



BAINBRIDGE ISLAND

SCHOOL DISTRICT No. 303

**STRONG MINDS, STRONG HEARTS,
STRONG COMMUNITY**

Citizen's Guide to the District Budget

2017-2018

Bainbridge Island School District No. 303
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From the Superintendent

September 1, 2017

Bainbridge Island School District Community Members:

The *Citizen's Guide to the District's Budget*, released annually alongside the district's board approved budget (F-195), is financial information in a condensed format that helps build understanding of how schools are funded and how we on Bainbridge Island choose to allocate district revenues. Thanks for taking the time to review the information in this guide.

While Washington State's legislature meets on an annual basis, it is one of 15 states that work from a biennial budget. The 2017-18 school year marks the first year of the 2017-19 biennial budget. Adopting the budget in 2017 was a substantial undertaking. Complex issues related to education funding continued play a prominent role; as you may be aware, Washington's lawmakers have been under pressure to address the unconstitutional underfunding of Washington's basic education program and related issues with educator compensation, items that have forced schools to be over-reliant on local levy monies to pay for items that are the State's obligation. If you would like to know more about the related lawsuit (McCleary), a brief synopsis and recent update and is available using the following link:

<http://www.theolympian.com/opinion/op-ed/article130662149.html>. While the budget has been adopted by the House, Senate, and approved by Governor Inslee, we will need to wait until early this fall to understand if the Washington State Supreme Court believes that the proposed budget meets the funding mandates outlined in the McCleary decision.

With all of that said, as you make your way through this document you will find every reason to be pleased with the fiscal health of the school district. The district has continued to meet the board's goal of maintaining a 5% fund balance while still ensuring that our utilization of these resources support all students and support our District Improvement Plan <https://www.bisd303.org/Domain/1376>. I believe our schools represent a great value, offering incredible academic and enrichment programs. While we have seen a significant number of retirements in recent years, losing experienced and cherished staff members, I am absolutely thrilled with the quality of the new staff that have joined us in the Bainbridge Island School District.

As a district, we have seen a downward trend in enrollment over the past few years. Our schools are working closely with families to identify our new and returning families, with this process starting in the winter of the previous school year and continuing throughout the summer and into the first week of the school year. I invite you to access and peruse a more detailed description of the specific fiscal changes for the 2017-18 school year on pg. 12 of this document. Across the past year, we have worked closely with our District Budget Advisory Committee (DBAC) to evaluate aspects of our general fund revenues and expenditures, and are grateful to the staff and community members who serve on this group. As a district our relationship with the Bainbridge Schools Foundation has been instrumental in moving forward with our work in a variety of areas, which includes our support of differentiated instruction and further exploration of how to support our students' social and emotional health.

All of the information in this Citizen's Guide is based on information contained in our district's F-195 budget document, a financial statement filed annually with Washington State's Office of Superintendent of Public Instruction (OSPI). We can gladly provide a copy of that form if you are interested in further detail after reviewing this summary; alternately, you can download the document at the following URL: <http://www.k12.wa.us/safs/reports.asp> and selected the Bainbridge Island School District from the drop-down menu.

Again, we appreciate that you have taken the time to review this information and thank-you for your continued support of our schools and students. Should you have questions about any of the information within, please do not hesitate to call me, or Bainbridge Island's Business Services Director, Peggy Paige.

Sincerely,

Dr. Peter Bang-Knudsen
Superintendent

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Schools and Programs

Captain Johnston Blakely Elementary School

Blakely Elementary serves students from Kindergarten through Grade 4. Blakely is situated in the southern part of Bainbridge Island and is in the process of designing a new facility through the support of a Capital Projects Bond approved by our voters.

Ordway Elementary School

Ordway Elementary serves students from Kindergarten through Grade 4. Ordway is our centrally located elementary and houses our district Spanish Immersion program.

Captain Charles Wilkes Elementary School

Wilkes Elementary serves students from Preschool through Grade 4. Wilkes is in the northern part of Bainbridge Island and houses the district Wilkes Multiage program.

Sonoji Sakai Intermediate School

Sakai serves students from in grades 5 and 6. Sakai is centrally located on Bainbridge Island and provides support for students as they transition from the elementary to secondary program.

Woodward Middle School

Woodward Middle School serves students in Grades 7 through 8. The middle school serves as a transition from the broad elementary program to a more specialized and intensive secondary program. Students are given both structure and freedom to begin making their own decisions and to establish their own interests and values.

Bainbridge High School

Bainbridge High School is a comprehensive, accredited high school, serving students in Grades 9 through 12. We are focused on preparing students to meet the challenges of college and career by developing strong academic programs in reading, writing, math and technical skills. We have expanded elective programs to include a growing and diversifying Career and Technical Education (CTE) program, which includes offerings such as Bio-Medical Engineering and Robotics. We also offer a comprehensive activities and athletics programs to provide a balanced educational program for our students.

Commodore Options School

Commodore is home to three district programs: Odyssey Multiage Program serving students in grades 1-8, Mosaic Home Education Partnership which serves students in grades K through 8, and Eagle Harbor High School which serves students in grades 9 through 12. Each of these programs has strong parental partnership as a foundation and they are instrumental in meeting the mission of the programs.

Enrollment and Staffing

The Bainbridge Island School District serves approximately 3,650 full-time students with varied needs and abilities. We employ more than 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 June. 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 senior who is only enrolled in two courses (two classes each day for the full year) would be approximately 0.4 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 senior example, both a full-time and a part-time senior 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 180-days a year, for 7.5 hours per day. Administrative staff work 260 days a year (depending on whether they are full time), for at least 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 in consideration of the state funding formula and building specific needs.

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

Enrollment and Staffing FTE

3-year History

Students	2015-16 Average	2016-17 Budget	2017-18 Budgeted
*Kindergarten	198.46	200.00	200.00
Grade 1	223.22	230.00	213.00
Grade 2	203.00	209.00	235.00
Grade 3	264.52	278.00	215.00
Grade 4	256.75	270.00	270.00
Grade 5	270.71	271.00	260.00
Grade 6	303.55	300.00	270.00
Grade 7	325.45	347.00	305.00
Grade 8	324.80	310.00	324.00
Grade 9	361.21	356.00	380.00
Grade 10	333.05	323.00	357.00
Grade 11	321.52	328.00	305.00
Grade 12	301.31	300.00	297.00
Running Start	70.24	44.00	68.00
ALE Enrollment	41.81	47.00	40.00
Total K-12 Students	3799.60	3813.00	3739.00

Staff	2015-16 Average	2016-17 Budget	2017-18 Budgeted
Certificated Employees	265.66	266.46	256.00
Classified Employees	144.40	144.97	138.41
Total Staff	410.06	411.13	394.41

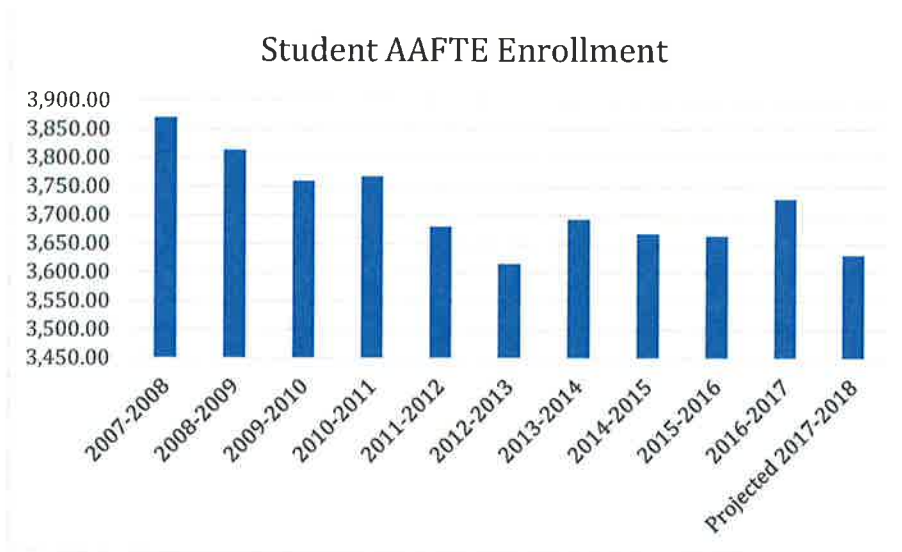
*Kindergarten enrollment reporting and state funding changed between the 2015-16 and 2016-17 school years, when the state moved from counting students in Kindergarten as 0.5 (half-day) to 1.0 (full-day).

The data for both of these tables was taken directly from our budget, which is available on the OSPI website at: <http://www.k12.wa.us/safs/reports.asp>.

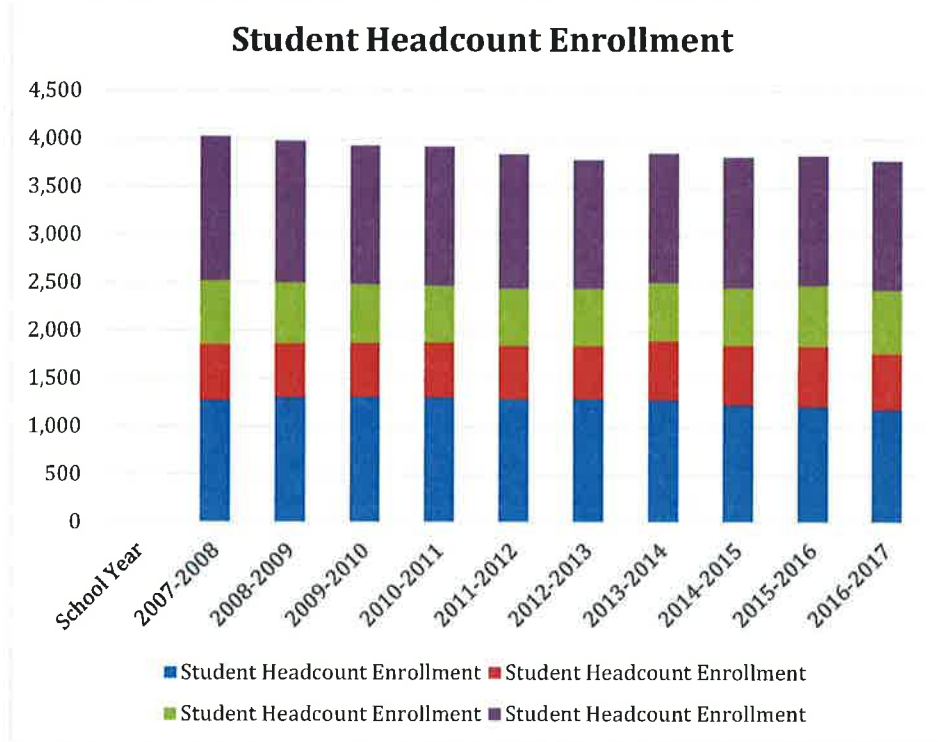
Enrollment Trends

The following charts and tables illustrate both average annual full time equivalent (AAFTE) and the head count (HC) enrollment trends. With the exception of the projection for the 2017-18 school year, this data looks at average attendance each year and has been taken directly from the OSPI Report 1251 Full-time Enrollment and Report 1251H Headcount which is available on their website at:

<http://www.k12.wa.us/safs/reports.asp>. Running Start students have not been included in the AAFTE enrollment numbers.



School Year	Traditional K-12
2007-2008	3,870.69
2008-2009	3,814.18
2009-2010	3,759.69
2010-2011	3,767.88
2011-2012	3,680.44
2012-2013	3,615.06
2013-2014	3,692.63
2014-2015	3,667.65
2015-2016	3,664.19
2016-2017	3,728.28
Projected 2017-2018	3,631.00



Student Headcount Enrollment

School Year	Elementary K-4	Intermediate 5-6	Middle School 7-8	High School 9-12	Total
2007-2008	1,276	589	663	1,504	4,032
2008-2009	1,304	568	636	1,476	3,984
2009-2010	1,310	568	615	1,439	3,932
2010-2011	1,309	572	594	1,448	3,923
2011-2012	1,289	559	598	1,400	3,846
2012-2013	1,288	553	600	1,342	3,783
2013-2014	1,280	615	612	1,346	3,853
2014-2015	1,228	623	602	1,361	3,814
2015-2016	1,210	636	631	1,348	3,825
2016-2017	1,178	590	660	1,350	3,778

The data in the above charts is based on an average, as is frequently used by the state in data collection and has been rounded to the nearest whole number.

The Budget

Our budget is a financial tool that guides the collection and distribution of resources in accordance with state law, 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 August. This recommendation is based on projected enrollment, projected revenues and other resources, program requirements, and any mandated changes.

The following sections discuss our funds and projected financing sources for each one. The remaining sections focus on the General Fund, which dependent on state funding.

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. In addition, the Capital Projects Fund also includes funds for infrastructure, projects and technology improvements funded through the Technology Levy.

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. See Appendix I for more information on taxes.

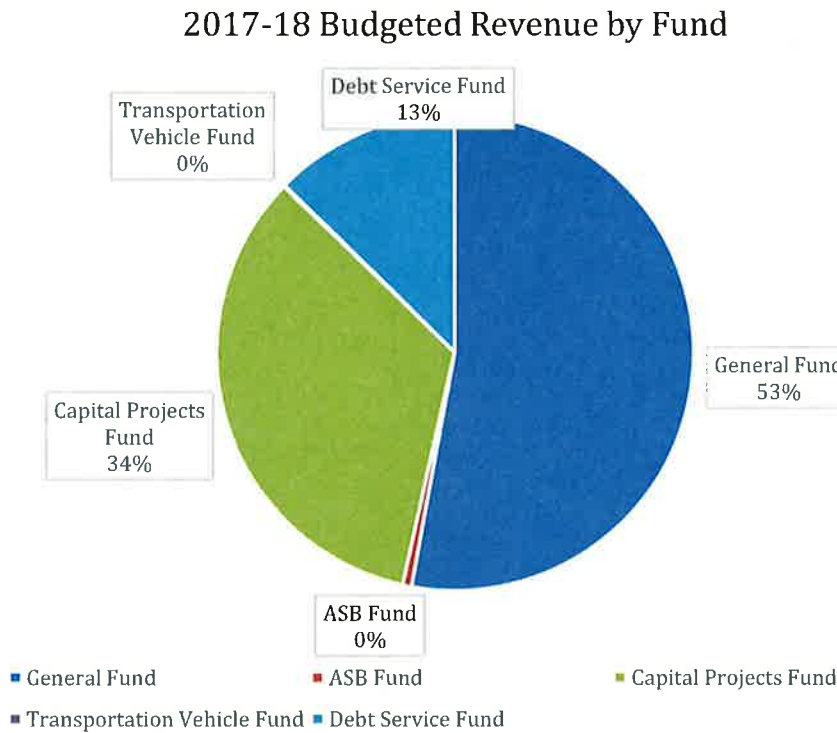
The **ASSOCIATED STUDENT BODY (ASB) FUND** accounts for funds raised by students at each school. Each student body organization prepares and submits an annual budget for Board approval. Revenues are derived from fundraisers and student fees.

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.

State law does not allow funds from Capital Projects/bond dollars or the Transportation Vehicle Fund to be transferred to, and used in, the General Fund, to offset reductions or needs, such as staffing reductions or other reductions.

Total Financing Sources by Fund

The following chart depicts the current year's budgeted financing sources. A 3-year summary follows and was taken directly from the 2017-2018 BISD Budget.



Fund	2015-16 Actual	2016-17 Budget	2017-18 Budget
General Fund	\$ 42,786,296	\$ 44,073,213	\$46,249,568
ASB Fund	\$ 458,259	\$ 768,600	\$ 537,250
Capital Projects Fund	\$ 29,517,838	\$ 2,349,999	\$ 29,500,000
Transportation Vehicle Fund	\$ 58,107	\$ 60,500	\$ 60,900
Debt Service Fund	\$ 7,995,499	\$ 9,173,100	\$ 11,050,487
TOTAL REVENUE	\$ 80,816,256	\$ 56,425,412	\$87,398,205

An explanation of changes follows.

EXPLANATION OF CHANGES - Aug. 2017

In the **General Fund**, state revenue is projected to increase slightly due to additional funds appropriated as a result of the Supreme Court's decision (McCleary). Specifically, the legislature increased funding for early grade class size reductions, Materials, Supplies and Operating Costs (MSOCs), and a 2.3% cost of living adjustment; however, while the state provided the COLA, only a portion of the funding required to fully implement for all employees was provided resulting in additional costs to the district.

The Bainbridge Island School District remains in good fiscal health, once again meeting the Board of Directors' goal of maintaining a 5% fund balance. As a district we have worked to be effective stewards of our resources and have expanded our programs and supports for students in alignment with our core mission and vision. We continue to work to recruit and retain high quality staff to work with our students. With this focus in mind we have worked to maintain competitive in respect to staff salaries, and implemented a variety of new programs, including an expanded new certificated staff orientation program and a support model for staff pursuing their National Board Certification.

A few years ago, in partnership with the Bainbridge Schools Foundation (BSF), we were able to staff STEM specialist at each one of our K-4 schools. This support has led to greater integration of engineering concepts in our elementary curriculum. We have also utilized state and levy funding and BSF support to hire additional staff to support differentiated learning opportunities for our students, and instructional coaches who support staff in their development and growth of instructional practices. This additional staff also allow us to more effectively meet the individual academic and behavior support needs of our students, while continuing to offer exciting enrichment and academic support programs district-wide. In addition to these instructional support positions (mostly focused on the academic needs of our K-6 population) we have continued to invest in our Career and Technical Education (CTE) programs to serve our secondary students. Upgrades to the district's technology infrastructure – both wired and wireless – has allowed for a significant infusion of devices in the buildings and technology training for staff has continued to be a priority. This year we will emphasize social and emotional health K-12, and are in the process of evaluating specific programmatic and curricular needs at each building.

In the **Debt Service Fund**, the district continues to maintain the planned repayment cycle on bonds issued to fund capital projects.

In the **Capital Projects Fund**, the district continues to engage in the work that has been generously voted upon and approved by our community. This includes a Capital Projects \$45M Bond in 2006, a \$42 M Bond in 2009 and an \$82 M Bond in 2016. Through the utilization of these funds, the district has accomplished many projects, which can be accessed via the following links: 2006 Bond <https://www.bisd303.org/Page/13303> and from the 2009 Bond <https://www.bisd303.org/Page/13299>. In 2015, a committee comprised of educators, engineers, architects and community members was assembled to review and update the work of the 2005 Master Plan. Priorities and goals were identified for building replacements and renovations, and the committee presented the BISD board with their summary of findings, cost estimates and tax implications. The board elected to present a Bond for voter approval that would fund the replacement of Blakely Elementary School, Bainbridge High School (BHS) 100 Building and essential renovations district-wide. The bond passed in February 2016, and progress on the Blakely Elementary School and BHS 100 Building Replacement project can be accessed via the following link: <https://www.bisd303.org/Page/13296>.

In February of 2017, our taxpayers generously approved a continuation of our Technology Capital Levy for the next four years. These funds provide support for specific technology related staff, professional development, infrastructure, technology equipment and projects. Additional information about the utilization of these funds can be accessed at: <https://www.bisd303.org/Page/984>.

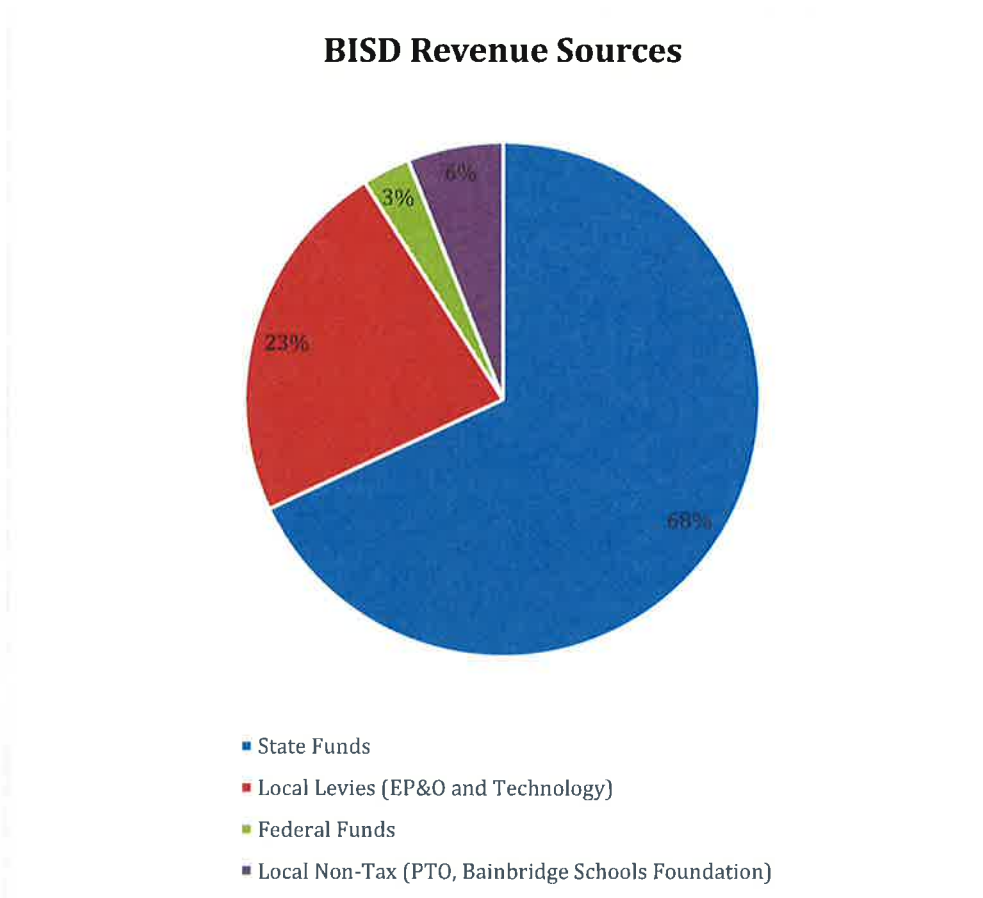
In the **Transportation Vehicle Fund**, revenues are stable and we are currently saving up additional funds we receive from the state related to bus depreciation to purchase a new bus. We plan to make this acquisition sometime during the next two school year.

The **Associated Student Body Fund** is where student-raised funds are managed. Each year we budget the fund near its potential capacity to allow flexibility for the students. However, actual spending is typically significantly less, and is limited to their actual funds raised and available.

General Fund Revenue

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. This is followed by funding from our local levies (Educational Program and Operations – EP&O and a portion of the Technology levy. The following chart illustrates the various General Fund revenue sources.



The following table provides a summary of the General Fund revenue sources over the past three years. Descriptions of these sources follow.

General Fund Revenue Sources

Source	2015-16 Actual	2016-17 Budget	2017-18 Budget
State General	\$ 23,349,992	\$ 24,845,000	\$ 26,600,080
State Special	\$ 4,811,605	\$ 4,885,870	\$ 5,178,000
Federal Special	\$ 1,333,801	\$ 1,342,800	\$ 1,310,950
Local Taxes	\$ 9,581,402	\$ 9,653,043	\$ 10,071,038
Other Sources	\$ 290,415	\$ 627,500	\$ 477,500
Local Non-Tax	\$ 3,416,866	\$ 2,719,000	\$ 2,612,000
Revenues from Other Entities	\$2,215	0	0
TOTAL	\$ 42,786,296	\$ 44,073,213	\$ 46,249,568

**Source is the BISSD 2017-18 Budget*

GENERAL FUND REVENUE SOURCE DESCRIPTIONS

State General Purpose **\$26,600,080**

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

State Special Purpose **\$5,178,000**

State Special Purpose allocations are for specific educational and support programs. They include funds for special education, Learning Assistance Program (LAP), student transportation operations, and transitional bilingual education programs. This funding is specific to its assigned purpose and cannot be used in other ways.

Federal Special Purpose **\$1,310,950**

Federal Special Purpose grants provide funding for programs to support specific student populations and programs, such as special education, vocational education, Title I, Title II, and school food service. Each federal grant comes with its own requirements and rules for its use and can only be used for the intended purpose.

Local Taxes**\$10,071,038**

We receive the second largest portion of our revenue from local property taxes, which fund essential program expenditures beyond our state provided resources. Current local tax revenues are based on the Educational Programs and Operations Levy passed by voters for four years with tax collection starting in 2018. Property tax for the levy is \$1.41 per \$1,000 of assessed valuation for 2017 for the EP&O levy, and is estimated to increase to \$1.50 for 2018. The maximum amount of levy taxes that can be collected was 28.9 percent of the prior year' total State and Federal revenues; in 2010 the legislature raised the maximum to allow communities to supplement their local community schools by an additional 4 percent through 2017 – which was extended during the recent legislative session to continue through 2018. Levy rates will vary from year to year due to inflationary effects and fluctuations of State and Federal revenues, as well as changes to assessed valuation of all properties in the District. See Appendix I for more information on taxes.

Other Revenue Sources**\$477,500**

Some expenditures which occur in the General fund, can qualify for reimbursement through certain moneys from Capital Projects funds – which includes the Capital Technology Levy. These funds can be used for non-capital technology and/or maintenance and repair costs. The majority of the funds we transfer into the General Fund in this category are related to technology.

Local Non-Tax**\$2,612,000**

This revenue source includes fees for goods and services, such a facility use fees and school meals. It also includes donations (PTO and Bainbridge Schools Foundation) and interest earnings.

General Fund Expenditures

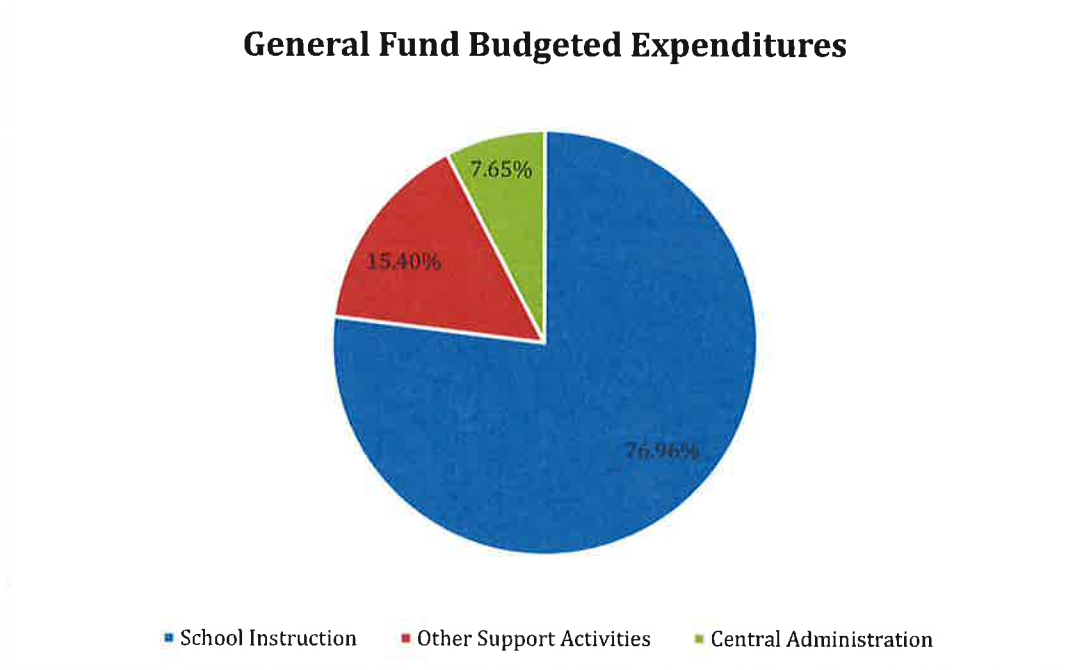
HOW ARE YOUR TAX DOLLARS SPENT?

The Bainbridge Island School District continues to be appreciative of the tremendous support we continue from our community taxpayers and partners. As a district, we always strive to operate efficiently and to be good stewards of tax dollars.

More than three-quarters of the General Fund budget will be spent directly on School Instruction; including teaching support activities and unit administration (i.e., teachers, librarians, nurses, principals, counselors, and extracurricular activities). Other support activities such as custodial and maintenance personnel, food services, and utilities amount to 15.40%. Central administration makes up the remainder of the budget.

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

General Fund Budgeted Expenditures



**Data based on the BISD 2017-2018 Budget*

EXPENDITURES

We allocate resources according to five categories: Teaching Activities; Teaching Support; Other Support Activities; Unit Administration, and Central Administration. Definitions are taken from the *Accounting Manual for Public School Districts in the State of Washington* (Olympia: Office of Superintendent of Public Instruction, 2015-16, <http://www.k12.wa.us/safs/INS/ACC/1516/SDAM1516Complete.pdf>) and include their respective OSPI-defined activity codes (in parentheses).

General Fund Expenditures, by Activity

Source	2015-16 Actual	2016-17 Budget	2017-18 Budget
Teaching Activities	24,849,091	\$25,981,189	\$27,355,332
Teaching Support	\$5,330,873	\$5,644,153	\$5,510,560
Unit Administration	\$2,594,627	\$2,776,369	\$2,688,382
Other Support Activities	\$6,437,540	\$7,034,643	\$7,113,729
Central Administration	\$3,332,176	\$3,376,963	\$3,534,254
TOTAL	\$42,544,307	\$44,813,317	\$46,202,257

*Data based on the BISSD 2017-2018 Budget

Teaching Activities \$27,355,332

This consists of direct instruction as well as extracurricular activities that enrich the overall quality of classroom instruction.

- **TEACHING (27)** includes classroom teachers and aides who assist students in acquiring new or improved knowledge, skills and comprehension. Supplies, materials and equipment used in classroom instruction are also included.
- **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.

Teaching Support \$5,510,560

This consists of teaching support activities, examples of which include learning resource centers, student guidance and counseling, and health services.

- **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 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 student supervision 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.
- **INSTRUCTIONAL PROFESSIONAL DEVELOPMENT (31)** includes in-service training, costs of workshops, conferences, supplies; as well as substitutes for release time, and additional contract days and/or extra pay for professional development.
- **INSTRUCTIONAL TECHNOLOGY (32)** includes computers and related classroom technology such as projectors, document cameras, and operating software. Our district currently funds these purchases directly from the technology levy.
- **CURRICULUM (33)** includes costs relating to the development and implementation of curriculum for the school district, as well as the cost of new and/or replacement textbooks and other instructional materials related to curriculum.

Unit Administration

\$2,688,382

- **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.

Other Support Activities

\$7,113,729

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.
- **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 passenger vehicle).

- **TRANSPORTATION—FLEET 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 related services for the garage, such 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).
- **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, etc.
- **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, propane, heating oil, data/voice telecommunications, sewage, and garbage and recycling.
- **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.
- **MOTOR POOL (75)** includes the operating expenditures for cars available for staff use, maintenance vehicles, delivery trucks, and other non-pupil transportation motor-driven equipment. Include the expenditures for the acquisition of vehicles and for contracted

maintenance of vehicles.

Central Administration

\$3,534,254

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, and labor relations.
- **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.
- **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.

Appendix I

Local Taxes

There are two types of local taxes collected: Bonds and Levies. Bonds pay for major construction. Levies pay for ongoing operational costs. The easiest way to remember the difference is "Bonds are for Buildings; Levies are for Learning".

BONDS

Bonds are similar to a "mortgage" for school construction and renovation. Money is borrowed for major construction projects and paid back over a long time period – usually 15 to 20 years. The district has the following outstanding bonds:

Date of Issue	Amount of Original Issue	Estimated Amount Outstanding as of 9/1/2017
8/25/2016	\$23,750,000	\$23,750,000
11/25/2014	\$13,770,000	13,770,000
4/9/2014	\$6,625,000	\$6,525,000
1/8/2014	\$6,750,000	\$5,975,000
1/10/2013	\$9,010,000	\$8,610,000
5/14/2012	\$9,995,000	\$9,380,000
10/20/2010	\$14,000,000	\$14,000,000
12/30/2009	\$4,925,000	\$2,350,000
12/30/2009	\$16,075,000	\$14,865,000
Total Voted Bonds	\$104,900,000	\$99,225,000

Based on the amount due in the fiscal year and on changes in assessed valuations, the rate collected each year can fluctuate. For 2017, the rate of \$1.35 per \$1,000 of assessed valuation was collected to make principal and interest payments on that debt.

EDUCATIONAL PROGRAMS & OPERATIONS LEVY

Regardless of grade level, the Educational Programs and Operations levy impacts all schools and all students. The levy pays for programs and operating expenses not funded by the state. This includes many elective and Advanced Placement courses at the high school level; technology, textbooks and class materials; building maintenance; utilities and insurance; many staff members; and athletics and activities. Levy funds are vital to the success of all students and provide an essential revenue stream to our school district.

Levies can be run a year at a time, or for as many as four-years and must be renewed by voters to continue. To help alleviate election costs, Bainbridge Island voters approved a four-year replacement levy in February of 2017 to assist with funding for educational programs and operations. This levy will be collected in 2018, 2019, 2020, and 2021. The EP&O and a portion of the Technology levy represents 23% of the district's annual general fund revenue.

Appendix II

2017-18 GENERAL FUND BUDGET SUMMARY

	2015-16 Actual	2016-17 Budgeted	2017-18 Budgeted
Beginning Fund Balance	\$2,641,776	\$3,100,000	\$2,350,000
REVENUES			
Local Taxes	\$9,581,402	\$9,653,043	\$10,071,038
Local Non-Tax	\$3,416,866	\$2,719,000	\$2,612,000
State General Purpose	\$23,349,992	\$24,845,000	\$26,600,080
State Special Purpose	\$4,811,605	\$4,885,870	\$5,178,000
Federal Special Purpose	\$1,333,801	\$1,342,800	\$1,310,950
Other Sources	\$290,415	\$627,500	\$477,500
Revenues from Other Entities	\$2,215	\$0	\$0
TOTAL	\$42,786,296	\$44,073,213	\$46,249,568
EXPENDITURES			
Teaching Activities	\$24,849,091	\$25,981,189	\$27,355,332
Teaching Support	\$5,330,873	\$5,644,153	\$5,510,560
Unit Administration	\$2,594,627	\$2,776,369	\$2,688,382
Other Support Activities	\$6,437,540	\$7,034,643	\$7,113,729
Central Administration	\$3,332,176	\$3,376,963	\$3,534,254
TOTAL	\$42,544,307	\$44,813,317	\$46,202,257
ENDING BALANCE	\$2,883,765	\$2,359,896	\$2,447,311

*Data based on the BISD 2017-2018 Budget

Appendix III

GLOSSARY OF SELECTED STATE PROGRAMS

- **BASIC EDUCATION:** free, appropriate, 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, 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. Also selling meals and a la carte items to adults. The Bainbridge Island School District manages our own school lunch program.
- **PUPIL TRANSPORTATION:** transporting pupils to and from school, including between schools for educational purposes.