

# Peninsula School District Board of Directors



**Budget Update  
May 28, 2009**

# All Other Funds

- Other Governmental Funds:
  - Capital Projects Fund
  - Debt Service Fund
  - Associated Student Body Fund
  - Transportation Vehicle Fund

Separate funds established for specific purposes.

# Capital Projects Fund

- Accounts for financial resources used for acquisition and construction of major capital facilities.
  - Reviewing current year projects that may overlap into 2009-2010 fiscal year.
  - Reviewing status of Energy Management Contract and budget for expenditures relating to retrofits and changes for energy efficiencies in buildings.
  - Review impact fee collections and permit applications for revenue calculations in 2009-2010.

# Capital Projects Fund

	2008-2009 Adopted Budget	2008-2009 Estimated Actuals	2009-2010 Preliminary Budget
Beginning Fund Balance	\$8,474,844	\$8,702,119	\$8,216,293
Revenues	\$1,800,000	\$ 317,719	\$ 475,000
Expenditures	\$4,029,000	\$ 803,545	\$1,900,000
Ending Fund Balance	\$6,245,844	\$8,216,293	\$6,791,293

# Debt Service Fund

- Accounts for the accumulation of resources for and the payment of long-term debt principal and interest.
  - Review outstanding bonds and scheduled payments for December 1, 2009, June 1, 2010 and December 1, 2010.
  - Analyze tax collection trends and determine collection percentages for Fall and Spring tax collections
  - Update multi-year cashflow and analytical documents to assist in determining amount to levy for 2010 tax collection to support debt payments in 2010.

# Debt Service Fund

	2008-2009 Adopted Budget	2008-2009 Estimated Actuals	2009-2010 Preliminary Budget
Beginning Fund Balance	\$1,163,045	\$1,301,247	\$1,037,719
Revenues	\$8,227,399	\$7,779,358	\$7,562,465
Expenditures	\$8,066,484	\$8,042,886	\$5,150,236
Ending Fund Balance	\$1,323,960	\$1,037,719	\$3,449,948

# Associated Student Body Fund

- Accounts for specific revenue sources that relate to student run government activities outside of general instruction.
  - Each secondary school student body develops and adopts a budget to support the planned student activities in their building for the next school year.
  - Elementary schools have the choice of running student activities through the ASB Fund or the General Fund.
  - All budgets are submitted and consolidated into one overall fund budget for the ASB Fund for district board approval and adoption.

# Associated Student Body Fund

	2008-2009 Adopted Budget	2008-2009 Estimated Actuals	2009-2010 Preliminary Budget
Beginning Fund Balance	\$ 589,469	\$ 631,772	\$ 559,003
Revenues	\$1,904,555	\$1,114,028	\$1,819,800
Expenditures	\$2,025,277	\$1,186,797	\$2,098,461
Ending Fund Balance	\$ 468,747	\$ 559,003	\$ 280,342

# Transportation Vehicle Fund

- Accounts for state depreciation revenue of approved pupil transportation equipment and for the purchase and major repairs of such equipment.
  - Review depreciation schedule to determine changes in aging fleet and needs to maximize depreciation revenues.
  - Determine revenues available for bus purchases.
  - Determine fleet changes and needs
  - Update cashflow to project delivery and payment scenarios

# Transportation Vehicle Fund

	2008-2009 Revised Budget	2008-2009 Estimated Actuals	2009-2010 Preliminary Budget
Beginning Fund Balance	\$ 342,703	\$ 342,703	\$ 132,098
Revenues	\$ 574,684	\$ 596,286	\$ 577,089
Transfers IN (From General Fund)	\$ 198,617	\$ 198,617	\$ 0
Expenditures	\$1,041,281	\$1,005,508	\$ 704,000
Ending Fund Balance	\$ 74,723	\$ 132,098	\$ 5,187

# All Other Funds Summary

- Will continue to update estimated actuals to more accurately project estimated beginning balances for 2009-2010
- Will adjust budgeted revenues and expenditures if more specific information becomes available
  - Actual Tax Collections
  - Transportation Vehicle Depreciation
  - Impact Fees
  - Energy Efficiency Project Costs
  - Elementary Schools wanting to use ASB Fund for student activities
  - Transfer IN to Transportation Vehicle Fund from General Fund (Levy funding)

# American Recovery & Investment Act

- Federal Stimulus Funding
  - Guiding Principles:
    - Spend quickly to save and create jobs
    - Ensure transparency and accountability
    - Thoughtfully invest one-time funds
    - Advance effective reforms
- State Fiscal Stabilization Funding (SFSF)
- Increases to Formula Grants (ARRA)

# Federal Stimulus Funding

- **State Fiscal Stabilization Funding (SFSF)** - Federal stimulus funding that went directly to the state. (\$1.0 Billion to Washington)
- \$819.9 Million to Education
- Legislature used this funding to lesson the negative impacts to education caused by the State's \$9 billion deficit.
  - Allowed legislature to backfill cuts to state funding with federal dollars. Not additional funding, but not as significant reductions as we might have experienced.
  - SFSF will come to districts in May and June 2009 in place of state apportionment dollars.
  - Balance of SFSF will go to districts in 2009-2010 in place of I-728 funding.

# Federal Stimulus Funding

- **Title I ARRA**
  - Funding allocations for 2009-2010 and 2010-2011
    - Currently \$199,318 each fiscal year
  - Subject to same regulations and required set-asides as Title I Grant (Set-asides determined by district's performance on Adequate Yearly Progress or AYP) i.e. District Improvement, School Improvement - PSC & SES
  - State asking for waivers, which if approved, may free up some of the funding held for set-asides
  - Will not know outcome of waiver requests until after new school year beginnings
  - Grant application due before July 1
  - Working on various scenarios to maximize funding opportunities for schools
  - Accountability and reporting guidance still to come

# Federal Stimulus Funding

- **IDEA (Special Education) ARRA**
  - Special Education Federal Grant
  - Preschool Federal Grant
  - 50% of IDEA funding increase can be used to reduce Maintenance of Effort – state & local resources used to support Special Education Program
  - IDEA ARRA funding to be allocated all in 2009-2010 to maximize reduction in MOE opportunity
  - Accountability and reporting guidance still to come

# Federal Stimulus Funding

- Still several questions relating to funding
  - Timing and usage of funds
    - Grant applications
    - Expenditure claims
  - Accountability requirements
    - Restrictions & compliance issues
    - Spend quickly versus thoughtfully because of one-time funding
  - Quarterly reporting requirements
    - Reporting for each separate component of Federal Stimulus Funding
    - Guidance on reporting
    - First reporting – October 2009 for SFSF funding received in 2008-09
  - A lot is **“Still to Come”**

# Conclusion

- Good News –
  - Getting positive revenue information to support our staffing allocations
  - Federal Stimulus Funding will help
  - Getting community input on priorities for adding back should additional funding become available
  - Certificated staffing recalls are in process
  - Moving forward with budget development
- Bad News –
  - Still need additional information on Federal Stimulus Funding to avoid negative consequences in future years when the funding goes away.
  - Avoid the “**Funding Cliff**” in 2011-2012