

Eastmont School District No. 206



A Great Place to Learn

2007-2008 Proposed Budget

Budget Administration and Management Process

What is a Budget?

The Budget is the financial plan for the school district. It provides a plan of operations encompassing proposed maximum expenditures for the fiscal year September 1st to August 31st and the proposed means for financing them. Total resources should equal or exceed total expenditures

What is fund accounting?

Fund accounting is an accounting system organized and operated on the basis of self-balancing accounts which comprise its assets, liabilities, fund balances, revenues and expenditures.

For what Funds does the District prepare a budget?

Eastmont School District prepares a budget for the following 5 funds:

- **General Fund** – used to account for all the instructional and ordinary operations of the school district
- **Associated Student Body Fund** – used to account for student activities such as clubs, classes, athletics and student government.
- **Capital Projects Fund** – used to account for the acquisition of land and/or facilities as well as major renovation and remodeling of existing facilities or systems.
- **Transportation Vehicle Fund** – used to account for the purchase, major repair, rebuilding and related debt service incurred for pupil transportation equipment.
- **Debt Service Fund** – used to account for the principal and interest payments on outstanding debt.

How does the State allocate funds to School Districts?

The Washington State Constitution states "It is the paramount duty of the state to make provision for the education of all children..." State funding for public schools is determined by the Legislatures in the State biennial (two-year) operating budget. The 2007 Legislature improved funding for public schools, but state funding for education is still not fully funding all legal mandates. The Legislature does recognize this and has appointed a committee to review current education funding methods and provide recommendations for changes.

Most of the large state entitlement programs (basic education, special education, learning assistance, and bilingual) are paid through apportionment formulas. Enrollment is the main driver of the funding formulas. Funding increases or decreases with the actual enrollment reported during the school year.

The basic education funding formula is extremely complex. Formula factors include:

- Varying staff/student ratios for different grade levels
- Separate staff unit allocations for administrative, instructional, and classified staff
- Weightings for the education and experience of staff (mix factors)
- Allocations for benefits, and non-employee related costs (NERC)
- Enhanced funding for small schools
- Enhanced funding for vocational programs
- Separate rates for Running Start students

When does the State distribute money to the schools?

The state distributes money monthly based on apportionment formulas and reimbursement claimed through the grants management process. The apportionment formula is based on projected enrollment for September through December. Beginning in January, it is adjusted based on average actual full time enrollment and is therefore subject to change throughout the year.

The State Treasurer, who is the banker for the state, electronically transmits money to each county treasurer for each of the school districts headquartered in each county. The county treasurers are the bankers for the school districts.

Below is a schedule of when funds are electronically transmitted to the Douglas County Treasurer:

Month	Date Documentation Transmitted to School Districts	Electronic Moneys Transfer Date	Apportionment Payment Percentage
September 2006	23 rd	September 30	9.0%
October	22 nd	October 29	9.0%
November	19 th	November 30	5.5%
December	22 nd	December 30	9.0%
January 2007	24 th	January 31	9.0%
February	18 th	February 28	9.0%
March	24 th	March 31	9.0%
April	22 nd	April 29	9.0%
May	23 rd	May 31	5.5%
June	23 rd	June 30	6.0%
July	22 nd	July 29	10.0%
August	24 th	August 31	10.0%
		Total	100.0%

How is the budget managed?

Budget management is the process of regulating expenditures during the fiscal year to ensure that expenditures do not exceed authorized amounts. Expenditures must also be for intended and legal purposes. The locally elected school board of directors is ultimately responsible for the financial management of a school district. School Boards hire a superintendent who oversees the day-to-day management of the school district. Eastmont School District utilizes a site-based management concept so the responsibility for budget control is at the building or department level.

The Washington State Auditor examines school districts' operations and financial records for compliance with applicable state and federal requirements.

Nine regional Educational Service Districts (ESD's) help OSPI implement state and federal policies and collect information from school districts. ESD's also assist school districts by providing cooperative services that are more efficiently performed regionally.

The focus of the development of the 2007-2008 Budget Proposal continues to be to provide a high quality education while recognizing the limited resources available and maintaining as efficient operations as possible. Below is the Budget Development Calendar used by administration in the development of the budget proposal:

**Eastmont School District No. 206
FY 2007-2008 Budget Development Timeline**

Date	Description	Responsibility
Dec/Jan	Monitor current enrollment and create initial projection for FY 2007-08	District Administration
1-Feb-07	Begin work on enrollment projections for 2007-2008	C Ulrich
12-Feb-07	Budget Memo #1: 2007-2008 Budget Timeline - Board Information	C Ulrich
26-Feb-07	Budget Memo #2: Preliminary Enrollment Projections - Board Information	T Pickett/C Ulrich
12-Mar-07	Budget Memo #3: Recommended Enrollment Projections - Board Information	T Pickett/C Ulrich
March/April 2007	Legislative Session Ends; impacts analyzed	District Administration
26-Mar-07	Preliminary Basic Ed and Special Program Allocations Distributed to Buildings	C Ulrich
26-Mar-07	ASB Budget Worksheets distributed	C Ulrich
23-Apr-07	Allocation Redistribution due from Buildings	Bldg Administration
23-Apr-07	ASB Budgets due from Schools	EJH & EHS ASB
23-Apr-07	I-728 Committee 2007-08 Recommendations to Board**	B Jalga/I728 Committee
21-May-07	School ASB Budgets Presented to Board - Board Presentation	EHS, EJH
11-Jun-07	Publish First Notice of Public Hearing	C Ulrich/M Sparman
18-Jun-07	Publish Second Notice of Public Hearing	C Ulrich/M Sparman
	Public Hearing Proposed Budget for all Funds of District	
25-Jun-07	Budget Memo #4: Budget Summary Review and Study Session on all fund budgets (GF, CPF, DSF, TVF, ASB)	T Pickett/C Ulrich
16-Jul-07	Budget Memo #5: Adoption of 2007-2008 Budgets for all funds of the district (GF, CPF, DSF, TVF, ASB)	C Ulrich
20-Jul-07	Forward copy of Approved Budget to North Central ESD	C Ulrich
27-Jul-07	Convert Financial/Human Resource software to WESPaC	C Ulrich

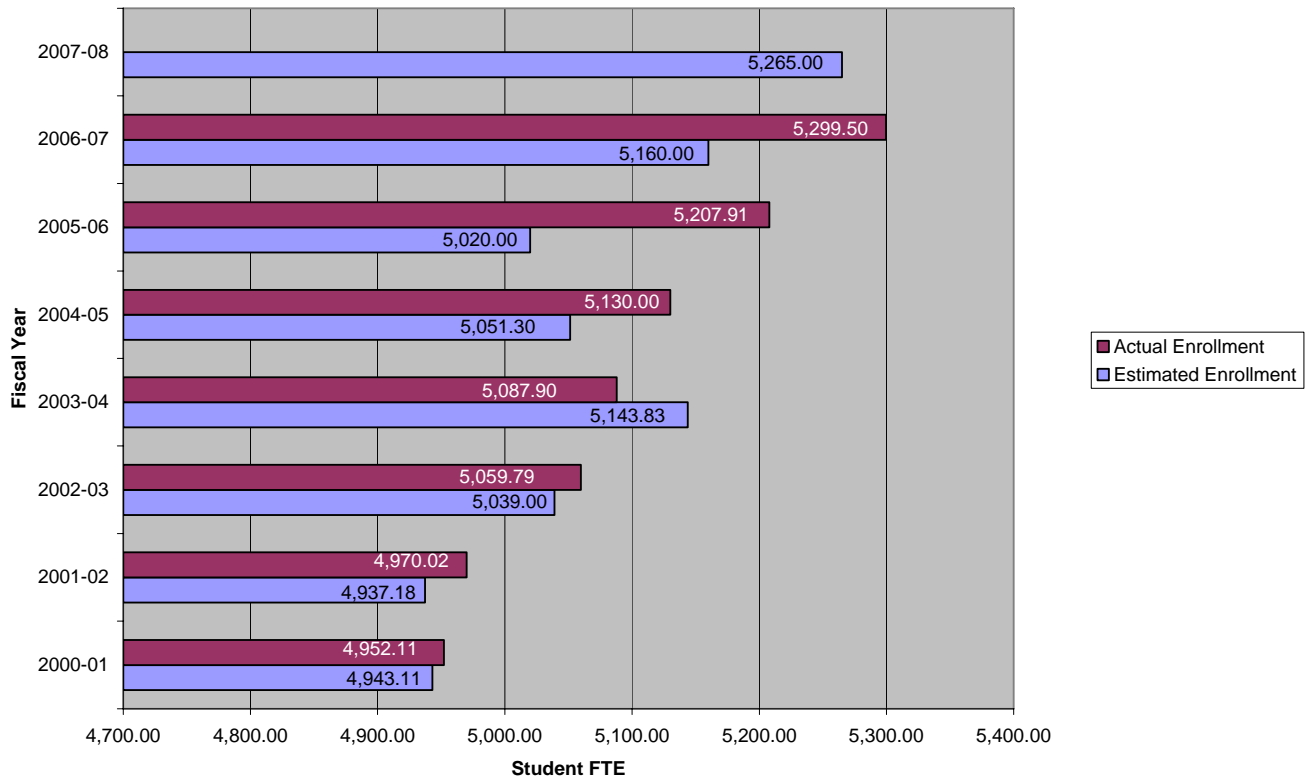
Staff Counts and Student Enrollment Data

All school districts in the State of Washington are funded on a formula which uses two important inputs: Student Enrollment and Staff Mix. Staff Mix is a calculation that represents the average education and experience of the district's certificated instructional staff. Student enrollment is projected at 5,335.5 FTE for FY 2007-08. This is 36.25 FTE less than the District's annual average for FY 2006-07. A comparison of staff numbers and enrollment is presented below:

	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
	Actual	Actual	Est Actual	Budget	Budget
STAFF FTE					
Certificated Staff	328.18	336.32	332.45	336.40	347.89
Classified Staff	187.71	183.69	181.86	184.48	190.78
STUDENT FTE					
Kindergarten	196	168	190	185	184
Grade 1	362	419	373	400	368
Grade 2	336	356	413	360	383
Grade 3	424	326	372	410	357
Grade 4	375	429	346	370	411
Grade 5	399	387	428	350	393
Grade 6	394	410	424	435	369
Grade 7	401	401	420	425	435
Grade 8	473	419	453	420	438
Grade 9	453	470	413	445	458
Grade 10	398	453	466	470	470
Grade 11	442	432	489	490	514
Grade 12	432	467	421	400	485
Sub-Total	5,088	5,138	5,211	5,160	5,265
Running Start	46.2	54.8	52.6	70.5	70.5
Total K-12	5,134	5,193	5,263	5,231	5,336

	Budget	Actual Avg	Actual Avg
	Building FY 2007-08	FY 2006-07	FY 2005-06
Rock Island	188.00	185.72	176.00
Kenroy	317.00	336.93	328.67
Lee	408.00	429.56	390.67
Grant	378.00	407.94	408.94
Cascade	412.00	420.28	390.33
Total Elementary FTE	1,703.00	1,780.43	1,694.61
Sterling	655.00	659.19	648.36
Clovis Pt	542.00	596.36	624.06
Total Intermediate FTE	1,197.00	1,255.54	1,272.41
Junior High	886.00	887.50	863.82
Senior High	1,269.00	1,156.84	1,164.48
Total Bldg FTE	5,055.00	5,080.32	4,995.33

**Budget vs Actual Enrollment-
(excludes Running Start)**



GENERAL FUND – REVENUES

Over 70% of Washington school district General Fund revenue comes from the State of Washington. In order to account for the various state, federal and local funds received by the district, OSPI and the State Auditors Office have prescribed the following categories for recording those revenues:

- ❑ **Local Taxes:** Funds from maintenance and operation levies approved by the voters. The current levy is a three year levy that will expire at the end of 2009. Property taxes are levied and collected on a calendar year basis (January – December) while the school district operates on a fiscal year that begins September 1 and ends August 31.

Some of the costs funded by our levy are: instructional classroom and classified support personnel; extra-curricular activities, special education supplement, transportation supplement, night school program, district operational and utility costs, and technology support (hardware/software/network).

- ❑ **Local Non-Tax:** Tuition and fees, food service sales, investment earnings, donations and rental of district facilities.
- ❑ **State General Purpose:** Funding revenues allocated by the state based in large part upon student enrollment and work experiences of the certificated staff (teachers).
- ❑ **State Special Purpose:** State revenues provided for support of remedial learning, handicapped students, highly capable students, special and pilot programs, student achievement funding, pupil transportation, and food services.
- ❑ **Federal Special Purpose:** This category includes support for federal remediation learning programs such as Title I. Additionally, federal dollars are received for handicapped students, school food services (including USDA commodities), and vocational education.
- ❑ **Revenues from Other Sources:** Revenues from agencies other than OSPI, such as ESD grants and Gates Foundation grants.

What Projected Revenues does the budget reflect?

The chart below identifies, by revenue category, the amount the district actually received in FY 2005-2006 as well as what the district expects to receive in FY 2006-2007 and FY 2007-2008:

Revenues by Category	Actual FY 2005-06	Budget FY 2006-07	Budget FY 2007-08
By Category:			
Local Taxes	4,517,427	4,681,645	5,145,515
Local Non-Tax	1,559,004	1,526,900	1,624,101
State, General Purpose (Apportionment)	26,038,004	27,423,000	29,221,665
State Special Purpose	6,119,876	7,590,790	8,729,759
Federal General & Special Purpose	4,146,535	4,216,400	4,242,800
Revenues from Other School Districts	130,524	71,000	71,000
Revenues from Other Entities	51,497	90,000	11,001
Other Financing Sources			
TOTAL REVENUES	\$ 42,562,867	\$ 45,599,735	\$ 49,045,841

GENERAL FUND – EXPENDITURES

The General Fund accounts for the ordinary operations of the school district. This includes instructional programs for students, maintenance of the district property/facilities, administration of the district, and pupil transportation. Eastmont School District prepares its expenditure budget on a program basis. This basis allows the district to examine the costs of programs on an individual basis. The following are the programs accounted for in the General Fund

□ **Basic Education (Program 01) – Total Budgeted Expenditures \$24,546,466**

This program covers the direct costs of basic education as defined in RCW 28A.58.750. Program expenditures include the following:

- Salary and benefit costs of basic education teachers and support staff. The Legislature provided at 3.7% salary increase for state funded formula staff. Health insurance increased from \$682.54 to \$707 per month. The Retiree Subsidy increased \$2.56 per month to \$57.71. Retirement rates on the TRS, PERS and SERS plans also increased 1%.
- Direct costs incurred for instruction (i.e. textbooks and classroom equipment)
- Support activities to teaching such as library, counseling, and principal's office expenditures.

□ **Special Education (Program 21 & 24) – Total Budgeted Expenditures \$6,193,788**

These programs reflect the direct costs of educating special needs children. The Legislature eliminated the requirement for Excess Cost Accounting Methodology which required the District to record a Basic Ed cost for east Special Education Instructional Staff. These costs are now recorded entirely within the Special Education program.

□ **Vocational Education (Program 31 & 38) – Total Budgeted Expenditures \$1,974,984**

These programs reflect the direct costs of expenditures associated with work skills programs that have been approved by OSPI. Vocational work skills include, but are not limited to, family and consumer science education, trade and industrial education, technology education, business and marketing education, and career education.

□ **Skill Center Education (Program 45) – Total Budgeted Expenditures \$1,414,483**

The Eastmont School District serves as the host school district for the North Central Technical Skills Center and this program records the expenditures associated with operating that program. The Skill Center was established via an Interdistrict Cooperative Agreement with Wenatchee, Cashmere, Lake Chelan, Manson, Cascade, Entiat, Quincy, Moses Lake and Waterville School Districts. This agreement must be renewed annually.

□ **Disadvantaged – Federal (Program 51) – Total Budgeted Expenditures \$770,382**

Expenditures for federal grant programs approved by OSPI to assist districts in providing services to educationally deprived children living in low-income areas are recorded here. Specific programs for Eastmont are: Title I, Part A-Basic. The award to the District is dependent upon poverty data collected through census information.

- **School Improvement – Federal (Program 52) – Total Budgeted Expenditures \$426,501**
 Expenditures for federal grant programs to assist districts in improving the quality of education are recorded here. Specific programs include: Title II, Part A – State Grants for Improving Teacher Quality, Title II, Part D, - Educational Technology, Title IV, Part A – Safe and Drug-Free Schools, Title IV, Part A- Community Service for Expelled Students and Title V, Part A – Innovative Programs.
- **Migrant – Federal (Program 53) – Total Budgeted Expenditures \$354,933**
 This program is used to record expenditures for federal grant programs to assist districts in providing services to migratory children age 3 through 21, or until graduation, of migratory agricultural workers who have moved from one school district to another during the past 36 months to obtain temporary or seasonal employment in agriculture, fishing, or related food-processing activities.
- **Learning Assistance Program (Program 55) – Total Budgeted Expenditures \$654,740**
 Expenditures for state-funded assistance to students who are deficient in basic skills achievement in reading, mathematics, and language arts are recorded here.
- **State Institutions, Centers (Program 56 & 57) – Total Budgeted Expenditures \$81,241**
 Expenditures for state group homes for delinquent youth are recorded in these programs.
- **Special and Pilot Programs (Program 58) – Total Budgeted Expenditures \$313,520**
 Expenditures for state-funded special and pilot programs are recorded in this program. (TAP, Leadership Intern and National Board Certification) The District is the recipient of two additional grants: School Improvement Grant at EHS (\$60,000) and Navigation 101 at EHS (\$40,000). All Day Kindergarten funding for Rock Island Elementary is also included in this category (\$130,000).
- **Promoting Academic Success (PAS) – State (Program 63) – Total Budgeted Expenditures \$125,723**
 In the 2006 Supplemental Budget, the Legislature appropriated \$28.5 million for a new program to help students who have not met standard on one or more WASL assessments taken during the students' 10th grade year in Reading, Writing, and/or Mathematics. The funding will continue for 2007-2008. School districts may use this new funding to offer assistance in ways that best fit the needs of the students who have not met standard on one or more content areas of the WASL. The assistance may include, but is not limited to: summer school, Saturday classes, before- or after-school classes, skills seminars, test preparation seminars, and in-school or out-of-school tutoring.
- **Limited English Proficiency – Federal (Program 64) – Total Budgeted Expenditures \$84,300**
 Recorded under this program are expenditures from federal grants to assist school districts in developing and providing services to children with limited proficiency in understanding, speaking, reading, and/or writing English.
- **Transitional Bilingual – State (Program 65) – Total Budgeted Expenditures \$598,644**
 Expenditures for bilingual education are recorded in this program. Under this program, an eligible student is one whose primary language is not English and whose English language skills are significantly deficient or absent.

□ **Student Achievement (I-728) – State (Program 66) – Total Budgeted Expenditures \$2,245,614**

Recorded under this program are expenditures for student achievement. Allowable uses are to extend learning opportunities, to reduce class size, for professional development, early assistance for pre-kindergarten students and building improvement related to class size reduction. Expenditures in this program are those proposed by the I-728 Committee and presented to the School Board at their April 23rd meeting.

□ **Compensatory – Other Federal (Program 69) – Total Budgeted Expenditures \$100,000**

Expenditures to provide funding in total or in part by counties, cities, foundations, or other private agencies not identified with another specific program are recorded here. This is used to account for expenditures related to the reimbursement received by the District for participating in the Medicaid Administrative Match program.

□ **Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) – Other Federal (Program 79) – Total Budgeted Expenditures \$142,741**

The GEAR UP Scholars Project will provide comprehensive college preparation and awareness activities to 100 students and their families. This is the third year of this funding. Students were selected in the 7th Grade from Sterling and Clovis Point; they will be entering the 9th grade in FY 2007-08. The funding will continue through their 12th Grade year.

□ **Highly Capable (Program 74) – Total Budgeted Expenditures \$45,841**

This program is also known as gifted/talented and serves students that meet that definition. The Legislature increased this funding for this year.

□ **Student Care (Program 88) – Total Budgeted Expenditures \$378,520**

Expenditures for student care centers operated by the school district are recorded here. Cascade, Grant, Lee, Kenroy provide (self-supported) before school, after school and summer care centers.

□ **District-wide Support (Program 97) – Total Budgeted Expenditures \$5,942,555**

Costs relating to Board of Directors, Superintendent, Business Office, Human Resources, Technology, and Maintenance and Operations of buildings and grounds are charged to this program.

□ **Food Services (Program 98) – Total Budgeted Expenditures \$1,857,206**

Eastmont School District contracts for the provision of its food service program. This program includes all the costs for Inter Pacific Management (Chartwell's) to provide a school lunch program.

□ **Pupil Transportation (Program 99) – Total Budgeted Expenditures \$1,169,645**

The costs of transporting students to and from school, including between locations in the district are charged to this program.

The 2007-2008 Budget also includes an operating transfer out of \$125,000 to the Transportation Vehicle Fund to assist with the purchase of three buses.

The table below identifies how the General Fund resources were used in FY 2005-2006 as well as how they are projected to be used in FY 2006-2007 and FY 2007-2008:

	Actual FY 2005-06	Budget FY 2006-07	Budget FY 2007-08
Expenditures by Program			
00 Basic Education	\$ 21,063,957	\$ 22,810,826	\$ 24,546,466
20 Special Education	4,386,661	\$ 5,268,383	\$ 6,193,788
30 Vocational Education	1,680,152	\$ 1,717,263	\$ 1,974,984
40 Skills Center	1,562,156	\$ 1,701,263	\$ 1,414,483
50-60 Compensatory Education (Disadvantaged, School Improvement, I-728)	4,440,445	\$ 5,226,483	\$ 5,755,608
70 Other Instructional Programs (Gifted/Enrichment)	171,110	\$ 175,094	\$ 188,582
80 Community Services (Daycare)	384,424	\$ 371,966	\$ 378,520
90 Support Services (Districtwide Support, Food Services, Transportation)	8,127,166	\$ 8,328,456	\$ 8,969,406
TOTAL EXPENDITURES	\$ 41,816,071	\$ 45,599,734	\$ 49,421,837
% Growth	5.76%	7.53%	8.38%

	Actual FY 2005-06	Budget FY 2006-07	Budget FY 2007-08
Expenditures by Activity			
Total Teaching Activity	\$ 26,133,592	\$ 28,788,684	\$ 32,066,687
Total Teaching Support	\$ 3,267,778	\$ 3,564,679	\$ 3,662,259
Total Unit Administration (Principal's Office)	\$ 2,869,115	\$ 3,062,609	\$ 3,085,146
Total Other Support Activities (Food Service, Grounds & Bldg Maintenance, daycare)	\$ 6,561,870	\$ 7,803,084	\$ 8,041,042
Total Central Administration (Board, Superintendent, Human Resources)	\$ 2,952,176	\$ 2,380,678	\$ 2,566,703
TOTAL EXPENDITURES	\$ 41,784,532	\$ 45,599,734	\$ 49,421,837

	Actual FY 2005-06	Budget FY 2006-07	Budget FY 2007-08
Expenditures by Object			
Certificated Salaries	\$ 19,087,014	\$ 20,104,866	\$ 21,391,396
Classified Salaries	6,736,974	6,769,641	7,672,541
Employee Benefits	7,699,297	9,115,069	9,784,978
Supplies & Materials	3,231,638	3,394,238	4,443,787
Purchased/Contracted Services	4,673,157	5,837,198	5,427,974
Travel	149,645	170,070	187,161
Capital Outlay	206,807	208,652	514,000
TOTAL EXPENDITURES	\$ 41,784,532	\$ 45,599,734	\$ 49,421,837

General Fund Program Summary

Program/ SubProg	Name	Indirect Rate	Beginning Fund Balance	Estimated Direct Revenues	Estimated Direct Expenditure	Indirect Cost Expenditure For Operations	Support From Unreserved Fund Balance and Indirects	Estimated Ending Fund Balance
0100	Basic Education	0.0%	2,373,941	22,539,049	(22,759,560)	-	-	2,153,430
0101	Curriculum	0.0%	310,000	310,000	(578,500)	-	-	41,500
0102	Donations	0.0%	21,000	53,000	(53,000)	-	-	21,000
0108	Professional Growth	0.0%	5,000	32,500	(32,511)	-	-	4,989
0120	Miscellaneous Grant Capacity	0.0%	-	500,000	(500,000)	-	-	-
0199	Allocation to Buildings	0.0%	100,000	627,906	(627,906)	-	-	100,000
2100	Special Education	0.0%	-	4,835,036	(4,835,036)	-	-	-
2123	State SPED-WeeWildcat Preschool	0.0%	-	202,458	(202,458)	-	-	-
2173	Summer School	0.0%	-	30,000	(30,000)	-	-	-
2199	Special Ed Building Allocations	0.0%	-	76,385	(76,385)	-	-	-
2400	Federal SPED	0.0%	-	1,011,000	(1,010,904)	-	-	96
2422	Best Practices (CVGH) SPED Grant	0.0%	-	1,000	(1,000)	-	-	-
2423	Fed Sped Preschool	3.4%	-	39,300	(38,005)	(1,292)	-	3
3108	Admin Professional Growth	0.0%	-	2,500	(2,500)	-	-	-
31-3150	VOC Equipment Allocation	0.0%	-	24,375	(24,375)	-	-	-
31-3151	Voc Admin	10.0%	206,000	1,934,000	(1,935,734)	(193,573)	-	10,692
31-3160	Voc Agriculture	0.0%	-	357,911	(357,911)	-	-	-
31-3161	VOC Business Ed	0.0%	-	353,312	(353,312)	-	-	-
31-3162	VOC Draft/CAD	0.0%	-	9,700	(9,700)	-	-	-
31-3163	VOC Diversified Occupations	0.0%	-	81,797	(81,797)	-	-	-
31-3164	VOC Wood Shop	0.0%	-	15,855	(15,855)	-	-	-
31-3165	VOC Family Life	0.0%	-	254,171	(254,171)	-	-	-
31-3167	VOC Industrial Arts	0.0%	-	364,590	(364,590)	-	-	-
31-3168	VOC Health Occupation	0.0%	-	47,816	(47,816)	-	-	-
31-3169	VOC Applied Math	0.0%	-	3,400	(3,400)	-	-	-
3861	Carl Perkins	3.4%	-	38,000	(36,750)	(1,250)	-	1
45-3503	SC - Cosmetology	0.0%	-	104,120	(104,120)	-	-	-
45-3504	SC- Culinary	0.0%	-	59,918	(59,918)	-	-	-
45-3507	SC - AutoTech	0.0%	-	183,080	(183,080)	-	-	-
4508	SC - Admin Prof. Growth	0.0%	-	2,500	(2,500)	-	-	-
45-3511	SC - Law Enforcement	0.0%	-	28,500	(28,500)	-	-	-
45-3512	SC - Video Production	0.0%	-	-	-	-	-	-
45-3516	SC - Computer Tech	0.0%	-	52,000	(52,000)	-	-	-
45-3517	SC - Digi Pen	0.0%	-	24,500	(24,500)	-	-	-
45-3524	SC - Fire Science	0.0%	-	50,300	(50,300)	-	-	-
45-3525	SC - Moses Lake Satellite	0.0%	-	328,300	(328,300)	-	-	-
45-3530	SC - Collision Repair	0.0%	-	94,200	(94,200)	-	-	-
45-3551	SC - Administration	6.0%	(77,000)	1,540,500	(1,382,969)	(82,978)	-	(2,447)
45-3552	SC - OSPI Barrier Reduction	0.0%	-	-	-	-	-	-
45-3573	SC - Summer School	0.0%	-	-	-	-	-	-
4661	SC - Carl Perkins	3.4%	-	30,000	(29,014)	(986)	-	-

Program/ SubProg	Name	Indirect Rate	Beginning Fund Balance	Estimated Direct Revenues	Estimated Direct Expenditure	Indirect Cost Expenditure For Operations	Support From Unreserved Fund Balance and Indirects	Estimated Ending Fund Balance
45-3503	SC - Cosmotology	0.0%	-	104,120	(104,120)	-	-	-
45-3504	SC- Culinary	0.0%	-	59,918	(59,918)	-	-	-
45-3507	SC - AutoTech	0.0%	-	183,080	(183,080)	-	-	-
4508	SC - Admin Prof. Growth	0.0%	-	2,500	(2,500)	-	-	-
45-3511	SC - Law Enforcement	0.0%	-	28,500	(28,500)	-	-	-
45-3512	SC - Video Production	0.0%	-	-	-	-	-	-
45-3516	SC - Computer Tech	0.0%	-	52,000	(52,000)	-	-	-
45-3517	SC - Digi Pen	0.0%	-	24,500	(24,500)	-	-	-
45-3524	SC - Fire Science	0.0%	-	50,300	(50,300)	-	-	-
45-3525	SC - Moses Lake Satellite	0.0%	-	328,300	(328,300)	-	-	-
45-3530	SC - Collision Repair	0.0%	-	94,200	(94,200)	-	-	-
45-3551	SC - Administration	6.0%	(77,000)	1,540,500	(1,382,969)	(82,978)	-	(2,447)
45-3552	SC - OSPI Barrier Reduction	0.0%	-	-	-	-	-	-
45-3573	SC - Summer School	0.0%	-	-	-	-	-	-
4661	SC - Carl Perkins	3.4%	-	30,000	(29,014)	(986)	-	-
5100	Title I	3.4%	-	807,000	(770,385)	(26,193)	-	10,422
5125	Title I - Parent Involvement	0.0%	-	-	-	-	-	-
5200	Federal School Improvement	3.4%	-	150,000	(145,067)	(4,932)	-	1
5251	Title II - ED Tech	3.4%	-	25,000	(24,175)	(822)	-	3
5252	Title V	3.4%	-	16,000	(15,475)	(526)	-	(1)
5258	21st Century Grant	3.4%	-	250,000	(241,780)	(8,221)	-	(1)
5300	Title I - Migrant	3.4%	-	367,000	(354,933)	(12,068)	-	(1)
5325	Migrant - Parent Involment	0.0%	-	-	-	-	-	-
5373	Migrant - Summer School	2.0%	-	-	-	-	-	-
5500	LAP	3.4%	-	677,000	(654,739)	(22,261)	-	-
5525	LAP - Parent Involment	0.0%	-	-	-	-	-	-
5600	State Inst. - Canyon View	3.4%	-	76,000	(73,501)	(2,499)	-	-
5700	Fed N&D - Canyon View	3.4%	-	8,000	(7,735)	(263)	-	2
5800	State Funded All Day Kindergarten	3.4%	-	134,734	(130,304)	(4,430)	-	-
5853	Navigation 101	3.4%	-	40,000	(38,684)	(1,315)	-	1
5854	Teachers Asst. Program	0.0%	-	10,000	(17,024)	-	-	(7,024)
5857	National Board Certification	0.0%	-	15,000	(11,454)	-	-	3,546
5864	School Improvement Cohort	3.4%	-	120,000	(116,050)	(3,946)	-	4
6363	Promoting Academic Success	3.4%	-	130,000	(125,723)	(4,275)	-	2
6400	Title III - LEP	2.0%	-	86,000	(84,300)	(1,686)	-	14
6465	Emergency Immigrant Grant	3.4%	-	-	(6)	(0)	-	(6)
6500	State Bilingual	13.6%	-	680,000	(598,644)	(81,356)	-	-
6525	Bilingual - Parent Involment	0.0%	-	-	-	-	-	-

Program/ SubProg	Name	Indirect Rate	Beginning Fund Balance	Estimated Direct Revenues	Estimated Direct Expenditure	Indirect Cost Expenditure For Operations	Support From Unreserved Fund Balance and Indirects	Estimated Ending Fund Balance
66-9601	I-728 K-4 Staffing	3.4%	-	435,297	(420,983)	(14,313)	-	-
66-9602	I-728 5-12 STAFF	3.4%	-	783,727	(757,957)	(25,771)	-	-
66-9603	I-728 All Day Kindergarten	3.4%	-	282,665	(273,370)	(9,295)	-	-
66-9604	I-728 School Improvement/Ext. Learning	3.4%	-	288,486	(279,000)	(9,486)	-	-
66-1300	Summer School	3.4%	-	82,720	(80,000)	(2,720)	-	-
66-9607	I-728 Certificated Optional Days	3.4%	-	116,226	(112,404)	(3,822)	-	-
66-9609	Assessment Coordination	3.4%	-	59,461	(57,505)	(1,955)	-	-
66-9610	I-728 Best Practices	3.4%	250,000	97,822	(38,481)	(1,308)	-	308,033
66-9613	Cadre Coaches	3.4%	-	156,046	(150,915)	(5,131)	-	-
66-9615	I-728 Skills Center	3.4%	-	77,550	(75,000)	(2,550)	-	-
6969	Medicaid Administrative Match	0.0%	-	100,000	(100,000)	-	-	-
7400	Highly Capable	3.4%	-	47,400	(45,841)	(1,559)	-	-
7900	Other Federal Programs	2.0%	-	7,500	(7,350)	(147)	-	3
7970	GEAR-UP	3.4%	-	140,000	(135,397)	(4,603)	-	-
88-113	Kenroy Student Care	0.0%	38,000	58,000	(57,996)	-	-	38,004
88-114	Lee Student Care	0.0%	-	100,600	(100,596)	-	-	4
88-115	Grant Student Care	0.0%	22,000	45,000	(44,996)	-	-	22,004
88-116	Cascade Student Care	0.0%	10,000	100,000	(100,001)	-	-	9,999
8873	Summer Student Care	0.0%	-	75,000	(74,928)	-	-	72
9700	Building/Ground/Motorpool	0.0%	-	4,135,068	(4,135,068)	-	-	-
9702	Donations	0.0%	-	-	-	-	-	-
9700-11	School Board	0.0%	-	189,000	(189,000)	-	-	-
9700-12	Superintendent's Office	0.0%	-	291,481	(291,481)	-	-	-
9700-13	Business Office	0.0%	-	387,610	(387,610)	-	-	-
9700-14	Human Resources	0.0%	-	211,258	(211,258)	-	-	-
9716	District Support - Tech O&M Levy Allocat	0.0%	-	80,000	(80,000)	-	-	-
9700-72	Technology	0.0%	-	648,130	(648,130)	-	-	-
9700-99	General Maintenance Building Allocations	0.0%	-	-	-	-	-	-
9800	Food Services	3.4%	-	1,895,000	(1,828,192)	(23,200)	-	43,608
9898	Fresh Fruit & Vegetable Program	3.4%	-	30,000	(29,014)	(986)	-	-
9900	Transportation	0.0%	-	1,294,645	(1,294,645)	-	-	-

GENERAL FUND – What is Fund Balance and How Much Is Appropriate?

Fund balance is the equity portion of a fund balance sheet and measures the financial resources available in a governmental fund. For accounting purposes, fund balance is calculated as of year-end and is based on the difference between actual revenues and expenditures for the fiscal year. If revenues exceed expenditures, fund balance is positive and carries forward, designated either as reserved or unreserved. If expenditures exceed revenues, existing fund balance from a prior year is reduced.

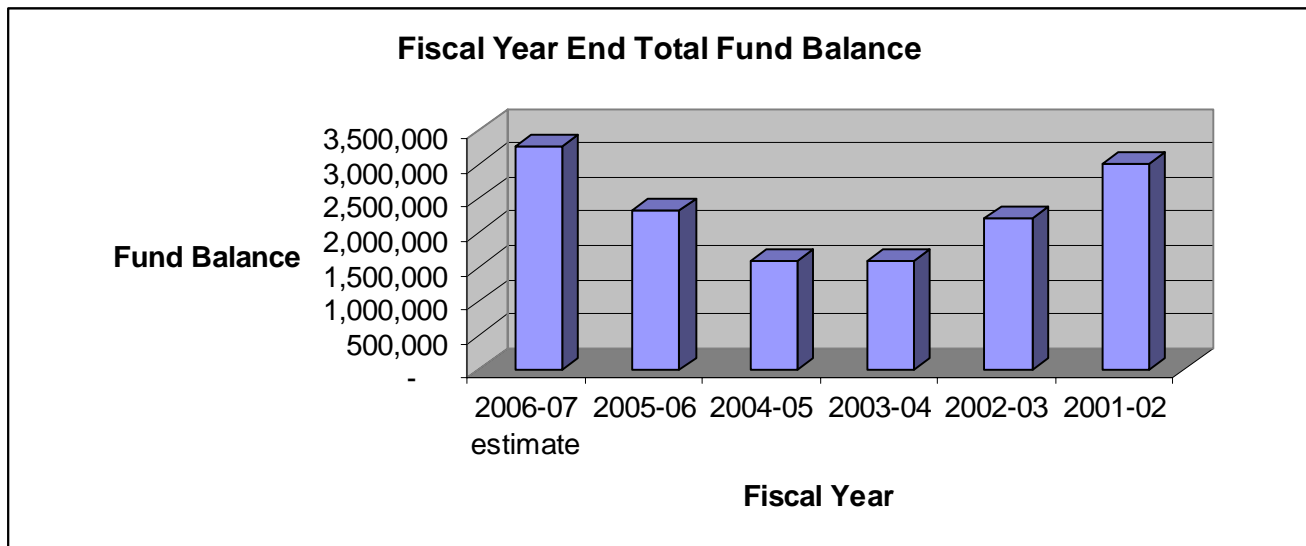
Eastmont School District accounts for fund balance in the following subdivisions:

- **Reserved** – a portion of the fund balance not available for any expenditure; legally segregated for a specific future use. Examples are: Vocational, Skill Center and Student Achievement program revenues in excess of expenditures.
- **Unreserved, designated** – a portion of the fund balance established to indicate tentative plans for the future use of current resources. Examples are Building allocations and Student Care program revenues in excess of expenditures.
- **Unreserved, undesignated** – fund balance available for use without predefined restrictions.

Governments are recommended to maintain adequate levels of fund balance to mitigate current and future risks (i.e. revenue shortfalls and/or unanticipated expenditures). The Eastmont School District Board of Directors established a policy that states that the desired **Undesignated, Unreserved** fund balance should be equal to a minimum of 3% of current budgeted revenues.

We estimate that the district will end the 2006-2007 fiscal year with a total fund balance of \$3,258,940. This amount is estimated to be divided as follows:

Reserve for Other Items (Voc, Skill Ctr, I-728)	379,000
Reserve for Uninsured Risks	40,000
Unreserved, Designated for Other Items (Carryover)	506,000
Unreserved, Designated for Contingencies	50,000
Unreserved, Undesignated	2,283,940
Total Fund Balance	\$ 3,258,940



How do the estimated revenues and expenditures for 2007-2008 impact the District's estimated fund balance?

Total Estimated Beginning Fund Balance	\$3,258,940
Add: Anticipated Revenues	\$49,045,841
Subtract: Anticipated Expenditures	\$49,546,837
Total Estimated Ending Fund Balance	\$2,757,944

We estimate that the fund balance at the end of the 2007-2008 fiscal year will be divided as follows:

Reserve for Other Items (Voc, Skill Ctr, I-728)	243,000
Reserve for Uninsured Risks	40,000
Unreserved, Designated for Other Items (Carryover)	966,500
Unreserved, Designated for Contingencies	50,000
Unreserved, Undesignated	1,498,452
Total Fund Balance	<u>\$ 2,797,952</u>

The Undesignated, Unreserved portion of the fund balance is estimated to be 3.29% of revenues.

2007-2008 Estimated Undesignated, Unreserved Fund Balance

FY 2007-08 Goal (3% of Est. Revenues)	1,471,375
FY 2007-08 Estimated Ending UUFB	1,498,452
Over/(Under) Goal	\$ 27,077
FY 2007-08 Est Ending UUFB as % of Revenues	3.29%

CAPITAL PROJECTS FUND SUMMARY

The Capital Projects Fund includes all monies and resources set aside for the construction of buildings, certain purchases of new equipment, and making capital improvements to buildings. This is also used to account for the cost of replacing roofs, carpet, and service systems.

Revenues received by this fund are typically from the sale of bonds, state match, or special levies. Monies received from the sale of surplus real property must also be received in this fund.

	Actual 2004-05	Actual 2005-06	Budget 2006-07	Budget 2007-08
Beginning Fund Balance:	803,314	913,313	1,500,000	985,000
Revenue:	578,401	1,476,638	543,000	596,500
Expenditures:	468,402	763,782	1,301,020	1,020,500
Ending Fund Balance:	913,313	1,626,169	741,980	561,000

Projects Completed:

New carpet in Grant, Cascade, Kenroy, Lee, Rock Island, Sterling and High School

Replace roof at Lee

Resurface tennis court at High School

Complete Technology modular

Projects in Progress:

North Central Technical Skill Center facility improvements for Culinary Art Program

Sidewalk improvements at Kenroy, Cascade and Rock Island

OSPI Facility Study

DEBT SERVICE FUND SUMMARY

Washington State law requires that this fund be established to account for the payment of principal, interest, and other expenditures related to the redemption of outstanding bonds. Provisions must be made annually for the making of a levy sufficient to meet payment of principal and interest. The County Treasurer holds collected levy monies in authorized interest earning accounts and/or securities until bond maturity or interest payment dates.

	Actual 2004-05	Actual 2005-06	Budget 2006-07	Budget 2006-07
Beginning Fund Balance:	1,735,686	1,581,474	1,524,000	1,667,000
Revenue:	3,520,440	3,578,229	3,548,000	3,660,000
Expenditures:	3,674,652	3,568,188	3,695,280	3,776,045
Ending Fund Balance:	1,581,474	1,591,515	1,376,720	1,550,955

Detail of Outstanding Bonds

Date of Issue	Amount of Original Issue	Estimated Amount Outstanding 8/31/07
6/1/2000	9,900,000	3,555,000
1/1/2001	30,545,700	25,460,700
3/15/2004	7,250,000	6,980,000
	47,695,700	35,995,700

ASSOCIATED STUDENT BODY FUND SUMMARY

This fund is financed by the collection of fees from students and non-students for attendance at any optional non-credit extracurricular events of the district. Revenue may also be raised by student fund-raisers. The monies paid from this fund are used to support activities of the general student body, classes, clubs, etc. It is the only fund designated as a special revenue fund. As such, it is under the control, supervision and approval of the Board of Directors and the school district legally owns the resources accounted for in this fund. Eastmont Junior High, Eastmont Senior High and the North Central Technical Skill Center have established Associated Student Bodies.

FY 2007-08 Budget

<u>Revenue</u>	<u>EJH</u>	<u>EHS</u>	<u>NCTSC</u>	<u>Total</u>
General Student Body	219,000	122,150	500	341,650
Athletics	103,000	235,300	-	338,300
Classes	24,000	15,500	-	39,500
Clubs	194,000	182,850	21,700	398,550
Private Moneys	20,000	17,400	5,000	42,400
	<u>560,000</u>	<u>573,200</u>	<u>27,200</u>	<u>1,160,400</u>
<u>Expenditure</u>				
General Student Body	211,700	107,800	8,000	327,500
Athletics	100,600	283,900	-	384,500
Classes	24,000	11,500	-	35,500
Clubs	191,600	177,126	19,000	387,726
Private Moneys	20,000	17,400	-	37,400
	<u>547,900</u>	<u>597,726</u>	<u>27,000</u>	<u>1,172,626</u>
Gain/Loss	<u>12,100</u>	<u>(24,526)</u>	<u>200</u>	<u>(12,226)</u>
Estimated Beginning Fund Balance	<u>125,000</u>	<u>160,000</u>	<u>5,000</u>	<u>290,000</u>
Estimated Ending Fund Balance	<u>137,100</u>	<u>135,474</u>	<u>5,200</u>	<u>277,774</u>

TRANSPORTATION VEHICLE FUND SUMMARY

This fund is provided to account for the state reimbursement to school districts for approved student transportation as well as for the purchase or major repair of transportation equipment.

The proposed budget includes an operating transfer from the General Fund of \$125,000. This transfer, in addition to the depreciation funding received from the State, will be used to purchase the following buses:

- Type D 78 Passenger - \$104,000
- Type A Special Needs (Wheel Chair lift) - \$65,500
- Type C 71 Passenger - \$88,000

	Actual 2004-05	Actual 2005-06	Budget 2006-07	Budget 2007-08
Beginning Fund Balance:	106,436	77,141	126,000	70,000
Revenue:	62,323	50,593	46,500	69,525
Operating Transfer In:	-	-	-	125,000
Expenditures:	91,618	1,300	110,000	257,500
Ending Fund Balance:	77,141	126,435	62,500	7,025

For questions or comments on the budget, or to obtain a complete copy, contact:

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