

School Board Action Report

“Every student achieving, everyone accountable”



DATE: June 17, 2009
FROM: Dr. Maria L. Goodloe-Johnson, Ph.D., Superintendent
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**STRATEGIC THEME/
FOCUS AREA:** Business and Operational Effectiveness

TITLE AND BRIEF DESCRIPTION

FY 2009-2010 Capital Fund Budget

For Introduction: June 17, 2009
For Action: July 1, 2009

TIMELINE FOR IMPLEMENTATION/EVALUATION

Revenues and Expenditures implementing this budget will occur during FY 2009-10.

RECOMMENDED MOTION

I recommend approval of the following motion:

I move the adoption of Resolution 2008/09-10, adopting the FY 2009-10 Capital Fund Budget.

ISSUE

The FY 2009-10 Capital Fund Budget is recommended at \$250,254,312. This level of expenditures supports \$227,454,312 of scheduled program costs and \$22,800,000 of reserves.

Funding to support the FY 2009-10 capital budget is estimated at \$250,254,312 and is comprised of two components: first, a cumulative fund balance of \$208,004,511 for end of FY 2008-09, and secondly, new revenues of \$83,920,638 for FY 2009-10. The bulk of new revenues are from capital levy receipts estimated at \$29,370,000 and bond securities earnings of \$35,692,318.

Each year the District adopts a Capital Fund Budget, covering expenditures during the next fiscal year for construction projects, technology projects, and equipment. Two voter-approved capital levies are the primary source of capital fund budget revenues. The levies are Building Excellence II (BEX II) and Buildings, Technology and Academics II (BTA II). Building Excellence III (BEX III) is funded by a voter approved bond issue.

The Capital Eligible Projects (CEP) fund is the only non-voter funded program in the Capital Fund. The CEP fund has limited revenue capacity and is used for isolated capital projects.

This resolution approves full use of accumulated Capital Fund budget capacity for financial execution of capital programs.

BEST PRACTICES

The Capital budget will:

- Provide funding for construction projects, technology projects and equipment.
- Allow scheduled implementation of capital projects
- Improve school buildings creating enhanced student learning environment
- Allow compliance with District and State rules and regulations

POLICY IMPLICATION

Policy G01.00 requires the Superintendent to present an annual budget to the school Board by the second meeting in June and states that the Board will adopt the budget as soon as it is practical.

RCW 28A.505.120 requires school districts to adopt a balanced budget.

RCW 28A.505.040 requires school districts to submit an approved budget to the local Educational Service District no later than August 31.

RESEARCH AND DATA SOURCES

Data provided by Capital Construction and Technology departments.

CONCLUSION/RECOMMENDATION

Approval of the Capital Fund Budget is necessary in order to allow scheduled implementation of capital projects. Because approval is for Capital Fund Budget capacity, the flexibility to reprogram and reprioritize capital requirements will still be possible. This resolution approves the recommended Capital Fund Budget, as introduced to the Board on June 17, 2009.

ATTACHMENTS

[Resolution 2008/09-10](#)
[Recommended Capital Budget Book](#)