

2026-27 Preliminary Budget

Capital Projects

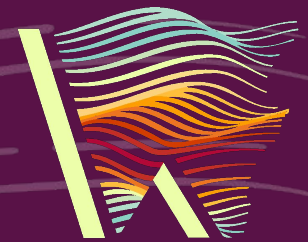
Debt Service

Associated Student Body

Transportation Vehicle

June 10, 2026

Sean Fitzgerald, Executive Director of Business & Finance



WENATCHEE
SCHOOL DISTRICT

District Fund Structure

Governmental accounting operates on a **fund basis**.

A fund is a self-balancing fiscal entity segregated for specific activities or objectives in accordance with regulations.

General fund is the largest fund and makes up about **85-90%** of the district budget.

THE FIVE DISTRICT FUNDS



General



**Capital
Projects**



Debt Service



ASB



Transportation

Capital Projects

Purpose & Background



Purpose

The Capital Projects Fund accounts for financial resources used for the acquisition or construction of major capital facilities.

- Acquisition of land or existing facilities and construction of buildings.
- Purchase of equipment, energy audits, and technology system implementation.
- Remodeling, roof replacement, carpets, and service system upgrades.



Revenues & Other Financing Sources

Generally financed through the sale of bonds, state matching revenues, and special levies.

Also includes proceeds from the sale or lease of surplus real property and investment earnings.

Capital Projects

Year-End Projections

Revenues	2025-26 Budget	Year-End Projections	Variance
Local Support Nontax	102,500	157,831	(55,331)
State, Special Purpose	12,000,000	6,558,968	5,441,032
General Fund Transfers	500,000	2,016,900	(1,516,900)
Total Revenues/Sources	12,602,500	8,733,699	3,868,801

Expenditures	2025-26 Budget	Year-End Projections	Variance
Sites	590,000	95,757	494,243
Buildings	12,187,458	6,558,968	5,628,490
Energy	0	111,331	(111,331)
Total Expenditures	12,777,458	6,766,056	6,011,402

Other Financing Uses	0	344,000	(344,000)
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Over / (Under)	(174,958)	1,623,643	(1,798,601)
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Beginning Fund Balance	174,958	272,012	(97,054)
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Ending Fund Balance	0	1,895,655	(1,895,655)
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Capital Projects

2025-26 Year-End Projections

Grant Funded Activities

- Skills Center Renovation
- Energy Investment Grade Audit
- Lincoln Elementary Playground
- Cost reimbursement basis - General Fund Transfers for cash flow management, then transferred back at completion of project



General Fund Transfers

- Skills Center Renovation - **\$1,500,000**
- Maintenance - Emergency & Preventive - **\$500,000**
- Lincoln Elementary Playground - **\$200,000**
- Other Financing Uses - Transfers back - **\$344,000**



Maintenance

- WHS Roof Repairs
- Recreation Park Improvements
- Unused capacity: **at least \$150,000**



Capital Projects

2026-27 Budget & Forecast

	2025-26 Year-End Projection	2026-27 Budget	2027-28 Forecast	2028-29 Forecast	2029-30 Forecast
Revenues					
Local Support Nontax	157,631	25,500	17,500	17,500	17,500
State, Special Purpose	6,758,968	8,404,032	0	0	0
General Fund Transfers	2,200,000	1,000,000	500,000	500,000	500,000
Total Revenues/Sources	9,116,599	9,429,532	517,500	517,500	517,500
Appropriations (Expenditures)					
Sites	95,757	0	0	0	0
Buildings	6,558,968	9,146,058	500,000	500,000	500,000
Energy	111,331	0	0	0	0
Total Expenditures	6,766,056	9,146,058	500,000	500,000	500,000
Other Financing Uses	344,000	2,500,000	0	0	0
Over / (Under)	2,006,543	(2,216,526)	17,500	17,500	17,500
Beginning Fund Balance	272,012	2,278,555	62,029	79,529	97,029
Ending Fund Balance	2,278,555	62,029	79,529	97,029	114,529

Capital Projects

2026-27 Budget & Forecast

Grant Funded Activities

- Skills Center Renovation
- Foothills Controller
- Cost reimbursement basis - General Fund Transfers for cash flow management, then transferred back at completion of project.



General Fund Transfers

- Maintenance - Emergency & Preventive - **\$500,000**
- Foothills Controller - **\$500,000**
- Other Financing Uses - Transfers back - **\$2,250,000 - (includes Skills Center)**



Maintenance

- Valley Academy Irrigation
- Lewis & Clark walkway improvements
- **\$250,000 capacity** for emergency repairs



Capital Projects

2026-27 Budget & Forecast

- ✓ Skills Center Renovation completed in 2026-27
- ↘ Decreasing investment interest income
- 📁 General Fund transfers for grant cash flow management
- 🔧 Maintenance - emergency and preventative - annual

Debt Service

Purpose & Background



Purpose

- Pay the principal and interest on bonds issued to finance school construction and renovation
- Payments are made every June (interest) and December (interest and principal)

Background & Milestones

2021-22 School Year

District fully paid off the 2010 Unlimited Tax General Obligation (UTGO) bond.

March 2024

2024 bond refinanced, saving taxpayers **\$6.6 million** over the bond term through 2033.

Current Status

One outstanding bond remaining: the 2014 UTGO bond.

2033 Projection

District will fully pay off its 2014 bond in 2033.

Debt Service

2025-26 Year-End Projections

Revenues

	Budget	Year-End Projections	Variance
Local Taxes	\$5,580,136	\$5,580,136	\$0
Local Support Nontax	200,000	85,000	(115,000)
Total Revenues/Sources	5,780,136	5,665,136	(115,000)

Expenditures

	Budget	Year-End Projections	Variance
Bond Principal	3,585,000	3,585,000	0
Bond Interest	2,046,625	2,046,625	0
Bond Transfer Fees	100,000	0	(100,000)
Total Expenditures/Uses	5,731,625	5,631,625	(100,000)

Over / (Under)

	48,511	33,511	(15,000)
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Beginning Fund Balance

	3,668,168	3,520,487	(147,681)
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Ending Fund Balance

	3,716,679	3,553,998	(162,681)
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Principal and Interest

- Payments match the established bond schedule for the fiscal year.

Interest Income

- **\$15,000 less** than projected

Budget Capacity

- Capacity: **\$100,000.**
- Local Support Nontax
- Bond Transfer Fees

Debt Service

2026-27 Budget & Forecast

	2025-26 Year-End Projection	2026-27 Budget	2027-28 Forecast	2028-29 Forecast	2029-30 Forecast
Revenues					
Local Taxes	\$5,580,136	\$5,713,000	\$6,024,000	\$6,156,000	\$6,292,000
Local Support Nontax	85,000	180,000	180,000	180,000	180,000
Total Revenues/Sources	5,665,136	5,893,000	6,204,000	6,336,000	6,472,000

Appropriations (Expenditures)

Bond Principal	3,585,000	3,890,000	4,220,000	4,565,000	4,925,000
Bond Interest	2,046,625	1,859,750	1,657,000	1,437,375	1,200,125
Bond Transfer Fees	0	100,000	100,000	100,000	100,000
Total Expenditures/Uses	5,631,625	5,849,750	5,977,000	6,102,375	6,225,125

Over / (Under)	33,511	43,250	227,000	233,625	246,875
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Beginning Fund Balance	3,520,487	3,553,998	3,597,248	3,824,248	4,057,873
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Ending Fund Balance	3,553,998	3,597,248	3,824,248	4,057,873	4,304,748
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Associated Student Body Purpose & Background

Purpose

Designated for activities or events that are:

- **Cultural, social, recreational, or athletic (CARS)**
- **Optional**
- **Non-credit**
- **Extra-curricular**

Financing

The fund is financed from establishing and collecting:

- **Fees**
- **Fines**
- **Donations**

Restrictions

Funds are legally restricted.

Cannot be used for other district purposes.

Associated Student Body Year-End Projections w/ Capacity

Revenues	2025-26 Budget	Year-End Projections	Variance
General Student Body	\$254,422	\$123,636	\$130,786
Athletics	329,824	290,925	38,899
Classes	5,457	12,275	(6,818)
Clubs	466,140	481,757	(15,617)
Private Moneys	64,400	56,106	8,294
Total Revenues/Sources	1,120,243	964,700	155,543

Expenditures	2025-26 Budget	Year-End Projections	Variance
General Student Body	199,597	79,340	120,257
Athletics	416,998	314,767	102,231
Classes	7,500	2,872	4,628
Clubs	587,783	489,509	98,274
Private Moneys	84,500	45,525	38,975
Total Expenditures	1,296,378	932,013	141,877

Other Financing Uses	0	0	0
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Over / (Under)	(176,135)	32,686	13,667
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Beginning Fund Balance	1,044,700	990,208	54,492
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Ending Fund Balance	868,565	1,022,894	68,159
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Associated Student Body

Year-End Projections w/o Capacity

Revenues	2025-26 Budget	Year-End Projections	Variance
General Student Body	\$129,422	\$123,636	\$5,786
Athletics	329,824	290,925	38,899
Classes	5,457	12,275	(6,818)
Clubs	341,140	481,757	(140,617)
Private Moneys	64,400	56,106	8,294
Total Revenues/Sources	870,243	964,700	(94,457)

Expenditures	2025-26 Budget	Year-End Projections	Variance
General Student Body	74,597	79,340	(4,743)
Athletics	416,998	314,767	102,231
Classes	7,500	2,872	4,628
Clubs	462,783	489,509	(26,726)
Private Moneys	84,500	45,525	38,975
Total Expenditures	1,046,378	932,013	114,365

Other Financing Uses	0	0	0
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Over / (Under)	(176,135)	32,686	(208,821)
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Beginning Fund Balance	1,044,700	990,208	54,492
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Ending Fund Balance	868,565	1,022,894	(154,329)
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Associated Student Body

2026-27 Budget & Forecast

Revenues	2025-26 Projection	2026-27 Budget	2027-28 Forecast	2028-29 Forecast	2029-30 Forecast
General Student Body	\$ 123,636	\$ 213,100	\$ 213,000	\$ 213,000	\$ 213,000
Athletics	290,925	376,688	377,000	377,000	377,000
Classes	12,275	2,500	3,000	3,000	3,000
Clubs	481,757	860,780	861,000	861,000	861,000
Private Moneys	56,106	32,350	32,000	32,000	32,000
Total Revenues/Sources	964,700	1,485,418	1,486,000	1,486,000	1,486,000

Appropriations (Expenditures)	2025-26 Projection	2026-27 Budget	2027-28 Forecast	2028-29 Forecast	2029-30 Forecast
General Student Body	79,340	198,875	199,000	199,000	199,000
Athletics	314,767	446,322	446,000	446,000	446,000
Classes	2,872	3,000	3,000	3,000	3,000
Clubs	489,509	790,517	791,000	791,000	791,000
Private Moneys	45,525	42,021	42,000	42,000	42,000
Total Expenditures	932,013	1,480,735	1,481,000	1,481,000	1,481,000

Other Financing Uses	0	0	0	0	0
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Over / (Under)	32,686	4,683	5,000	5,000	5,000
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Beginning Fund Balance	990,208	1,022,894	1,027,577	1,032,577	1,037,577
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Ending Fund Balance	1,022,894	1,027,577	1,032,577	1,037,577	1,042,577
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Revenues/Expenditures

- Planning for increased club and athletics activities and fundraisers
- Need to take into account budget capacity

Budget Capacity

- General - \$125,000
- Clubs - \$125,000

Transportation Vehicle Fund

Purpose & Background



Purpose

The Transportation Vehicle Fund is provided for the purchase and major repair of pupil transportation equipment. This is a capital projects fund due to the high cost and long-term use of these assets.

Revenues & Other Financing Sources

**Bus Depreciation
Reimbursement**

Levies & Debt

**Investment
Interest Income**

Transfers

Surplus Sales

Expenditures

Expenditures are recorded when buses are **delivered** to the district, not when the district places an order.

Transportation Vehicle Fund

School Bus Funding Changes



2026 Legislative Session Impact

State Legislators **reduced** school bus depreciation **funding by \$21.1M**

Depreciation Reimbursement Analysis

25-26 Budget

\$378,876

Original baseline

Revised Projections

\$391,236

Updated projections

Legislative Change

\$354,096

Post-session funding

Net Funding Change

\$ (37,139)

Revised vs. Legislative Change

Transportation Vehicle Fund

2025-26 Year-End Projections

Revenues	2025-26 Budget	Year-End Projections	Variance
Investment Interest	\$ 25,000	\$ 6,000	\$ (19,000)
Depreciation Reimbursement	378,876	354,096	(24,780)
Transfers In	150,000	156,575	6,575
Total Revenues/Sources	553,876	516,671	(37,205)
Expenditures			
Bus Purchases	631,976	580,495	(51,481)
Total Expenditures	631,976	580,495	(51,481)
Other Financing Uses	150,000	150,000	0
Over / (Under)	(228,100)	(213,824)	14,276
Beginning Fund Balance	548,796	505,936	(42,860)
Total Ending Fund Balance	320,696	292,112	(28,584)

Transportation Vehicle Fund

2025-26 Year-End Projections



Revenues & Sources

- Investment interest - less than expected
- Depreciation reimbursement - less than expected due to legislative changes
- Sources/Transfers In - cash flow management, surplus sale



Expenditures

- Buses came in less than quoted prices



Other Financing Uses

- Cash flow management, return to general fund



Transportation Vehicle Fund

2026-27 Budget & Forecast

	2025-26 Year-End Projection	2026-27 Budget	2027-28 Forecast	2028-29 Forecast	2029-30 Forecast
Revenues/Sources					
Investment Interest	\$ 6,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Depreciation Reimbursement	354,096	474,053	477,136	420,104	456,699
Transfers In (Sources)	156,575	120,000	80,000	80,000	120,000
Total Revenues/Sources	516,671	599,053	562,136	505,104	581,699
Appropriations (Expenditures)					
Bus Purchases	580,495	422,392	441,513	461,589	482,668
Total Expenditures	580,495	422,392	441,513	461,589	482,668
Transfers Out (Uses)	150,000	120,000	80,000	80,000	120,000
Over / (Under)	(213,824)	56,661	40,623	(36,485)	(20,969)
Beginning Fund Balance	505,936	292,112	348,773	389,396	352,911
Ending Fund Balance	292,112	348,773	389,396	352,911	331,942

Transportation Vehicle Fund

2026-27 Budget & Forecast

Depreciation Reimbursement Uncertainty

- 25-26: loss of **\$37,000** due to legislative changes
- Waiting on updated depreciation schedule
- Forecast \$40,000 reduction every year

Cash Flow Strategy

- Transfers from General Fund
- Transfer back at year-end

Vehicle Acquisition

- Purchase **two busses** per year (Type D)
- Monitor Special Education needs (Type A)

2026-27 Budget Timeline

- June 10: Preliminary Budget Presentation - Capital Projects, Debt Service, ASB, Transportation Vehicle Funds
- June 23: Preliminary Budget Presentation - General Fund
- July 10: Budget due to ESD
- August 11: Public hearing at regular meeting
- August 25: Budget adoption at regular meeting
- August 31: Budget due to OSPI

Thank you!