



---

# **Nine Mile Falls**

**School District 325/179**

---

## **Citizen's Guide to the District Budget 2023-2024**

---

Nine Mile Falls School District, No. 325/179  
10110 W Charles Rd, Nine Mile Falls, WA 99026  
509-340-4300 • [www.9mile.org](http://www.9mile.org)

Contents

Board of Directors .....3

Central Administration .....3

From the Desk of the Superintendent .....4

District History, Schools, and Programs .....5

Enrollment and Staffing .....9

Enrollment and Staffing FTE .....11

Enrollment Trends .....12

The Budget .....14

2023-2024 Proposed Budget at a Glance.....14

District Funds .....15

Revenues by Fund.....16

Fund Variance Information .....17

General Fund Revenue .....19

Revenue Source Descriptions .....20

General Fund Expenditures .....22

Expenditure Activity Categories .....24

Your Tax Dollars at Work for Our Kids .....30

Glossary of Terms .....37



## Board of Directors

**Greg Flemming, Board Chair**

**Kyle Yancey, Vice Chair**

**Kirsten Foose, Director**

**Eric Olsen, Director**

**Mac Mikkelsen, Director**

## Central Administration

**Jeff Baerwald, Superintendent**

**Claire Olson, Executive Director of Business**

**Peter Elzey, Director of Curriculum, Instruction, & Assessment**

**Michelle Mace, Director of Student Services**



# From the Desk of the Superintendent

Nine Mile Falls School District Community Members,

The *Citizens Guide to the District Budget* is financial information in an easy to understand format that is designed to help foster deeper understanding of how schools receive funding and how we in Nine Mile Falls prioritize how to spend our revenue. Thank you for taking the time to review the information in this guide.

Each year, the budget is prepared in the late spring based on our best information at the time. As we learned during the global pandemic, we must always have the ability to adjust the budget as circumstances change. Once the budget is prepared it is presented to and reviewed by the Nine Mile Falls School Board in July for their approval. As part of this process, a public hearing is held during the board meeting in order to allow any community members to ask questions or address concerns regarding the budget. The budget approval process also includes a formal review by the Northeast Educational Service District (NEWESD 101) and ultimately, approval by the Office of Superintendent of Public Instruction (OSPI).

During the pandemic years budgeting was significantly more challenging due to all of the uncertainties. Although the Nine Mile Falls School District experienced a significant loss in student enrollment during the first year of the pandemic, our enrollment has climbed back up slowly. Despite seeing what we would consider significant growth in enrollment during the 2022-2023 school year, the district's enrollment is still below the pre-pandemic level. Even though we experienced increased growth last year, we continue to take a conservative approach for our enrollment projections for the 2023-2024 school year and beyond.

During the pandemic the District received additional Federal dollars through the Elementary and Secondary School Emergency Relief Funds (ESSER). These funds were used to purchase PPE during the pandemic, add additional staffing during the 2021-2022 school year, purchase student technology, and replace student tables with desks. We have also used these ESSER dollars to update and/or repair failing HVAC equipment at Nine Mile Falls Elementary School and Lake Spokane Elementary School. Also, due to the enrollment increase we experienced this past school year, we utilized these one-time ESSER dollars to purchase an addition portable building and refurbish portions of the HVAC system at Lakeside High School. Overall, these dollars have been extremely helpful for providing much needed improvements to our facilities.

Since the pandemic we have increased access to online learning for middle and high school students and also launched the Nine Mile Family Partnership. The Nine Mile Family Partnership was specifically created to support families in our district and area in the at-home education of their children in grades K-7.

As you make your way through this document, I believe you will see that the district continues to effectively manage resources and maximize the use of our dollars to benefit our students and community. We appreciate that you've taken the time to review this information and thank you for your continued support of our schools and students. Should you have any questions about the information in this document, please do not hesitate to call me or Nine Mile Fall's Executive Director of Business, Claire Olson.

Sincerely,



Jeff Baerwald  
Superintendent



# District History, Schools, and Programs

## District History

The Little Spokane School District, No. 41 was established on July 18, 1891. The largest enrollment for this District was approximately seventeen (17) students. From this humble beginning, the Nine Mile Falls School District has grown to what we are today – with an annual average of 1,341 (FTE) students. The District was actually formed by combining nine (9) school districts. Today the Nine Mile Falls School District follows both sides of the Spokane River (in both Spokane and Stevens Counties) for approximately 30 meandering miles from Seven Mile Road on its southern boundary to Scoop Mountain on the northern edge. The District covers 71 square miles, and at its widest spot, spans 8.5 east to west from Wallbridge Road to Richey Road, serving students in our two elementary schools, a middle school, and a high school.

## Nine Mile Falls Elementary | Home of the Lakers



Currently a K-5 building, this was the original school in the District with a K-8 enrollment of sixty (60) students in 1960. The original school was demolished and additions were made in 1966, 1975, and 1981. A separate gymnasium was constructed in 1977. The 1966 portion of the building was modernized in 1994. In 2007, the voters of the District approved a \$12.4 million bond issue to modernize and provide additions to the District's two elementary schools. Additionally, the State contributed over \$6 million in matching construction funds for these projects. Construction began in September 2008 and was completed in the fall of 2009. Improvements included the updating of all facilities, the paving of the parking lots, and complete landscaping of the grounds. A 3,500 square-foot addition was constructed, which connected the main school and the previously detached gymnasium. Multimedia systems were added to each classroom to improve instruction. All reportable asbestos was removed from the building during this construction process. Safety improvements were paramount including the addition of a fire suppression system. New systems were also added for building access. Use of the existing well for domestic use was abandoned, and a link to a public water system was made. This new water system included the addition of a water tower to aid in fire suppression. The old well is only used for irrigation purposes. In the Summer of 2022, the District began HVAC updates, using Elementary and Secondary School Emergency Relief Fund (ESSER) dollars, to the building with the plans for completion in the Summer of 2023. The Summer of 2023 also includes a gym roof repair and new security camera system to be installed.



### Lake Spokane Elementary | Home of the Mustangs



Currently a PK- 5 building, this building opened in the fall of 1977 with five classrooms, a library, and a multi-purpose room. In 1980, ten (10) attached portable classrooms were added to accommodate the growth in the area. In 1984, an office and four (4) additional classrooms were added followed by eight (8) more classrooms in 1995; a separate gymnasium was also constructed in 1995. The construction project of 2007 mentioned in the Nine Mile Falls Elementary section (combined over \$18 million) allowed the District to completely modernize the permanent facilities, replace the ten (10) portables with sixteen (16) newly constructed classrooms and to connect the gym with the rest of the facility creating one complete unit. The library, gymnasium, special services, and office areas were completely reorganized, expanded, and modernized. Multimedia systems were added to each classroom for improved instruction. New systems were also added for building access. Newly landscaped areas, driveways, and parking areas were updated as well. The safety of the school was enhanced by the redesign of the school into a continuous layout with improvement to access control and the addition of an enclosed courtyard for use with our early learning students. The outside play areas were revised and upgraded with flexibility in mind. All reportable asbestos was removed from the building. The building components were substantially completed in time for the opening of the 2009-2010 school year, and the playground improvements were completed by the start of the year as well. In the summer of 2022, the District began HVAC updates, using Elementary and Secondary School Emergency Relief Fund (ESSER) dollars, to the building. This project was completed in 2023. Through the 2022-2023 school year, the district added a gravel loop to the parking lot to increase space for student pick-up and drop-off. The Summer of 2023 brings a security camera installation project for this building for added security.



### Lakeside Middle School | Home of the Eagles



Currently a 6-8 building, this building opened its doors for students in September 1998. Prior to this time, middle school students were housed at Lakeside High School. The building contains classrooms in wings for each grade level as well as a full-sized gymnasium, and auditorium, and a cafeteria. The building can accommodate 540 students. The thirty-acre site includes athletic fields: baseball, softball, soccer, football, and track. In 2018, the voters of the District approved a \$3.4 million capital levy to address the failing HVAC and roofing system at the middle school along with other safety-related concerns. The project began just after students exited for the summer, and the bulk of improvements and replacements were completed by the start of the 2018-2019 school year. Additional improvements included: an enhanced camera and security system and a new intercom system.

The middle school also offers an alternative learning program for those students who are more successful in an alternative setting, who may attend a partial school day in-person, or who are in need of structures that will allow for successful re-entry into a traditional school setting.

### Lakeside High School | Home of the Eagles



Currently a 9-12 building, this building actually opened as a 7-12 building in September of 1990 and celebrated its first graduation with the class of 1993. Since that time, upgrades have been made to flooring, HVAC, camera security, and the student parking among other projects completed over the years. The building poses educational and safety concerns due to the layout and accessibility. One of the educational concerns was addressed in 2016 when the District received a Science, Technology, Engineering and Mathematics (STEM) Facility Grant in the amount of \$1.2 million. This grant provided the opportunity to have a portable science lab (including two (2) classrooms) built next to the other portable building. In the 2021-2022 school year, the roof began to fail over the Wood Shop and gym and a large patch is currently over this portion of the roof. In the summer of 2022, using Elementary and Secondary School Emergency Relief Fund (ESSER) dollars, the building is receiving an additional portable with two (2) classrooms for additional classroom space and a refurbish project for the HVAC system, which is scheduled to be completed in 2023.





Lakeside High School continues to offer a wide-variety of learning opportunities for our students including several STEM-focused opportunities, dual credit opportunities allowing students to earn college credit in classrooms, credit retrieval opportunities throughout the day for students in order to support each student in their path toward graduation.

The high school also offers an alternative learning program for those students who are more successful in an alternative setting, who may attend a partial school day in-person, or who are in need of structures that will allow for successful re-entry into a traditional school setting.

### **Nine Mile Family Partnership Program**



This program began in the 2021-2022 school year to provide another option to the families in our District. The program is currently housed in our Nine Mile Falls Elementary building and began with a K-5 option for enrollment. In the 2022-2023 school year, the program expanded to include 6<sup>th</sup> grade, and in 2023-2024, the program will expand again to include 7<sup>th</sup> grade. This program operates under the Washington State Alternative Learning Experiences (ALE) rules. The District's two (2) dedicated certificated teachers work together with families and students to ensure a quality learning opportunity for each child.

### **Continual Progress**

Improvements to the District facilities are ongoing. The District maintenance and custodial staff work each year to keep the schools clean, safe, and attractive for all stakeholders and constituents. The District instructional, support, and administrative staff continuously work to provide quality educational and extracurricular programs to improve the opportunities for the "whole child." The District has also been the beneficiary of great partnerships that have helped to enhance the facilities. We are grateful to our business and community partners who continue to provide support and services for our students, staff, and schools.





# Enrollment and Staffing

The Nine Mile Falls School District serves approximately 1,400 full- and part-time students with varied needs and abilities. With nearly 300 full- and part-time staff including teachers, substitutes, support staff, coaches, and administrators (certificated and classified staff), we work together to live our District Foundations.



In order to best understand the District's budget, it is important to start with the importance of student enrollment.



The majority of the revenue the District receives from the State is determined by student enrollment. Student enrollment is measured by using either the Annual Average Full-Time Equivalent (AAFTE) or Headcount:

- **AAFTE** measures the average amount of time a student is enrolled during a school year and is used as the first piece in the funding model. To be counted as full-time, a student must be enrolled for a minimum number of minutes on each count day (currently 1,665 weekly instruction minutes for grades K-12) for school months running from September through June. Students who attend less than full-time are considered less than 1.0 FTE. For example, a student who is enrolled full-time (every day, all day, for the entire year) is considered to be a 1.0 FTE; however, if a student only attends a half-day each for the entire year, this student is considered to be a 0.5 FTE. Students in Running Start can be considered up a 1.2 FTE if they are taking a full schedule at the college/university and class(es) at the high school.
- **Student Headcount** reflects the actual number of students who attend on a given day regardless of the number of minutes per day they actually attend. This number is generally used for considering physical capacity in the buildings and classrooms. Using the above examples of a 1.0, 0.5, and a 1.2 FTE student, each student would count as one (1) student using the headcount method.
- **Prototypical School Size** is a fixed theoretical school size that is used for modeling purposes and funding. It's important to note here that when 6<sup>th</sup> grade is part of the middle school, the 6<sup>th</sup> grade students generate staff at the elementary funding level.

Category	Elementary (K-6)	Middle (7-8)	High (9-12)
<b>Base Enrollment</b>	400	432	600

- **Staffing FTE** measured with a 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 example, a 1.0 FTE teacher's base contract includes 180 days a year, for 7.50 hours per day. Administrative staff work 260 days a year for at least 8 hours per day.
- **Staffing FTE Funding** for both certificated or instructional staff and classified staff (all non-certificated staff), is determined by the AAFTE for each school using the state funding formula and building-specific needs.



# Enrollment and Staffing FTE

## 3-Year History of Student FTE with 2022-23 Projection

Grade	2020-21 Student AAFTE	2021-22 Student AAFTE	2022-23 Student AAFTE	2023-24 Student Budgeted AAFTE
<b>K</b>	78.00	99.13	91.80	87.68
<b>1</b>	78.10	80.90	101.12	110.04
<b>2</b>	75.82	81.60	97.10	105.45
<b>3</b>	100.30	82.70	89.52	100.17
<b>4</b>	90.68	102.40	86.20	92.32
<b>5</b>	97.60	88.81	106.85	88.71
<b>6</b>	104.90	91.83	99.70	104.87
<b>7</b>	103.57	112.72	95.04	101.10
<b>8</b>	116.90	105.20	121.50	97.54
<b>9</b>	117.11	132.14	122.90	130.22
<b>10</b>	115.20	114.23	117.92	118.78
<b>11</b>	103.63	83.75	93.53	93.80
<b>12</b>	79.80	86.97	82.76	84.57
<b>RS*</b>	63.13	54.73	54.30	57.20
<b>OD*</b>	1.34	1.33	1.80	1.99
<b>ALE*</b>	0.09	60.29	42.82	38.55
<b>Total</b>	<b>1326.17</b>	<b>1378.73</b>	<b>1404.86</b>	<b>1412.99</b>

## 3-Year History of Staffing FTE with 2023-24 Projection

	2020-21 Staff FTE	2021-22 Staff FTE	2022-23 Staff FTE	2023-24 Staff Budgeted FTE (includes budgeted capacity)**
<b>Cert*</b>	101.032	112.528	107.728	116.784
<b>Class*</b>	43.810	47.472	47.664	53.926
<b>Total</b>	<b>144.842</b>	<b>160.00</b>	<b>155.392</b>	<b>170.710</b>

\*RS = Running Start

\*OD = Open Doors/Dropout Reengagement

\*ALE = Alternative Learning Experience

\*Cert = Certificated, or Instructional, Employees

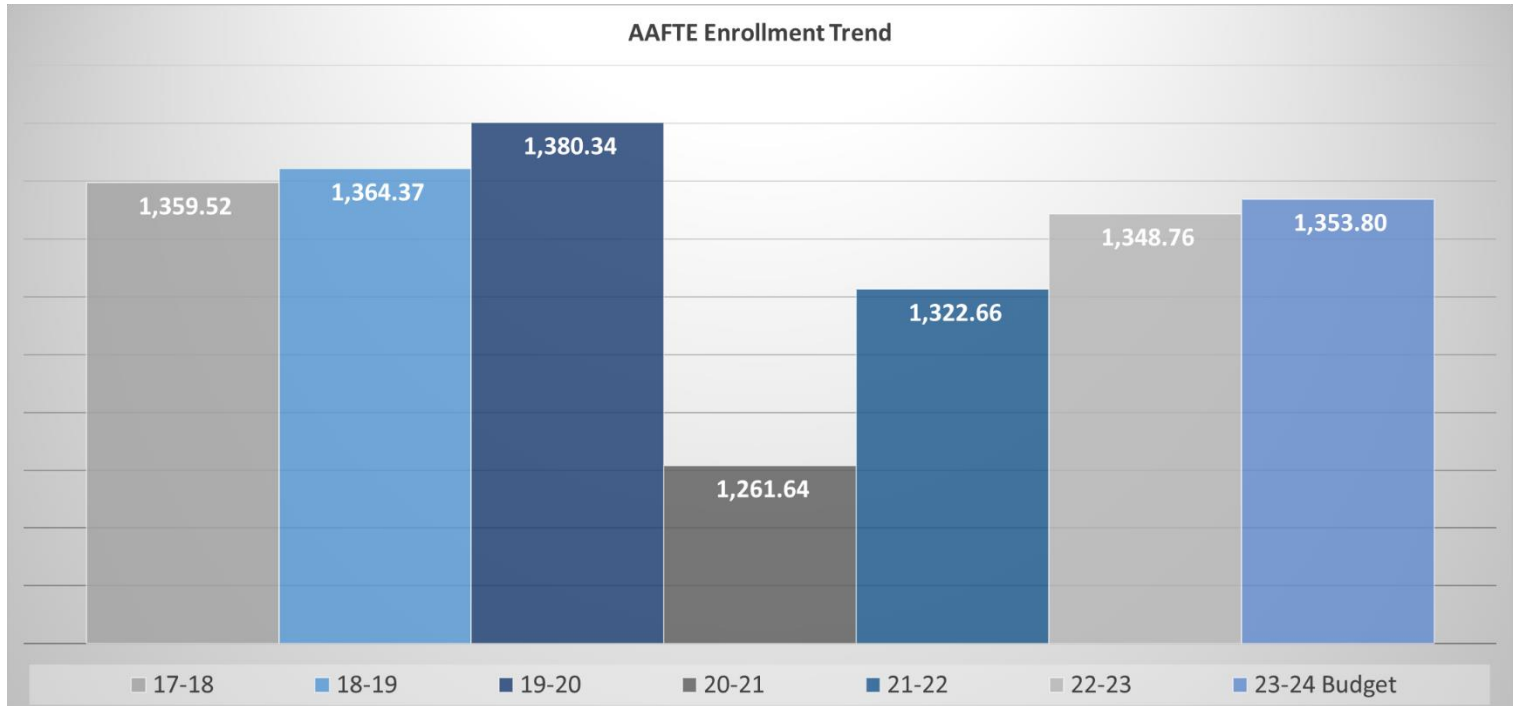
\*Class = Non-Certificated Employees

\*\*Budgeted Staff FTE includes subs, long term subs, coaches, etc.



# Enrollment Trends

## Student Enrollment FTE Trends\*

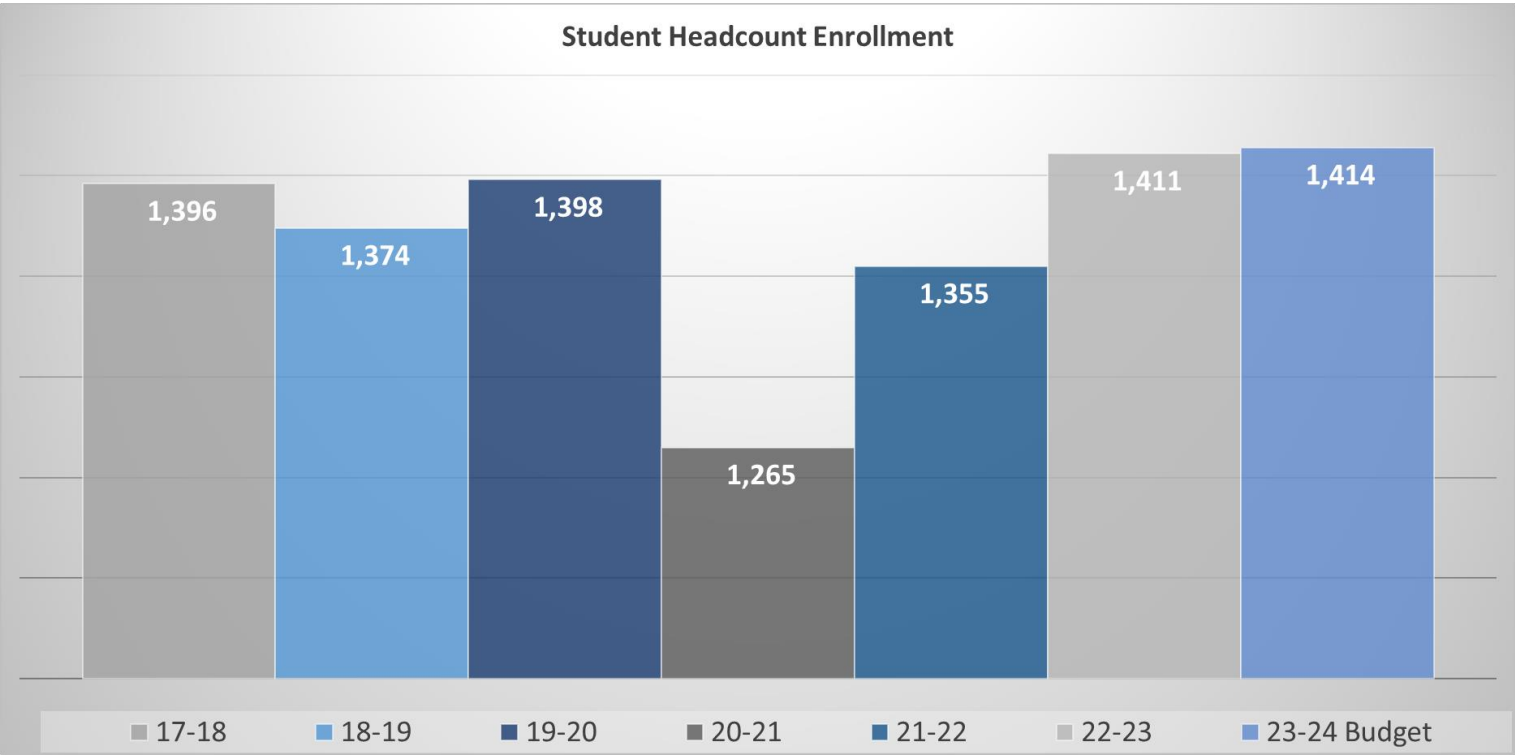


This data shows the consistency in enrollment numbers between the 2017-2018 school year and the 2018-2019 school year with growth in the 2019-2020 school year before the COVID-19 pandemic. The recent impacts of the COVID-19 pandemic on enrollment can be seen in the 2020-2021 school year with a slight rebound in the 2021-2022 school year. The 2022-2023 school year brought additional enrollment growth.

With this information, the District planned conservatively with the 2023-2024 budgeted student FTE. The reason behind this is that Washington State will make an adjustment to the District's funding in January – if the District overstates enrollment projections, the State will recoup those dollars over the remaining months; if the District under-projects AAFTE student enrollment, the State will increase the District funding over the remaining months. Additionally, if the District finds the projection is too low, or too high, at the beginning of the year, the District can request the State adjust funding accordingly earlier in the year.

\*Numbers include ALE student numbers

Student October Headcount Trends



The October headcount numbers are used by the State as a snapshot of data and are frequently used in data collection reporting.

The 2023-2024 projected headcount number is a rough number based on the 2022-2023 difference between the AAFTE numbers and the October headcount numbers of previous years.



# The Budget

The District's fiscal year begins September 1<sup>st</sup> and ends August 31<sup>st</sup>.

The budget is a financial tool that guides the collection and distribution of resources in accordance with state law, OSPI regulation, the Board's educational priorities, District policies, and proven financial management principles.

The budget process begins each year in late winter and is worked through in several stages – each with its own deadline. The District's full budget must be sent to the NorthEast Washington Educational Service District (NEWESD) 101 by July 10<sup>th</sup> each year. Once approved at this level, the full budget is presented in a public meeting for the School Board to approve no later than August 1<sup>st</sup> each year (as we are a second class District – a rating based on size). This budget presentation will also include a four-year projection on enrollment and the overall budget for each fund along with any requested changes to the levy plan.

## 2023-2024 Proposed Budget at a Glance

2023-2024 Summary by Fund	General Fund	ASB Fund	Capital Projects Fund	Debt Service Fund	Transportation Vehicle Fund	Total Funds
Beginning Fund Balance	\$ 2,951,087	\$ 206,471	\$ 139,700	\$ 811,913	\$ 123	\$ 4,109,294
Total Revenues	\$ 23,767,984	\$ 281,240	\$ 38,300	\$ 661,112	\$ 2	\$ 24,748,638
Other Financing Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ (23,833,536)	\$ (443,593)	\$ (50,000)	\$ (722,250)	\$ -	\$ (25,049,379)
Transfers Out	\$ -	\$ -	\$ (20,550)	\$ -	\$ -	\$ (20,550)
Net Change in Fund Balance	\$ (65,552)	\$ (162,353)	\$ (32,250)	\$ (61,138)	\$ 2	\$ (321,291)
Ending Fund Balance	\$ 2,885,535	\$ 44,118	\$ 107,450	\$ 750,775	\$ 125	\$ 3,788,003



# District Funds

In order to best manage resources and comply with both State and Federal school accounting requirements, school districts use five (5) main funds:

## General Fund

This fund accounts for all financial resources of the school district except those accounted for in a separate fund. Activities that occur in the fund include, but are not limited to, salaries, benefits, food services, custodial and maintenance support, transportation operations, and central administration costs. Revenue sources primarily include State allocated dollars based on student enrollment, local property taxes, State special purpose grants, Federal general and special purpose grants, and local non-tax revenue.

## Capital Projects Fund

This fund is used to acquire or construct major capital facilities, technology upgrades, or small capital projects. Projects within this fund may also include the purchase of land and construction of new buildings. Revenue sources include bonds, capital projects levies, and the sale or lease of property.

## Debt Service Fund

This fund is used to manage bond-related debt obligations for both voted and non-voted debt. These bonds are sold to fund capital improvements across the District. Revenues for this fund come from local property taxes.

## Associated Student Body (ASB) Fund

This is a special fund for revenues and expenditures specifically related to the student body and approved by the student body. Each student organization prepares and submits an annual budget for summation and approval by the Board. Revenues within this fund include a transfer from the District's general fund each year for athletics, dollars from fundraisers, and student fees.

## Transportation Vehicle Fund

This fund is used for the purpose of purchasing, repairing, and rebuilding school buses for student transportation. The primary revenue source for this fund is the bus depreciation payments received from the State.

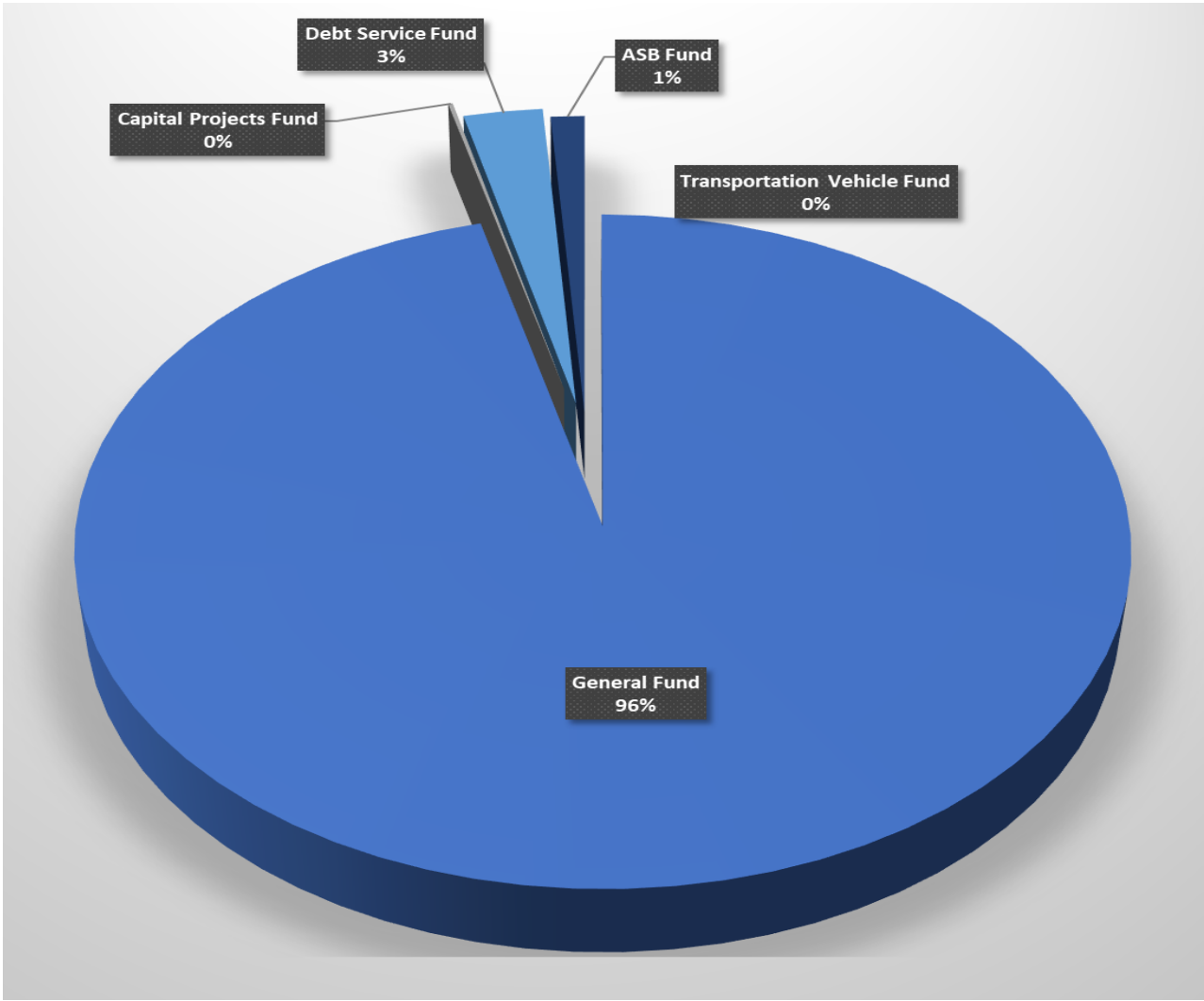
*State law does not allow funds from the Capital Projects or the Transportation Vehicle Fund to be transferred to, and used in, the General Fund, to offset reductions or needs, such as staffing reductions or other reductions. Funds within the ASB Fund may not be transferred to, and used in, any other funds.*





# Revenues by Fund

The following chart reflects the 2023-2024 budgeted revenue dollars for each fund as a percentage of the total district revenue.



Fund	2020-2021 Actual	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted
General Fund	\$ 18,907,495	\$ 24,062,033	\$ 26,219,143	\$ 23,767,984
Capital Projects Fund	\$ 797,199	\$ 1,005,539	\$ 2,432,000	\$ 38,300
Debt Service Fund	\$ 1,532,763	\$ 661,867	\$ 678,360	\$ 661,112
ASB Fund	\$ 76,625	\$ 162,668	\$ 313,414	\$ 281,240
Transportation Vehicle Fund	\$ 1	\$ 1	\$ 2	\$ 2
Total Revenue	\$ 21,314,084	\$ 25,892,107	\$ 29,642,919	\$ 24,748,638



# Fund Variance Information

## General Fund

With the onset of the COVID-19 pandemic and the shutdown of schools in March 2020, the funding climate has been unpredictable and ever-changing. In 2020-2021, the funding dropped due to a decline in student enrollment numbers. While the District was experiencing a decrease in State funding, the Federal government launched multiple, sizable funding grant packages to specifically address the impacts of COVID on school districts. These Federal relief dollars are available for specific uses and the grant packages they are housed within span multiple years. These Federal dollars have inflated the revenue numbers for the General Fund over the 2021-2022 and 2022-2023 school years. The 2023-2024 school year reflects the remaining Federal relief dollars slowly bringing the school district back to a normal funding model.

## Capital Projects Fund

The District's Capital Projects levy ran through 2019 and 2020. These tax dollars were used to complete the HVAC and roof upgrades at Lakeside Middle School. This project was paid off in January 2021. With the launch of the ESSER projects at Nine Mile Falls Elementary, Lake Spokane Elementary, and Lakeside High School, the Capital Projects Fund revenue is inflated in both the 2021-2022 and 2022-2023 school years by \$2.4 million.

## Debt Service Fund

Currently the District has both voted bond and non-voted bond debt. The voted bond, issued in April 2016 for \$6.6 million has a current balance of \$3.1 million and will mature in January 2027. The non-voted bond issued in May 2017 for \$140,000 has a current balance of \$40,000 and will mature in June 2024.

## Associated Student Body (ASB) Fund

This fund is budgeted near its potential capacity to allow flexibility for students; however, the actual spending is typically significantly less and is limited to their actual funds raised and available.



**Transportation Vehicle Fund**

The District has a contract for transportation with First Student, so this fund only has a small balance in it and accrues minimal interest annually. The District receives “in lieu of” depreciation dollars to offset the operating costs through the General Fund and First Student is responsible for the bus maintenance and purchasing new buses. The 2021-2022 school year launched our contract with First Student, which brought new buses on our routes.

---

The following sections focus on our General Fund, which represents 95-96% of the 2023-2024 budget for the District.

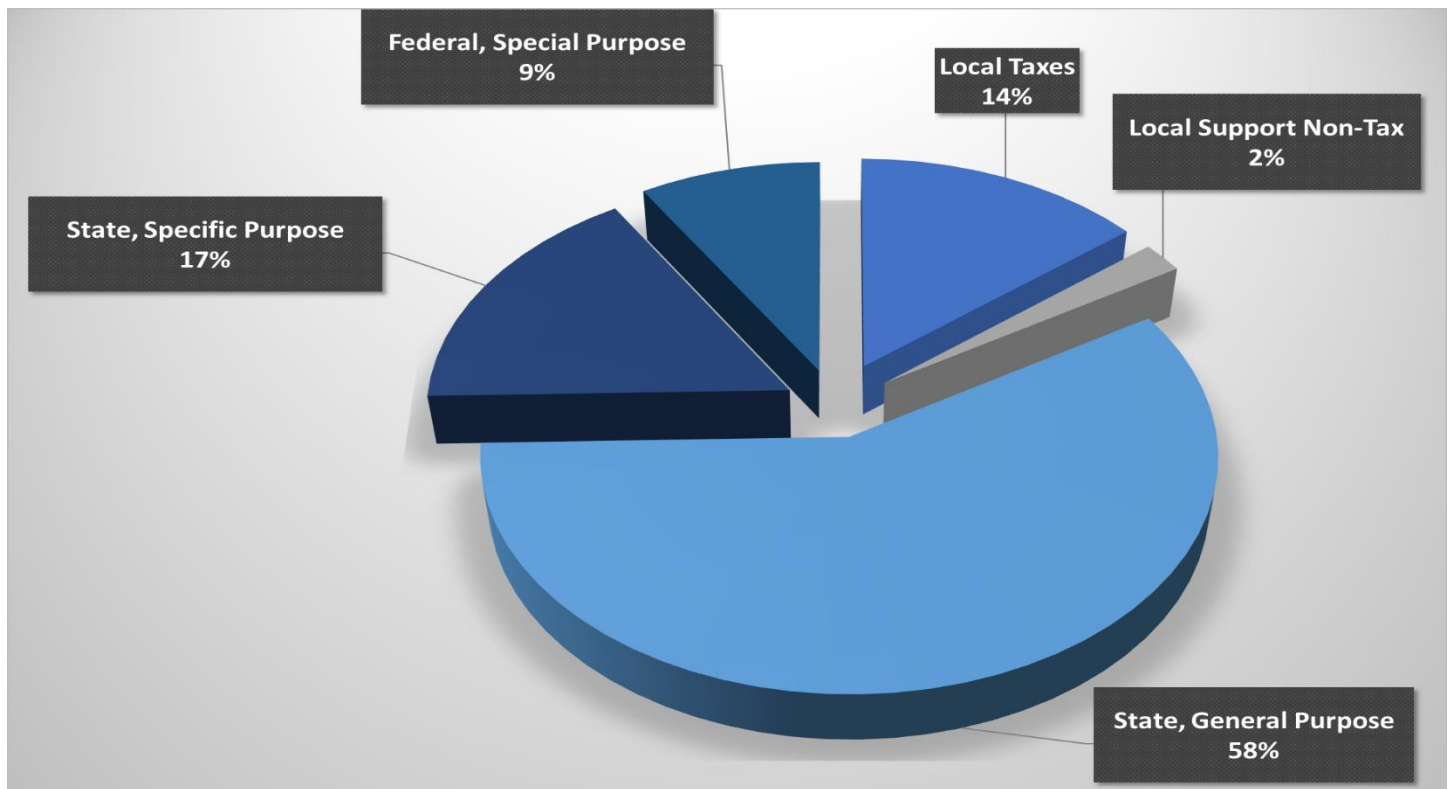
---



# General Fund Revenue

## How is the District Funded?

The District's 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 the State's Special Purpose funding, which is earmarked for specific programs such as special education, Learning Assistance Program (LAP), and student transportation operating costs. The following chart reflects the various General Fund revenue sources as projected for the 2023-2024 school year.



Fund	2020-2021 Actual	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted
Local Taxes	\$ 2,174,438	\$ 2,869,634	\$ 3,499,439	\$ 3,356,496
Local Support Non-Tax	\$ 160,419	\$ 191,439	\$ 1,016,065	\$ 496,932
State, General Purpose	\$ 11,831,315	\$ 12,214,571	\$ 12,787,487	\$ 13,878,701
State, Specific Purpose	\$ 2,900,406	\$ 3,123,702	\$ 3,713,308	\$ 3,943,917
Federal, General Purpose	\$ 36,325	\$ -	\$ -	\$ -
Federal, Special Purpose	\$ 1,764,292	\$ 5,662,687	\$ 5,008,844	\$ 2,091,938
Other Sources	\$ 40,300	\$ -	\$ 194,000	\$ -
<b>Total Revenue</b>	<b>\$ 18,907,495</b>	<b>\$ 24,062,033</b>	<b>\$ 26,219,143</b>	<b>\$ 23,767,984</b>



# Revenue Source Descriptions

## Local Taxes

The District receives approximately 14% of its revenue dollars 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 in 2021 for school years through 2024-2025. Property tax for the levy is \$2.08/\$1,000 of assessed valuation for 2023. As part of the legislative restructuring of State funding, local levies were capped at either \$2.50/\$1,000 of assess valuation or \$2,988 per student, whichever is lower, beginning in 2023.

## Local Support, Non-Tax

This revenue category includes fees for goods and services, such as facility use fees, school meals, course fees, and student fines. It also includes donations and interest earnings on the District fund balance as maintained by Spokane county.

## State, General Purpose

General Apportionment is allocated by the State to support basic education operations. Funding is determined by the District's ten- (10) month average student enrollment (see Enrollment and Staffing section). In years past, this section also included Local Effort Assistance (LEA) dollars. LEA funding supplements the levy based on a formula that compares the District's collections against a state-determined amount per student. School districts must have a levy of at least \$1.50/\$1,000 of assess valuation to maximize this funding. Based on the state formulas and the property values in our community, the Nine Mile Falls School District does not anticipate receiving these LEA dollars for the 2023-2024 school year.

## State, Specific Purpose

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

## Federal, General Purpose

This source includes Federal funding without any assigned purpose and includes Impact Aid dollars which is granted to districts based on student whose parents work or live on Federal property. These funds compensate school districts for the loss of local taxes. Impact Aid dollars are not received in the Nine Mile Falls School District.



### **Federal, Special Purpose**

Federal Special Purpose grants provide funding for programs to support specific student populations and programs, such as special 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. These dollars additionally include the one-time Federal dollars provided to school districts through the COVID-19 pandemic.

### **Other School Districts**

The revenue within this category includes dollars from other districts for skills center programs, special education support, and non-high participation. Non-high participation includes dollars received from neighboring districts who do have a high school within their district and their students attend high school elsewhere.

### **Other Sources – Agencies and Associates**

Dollars that fall within this category include revenue from child care programs, community services, and private foundations.

### **Other Financing Sources**

Revenue within this category includes dollars from the sale of bonds, sale of equipment, long-term financing, and transfers between funds as allowed by generally accepted accounting principles (GAAP) with reference to applicable RCWs and WAC codes.

## **When Does the District Receive its Money?**

The majority of the dollars received through the above sources is shared with school districts through a monthly apportionment. Each month, the district receives a percentage of its annual allocation along with a reimbursement for expenditures claimed through various grants. The total monthly apportionment is typically deposited with the county on the last business day of each month.

Month	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Percentage	9.00%	8.00%	5.00%	9.00%	8.50%	9.00%	9.00%	9.00%	5.00%	6.00%	12.50%	10.00%

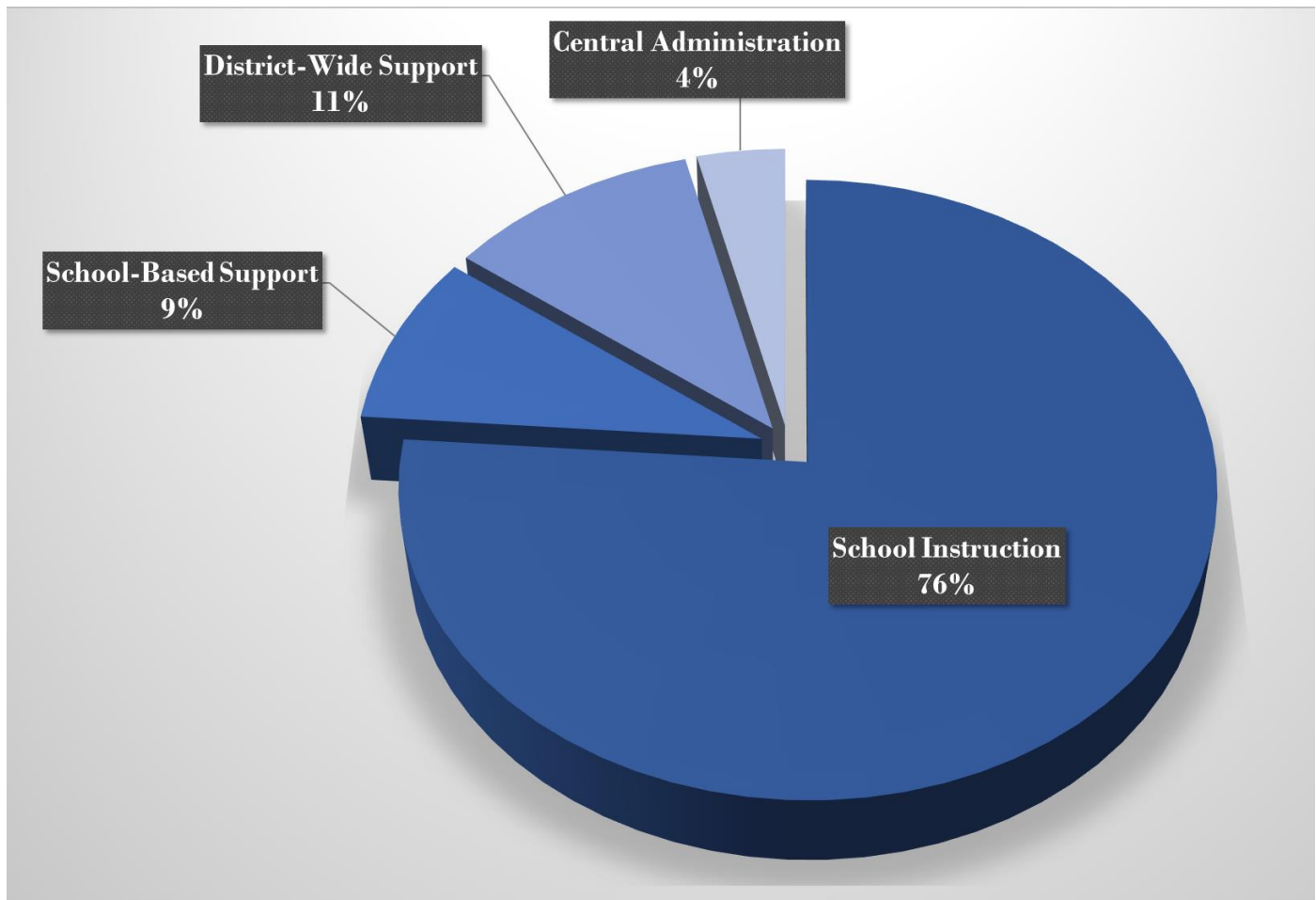
Additional dollars are received through reimbursement grant claims filed monthly based on the previous month's expenditures. Money spent in September is reimbursed at the end of October, as an example.



# General Fund Expenditures

There are 295 school districts in the state of Washington varying in enrollment, according to the 2021-2022 OSPI Financial Reporting Summary, from less than 10 students to over 55,000 students. The Nine Mile Falls School District receives just over the statewide average per pupil funding.<sup>1</sup> Nine Mile Falls School District is reported as receiving \$17,313 per pupil in total revenue dollars while the Washington state average per-pupil funding is \$17,223.<sup>1</sup>

The following reflects how the District has budgeted the funding it has budgeted for the 2023-2024 school year.



<sup>1</sup>Information based on 2021-2022 School District & ESD Financial Reporting Summary, Section Three, Table 3 – General Fund Revenue, Expenditures, and Fund Balance by Program, Activity and Object Groups Comparison Tool <https://www.k12.wa.us/policy-funding/school-apportionment/school-publications/financial-reporting-summary>





	2020-2021	2021-2022	2022-2023	2023-2024
	Actual	Actual	Budgeted	Budgeted
Description	Expenditures	Expenditures	Expenditures	Expenditures
School Instruction	\$ 14,302,862	\$ 16,544,644	\$ 17,924,644	\$ 18,155,932
School-Based Support	\$ 1,871,963	\$ 2,188,233	\$ 2,246,153	\$ 2,143,079
District-Wide Support	\$ 2,261,477	\$ 2,101,307	\$ 2,704,295	\$ 2,619,720
Central Administration	\$ 857,943	\$ 751,766	\$ 938,668	\$ 914,805
<b>Total</b>	<b>\$ 19,294,245</b>	<b>\$ 21,585,950</b>	<b>\$ 23,813,760</b>	<b>\$ 23,833,536</b>

The District budgets, and spends, approximately 76% of the entire General Fund budget directly on School Instruction. This includes teaching support activities (teachers, librarians, nurses, principals, counselors, and extracurricular activities). School-based support (custodial, maintenance, food service, and utilities) account for about 9% of the expenditures bringing the total amount spent on schools around 85%. District-wide support and central administration make up the remainder of the budget.

Each of the District's areas of expenditures is made of activities, as defined by the Office of Superintendent of Public Instruction (OSPI). The following descriptions are taken from the *Accounting Manual for Public School Districts in the State of Washington*<sup>2</sup>. This accounting manual is released annually with revisions shared with school districts as needed throughout the year through OSPI Bulletins.

<sup>2</sup>Accounting Manual for Public School Districts: 2022-2023 Release

<https://www.k12.wa.us/policy-funding/school-apportionment/instructions-and-tools/accounting-manual>



# Expenditure Activity Categories

## School Instruction

This grouping of activities that deal directly with or assisting with the teaching of the District's students or improving the quality of teaching, such as professional development. Examples in this grouping include student learning resources; guidance and counseling; psychological, speech, hearing, and health services; and management of individual schools.

- **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 in this activity. Certificated instructional staff and paraprofessionals are included in this activity.
- **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. Librarians and library support staff are included in this activity.
- **Guidance & Counseling (24)** includes expenditures to aid students with assessing and understanding their abilities, aptitudes, interests, and increasing their understanding and use of educational and career opportunities. School counselors, social workers, guidance directors, secretaries of this office, registrars, and other assistants are included in this activity.
- **Pupil Management & Safety (25)** includes the cost of student security personnel: hall guards, crossing guards, bus aides, playground aides, lunchroom aides, and support staff who work to identify patterns of nonattendance and its resolution.
- **Health Services (26)** includes the school nurses(s), school psychologists, speech/hearing therapists, occupational and physical therapists, and the associated supplies to support these positions.
- **Extracurricular (28)** activities include coaching athletics and transportation for activities not paid for by the ASB fund, class and club advisors, and the ASB fund accounting supervision.



- **Principal's Office (23)** includes the management and coordination of each individual school – administering the school's administrative policies, instructional programs, supervising and evaluating staff, management of student records, and the administrative support for teachers and students. Principals, assistant principals, and their secretarial staff are assigned to this activity.
- **Instructional Professional Development (31)** includes professional development workshops, conferences, supplies, substitutes for release time, and additional days and/or pay for professional development.
- **Professional Learning – State (34)** includes state-funded professional learning for certificated instructional staff including courses, workshops, conferences, trainings provided by educational service districts (ESD), and other education organizations and associations. Staff assigned to these trainings or supporting these trainings are classified here. This activity is audited annually per RCW 28A.150.415.
- **Instructional Technology (32)** includes computers and related classroom technology – projectors, document cameras, smart boards, and operating software. Staff that support instructional technology may be included in this activity.
- **Curriculum (33)** includes the costs relating to the development and implementation of curriculum for the District and includes the cost of new and/or replacement textbooks or other instructional materials and software related to curriculum.

## School-Based Support

This grouping of activities directly benefits students and further the overall educational experience with the District and include preparing and serving meals and ensuring the operation and maintenance of buildings and grounds within the District.

- **Food Service – Food (42)** includes all expenditures for all food used in connection with the regular food services program including expenditures for processing, freight, delivery, and storage of purchased food and commodities.
- **Food Service – Operations (44)** includes all direct expenditures for preparing and serving breakfasts and lunches in connection with school activities and the delivering of prepared



meals to schools. This activity includes the salaries for the food service cooks, cashiers, and kitchen aides along with supplies and non-food materials, travel, and capital outlay.

- **Food Service – Transfers (49)** this activity is used exclusively for transferring expenditures for banquets and other feeding events that are not chargeable to the general food services program.
- **Grounds Maintenance (62)** includes expenditures and salaries related to routine care of school district grounds including raking, hoeing, watering, cutting, protecting lawns, transplanting, trimming, and caring for flowerbeds. It also includes maintaining the grounds and related equipment along with repairing or replacing walkways, fences, tennis courts, playground surfaces, lawn sprinklers, outside flagpoles, driveways, and sewers.
- **Operation of Buildings (63)** includes expenditures related to activities to a building's normal performance including salaries for custodial staff and purchasing small equipment and consumable supplies used by personnel in operating the building.
- **Maintenance (64)** is the upkeep of property and equipment, work necessary to realize the originally anticipated useful life of a building including expenditures for repairs and upkeep – repainting, redecorating, resurfacing, refinishing, and the maintenance staff associated with these activities.
- **Utilities (65)** include expenditures for water, electricity, natural gas, sewage, gas, coal, wood, oil, recycling, data/voice telecommunications, and garbage.

## **District-Wide Support**

Some support is not exclusively located within one particular school but supports the District as a whole. This support includes student transportation, building security, property insurance, information systems, and network support. This support also includes the district-level supervision of instruction, food services, transportation, and maintenance activities.

- **Transportation – Operations (52)** includes the direct operating expenditures for student transportation and payments to firms for transporting students to and from school and from one school to another. Salaries allocated to this activity are for bus drivers only.



- **Transportation – Vehicle Maintenance (53)** includes the expenditures for maintaining student transportation vehicles including mechanical repair, painting, checking for safety, cleaning, and preventative maintenance. Other expenses include rent, custodial and related services for the garage, as well as repair and maintenance of the garage buildings, grounds, and equipment.
- **Transportation – Vehicle Insurance (56)** includes the expenditures for insuring student transportation vehicles and providing the school district with liability protection.
- **Transportation – Transfers (59)** includes expenditures for transporting students on trips in connection with educational programs such as educational field trips and the transport of school teams and clubs to compete or perform.
- **Building Security (67)** includes services designed to protect the buildings and other property of the District from unlawful entry, vandalism, and burglary including expenditures for security supervision, security patrols, security systems, and fire protection services.
- **Insurance (68)** includes the expenditures to maintain property, employee, liability insurance, and fidelity bonds. Additionally, insurance deductibles may be included in this activity.
- **Information Systems (72)** includes expenditures to maintain and operate the District's information system and network. This includes the purchasing of hardware and software, providing technical support, training, systems and database development and/or maintenance, data processing, and data storage. Technology staff salaries are also included in this activity.
- **Supervision of Instructions, Food Services, Transportation, & Maintenance (21, 41, 51, & 61)** include expenditures for providing district-wide leadership in developing instructional programs and curriculum, administering food services, transportation oversight, and maintenance oversight. Additionally, the secretarial and clerical support of these functions is included in this activity.



## **Central Administration**

Central Administration includes activities related to the general direction, regulation, and administration of the District in its entirety. This includes responsibilities 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 services, business administration, fiscal control, and purchasing.

- **Board of Directors (11)** includes expenditures to support the responsibilities that are not delegated but are retained and carried out by the school district's governing board including the costs for board memberships, audits, elections, and legal services.
- **Superintendent's Office (12)** includes general administration, the superintendent's office, and community relations. Salaries included within this activity include the Superintendent and their Administrative Assistant.
- **Business Office (13)** includes financial accounting operations, district-wide research and planning for budgeting, accounting, bookkeeping, statistical services, business administration, fiscal control, purchasing, accounts payable, and payroll. Salaries included within this activity include the Business Manager, Payroll/Benefits, Accounts Payable, Purchasing, and support staff.
- **Human Resources (14)** includes personnel recruitment for the district including expenditures to support employee assistance programs, employment services, classification and compensation, human resources information systems, leave management, and labor relations. The salaries within this activity include a portion of the Superintendent's salary as the acting Director of Human Resources, the Human Resource Manager, and support staff.
- **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, emails, websites, and personal contact.





## Materials, Supplies, and Operating Costs (MSOC)

### Nine Mile Falls School District No. 325/179 2023-2024 MSOC Disclosure

#### Combined 1191 MSOC from F-203

Regular Instruction (Column A)	\$ 1,792,574
Grades 9-12 Additional (Column J)	\$ 85,572
<b>* Total MSOC Allocation</b>	<b>\$ 1,878,146</b>

<b>** Objects of Expenditure from F-195</b>	<b>Totals</b>	<b>Prg 01</b>	<b>Prg 02</b>	<b>Prg 03</b>	<b>Prg 97</b>
Object 5 - totals	\$ 515,712	\$ 397,888	\$ 18,024	\$ -	\$ 99,800
Object 7 - totals	\$ 1,568,080	\$ 423,567	\$ 40,000	\$ 12,500	\$ 1,092,013
Object 8 - totals	\$ 82,250	\$ 76,400	\$ -	\$ -	\$ 5,850
Object 9 - totals	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000
<b>* Total Budgeted 5-9 Expenditures</b>	<b>\$ 2,186,042</b>				

**\* Difference** **\$ (307,896)**

\*The aggregate MSOC amounts and the difference between these amounts is to be disclosed as part of the budget hearing.

\*\* To determine which expenditures to include in the calculation, reference the language below from the supplemental budget.

ESSB 5187 - Section 504(8)(a)(ii) page 485:

(ii) For the 2023-24 school year and 2024-25 school year, as part of the budget development, hearing, and review process required by chapter 28A.505 RCW, each school district must disclose: (A) The amount of state funding to be received by the district under (a) and (d) of this subsection (8); (B) the amount the district proposes to spend for materials, supplies, and operating costs; (C) the difference between these two amounts; and (D) if (A) of this subsection (8) (a) (ii) exceeds (B) of this subsection (8) (a) (ii), any proposed use of this difference and how this use will improve student achievement.

**(Note: If the MSOC allocations exceed MSOC expenditures, the district must report any proposed use of the difference and how this use will improve student achievement.)**





# Your Tax Dollars at Work for Our Kids

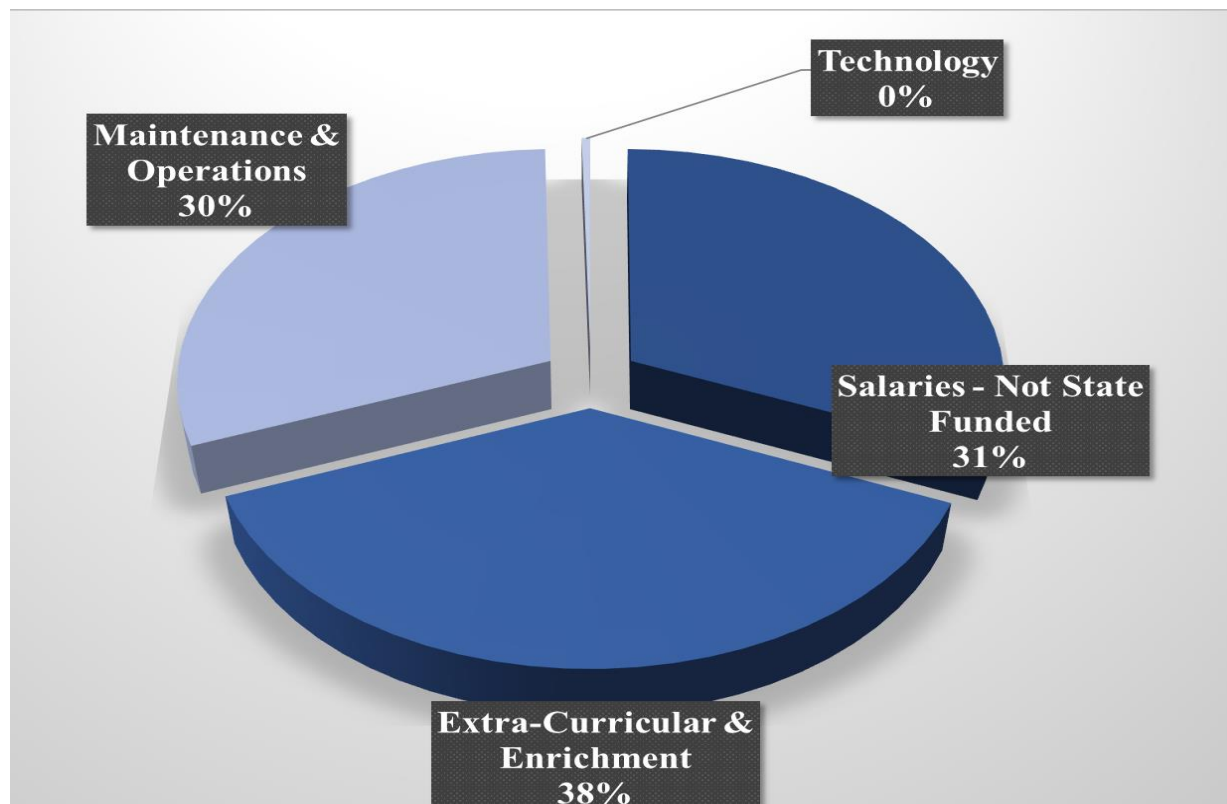
There are two types of local taxes collected: Levies and Bonds. Levies pay for ongoing operational and enrichment costs and bonds pay for major construction. A quick way to remember this is that Bonds are for Buildings and Levies are for Learning.

## Educational Programs & Operations (EP&O) Levy

The EP&O levy pays for programs and operating costs not funded by the state including many elective classes, band, choir, drama support, technology, class materials, building maintenance, utilities, insurance, many staff who are not part of the State prototypical model, and all athletics and activities. These dollars are key in the success of all students and provide an essential revenue stream to the District. Regardless of the grade level, students are benefited by these dollars.

Levies can be run for just a year or up to four years and must be renewed by the district voters to continue. In February of 2021, the District ran a three-year replacement levy to assist with funding our educational programs and operations, and the voters approved this levy to be collected in 2022, 2023, and 2024. Running a three-year levy ultimately saves the District some expenditures with election costs allowing more dollars to be spent directly on our students.

## Snapshot of Levy Dollars at Work for 2022-2023 (through June)



## **Salaries – Not State Funded**

Included in this category:

- Art teacher at Lakeside Middle School (position brought back)
- Elective teachers at both Lakeside Middle School and Lakeside High School
- Additional teachers to reduce class sizes
- Guidance counselor support at the secondary level
- Additional office and administrative support in all buildings

## **Extra-Curricular & Enrichment**

Included in this category:

- Athletic/Activities Director at Lakeside Middle School
- Athletic/Activities Director at Lakeside High School
- Club advisors
- Officials for athletic events
- Security for athletic and extra-curricular events
- Transportation to performances, events, athletic events, etc.
  - Bus transportation
  - Van transportation
- Hotels for state tournaments
- Registration for elective events
  - Band and choir festivals
- Supplies and repairs for athletics
  - Football helmets – reconditioning current helmets and new helmets
- Curriculum support for elective classes
- Annual payment to ASB for athletics
  - Supplies
  - Entry fees
  - Uniforms
- Technology for athletics
  - FinalForms software



## **Maintenance & Operations**

Included in this category:

- Maintenance, custodial, and grounds staff salaries not included in state funding
- Utilities
- Repairs
- Supplies

## **Technology**

Included in this category:

- Chromebook repairs



## **Highlight of the 2022-2023 Year in Athletics and Activities**

Lakeside High School continued the emphasis on student engagement this year with the theme of “Unite the Nest.” This emphasis included the continuation of new clubs and the addition of an e-Sports team.

Lakeside Middle School encouraged involvement as well. Middle school athletic numbers were also up and there are some new clubs and activities in the works for students at this level – including our 6<sup>th</sup> grade students.

Both Lake Spokane Elementary and Nine Mile Falls Elementary had parent involvement in PTN and PTG fundraising activities, student engagement activities, assemblies, field trips, Kindergarten Promotion, the end of year BBQ, and worked to focus on the whole student for student growth through activities and academics combined.

Our student athlete numbers soared this year with 198 student athletes at the middle school and 296 student athletes at the high school. With each high school sport qualifying for district playoffs this year and ten (10) teams eligible to compete at the State level, here is a rundown of the results:

- **Fall High School Athletics**

Football: NEA League Champions and State Quarterfinalists

Volleyball: NEA District Champions and 9th - 12th at State

Girls Soccer: State Quarterfinals

Boys Cross Country: NEA Champions, 3rd Place at State

Girls Cross Country: NEA Champions, District Champions, State Champions

- **Winter High School Athletics**

Boys Basketball: 9 - 12 at State

Girls Basketball: District 7 Playoffs

Wrestling: 5<sup>th</sup> in the State Tournament

Competitive Cheer: 9<sup>th</sup> place at State



- **Spring High School Athletics**

Baseball: District 7 Playoffs

Softball: District 7 Playoffs

Boys Track: NEA League Champions, District 7 Champions, and 20<sup>th</sup> in State

Girls Track: NEA League Champions, District 7 Champions, and 2<sup>nd</sup> in State

Girls Track (Combined): State Champions

Boys Tennis: District 7 Playoffs - 1 player to state

Girls Tennis: District 7 Playoffs - 1 player to state

Boys Golf: 0 Golfers to State

Girls Golf: 1 Golfer to State

Boys Soccer: State Qualifiers

- **Individual Titles**

Girls Track 4x400 Relay State Champion Team

The Lakeside Eagles placed 12<sup>th</sup> overall in the Washington Interscholastic Activities Association (WIAA) Scholastic Cup<sup>3</sup> for student athletes. Our students worked hard this year with five (5) public school ranking higher in this system based on sportsmanship, scholastics, and placement in the state competitions. This ranking is for schools within the state by classification – for Lakeside this classification is 1A.

Drama proudly put on three different performances, held in the Lakeside Middle School Auditorium, in the 2022-2023 school year. The first performance in November, with a second in March, and a final performance in May.

<sup>3</sup> Washington Interscholastic Activities Association (WIAA) Scholastic Cup

<http://www.wiaa.com/cupranking.aspx?SecID=346>



Band and choir were busy at both the middle school and the high school:

Band events this year included attending the Jazz Festival, concerts for the public, pep band for the LHS sporting events, the band attended the Golden Garment game between LHS and Freeman held at EWU, and brought home many trophies from the Silverwood "Music in the Parks" event this spring.

Choir held performances for the public, participated in ensemble events, toured the buildings in our district at the holiday season singing carols, and we had one talented young lady qualify to attend the WIAA State Solo/Ensemble Festival held in Ellensburg this spring.

Other high school students were involved in Skills USA, International Club, Knowledge Bowl, Math Team, POWER (stands for Pride, Ownership, Warmth, Encouragement, and Respect), Honor Society, Science Club, Best Buddies, and were officers or involved in the Associated Student Body (ASB).

Following these student activities and the opportunities to see what our Nine Mile Falls School District are doing can be done on our website ([www.9mile.org](http://www.9mile.org)) and either selecting a school or looking at the upcoming events. Our students and staff would love the opportunity to share all they have been up to each year.



## Bonds

For school districts, bonds are similar to having a mortgage. Bonds are issued for school construction, land purchases, and major renovations. Money is borrowed for these projects and paid back over a long period of time – typically 15 to 20 years.

Bonds are typically either Voter-Approved Unlimited Tax General Obligation (UTGO) Bonds or Non-Voted Limited General Obligation (LGO) Bonds.

Bonds	
UTGO Voted Debt	LGO Non-Voted Debt
New revenue created	No new revenue created
Repaid with property tax	Repaid with existing revenue
Approved with a 60% yes vote, 40% validation	No community vote
5% of the District's debt capacity	3/8 of 1% of the District's debt capacity
40-year maximum term	Term is typically 5-15 years
May only be submitted to voters twice in a calendar year	Public hearing required if more than \$250,000

As of July 2023, the District currently has both voted and non-voted debt as follows:

District Voted Debt	District Non-Voted Debt
Date Issued: April 2016	Date Issued: May 2017
Issued for: \$6,655,000	Issued for: \$140,000
Project: Remodeling both elementary buildings	Project: District-wide lighting
Maturity Date: January 2027	Maturity Date: June 2024
Balance as of July 2023: \$2,635,000	Balance as of July 2023: \$20,000





# Glossary of Terms

- **Activity** – Specific and distinguishable services performed by a school district to accomplish a function for which the school district is responsible.
- **Apportionment** – A state formula funded revenue allocation provided to school districts, subject to recovery if not expended for a specific purpose during the school year. It can be for general purpose or capital needs.
- **Appropriation** – Maximum expenditure authorization during a given fiscal period. The District budget authorizes a maximum amount of expenditures for each fund, and by state law, cannot exceed these without going through a Budget Extension process.
- **Basic Education** – Free, appropriate, kindergarten through twelfth grade public education including instruction in literacy, mathematics, social studies, science, music, art, health, physical education, industrial arts, and other subjects and activities identified and funded by the State.
- **Career and Technical Education (CTE)** – A planned program of courses and learning experiences, approved for funding by the Office of the Superintendent of Public Instruction (OSPI), that begins with exploration of career options, supports academic and life skills, and enables achievement of high academic standards, leadership, and preparation for career and college.
- **Food Services** – The program in which the District prepares and serves meals and a la carte items to students typically under the National School Lunch Program (NSLP). The District runs and operates this program in-house though school districts have the option to outsource this program.
- **Fund Balance** – The difference between assets and liabilities reported in a governmental fund.
- **Grant** – Contributions or gifts of cash or other assets from another government or other entity to be used or expended for a special purpose, activity, or facility for which no repayment is expected. Most grants are funded through reimbursements to the District after the District is able to show proof of the expenditure(s).



- **Individualized Education Program (IEP)** – A written document that includes a statement of the student's present level of functioning, a statement of annual goals and short-term objectives for achieving those goals, a statement of services to be provided and the extent of regular programming, the starting date and expected duration of services, and evaluation procedures and criteria for monitoring progress. The IEP is developed mutually by the child's parents or guardians and a team of the District's specialists.
- **Individuals with Disabilities Education Act (IDEA)** – 1975 Federal mandate to provide education for all children with disabilities. In 1986 Congress added Infants and Toddlers with Disabilities – Part H to IDEA that created a mandatory early intervention program for developmentally delayed infants and toddlers, aged birth to 3, and their families. In 1997 it was strengthened, providing a new emphasis on improving educational results. It was signed into law on December 3, 2004 with the intent to improve the educational outcomes for children with disabilities who are eligible for special education. IDEA Part B has been allocated for special education supplemental and special education preschool in Washington state based on October 1 enrollment, the district rate of poverty, and the districts' hold harmless award known as the base.
- **Program** – A plan of activities designed to accomplish a set of objectives. Educational programs consist of activities of a school district that are directly involved in the instruction and education of students. Support and service programs consist of activities of a school district that support these educational programs. This includes basic education, special education, compensatory education, other instructional programs, community and support services.
- **Pupil Transportation** – The act of transporting students to and from school or between schools for educational purposes. This transportation may in be in school buses or other vehicles designed for this program to include vans. The District outsources its transportation program to First Student.
- **Special Education** – This program is built around specially designed instruction that addresses the unique needs of a student eligible to receive special education services. These services are provided at no cost to parents and incudes the related services a student needs to access their education program. Students in this program range from birth to age twenty-one. The Washington state regulations on special education can be found in the Washington Administrative Code (WAC) Chapter 392-172A.

