
2007 – 08
Citizen's Guide to the
District's Budget



Edmonds School District No. 15
20420 68th Avenue West
Lynnwood, Washington 98036-7400

<http://www.edmonds.wednet.edu/>

BOARD OF DIRECTORS

Gary Noble, *President*

Ann McMurray, *Vice-President*

Susan Paine, *Director*

Bruce Williams, *Director*

Patrick Shields, *Director*

ADMINISTRATION

Nick Brossoit, *Superintendent, Board Secretary*

Tony Byrd, *Assistant Superintendent*

Ellen Kahan, *Assistant Superintendent*

Ken Limón, *Assistant Superintendent*

Sue Venable, *Assistant Superintendent*

Marla Miller, *Assistant Superintendent, Business and Operations*

Debby Carter, *Assistant Superintendent, Human Resources*

BUDGET ADVISORY COUNCIL

David Quinn
Edmonds-Woodway HS

Tony Byrd
Teaching and Learning

David Golden
Lynnwood High School

Bill McKeighen
Budget and Finance

Tam Osborne
Human Resources

Brian Harding
Facilities

Jan Beglau
Student Support and Outreach

Mark Dillan
Community Representative

Manny Juzon
Business Services

Cynthia Nelson
Technology

Jerry Saulter
Maintenance

Katy Wysocki
Student Services

Debora Boeck
Grants Management

Lara Drew
Teaching and Learning

Barbara Lloyd
Food Service & Warehouse

Allyn Turner
Brier Terrace Middle School

Debby Carter
Human Resources

**EDMONDS SCHOOL DISTRICT NO. 15
OFFICE OF THE SUPERINTENDENT**

MEMORANDUM

September 4, 2007

TO: Board of Directors
FROM: Nick Brossoit, Superintendent
SUBJECT: 2007-08 Citizen's Guide to the District's Budget

I am pleased to present the *2007-08 Citizen's Guide to the District's Budget*, which presents complex financial information in a more accessible format. The summary is based on information contained in Form-195, which is filed annually with the Office of the Superintendent of Public Instruction (OSPI).

The information presented in the *Citizen's Guide* adheres to the Board of Director's educational priorities, District policies, OSPI regulations, and sound financial management principles. The *Citizen's Guide* also demonstrates our commitment to maintaining classroom integrity by adhering to our mission statement:

It is the *MISSION* of Edmonds Schools to *ADVOCATE* for all students by *PROVIDING* a learning environment which *EMPOWERS* students, staff and the community to *MAXIMIZE* their personal, creative and academic potential in order to *BECOME* lifelong learners and responsible world citizens.

Revenues for the General fund are projected to increase \$7.7 M. A state funded 3.7% COLA, an increase to the Student Achievement (I-728) program, and modest increases in other State funding for technology and professional development for math and science teachers accounts for much of the increase. Voter approved levy collections next year are also projected to increase slightly. Revenues in the Associated Student Body Fund are projected to increase slightly next year. Debt Service Fund revenues will increase \$6.0 M in order to pay principal and interest payments on outstanding bonds. Revenues in the Capital Projects Fund are projected to increase to reflect property and bond sales.

While revenues have increased in the General Fund, so have expenditures. In order to balance the budget this year, class size was increased by one student at all grade levels. This increase was mitigated by adding back \$300 K toward restoring staffing to its original level. This budget supports the on-going commitment to support a mid-point compensation policy for all employee groups. Honoring this commitment requires the planned spend down of our fund balance as well as making budget reductions in all areas of the budget. Having reached our fund balance targets set out three years ago, we will be closely monitoring revenues and expenditures to ensure that fund balance targets are maintained in a fiscally responsible

manner. In order to maximize our efforts in deploying resources to the educational programs, we may continue to budget expenditures slightly above projected revenues. This strategy leverages traditional underspend in some budgets so that we can maximize the use of current resources. In addition to honoring the mid-point compensation policy, we have made a significant investment of funds for the math initiative. While maintaining a healthy fund balance is essential for maintaining a sound financial basis, it is also critical to provide the resources to students now so they can maximize their personal, creative, and academic potential.

Thank you for your support in this endeavor.

Enclosure

TABLE OF CONTENTS

SCHOOLS AND PROGRAMS	1
<i>Elementary Schools</i>	<i>1</i>
<i>Middle Schools.....</i>	<i>1</i>
<i>High Schools.....</i>	<i>1</i>
<i>Programs of Choice</i>	<i>2</i>
ENROLLMENT AND STAFFING.....	4
<i>Why is student enrollment important? How is it measured?.....</i>	<i>4</i>
<i>Staffing.....</i>	<i>4</i>
<i>Enrollment Trends</i>	<i>6</i>
THE BUDGET.....	8
<i>District Funds</i>	<i>8</i>
<i>Total Financing Sources by Fund.....</i>	<i>9</i>
GENERAL FUND RESOURCES.....	11
<i>Where Does the Money Come From?.....</i>	<i>11</i>
<i>General Fund Financing Sources.....</i>	<i>12</i>
GENERAL FUND EXPENDITURES.....	14
<i>How are Your Tax Dollars Spent?.....</i>	<i>14</i>
<i>Expenditures</i>	<i>15</i>
APPENDIX I 2007-08 BASIC EDUCATION STAFFING STANDARDS.....	I
APPENDIX II 2007-08 GENERAL FUND BUDGET SUMMARY.....	II
APPENDIX III GLOSSARY OF SELECTED STATE PROGRAMS.....	III

SCHOOLS AND PROGRAMS

We are committed to providing students with the best education possible. As such, we offer a variety of programs and educational choices in 35 schools among the communities of Brier, Edmonds, Mountlake Terrace, Lynnwood, Woodway, and parts of unincorporated Snohomish County. The following section describes the types of schools and programs we offer.

Elementary Schools

There are 24 elementary schools located throughout Edmonds School District. Elementary schools contain kindergarten through sixth grade, including three schools containing seventh and eighth grades (Madrona, Maplewood Parent Co-op, and Terrace Park). The elementary curriculum teaches basic skills, including reading, writing, mathematics, social studies, science, art, music, physical education, and health. Two of these schools (Maplewood and Madrona) are district-wide programs of choice (see following section for program description).

Middle Schools

We offer a total of four middle school programs. The middle school serves as a transition from the broad elementary program to the more specialized and intensive high school program. Students are given both structure and freedom to begin making their own decisions and to establish their own interests and values. The middle school program addresses their needs by providing a combination of required and elective courses in math, science, language arts, social studies, art, music, physical education, home economics, industrial arts, and foreign language.

We also offer alternative middle school programs, known as Programs of Choice. For example, some schools use non letter-based grading systems, while other schools use multi-age grade levels. A description of these programs follows.

High Schools

We have four comprehensive high schools and one alternative high school. Course offerings are based on student needs and interest, high school graduation requirements, and staff/facility resources. We are focused on preparing students to meet the challenges of tomorrow by developing strong skills in reading, writing, and math. We also believe in a healthy electives, activities and athletics program to provide a balanced educational program to our students.

During the 2003-04 school year, we changed our credit requirements for graduation to comply with those adopted by the state for the class of 2008. These changes are in the area of English, math, and social studies. For that graduating class, a student must also complete a culminating project, a high school plus plan, and meet standard on the Washington Assessment of Student Learning.

Programs of Choice

In addition to the regular school programs, we provide various programs and facilities that offer students alternatives to conventional education.

- **ALDERWOOD EARLY CHILDHOOD CENTER** provides educational classroom and therapy services to preschool children with disabilities, ages three to five years. A small number of openings are available to typically developing children. Other programs also on site include Head Start, Edmonds Co op Preschool, Hawk's Nest Preschool and Northwest's Child.
- **CHALLENGE** is for highly capable or gifted students in grades 1–6, and is located at Terrace Park K-8 School. The basic curriculum is taught at an accelerated rate, allowing more time for in-depth studies and creative problem-solving. Students may be nominated for the Challenge Program by parents or school personnel. The assessment process for placement includes testing for academic and cognitive ability, and creativity. For secondary students, a continuum of services is offered for identified gifted students through Honors classes and services at middle schools and Advanced Placement at high schools.
- **EDMONDS HOMESCHOOL RESOURCE CENTER (EHRC)** operates under Washington State's Alternative Learning Experience requirements. At the Center, the parent is the primary teacher. The Center is a resource for families to ensure high quality learning for each child, consistent with the expectations of the student, the parent, and the Essential Academic Learning Requirements (established by the State Commission on Student Learning). Working with a certificated instructor, students and parents create their own personalized learning plan at the beginning of each school year. They meet with the instructor regularly to review their progress and update the plan. Students, accompanied by a parent, attend the school a minimum of five hours each week during regular school hours.
- **INTERNATIONAL BACCALAUREATE (IB)** Diploma Program is a District program at Edmonds Woodway High School. It is open to all district students as a possible continuum of service for identified gifted students. The rigorous course of study is internationally determined, requiring a research paper, community service, and theory of knowledge course in addition to content courses. The content area courses require end of course examinations, which are scored by the International Baccalaureate Organization. Depending on the level of success on the examinations, some colleges and universities offer college credit for IB courses, similar to the credit awarded for Advanced Placement.
- **MADRONA K-8 SCHOOL** incorporates multi-age instruction in all classrooms. All centers are team taught, and include the following configurations: Primary (grades 1–3); Intermediate (grades 4–6); Middle (grades 7 and 8). Madrona accepts students through a lottery from a pool of applications after parents/guardians attend an orientation. Preference goes to siblings in order to keep families together. Siblings are placed first, lottery selections are made next, and then a waiting list is maintained for each age group.

- **MAPLEWOOD PARENT COOPERATIVE K-8 SCHOOL** is a Parent Cooperative Education Program (PCEP) where parents are involved on a daily basis. To enroll, each family participates in each child's classroom one full morning or afternoon per week. Parents must also attend monthly meetings, participate on a school committee, and chaperone at least two field trips per year. Families assist in a variety of ways, such as leading small group lessons, creating special projects, and sharing talents and hobbies. Students enroll through a lottery system after parents/guardians have toured the program. Preference goes to siblings to help keep families together.

- **SCRIBER LAKE HIGH SCHOOL** is a small, alternative high school that serves approximately 250 students in grades 9-12. Students attend one of three time offerings: day, afternoon, or evening. The school's Expeditionary Learning Outward Bound program provides long-term, in-depth studies of a single topic, along with an integrated curriculum that usually involves fieldwork. Scriber Lake also houses Options.
 - **OPTIONS** serves as an intervention for students who have difficulty remaining in school, and helps them make the transition back to a traditional school building. Options serves secondary students who have been expelled, suspended (long-term), are presently out of school, or who need an alternate learning environment. The program helps students to acquire the emotional and educational skills necessary to complete and graduate from a traditional program.

ENROLLMENT AND STAFFING

Edmonds School District is the ninth largest school district in Washington state, serving approximately 20,000 full- and part-time students with varied needs and abilities. We employ more than 3,500 full- and part-time staff including teachers, substitutes, support personnel and administrators (certificated and classified staff). The following section discusses the importance of enrollment in determining our budget.

Why is student enrollment important? How is it measured?

Most of the revenue we receive from the State is determined by student enrollment. Student enrollment is measured using either Annual Average Full-Time Equivalent (AAFTE) or Headcount, as follows:

- **AAFTE** measures the average amount of time a student is enrolled during a school year, and is normally used for determining funding. To be counted as full-time, a student must be enrolled for a minimum number of minutes on each prescribed count day for school months running from September through May. Students who attend less than full-time are considered less than 1.0 FTE. For instance, a student who is enrolled full-time (every day for the entire year) is considered to be 1.0 FTE; on the other hand, a kindergarten student enrolled at half-time (every day for half of the year, or half-day for the full year) would be 0.5 FTE.
- **STUDENT HEADCOUNT** reflects the actual number of students that attend on a given day regardless of how many minutes per day they actually attend, and is normally used when considering physical capacity. Using the kindergarten example, a both a full-time and a part-time kindergarten student would each receive a full headcount of 1 (one).

Staffing

District staffing is also measured by FTE, with 1.0 FTE being the equivalent of a full-time employee. The number of days an employee works varies among positions and bargaining groups. For instance, a 1.0 FTE teacher's base contract includes 182 days a year, for 7 hours per day. Administrative staff work 260 days a year, for 8 hours per day.

School-based staffing levels, both certificated (instructional staff) and classified (non-certificated staff), are determined by AAFTE for each school and are distributed according to our staffing standards (see Appendix I).

The following table lists the average annual FTE enrollment for each grade level in the Edmonds School District, along with full-time equivalent staffing:

**Enrollment and Staffing FTE
3-year History**

Students	2005-06 Actual FTE	2006-07 Budgeted FTE	2007-08 Budgeted FTE
Kindergarten	728.07	761.89	667.00
Grade 1	1,443.47	1,510.20	1,440.06
Grade 2	1,509.14	1,453.66	1,523.57
Grade 3	1,470.94	1,509.06	1,450.45
Grade 4	1,540.43	1,490.57	1,516.46
Grade 5	1,553.96	1,572.28	1,462.57
Grade 6	1,512.50	1,592.34	1,550.77
Grade 7	1,662.20	1,517.95	1,550.02
Grade 8	1,607.83	1,674.73	1,514.45
Grade 9	1,822.91	1,676.87	1,742.02
Grade 10	1,766.73	1,838.33	1,740.47
Grade 11	1,630.55	1,714.75	1,729.96
Grade 12	1,690.42	1,640.76	1,706.39
Running Start	206.75	200.00	207.80
Total K-12 Students	20,145.90	20,153.39	19,801.99

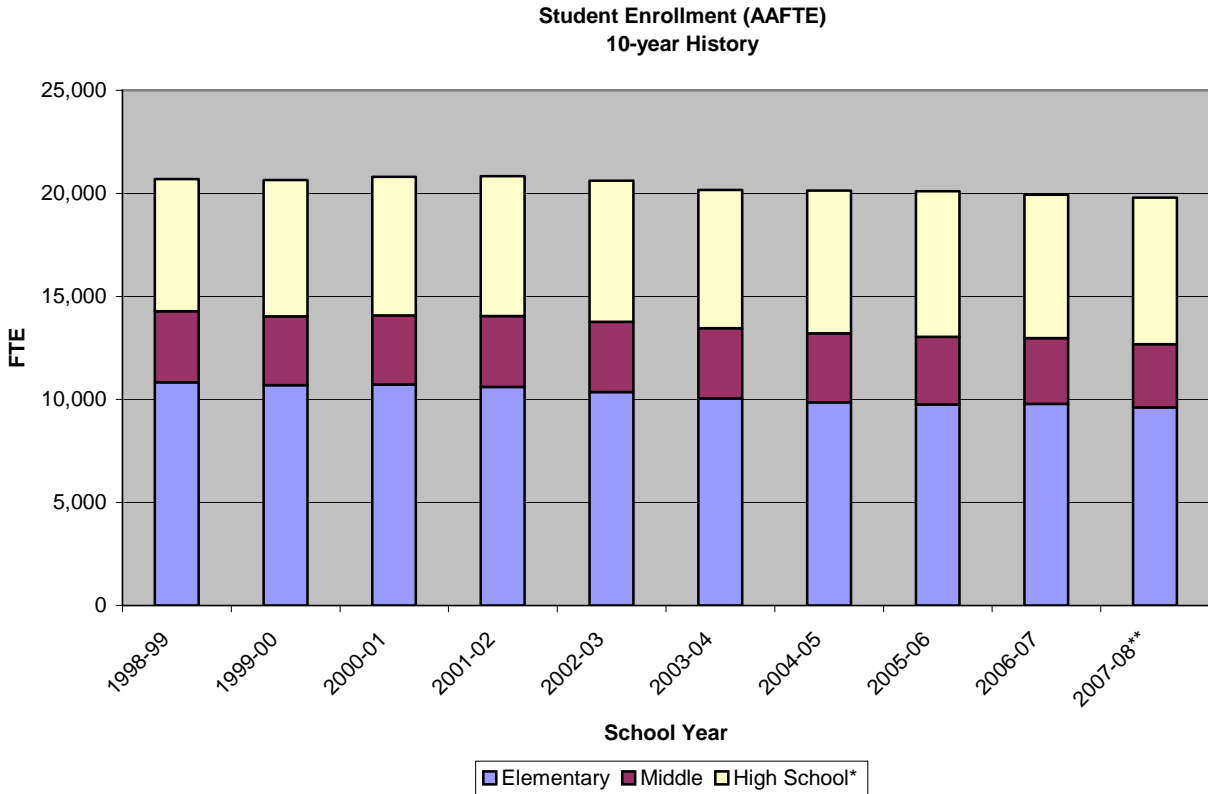
Staff	2005-06 Actual	2006-07 Budgeted	2007-08 Budgeted
Certificated Employees	1,303.51	1,328.72	1,302.02
Classified Employees	771.96	801.16	803.28
Total Staff	2,075.46	2,129.87	2,105.30

Student FTE enrollment is projected to decline 1.74 percent from 2006-07 enrollment due to changes in demographics. Total staffing for 2007-08 is 1.15 percent lower.

For a summary of staffing standards, please refer to Appendix I.

Enrollment Trends

The following charts and tables illustrate both average annual full time equivalent (AAFTE) and October head count (HC) enrollment trends.



**Student Enrollment (AAFTE)
10-year History**

School Year	Elementary	Middle	High School*	Total
1998-99	10,823.40	3,460.54	6,408.76	20,692.70
1999-00	10,685.10	3,340.28	6,620.02	20,645.40
2000-01	10,724.70	3,352.85	6,732.58	20,810.13
2001-02	10,607.69	3,436.39	6,796.12	20,840.20
2002-03	10,368.26	3,400.45	6,843.19	20,611.90
2003-04	10,056.08	3,392.91	6,718.14	20,167.13
2004-05	9,867.19	3,338.10	6,930.04	20,135.33
2005-06	9,760.75	3,272.04	7,076.76	20,109.55
2006-07	9,782.26	3,189.88	6,961.75	19,933.89
2007-08**	9,610.88	3,064.47	7,126.64	19,801.99

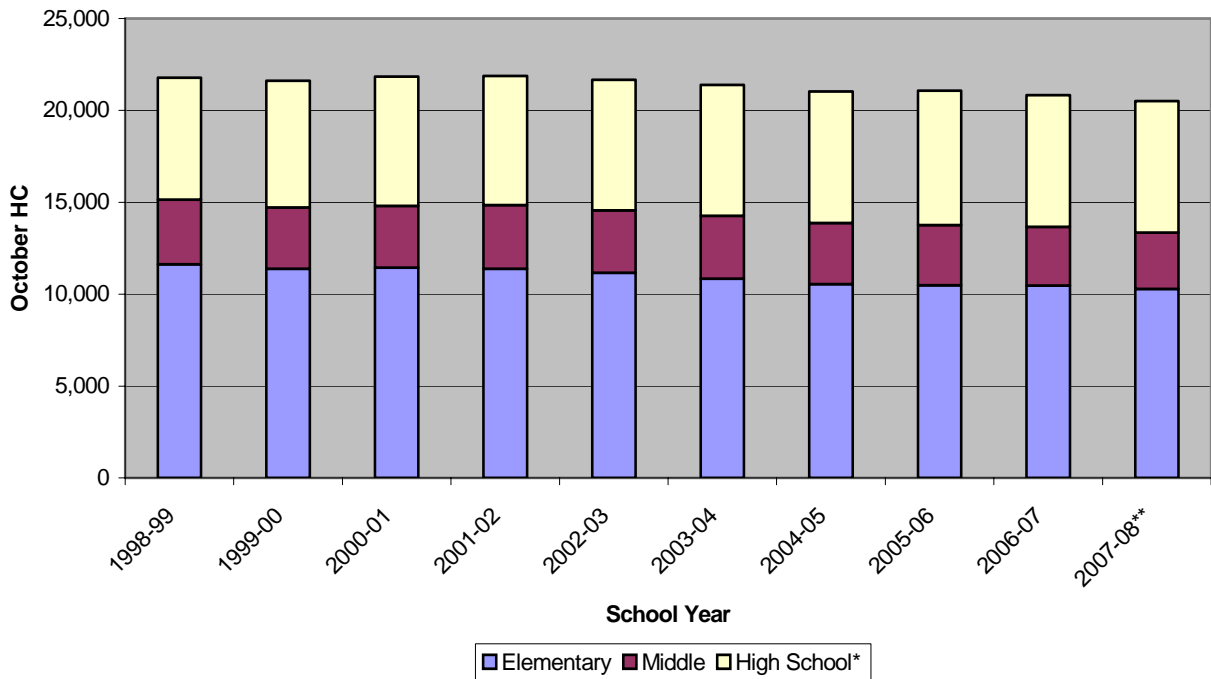
Source: OSPI, Report 1251.

*Includes Running Start

**Budgeted

According to the data, overall enrollment has been steadily declining since 2002-03, as more students have graduated than have enrolled. Enrollment for 2007-08 is projected to decline by about 132 students from the previous year.

**Student Enrollment (October HC)
10-year History**



**Student Enrollment (October Headcount)
10-year History**

School Year	Elementary	Middle	High School*	Total
1998-99	11,637	3,500	6,655	21,792
1999-00	11,387	3,329	6,893	21,609
2000-01	11,446	3,355	7,040	21,841
2001-02	11,385	3,454	7,038	21,877
2002-03	11,156	3,410	7,109	21,675
2003-04	10,845	3,419	7,132	21,396
2004-05	10,542	3,329	7,173	21,044
2005-06	10,485	3,268	7,315	21,068
2006-07	10,474	3,192	7,157	20,823
2007-08**	10,277	3,077	7,155	20,509

Source: OSPI, Report 1251H

*Includes Running Start

**Projected

Similar to the AAFTE decline, in October Headcount has declined since 2002-03. Over the past three years, headcount has decreased an average of 0.85 percent per year.

THE BUDGET

Our budget is a financial tool that guides the collection and distribution of resources in accordance with OSPI regulations, the Board's educational priorities, and District policies, as well as sound financial management principles.

Our fiscal year begins September 1st and ends August 31st. The budget process begins in late winter and culminates when the Superintendent submits a recommended budget to the Board usually in June. This recommendation is based on projected enrollment, projected revenues and other resources, program requirements, and any mandated reductions.

The following sections discuss our funds and projected financing sources for each one. The remaining sections focus on the General Fund, which represents more than 85 percent of our budget.

District Funds

To better manage its resources and comply with State and Federal accounting requirements, we use five different funds or accounts, as follows:

The **GENERAL FUND** accounts for daily operations. Included in this fund are all recurring financial activities, such as teacher salaries, food services, custodial and maintenance support, and central administration costs. Revenue sources primarily include a state allocation based on student enrollment, local property taxes, state special purpose, federal special and general purpose, and local non-tax revenue. Detailed descriptions of these sources are included in the following section.

The **CAPITAL PROJECTS FUND** is used to finance and pay for capital improvements. These include land acquisition, construction of new buildings, site improvements, major building renovations, replacement of plumbing, electrical or heating systems, and the equipping of new facilities. Revenues from bonds, some levies, and sales and lease of property are retained here.

The **DEBT SERVICE FUND** accounts for the redemption of bonds and the payment of interest on bonds, which were sold to fund capital improvements. Proceeds from bond sales are credited to the Capital Projects Fund. The income generated in this fund comes from local property taxes.

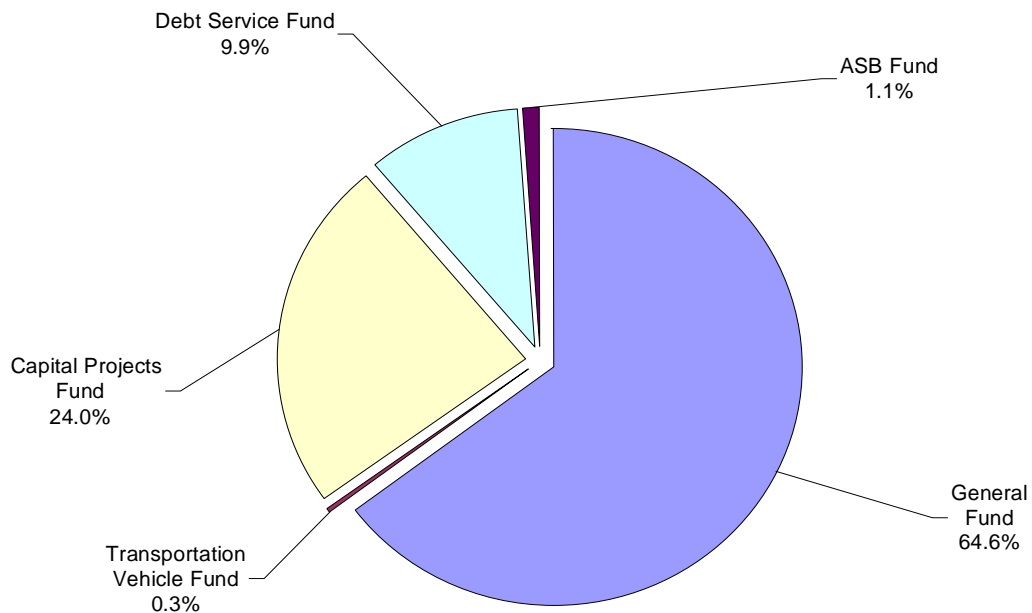
The **ASSOCIATED STUDENT BODY (ASB) FUND** accounts for funds raised by students at each school. Each student body organization prepares and submits an annual budget for Board approval. Revenues are derived from fundraisers and student fees.

The **TRANSPORTATION VEHICLE FUND** is used for the purchase, major repair, and rebuilding of school buses. This fund's primary source of revenue is bus depreciation payments received from the state.

Total Financing Sources by Fund

The following chart depicts the current year's budgeted financing sources. A 3-year summary follows.

2007-08 Budget



Projected Revenues

District Financing Sources by Fund 3-year Summary

Fund	2005-06 Actual	2006-07 Budget	2007-08 Budget
General Fund	\$ 161,158,140	\$ 171,336,006	\$ 179,050,197
ASB Fund	\$ 2,411,467	\$ 2,854,457	\$ 3,038,715
Capital Projects Fund	\$ 116,460,092	\$ 27,820,313	\$ 66,526,862
Transportation Vehicle Fund	\$ 687,963	\$ 875,229	\$ 874,069
Debt Service Fund	\$ 22,057,809	\$ 21,943,590	\$ 27,941,135
TOTAL REVENUE	\$ 302,775,471	\$ 224,829,595	\$ 277,430,978

Total revenues for all funds for 2007-08 are projected to be \$276 million (above table), an increase of 14 percent compared to 2006-07. We are projected to experience an increase in General Fund revenues. In the General Fund, state funding is expected to increase \$6.3 million due to increases in special education funding, I-728 Revenues, professional development funding for Math and Science teachers, a 3.7% COLA, and modest increased support of educational programs. These increases are enhanced by increases in Levy and local funding of just over \$600 K. Use of one-time resources of \$900 K plus additional State and Local resources provides funding in 2007-08 to address part of the \$11.3 million for anticipated mandatory and new expenditure impacts. Expenditure reductions of \$6.6 million were taken to offset part of the anticipated expenditure increases. Included in the anticipated expenditure impacts are the additional costs to provide the increased insurance and retirement benefits for our locally funded staff as well as a 3.7 percent COLA for all staff. Funding for the Math Initiative was provided at \$1.3 million.

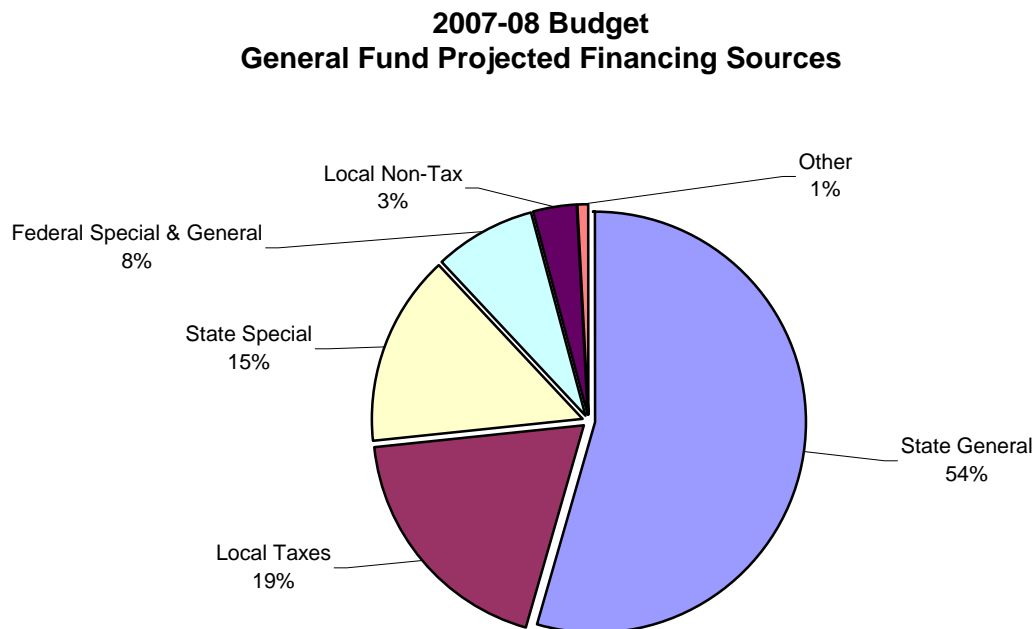
In the Capital Fund, successful passage of the May 2004 Capital and Technology Levy has provided about \$11.6 million in 2007-08 to continue a multi-year program to improve classroom technology, district facilities, and complete design work on Scriber Lake high school.

Successful passage of the \$140 million bond election in February 2006 was the cornerstone of our \$280 million Capital Improvement Plan. The bonds provide funding for the rebuilding of Lynnwood High School, Meadowdale Middle School, and district-wide capital improvements. Sales and ground leases of school district property will provide funding to relocate Scriber Lake High School, consolidate our administrative and support operations, and rebuild Madrona K-8, Alderwood Middle, and Lynndale Elementary schools.

GENERAL FUND RESOURCES

Where Does the Money Come From?

Our largest source of revenue comes from the State's General Purpose or Apportionment allocation, which is funded primarily by the State sales tax, followed by local property taxes. The following chart illustrates the various General Fund financing sources.



Refer to the following table for summary of the General Fund's financing sources over the past three years (below). Descriptions of these sources follow.

General Fund Financing Sources 3-year Summary

Source	2005-06 Actual	2006-07 Budget	2007-08 Budget
State General	\$ 87,678,270	\$ 93,312,363	\$ 95,291,084
Local Taxes	\$ 31,123,329	\$ 32,448,962	\$ 33,266,940
State Special	\$ 23,250,493	\$ 25,328,631	\$ 29,724,292
Federal Special & General	\$ 11,512,887	\$ 13,198,816	\$ 13,455,595
Local Non-Tax	\$ 6,141,526	\$ 5,513,835	\$ 5,641,975
Other	\$ 1,451,636	\$ 1,533,399	\$ 1,670,311
TOTAL REVENUE	\$ 161,158,141	\$ 171,336,006	\$ 179,050,197

As depicted by the table, 2007-08 General Fund financing sources increased \$7.7 million from the prior year. This increase is due to COLA and insurance benefit increases for state funded positions, I-728 and special education per pupil increases, local revenue increases, and modest increases in Federal funding.

General Fund Financing Sources

State General Purpose \$95,291,084

General Apportionment is allocated by the state to support basic education operations. Funding is determined by our nine-month average student enrollment (see Enrollment & Staffing section).

Local Taxes \$33,266,940

We receive about one-fifth of our revenue from local property taxes, which fund essential program expenditures above and beyond dedicated program and general apportionment revenue. Current property tax revenues are based on the School Programs & Operations levy that voters passed for the years 2007-2010. Property taxes were estimated to be \$2.00 per \$1,000 of assessed valuation for 2007, \$1.92 for 2008, \$1.83 for 2009, and \$1.75 for 2010. The maximum amount of levy taxes that can be collected is 24 percent of the prior year's total State and Federal revenues. Levy rates will vary from year to year due to inflationary effects of State and Federal revenues, as well as changes to assessed valuation of all properties in the District.

State Special Purpose \$29,724,292

State Special Purpose allocations are for specific educational and support programs. They include funds for special education, Learning Assistance Program reimbursements, student transportation operations, and transitional bilingual education programs.

Federal General & Special Purpose \$13,455,595

The Federal government provides 8 percent of our budget, mostly in the form of grants earmarked for specific programs.

- **FEDERAL GENERAL PURPOSE** grants (\$180,000 —1 percent of our budget) is the only federal support that is not designated for specific purposes. Because it is dependent on timber sales from Federal forestlands, it varies from year to year. In addition, the funds received reduce State general apportionment.
- **FEDERAL SPECIAL PURPOSE** grants (\$13,275,595 this year) provide funding for programs to support specific student populations, such as special education, vocational education, Title I, bilingual education and Indian education, math and science, reduced class sizes, and free & reduced school meals.

Local Non-Tax**\$5,641,975**

This type of revenue includes fees for services, such as parent-paid tuition for full-day kindergarten and summer school, meals, printing, school bus rentals, short-term property and facility rentals, investment earnings, and receipts from the sale of surplus materials.

Other Revenue**\$1,670,311**

Other sources of revenue include revenue from other districts, other local governments, agencies and private foundations, and revenue from the sale of surplussed goods and equipment.

- **OTHER SCHOOL DISTRICTS** pay for services to students enrolled in special education programs, and for transportation of these students. These outside districts are charged the difference between actual program costs and state funding we receives for these students.
- **OTHER AGENCIES** provide revenue in the form of grants from other local governments and agencies, as well as private foundations.
- **OTHER SOURCES OF REVENUE** primarily come from the sale of surplussed goods, such as obsolete computers, equipment, and furniture (mostly desks and chairs).

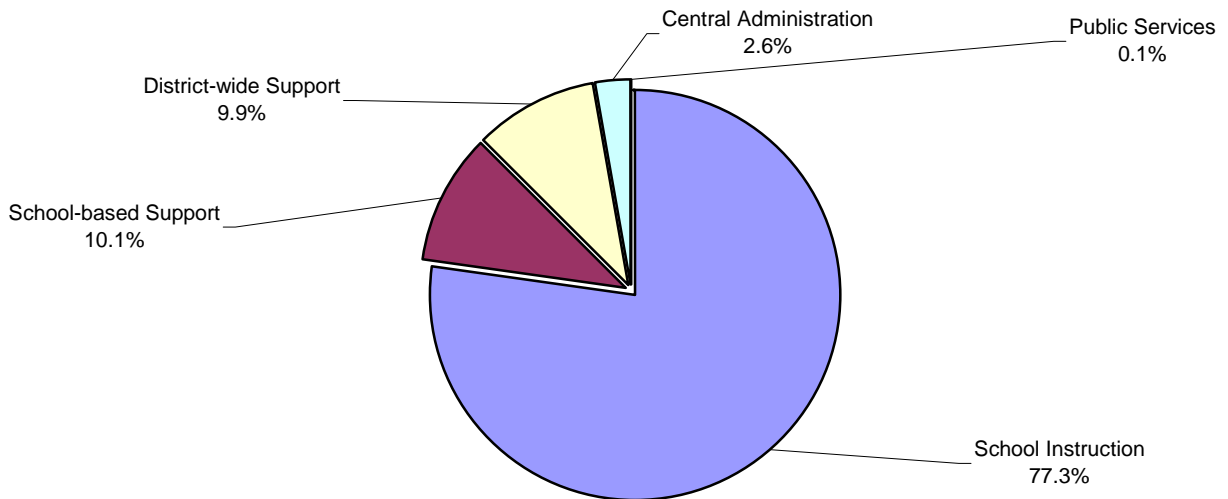
GENERAL FUND EXPENDITURES

How are Your Tax Dollars Spent?

More than three-quarters of the General Fund budget will be spent directly on School Instruction; including teaching support activities (i.e., teachers, librarians, nurses, principals, counselors, and extracurricular activities). School-Based services such as custodial and maintenance personnel, food services, and utilities amount to 12 percent of expenses — making the total amount spent at schools nearly 88 percent. District-wide support, Central Administration, and Public Services make up the remainder of the budget.

The following chart and table depict how district resources are allocated. Descriptions of these activities follow.

**2007-08 Budget
General Fund Budgeted Expenditures**



**General Fund Expenditures, by Activity
3-year Summary**

Activity	2005-06 Actual	2006-07 Budget	2007-08 Budget
School Instruction	\$ 119,729,438	\$ 137,442,482	\$ 139,698,867
School-Based Support	\$ 16,995,259	\$ 18,010,912	\$ 18,353,405
District-Wide Support	\$ 15,424,097	\$ 16,450,706	\$ 17,941,744
Central Administration	\$ 4,023,204	\$ 4,540,152	\$ 4,737,372
Public Services	\$ 104,708	\$ 118,255	\$ 107,766
TOTAL EXPENDITURES	\$ 156,276,706	\$ 176,562,507	\$ 180,839,154

Over the past three years, expenditures have increased an average of 6.3 percent per year. This increase reflects Cost-of-Living adjustments for teachers and staff, inflationary costs, and specific grant and categorical spending.

Expenditures

We allocate resources according to five categories: School Instruction; School-based Support; District-wide Support; Central Administration; Public Services. Definitions of categories are taken from the *Accounting Manual for Public School Districts in the State of Washington* (Olympia: Office of Superintendent of Public Instruction, 2007-08) and include their respective OSPI-defined activity codes (in parentheses).

School Instruction

\$139,698,867

This consists of teaching as well as teaching support activities that enrich the overall quality of classroom instruction. Examples include learning resource centers; student guidance and counseling; psychological, speech, hearing and health services; management of individual schools.

- **TEACHING (27)** includes classroom teachers and aides who assist students in acquiring new or improved knowledge, skills and comprehension. Textbooks, supplies, materials and equipment used in classroom instruction are also included.
- **LEARNING RESOURCES (22)** includes library services to ensure that a systematic organization of books and other reference materials are available for use by students and staff members district-wide. This activity also provides materials specifically designed to improve learning through the use of instructional aids.
- **GUIDANCE & COUNSELING (24)** includes helping students by assessing and understanding their abilities, aptitudes, interests, and educational needs, and providing services to meet those needs.
- **PUPIL MANAGEMENT & SAFETY (25)** includes the cost of hall guards, crossing guards, bus aides, playground aides, and pupil security personnel.
- **HEALTH SERVICES (26)** involves the duties of school nurses, psychologists, speech/hearing therapists, and their assistants to support the health and welfare of students.
- **EXTRACURRICULAR (28)** activities include athletic coaching and transportation for activities not paid for by the Associated Student Body (ASB) fund, as well as class or student activity advising, and supervising ASB fund accounting.
- **PRINCIPAL'S OFFICE (23)** pertains to the management of individual schools. It includes administering the school's instructional programs, supervising and evaluating staff, and providing administrative support to teachers and students.
- **PAYMENTS TO OTHER DISTRICTS (29)** for instructional services received.

School-Based Support

\$18,353,405

These activities directly benefit students and bolster the overall educational experience at schools. They include preparing and serving meals as well as ensuring the operation and maintenance of buildings and school grounds.

- **FOOD SERVICE—GROCERIES (42)** includes the expenditures for all food used in connection with the regular food services program including expenditures for processing, freight, delivery, and storage of food and commodities.
- **FOOD SERVICE—OPERATIONS (44)** involves preparing and serving breakfasts and lunches in connection with school activities, as well as delivering prepared meals to schools.
- **FOOD SERVICE—TRANSFERS (49)** includes food service expenditures by other programs, feeding approved day care children, and other food-related operations.
- **GROUNDS MAINTENANCE (62)** involves the routine care of grounds, such as raking, hoeing, watering, cutting and protecting lawns, and transplanting, trimming and caring for flower beds. It also includes repairing walks, fences, tennis courts, playground surfaces, lawn sprinkling systems, outside flagpoles, driveways, and sewers.
- **OPERATION OF BUILDINGS (63)** includes expenditures for custodians for daily building operation. This includes costs for supplies such as brooms, mops, brushes, wastebaskets, garbage cans, electric light bulbs, electric fuses, dustpans, floor wax, flags, blackboard erasers, and pencil sharpeners.
- **GENERAL MAINTENANCE (64)** covers costs for carpenters, electricians, glaziers, plumbers and painters to maintain buildings and equipment through repair and upkeep. Services include repainting, resurfacing, refinishing, reshingling, and repairing structures, foundations, doors, windows, and other buildings and fixtures.
- **UTILITIES (65)** include the cost of water, electricity, natural gas, heating oil, data/voice telecommunications, sewage, and garbage and recycling.

District-wide Support

\$17,941,744

Rather than being located at a particular school, some types of support are centralized. These activities include pupil transportation, building security, property insurance, information systems, printing services, warehousing distribution. Central support also includes the district-level supervision of instruction, food services, transportation, and maintenance activities.

- **TRANSPORTATION—OPERATIONS (52)** consists of direct operating expenditures for transporting students to/from school, and from one school to another. This includes costs for transporting pupils other than by school buses (i.e., via Community Transit).
- **TRANSPORTATION—VEHICLE MAINTENANCE (53)** consists of costs for maintaining school buses and other vehicles. It includes services such as mechanical repair, painting, safety inspections, cleaning, and preventive maintenance. Other expenses include rent, custodial and related services for the garage, as well as repair and maintenance of the garage buildings, grounds, and equipment.

- **TRANSPORTATION—VEHICLE INSURANCE (56)** includes expenditures for insuring school buses and providing liability protection.
- **TRANSPORTATION—TRANSFERS (59)** includes expenditures for transporting pupils on trips in connection with educational programs (for example, educational field trips and the transport of school teams to compete or perform).
- **BUILDING SECURITY (67)** includes services to protect buildings and other property from unlawful entry, vandalism and burglary.
- **PROPERTY INSURANCE (68)** consists of costs for maintaining property, employee and liability insurance, as well as fidelity bonds.
- **INFORMATION SYSTEMS (72)** involves expenditures to maintain and operate our information system and computer network. Purchase of hardware and software, providing technical support, training, systems and database development and/or maintenance, data processing, and storage of data are included.
- **PRINTING (73)** constitutes operating expenditures for duplicating, printing, or otherwise reproducing printed materials by a print shop or contracted printing services, such as purchasing and maintaining printers and copiers, and purchasing ink and paper.
- **WAREHOUSING & DISTRIBUTION (74)** includes expenditures for storing and distributing school supplies, delivering mail, and operating a central warehouse.
- **MOTOR POOL (75)** includes all direct expenditures for operating motor vehicles and motor-driven transportation equipment used for purposes other than pupil transportation (such as food service and warehouse trucks, maintenance vehicles).
- **SUPERVISION OF INSTRUCTION, FOOD SERVICES, TRANSPORTATION & MAINTENANCE (21, 41, 51 & 61)** includes expenditures for providing district-wide leadership in developing instructional programs and curriculum, administering food services, transportation and plant activities, as well as secretarial and clerical support of these functions.

Central Administration

\$4,737,372

Central Administration includes activities related to the general direction, regulation and administration of the District at large. It includes responsibilities that are carried out by the school district's board of directors, the superintendent's office, the business office, and the human resources office. Duties include personnel administration, public information, finance and accounting, research and planning, bookkeeping and statistical services, business administration, fiscal control, and purchasing.

- **BOARD OF DIRECTORS (11)** includes expenditures to support responsibilities that are not delegated but are retained and carried out by the school district's governing board. This activity also entails costs for board memberships, audits, elections and legal services.
- **SUPERINTENDENT'S OFFICE (12)** includes general administration, the superintendent's office, and community relations.

- **BUSINESS OFFICE (13)** consists of financial accounting operations, including district-wide research and planning for budgeting, accounting, bookkeeping, statistical services, business administration, fiscal control, purchasing and payroll.
- **HUMAN RESOURCES (14)** consists of personnel recruitment, compliance and placement activities, employment services, classification and compensation, employee benefits administration, human resources information systems, labor relations, and payroll.
- **PUBLIC RELATIONS (15)** consists of writing, editing, and other preparation necessary to disseminate educational and administrative information to parents, students, staff, and the general public through direct mailing, the various news media, e-mail, internet web sites, and personal contact.

Public Services (91)

\$107,766

Public activities consist of community-wide activities supported by user fees. District enterprise programs that are not charged to other specific activities are also included here, such as Mountlake Terrace High School Theater, community use of the District Stadium and athletic fields, and volunteer coordination services.

APPENDICES

APPENDIX I

2007-08 BASIC EDUCATION STAFFING STANDARDS

Activity	ELEMENTARY SCHOOLS	MIDDLE SCHOOLS	HIGH SCHOOLS**
School-Based Instructional Staff and Materials	<p>Teachers: Grades K-1, 21:1 Grades 2-4, 25:1 Grades 5-6, 27:1 Music and PE are additive. Overall Ratio is 22:1</p> <p>Supplies: \$64.47 per student.</p>	<p>Teachers: Grades 7-8, 24.1:1.</p> <p>Supplies: \$79.23 per student.</p>	<p>Teachers: Grades 9-12, 24.3:1. (Effective ratio is one per 29 students due to 6 period schedule.)</p> <p>Supplies: \$93.17 per student.</p>
School-Based Instructional Support Staff	<p>Librarians: One per school.</p> <p>Guidance Counselors: 0.1 FTE per school.</p> <p>Nurses: 0.2 FTE per school.</p> <p>----- 0.2 additional support staff at 50 student increments beyond 550 students enrolled.</p>	<p>Librarians: One per school.</p> <p>Guidance Counselors: Two per school.</p> <p>Nurses: 0.2 FTE per school.</p> <p>----- 0.2 additional support staff at 50 student increments beyond 700 students enrolled.</p>	<p>Librarians: One per school.</p> <p>Guidance Counselors: Four per school.</p> <p>Nurses: 0.2 FTE per school.</p> <p>----- 0.2 additional support staff at 50 student increments beyond 1100 students enrolled.</p>
School-Based Administrative Staff	<p>Principals: One per school.</p> <p>Assistant Principals: 0.5 for K-8 schools with more than 125 seventh and eighth grade students, combined.</p> <p>Office Personnel*: Eight hours per school day.</p> <p>Para Educators*: 16.5 hours per school day (1 additional hour for every 50 students beyond 450 and an additional 0.5 hours for every 50 students beyond 500).</p>	<p>Principals: One per school.</p> <p>Assistant Principals: One per school.</p> <p>Office Personnel: 23.5 hours per school day (0.5 additional hours at 50 student increments beyond 750).</p> <p>Para Educators: Eight hours per school day (0.5 additional hours for every 50 students beyond 750).</p>	<p>Principals: One per school.</p> <p>Assistant Principals: Two per school.</p> <p>Office Personnel: 53.5 hours per school day (1.5 additional hours at 50 student increments beyond 1,050).</p> <p>Para Educators: 21.5 hours per school day (0.5 additional hours at 50 student increments beyond 1,050)</p> <p>School to Work Coordinators: 8 hours per school day.</p>

Notes:

*K-8 schools are pro-rated for additional 7-8th grade FTE enrollment.

**Scriber Lake Alternative High School is provided one 9-12th grade teacher per 21.3 students; one librarian; two counselors; 0.2 nurses; one principal; one assistant principal (0.3 additional support staff for every 50 students above 350).

APPENDIX II

2007-08 GENERAL FUND BUDGET SUMMARY

	2005-06 Actual	2006-07 Budgeted	2007-08 Budgeted
BEGINNING FUND BALANCE	\$ 17,689,382	\$ 15,975,658	\$ 10,881,581
REVENUES			
State General Purpose	\$ 84,933,062	\$ 93,312,363	\$ 95,291,084
Local Taxes	\$ 29,679,401	\$ 32,448,962	\$ 33,266,940
State Special Purpose	\$ 21,191,413	\$ 25,328,631	\$ 29,724,292
Federal Special Purpose	\$ 11,554,157	\$ 13,018,816	\$ 13,275,595
Local Non-tax	\$ 5,842,439	\$ 5,513,835	\$ 5,641,975
Other School Districts	\$ 1,321,345	\$ 1,501,399	\$ 1,638,311
Federal General Purpose	\$ 178,085	\$ 180,000	\$ 180,000
Other Agencies	\$ 36,905	\$ 12,000	\$ 12,000
Other Sources	\$ 25,894	\$ 20,000	\$ 20,000
TOTAL	\$ 154,762,701	\$ 171,336,006	\$ 179,050,197
EXPENDITURES			
Schools	\$ 5,860,369	\$ 137,442,482	\$ 139,698,867
School-based Support	\$ 17,790,926	\$ 18,010,912	\$ 18,353,405
District-wide Support	\$ 16,134,340	\$ 16,450,706	\$ 17,941,744
Central Administration	\$ 4,375,829	\$ 4,540,152	\$ 4,737,372
Public Activities	\$ 156,877	\$ 118,255	\$ 107,766
TOTAL	\$ 44,318,341	\$ 176,562,507	\$ 180,839,154
TRANSFERS/ADJUSTMENTS	\$ (27,219)	\$ -	\$ -
ENDING BALANCE	\$ 128,106,523	\$ 10,749,157	\$ 9,092,624

APPENDIX III

GLOSSARY OF SELECTED STATE PROGRAMS

- **BASIC EDUCATION:** free, appropriate, half-day kindergarten through twelfth grade public education. Basic education includes instruction in literacy, mathematics, social studies, science, music, art, health, physical education, industrial arts, and other subjects and activities deemed appropriate by each school district. Minimum standards are set by the State.
- **SPECIAL EDUCATION:** education and related services for all students who receive specially designed instruction in accordance with a properly formulated Individualized Education Program (IEP), from birth to age twenty-one. Students with disabilities are individuals who are classified as developmentally delayed, emotionally/behaviorally disabled, communication disordered, orthopedically impaired, health impaired, specific learning disabled, mentally retarded, multiple disabled, deaf, hearing impaired, visually impaired/blind, deaf/blind, autistic, traumatic brain injured, or who by reason thereof require specially designed instruction and/or related services.
- **CAREER AND TECHNICAL EDUCATION:** work skills programs that have been approved for funding by the Office of the Superintendent of Public Instruction, including state/local match requirements for Federal vocational grants. Vocational work skills include, but are not limited to, family and consumer sciences education, business education, marketing education, agriculture education, health occupations education, trade and industrial education, technology education, and career education.
- **FOOD SERVICES:** preparing and serving meals and a la carte items to pupils under the National School Lunch Program, School Breakfast Program, and Special Milk Program. Also selling meals and a la carte items to adults.
- **PUPIL TRANSPORTATION:** transporting pupils to and from school, including between schools for educational purposes.