

2015-2016

BUDGET

Summary



Mount Vernon
High School



Mount Baker Middle School



Madison Elementary

Executive Summary

On behalf of the Mount Vernon School District and our Board of Directors, welcome to our 2015-16 budget summary. This publication is intended to provide an overview of our revenues and planned expenditures for the 2015-16 school year for each of our five budget funds – the General Fund, Capital Projects Fund, Debt Service Fund, Transportation Vehicle Fund, Associated Student Body Fund, and Private-Purpose Trust Fund.

The majority of the information that follows pertains to our General Fund, which makes up 88% of our total budget.

Thanks to voter approval of our 2014 Replacement Educational Programs and Operations Levy, an increase in state funding, and a projected increase in student enrollment, we have been able to include the following enhancements to our educational programs:

1. Continued reductions in Kindergarten – 2nd grade class sizes in most schools
2. New math curriculum materials in grades K-8 and in Algebra I, Algebra II, and Geometry
3. Additional professional learning time for teachers
4. Additional counseling support for both middle schools
5. An additional masters-level graduation specialist at Mount Vernon High School
6. Additional custodial time at the Mount Baker Commons to support use of our facilities by community groups

The Capital Fund budget for 2015-16 includes expenditures targeted for repayment of loans taken to complete past Mount Vernon High School construction projects and for continued support of our facilities planning process. Funds have also gone toward:

- The purchase of four additional portable classrooms to ease overcrowding at Mount Baker Middle School and Little Mountain, Centennial, and Madison Elementary Schools
- Security cameras and keyless door locks in all schools
- Additional mobile learning technology for students in all schools

Dollars budgeted in the Transportation Vehicle Fund will, again this year, go toward the purchase of several new buses.

The Associated Student Body Fund is managed by students and supports co-curricular and extra-curricular activities, primarily at the high school and middle school levels.

The 2015 legislative session made it apparent just how difficult it is for the legislature to comply with the Washington State Supreme Court's ruling in the McCleary school funding case. An equitable system for employee compensation that does not rely heavily on local levy funds is at the heart of the matter. In September, Governor Inslee called for a Legislative Work Group to continue problem solving, in advance of the 2016 session. Regardless of the outcome, we are committed to continuing to provide responsible oversight of all resources entrusted to us.

If you would like additional detail or have questions about any of the information provided in this document, I encourage you to contact Finance Executive Director Jennifer Larson (360-428-6178) or me (360-428-6181).

Thank you for your interest in our schools.



A handwritten signature in black ink that reads "Carl Bruner". The signature is written in a cursive, flowing style.

Carl Bruner
Superintendent,
Mount Vernon School District

Revenue Sources

How does the district receive its operating funds?

The major portion of the district's operational revenue (70.6 percent) is received from the State of Washington. The revenues received from the state are allocated based upon the enrollment of the district. Thus, student enrollment is the major driver behind the revenue base of the district. The anticipated full-time equivalent (FTE) student enrollment for the 2015/16 school year is 6,668 FTE. The sources of district revenues are listed below:

Description	Revenue	Percent
Local Taxes (Property Taxes)	\$13,756,861	16.4%
Local Nontax	\$2,962,371	3.5%
State, General Purpose	\$46,573,709	55.5%
State, Special Purpose	\$12,659,032	15.1%
Federal	\$7,730,115	9.2%
Revenue from other School Districts	\$190,000	0.3%

The State Legislature provides funding for:

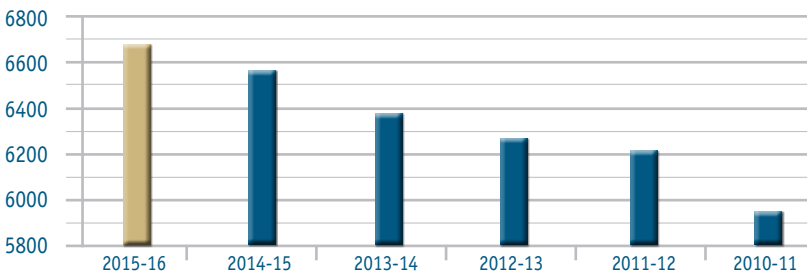
- Students with Disabilities
- Student Transportation
- Food Services
- Highly Capable Students
- Non-English Speaking Students
- Students with Special Learning Assistance Needs
- Improved Student Learning



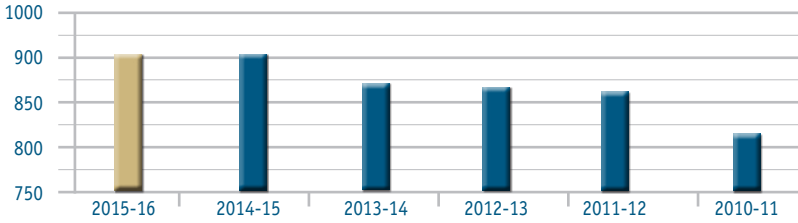
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The following graph provides a snapshot of the growth that Mount Vernon Schools have experienced in the last six years in the areas of basic education, special education and bilingual students.

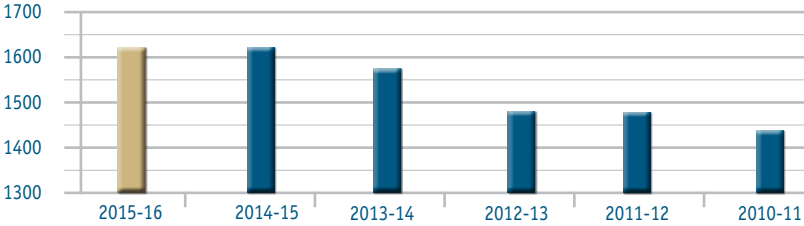
Basic Education Enrollment



Special Education Enrollment



Bilingual Enrollment



How do we determine employee staffing levels?

For every 1,000 students in the district, the state funds the following number of staff:

Staffing Category	Grades	Number
Instructional Staff (teachers)	K-1	47.96
Instructional Staff (teachers)	2-3	41.49
Instructional Staff (teachers)	4-12	46.0
Certificated Administrators	K-12	0.4
Classified Staff	K-12	17.02
Vocational Instructional Staff	9-12	1 to every 19.5 students

Classified staff include custodians, secretaries, paraeducators, bus drivers, food service and other positions that do not require a teaching certificate.

The number of instructional staff members generated through enrollment is converted to dollars depending upon years of teaching experience and educational training. The actual number of staff members hired by the district is a local decision.

District Staff	2014/15	2015/16	Change (±)
Administrators FTE	24.5	25.5	+4.1%
Certificated FTE	406.5	424.86	+4.5%
Classified FTE	286.7	299.48	+4.5%

Community support for schools

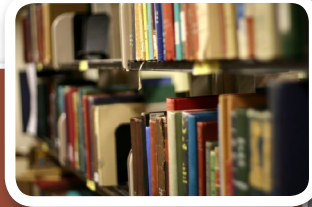
At the local level the district receives funding through levy and bond propositions, both of which are approved by voters and based upon local property valuations.

A school levy is a tax paid by property owners for the maintenance and operation of the district. Bonds are used for new construction and major remodeling of our schools. An easy way to remember the difference between a levy and bond is: *'Levies are for learning, bonds are for buildings.'* One-fifth of the district's funding comes from levy dollars. The dollars collected are specifically earmarked to meet the identified needs critical to the educational development of our students.

Property owners pay a set amount for each \$1,000 of their assessed property value. Once approved, levy and bond rates cannot be increased. The amount per \$1,000 may decrease when community property values increase.

General Fund property taxes are levied and collected on a calendar year basis. The school district's budget year is from September 1 through August 31. The budget expects to collect \$13,756,861, which is the fall collection of the 2015 levy and the spring collection of the 2016 levy.

Similar to a magazine subscription, the levy payment expires at the end of a set amount of time, and community members are asked to renew their support for schools.



Levies are collected over a two-year period and support funding for:

- Staff development & training
- Student activities & athletics
- Building maintenance & upkeep
- Textbooks & computer software
- Gifted & special education programs
- Staffing to lower class sizes
- School buses

Education Programs & Operations Levy

Year	Levy	Rate/\$1,000
2015	\$13,328,831	\$4.277
2016	\$14,128,561	\$4.533 projected

The owner of a \$250,000 home is projected to pay \$1,133 ($250 \times \$4.533 = \$1,133$) in property taxes, which goes directly to the maintenance and operation of the Mount Vernon School District. Property tax statements for Mount Vernon School District taxpayers also list a "state school property tax." This money is collected by the state and distributed to school districts throughout the state according to student enrollment.

Technology Levy

Year	Levy	Rate/\$1,000
2015	\$2,061,440	\$.661
2016	\$2,061,440	\$.661 projected

The owner of a \$250,000 home is projected to pay \$165 ($250 \times \$.661 = \165) in property taxes, which goes directly to support technology needs in the district.

Property taxes: Paying for construction

The district makes bond principal and interest payments twice yearly, once after the fall tax collection (October 15) and once after the spring tax collection (April 15).

The Mount Vernon School District will make the following payments in 2015/16:

Year	Principal	Interest	Total
2015	\$5,322,230	\$683,127	\$6,005,357
2016	0	\$566,204	\$566,204

Because the fall collection is not sufficient to pay the December payment, the district must have enough money collected from the previous year, in addition to the fall collection, to make full payment.

Rates listed below are per \$1,000 valuation of taxpayer home and property:

Year	Levy	Rate/\$1,000
2015	\$6,278,000	2.014
2016	\$6,600,000	2.118 projected

The owner of a \$250,000 home is projected to pay \$530 ($250 \times 2.118 = \530) in property taxes that go directly to the repayment of school bonds.

Understanding The Funds

To better understand the budget, it is important to look at the various district funds that control the dollars. The first division of school district activities is by fund titles. The district has six separate funds. The General Fund, which is used for day-to-day operations, is by far the largest and the primary focus in this budget summary.

- General Fund
- Capital Projects Fund
- Debt Service Fund
- Transportation Vehicle Fund
- Associated Student Body Fund
- Private-Purpose Trust Fund



The General Fund, which is used for day-to-day operations, is by far the largest and the primary focus in this budget summary.

Understanding The Funds:

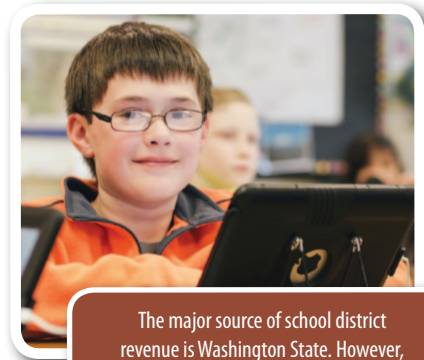
General Fund

The **General Fund** accounts for all cash and other resources required for the ordinary operations of the school district including all programs of instruction for students, maintenance of plant and facilities, administration of the district, food services and transportation. The General Fund cannot be used for those purposes for which special funds have been established except under special rules which apply to ASB expenditures and to expenditures in the Capital Projects Fund.

Summary of the General Fund Budget by Fiscal Year			
	2014/15 Budget	2015/16 Budget	Change
Revenues			
Local Taxes	\$13,033,194	\$13,756,861	5.6%
Local Nontax	\$2,728,598	\$2,962,371	8.6%
State, General Purpose	\$40,910,744	\$46,573,709	13.8%
State, Special Purpose	\$11,322,466	\$12,659,032	11.8%
Federal	\$7,173,193	\$7,730,115	7.8%
Rev from other SD/Agencies	\$190,000	\$190,000	0.0%
Other Financing Sources	\$0	\$0	
TOTAL REVENUES	\$75,358,195	\$83,872,088	11.3%
Expenditures			
Regular Instruction	\$39,771,596	\$45,228,955	13.7%
Special Education	\$10,740,754	\$11,785,289	9.7%
Vocational Instruction	\$1,921,508	\$2,234,865	16.3%
Skills Center	\$1,725,743	\$1,633,627	-5.3%
Compensatory Education	\$6,859,729	\$7,373,919	7.5%
Other Instructional Programs	\$708,413	\$785,541	10.9%
Community Services	\$170,000	\$170,000	0.0%
Support Services	\$13,199,598	\$14,332,545	8.6%
TOTAL EXPENDITURES	\$75,097,341	\$83,544,741	11.2%
Revenues Over/Under	\$260,854	\$327,347	
Transfers In/Out	-\$64,616	-\$64,616	
Beginning Fund Balance			
- Committed to Minimum	\$3,600,000	\$4,000,000	
- Unreserved	\$0	\$0	
ENDING FUND BALANCE	\$3,796,238	\$4,262,731	12.3%

General Fund Program Expenditures

The information below is intended to represent the sources of revenue used to support the program expenditures. As is illustrated, the major source of school district revenue is Washington State. However, not all programs operate solely on state or even federal funds. Many programs are supported with local levy dollars to supplement state and federal revenues. The column labeled local taxes may be spent in various programs.



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Revenue Sources for Expenditures: Fiscal Year 2014/15					
	Local Nontax Fund Balance	Local Taxes	State	Federal	Total Expenditures
*Basic Ed/Dist Support	\$2,355,024	\$9,841,707	\$41,261,063	\$170,723	\$53,628,517
Vocational Education			\$2,183,939	\$50,926	\$2,234,865
Special Education		\$2,952,315	\$7,053,021	\$1,779,953	\$11,785,289
Skills Center			\$1,599,076	\$34,551	\$1,633,627
Title I Funded Programs				\$1,780,781	\$1,780,781
LAP			\$2,055,256		\$2,055,256
Special Programs			\$831,833	\$250,000	\$1,081,833
Migrant				\$359,467	\$359,467
Bilingual			\$1,647,868		\$1,647,868
Highly Capable		\$139,681	\$65,860		\$205,541
Title II				\$378,521	\$378,521
Title III				\$320,193	\$320,193
Other Programs			\$580,000		\$580,000
Comm Services	\$70,000			\$130,000	\$200,000
Food Services	\$400,000		\$62,100	\$2,475,000	\$2,937,100
Transportation		\$823,158	\$1,892,725		\$2,715,883
TOTALS	\$2,825,024	\$13,756,861	\$59,232,741	\$7,730,115	\$83,544,741

*Basic Ed expenditures support the educational programs for all students enrolled in the MVSD.

General Fund Summary

General Fund Budget Breakdown

As a summary of expenditures, the General Fund budget may be divided into five major areas:

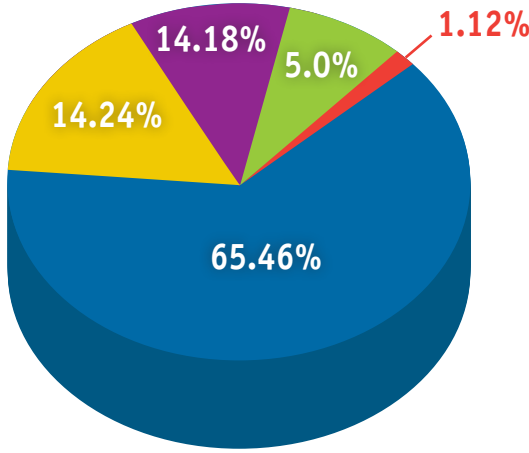
Direct Classroom Support, 65.46%: This category includes the salary and benefits for teachers and paraeducators for all programs including but not limited to basic education, special education, career and technical education, Running Start, alternative education, highly capable, bilingual and remedial classes.

Classroom Support, 14.24%: Included are salary and benefits for librarians, counselors, nurses, psychologists, language disorder specialists, therapists, music, technology, and staff in the principals' offices. Also included are equipment, supply and repair costs associated with these staff members.

Central Administration, 5.0%: This category includes expenses for maintenance, grounds, custodial, utilities, insurance, motor pool, and warehouse.

District-wide Support, 14.18%: This category includes expenses for the Board of Directors, Superintendent's Office, Business Office, Personnel Office, extra-curricular activities, transportation, food service, professional development, data processing, employee assistance program, and for the supervision of curriculum and instruction activities.

Safety and Security Support, 1.12%: This category includes salaries and benefits for playground supervision, crossing guards, disaster preparedness, intervention specialists, health services, and campus security.



Understanding The Funds:

Capital Projects Fund: Construction & Major Remodels

Major activities reflected in this year's Capital Fund include:

1. Continuation of the District's facilities planning efforts
2. The purchase of four additional portable classrooms to ease overcrowding at Mount Baker Middle School and Little Mountain, Centennial, and Madison Elementary Schools
3. Security cameras and keyless door locks in all schools
4. Additional mobile learning technology for students in all schools

The Capital Projects Fund includes all monies and resources set aside for construction projects, the acquisition of land or existing buildings, construction of buildings, certain purchases of new equipment, conducting energy audits, and remodeling of buildings. The replacement of roofs, carpets, and service systems may also be included in this fund. The Capital Projects Fund is financed through proceeds from the sale of bonds, state matching funds, special levies, developer impact fees, and investment earnings.

2015-16 Capital Projects Summary

Project	Budget
New Facility Planning	\$350,000
Minor Capital Projects	\$50,000
Debt Payment	\$871,286
Portables	\$300,000
Technology Levy	\$2,750,000
TOTAL	\$4,321,286



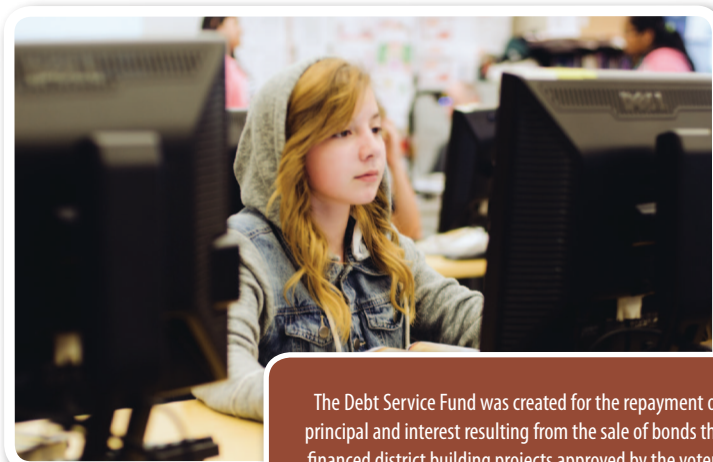
Understanding The Funds:

Debt Service Fund

The **Debt Service Fund** was created for the repayment of principal and interest resulting from the sale of bonds that financed district building projects approved by the voters. Provisions must be made annually for funds sufficient to meet payments of principal and interest. Collected debt service levy funds are held by the County Treasurer until bond maturity or interest payment dates.

Debt Service Fund: Summary Analysis of Expenditures

	2014/15 Budget	2015/16 Budget
Beginning Fund Balance	\$2,560,000	\$1,951,000
Revenues	\$6,080,132	\$6,450,338
Transfers In	\$500,259	\$935,902
Total Resources	\$9,140,391	\$9,337,240
Expenditures	\$6,430,984	\$6,721,561
Ending Fund Balance	\$2,709,407	\$2,615,679
Principal Payments	\$4,825,488	\$5,322,230
Interest	\$1,455,496	\$1,249,331
Transfer Fees	\$150,000	\$150,000
TOTAL EXPENDITURES	\$6,430,984	\$6,721,561



The Debt Service Fund was created for the repayment of principal and interest resulting from the sale of bonds that financed district building projects approved by the voters.

Understanding The Funds:

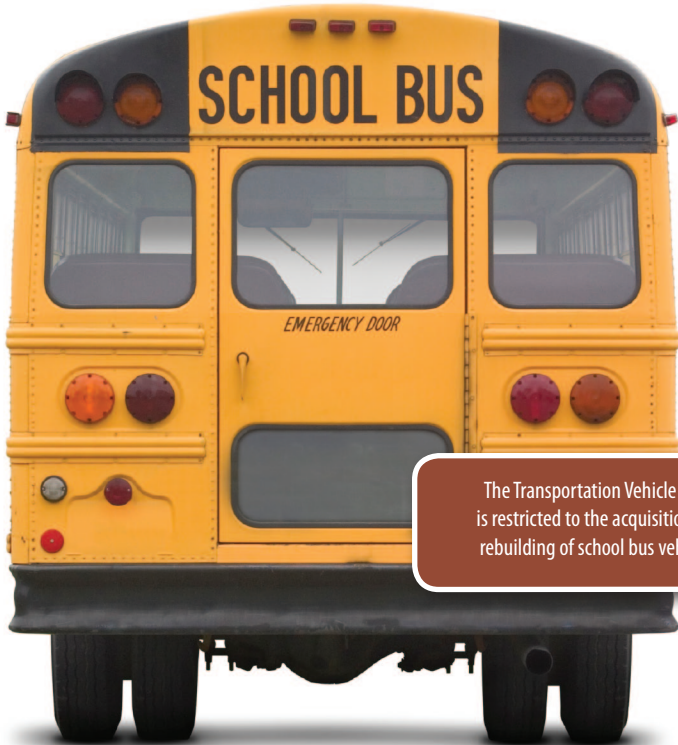
Transportation Vehicle Fund

The **Transportation Vehicle Fund** is restricted to the acquisition and rebuilding of school bus vehicles. All buses are on a state-adopted depreciation schedule, with revenues received from the state each September. Depreciation funds are meant to finance the cost of replacing aging buses.

Transportation Vehicle Fund revenues for the 2015/16 school year will be derived from state bus depreciation payments and investment earnings.

Transportation Vehicle Fund Summary

	2014/15 Budget	2015/16 Budget
Beginning Fund Balance	\$775,000	\$750,000
Revenues	\$601,000	\$551,019
Total Resources	\$1,376,000	\$1,301,019
Expenditures	\$800,000	\$1,000,000
Ending Fund Balance	\$576,000	\$301,019

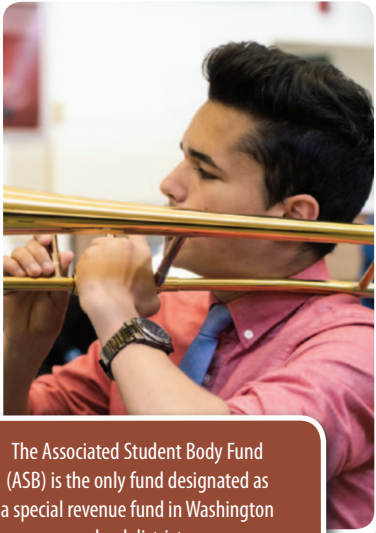


The Transportation Vehicle Fund is restricted to the acquisition and rebuilding of school bus vehicles.

Understanding The Funds:

Associated Student Body Fund

The **Associated Student Body Fund (ASB)** is the only fund designated as a special revenue fund in Washington school districts. This fund is financed by student body fees, activity gate receipts, and other approved student body fund-raising activities.



The Associated Student Body Fund (ASB) is the only fund designated as a special revenue fund in Washington school districts.

One of the purposes is to encourage the supervised self-government of associated student bodies. Policies and procedures to promote this goal have been established by the Board of Directors. The financial resources of the ASB are for the extracurricular benefit of the students. Their involvement in decision making processes is an integral part of the ASB government. ASB funds have been established at all grade levels. Student approval is required at the middle and high school levels, while the building principal is the approving signature at the elementary level.

Budgets are developed and approved at each school. Students at the middle and high school level approve the revenue and expenditure limits of their school and must live within those guidelines. The board of directors approves one budget, a composite of all schools.

Associated Student Body Fund Summary

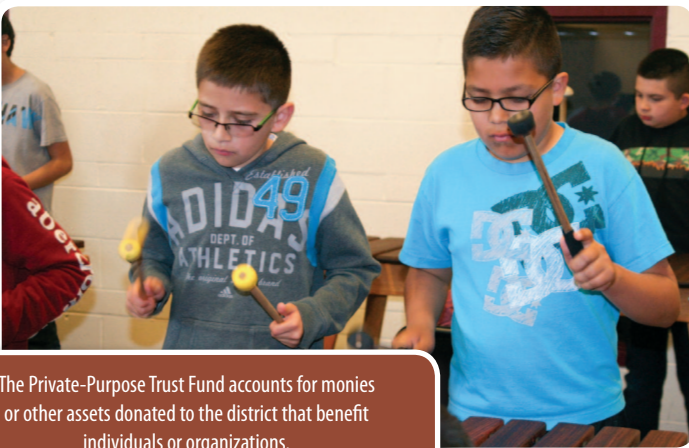
	2014/15 Budget	2015/16 Budget
Beginning Fund Balance	\$400,000	\$425,000
Revenues	\$714,213	\$762,690
Total Resources	\$1,114,213	\$1,187,690
Expenditures	\$624,652	\$648,938
Ending Fund Balance	\$489,561	\$538,752

Understanding The Funds:

Private-Purpose Trust Fund

The **Private-Purpose Trust Fund** accounts for monies or other assets donated to the district that benefit individuals or organizations. The authority to use the resources comes from the donor who specifies a use or range of allowed uses for assets to be held in trust.

Account	2012/13	2013/14
Art Scholarship	\$1,752	\$2
Herbert Dykers Scholarship	\$11,874	\$11,083
Latin Scholarship	\$170	\$170
FBLA Scholarship	\$1,085	\$1,086
German Scholarship	\$67	\$67
Marketing Scholarship	\$470	\$470
Spanish Scholarship	\$434	\$436
Earl Ellis Swimming Scholarship	\$8,543	\$8,549
Art McLeod Athletic Scholarship	\$308	\$309
High School InvestEd	\$26	\$3,216
LaVenture InvestEd	\$1,564	\$1,613
Mount Baker InvestEd	\$2,062	\$978
Walmart Scholarship	\$18	\$18
TOTAL	\$28,373	\$27,997



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We Welcome Your Opinions

The Mount Vernon School District Board of Directors encourages the entire community to attend school board meetings. Copies of the agenda for each board meeting are available at the superintendent's office and posted on our website at www.MountVernonSchools.org.

An opportunity to make presentations is welcomed during the public comment portion of the board meeting agenda. Visitors are also encouraged to comment on other agenda items.

You Are Invited

School board meetings are held the 1st and 3rd Wednesdays of each month at 6 p.m. at schools throughout the district. We encourage you to take advantage of these opportunities to make yourself heard!



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Our Mission

*To expect, encourage,
and facilitate the
pursuit of excellence
and life-long learning
in our students,
equipping them for
future success and
happiness.*

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All photos taken by MVHS Skagina Staff:
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Matthew Repplier, Cristina Rodriguez,
Rosaura Roque-Hernandez, Bailey Servoss,
Anna Strom, Susanna Williams, Hanna Zastoupil

Courtesy of class instructor Tim Hornbacher



Little Mountain Elementary