

2026-27 Budget Development Update

July 7, 2026



The school district budget cycle

AUG.



School board adopts budget & sets expenditure capacity for each fund

FALL



Make operational adjustments based on actual enrollment, staffing levels and state updates

WINTER



Make projections after analyzing local, state and federal changes to revenue and expenditures

SPRING



Start developing next school year's budget. If necessary, begin formal process for reductions

SPRING/
SUMMER



Prepare budget by incorporating reductions/additions and changes made during Legislative session

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Budget Adoption Process

State law prescribes budget adoption process

- RCW 28A.505.040 Make budget available to public by July 10
- RCW 28A.505.060 Hold hearing and adoption
- RCW 28A.505.060 Adopt budget by August 31
- RCW 28A.505.090 Prepare budget in Office of Superintendent of Public Instruction (OSPI) state form F-195

2026-27 Budget adoption schedule

- July 7, 2026 Board meeting – budget development update
- July 21, 2026 First public notice of hearing and adoption
- July 28, 2026 Second public notice of hearing and adoption
- August 4, 2026 Board meeting – budget hearing and adoption
- August 5, 2026 Budget filed with Educational Service District 189 (ESD 189) and OSPI

General Fund

1. Enrollment
2. Revenues
3. Expenditures
4. Summary



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General Fund — Enrollment

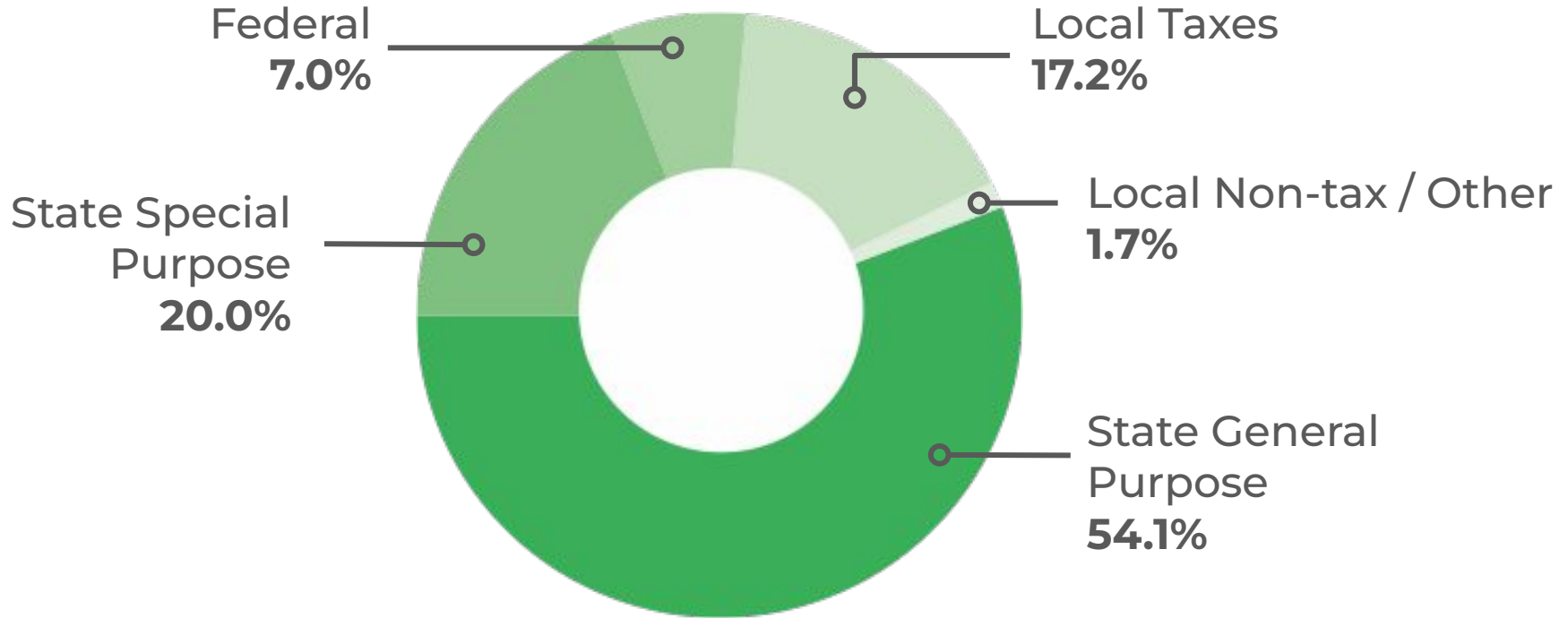
Annual Average FTE for Funding	Budget 2025-26	Estimated Actual 2025-26	DRAFT Budget 2026-27	26-27 Budget over (under) 25-26 Actual	26-27 Budget % Change 25-26 Actual
Elementary (K-5)	2,134	2,099	2,041	(58)	-2.8%
Middle (6-8)	1,132	1,112	1,123	11	1.0%
High (9-12)	1,399	1,412	1,370	(42)	-3.0%
Running Start/ Open Doors	105	130	130	(0)	0.0%
Transition to Kindergarten*	37	43	20	(23)	-53.5%
Total	4,807	4,796	4,684	(112)	-2.3%

*Transition to Kindergarten 2025-26 funding capped at 43 FTE and 2026-27 capped at 20 FTE

General Fund — Revenue Summary

General Fund Revenues and Other Sources	Budget 2025-26	DRAFT Budget 2026-27	26-27 Budget over (under) 25-26 Budget	Budgeted Revenue % Change
Local Taxes	16,093,984	17,263,540	1,169,556	7.3%
Local Non-tax	1,299,845	1,338,831	38,986	3.0%
State General Purpose	54,473,727	54,490,827	17,100	0.0%
State Special Purpose	18,863,186	20,110,874	1,247,688	6.6%
Federal General Purpose	11,000	10,000	(1,000)	-9.1%
Federal Special Purpose	7,084,375	7,077,354	(7,021)	-0.1%
Other Revenues/Sources	270,000	343,676	73,676	27.3%
Total Revenues/Sources	98,096,117	100,635,102	2,538,985	2.6%

Revenue Summary



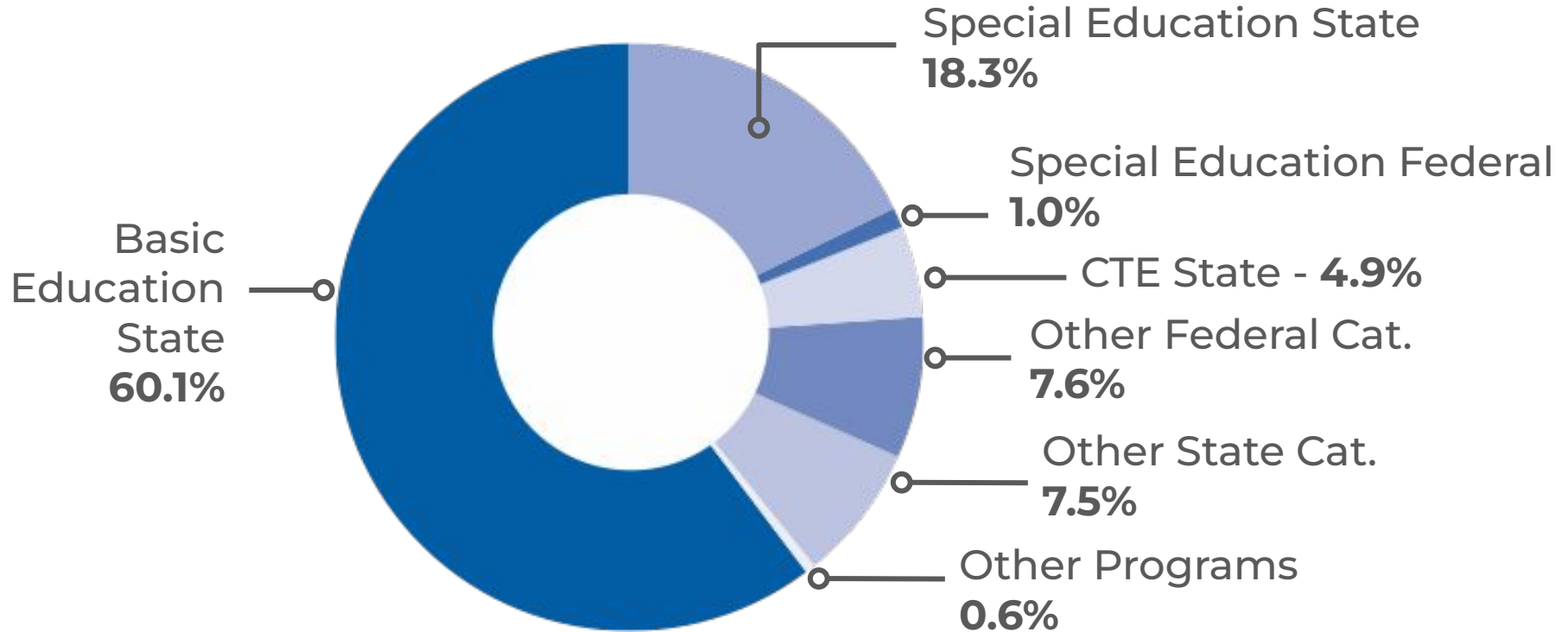
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General Fund - Expenditures by Program Summary

Expenditures by Program	Budget 2025-26	DRAFT Budget 2026-27	26-27 Budget over (under) 25-26 Budget	Budgeted Expenditure % Change
Basic Education State	59,814,764	61,126,978	1,312,214	2.2%
Career & Technical Education State	4,999,224	5,006,260	7,036	0.1%
Special Education State	17,765,508	18,589,075	823,567	4.6%
Special Education Federal	1,042,341	1,027,185	(15,156)	-1.5%
Other Categorical State	7,489,821	7,678,246	188,425	2.5%
Other Categorical Federal	7,815,300	7,721,584	(93,716)	-1.2%
Other Programs	560,579	604,417	43,838	7.8%
Total Expenditures	99,487,537	101,753,745	2,266,208	2.3%

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Program Summary

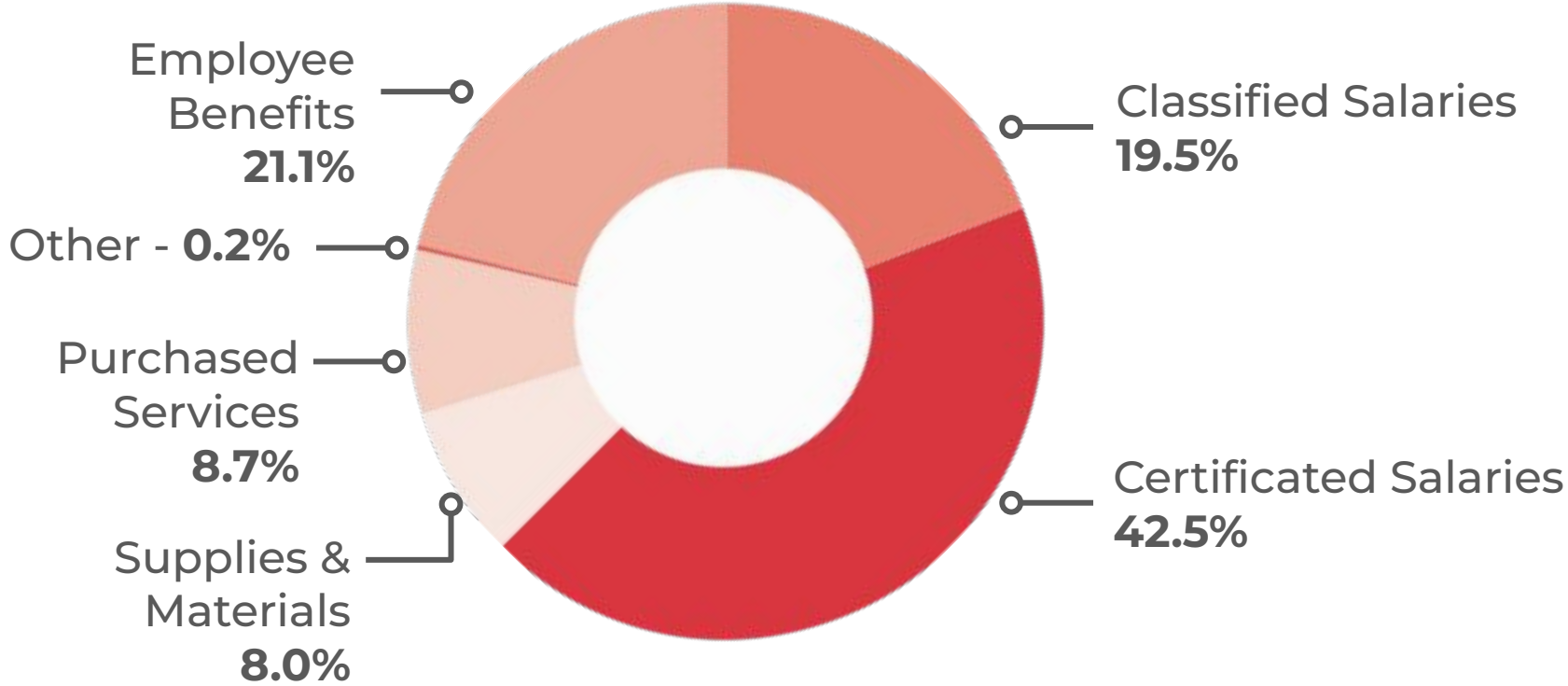


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General Fund — Expenditures by Object Summary

Expenditures by Object	Budget 2025-26	DRAFT Budget 2026-27	26-27 Budget over (under) 25-26 Budget	Budgeted Expenditure % Change
Certificated Salaries	43,035,084	43,282,609	247,525	0.6%
Classified Salaries	19,072,249	19,793,724	721,475	3.8%
Employee Benefits/Payroll Taxes	20,857,926	21,487,486	629,560	3.0%
Supplies and Materials	8,609,472	8,084,254	(525,218)	-6.1%
Purchased Services	7,672,091	8,869,238	1,197,147	15.6%
Travel	109,215	123,434	14,219	13.0%
Capital Outlay	131,500	113,000	(18,500)	-14.1%
Total Expenditures	99,487,537	101,753,745	2,266,208	2.3%

Object Summary



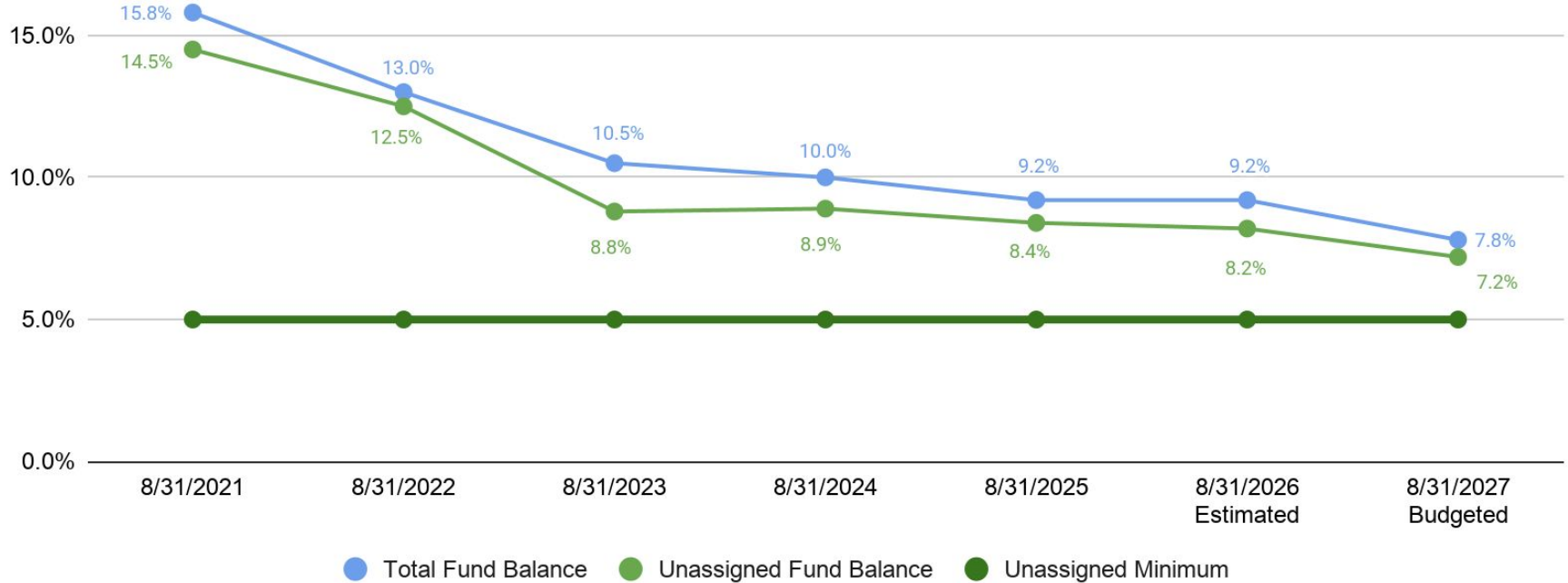
General Fund — Summary

General Fund	DRAFT Budget 2026-27
Beginning Fund Balance	8,700,000
+ Revenues	100,635,102
- Expenditures	(101,753,745)
<i>Revenues over (under) expenditures</i>	<i>(1,118,643)</i>
Ending Fund Balance	7,581,357
<i>Restricted, Committed, Assigned</i>	<i>650,000</i>
<i>Unassigned</i>	<i>6,931,357</i>
<i>Unassigned % of Estimated Revenues</i>	<i>7.2%</i>

General Fund budget includes:

- Reductions per Reduced Educational Plan
- 2.6 percent increase in budgeted revenues
- 2.3 percent increase in budgeted expenditures
- Lowest fund balance in March or June
- Ending fund balance above board minimum

General Fund — Fund Balance Trend



General Fund — Fund Balance Categories

Total fund balance includes the following categories:

- **Nonspendable** — inventory and prepaid invoices
- **Restricted** — unspent grants and other legally restricted items
- **Committed** — board-identified commitments (currently not used)
- **Assigned** — management-identified assignments (ex: school budget carryover)
- **Unassigned** — amount left after deducting the above items

Board policy sets fund balance minimum:

- Reserved fund balance of at least 5% of revenues (less budget capacity)
- Minimum fund balance reserve is part of unassigned fund balance

Other Funds



1. **Associated Student Body (ASB)**
2. **Debt Service**
3. **Capital Projects**
4. **Transportation Vehicle**

Associated Student Body Fund — Summary

ASB Fund	DRAFT Budget 2026-27
Beginning Fund Balance	790,048
+ Revenues	777,090
- Expenditures	(1,326,280)
<i>Revenues over (under) expenditures</i>	<i>(549,190)</i>
Ending Fund Balance	240,858
<i>Restricted for Fund Purposes</i>	<i>240,858</i>
<i>Unassigned</i>	<i>-</i>

ASB Fund budget includes:

- Student fundraising and spending for:
 - General ASB
 - Athletics
 - Classes
 - Clubs
- Planned spend-down of fund balance

Debt Service Fund — Summary

Debt Service Fund	DRAFT Budget 2026-27
Beginning Fund Balance	5,400,000
+ Revenues	11,872,507
- Expenditures	(11,535,219)
<i>Revenues over (under) expenditures</i>	337,288
Ending Fund Balance	5,737,288
<i>Restricted for Debt Service</i>	5,737,288
<i>Unassigned</i>	-

Debt Service Fund budget includes:

- Principal and interest on two outstanding bond issues
- Revenues from tax receipts to support these payments

Capital Projects Fund — Summary

Capital Projects Fund	DRAFT Budget 2026-27
Beginning Fund Balance	2,518,700
+ Revenues	1,568,695
- Expenditures	(3,522,823)
<i>Revenues over (under) expenditures</i>	<i>(1,954,128)</i>
Ending Fund Balance	564,572
<i>Restricted and Committed</i>	<i>44,797</i>
<i>Assigned to Fund Purposes</i>	<i>519,775</i>
<i>Unassigned</i>	<i>-</i>

Capital Projects Fund budget includes:

- New Safety and Infrastructure levy projects
- Expired levy projects
- State match funded projects
- Expenditure capacity for emergent needs

Transportation Vehicle Fund — Summary

Transportation Vehicle Fund	DRAFT Budget 2026-27
Beginning Fund Balance	941,000
+ Revenues	770,000
- Expenditures	(1,075,000)
<i>Revenues over (under) expenditures</i>	<i>(305,000)</i>
Ending Fund Balance	636,000
<i>Restricted for Fund Purposes</i>	<i>636,000</i>
<i>Unassigned</i>	-

Transportation Vehicle Fund budget includes:

- State allocation adjusted for legislative change to bus depreciation schedule
- Budget for six buses previously ordered
- Additional capacity for future bus purchases

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Thank You!



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