operating Contingency**

The portion of the budget not designated for use at this time. This can only be used by Board action for items that could not have been anticipated in the budget (e.g., emergencies).

**7000 Unappropriated Ending Fund Balance**

Estimate of funds needed to maintain operations of the District from July 1 of the ensuing fiscal year to the time when sufficient new revenues become available to meet cash-flow needs of the fund. No expenditure can be made in the year in which it is budgeted. It is reserved for use in the subsequent year.





## SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for proceeds of specific revenues from federal, state, and local sources that are legally restricted to expenditures for specified purposes.

The Major Grant Funds are described below and there is a full list of Special Revenue Funds in the Budget Summary Section.

### **Title I- Improving Basic Programs Operated by Local Education Agencies**

Title I-A is intended to help ensure that all children have the opportunity to obtain a high-quality education and reach proficiency on challenging state academic standards and assessments. Title I-A provides flexible funding that may be used to provide additional instructional staff, professional development, extended-time programs, and other strategies for raising student achievement in high-poverty schools. The program focuses on promoting school wide reform in high-poverty schools and ensuring students' access to evidence-based instructional strategies and challenging academic content.



### **Title IIA- Supporting Effective Instruction**

The purpose of Title II-A is to improve teacher and leader quality and focuses on preparing, training, and recruiting high-quality teachers and principals. The Title II-A program is designed, among other things to provide students from low-income families and minority students with greater access to effective educators. In general, Title II funds can be used to provide supplemental strategies and activities that strengthen the quality and effectiveness of teachers, principals, and other school leaders.

### **IDEIA- Individuals with Disabilities Education Improvement Act**

IDEIA is the Individuals with Disabilities Education Improvement Act. It was passed in 1975 and it describes categories of disabilities that make students likely to get special education and services related to their specific needs.

### **Measure 98- High School Success**

High School Success is a fund initiated by ballot Measure 98 in November 2016. The spirit of the measure was to provide funding to establish or expand programs in three specific areas: Dropout Prevention, Career & Technical Education, and College Level Education Opportunities. The intent of High School Success is to improve student progress toward graduation beginning with grade 9, increase the graduation rates of high schools, and improve high school graduates' readiness for college and career. The Student Success Act passed by the 2019 legislature provides for "full funding" of High School Success, an increase of \$1.8M. The additional funds will be used for eligible services and provide partial funding for the Pathways Center, an expansion of the Oak Street campus.

## Student Investment Account

The Student Investment Account is a fund initiated by HB 3427 established in 2019 and funded by the Corporate Activity Tax. The Student Investment Account is established within the Fund for Student Success and consists of moneys transferred to the account from the Fund for Student Success.

The two stated purposes for the funds distributed under the Student Investment Account are to (1) meet students' mental or behavioral health needs, and (2) increase academic achievement for students, including reducing academic disparities for economically disadvantaged students; students from racial or ethnic groups that have historically experienced academic disparities; students with disabilities; students who are English language learners; students who are foster children; students who are homeless; and any other student groups that have historically experienced academic disparities, as determined by the State Board of Education.

In order to satisfy the purpose of the Student Investment Account, funds can be allocated between expanding instructional time, student health and safety, reducing class size and caseloads, and providing a well-rounded education. The District engages with the community, student families and school employees to develop the District's needs.

## Nutrition Services

Hillsboro School District's Nutrition Services department provides a supportive role in the education environment by offering nutritionally complete breakfast, lunch, and snacks to district students at a reasonable cost.



Nutrition Services operates federally and state-funded meal programs that provide breakfast, lunch, various after-school snacks, and summer feeding programs; several in cooperation with Hillsboro Parks and Recreation and area organizations. During the regular school year, Nutrition Services provides meals to five high schools, four middle schools, twenty-four elementary schools, one K-8 school, and five Head Start programs. During summer recess multiple meal serving sites and summer learning programs serve meals around the community to provide for populations in need.

The Nutrition Services department is self-supporting. Nutrition Services pays wages and benefits for 124 employees. This includes warehouse, office, and District maintenance staff. Salary and benefits represent approximately 48 percent of the department's expenditures.

Food, paper, and chemical supplies average 44 percent of Nutrition Services' expenditures. The department funds provide for repair and/or replacement of kitchen equipment as well as other professional service needs, approximately 4 percent of expenditures.

Nutrition Services operates a warehouse and food distribution program that transports food, government commodities, and supplies to all District schools. The department maintains and operates five transport trucks and three vehicles.

Liberty High School’s catering staff provides in-district catering services to our District.

Beginning in the 2020-21 school year the State of Oregon has enacted legislative expansion of the Free Meal Program in schools. Increasing the household income limitations as well as supplementing revenues for Community Eligibility expansion are included in the program to decrease food instability in state households. HSD’s percentage of free-and-reduced-price-eligible students totals 46 percent or 9,043 students.

Average Daily Participation for Breakfast and Lunch are 19 percent and 51 percent of District student enrollment, respectively. À la carte items are offered at all secondary schools.

The chart below shows the year-to-date meal participation at District schools.

| Month     | Elementary School | Middle School | High School | District |
|-----------|-------------------|---------------|-------------|----------|
| September | 53.5              | 43.1          | 35.5        | 44.0     |
| October   | 57.7              | 46.5          | 39.0        | 47.7     |
| November  | 53.5              | 43.1          | 35.5        | 44.0     |
| December  | 58.2              | 45.4          | 37.2        | 46.9     |
| January   | 58.4              | 46.6          | 37.5        | 47.5     |
| February  | 58.5              | 47.7          | 37.0        | 47.7     |

An internet payment system for school meals, is offered Districtwide, allowing parents to view student account activity and make electronic payments through the service. Payment is not required to view account activity.

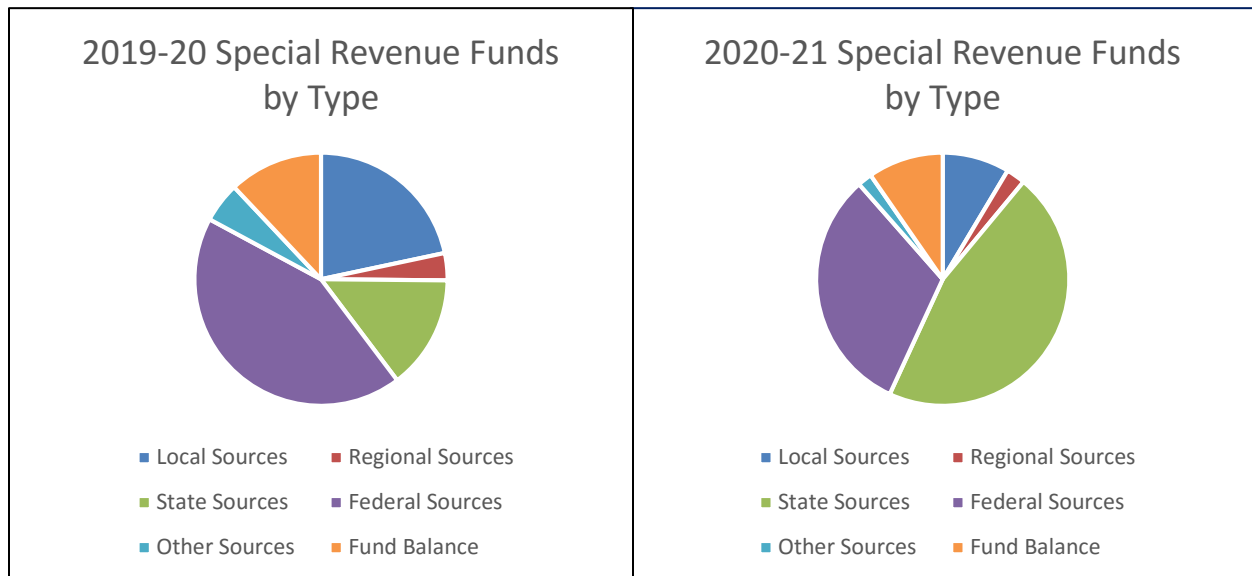
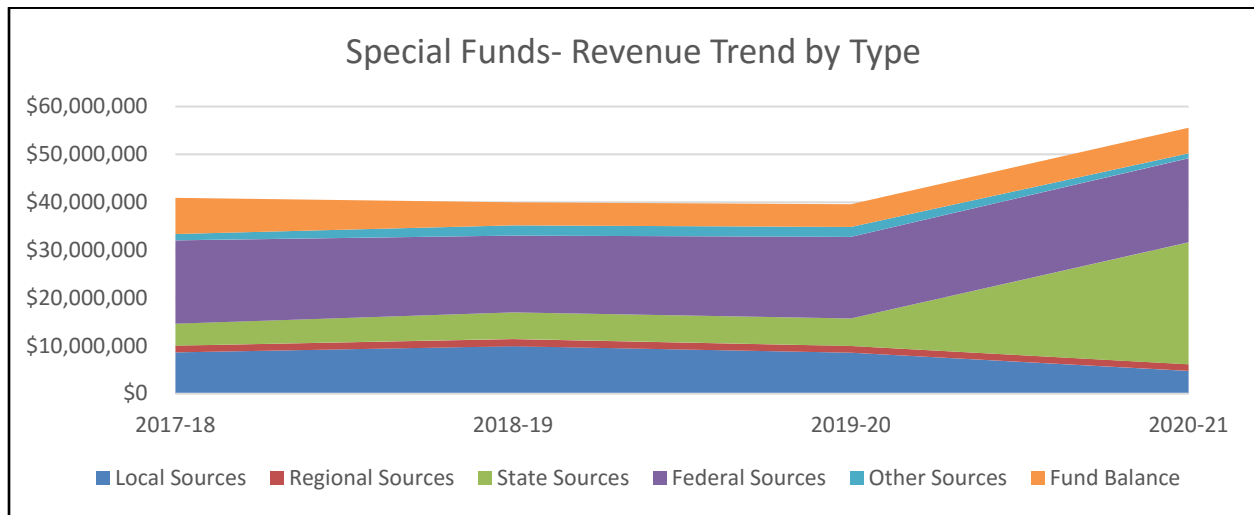
HSD’s Nutrition Services also co-directs a statewide purchasing cooperative made up of 80 Oregon school districts. The Oregon Child Nutrition Coalition (OCNC) combines their purchasing needs to leverage higher volume pricing with manufacturers and suppliers. The current management contract to HSD is annually renewed, the next three (3) years.

Starting in the 2017-18 Budget Year, Nutrition Services began reporting revenues and expenditures in Fund 277 and 217. This change describes the activities as a special revenue fund to better align with the Oregon Department of Education Program Budgeting and Accounting Manual. This reporting will combine fund 217, Summer Nutrition Services (formerly reported in Special Revenue Funds Part 1-Grants) and Fund 277, school year Nutrition Services operations (formerly reported in Special Revenue Funds Part 2-Nutrition Services). The 2020-21 Proposed Budget for the Nutrition Services Division totals \$11,309,700.

## REVENUES

| ACCOUNT       | DESCRIPTION                   | 2017-18<br>ACTUAL | 2018-19<br>ACTUAL | 2019-20<br>ADOPTED | 2020-21<br>PROPOSED |
|---------------|-------------------------------|-------------------|-------------------|--------------------|---------------------|
| 2XX.0000.1200 | CONSTRUCTION EXCISE TAX       | \$891,516         | \$1,940,482       | \$750,000          | \$1,000,000         |
| 2XX.0000.1513 | INTEREST ON BANK ACCOUNTS     | \$0               | \$0               | \$1,500            | \$0                 |
| 2XX.0000.1612 | LUNCH SALES                   | \$1,295,154       | \$1,684,809       | \$1,600,000        | \$1,700,000         |
| 2XX.0000.1620 | NONREIMB PROGRAM SALES        | \$102,801         | \$97,669          | \$145,000          | \$100,000           |
| 2XX.0000.1630 | SPECIAL FUNCTIONS             | \$245,613         | \$264,170         | \$250,000          | \$300,000           |
| 2XX.0000.1700 | XTRACURRICULAR ACTIVITIES     | \$0               | \$239,459         | \$0                | \$399,000           |
| 2XX.0000.1744 | STUDENT PARTICIPATION FEE     | \$3,667,749       | \$3,389,610       | \$3,650,000        | \$0                 |
| 2XX.0000.1745 | STUDENT FEES - OTHER          | \$11              | \$3,595           | \$14,500           | \$0                 |
| 2XX.0000.1750 | VENDING MACHINE               | \$20,740          | \$19,850          | \$70,000           | \$130,000           |
| 2XX.0000.1800 | COMMUNITY SERVICES ACTIVITIES | \$0               | \$61,504          | \$0                | \$55,000            |
| 2XX.0000.1910 | BUILDING RENTAL/USAGE         | \$60,000          | \$65,195          | \$200,000          | \$250,000           |
| 2XX.0000.1920 | DONATION FROM PRIV SOURCE     | \$1,414,914       | \$921,097         | \$1,250,000        | \$626,250           |
| 2XX.0000.1960 | RECOVERY PRIOR YEAR           | \$679             | \$34,902          | \$10,000           | \$92,500            |
| 2XX.0000.1970 | REBATES                       | \$741,735         | \$0               | \$500,000          | \$36,000            |
| 2XX.0000.1990 | MISCELLANEOUS REVENUE         | \$211,639         | \$470,174         | \$136,000          | \$80,500            |
| 2XX.0000.2200 | RESTRICTED REVENUE            | \$990,139         | \$1,100,346       | \$1,000,000        | \$980,000           |
| 2XX.0000.2212 | PUBLIC PURPOSE CHARGE REV     | \$393,695         | \$431,297         | \$375,000          | \$375,000           |
| 2XX.0000.3102 | SCHOOL SUPPT/LUNCH MATCH      | \$82,544          | \$82,049          | \$88,000           | \$85,000            |
| 2XX.0000.3120 | REDUCED BRKFST/LNCH           | \$65,111          | \$77,308          | \$85,000           | \$85,000            |
| 2XX.0000.3122 | OR FREE EXPAND ELIG BKFST     | \$0               | \$0               | \$0                | \$200,000           |
| 2XX.0000.3123 | OR FREE EXPAND ELIG LUNCH     | \$0               | \$0               | \$0                | \$1,300,000         |
| 2XX.0000.3124 | OR CEP SUPPLEMENT BKFST       | \$0               | \$0               | \$0                | \$35,000            |
| 2XX.0000.3125 | ORE CEP SUPPLEMENT LUNCH      | \$0               | \$0               | \$0                | \$14,000            |
| 2XX.0000.3199 | OTHER UNRESTRICTED GRANTS     | \$0               | \$0               | \$3,600            | \$0                 |
| 2XX.0000.3200 | RESTRICTED GRANTS IN AID      | \$715,651         | \$931,613         | \$890,000          | \$467,000           |
| 2XX.0000.3222 | SSF TRANSPORTATION EQUIP      | \$1,560,000       | \$1,620,000       | \$1,500,000        | \$1,400,000         |
| 2XX.0000.3299 | OTHER RESTRICTED GRANTS       | \$2,165,425       | \$3,616,813       | \$3,200,000        | \$21,895,877        |
| 2XX.0000.4100 | UNRESTR DIR FROM FED GOVT     | \$24,936          | \$29,356          | \$424,000          | \$30,000            |
| 2XX.0000.4500 | RESTR FROM FED THRU STATE     | \$588,596         | \$948,763         | \$450,000          | \$547,000           |
| 2XX.0000.4501 | TITLE I REVENUES              | \$5,890,842       | \$5,599,242       | \$4,900,000        | \$5,371,500         |
| 2XX.0000.4505 | SCHOOL NUTRITION REVENUE      | \$5,759,406       | \$5,506,994       | \$5,950,000        | \$6,475,000         |
| 2XX.0000.4506 | PERKINS VOC ED REVENUE        | \$161,626         | \$151,028         | \$180,000          | \$161,000           |
| 2XX.0000.4508 | IDEA (PL 101-476)             | \$2,759,480       | \$2,908,691       | \$3,160,000        | \$2,900,000         |
| 2XX.0000.4509 | TITLE ID REVENUES             | \$18,407          | \$17,793          | \$18,000           | \$10,500            |
| 2XX.0000.4512 | TITLE II REVENUE              | \$602,589         | \$575,121         | \$540,000          | \$500,000           |
| 2XX.0000.4545 | FOCUS PLANNING                | \$7,292           | \$0               | \$115,000          | \$0                 |
| 2XX.0000.4580 | HOMELESS GRANT                | \$35,390          | \$59,384          | \$60,000           | \$60,000            |
| 2XX.0000.4700 | GRANTS FROM FED THRU OTHR     | \$931,835         | \$864,466         | \$609,019          | \$856,000           |
| 2XX.0000.4705 | DEPENDT CARE BLOCK GRANT      | \$51,075          | \$37,889          | \$76,000           | \$50,000            |

| ACCOUNT                | DESCRIPTION                   | 2017-18<br>ACTUAL   | 2018-19<br>ACTUAL   | 2019-20<br>ADOPTED  | 2020-21<br>PROPOSED |
|------------------------|-------------------------------|---------------------|---------------------|---------------------|---------------------|
| 2XX.0000.4910          | USDA COMMODITIES              | \$597,733           | \$608,456           | \$590,000           | \$615,000           |
| 2XX.0000.5100          | LONG-TERM DEBT FINANCE SOURCE | \$1,297,074         | \$1,084,810         | \$1,500,000         | \$1,000,000         |
| 2XX.0000.5200          | INTERFUND TRANSFERS           | \$0                 | \$0                 | \$500,000           | \$400,000           |
| 2XX.0000.5300          | COMPENSATION/LOSS ASSETS      | \$8,024             | \$15,449            | \$25,000            | \$25,000            |
| 2XX.0000.5400          | BEGINNING FUND BALANCE        | \$7,582,360         | \$7,932,428         | \$4,761,116         | \$4,960,428         |
| <b>TOTAL RESOURCES</b> |                               | <b>\$40,941,781</b> | <b>\$43,391,812</b> | <b>\$39,576,735</b> | <b>\$55,567,555</b> |



### EXPENDITURES BY OBJECT

| ACCOUNT               | DESCRIPTION                   | 2017-18<br>ACTUAL   | 2018-19<br>ACTUAL   | 2019-20<br>ADOPTED  | 2020-21<br>PROPOSED |
|-----------------------|-------------------------------|---------------------|---------------------|---------------------|---------------------|
| 2XX.0000.0111         | REG LICENSED SALARIES         | \$3,857,408         | \$4,190,794         | \$4,215,856         | \$10,956,531        |
| 2XX.0000.0112         | REG CLASSIFIED SALARIES       | \$4,579,571         | \$5,120,133         | \$5,005,126         | \$6,294,797         |
| 2XX.0000.0113         | REG ADMIN SALARIES            | \$832,435           | \$1,013,915         | \$909,789           | \$1,592,295         |
| 2XX.0000.0114         | REG SUPERVISORY SALARIES      | \$139,861           | \$300,021           | \$152,858           | \$344,774           |
| 2XX.0000.0121         | SUBSTITUTES-LICENSED          | \$4,442             | \$7,659             | \$4,855             | \$5,081             |
| 2XX.0000.0122         | SUBSTITUTES-CLASSIFIED        | \$41,678            | \$52,782            | \$45,551            | \$80,936            |
| 2XX.0000.0123         | CERTIFIED TEMPORARY WAGE      | \$130,772           | \$149,860           | \$142,924           | \$129,907           |
| 2XX.0000.0124         | TEMPORARY-CLASSIFIED          | \$103,417           | \$175,872           | \$113,027           | \$150,041           |
| 2XX.0000.0131         | EXTENDED CONTRACT             | \$539,811           | \$578,435           | \$589,973           | \$546,651           |
| 2XX.0000.0134         | ADVISOR PAY                   | \$0                 | \$8,000             | \$0                 | \$11,174            |
| 2XX.0000.0136         | ATHLETIC/ACTIVITY PAY         | \$8,000             | \$0                 | \$8,743             | \$13,494            |
| 2XX.0000.0138         | EXTRA DUTY STIPEND            | \$0                 | \$6,900             | \$0                 | \$7,000             |
| 2XX.0000.0139         | OVERTIME WAGES                | \$47,938            | \$31,555            | \$52,393            | \$34,715            |
| 2XX.0000.0140         | OTHER TIME                    | \$58,526            | \$60,671            | \$63,963            | \$86,280            |
| 2XX.0000.0144         | STUDENT WAGES                 | \$25,748            | \$33,720            | \$28,141            | \$22,773            |
| <b>TOTAL SALARIES</b> |                               | <b>\$10,369,607</b> | <b>\$11,730,317</b> | <b>\$11,333,199</b> | <b>\$20,276,449</b> |
| 2XX.0000.02XX         | EMPLOYEE BENEFITS             | \$1,456             | \$0                 | \$1,591             | \$0                 |
| 2XX.0000.0211         | PERS EMPLOYER CONTRIBUTN      | \$642,576           | \$648,508           | \$702,287           | \$951,706           |
| 2XX.0000.0213         | PERS BOND 2005                | \$630,336           | \$739,660           | \$688,910           | \$1,276,183         |
| 2XX.0000.0214         | PERS BOND 2015                | \$186,500           | \$216,854           | \$203,830           | \$367,154           |
| 2XX.0000.0216         | PERS EMPLOYER-TIER III        | \$690,992           | \$874,415           | \$755,202           | \$2,305,652         |
| 2XX.0000.0218         | PERS PRIOR YEAR RECVRY REFUND | \$0                 | \$6,013             | \$0                 | \$0                 |
| 2XX.0000.0220         | SOCIAL SECURITY ADMIN         | \$780,143           | \$882,138           | \$852,638           | \$1,491,664         |
| 2XX.0000.0231         | WORKERS' COMPENSATION         | \$82,456            | \$96,095            | \$90,118            | \$141,010           |
| 2XX.0000.0232         | UNEMPLOYMENT COMPENSATION     | \$10,146            | \$11,518            | \$11,089            | \$19,752            |
| 2XX.0000.0241         | DISABILITY INSURANCE          | \$39,145            | \$40,937            | \$42,783            | \$79,364            |
| 2XX.0000.0242         | MEDICAL INSURANCE             | \$1,998,675         | \$2,233,683         | \$2,184,402         | \$3,563,997         |
| 2XX.0000.0243         | LIFE INSURANCE                | \$12,118            | \$11,879            | \$13,244            | \$19,450            |
| 2XX.0000.0244         | EMPLOYEE ASSISTANCE           | \$2,170             | \$2,328             | \$2,372             | \$4,389             |
| 2XX.0000.0245         | TRAVEL ALLOWANCE              | \$0                 | \$5,700             | \$0                 | \$11,739            |
| 2XX.0000.0246         | DENTAL INSURANCE              | \$272,739           | \$282,757           | \$298,083           | \$478,226           |
| 2XX.0000.0248         | VISION INSURANCE              | \$63,554            | \$65,847            | \$69,460            | \$107,921           |
| 2XX.0000.0249         | TUITION REIMBURSEMENT         | \$0                 | \$6,000             | \$0                 | \$232               |
| 2XX.0000.0251         | ADMIN FLEX BENEFIT            | \$90,850            | \$111,625           | \$99,291            | \$189,649           |
| 2XX.0000.0254         | COMMUNICATIONS STIPEND        | \$10,335            | \$12,335            | \$11,295            | \$11,523            |
| <b>TOTAL BENEFITS</b> |                               | <b>\$5,514,191</b>  | <b>\$6,248,292</b>  | <b>\$6,026,595</b>  | <b>\$11,019,611</b> |
| 2XX.0000.0310         | INST, PROF & TECH SERVICE     | \$136,795           | \$304,394           | \$149,507           | \$370,143           |
| 2XX.0000.0311         | INSTRUCTION SERVICES          | \$121,620           | \$215,876           | \$132,922           | \$3,315,417         |

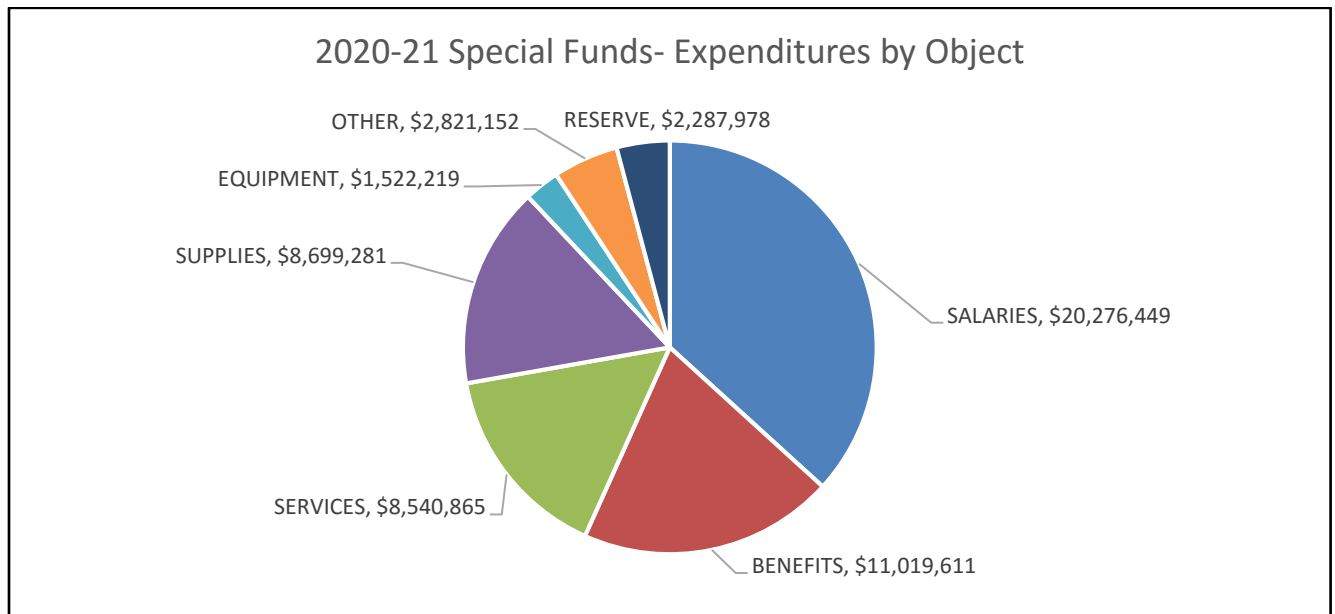




| ACCOUNT               | DESCRIPTION               | 2017-18<br>ACTUAL  | 2018-19<br>ACTUAL  | 2019-20<br>ADOPTED | 2020-21<br>PROPOSED |
|-----------------------|---------------------------|--------------------|--------------------|--------------------|---------------------|
| 2XX.0000.0312         | INSTR PROG IMPROVEMENT    | \$266,789          | \$80,848           | \$291,580          | \$144,065           |
| 2XX.0000.0313         | STUDENT SERVICES          | \$3,150            | \$11,065           | \$3,443            | \$24,131            |
| 2XX.0000.0318         | PROF IMPROVE/NON-INSTRUCT | \$10,072           | \$9,143            | \$11,008           | \$11,500            |
| 2XX.0000.0319         | OTHER PROF & TECH INSTRNL | \$143,116          | \$120,129          | \$156,415          | \$573,494           |
| 2XX.0000.0322         | REPAIR & MAINTENANCE      | \$136,951          | \$1,065,057        | \$149,677          | \$198,725           |
| 2XX.0000.0323         | LAUNDRY & DRY CLEANING    | \$40,082           | \$40,500           | \$43,807           | \$50,000            |
| 2XX.0000.0324         | RENTAL EXPENSE            | \$445              | \$4,139            | \$486              | \$10,940            |
| 2XX.0000.0325         | ELECTRICITY               | \$16,145           | \$14,111           | \$17,645           | \$16,000            |
| 2XX.0000.0330         | STUDENT TRANSPORTATION    | \$3,160            | \$33,775           | \$3,454            | \$97,208            |
| 2XX.0000.0331         | REIMBURSABLE STUDENT TRAN | \$86,393           | \$95,504           | \$94,421           | \$126,653           |
| 2XX.0000.0332         | NONREIMB STUDENT TRANSP   | \$2,235            | \$110              | \$2,443            | \$0                 |
| 2XX.0000.0340         | TRAVEL                    | \$584,842          | \$640,395          | \$639,188          | \$619,308           |
| 2XX.0000.0343         | STUDENT OUT OF DIST TRANS | \$20,940           | \$35,263           | \$22,886           | \$13,311            |
| 2XX.0000.0351         | TELEPHONE                 | \$2,171            | \$356              | \$2,373            | \$401               |
| 2XX.0000.0353         | POSTAGE                   | \$9,258            | \$8,603            | \$10,118           | \$15,899            |
| 2XX.0000.0354         | ADVERTISING               | \$2,290            | \$796              | \$2,503            | \$3,092             |
| 2XX.0000.0355         | PRINTING & BINDING        | \$44,175           | \$26,450           | \$48,280           | \$39,806            |
| 2XX.0000.0360         | CHARTER SCHOOL PAYMENTS   | \$0                | \$0                | \$0                | \$89,532            |
| 2XX.0000.0374         | OTHER TUITION PAYMENTS    | \$1,500            | \$15,615           | \$1,639            | \$53,454            |
| 2XX.0000.0382         | LEGAL SERVICES            | \$14,362           | \$40,039           | \$15,697           | \$723,736           |
| 2XX.0000.0390         | OTHER GEN PROF & TECH SRV | \$305,641          | \$175,845          | \$334,043          | \$274,557           |
| 2XX.0000.0391         | SUBSTITUTES- LICENSED     | \$417,211          | \$301,225          | \$455,980          | \$362,941           |
| 2XX.0000.0395         | COMMUNITY PROGRAMS        | \$0                | \$0                | \$0                | \$3,256             |
| 2XX.0000.0399         | SUBSTITUTES- CLASSIFIED   | \$200,766          | \$97,580           | \$219,420          | \$1,403,296         |
| <b>TOTAL SERVICES</b> |                           | <b>\$2,570,109</b> | <b>\$3,336,818</b> | <b>\$2,808,935</b> | <b>\$8,540,865</b>  |
| 2XX.0000.0410         | SUPPLIES & MATERIALS      | \$4,346,218        | \$4,551,199        | \$4,750,090        | \$2,782,089         |
| 2XX.0000.0413         | FOOD SUPPLIES             | \$21,005           | \$0                | \$22,957           | \$0                 |
| 2XX.0000.0414         | PAPER SUPPLIES            | \$130,539          | \$144              | \$142,669          | \$500               |
| 2XX.0000.0415         | USDA COMMODITIES          | \$597,733          | \$608,465          | \$653,277          | \$614,500           |
| 2XX.0000.0418         | GASOLINE & OIL            | \$10,220           | \$10,223           | \$11,170           | \$15,150            |
| 2XX.0000.0419         | TIRES                     | \$0                | \$949              | \$0                | \$2,500             |
| 2XX.0000.0420         | TEXTBOOKS                 | \$17,522           | \$82,843           | \$19,150           | \$22,423            |
| 2XX.0000.0430         | LIBRARY BOOKS             | \$2,790            | \$11,255           | \$3,049            | \$105,472           |
| 2XX.0000.0440         | PERIODICAL SUBSCRIPTIONS  | \$9,715            | \$13,984           | \$10,618           | \$14,719            |
| 2XX.0000.0450         | FOOD                      | \$2,557,229        | \$2,853,145        | \$2,794,859        | \$4,035,762         |
| 2XX.0000.0460         | NON-CONSUMABLE ITEMS      | \$44,283           | \$166,228          | \$48,398           | \$263,669           |
| 2XX.0000.0461         | <\$5000 EQUIPMENT         | \$212,135          | \$269,921          | \$231,848          | \$173,932           |
| 2XX.0000.0470         | COMPUTER SOFTWARE         | \$245,687          | \$254,549          | \$268,517          | \$295,820           |
| 2XX.0000.0480         | COMPUTER HARDWARE         | \$319,979          | \$293,853          | \$349,713          | \$313,343           |
| 2XX.0000.0481         | <\$5000 COMPUTER HARDWARE | \$110,320          | \$96,566           | \$120,570          | \$59,402            |
| <b>TOTAL SUPPLIES</b> |                           | <b>\$8,625,375</b> | <b>\$9,213,324</b> | <b>\$9,426,885</b> | <b>\$8,699,281</b>  |



| ACCOUNT                   | DESCRIPTION             | 2017-18<br>ACTUAL   | 2018-19<br>ACTUAL   | 2019-20<br>ADOPTED  | 2020-21<br>PROPOSED |
|---------------------------|-------------------------|---------------------|---------------------|---------------------|---------------------|
| 2XX.0000.0510             | LAND ACQUISITION        | \$33,567            | \$21,991            | \$36,686            | \$0                 |
| 2XX.0000.0520             | BUILDINGS ACQUISITION   | \$705,105           | \$188,973           | \$770,627           | \$0                 |
| 2XX.0000.0530             | IMPROV OTHER THAN BLDGS | \$259,006           | \$832,682           | \$283,074           | \$448,494           |
| 2XX.0000.0540             | CAPITAL EQUIPMENT       | \$1,649,003         | \$1,275,364         | \$1,802,236         | \$872,565           |
| 2XX.0000.0542             | REPLACEMENT EQUIPMENT   | \$86,939            | \$166,555           | \$95,018            | \$175,000           |
| 2XX.0000.0550             | CAPITAL TECHNOLOGY      | \$0                 | \$53,996            | \$0                 | \$26,160            |
| <b>TOTAL EQUIPMENT</b>    |                         | <b>\$2,733,620</b>  | <b>\$2,539,561</b>  | <b>\$2,987,641</b>  | <b>\$1,522,219</b>  |
| 2XX.0000.0610             | PRINCIPAL               | \$2,367,589         | \$2,328,163         | \$2,260,170         | \$1,466,037         |
| 2XX.0000.0621             | INTEREST                | \$209,642           | \$190,606           | \$106,249           | \$77,777            |
| 2XX.0000.0622             | INTEREST-TRANSPORTATION | \$14,863            | \$0                 | \$56,637            | \$14,205            |
| 2XX.0000.0640             | DUES & FEES             | \$174,174           | \$165,654           | \$190,359           | \$119,489           |
| 2XX.0000.0651             | LIABILITY INSURANCE     | \$2,523             | \$135,724           | \$2,757             | \$25,000            |
| 2XX.0000.0690             | GRANT INDIRECT CHARGES  | \$427,660           | \$405,258           | \$467,400           | \$1,118,644         |
| <b>TOTAL OTHER</b>        |                         | <b>\$3,196,451</b>  | <b>\$3,225,405</b>  | <b>\$3,083,572</b>  | <b>\$2,821,152</b>  |
| 2XX.0000.0700             | INTERFUND TRANSFERS     | \$0                 | \$0                 | \$409,908           | \$400,000           |
| <b>TOTAL OTHER</b>        |                         | <b>\$0</b>          | <b>\$0</b>          | <b>\$409,908</b>    | <b>\$400,000</b>    |
| 2XX.0000.0820             | RESERVED FOR NEXT YEAR  | \$7,932,428         | \$7,098,095         | \$3,500,000         | \$2,287,978         |
| <b>TOTAL EXPENDITURES</b> |                         | <b>\$40,941,781</b> | <b>\$43,391,812</b> | <b>\$39,576,735</b> | <b>\$55,567,555</b> |



### EXPENDITURES BY FUNCTION

| ACCOUNT                  | DESCRIPTION                  | 2017-18<br>ACTUAL   | 2018-19<br>ACTUAL   | 2019-20<br>ADOPTED  | 2020-21<br>PROPOSED |
|--------------------------|------------------------------|---------------------|---------------------|---------------------|---------------------|
| 2XX.1111.0000            | PRIMARY PROGRAMS K-3         | \$790,572           | \$486,179           | \$818,629           | \$5,661,093         |
| 2XX.1113.0000            | ELEMENTRY EXTRACURRICULAR    | \$24,123            | \$44,723            | \$24,979            | \$465,354           |
| 2XX.1121.0000            | MIDDLE SCHOOL PROGRAMS       | \$16,042            | \$324,868           | \$16,611            | \$4,880,476         |
| 2XX.1122.0000            | MIDDLE SCH EXTRACURRICULR    | \$157,029           | \$144,771           | \$162,602           | \$210,447           |
| 2XX.1131.0000            | HIGH SCHOOL PROGRAMS         | \$1,213,529         | \$2,104,362         | \$1,256,597         | \$4,788,767         |
| 2XX.1132.0000            | HIGH SCH EXTRACURRICULAR     | \$3,077,285         | \$3,547,576         | \$3,186,498         | \$51,130            |
| 2XX.1133.0000            | HIGH SCH SATURDAY SCHOOL     | \$0                 | \$2,503             | \$0                 | \$1,933             |
| 2XX.1140.0000            | PRE-KINDERGARTEN PROGRAMS    | \$0                 | \$19,136            | \$0                 | \$5,660             |
| 2XX.1210.0000            | TALENTED & GIFTED PROGRAMS   | \$4,066             | \$0                 | \$4,211             | \$1,701             |
| 2XX.1221.0000            | LEARNING CNTRS-STRUCTURED    | \$1,127,844         | \$1,111,006         | \$1,167,871         | \$1,120,303         |
| 2XX.1223.0000            | COMMUNITY TRANSITION SRVC    | \$375,785           | \$399,960           | \$389,123           | \$181,851           |
| 2XX.1250.0000            | LESS RESTR PROG-DISABLED     | \$356,404           | \$341,618           | \$369,053           | \$0                 |
| 2XX.1272.0000            | TITLE I                      | \$3,372,882         | \$3,210,625         | \$3,492,586         | \$2,423,539         |
| 2XX.1280.0000            | ALTERNATIVE EDUCATION        | \$397,523           | \$415,393           | \$411,631           | \$455,049           |
| 2XX.1289.0000            | OPTIONS PROGRAMS             | \$549,114           | \$777,409           | \$568,602           | \$1,201,602         |
| 2XX.1291.0000            | ENGLISH 2ND LANG PROGRAMS    | \$9,881             | \$13,738            | \$10,231            | \$19,173            |
| 2XX.1292.0000            | TEEN PARENT PROGRAMS         | \$50,951            | \$37,778            | \$52,760            | \$50,000            |
| 2XX.1293.0000            | MIGRANT EDUCATION            | \$619,229           | \$1,211,771         | \$641,205           | \$1,366,907         |
| 2XX.1295.0000            | INDIAN EDUCATION PROGRAM     | \$26,919            | \$31,242            | \$27,874            | \$27,653            |
| 2XX.1400.0000            | SUMMER SCHOOL PROGRAMS       | \$116,709           | \$6,295             | \$120,851           | \$9,518             |
| 2XX.1410.0000            | SUMMER SCHOOL-INTERMEDIAT    | \$55,606            | \$3,626             | \$57,580            | \$0                 |
| 2XX.1420.0000            | SUMMER PROG-MIDDLE SCHOOL    | \$10,036            | \$0                 | \$10,392            | \$0                 |
| 2XX.1430.0000            | SECONDARY SUMMER             | \$35,130            | \$6,103             | \$36,377            | \$0                 |
| 2XX.1440.0000            | K-3 SUMMER SCHOOL PROGRAM    | \$77,688            | \$14,936            | \$80,445            | \$0                 |
| 2XX.1495.0000            | ID & RCRTMNT - MIGRANT SUMMR | \$5,672             | \$4,906             | \$5,873             | \$0                 |
| <b>TOTAL INSTRUCTION</b> |                              | <b>\$12,470,019</b> | <b>\$14,260,524</b> | <b>\$12,912,581</b> | <b>\$22,922,156</b> |
| 2XX.2100.0000            | SUPPORT SERVICES-STUDENTS    | \$114               | \$0                 | \$118               | \$0                 |
| 2XX.2113.0000            | SOCIAL WORK SERVICES         | \$0                 | \$281,935           | \$0                 | \$0                 |
| 2XX.2115.0000            | STUDENT SAFETY               | \$0                 | \$44,912            | \$0                 | \$53,239            |
| 2XX.2117.0000            | ID & RCRTMNT OF MIGRANT      | \$226,954           | \$222,316           | \$235,009           | \$130,005           |
| 2XX.2118.0000            | LIMITED STUDENT SUPPORT      | \$0                 | \$0                 | \$0                 | \$640,258           |
| 2XX.2119.0000            | OTHER ATTEN & SOCIAL SVCS    | \$215,469           | \$428,845           | \$223,116           | \$190,371           |
| 2XX.2120.0000            | GUIDANCE SERVICES            | \$0                 | \$0                 | \$0                 | \$661,171           |
| 2XX.2122.0000            | COUNSELING SERVICES          | \$850,871           | \$1,110,677         | \$881,069           | \$2,050,036         |
| 2XX.2130.0000            | HEALTH SERVICES              | \$0                 | \$33,886            | \$0                 | \$662,288           |
| 2XX.2134.0000            | NURSE SERVICES               | \$472,307           | \$227,889           | \$489,069           | \$1,025,646         |



| ACCOUNT                         | DESCRIPTION                  | 2017-18<br>ACTUAL   | 2018-19<br>ACTUAL   | 2019-20<br>ADOPTED  | 2020-21<br>PROPOSED |
|---------------------------------|------------------------------|---------------------|---------------------|---------------------|---------------------|
| 2XX.2139.0000                   | OTHER HEALTH SERVICES        | \$1,763             | \$0                 | \$1,826             | \$1,857,776         |
| 2XX.2140.0000                   | PSYCHOLOGICAL SERVICES       | \$115,696           | \$118,782           | \$119,802           | \$796,934           |
| 2XX.2150.0000                   | SPEECH & AUDIO SERVICES      | \$5,066             | \$37,967            | \$5,246             | \$43,526            |
| 2XX.2160.0000                   | STUDENT TREATMENT SERVICE    | \$350,440           | \$372,112           | \$362,877           | \$430,353           |
| 2XX.2190.0000                   | STUDENT SERVICES DIRECTOR    | \$669,899           | \$704,968           | \$693,674           | \$877,001           |
| 2XX.2210.0000                   | IMPROVEMENT OF INSTRUCTION   | \$208,950           | \$259,275           | \$216,366           | \$1,389,543         |
| 2XX.2219.0000                   | OTHER IMPR OF INSTRUCTION    | \$24,958            | \$22,905            | \$25,843            | \$33,000            |
| 2XX.2222.0000                   | LIBRARY/MEDIA CENTER         | \$2,129             | \$12,435            | \$2,205             | \$178,527           |
| 2XX.2230.0000                   | ASSESSMENT & TESTING         | \$8,415             | \$8,771             | \$8,713             | \$12,668            |
| 2XX.2240.0000                   | HEALTH SERVICES              | \$2,026,804         | \$1,477,594         | \$2,098,735         | \$1,157,823         |
| 2XX.2300.0000                   | SUPPORT SVCS-GEN ADMIN       | \$760               | \$0                 | \$787               | \$0                 |
| 2XX.2410.0000                   | OFFICE OF THE PRINCIPAL      | \$219,699           | \$120,333           | \$227,496           | \$211,450           |
| 2XX.2490.0000                   | OTHER SUP-SCH ADMINISTRATION | \$61,302            | \$101,631           | \$63,477            | \$315,145           |
| 2XX.2510.0000                   | DIR OF BUSINESS SUPPORT SRV  | \$0                 | \$84,513            | \$0                 | \$135,166           |
| 2XX.2520.0000                   | FISCAL SERVICES              | \$28,077            | \$149,450           | \$29,074            | \$525,000           |
| 2XX.2540.0000                   | FACILITIES MAINTENANCE       | \$790,573           | \$2,283,945         | \$818,630           | \$701,827           |
| 2XX.2542.0000                   | ENERGY RETROFIT              | \$535,173           | \$0                 | \$554,167           | \$48,715            |
| 2XX.2543.0000                   | ENERGY CONSERVATION PROG     | \$4,302             | \$0                 | \$4,454             | \$0                 |
| 2XX.2550.0000                   | STUDENT TRANSPORTATION       | \$2,212,325         | \$1,235,730         | \$2,290,840         | \$1,533,829         |
| 2XX.2574.0000                   | PRINTING SERVICES            | \$19,004            | \$3,278             | \$19,679            | \$0                 |
| 2XX.2610.0000                   | DIRECTOR/CENTRAL SUPPORT     | \$661,071           | \$680,180           | \$684,532           | \$1,023,473         |
| 2XX.2630.0000                   | COMMUNITY RELATIONS          | \$9,462             | \$34,765            | \$9,798             | \$0                 |
| 2XX.2640.0000                   | RECRUITMENT AND PLACEMENT    | \$0                 | \$6,000             | \$0                 | \$122,311           |
| 2XX.2660.0000                   | TECHNOLOGY SERVICES          | \$190               | \$28,394            | \$198               | \$1,909             |
| <b>TOTAL SUPPORT SERVICES</b>   |                              | <b>\$9,721,773</b>  | <b>\$10,093,488</b> | <b>\$10,066,800</b> | <b>\$16,808,990</b> |
| 2XX.3110.0000                   | SERVICE AREA DIRECTION       | \$803,849           | \$969,172           | \$0                 | \$0                 |
| 2XX.3120.0000                   | FOOD PREP & DISP SERVICES    | \$7,345,279         | \$7,827,531         | \$9,640,000         | \$11,309,962        |
| 2XX.3130.0000                   | FOOD PREP & DISP SERVICES    | \$10,220            | \$28,455            | \$0                 | \$0                 |
| 2XX.3300.0000                   | COMMUNITY SERVICES           | \$144,945           | \$130,896           | \$65,000            | \$147,022           |
| 2XX.3390.0000                   | OTHER COMMUNITY SERVICES     | \$590,549           | \$464,956           | \$560,000           | \$777,938           |
| <b>TOTAL COMMUNITY SERVICES</b> |                              | <b>\$8,894,843</b>  | <b>\$9,421,010</b>  | <b>\$10,265,000</b> | <b>\$12,234,922</b> |
| 2XX.4150.0000                   | BLDG ACQUIS, CONST & IMPR    | \$459,176           | \$0                 | \$0                 | \$0                 |
| 2XX.5100.0000                   | DEBT SERVICE                 | \$1,463,540         | \$2,518,695         | \$2,422,446         | \$913,509           |
| 2XX.5200.0000                   | INTERFUND TRANSFERS          | \$0                 | \$0                 | \$409,908           | \$400,000           |
| <b>TOTAL OTHER EXPENDITURES</b> |                              | <b>\$1,922,716</b>  | <b>\$2,518,695</b>  | <b>\$2,832,354</b>  | <b>\$1,313,509</b>  |
| 2XX.6100.0000                   | RESERVED FOR NEXT YEAR       | \$7,932,428         | \$7,098,095         | \$3,500,000         | \$2,287,978         |
| <b>TOTAL EXPENDITURES</b>       |                              | <b>\$40,941,781</b> | <b>\$43,391,812</b> | <b>\$39,576,735</b> | <b>\$55,567,555</b> |

Note: Immaterial rounding differences may exist between tables.



## DEBT SERVICE FUND

The Debt Service Fund is designated for repayment of long or short-term debt from the sale of bonds used to finance capital construction.

The primary revenue source is property taxes that fall outside the limits set for operation. The tax levy for debt service is determined by dividing the bonded debt by the assessed value of the District.

The voters passed a construction levy in November 2006. Since that time, the Board has approved three bond refinancing options and authorized the sale of Pension Obligation Bonds in order to minimize interest expenses and the pending unfunded actuarial liability cost of the Districts retirement obligation.

The community voted again in November 2017 to approve the sale of \$408 million in bonds for capital projects. These bonds are being issued in two separate sales in order to align the proceeds with the cash flow requirements of project expenditures as described in the ballot title.

The 2017 Bond was defined as a “renewal” levy that replaced expiring debt service items without increasing the tax rate per thousand of assessed value to local constituents. This section of the budget document identifies both revenue and expenditures for debt service only. Bond project expenditures will be included in the Capital Construction section of the document.

The District collects tax revenues for all outstanding bond issues. The total outstanding principal as of July 1, 2020, is \$463,395,000 in bonded capital project debt, and \$104,510,000 for PERS Pension Obligation Bonds. The debt limit for Hillsboro School District is based on an assessed value of \$15.9 billion. The debt ratio as of June 30, 2019, was 5.25 percent.



### Budget General Obligation Bonds

|   |                                | PRINCIPAL<br>OUTSTANDING<br>7/1/2020 | 2020-21<br>PRINCIPAL<br>PAYMENTS | 2020-21<br>INTEREST<br>PAYMENTS |
|---|--------------------------------|--------------------------------------|----------------------------------|---------------------------------|
| PURPOSE   | GO Bond Refunding, Series 2012 |                                      |                                  |                                 |
| ISSUE DATE                                      | November 2012                  |                                      |                                  |                                 |
| ISSUE AMOUNT                                    | \$98,950,000                   | \$63,780,000                         | \$12,845,000                     | \$2,607,325                     |
| COUPON RATES                                    | 1.50 – 5.00%                   |                                      |                                  |                                 |
| FINAL PAYMENT DATE                              | June 2026                      |                                      |                                  |                                 |
| PURPOSE   | GO Bond, Series 2017           |                                      |                                  |                                 |
| ISSUE DATE                                      | November 2017                  |                                      |                                  |                                 |
| PAR AMOUNT                                      | \$268,395,000                  | \$260,010,000                        | \$1,420,000                      | \$12,900,350                    |
| COUPON RATES                                    | 1.50 – 5.00%                   |                                      |                                  |                                 |
| FINAL PAYMENT DATE                              | June 2038                      |                                      |                                  |                                 |
| PURPOSE   | GO Bond, Series 2020           |                                      |                                  |                                 |
| ISSUE DATE                                      | February 2020                  |                                      |                                  |                                 |
| PAR AMOUNT                                      | \$139,605,000                  | \$139,605,000                        | \$1,090,000                      | \$7,715,762                     |
| COUPON RATES                                    | 1.50 – 5.00%                   |                                      |                                  |                                 |
| FINAL PAYMENT DATE                              | June 2040                      |                                      |                                  |                                 |
| PURPOSE   | Pension Bond Pool              |                                      |                                  |                                 |
| ISSUE DATE                                      | June 2005                      |                                      |                                  |                                 |
| ISSUE AMOUNT                                    | \$102,850,000                  | \$69,735,000                         | \$6,505,000                      | \$3,318,689                     |
| COUPON RATES                                    | 4.052 to 4.759%                |                                      |                                  |                                 |
| FINAL PAYMENT DATE                              | June 2028                      |                                      |                                  |                                 |
| PURPOSE   | Pension Obligation Bond        |                                      |                                  |                                 |
| ISSUE DATE                                      | March 2015                     |                                      |                                  |                                 |
| ISSUE AMOUNT                                    | \$39,285,000                   | \$34,775,000                         | \$1,350,000                      | \$1,419,998                     |
| COUPON RATES                                    | 0.65% to 3.505%                |                                      |                                  |                                 |
| FINAL PAYMENT DATE                              | June 2034                      |                                      |                                  |                                 |
| <b>TOTAL</b>                                    |                                | <b>\$567,905,000</b>                 | <b>\$23,210,000</b>              | <b>\$27,962,124</b>             |
| <b>GENERAL OBLIGATION DEBT SERVICE (LEVIED)</b> |                                | <b>\$463,395,000</b>                 | <b>\$15,355,000</b>              | <b>\$23,223,437</b>             |

## DEBT SERVICE REVENUE

| ACCOUNT              | DESCRIPTION                 | 2017-18<br>ACTUAL   | 2018-19<br>ACTUAL   | 2019-20<br>ADOPTED  | 2020-21<br>PROPOSED |
|----------------------|-----------------------------|---------------------|---------------------|---------------------|---------------------|
| 300.0000.1111        | CURRENT YEAR PROPERTY TAX   | \$32,166,668        | \$33,135,235        | \$36,116,625        | \$38,274,437        |
| 300.0000.1112        | PRIOR YEAR PROPERTY TAX     | \$265,513           | \$1,035,638         | \$265,000           | \$265,000           |
| 300.0000.1114        | PAYMENTS IN LIEU OF TAX     | \$5,420             | \$6,623             | \$5,500             | \$7,000             |
| 300.0000.1190        | PENALTIES & INTER ON TAX    | \$18,930            | \$31,869            | \$20,000            | \$32,000            |
| 300.0000.1512        | INTEREST ON LGIP            | \$295,892           | \$283,562           | \$300,000           | \$320,000           |
| 300.0000.1990        | MISCELLANEOUS REVENUE       | \$0                 | \$1,211             | \$0                 | \$0                 |
| 300.0000.5400        | BEGINNING FUND BALANCE      | \$2,122,467         | \$2,537,190         | \$0                 | \$0                 |
| 390.0000.1512        | INTEREST ON LGIP            | \$43,042            | \$0                 | \$0                 | \$0                 |
| 390.0000.1970        | SERVICES PROVIDE OTHER FUND | \$10,872,090        | \$11,383,708        | \$12,023,846        | \$12,593,687        |
| <b>TOTAL REVENUE</b> |                             | <b>\$45,790,022</b> | <b>\$48,415,036</b> | <b>\$48,730,971</b> | <b>\$51,492,124</b> |

## DEBT SERVICE EXPENDITURES BY FUNCTION

| ACCOUNT                   | DESCRIPTION                   | 2017-18<br>ACTUAL   | 2018-19<br>ACTUAL   | 2019-20<br>ADOPTED  | 2020-21<br>PROPOSED |
|---------------------------|-------------------------------|---------------------|---------------------|---------------------|---------------------|
| 300.2520.XXXX             | FISCAL SERVICES               | \$0                 | \$0                 | \$1,000             | \$1,000             |
| 300.5110.XXXX             | LONG TERM DEBT SERVICE        | \$32,315,325        | \$34,641,049        | \$36,387,125        | \$38,578,437        |
| 300.7000.XXXX             | UNAPPROPRIATED ENDING BALANCE | \$2,537,190         | \$2,400,290         | \$319,000           | \$319,000           |
| 390.5110.XXXX             | LONG TERM DEBT SERVICE        | \$10,937,507        | \$11,373,697        | \$12,023,846        | \$12,593,687        |
| <b>TOTAL EXPENDITURES</b> |                               | <b>\$45,790,022</b> | <b>\$48,415,036</b> | <b>\$48,730,971</b> | <b>\$51,492,124</b> |

## DEBT SERVICE EXPENDITURES BY OBJECT

| ACCOUNT                   | DESCRIPTION               | 2017-18<br>ACTUAL   | 2018-19<br>ACTUAL   | 2019-20<br>ADOPTED  | 2020-21<br>PROPOSED |
|---------------------------|---------------------------|---------------------|---------------------|---------------------|---------------------|
| 300.XXXX.0319             | OTHER GEN PROF & TECH SRV | \$0                 | \$0                 | \$0                 | \$0                 |
| 300.XXXX.0610             | REDEMPTION OF PRINCIPAL   | \$27,560,000        | \$11,430,000        | \$20,010,000        | \$15,355,000        |
| 300.XXXX.0621             | INTEREST                  | \$4,031,492         | \$23,211,049        | \$16,377,125        | \$23,223,437        |
| 300.XXXX.0640             | DUES AND FEES             | \$858               | \$0                 | \$1,000             | \$1,000             |
| 300.XXXX.0820             | RESERVED FOR NEXT YEAR    | \$2,537,190         | \$2,400,290         | \$319,000           | \$319,000           |
| 390.XXXX.0610             | REDEMPTION OF PRINCIPAL   | \$5,415,000         | \$6,075,000         | \$6,985,000         | \$7,855,000         |
| 390.XXXX.0620             | INTEREST                  | \$6,245,482         | \$5,298,697         | \$5,038,846         | \$4,738,687         |
| <b>TOTAL EXPENDITURES</b> |                           | <b>\$45,790,022</b> | <b>\$48,415,036</b> | <b>\$48,730,971</b> | <b>\$51,492,124</b> |

Note: Immaterial rounding differences may exist between tables.





## CAPITAL CONSTRUCTION FUND

The Capital Construction Fund consists of funds used to complete projects associated with the 2017 bond issue. The 2017 Bond Program will assist the District in reaching the goal of an “equitable learning environment” for all students in all schools. While understanding that each school presents physical challenges due to its age and design, bond projects will inspire students to achieve their educational goals, while continuing to provide excellent stewardship of District resources. Achieving an equitable learning environment will be accomplished by ensuring that classrooms are comfortable and safe places for students and staff; by providing flexibility and allowing for implementation of technology and innovation; and ensuring that students are prepared for life after school, whether that is higher education or career.

The bond will accomplish these goals by focusing on the priorities identified during the bond campaign:

### Prioritize Safety and Security



*Evergreen entry security*

- Ensure that all district campuses are equipped with modern safety and security systems
- Provide improved parent/bus/ pedestrian traffic flow at all district campuses
- Upgrade all buildings to current seismic code
- Install cameras and GPS systems on District school buses

### Renovate and Repair Aging Schools



*Hilhi's updated media center*

- Upgrade HVAC systems and add air conditioning to all school buildings
- Replace failing water pipes
- Replace/repair roofs
- Remodel Reedville Elementary School
- Remodel Hillsboro High School
- Construct lighted synthetic turf fields at Glencoe, Hillsboro and Century High Schools
- Construct track at Hillsboro High School
- Replace portable buildings in the poorest condition with permanent modular structures
- Other improvements as identified during construction at all school sites

## Relieve Crowded Classrooms and Plan for Growth



*New gymnasium at Mooberry Elementary*

- Construct new 600-student elementary school to replace Brookwood Elementary School
- Construct new 600-student elementary school in North Plains
- Construct new 600-student elementary school in South Hillsboro
- Build new gymnasiums at elementary schools to replace existing gym-a-cafeteriums

## Provide a Modern Education for Every Student



*Century High School's new modular building housing early childhood education classroom and preschool*

- Upgrade classroom technology at all schools
- Upgrade District technology infrastructure including construction of a dark fiber ring to serve all District facilities
- Career-technical education investment at all District high schools
- Purchase of flexible classroom furniture for all District schools

### Budget Year Project Timeline

The grid below illustrates the timeline for projects in the current budget year. For current information on bond projects, please visit the Hillsboro School District Bond web site at [hillsboro-bond.org](http://hillsboro-bond.org).

| School / Building                                     | Project Description   | 2020 |     |     |     |     |     |     |     |     |     |     |     | 2021 |     |     |     |     |     |     |  |  |
|---|---|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|-----|-----|-----|-----|-----|-----|--|--|
|   |   | Mar  | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar  | Apr | May | Jun | Jul | Aug | Sep |  |  |
| <a href="#">Brookwood ES</a>                          | New school construction   |      |     |     |     |     | 28  |     |     |     |     |     |     |      |     |     |     |     |     |     |  |  |
| <a href="#">R.A. Brown MS</a>                         | Seismic, roofing, HVAC, water pipe, DDC, painting (summers only)        |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |  |  |
| <a href="#">Century HS</a>                            | Roofing   |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |  |  |
| <a href="#">Eastwood ES</a>                           | Roofing   |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |  |  |
| <a href="#">ES28 (North Plains area)</a>              | New school construction   |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |  |  |
| <a href="#">Evergreen MS</a>                          | New addition  |      | 7   |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |  |  |
| <a href="#">Glencoe HS</a>                            | New addition, roofing, HVAC, renovations, parking lots, CTE             |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |  |  |
| <a href="#">Hillsboro HS</a>                          | Major renovations, roofing, HVAC, parking lots, CTE, electrical upgrade |      |     |     |     |     | 19  |     |     |     |     |     |     |      |     |     |     |     |     |     |  |  |
| <a href="#">Hillsboro Online</a>                      | Furniture   |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |  |  |
| <a href="#">Imlay ES</a>                              | Roofing   |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |  |  |
| <a href="#">Indian Hills ES</a>                       | Building improvements   |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |  |  |
| <a href="#">Ladd Acres ES</a>                         | Summer: building improvements, playground. Oct 2020-Aug 2021: new gym   |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |  |  |
| <a href="#">Liberty HS</a>                            | Roofing   |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |  |  |
| <a href="#">McKinney ES</a>                           | Summer: building improvements. Oct 2020-Aug 2021: new gym               |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |  |  |
| <a href="#">Miller Big Picture</a>                    | Roofing, furniture  |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |  |  |
| <a href="#">Minter Bridge ES</a>                      | Mar-Nov: new gym. Summer: building improvements, modular, playground    |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |  |  |
| <a href="#">Mooberry ES</a>                           | Complete gym (March), playground (April)                                |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |  |  |
| <a href="#">North Plains ES</a>                       | Jan-Aug: new gym. Summer: dropoff improvements                          |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |  |  |
| <a href="#">South Meadows MS</a>                      | Furniture   |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |  |  |
| <a href="#">Transportation &amp; Support Services</a> | New construction  |      |     |     |     |     |     |     |     |     |     |     |     |      |     |     |     |     |     |     |  |  |

## RESOURCES – CONSTRUCTION FUND BY OBJECT

| ACCOUNT                | DESCRIPTION                      | 2017-18<br>ACTUAL    | 2018-19<br>ACTUAL    | 2019-20<br>ADOPTED   | 2020-21<br>PROPOSED  |
|------------------------|----------------------------------|----------------------|----------------------|----------------------|----------------------|
| 4XX.0000.151X          | INTEREST ON INVESTMENTS          | \$257,128            | \$5,484,598          | \$2,775,000          | \$2,000,000          |
| 4XX.0000.153X          | UNREALIZED GAIN OR LOSS ON INVES | \$300,000            | \$2,279,215          | \$0                  | \$0                  |
| 4XX.0000.1960          | RECOVERY PRIOR YEAR EXP          | \$0                  | \$763,973            | \$0                  | \$0                  |
| 4XX.0000.5110          | BOND PROCEEDS                    | \$319,995,506        | \$0                  | \$0                  | \$0                  |
| 4XX.0000.5400          | BEGINNING FUND BALANCE           | \$1,346,696          | \$302,160,060        | \$242,648,965        | \$184,302,038        |
| <b>TOTAL RESOURCES</b> |                                  | <b>\$321,899,330</b> | <b>\$310,687,846</b> | <b>\$245,423,965</b> | <b>\$186,302,038</b> |

## CONSTRUCTION FUND EXPENDITURES BY FUNCTION

| ACCOUNT                   | DESCRIPTION                   | 2017-18<br>ACTUAL    | 2018-19<br>ACTUAL    | 2019-20<br>ADOPTED   | 2020-21<br>PROPOSED  |
|---------------------------|-------------------------------|----------------------|----------------------|----------------------|----------------------|
| 4XX.2520.XXXX             | FISCAL SERVICES               | \$0                  | \$0                  | \$0                  | \$0                  |
| 4XX.2540.XXXX             | FACILITIES MAINTENANCE        | \$932,648            | \$0                  | \$0                  | \$0                  |
| 4XX.2660.XXXX             | TECHNOLOGY                    | \$63,472             | \$104,912            | \$68,875             | \$205,000            |
| 4XX.4110.XXXX             | SERVICE AREA DIRECTION        | \$74,184             | \$9,045              | \$0                  | \$0                  |
| 4XX.4150.XXXX             | BUILDING ACQUISITIONS         | \$14,149,248         | \$77,384,300         | \$206,530,864        | \$125,000,000        |
| 4XX.4180.XXXX             | OTHER CAPITAL PURCHASES       | \$4,177,661          | \$9,653,730          | \$18,310,000         | \$3,000,000          |
| 4XX.5110.XXXX             | LONG TERM DEBT SERVICE        | \$342,052            | \$0                  | \$0                  | \$0                  |
| 4XX.6110.XXXX             | OPERATING CONTINGENCY         | \$0                  | \$0                  | \$5,000,000          | \$5,000,000          |
| 4XX.7000.XXXX             | UNAPPROPRIATED ENDING BALANCE | \$302,160,065        | \$223,535,859        | \$15,514,226         | \$53,097,038         |
| <b>TOTAL EXPENDITURES</b> |                               | <b>\$321,899,330</b> | <b>\$310,687,846</b> | <b>\$245,423,965</b> | <b>\$186,302,038</b> |

## CONSTRUCTION FUND EXPENDITURES BY OBJECT

| ACCOUNT               | DESCRIPTION               | 2017-18<br>ACTUAL | 2018-19<br>ACTUAL | 2019-20<br>ADOPTED | 2020-21<br>PROPOSED |
|-----------------------|---------------------------|-------------------|-------------------|--------------------|---------------------|
| 4XX.0000.0112         | REG CLASSIFIED SALARIES   | \$55,311          | \$132,418         | \$120,414          | \$150,000           |
| 4XX.0000.0113         | REG ADMIN SALARIES        | \$234,746         | \$505,479         | \$454,465          | \$510,000           |
| 4XX.0000.0114         | REG SUPERTECH SALARIES    | \$16,547          | \$87,033          | \$170,414          | \$175,000           |
| 4XX.0000.012X         | NONPERMANENT SALARIES     | \$0               | \$4,761           | \$0                | \$0                 |
| 4XX.0000.013X         | ADDITIONAL SALARIES       | \$2,819           | \$49,654          | \$75,000           | \$150,000           |
| 4XX.0000.014X         | OTHER SALARIES            | \$0               | \$29,614          | \$0                | \$0                 |
| <b>TOTAL SALARIES</b> |                           | <b>\$309,423</b>  | <b>\$808,959</b>  | <b>\$820,293</b>   | <b>\$985,000</b>    |
| 4XX.0000.0211         | PERS EMPLOYER CONT-TIER I | \$49,451          | \$94,300          | \$163,070          | \$120,000           |
| 4XX.0000.0213         | PERS UAL CONTRIBUTION     | \$21,523          | \$56,213          | \$0                | \$70,000            |



| ACCOUNT                     | DESCRIPTION               | 2017-18<br>ACTUAL    | 2018-19<br>ACTUAL    | 2019-20<br>ADOPTED   | 2020-21<br>PROPOSED  |
|-----------------------------|---------------------------|----------------------|----------------------|----------------------|----------------------|
| 4XX.0000.0214               | PERS BOND – 2015          | \$6,383              | \$16,490             | \$0                  | \$20,000             |
| 4XX.0000.0216               | PERS EMPLOYER-TIER III    | \$4,766              | \$35,337             | \$82,838             | \$100,000            |
| 4XX.0000.0220               | SOCIAL SECURITY ADMIN     | \$22,810             | \$61,096             | \$57,015             | \$100,000            |
| 4XX.0000.0231               | WORKERS' COMPENSATION     | \$1,201              | \$4,315              | \$3,726              | \$7,500              |
| 4XX.0000.0232               | UNEMPLOYMENT COMPENSATION | \$309                | \$819                | \$745                | \$1,500              |
| 4XX.0000.0240               | MEDICAL/DENTAL INSURANCE  | \$38,402             | \$101,955            | \$127,050            | \$150,000            |
| <b>TOTAL BENEFITS</b>       |                           | <b>\$144,845</b>     | <b>\$370,525</b>     | <b>\$434,444</b>     | <b>\$569,000</b>     |
| 4XX.0000.0322               | REPAIR & MAINTENANCE      | \$828,060            | \$0                  | \$0                  | \$1,250,000          |
| 4XX.0000.0324               | RENTAL EXPENSE            | \$2,465              | \$116,309            | \$100,000            | \$1,250,000          |
| 4XX.0000.0331               | STUDENT TRANSPORTATION    | \$0                  | \$375                | \$0                  | \$0                  |
| 4XX.0000.0340               | TRAVEL                    | \$1,249              | \$5,429              | \$7,500              | \$7,500              |
| 4XX.0000.0354               | ADVERTISING               | \$6,505              | \$1,408              | \$7,500              | \$7,500              |
| 4XX.0000.0355               | PRINTING & BINDING        | \$7,597              | \$9,303              | \$40,000             | \$1,500              |
| 4XX.0000.0383               | ARCHITECT/ENGINEER SERVCS | \$3,888,147          | \$12,717,168         | \$10,000,000         | \$5,000,000          |
| 4XX.0000.0388               | ELECTION SERVICES         | \$57,137             | \$0                  | \$0                  | \$0                  |
| 4XX.0000.0390               | OTHER GEN PROF & TECH SRV | \$2,643,176          | \$5,706,234          | \$5,500,000          | \$5,000,000          |
| 4XX.0000.0391               | LICENSED SUBSTITUTES      | \$3,086              | \$566                | \$0                  | \$0                  |
| 4XX.0000.0399               | CLASSIFIED SUBSTITUTES    | \$43,634             | \$68,441             | \$0                  | \$0                  |
| <b>TOTAL SERVICES</b>       |                           | <b>\$7,481,056</b>   | <b>\$18,625,233</b>  | <b>\$15,655,000</b>  | <b>\$12,516,500</b>  |
| 4XX.0000.0410               | SUPPLIES & MATERIALS      | \$116,504            | \$52,407             | \$50,000             | \$50,000             |
| 4XX.0000.0440               | PERIODICALS               | \$36,477             | \$0                  | \$0                  | \$0                  |
| 4XX.0000.0460               | NON-CONSUMABLE ITEMS      | \$358,897            | \$930,510            | \$1,125,000          | \$500,000            |
| 4XX.0000.0461               | <\$5000 EQUIPMENT         | \$642,291            | \$719,466            | \$850,000            | \$250,000            |
| 4XX.0000.0470               | COMPUTER SOFTWARE         | \$257,335            | \$44,048             | \$100,000            | \$35,000             |
| 4XX.0000.0480               | COMPUTER HARDWARE         | \$1,200,161          | \$549,453            | \$750,000            | \$100,000            |
| 4XX.0000.0481               | <\$5000 COMPUTER HARDWARE | \$1,346,532          | \$1,023,015          | \$125,000            | \$100,000            |
| <b>TOTAL SUPPLIES</b>       |                           | <b>\$3,958,197</b>   | <b>\$3,318,899</b>   | <b>\$3,000,000</b>   | <b>\$1,035,000</b>   |
| 4XX.0000.0520               | BUILDINGS ACQUISITION     | \$2,401,761          | \$40,821,286         | \$87,250,000         | \$98,374,500         |
| 4XX.0000.0530               | IMPROV OTHER THAN BLDGS   | \$1,516,691          | \$16,329,047         | \$83,600,000         | \$7,500,000          |
| 4XX.0000.0540               | CAPITAL EQUIPMENT         | \$189,394            | \$3,827,963          | \$14,500,000         | \$5,000,000          |
| 4XX.0000.0550               | CAPITAL TECHNOLOGY        | \$0                  | \$10,600             | \$0                  | \$0                  |
| 4XX.0000.0562               | BUS GARAGE                | \$242,074            | \$0                  | \$18,000,000         | \$0                  |
| <b>TOTAL CAPITAL OUTLAY</b> |                           | <b>\$4,349,920</b>   | <b>\$60,988,896</b>  | <b>\$203,350,000</b> | <b>\$110,874,500</b> |
| 4XX.0000.0610               | REDEMPTION OF PRINCIPAL   | \$335,102            | \$0                  | \$0                  | \$0                  |
| 4XX.0000.0621               | INTEREST                  | \$6,950              | \$0                  | \$0                  | \$0                  |
| 4XX.0000.0640               | DUES & FEES               | \$885,407            | \$6,645              | \$25,000             | \$25,000             |
| 4XX.0000.0650               | INSURANCE                 | \$2,045,461          | \$10,000             | \$0                  | \$0                  |
| 4XX.0000.0670               | TAXES & LICENSES          | \$222,909            | \$3,022,830          | \$1,625,000          | \$2,200,000          |
| <b>TOTAL OTHER</b>          |                           | <b>\$3,495,829</b>   | <b>\$3,039,475</b>   | <b>\$1,650,000</b>   | <b>\$2,225,000</b>   |
| 4XX.0000.0810               | PLANNED RESERVE           | \$0                  | \$0                  | \$5,000,000          | \$5,000,000          |
| 4XX.0000.0820               | RESERVED FOR NEXT YEAR    | \$302,160,060        | \$223,535,859        | \$15,514,228         | \$53,097,038         |
| <b>Total Expenditures</b>   |                           | <b>\$321,899,330</b> | <b>\$310,687,846</b> | <b>\$245,423,965</b> | <b>\$186,302,038</b> |

Note: Immaterial rounding differences may exist between tables.



## INTERNAL SERVICE FUND

PERS rates are very dependent on the performance of the market, with approximately 65-70 percent of PERS revenue coming from interest earnings. This means that when earnings decrease, District PERS rates increase.

The PERS Reserve Fund was originally established in 2005-06 with a \$750,000 transfer from the General Fund, to allow the District some security against fluctuating PERS rates. The District has used this reserve to supplement the General Fund when rates have been up. The PERS reserve has also been supplemented with transfers from the General Fund when finances allowed.

The 2015-16 Budget included a \$500,000 transfer from the General Fund to the PERS reserve for a total of \$2.0 million that was maintained through 2016-17 in anticipation of rate increases in the 2017-2019 biennium. The 2017-18 Budget transferred \$1.0 million of the PERS Reserve Fund into the General Fund to offset a portion of the PERS employer rate increase. A final transfer of \$1.0 million occurred in 2018-19, and exhausted the Fund.

The PERS Reserve is classified to Fund 100 per Generally Accepted Accounting Principles (GAAP) on the Consolidated Annual Financial Statement as prescribed by the District's independent auditor.

## INTERNAL SERVICE FUND RESOURCES AND EXPENDITURES

| ACCOUNT                   | DESCRIPTION              | 2017-18<br>ACTUAL  | 2018-19<br>ACTUAL  | 2019-20<br>ADOPTED | 2020-21<br>PROPOSED |
|---------------------------|--------------------------|--------------------|--------------------|--------------------|---------------------|
| <b>RESOURCES</b>          |                          |                    |                    |                    |                     |
| XXX.0000.1990             | MISCELLANEOUS REVENUE    | \$0                | \$0                | \$0                | \$0                 |
| XXX.0000.5200             | INTERFUND TRANSFER       | \$0                | \$0                | \$0                | \$0                 |
| XXX.0000.5400             | BEGINNING FUND BALANCE   | \$2,000,000        | \$1,000,000        | \$0                | \$0                 |
| <b>TOTAL RESOURCES</b>    |                          | <b>\$2,000,000</b> | <b>\$1,000,000</b> | <b>\$0</b>         | <b>\$0</b>          |
| <b>EXPENDITURES</b>       |                          |                    |                    |                    |                     |
| XXX.0000.0790             | TRANSFER TO GENERAL FUND | \$1,000,000        | \$1,000,000        | \$0                | \$0                 |
| XXX.0000.0820             | PERS RESERVE             | \$1,000,000        | \$0                | \$0                | \$0                 |
| <b>TOTAL EXPENDITURES</b> |                          | <b>\$2,000,000</b> | <b>\$1,000,000</b> | <b>\$0</b>         | <b>\$0</b>          |







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|                                     |   |               |
|-------------------------------------|---|---------------|
| 100                                 | GENERAL FUND                                    | \$242,875,026 |
| <b><u>SPECIAL REVENUE FUNDS</u></b> |   |               |
| 2XX                                 | OTHER RESTRICTED GRANTS                         | \$2,687,978   |
| 202                                 | HILLSBORO SCHOOLS FOUNDATION                    | \$70,000      |
| 203                                 | TITLE I SUMMER MIGRANT                          | \$400,000     |
| 205                                 | TITLE VI  | \$30,000      |
| 208                                 | TITLE IA/IMPROVING AMERICA'S SCHOOLS ACT (IASA) | \$3,800,000   |
| 212                                 | TITLE IC (MIGRANT)                              | \$1,100,000   |
| 213                                 | TITLE IC PRESCHOOL-MIGRANT                      | \$82,000      |
| 218                                 | TITLE III                                       | \$450,000     |
| 221                                 | TITLE IIA IMPROVE TEACHER QUALITY               | \$500,000     |
| 222                                 | TITLE I/PERKINS VOCATIONAL TECHNOLOGY           | \$161,000     |
| 225                                 | SECONDARY CAREER PATHWAYS                       | \$175,000     |
| 226                                 | MY FUTURE MY CHOICE                             | \$33,000      |
| 229                                 | M99 - OUTDOOR SCHOOL                            | \$250,000     |
| 231                                 | IDEA (PL 101-476)                               | \$2,900,000   |
| 233                                 | VISION SCREENING GRANT                          | \$22,000      |
| 235                                 | REGIONAL AUTISM SERVICES                        | \$512,000     |
| 238                                 | EXTENDED ASSESSMENT                             | \$7,000       |
| 239                                 | NWRESD  | \$75,000      |
| 240                                 | MEYER MEMORIAL GRANT                            | \$75,000      |
| 242                                 | MCKINNEY VENTO                                  | \$60,000      |
| 245                                 | CCD/TEEN MOM GRANT                              | \$50,000      |
| 246                                 | WORK SYSTEMS SUMMER PROGRAM                     | \$279,000     |
| 247                                 | OREGON DEPARTMENT OF HUMAN SERVICES             | \$180,000     |
| 251                                 | SSA/SIA   | \$16,509,877  |
| 259                                 | PHYSICAL EDUCATION EXPANSION K-8                | \$20,000      |
| 261                                 | CHESS FOR SUCCESS                               | \$15,000      |
| 263                                 | COFFEE SHOP                                     | \$85,000      |
| 266                                 | ENERGY TRUST INCENTIVES                         | \$36,000      |
| 269                                 | MEDICAID ADMINISTRATION CLAIMING                | \$500,000     |
| 270                                 | NIKE GRANT                                      | \$50,000      |
| 272                                 | LULAC NATIONAL EDUCATION SERVICE CENTER         | \$5,000       |
| 275                                 | DONATIONS FUND                                  | \$925,000     |

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|     |  |                     |
|-----|--|---------------------|
| 277 | NUTRITION SERVICES FUND (formerly 217 and 500) | \$11,309,700        |
| 280 | CONSTRUCTION EXCISE TAX                        | \$1,250,000         |
| 282 | ENERGY EFFICIENT SCHOOLS SB 1149               | \$375,000           |
| 283 | SYNOPSISYS                                     | \$10,000            |
| 285 | PAX GOOD BEHAVIOR GAME GRANT                   | \$21,000            |
| 286 | INTEL FOUNDATION GRANTS                        | \$170,000           |
| 288 | KINDERGARTEN PARTNERSHIP GRANT                 | \$270,000           |
| 289 | PRE-SCHOOL PROMISE GRANT                       | \$102,000           |
| 292 | STUDENT BODY FUNDS                             | \$3,325,000         |
| 296 | FOSTER CARE TRANSPORTATION                     | \$25,000            |
| 297 | STATE CLEAN DIESEL GRANT                       | \$65,000            |
| 298 | M98 CCR AND DROP-OUT PREVENTION                | \$5,200,000         |
| 299 | TRANSPORTATION EQUIPMENT FUND                  | \$1,400,000         |
|     | <b>Total Special Revenue Funds</b>             | <b>\$55,567,555</b> |

**DEBT SERVICE FUNDS**

|     |                                 |                     |
|-----|---------------------------------|---------------------|
| 300 | HSD 1 DEBT SERVICE FUNDS        | \$51,492,124        |
|     | <b>Total Debt Service Funds</b> | <b>\$51,492,124</b> |

**CAPITAL PROJECTS FUNDS**

|     |                                     |                      |
|-----|-------------------------------------|----------------------|
| 4XX | CONSTRUCTION FUND-2017              | \$186,302,038        |
|     | <b>Total Capital Projects Funds</b> | <b>\$186,302,038</b> |

**INTERNAL SERVICE FUNDS**

|   |                                     |            |
|---|-------------------------------------|------------|
| * | PERS RESERVE FUND                   | \$0        |
|   | <b>Total Internal Service Funds</b> | <b>\$0</b> |

\* Reclassified per 2010-11 GAAP

|                               |  |                      |
|-------------------------------|--|----------------------|
| <b>TOTAL BUDGET ALL FUNDS</b> |  | <b>\$536,236,743</b> |
|-------------------------------|--|----------------------|

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## SPECIAL REVENUE CROSSWALK

Beginning in the 2018-19 Budget Year, the District began reporting revenues and expenditures for Special Revenue Funds that were recorded in the 1xx Funds in prior years to 2xx Funds. This change is a more accurate representation of the activities as a Special Revenue Fund and better aligns with the Districts reporting requirements with the Oregon Department of Education.

Following is a crosswalk for the new Fund numbers:

| Old Fund | New Fund | Title                               |
|----------|----------|-------------------------------------|
| 140      | 282      | Energy Efficient Schools SB 1149    |
| 141      | 275      | Oregon First Robotics               |
| 146      | 236      | Enhancement IDEA                    |
| 148      | 268      | Insurance Reserves                  |
| 154      | 275      | Confucius Classroom                 |
| 156      | 266      | Energy Trust Incentives             |
| 157      | 271      | Print Shop                          |
| 161      | 261      | Chess for Success                   |
| 163      | 253      | Recruit and Retention               |
| 164      | 275      | Aspire                              |
| 168      | 238      | Extended Assessment                 |
| 169      | 269      | Medicaid Administration Claiming    |
| 170      | 280      | Construction Excise Tax             |
| 182      | 281      | Facilities Recycled Materials       |
| 192      | 292      | Student Body Funds                  |
| 196      | 234      | Systems Performance Review          |
| 198      | 247      | Oregon Department of Human Services |
| 199      | 235      | Regional Autism Services            |



## **Background**

The Hillsboro School District's total budget is made up of money from many sources: the state of Oregon; the federal government (grant money); local property taxes; sports, activities, and building use fees; interest earned on bonds and investments; and unspent money from the prior year.

Some of the money can only be used for specific things. For example, when the District passed the \$169 million bond in 2006, the money raised from the sale of those bonds could only be used for construction, renovation, and facilities upgrade projects. Another example is the federal grant money we receive to provide extra support to our high poverty (Title I) schools or to provide special education services. Yet another example is the property taxes we collect to pay our bond debt.

When you take out the money that can only be used for specific things, you're left with General Fund dollars. The General Fund is like the District's bank account; within this account, a majority of the money can be spent (the checking account), while a portion of the money is meant to stay where it's at in case of an emergency (the savings account – also known as 'reserves'). As with a home budget, things are constantly changing both at the State and local level. As you'll see below, this requires constant rebalancing throughout the school year and in some cases has required school districts to make significant budget adjustments during a school year.

In Oregon, budgeting is done at the state level every two years (a two-year period is called a biennium) and is based on projected (estimated) income, primarily in the form of state income tax collections. K-12 education receives approximately 39% of the state's budget, and this money equals roughly 70% of the total money school districts receive for their General Fund budgets. In general, a healthy state economy is good for public schools—property taxes stay steady with rising property values and income tax collections are predictable with a low unemployment rate. However, when property values are falling and unemployment is high, school districts and other state services suffer due to the loss of property tax revenues and state income tax collections.

## **Budget History**

### **2002-03 and 2003-04 (-\$22.8 million and -\$18 million)**

To look back in history a bit, the 2002-03 and 2003-04 school years were extremely tough for the state and for Hillsboro School District. In 2002-03, the District planned to cut \$7.8 million from its General Fund, and ended up having to cut another \$15 million when the state couldn't deliver the money it said we would get. That meant the District had to cut 14 school days for students in Grades K-8 and 16 school days for students in Grades 9-12; 55 teachers, classified workers and administrators; as well as things like Outdoor School, professional development programs, and textbook adoptions.

In 2003-04, the District had to cut approximately \$18 million, which meant another 222 employees lost their jobs, after-school sports and activities were eliminated in elementary schools, major maintenance on our buildings was deferred, and class sizes went up to 30:1 in Grades K-6 and 29.5:1 in Grades 7-12.

**2004-05 through 2007-08 (+\$33 million)**

Things improved over the next four and a half school years, with a total of approximately \$33 million and 230 staff positions restored, as well as the reinstatement of and reinvestment in programs.

**2008-09 (-\$3.47 million)**

In September 2008, however, the economy began to enter crisis mode with the collapse of the housing market and subsequent plummeting of the stock market. This economic crisis led to mid-year spending cuts and freezes throughout the District, however federal stimulus money helped the District avoid cutting school days.

**2009-10 (-\$18.3 million, including 4 reduced days, +\$6 million, including 4 restored days)**

For the 2009-11 biennium, the state built its K-12 budget at the \$6 billion level. That \$6 billion was made up of \$226,099,942 in federal stimulus money, \$200 million from the state's Rainy Day Fund, \$733 million in new revenue from personal and business tax increases, and General Fund resources of \$4,841,096,061—over \$1.1 billion of the budget was from one-time or new funds. With this in mind, the District chose to budget conservatively and planned for \$18.3 million in cuts to the 2009-10 General Fund. To get there, staff (39 positions) and other cuts were made, including the reduction of four calendar days, and memorandums of understanding (MOUs) were negotiated with our union groups. Those MOUs included language that allowed for the adding back of school days and salary if the state was able to deliver on its funding promise. The MOU language called for a decision to be made by April 1, 2010, as to whether or not the money was there for the add-backs, and at that time, following the passage of Measures 66 and 67, the state estimated there would be \$6.0 billion in funding available, so the add-backs took place.

**2010-11 (-\$8.3 million, including 6 reduced days)**

Meanwhile, the District planned its 2010-11 General Fund budget, assuming flat revenues and anticipating things like the end of federal stimulus money and Public Employee Retirement System (PERS) rate increases. Building reserves to plan for those cost increases meant that certain additional reductions would have to be made to the General Fund.

Then, on May 27, 2010, the state announced that it would be \$577 million short on money it expected to collect. The Hillsboro School District had built its 2010-11 General Fund budget assuming approximately \$100 million from the state (out of a total General Fund budget of \$176 million), but the shortfall resulted in us only receiving approximately \$91.7 million. That meant we had to cut an additional \$8.3 million out of our General Fund.

Reductions this year were managed by reducing six calendar days, transferring money from reserves, increasing the staffing ratio to 29:1, reducing classified positions, increasing the fees for activities and athletics, and so on.

**2011-12 (-\$18.9 million, including 5 reduced days)**

Now in the depths of the recession, at least from a community impact standpoint, the District was faced with another huge reduction year. Several district-level meetings were held, as were meetings at every school for both staff and parents, to gather as many ideas and as much input as possible from staff, parents, and other community members about how we could best accomplish the reductions without materially harming students.

In the end, approximately \$19 million was “saved” by reducing five calendar days, negotiating with employee unions to forego step increases, offering an early retirement incentive, decreasing stipends, eliminating elementary and middle school dean positions, reducing classified calendars and hours, reducing district-level staff and administrators, transferring money from reserve accounts, and reducing department budgets, among other measures.

**2012-13 (-\$8.15 million, +852,000, including 5 reduced days)**

In early February 2012, all eyes were on the state’s March revenue forecast (released February 8) and the first even-year session of the Legislature for clues about the state of the budget. The revenue forecast was down \$35.1 million, which brought the total shortfall since the close of the regular legislative session in 2011 to \$341.1 million. Since \$460 million had been set aside by the state to absorb those shortfalls, the Legislature determined no further reductions to K-12 budgets were required for the 2012-13 school year, so long as the next five revenue forecasts of the biennium didn’t exceed the \$460 million cushion.

Therefore, the District estimated its shortfall at \$8.15 million and set to work identifying how the reductions would be absorbed. Once again, we had great cooperation from our employee unions, which allowed us to delay step movement and reduce five days from the calendar. To fill the rest of the gap, there were additional administrative staff reductions, a 10% reduction to department budgets, and an increase in the staffing ratio from 29:1 to 30.6:1.

Just one day after the Board officially adopted the 2012-13 budget, the District received word of an additional disbursement of \$852,000 as a result of: 1) additional allowances for the number of students above the 11% cap receiving special education services; 2) additional allowances for students in Foster and Neglected Delinquent Care; and 3) an addition to the per-student average (average daily membership – weighted, or ADMw) disbursement due to declining enrollment in the state. That money was used to restore ten elementary teaching positions, which brought the average staffing ratio at elementary schools down from 30.6:1 to 29.8:1.

That year was also when the Board requested that staff conduct community polling to assess potential support for a local option levy ask in November 2012. DHM Research Associates placed over 10,000 calls in the span of three days in late May to complete 300 twelve-minute phone surveys of registered voters who closely match the demographics that would be expected to turn out in our area during a presidential election. The poll showed that just 51% of people would vote for a local option levy if the election were held today, while 43% would vote against, and 5% were undecided. The Board decided to table the local option levy ask at that time.



**2013-14 (-\$8.576 million, including 5 reduced days + 3 restored days)**

On March 8, 2013, the Oregon Department of Education sent out an update on the status of federal-level sequestration. In the update, it cautioned that sequestration cuts of 5% would affect funding for IDEA (special education), Title I (low income), and other programs in the 2013-14 school year if nothing to reverse sequestration took place in Congress.

2013 was also the year when the Legislature attempted to put a number of PERS reforms in place, and in fact counted \$200 million in PERS employer rate reductions in the State School Fund allocation (SB 822; equated to approximately \$3.7 million for HSD).

The District faced reductions of just over \$8.5 million and accomplished them by transferring money from reserves, further reducing discretionary budgets, “other salaries” (subs, extended contract, stipends, etc.), classified and licensed staff, and reducing five calendar days.

On June 6, 2013, however, Washington County Board of Commissioners Chair Andy Duyck and Hillsboro Mayor Jerry Willey held a joint press release at which they indicated their willingness to devote \$10 million of their Gain Share money for the next biennium to Washington County Schools. Hillsboro’s portion of that allocation was approximately \$1.2 million in 2013-14, which allowed the District to restore three of the planned reduction days back to the calendar.

On October 2, 2013, the Oregon Legislature passed a package of bills called the “Grand Bargain,” which included additional PERS reforms and another \$100 million for the State School Fund.

Meanwhile, the Board had decided to put forth a \$25 million general obligation bond to voters to support investments in technology, safety, and maintenance. Despite polling that suggested sufficient support, the measure was defeated in November 2013: 45% yes to 55% no.

**2014-15 (+\$6.2 million, including 1 reduced day + 1 restored day)**

Thanks primarily to the additional money generated by the Grand Bargain, the District headed into the 2014-15 school year poised to *add* to its budget for the first time in years. At their meeting on June 24, 2014, the Board unanimously adopted the 2014-15 budget, which added \$6.2 million for hiring teachers, providing additional classified support, and adding one instructional day back to the calendar, among several other things. At that same meeting, the Board voted to refinance outstanding bond debt to save taxpayers \$6.5 million in net present value.

Key investments were reducing the staffing ratio at kindergarten to 26:1, at grades 1 & 2 to 28:1, and at grades 3-12 to 29:1; as well as investing in STEM programming and the arts.

One more piece of good news was received in mid-summer, when the District learned it would receive an additional \$728,716 in Gain Share funds, due to a higher-than-expected distribution to the City and County, and their subsequent decision to share half of the additional dollars with Washington County school districts. This allowed the District to add back the last remaining budget reduction day to the calendar.

### **2015-16 (+\$2.44 million)**

2015 brought a new legislative session and a push for the state to invest in K-12 education. Despite the fact that on paper it appeared that K-12 was getting more money than ever, those dollars had not been indexed for inflation, did not take into account how deeply schools had been required to reduce expenditures for the past several years, and did not reflect the fact that K-12's share of the overall state budget was continuing to decline.

As both a planning tool and as an accountability measure, the District attempted to create a five-step reinvestment plan. The five steps were intended to represent five biennia (ten years), allowing the state to make strides each year toward a level of funding that would more closely match our need to fulfill the state's 40-40-20 goal (40% of students complete a four-year degree, 40% complete a two-year degree, 20% receive a high school diploma).

Unfortunately, the K-12 allocation was not at a level that would allow us to make meaningful progress toward step one of the plan; however, thanks to updates to the State School Fund (SSF) estimates for the 2013-14 and 2014-15 school years, and HB 5017 provisions stating that K-12 would receive 40% of additional State General Fund Revenue from the June 2015 forecast (equated to \$105 million), the District was poised to weather out the biennium in a "flat" state—there would be a surplus in year one, and a virtual break-even in year two.

Knowing that our system still had so many needs as a result of years of disinvestment, however, the Board and Budget Committee decided to recommend relatively modest reinvestments in 2015-16, anticipating that these would be in place over both years of the biennium. The total for 2015-16 was just over \$2.44 million: half-time graduation coaches at each high school; full-time instructional coaches at each high school; TAG and advanced options for students; athletics and activities reinvestment; increase in the number of PE and music sections at elementary school; increase in the number of hours and days for classified staff; lower the staffing ratio at middle school; and a one-time set-aside of \$500,000 in the PERS Reserve account. This would leave a shortfall of approximately \$1.8 million at the end of 2016-17, but it was felt that annual adjustments to SSF estimates would bring us back to a break-even state by that time.

### **2016-17 (-\$2.33 million)**

As we budget for the 2016-17 school year, we are feeling the effects of a still-volatile economy. Modifications to the laws around Gain Share mean that the District is no longer receiving "pass-through" money of approximately \$1.2 million per year from the City and County. Also, though the region saw significant growth and districts around us experienced increasing enrollment, Hillsboro's enrollment did not meet projections. Furthermore, a majority of the PERS reforms that were passed in the 2013 session were deemed unconstitutional by the State Supreme Court and were nullified.

A positive is that we were able to secure three-year contracts with both our licensed and classified employee groups, which provides a measure of certainty when budgeting. Negotiated increases through those contracts included an annual cost of living adjustment (COLA) and insurance cap increase (total value equivalent to 3% COLA and \$25/month/year insurance cap increase).

Our efforts to contain costs for 2016-17 included “trueing up” the staffing ratio to align with actual enrollment (loss of 14.42 licensed FTE positions), and reducing district-level department budgets (discretionary) by 2%. We were able to add 2.0 FTE classified custodial positions to reduce the pressure on some of our buildings with half-time night custodians. Net reductions/savings of approximately \$2.33 million.

### **2017-18 (-\$7,713,000)**

The State Legislature met for their full session starting in February 2017. Facing the state was a \$1.6 billion shortfall versus what would have been needed to simply roll costs up from 2016-17.\* On the K-12 side, we were also looking at a significant increase to PERS employer rates beginning in the 2017-18 school year (approx. 6%).

We built our budget assuming an \$8.15 billion allocation to K-12 education, which meant making cuts of approximately \$7.5 million. We ultimately had to stick to those cuts - even though the final allocation was \$8.2 billion - because the money was split 50/50 rather than 49/51, which meant higher costs in the second year of the biennium.

To reach our target, we did the following: 1) Used reserves and adjustments: State School Fund adjustments for 2015-16 and 2016-17 - \$1 million; PERS Reserve Fund - \$1 million; Construction Excise Tax to offset Facilities budget - \$1 million; Reduce Ending Fund Balance to 4.5% - \$1 million; and 2) Implemented efficiencies/reductions: Central Office reductions and efficiencies - \$2,258,000; Student Services reductions - \$455,000; Better align staffing to enrollment - \$1 million. Total reductions were \$7,713,000.

Efforts to pass bills around revenue reform and cost containment were not successful in the 2017 session, but will hopefully be addressed again in the 2019 session.

(\*The \$1.6 billion shortfall was largely filled by the implementation of a healthcare provider tax, which would not only bring in revenue from the tax, but also federal matching dollars. A successful signature-gathering campaign in the summer/fall of 2017 led to this item’s referral to a special election in January 2018. It was defeated and the tax was initiated as planned.)

### **2018-19 (-\$3,679,289 + -\$2,000,000)**

Relatively flat state revenue projections and this being the second year of the biennium meant there were no changes to the 2017-19 K-12 budget during the 2018 short session. That, coupled with the fact that our student enrollment has fallen short of projections for the last two years and that student enrollment across the state has increased, thereby reducing the amount provided per-student, meant that we were in a reduction mode again for 2018-19.

We estimated our shortfall to be \$3,679,289, which already accounted for the utilization of the last \$1 million in our PERS Reserve Fund and the further reduction of our Ending Fund Balance to 4% after the 2018-19 school year. We proposed managing the shortfall in the following ways:

- Use Construction Excise Tax funds to pay principal and interest on our administration center - \$530,000
- Pay for certain technology and equipment expenses out of bond funds - \$700,000
- Reduce roll-up cost estimates for staffing, salaries, and benefits reductions - \$2,449,289

In early 2019, it became clear that the reductions heading into the school year hadn't gone far enough, based on our declining enrollment and changing student demographics. So we implemented mid-year spending reductions to affect an additional \$2 million in savings.

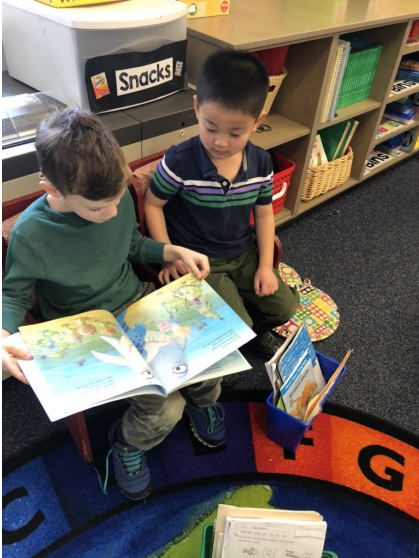
### **2019-20 (-\$9,612,175 + \$480,000 + -\$1.5 million)**

The 2019 Legislative Session was one the education community was extremely excited about. With a democratic supermajority in the House and Senate, the opportunity for a generational fix for education funding was within reach. Indeed, the Legislature passed the Student Success Act - a piece of legislation designed to generate \$2 billion each biennium through a corporate activities tax (CAT) - to provide the funds to lower class sizes, support students' mental health needs, offer extended learning opportunities and enriched educational experiences, and fully fund Measure 98 - the career-technical education, graduation attainment, and dropout prevention measure passed overwhelmingly by voters in 2016.

But the Legislature also allocated what was for many large districts, including HSD, an insufficient amount to the State School Fund (SSF). At the time we needed to present a budget proposal to our budget committee, the statewide K-12 budget was thought to be \$8.972 billion; therefore, we planned for reductions of \$9.6 million from our 2019-20 to cover our shortfall for the biennium. However, on June 4, 2019, the Governor signed a budget that increased K-12 funding to \$9.0 billion. The additional \$28 million statewide translated to approximately \$480,000 for HSD. Rather than allocate those funds, we opted to use the funds to ensure high school student success coaches remained whole, address class size hot spots, and meet other student support needs.

By winter, it was clear that decreasing enrollment and an increase to the cost of utilities beyond historical averages had caused an additional shortfall in the current year of approximately \$1.5 million. That shortfall was managed by restricting discretionary spending and utilizing other funding to cover general fund expenses, where possible.





## 2020-21 Proposed Budget

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