



# Annual Comprehensive Financial Report

***For the fiscal year ended August 31, 2021***



**Hunt Middle School**

**Tacoma School District No. 10 • P.O. Box 1357 • Tacoma, Washington 98401-1357**

# Annual Comprehensive Financial Report

***For the fiscal year ended August 31, 2021***

**Prepared by the  
Finance Department**

***Rosalind Medina, Chief Financial Officer***



**Hunt Middle School**

**TACOMA SCHOOL DISTRICT No. 10  
Annual Comprehensive Financial Report  
For the Fiscal Year Ended August 31, 2021**

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# Introductory Section

**Directory of Officials**

**Board of Directors**

**School District Organizational Chart**

**Letter of Transmittal**

**Certificates of Excellence in Financial Reporting**



**Hunt Middle School**



## 2020-2021 DIRECTORY OF OFFICIALS

### ELECTED

<u>Directors</u>		<u>Term</u>	<u>Expiration</u>
<b>President</b>	Andrea Cobb	6 Years	November 2021
<b>Vice-President</b>	Elizabeth Bonbright	6 Years	November 2021
	Enrique Leon	6 Years	November 2025
	Lisa Keating	6 Years	November 2025
	Korey Strozier	Appointed	November 2023

### APPOINTED

<b>Superintendent</b>	Joshua J. Garcia, Ed. D.
<b>Legal Counsel</b>	Renee Trueblood
<b>Chief Financial Officer</b>	Rosalind Medina
<b>Chief Operating Officer, Maintenance &amp; Operations</b>	Christopher Williams
<b>Director, Financial Services</b>	Rob Bryant

### MAILING ADDRESS

P.O. BOX 1357  
TACOMA, WASHINGTON 98401-1357



## 2020-2021 Board of Directors



**Andrea Cobb, President**  
Elected in 2015  
Term expires in November 2021



**Elizabeth Bonbright, Vice President**  
Elected in 2019  
Term expires in November 2021



**Enrique Leon**  
Elected in 2018  
Term expires in November 2025



**Lisa Keating**  
Elected in 2019  
Term expires in November 2025



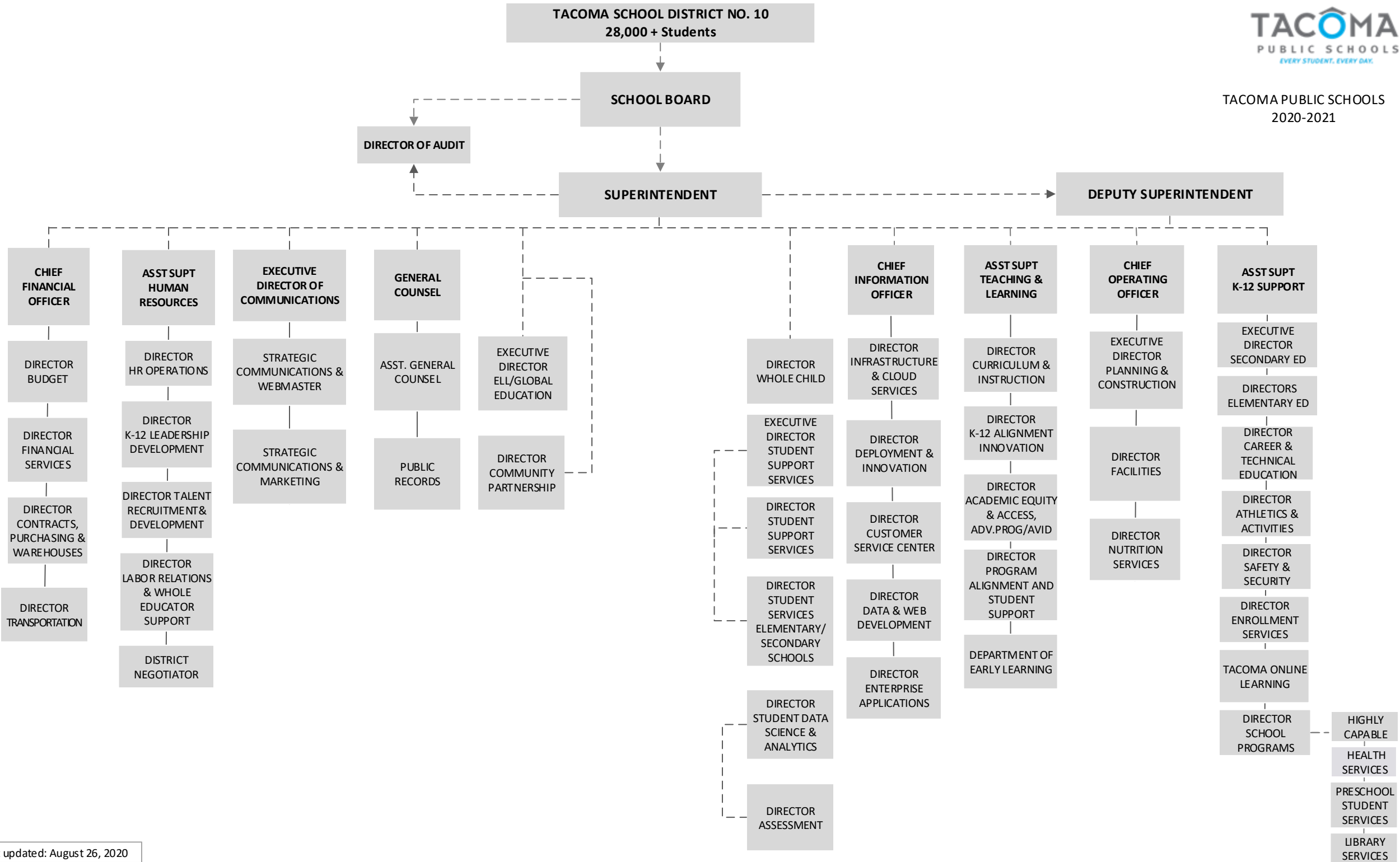
**Korey Strozier**  
Appointed in 2020  
Term expires in November 2023



On April 22, 2021, Dr. Joshua J. Garcia began the leadership role as superintendent-elect (interim) and on July 1, 2021, he became the Superintendent for the Tacoma School District.

Dr. Garcia's previous experiences included Assistant Superintendent, Executive Director, High School Principal, Assistant Principal, Athletic Director, and teacher. Dr. Garcia received his doctorate degree from Seattle University and his undergraduate degree from Washington State University. He is an ASCD International Outstanding Young Educator and Emerging Leader recipient, a Washington State STEM Entrepreneur Award recipient, and was recognized as an Education Week 2015 Leaders to Learn From.







**Superintendent's Office**  
Joshua J. Garcia, Ed.D., Superintendent

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[tacomaschools.org](http://tacomaschools.org)

May 18, 2022

Board of Directors  
Tacoma Public Schools  
601 South 8th Street  
Tacoma, WA 98405

Directors and Citizens of the Tacoma School District:

We are pleased to present the Annual Comprehensive Financial Report of the Tacoma School District for the fiscal year ended August 31, 2021. We believe this report presents comprehensive information about the scope and character of the district's fiscal activities and accomplishments during 2020-21. We feel the report illustrates the efforts of the administration to attain the financial goals established by the Board of Directors.

The Accounting Services staff of the district's Finance Department prepared this report. The accuracy of the data presented, including all disclosures and the completeness and fairness of the presentation, are the responsibility of the district. We believe the information, as presented, is accurate in all material aspects, that it is presented in a manner designed to set forth fairly, in all material respects, the financial position and results of operations of the district as measured and reported by the financial activity of its various funds, and all disclosures necessary to enable the reader to gain an adequate understanding of the district's financial affairs have been included.

Generally Accepted Accounting Principles (GAAP) requires management to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The district's MD&A can be found immediately following the report of the independent auditors.

## **REPORTING ENTITY**

The Annual Financial Comprehensive Report includes all the funds of the school district. The district is an independent reporting entity clearly within the criteria in the codification of Governmental Accounting and Financial Standards, Section 2100.

The district is a non-profit municipal corporation organized pursuant to the Revised Code of Washington. The elected five-member school board is the official policy making body that gives general policy guidance to the appointed administrative staff. The administrative staff is responsible for the daily operations of the district.

## **ECONOMIC CONDITION AND OUTLOOK**

The district is located in Pierce County in the central Puget Sound region of Washington State. Pierce County is home to the City of Tacoma, the state's third largest city. Tacoma-Pierce County has been named one of the most livable areas in the country and 40% of the city's population is under the age of 30. The City of Tacoma, located on Puget Sound, encompasses approximately 50.1 square miles of land, and over 12 square miles of waterfront. Tacoma has many parks, including Point Defiance Park with a world-class zoo and aquarium, the Tacoma Dome hosts sports and entertainment activities, and Cheney Stadium is home to a professional AAA baseball team.

Tacoma has one of the state's highest densities of art and history museums, and people of all ages enjoy numerous museums such as the LeMay Car Museum, Washington State Historical Museum, Children's Museum of Tacoma, the Tacoma Art Museum, and the Museum of Glass. The city supports a fine library system, musical entertainment, and many local events. The greater Tacoma area is also home to three universities: the University of Puget Sound, Pacific Lutheran University, and the University of Washington-Tacoma.

Tacoma-Pierce County boasts a diversified economy. The deep-water Port of Tacoma is home to one of the top 10 container ports in the U.S. handling about \$52B in international trade. The port is a major center for bulk, breakbulk and automobiles cargoes. Tech and tech startups have seen a massive growth in jobs over the last few years with the University of Washington Tacoma training some of the best tech and computer science experts in the country. Tacoma-Pierce County is also home to several major healthcare companies in an industry that is experiencing significant growth.

Federal and local governments are the principal employers in Pierce County and include Joint Base Lewis-McChord and the State of Washington. Major employers from the private sector, such as MultiCare and CHI Franciscan Health, Safeway & Albertsons, Fred Meyer, Amazon, Boeing and Milgard Manufacturing add to the local economy. The population for Tacoma-Pierce County continues to grow and has seen a steady increase over the past ten years.

Though the region has experienced an impact from the coronavirus, the Pierce County Economic Index is expected to log its twelfth consecutive year of growth in 2021 due largely to the economic stimulus packages in 2021.

## **THE SCHOOL DISTRICT**

The district offers a full range of school programs and services established by state statute. These include preschool, basic elementary grades K-5, middle school grades 6-8, high school grades 9-12, career and technical education programs, special education, English Language Learner programs, and numerous innovative educational programs. The district also provides transportation and nutrition services.

The district had 36 elementary schools, 11 middle schools, 5 comprehensive high schools, 3 magnet high schools and 11 alternative learning sites operating during the 2020-21 school year. The district has over 5,000 employees and is the fifth largest employer in the Tacoma-Pierce County area.

## **MAJOR INITIATIVES**

The superintendent and board developed five strategic initiatives to guide the district:

### Academic Excellence

We will support all students to perform at or above grade level and eliminate group disparities.

### Partnerships

We will fully engage our parents, community, and staff in the education of our children.

### Early Learning

We will focus on early assessment and intervention at the Pre-K through third grade levels to ensure early academic success.

### Health & Safety

We will create and maintain safe learning environments that promote excellent academic achievement.

### Operations

We will focus on effective and efficient business practices to ensure student academic success.

The district's 2020-2025 Strategic Plan is the result of our belief that all students achieve their full potential by participation in an educational experience that is relevant, challenging, and individualized, an experience that shares such common values as equity, cultural understanding, accountability and leadership and was designed based on the overarching goals of achievement, innovation, instruction, collaboration, early learning, and safety for all students in all schools.

Through this Strategic Plan the Tacoma School district will gain:

- A roadmap that drives district initiatives
- Educational programs and philosophy rooted in the district's core values
- A laser-like focus on students meeting/exceeding academic standards
- System accountability for meeting the academic needs of all students
- Parent and community partnerships to meet the social, emotional, and academic needs of children
- Annual budgets that reflect the district's prioritized goals and objectives

Progress will be checked against the following measurable outcomes; grade-level benchmarks by groups, achievement gaps among ethnic and economic groups, graduation rates, drop-out rates, enrollment in advanced coursework, parent/community participation and effectiveness of academic programs.

The teachers and staff have set very strong expectations for themselves and they are working diligently to meet the educational needs of every child. The district is committed to increasing efforts to engage the community and parents in meeting the Strategic Plan.

### Graduation Rates

Student graduation rates are a focus for the district. Efforts to pursue a more comprehensive and aligned system to get more students to the finish line continues. The calculation begins with 9<sup>th</sup> grade students and tracks them for four years until their expected graduation date at the end of their senior year. For the class graduating in 2021, Tacoma's graduation rate was 88 percent, a slight drop from the prior year but well above the district's goal of 85 percent.

#### **Cohort Graduation Rates**

Class	Tacoma	State Average
2021	88.0%	83.0%
2020	89.9%	82.9%
2019	89.8%	80.9%
2018	89.3%	80.9%
2017	86.1%	79.3%

Source: Office of Superintendent of Public Instruction Report Card.

### State Achievement Measurement

Washington state utilizes two assessment tools to assess student progress. It uses the Smarter Balanced Assessment for English language arts (ELA) and mathematics and the Washington Comprehensive Assessment of Science (WCAS) for Science. Due to US Department of Education (ED) assessment waivers and the flexibility offered by the ED, the Spring 2021 assessments were administered in Fall 2021. Therefore, 20-21 assessment data is not available. The following is data through the 2018-19 school year.

#### **Percent of Tacoma School District Students Meeting Standards for 2018-19**

Grade Level	English Language Arts	Math	Science
3rd Grade	50.9%	51.7%	
4th Grade	55.0%	47.7%	
5th Grade	59.9%	42.6%	47.7%
6th Grade	47.3%	31.4%	
7th Grade	50.9%	36.6%	
8th Grade	45.6%	29.7%	41.2%
10th Grade	55.5%	27.3%	
11th Grade			38.0%

#### **Tacoma School District's Test Scores as Compared to State-Wide Average Results for 2018-19**

Grade Level	English Language Arts	Math	Science
3rd Grade	-4.5%	-6.3%	
4th Grade	-1.9%	-6.3%	
5th Grade	-0.5%	-5.7%	-5.5%
6th Grade	-9.6%	-15.4%	
7th Grade	-9.7%	-12.1%	
8th Grade	-12.4%	-16.1%	-10.4%
10th Grade	-14.2%	-12.9%	
11th Grade			3.5%

### Student Demographics

The percentage of students eligible for participation in the federal free and reduced lunch program is 56.0 percent, higher than the 47.6 percent statewide average. Children from families with incomes at or below 130 percent of the poverty level are eligible for free meals. Those with incomes between 130 percent and 185 percent of the poverty level are eligible for reduced-price meals. For the period July 1, 2021 through June 30, 2022, 130 percent of the poverty level is \$34,450 in income annually for a family of four; 185 percent is \$49,025.

#### **Percentage of Students Eligible for Participation in the Federal Free and Reduced Lunch Program**

	2017	2018	2019	2020	2021
Tacoma	62.8%	61.5%	60.1%	63.4%	56.0%
State-Wide Average	47.3%	47.1%	46.2%	46.0%	47.6%

*\*Source: Office of Superintendent of Public Instruction Report Card*

### Enrollment

The district, by student enrollment, is the fourth largest district in the State of Washington. Each student's enrollment is converted to a full time equivalent (FTE) based on the number of hours in a course of study.

FTE is determined as follows:

Kindergarten:	20 hours per week, or 4 hours per school day
Primary (Grades 1-3)	20 hours per week, or 4 hours per school day
Elementary (Grades 4-6)	25 hours per week, or 5 hours per school day
Secondary (Grades 7-12)	25 hours per week, or 5 hours per school day

The district's annual average FTE enrollment in 2020-21 was 27,123 students as compared to 28,376 from the prior year. Enrollment decreased from 2019-20 by 1,253 FTE students.

The increases and/or (decreases) are as follows:

Elementary Schools (grades K-5)	(1,101)
Middle Schools (grades 6-8)	(224)
High Schools (grades 9-12)	135
Running Start/Open Doors	<u>(63)</u>
Total	1,253

Projected enrollments for fiscal year 2021-22 and 2022-23 are shown below.

### **FULL TIME EQUIVALENT (FTE) ENROLLMENT**

<b>Actual and Projected (p) Annual Average Enrollment</b>						
<b>Grade</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022 (p)</b>	<b>2023 (p)</b>
Total K-5	13,986	13,603	13,449	12,349	12,281	12,348
Total 6-8	6,296	6,582	6,747	6,523	6,172	6,035
Total 9-12	7,355	7,377	7,419	7,553	8,560	8,644
Other	699	671	761	698	498	502
<b>TOTAL K-12</b>	<b>28,336</b>	<b>28,233</b>	<b>28,376</b>	<b>27,123</b>	<b>27,511</b>	<b>27,529</b>

*Source: Demographer, W. Les Kendrick, Ph.D., and OSPI P-223 Report*

### Construction Projects

The district continues to evaluate and assess its facilities through its 30-year master plan. Enrollment projections and demographic studies impact decisions on school properties.

In early 2020 Tacoma voters passed a \$535 million Construction Bond that supports the replacement or renovation of 8 aging schools. New roofs and boilers, safety upgrades, energy management systems and ADA improvements to improve accessibility are all part of this construction bond. From the school replacements to the upgrades and improvements, almost every school is being touched by the bond to create the best possible teaching and learning environments for all students in every neighborhood.

### For the Future

The district has embraced a whole child initiative to meet student social and emotional needs as well as academics and has partnered with the University of Washington Tacoma's Center for Strong Schools to promote positive relationships between adults and students. These relationships are based on shared expectations for behavior, with a goal of reducing classroom disruptions, suspensions, and expulsions as well as keeping students engaged and in school.



To align with the district's core strategic values, especially equity and quality instruction for everyone, a six-year Technology Levy Renewal was proposed and passed in February 2018, effective February 2019. This levy was created to expand equitable access to technology in every neighborhood school and ensure that all Tacoma students receive the same opportunities and higher-quality education. The levy was also established to help parents and teachers and allow for an improved online portal to monitor student's academic progress and attendance.

In February 2020, Governor Inslee declared a state of emergency in response to the spread of a deadly new virus. On April 6, 2020, the Governor closed all public and private K–12 school buildings throughout the remainder of the 2019–20 school year. The school district, however, continued to operate, educating students using continuous learning models. Most students began the 2020-21 school year in a remote space with pockets of students reporting in-person for targeted support. As the year progressed, students gradually began reporting to school in-person, first in a hybrid manner and then fully in-person. By September 8, 2021, all staff were expected to report fully in-person and all students had the option to return to a fully in-person environment. A remote option was still available for students who chose to attend in this manner.

On July 1, 2021 Dr. Joshua J. Garcia became the next superintendent of Tacoma Public Schools. Dr. Garcia's previous experiences included Assistant Superintendent, Executive Director, High School Principal, Assistant Principal, Athletic Director, and teacher. Dr. Garcia received his doctorate degree from Seattle University and his undergraduate degree from Washington State University. He is an ASCD International Outstanding Young Educator and Emerging Leader recipient, a Washington State STEM Entrepreneur Award recipient, and was recognized as an Education Week 2015 Leaders to Learn From.

## **FINANCIAL INFORMATION**

### **Accounting System and Budgetary Control**

In developing and evaluating the district's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the district's internal accounting controls adequately safeguard assets and provide reasonable assurance of accurate recording of financial transactions.

The district's Director of Audit periodically reviews, reports on, and recommends improvements to the internal controls in all operational and financial areas of the district. This position reports to the Superintendent and is advised by the Citizen's Finance and Audit Committee (CFAC) of the Board of Directors. The CFAC is organized as a permanent citizen's committee with members who are experts in finance and internal controls. The primary responsibilities of the committee involve assisting the board in carrying out its responsibilities related to the district's financial planning policies, internal control and financial reporting practices. During fiscal year 2020-2021, the CFAC included two members of the board, the Superintendent, and five citizens. Throughout the year, the committee meets with the district's Director of Audit and financial management to discuss the results of the examinations, evaluations of the district's internal controls, and the overall quality of the district's financial reporting. The Director of Audit meets privately with the committee at least annually.

As a recipient of federal and state financial assistance, the district is required to undergo a single audit in conformity with the provisions of the Single Audit Act of 1984, as amended in 1996. The U.S. Office of

Management and Budget Uniform Guidance 2.CFR.200 requirements are effective with audit years beginning after December 26, 2014. The Washington State Auditor's Office performs the annual audit of the district in compliance with the Single Audit Act.

The Board of Directors adopts budgets for all governmental funds. The district maintains an encumbrance accounting system as one technique of accomplishing budgetary control. The reserve for encumbrances is updated annually at the end of each fiscal year and budgetary control is maintained at the program and building level by the encumbrance of estimated purchase orders. The individual Budget Responsibility Center and Program managers within the district maintain control of their discretionary budgets. Discretionary costs include non-regular salaries (extra help and overtime), supplies and materials, contracted or purchased services, travel, and equipment purchases.

A more detailed discussion of the district's accounting policies can be found under the Summary of Significant Accounting Policies in the Notes to the Financial Statements.

## **INDEPENDENT AUDIT**

Washington State law requires an annual audit of the financial records, and transactions of all districts to be performed by the Office of State Auditor. The scope of the audit concentrated on the following areas:

1. Management Section: Report on compliance with laws and regulations and report on internal control structure.
2. Financial Section: Report on financial statements in accordance with Generally Accepted Accounting Principles (GAAP).
3. Single Audit Section (OMB Uniform Guidance): Report on financial statements, internal control, compliance, audit findings, and questionable costs.

These requirements have been complied with and the auditor's opinion has been included in this report.

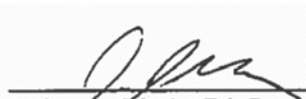

## **CERTIFICATES OF ACHIEVEMENT**

The district participates in the Certificate of Achievement Program with the Government Finance Officers Association (GFOA) and the Association of School Business Officials (ASBO). In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

Last year, the Association of School Business Officials (ASBO) and the Government Finance Officers Association (GFOA) awarded the district, for the 30<sup>th</sup> consecutive year, a Certificate of Achievement for Excellence in Financial Reporting. Copies of the financial reporting awards are included in the ACFR. The district will be applying to GFOA and ASBO for the 2020-21 fiscal year to determine its eligibility for another certificate.

## **ACKNOWLEDGMENTS**

The preparation of this report would not have been possible without the dedicated efforts of the entire Finance Department staff. We express our gratitude to everyone who assisted in its preparation. Finally, we would like to offer special thanks to the Accounting Services staff of the district's Finance Department, whose efforts and contributions made the preparation of the 2020-21 ACFR a success.

  
\_\_\_\_\_  
Joshua J. Garcia, Ed. D.  
Superintendent  
\_\_\_\_\_  
Rosalind Medina  
Chief Operating Officer



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Tacoma School District No. 10  
Washington**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

August 31, 2020

*Christopher P. Morill*

Executive Director/CEO



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting  
is presented to**

**Tacoma School District 10**

**for its Comprehensive Annual Financial Report  
for the Fiscal Year Ended August 31, 2020.**

The district report meets the criteria established for  
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'W. Edward Chabal'.

W. Edward Chabal  
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis  
Executive Director

# Financial Section

**Independent Auditor's Opinion**

**Management's Discussion and Analysis**

**Government-Wide Financial Statements**

**Governmental Fund Financial Statements**

**Internal Service Fund Financial Statements**

**Fiduciary Fund Financial Statements**

**Notes to the Financial Statements**

**Required Supplementary Information**

**Supplementary Information**



**Hunt Middle School**



## **Office of the Washington State Auditor Pat McCarthy**

### **INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS**

Board of Directors  
Tacoma School District No. 10  
Tacoma, Washington

#### **REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Tacoma School District No. 10, as of and for the year ended August 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant



accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Tacoma School District No. 10, as of August 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Matters of Emphasis**

As discussed in Note 1 to the financial statements, in 2021, the District adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

As discussed in Note 14 to the 2021 financial statements, the full extent of the COVID-19 pandemic's direct or indirect financial impact on the District is unknown. Management's plans in response to this matter are also described in Note 14. Our opinion is not modified with respect to this matter.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The accompanying information listed in

the table of contents as supplementary data is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This information has been subjected to auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The Introductory and Statistical Sections are presented for purposes of additional analysis and are not a required part of the basic financial statements of the District. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

#### **OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS**

In accordance with *Government Auditing Standards*, we will also issue our report dated May 18, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report will be issued under separate cover in the District's Single Audit Report. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Sincerely,

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

Pat McCarthy, State Auditor

Olympia, WA

May 18, 2022

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Tacoma School District's financial performance provides an overview of the district's financial activities for the fiscal year ended August 31, 2021. We encourage readers to consider the information presented here in conjunction with additional information presented in the financial statements and notes to the financial statements.

### FINANCIAL HIGHLIGHTS

- The district's total net position for governmental activities as of August 31, 2021, was \$450M, a increase of \$74.2M from 2019-20.
- During the year, the district had revenues of \$564.8M and expenses of \$490.7M incurred for all governmental activities, resulting in a corresponding increase in the district's net position by \$74.2M.
- The district's governmental funds reported a combined ending fund balance of \$600.7M; an increase of \$481.5M from the prior year. The general fund's total fund balance was \$56.1M; an increase of \$19.2M from the previous year. Approximately \$26.8M is available for spending at the district's discretion (assigned and unassigned fund balance - not including Unassigned for Minimum Fund Balance Policy).
- The district issued two bonds in October 2020 for replacement or renovation of 8 aging schools. The bonds were issued at \$484M with \$51M in premium generated by the sale.
- The district utilized \$5.6M in Elementary and Secondary School Emergency Relief (ESSER) Funds to purchase laptops for online learning; to pay nutrition services staff unable to perform duties on-site; and to purchase personal protective equipment and supplies to sanitize school buildings.
- The district utilized \$25M in Coronavirus Response and Relief Supplemental Appropriations (CRRSA) also known as ESSER II Funds, to maintain operations and positions for teachers, administrative staff and custodians during building closures while the majority of students participated in remote or hybrid instruction.
- The district is reporting \$112M in net pension assets for the first time as two of the four employee pension plans (TERS 2/3 and SERS 2/3) have become fully funded. In addition, deferred inflows of resources increased by \$174 million over the prior year, or 85.9% due to the fully funded pensions.

### USING THE ANNUAL COMPREHENSIVE FINANCIAL REPORT

This report consists of three parts: an introductory section, a financial section, and a statistical section. The financial section contains the independent auditor's report, management's discussion and analysis, the basic financial statements, and related notes to the financial statements.

The basic financial statements consist of a series of statements that present different views of the district:

- The first two statements (*statement of net position and statement of activities*) are *district-wide financial statements* that provide both short-term and long-term information about the district's overall financial status as a whole.
- The *governmental fund financial statements* focus on *individual* parts of the district and report the district's operations in more detail than the district-wide statements. These governmental fund statements tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- The remaining statements provide financial information about activities for which the district acts solely as a trustee for the benefit of those outside of the district.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of fund activity to the district's budget for the year, the OPEB schedule of funding progress, the district's proportional share of the net pension liability or asset, and the district's schedule of pension contributions.

## REPORTING THE DISTRICT AS A WHOLE

### **The Statement of Net Position and the Statement of Activities**

Our analysis of the district as a whole begins in the *government-wide financial statement* section. Is the district as a whole better or worse as a result of the year's financial activities? The *statement of net position* and the *statement of activities* report information about the district as a whole and about its activities in a way that helps answer this question. The financial statements of the district present an increase in financial position from the prior year as reflected in the *statement of net position*. Increases in deferred outflows for pensions, OPEB and refunding bonds and decreases in deferred inflow for pensions and OPEB contributed to the \$74.2M increase in the district's net position.

These statements include all assets, deferred outflows, liabilities, and deferred inflows using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash was received or paid.

These statements report the district's net position and changes in them. The district's net position (the difference between assets/deferred outflows and liabilities/deferred inflows) may be viewed as one way to measure the district's financial health, or financial position. Over time, increases or decreases in the district's net position are one indicator of whether its financial health is improving or deteriorating. One should consider other non-financial factors however, such as changes in the district's property tax base and the student enrollment to assess the overall health of the district.

In the *statement of net position* and the *statement of activities*, governmental activities are presented. The district's basic services, including the general, associated student body, debt service, and capital projects funds are reported here.

## REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

### **Governmental Fund Financial Statements**

Our analysis of the district's major funds begins in the Governmental Fund Financial Statements section. The governmental fund financial statements provide detailed information about the most significant funds, not the district as a whole. Some funds are required to be established by state law. The district has governmental funds and an internal service fund, The Sound Partnership.

Governmental funds, presented in the Governmental Fund Financial Statement section of this report, focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the district's general education and support operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the district's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in the reconciliations on Schedule 3A and Schedule 4A of the basic financial statements and in Note 10 of the notes to the financial statements.

Internal Service Fund – The Sound Partnership is accounted for in the internal service fund in conformity with GASB Statement No. 10 (Risk Financing). On August 31, 2020 the Board of Trustees terminated the Sound Partnership and on February 16, 2021 all remaining assets were distributed per the Trust agreement.

## THE DISTRICT AS TRUSTEE

### **Reporting the District's Fiduciary Responsibilities**

The district is the trustee, or fiduciary, for individuals, private organizations and other governments, for scholarships, and other specific purposes. All of the district's fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Changes in Fiduciary Net Position under the fiduciary financial

statement section. These activities are excluded from the district's other financial statements because the district cannot use these assets to finance its operations. The district is responsible for ensuring the assets reported in these funds are used for their intended purposes.

## **THE DISTRICT AS A WHOLE**

### **Government-Wide Financial Statements**

Net position may serve as a useful indicator of a government's financial position. The Tacoma School District's assets and deferred outflows exceeded liabilities and deferred inflows by \$450.1M at the end of the fiscal year, August 31, 2021.

The district reported a total deferred outflow of resources of \$94.4M as of August, 31 2021 compared to \$104M the prior year. Deferred inflows of resources, on the other hand, increased by \$173.8M, or 85.9%. This increase was due primarily to two of the district's four pension funds being fully funded for the first time.

The ratio of liabilities and deferred inflows of resources to assets and deferred outflows of resources is 78 percent. The value of the district's capital assets (i.e. land, buildings, and equipment) net of depreciation was \$1,105.1M. The net investment in capital assets is the historical cost of capital assets, net of accumulated depreciation, plus capital-related deferred outflows of resources, less capital related borrowing (bonded debt incurred to acquire the capital assets) and deferred inflows of resources related to capital assets. This value represents the largest portion of net position at \$551.4M. The substantial investment in capital assets represents the district's history of building and modernizing its schools in accordance with its long-term mission of providing academic excellence in safe and healthy facilities. These assets are not available for future spending and the debt associated with these assets will be paid from levied property taxes (authorized by the voters in 2013 and 2020).

Total liabilities of \$1,371.2M have increased as compared to the prior year by approximately \$382.5M. The increase in liabilities is due to the issuance of new 2020 bonds less the reduction of pension liabilities.

Restricted net position total of \$114.4M are resources subject to external restrictions on how they may be used. They consist of funds that have constraints imposed by law through enabling legislation (Capital, Transportation Vehicle, and ASB Funds), externally imposed debt covenants (Debt Service Fund), externally imposed pension assets, and external contractual impositions of grantors and regulations of other governments upon state and federal grant funds (Carryover Restricted Revenues for Education and Operations).

The unrestricted portion of net position is any portion not already classified as either net investment in capital assets or restricted. The unrestricted portion represents resources that may be considered available to finance normal district government activities without external constraints imposed by law through constitutional provisions or enabling legislation, laws and regulations of other governments; or constraints established by debt covenants. It is possible for a negative unrestricted net position to exist where liabilities, deferred inflows of resources, net investment in capital assets, and other restricted portions exceed assets and deferred inflows of resources.

Tacoma School District's Net Position			
As of August 31			
	2021	2020	Changes
<b>ASSETS &amp; DEFERRED OUTFLOWS OF RESOURCES</b>			
Current and Other Assets	\$ 712,363,978	\$ 237,929,157	\$ 474,434,821
Premiums Expected to be Received	111,983,417	-	111,983,417
Capital Assets	1,105,136,496	1,051,270,648	53,865,848
<b>Total Assets</b>	<b>1,929,483,891</b>	<b>1,289,199,805</b>	<b>640,284,086</b>
<b>Total Deferred Outflows</b>	<b>94,410,826</b>	<b>103,952,621</b>	<b>(9,541,795)</b>
<b>LIABILITIES &amp; DEFERRED INFLOWS OF RESOURCES</b>			
Long-Term Liabilities	1,281,026,347	903,447,553	377,578,794
Accrued Claims and Expenses	-	142,376	(142,376)
Other Liabilities	90,204,238	85,137,105	5,067,133
<b>Total Liabilities</b>	<b>1,371,230,585</b>	<b>988,727,035</b>	<b>382,503,551</b>
<b>Total Deferred Inflows</b>	<b>202,583,775</b>	<b>28,549,522</b>	<b>174,034,253</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	551,375,017	545,811,549	5,563,468
Restricted	114,357,360	92,691,976	21,665,383
Unrestricted	(215,652,019)	(262,627,656)	46,975,637
<b>TOTAL NET POSITION</b>	<b>\$ 450,080,357</b>	<b>\$ 375,875,869</b>	<b>\$ 74,204,488</b>

#### Governmental Activities

The 2020-21 revenues of \$564.8M exceeded expenses by \$74.2M resulting in an increase in net position. Total revenues decreased by \$4.4M, and overall expenses decreased by \$49.8M. Reductions in expenses due to COVID contributed to the increase in net position.

Revenue increases were evident in the program revenues, operating grants and contributions (increase of \$10.9M) and general revenues, property taxes (increase of \$17.3M) with a large decrease in unallocated revenues (decrease of \$27.3M). Increases in operating grants and contributions are due to COVID targeted assistance grants, COVID assistance funds for community service nutrition distribution while schools were closed. Unallocated revenue decrease is due to a reduction in funding from basic state apportionment funds as a result of the decrease in enrollment as well as decreases in Special Education and student transportation.

Decreases in program expenses appeared across the district but were most evident in regular instruction (decrease of \$32.5M), special instruction (\$9.9M decrease), and support services (\$22.9M decrease). The district utilized Federal Emergency Relief ESSER funding (\$20.9M increase) to offset the decreases due to COVID. The districtwide decreases included in-person staffing assignments, supplies, travel, and contractual services including transportation and utilities.

Governmental activities also reflect the termination of Sound Partnership and distribution of all remaining assets (\$3.6M).



Governmental Activities Changes in Net Position			
PRIMARY GOVERNMENT			
As of August 31			
	2021	2020	Changes
<b>REVENUES</b>			
Program Revenues:			
Charges for Services	\$ 4,576,021	\$ 8,416,279	\$ (3,840,258)
Operating Grants and Contributions	159,391,254	148,521,409	10,869,845
Capital Grants and Contributions	765,227	705,168	60,059
General Revenues:			
Property Taxes	158,890,034	141,584,202	17,305,832
Interest and Investment Earnings	577,421	2,048,895	(1,471,474)
Unallocated Revenues	240,640,066	267,929,860	(27,289,794)
<b>TOTAL REVENUES</b>	<b>564,840,023</b>	<b>569,205,813</b>	<b>(4,365,790)</b>
<b>PROGRAM EXPENSES:</b>			
Regular Instruction	255,633,043	288,140,972	(32,507,929)
Federal Special Purpose Funding	20,892,884	-	20,892,884
Special Instruction	56,353,373	66,286,484	(9,933,110)
Career & Technical Instruction	14,970,200	17,563,495	(2,593,295)
Compensatory Instruction	39,461,524	42,475,373	(3,013,848)
Other Instructional Programs	2,767,595	3,065,470	(297,875)
Community Services	4,478,345	9,407,923	(4,929,578)
Support Services	71,059,065	93,922,997	(22,863,932)
Extracurricular Activities	264,449	1,102,346	(837,897)
Debt Payment	21,163,605	18,509,800	2,653,805
Liquidation of Internal Service Fund Assets	3,641,152	-	3,641,152
<b>TOTAL EXPENSES</b>	<b>490,685,237</b>	<b>540,474,860</b>	<b>(49,789,623)</b>
<b>INCREASE (DECREASE) IN NET POSITION</b>	<b>74,154,786</b>	<b>28,730,952</b>	<b>45,423,834</b>
<b>NET POSITION - 9/1</b>	<b>375,875,869</b>	<b>347,144,917</b>	<b>28,730,952</b>
Cumulative Effect of Accounting Change	49,702	-	49,702
<b>NET POSITION - 8/31</b>	<b>\$ 450,080,358</b>	<b>\$ 375,875,869</b>	<b>\$ 74,204,488</b>

The following table presents the cost of each of the district's largest programs – regular instruction, special instruction, career & technical instruction, compensatory instruction, other instructional programs, and support services - as well as each program's net cost (total cost less revenues generated by the activities). The Net Cost of Services column shows the financial impact by each of these functions.

	Governmental Activities			
	Total Cost of Services		Net Cost of Services	
	2020-21	2019-20	2020-21	2019-20
Regular Instruction	\$ 255,633,043	\$ 288,140,972	\$ (247,880,205)	\$ (283,526,719)
Federal Special Purpose Funding	20,892,884	-	4,101,783	-
Special Instruction	56,353,373	66,286,484	(7,767,786)	(12,294,525)
Career & Tech Instruction	14,970,200	17,563,495	1,564,567	857,067
Compensatory Instruction	39,461,524	42,475,373	4,495,636	2,176,457
Other Instructional Programs	2,767,595	3,065,470	(219,529)	42,638
Community Services	4,478,345	9,407,923	(2,714,196)	(3,315,969)
Support Services	71,059,065	93,922,997	(52,627,227)	(68,303,233)
Extracurricular Activities	264,449	1,102,346	(101,022)	42,079
Debt payments	21,163,605	18,509,800	(21,163,605)	(18,509,800)
Liquidation of Assets	3,641,152	-	(3,641,152)	-
<b>TOTALS</b>	<b>\$ 490,685,237</b>	<b>\$ 540,474,860</b>	<b>\$ (325,952,735)</b>	<b>\$ (382,832,005)</b>

## GOVERNMENTAL FUNDS FINANCIAL ANALYSIS

The focus of the district's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable resources*. Thus, unassigned fund balance may serve as a useful measure of the district's net resources available for spending at the end of the fiscal year.

As the district completed the fiscal year, its governmental funds (as presented in the balance sheets under the governmental financial statement section) reported a combined fund balance of \$600.7M, a increase of \$481.5M from the prior year. This change is the result of the following factors:

- The fund balance in the General Fund increased by \$19.2M. The district planned for its fund balance to decrease by \$6.4M to encompass changes due to levy reductions, special education formula changes, carryover of specific-use funds, building improvements, curriculum needs and an inter-fund transfer to the Transportation Vehicle Fund. However, labor (salaries and benefits) costs increased only slightly over the previous year and were under budget by \$15.1M; spending on supplies, materials, travel and capital outlay decreased \$12.8M from the prior year and came in under budget by \$8.3M; and increases in revenues and decreases overall spending across the district caused the General Fund balance to increase \$25.6M more than planned. Fourteen percent of the fund balance is in the nonspendable, committed, or restricted categories; \$21.2M (or 38 percent of the fund balance) is categorized as Unassigned for Minimum Fund Balance Policy.
- The fund balance in the Special Revenue Fund (ASB) decreased by \$50K. All secondary schools and some elementary schools had a little activity in their ASB funds in 2020-21 though there was a large drop in revenue sources as fundraising activities by the students were postponed due to COVID. InvestEd funds were moved from the Private Purpose Trust Fiduciary Fund to the ASB Fund resulting in an increase in the fund balance.
- The fund balance in the Debt Service Fund increased by \$12.2M from the prior year. The expenditure amounts are set by the payment schedules on the district's outstanding bonds. Revenues are generated by setting an annual property tax rate at a level which will generate enough funds to repay the debt. The district's cash flow projections indicate this reserve is adequate to meet future needs.
- The fund balance in the Capital Projects Fund increased by \$450.3M. The district issued bonds in February 2020 under the \$535M voter approved construction bond. The fund balance will be used for the replacement or renovation of 8 aging schools. Virtually all the fund balance is in restricted categories.
- The fund balance in the Transportation Vehicle Fund decreased by \$102K. Funding for buses is provided from the state through its bus depreciation schedule and interest earnings. Six busses were purchased in 2020-21.

The following table presents a summary of the governmental fund's revenues and expenditures for 2020-21 and the amounts and percentages of increases and decreases in relation to the prior year.

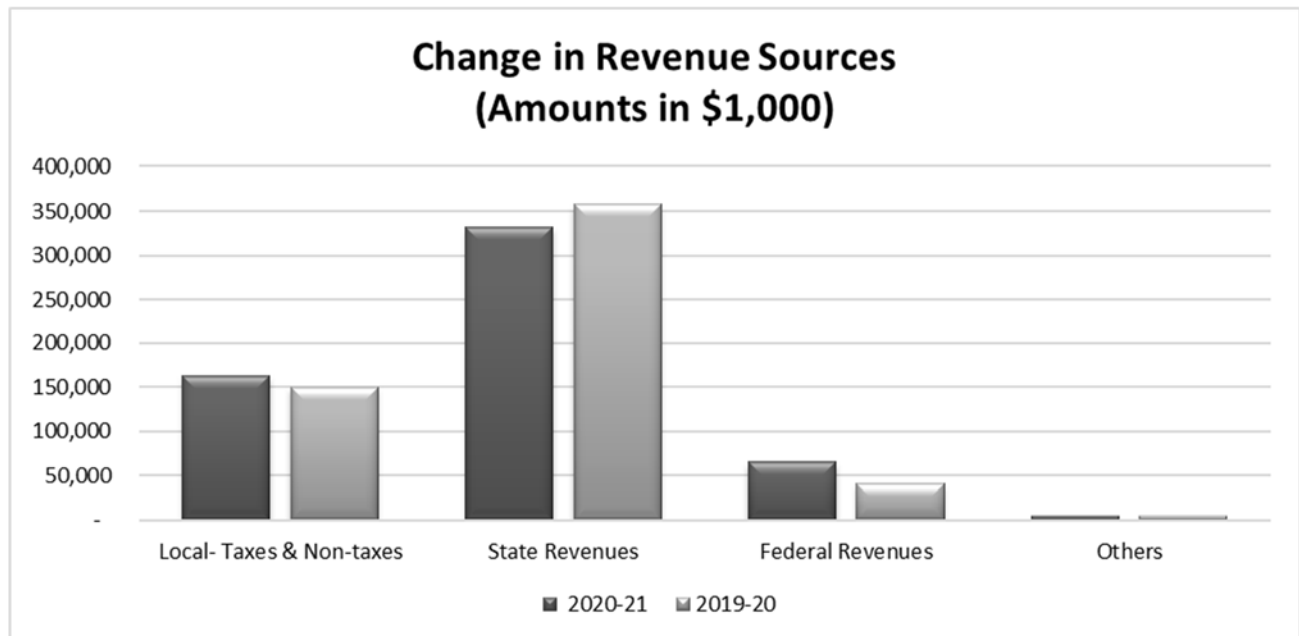
Changes in Revenues and Expenditures Governmental Funds				
	2020-21	Percent of Total	Increase (Decrease) Over 2019-20	Percent Increase (Decrease)

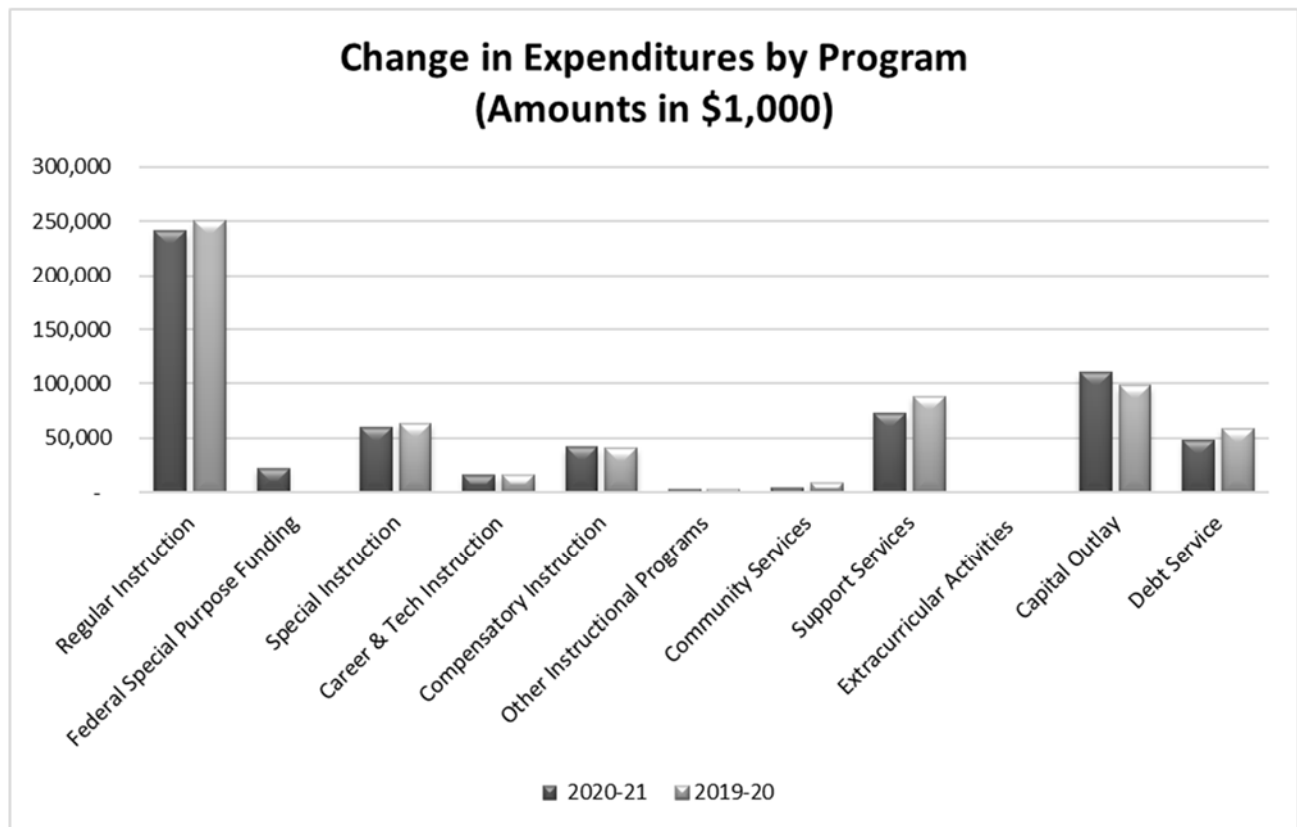
#### Revenue Source

Local- Taxes & Non-taxes	\$ 162,658,646	28.79%	12,417,768	8.27%
State Revenues	332,226,723	58.80%	(25,103,164)	-7.03%
Federal Revenues	65,440,974	11.58%	23,747,313	56.96%
Others	4,703,022	0.83%	(219,359)	-4.46%
<b>Total</b>	<b>\$ 565,029,365</b>	<b>100.00%</b>	<b>10,842,558</b>	<b>1.96%</b>

#### Expenditures

Regular Instruction	\$ 241,126,724	38.85%	(9,821,117)	-3.91%
Federal Special Purpose Funding	22,168,219	3.57%	22,168,219	100.00%
Special Instruction	59,786,954	9.63%	(3,846,101)	-6.04%
Career & Tech Instruction	15,771,949	2.54%	(997,614)	-5.95%
Compensatory Instruction	41,844,187	6.74%	837,684	2.04%
Other Instructional Programs	2,864,669	0.46%	(56,806)	-1.94%
Community Services	4,751,711	0.77%	(4,439,385)	-48.30%
Support Services	73,042,669	11.77%	(15,706,238)	-17.70%
Extracurricular Activities	263,300	0.04%	(837,416)	-76.08%
Capital Outlay	110,474,374	17.80%	11,988,775	12.17%
Debt Service	48,592,142	7.83%	(10,095,117)	-17.20%
<b>Total</b>	<b>\$ 620,686,899</b>	<b>100.00%</b>	<b>(\$10,805,115)</b>	<b>-1.71%</b>





### General Fund Budgetary Highlights

Appropriations are a prerequisite to expenditures in the governmental funds. Appropriations lapse at the end of the fiscal year. The Board may adopt a revised or supplemental budget appropriation after a public hearing anytime during the fiscal year. There were no budget revisions during 2020-21. The general fund's beginning fund balance in 2020-21 was \$36.9M as reported in the Required Supplemental Information, Schedule A-1.

Revenues were \$15.6M under budget, and expenditures were \$41.1M under budget. Washington State statutes establish expenditure budgets as absolute expenditure limits, encouraging contingency budgeting.

Property tax revenues came in close to budget, and local non-tax collections were \$3.4M below the prior year – this reflects the legislative changes in local voter-approved levy capacity. The district received \$246.4M in general state apportionment revenues in 2020-21, a decrease of \$13.9M over 2019-20 which reflects decreases in school and district generated entitlement due to COVID. Federal revenues from grant sources were \$23.3M more than the prior year. New federal grant revenues were used for COVID targeted assistance.

Expenditures in the general fund were less than budgeted. Spending in most program categories were below the prior year and expenditures were \$41.1M below budget. Certificated and classified salaries slightly more than the prior year due to increased wages. Supply and material expenditures were \$18.8M under budget. Purchased services and capital outlay were \$8.2M under and \$572K under budget, respectively. Travel was down significantly compared to the prior year and came in under budget by \$373K due to COVID closures.

Other financing sources were \$93K over budget. The district had a planned transfer of \$3M from the capital projects fund to the general fund for district-wide technology software licenses as directed under state statute. A total of \$2.8M in eligible software licenses were transferred between the funds.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

At the end of the fiscal year 2020-21, the district had \$1,105M invested in a broad range of capital assets, including technology equipment and school buildings. This amount represents a net increase (including additions and deletions) of \$53.9M over last year.

Capital Assets As of August 31, 2021			
Asset Type	Historical Cost	Accumulated Depreciation	Net
Land	\$ 45,430,757	\$ -	\$ 45,430,757
Building and Improvements	1,388,478,725	(424,821,345)	963,657,380
Equipment	48,010,913	(41,898,431)	6,112,482
Construction-in-Progress	89,935,877	-	89,935,877
<b>Total</b>	<b>\$ 1,571,856,272</b>	<b>\$ (466,719,776)</b>	<b>\$ 1,105,136,496</b>

The final two elementary schools listed for replacement or modernization with the 2013 capital bond issue were completed and moved from construction into building and improvements. In addition, work continued for modernization of one middle school, which increased the building and improvements category over the prior year. Additional information can be found in the Notes to the Financial Statements, Note 4.

Construction in Progress - Changes from Prior Year:	
Elementary Schools	\$ (40,284,098)
Middle Schools	45,815,177
	<u>\$ 5,531,079</u>

The district's 2020-21 fiscal year budget for capital projects fund expenditures was set at \$126.5M.

Birney and Boze Elementary Schools celebrated their first day of school in their new buildings in September 2020. Construction continued on Hunt Middle School with the scheduled opening in September 2021. In addition, Downing, Fawcett and Skyline Elementary Schools were in the early stages of design and site preparation during 2020-21.

These projects and others are financed through the 2013 (\$500M) and 2020 (\$535M) capital bonds approved by voters. Additional information on capital assets is included in the Notes to the Financial Statements, Note 5.

The district maintains a fleet of yellow buses to serve its Special Education routes, and these buses are purchased from the Transportation Vehicle Fund. In 2000, the district began a long-term bus replacement plan which was meant to be self-supporting using state bus depreciation payments.

In 2020-21, the district received \$575K in bus depreciation payments from the state. The district purchased six buses in 2020-21 on its bus replacement plan to keep its fleet of yellow buses current at a total cost of \$704K.

## Debt

At year end, the district owed \$972.8M in outstanding bonds, versus \$516M last year – an increase of \$456.9M. The district has an ending balance of \$111K in additional long-term financing costs related to new scoreboards purchased for the Lincoln and Stadium Bowls.

This debt is secured by a pledge of the full faith and credit of the district. In July of 2021, the district's rating from Moody's was changed to Aa3 due to a rebase in their calculation methodology. Standard and Poor's rating of AA has remained unchanged since 2013. Additionally, the district uses the State School Bond Guarantee Program, which enhances our ratings to Aa1/AA+ at a nominal fee to the district. More detailed information on the district's debt can be found in Note 7 of the notes to the financial statements.

Governmental Activities	Outstanding Debt			
	2020-21	2019-20	Increase/(Decrease)	
2012 Refunding of '03,05,05A UTGOs	\$ 41,850,000	\$ 46,045,000	\$ (4,195,000)	-9.11%
2014 UTGO (Refunded)	6,240,000	6,240,000	-	0.00%
2015 Refunding of BAN	74,440,000	88,755,000	(14,315,000)	-16.13%
2015 UTGO (Refunded)	-	8,915,000	(8,915,000)	-100.00%
2020 Refunding of '14, '15 UTGOs	366,010,000	366,010,000	-	0.00%
2020-B UTGO	249,280,000	-	249,280,000	100.00%
2020-C UTGO	235,000,000	-	235,000,000	100.00%
Long-Term Financing - Scoreboards	110,927	218,832	(107,905)	-49.31%
<b>Total</b>	<b>\$ 972,930,927</b>	<b>\$ 516,183,832</b>	<b>\$ 456,747,095</b>	<b>88.49%</b>

## NEXT YEAR'S BUDGET AND RATES

The district's 2020-21 expenditure budgets for governmental funds were set at \$694.4M. The 2021 property tax rate decreased from \$5.02 (2020) to \$4.66 (2021) per thousand dollars of assessed value for the amounts collected in the general fund, capital projects fund, and debt service fund. Total assessed value increased by 9 percent between 2020 and 2021, with projected assessed valuation of \$34B over the calendar year. Property values continue to increase in 2021, and it is expected the assessed values for the area have fully recovered from the recession in 2008-09.

## ECONOMIC FACTORS

The district serves the City of Tacoma and small outlying areas in Pierce County. The smaller labor force and demand for workers in 2021 cause the unemployment rate to drop to a rate below 3.9 percent, down from pre-pandemic times of 5.0 percent. At the same time, due in large part to the federal CARES Act, the Pierce County Economic Index (PCEI) is forecast to end 2021 up by 2.8 percent for the year, and forecasts for 2022 show gains could be slowing with the end of stimulus packages.

Pierce County's unemployment rate decreased from 5.0 percent pre-pandemic to 3.83 percent in April 2021. Nonfarm employment was 12,300 lower in 2021 than in 2019, pre-pandemic. Government (down 5,300) professional and business services (down 2,400) and leisure and hospitality (down 2,000) make up the bulk of the decrease. The forecast for 2022 is for 4.5 percent growth in employment in the county with 14,000 estimated jobs being added back post-pandemic.

In 2021, personal income was estimated to have grown by 3.25 percent, and increased by 2.3 percent in personal income per capita to \$60,450. For 2022, total income is forecast to grow just 0.09 percent, with per capital income expected to decrease by 0.81 percent.

New housing listings increased 22.6 percent compared with 2021 beating the forecast by almost 10 points. However, lack of new listings has flattened the forecast for 2022 leaving it relatively unchanged. The county's affordability index dropped in 2021 due to sharp increases in home values. The index is expected

to continue to decrease during 2022 pushing the index to below 100 for the first time since late 2008 due to rising home values in the double digits, increasing 30-year mortgage rates and lack of growth in nominal median incomes. Rents have increased by 4.9 percent in 2021 compared to pre-pandemic prices for multi-family properties.

With all industries affected by the pandemic commercial real estate in the warehouse and distribution sectors rose 1.1 percent. Office space inventory dropped by 5.6 percent, which pushed vacancy rates to 8.11 percent. Retail space vacancy rates were 2.84 percent down from 3.3 percent at the end of 2020.

The Port of Tacoma and the Port of Seattle formed the Northwest Seaport Alliance (NWSA) in August 2016 to be more competitive with other west coast ports. Since the NWSA has been formed, the combined share of west coast container traffic had started to stabilize. The combined international and domestic volumes were up in 2021 14.4 percent. NWSA's market share for the U.S. West Coast international container volume was projected to end 2021 at a 12.6 percent increase and an 7.3 percent increase by the end of 2022.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the district's finances and to demonstrate the district's accountability for the funding it receives. If you have questions about this report or need additional financial information, visit or contact:

Accounting Services Manager  
Tacoma School District No. 10  
601 S. 8<sup>th</sup> Street  
Tacoma, WA 98405

Tacoma School District No. 10

## **Government-Wide Financial Statements**

The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities.

These statements report all financial and capital resources of the primary government as a whole, except for the fiduciary funds of the primary government that are fiduciary in nature.

The Statement of Net Position displays the “*assets plus deferred outflows less liabilities plus deferred inflows equal net position*” format.

The Statement of Activities presents governmental activities by function, at the level of detail required in the governmental fund statement of revenues, expenditures, and changes in fund balances.

The government-wide financial statements were prepared using the economic resources measurement focus and the accrual basis of accounting.



**TACOMA SCHOOL DISTRICT No. 10**  
**STATEMENT OF NET POSITION**  
**AUGUST 31, 2021**

	<b>PRIMARY GOVERNMENT</b>	
	<b>Note No.</b>	<b>Governmental Activities</b>
<b>ASSETS</b>		
Cash and Cash Equivalents	1.F.1	2,636,246
Cash Held by Trustees		1,415,842
Investments	2	599,158,813
Property Tax Receivable	1.F.2	74,251,713
Receivables, Net	1.F.3	307,013
Due From Other Governments	1.F.5	29,082,696
Inventories	1.G	4,413,918
Prepaid Items	1.G	1,097,738
Net Pension Assets	6.A	111,983,417
Capital Assets, net of accumulated depreciation, where applicable:	4	
Land		45,430,757
Buildings & Improvements		963,657,380
Equipment		6,112,482
Construction-in-Progress		89,935,877
<b>TOTAL ASSETS</b>		<b>1,929,483,891</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>		
Refunded Bonds - Charge on Refunding	7.E	17,644,060
Deferred Outflows Related to Pensions	6.A	46,262,693
Deferred Outflows Related to OPEB	9.F	30,504,073
<b>TOTAL DEFERRED OUTFLOW OF RESOURCES</b>		<b>94,410,826</b>
<b>LIABILITIES</b>		
Accounts Payable		27,389,900
Accrued Wages & Benefits Payable		18,240,445
Unearned Revenue		1,371,423
Long-Term Liabilities	7.A	
Due within one year		43,202,469
Due in more than one year		1,281,026,347
<b>TOTAL LIABILITIES</b>		<b>1,371,230,585</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Inflows Related to Pensions	6.A	173,835,696
Deferred Inflows Related to OPEB	9.F	28,748,079
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>		<b>202,583,775</b>
<b>NET POSITION</b>		
Net Investment in Capital Assets		551,375,017
Restricted for:		
Associated Student Body		1,930,351
Capital Projects		36,368,023
Debt Service		53,391,686
State Grants		1,896,105
Net Pension Asset		20,771,194
Unrestricted		(215,652,019)
<b>TOTAL NET POSITION</b>		<b>450,080,357</b>

The notes to the basic financial statements are an integral part of this statement.

**TACOMA SCHOOL DISTRICT No. 10**  
**STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED AUGUST 31, 2021**

Functions/Programs	Expenses	PROGRAM REVENUES			NET (EXPENSE)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	REVENUE AND CHANGES IN NET POSITION
PRIMARY GOVERNMENT					
Governmental Activities:					
Regular Instruction	\$ 255,633,043	\$ 1,357,261	\$ 6,242,930	\$ 152,647	(247,880,205)
Federal Special Purpose Funding	20,892,884	-	24,994,667	-	4,101,783
Special Instruction	56,353,373	2,187,890	46,397,697	-	(7,767,786)
Career & Technical Instruction	14,970,200	12,020	16,238,009	284,739	1,564,567
Compensatory Instruction	39,461,524	-	43,931,157	26,003	4,495,636
Other Instructional Programs	2,767,595	152,634	2,395,433	-	(219,529)
Community Services	4,478,345	218,894	1,545,256	-	(2,714,196)
Support Services	71,059,065	483,895	17,646,105	301,839	(52,627,227)
Extracurricular Activities (ASB)	264,449	163,427	-	-	(101,022)
Interest Payment on Long-Term Debt	21,163,605	-	-	-	(21,163,605)
Liquidation of Sound Partnership Assets	3,641,152	-	-	-	(3,641,152)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 490,685,237	\$ 4,576,021	\$ 159,391,254	\$ 765,227	(325,952,735)
GENERAL REVENUES:					
Taxes:					
Property taxes, levies for maintenance and operations					73,847,394
Property taxes, levies for debt service					60,739,270
Property taxes, levies for capital projects					24,303,369
Unallocated State Apportionment & Others					240,640,066
Interest and Investment earnings					577,421
TOTAL GENERAL REVENUES					400,107,521
Changes in Net Position					74,154,786
NET POSITION - September 1					375,875,869
Cumulative Effect of Accounting Principle Change					49,702
NET POSITION - August 31					450,080,357

The notes to the basic financial statements are an integral part of this statement.

Tacoma School District No. 10

## **Governmental Fund Financial Statements**

The governmental fund financial statements consist of major governmental funds:

1. General Fund
2. Special Revenue Fund (Associated Student Body Fund)
3. Debt Service Fund
4. Capital Projects Fund
5. Transportation Vehicle Fund

The governmental funds focus primarily on the sources, uses, and balances of current financial resources and the modified accrual basis of accounting.

**TACOMA SCHOOL DISTRICT No. 10**  
**FUND BALANCE SHEETS**  
**GOVERNMENTAL FUNDS**  
**AUGUST 31, 2021**

	General Fund	Special Revenue (ASB) Fund	Debt Service Fund	Capital Projects Fund	Transportation Vehicle Fund	Total Governmental Funds
<b>ASSETS</b>						
Cash on Hand and in Bank	\$ 1,842,300	\$ 45,128	\$ 532,533	\$ 213,115	\$ 3,170	\$ 2,636,246
Construction Retainage Escrow	-	-	-	1,415,842	-	1,415,842
Investments	40,790,614	2,074,786	24,407,704	529,329,281	2,556,427	599,158,813
Property Tax Receivable	34,643,177	-	28,340,522	11,268,014	-	74,251,713
Accounts Receivable, Net	300,758	6,256	-	-	-	307,013
Interfund Receivable	3,457,843	6,203	-	303,897	-	3,767,943
Due From Other Government Units	29,082,546	150	-	-	-	29,082,696
Inventories at Cost	4,413,918	-	-	-	-	4,413,918
Prepaid Items	1,097,738	-	-	-	-	1,097,738
<b>TOTAL ASSETS</b>	<b>\$ 115,628,893</b>	<b>\$ 2,132,523</b>	<b>\$ 53,280,759</b>	<b>\$ 542,530,149</b>	<b>\$ 2,559,597</b>	<b>\$ 716,131,921</b>
<b>LIABILITIES</b>						
Accounts Payable	\$ 6,416,511	\$ 87,787	\$ -	\$ 12,529,350	\$ -	\$ 19,033,648
Retainage Payable	-	-	-	1,415,842	-	1,415,842
Accrued Wages & Benefits Payable	18,165,809	(7)	-	74,643	-	18,240,445
Interfund Payable	291,511	12,356	-	3,464,076	-	3,767,943
Unearned Revenue - Other	1,269,388	102,035	-	-	-	1,371,423
<b>TOTAL LIABILITIES</b>	<b>26,143,219</b>	<b>202,171</b>	<b>-</b>	<b>17,483,911</b>	<b>-</b>	<b>43,829,301</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable Revenue - Property Taxes	33,419,303	-	27,339,160	10,869,770	-	71,628,233
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>33,419,303</b>	<b>-</b>	<b>27,339,160</b>	<b>10,869,770</b>	<b>-</b>	<b>71,628,233</b>
<b>FUND BALANCES</b>						
Nonspendable - Inventory & Prepaid Items	5,058,037	-	-	-	-	5,058,037
Restricted for Carryover of Restricted Revenues	1,896,105	-	-	-	-	1,896,105
Restricted for Construction	-	-	-	500,593,800	-	500,593,800
Restricted for Debt Service	110,927	-	25,941,599	-	-	26,052,525
Restricted to Fund Purposes	-	1,930,351	-	-	2,559,597	4,489,949
Restricted for Technology	-	-	-	10,366,050	-	10,366,050
Committed to Contingencies	1,000,000	-	-	-	-	1,000,000
Assigned to Other Items	310,128	-	-	-	-	310,128
Assigned to Budget Carryover	2,704,343	-	-	-	-	2,704,343
Assigned to Future Operations	3,265,369	-	-	-	-	3,265,369
Assigned to Curriculum & Instruction	3,800,000	-	-	-	-	3,800,000
Assigned to Fund Purposes	-	-	-	3,216,618	-	3,216,618
Unassigned for Minimum Fund Balance Policy	21,177,326	-	-	-	-	21,177,326
Unassigned for Fund Balance	16,744,137	-	-	-	-	16,744,137
<b>TOTAL FUND BALANCES</b>	<b>56,066,371</b>	<b>1,930,351</b>	<b>25,941,599</b>	<b>514,176,468</b>	<b>2,559,597</b>	<b>600,674,387</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<b>\$ 115,628,893</b>	<b>\$ 2,132,523</b>	<b>\$ 53,280,759</b>	<b>\$ 542,530,149</b>	<b>\$ 2,559,597</b>	<b>\$ 716,131,921</b>

The notes to the basic financial statements are an integral part of this statement.

**TACOMA SCHOOL DISTRICT No. 10**  
**RECONCILIATION**  
**BALANCE SHEET/STATEMENT OF NET POSITION**  
**AUGUST 31, 2021**

	<b>Total Governmental Funds</b>	<b>Long-Term Assets, Liabilities *</b>	<b>Reclassifications and Eliminations</b>	<b>Statement of Net Position Totals</b>
<b>ASSETS</b>				
Cash on Hand and in Bank	\$ 2,636,246	\$ -	\$ -	\$ 2,636,246
Cash Held by Trustees	1,415,842	-	-	1,415,842
Investments	599,158,813	-	-	599,158,813
Property Tax Receivable	74,251,713	-	-	74,251,713
Receivables, Net	307,013	-	-	307,013
Interfund Receivable	3,767,943	-	(3,767,943)	-
Due From Other Governments	29,082,696	-	-	29,082,696
Inventories	4,413,918	-	-	4,413,918
Prepaid Items	1,097,738	-	-	1,097,738
Long-Term Assets - Pension	-	111,983,417	-	111,983,417
Capital Assets, Net	-	1,105,136,496	-	1,105,136,496
<b>TOTAL ASSETS</b>	<b>716,131,921</b>	<b>1,217,119,913</b>	<b>(3,767,943)</b>	<b>1,929,483,891</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Charge on Refunding	-	17,644,060	-	17,644,060
Pension Plan Experience - Assumption Changes & Plan Contributions	-	46,262,693	-	46,262,693
OPEB Changes - Contributions and Assumptions	-	30,504,073	-	30,504,073
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>-</b>	<b>94,410,826</b>	<b>-</b>	<b>94,410,826</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 716,131,921</b>	<b>\$ 1,311,530,739</b>	<b>\$ (3,767,943)</b>	<b>\$ 2,023,894,718</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 20,449,490	\$ 6,940,410	\$ -	\$ 27,389,900
Wages, Benefits & Other Payables	18,240,445	-	-	18,240,445
Interfund Payable	3,767,943	-	(3,767,943)	-
Unearned Revenue - Other	1,371,423	-	-	1,371,423
Long-Term Liabilities - Pension	-	25,798,478	-	25,798,478
Long-Term Liabilities - OPEB	-	208,818,780	-	208,818,780
Long-Term Liabilities - Not Pension or OPEB	-	1,089,611,558	-	1,089,611,558
<b>TOTAL LIABILITIES</b>	<b>43,829,301</b>	<b>1,331,169,227</b>	<b>(3,767,943)</b>	<b>1,371,230,585</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue - Property Taxes	71,628,233	(71,628,233)	-	-
Pension Plan Investment Earnings & Changes in Proportions	-	173,835,696	-	173,835,696
OPEB Changes - Differences and Assumptions	-	28,748,079	-	28,748,079
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>71,628,233</b>	<b>130,955,542</b>	<b>-</b>	<b>202,583,775</b>
<b>FUND BALANCES/NET POSITION</b>				
Fund Balances/Position	600,674,387	(150,594,029)	-	450,080,357
<b>TOTAL FUND BALANCES/NET POSITION</b>	<b>600,674,387</b>	<b>(150,594,029)</b>	<b>-</b>	<b>450,080,357</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES/NET POSITION</b>	<b>\$ 716,131,921</b>	<b>\$ 1,311,530,739</b>	<b>\$ (3,767,943)</b>	<b>\$ 2,023,894,718</b>

The notes to the basic financial statements are an integral part of this statement.

\* See Note 10

**TACOMA SCHOOL DISTRICT No. 10**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED AUGUST 31, 2021**

	General Fund	Special Revenue (ASB) Fund	Debt Service Fund	Capital Projects Fund	Transportation Vehicle Fund	Total Governmental Funds
<b>REVENUES</b>						
Local	\$ 76,049,873	\$ 163,427	\$ 60,761,506	\$ 25,022,883	\$ 3,200	\$ 162,000,889
State	331,651,251	-	-	657,757	575,472	332,884,480
Federal	65,440,974	-	-	-	-	65,440,974
Other Districts/Agencies	4,703,022	-	-	-	-	4,703,022
<b>TOTAL REVENUES</b>	<b>477,845,120</b>	<b>163,427</b>	<b>60,761,506</b>	<b>25,680,640</b>	<b>578,672</b>	<b>565,029,365</b>
<b>EXPENDITURES</b>						
<b>Current:</b>						
Regular Instruction	241,126,724	-	-	-	-	241,126,724
Federal Special Purpose Funding	22,168,219	-	-	-	-	22,168,219
Special Instruction	59,786,954	-	-	-	-	59,786,954
Career & Technical Instruction	15,771,949	-	-	-	-	15,771,949
Compensatory Instruction	41,844,187	-	-	-	-	41,844,187
Other Instructional Programs	2,864,669	-	-	-	-	2,864,669
Community Services	4,751,711	-	-	-	-	4,751,711
Support Services	73,042,669	-	-	-	-	73,042,669
Student Activities	-	263,300	-	-	-	263,300
<b>Debt Service:</b>						
Principal	-	-	27,425,000	-	-	27,425,000
Interest and Other Charges	-	-	21,167,142	-	-	21,167,142
<b>Capital Outlay:</b>						
Other	408,118	-	-	109,362,646	703,610	110,474,374
<b>TOTAL EXPENDITURES</b>	<b>461,765,201</b>	<b>263,300</b>	<b>48,592,142</b>	<b>109,362,646</b>	<b>703,610</b>	<b>620,686,899</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>16,079,920</b>	<b>(99,873)</b>	<b>12,169,364</b>	<b>(83,682,006)</b>	<b>(124,938)</b>	<b>(55,657,534)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Issuance of Refunding Bonds	-	-	14,689	-	-	14,689
Bond Sales & Refunding Bond Sales	-	-	-	536,829,866	-	536,829,866
Proceeds from Sale of Surplus Equipment	260,959	-	-	-	23,250	284,209
Transfers	2,831,966	-	-	(2,831,966)	-	0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>3,092,925</b>	<b>-</b>	<b>14,689</b>	<b>533,997,899</b>	<b>23,250</b>	<b>537,128,763</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>19,172,845</b>	<b>(99,873)</b>	<b>12,184,052</b>	<b>450,315,893</b>	<b>(101,688)</b>	<b>481,471,229</b>
<b>FUND BALANCE - September 1</b>	<b>36,893,527</b>	<b>1,980,522</b>	<b>13,757,546</b>	<b>63,860,575</b>	<b>2,661,285</b>	<b>119,153,455</b>
Cumulative Effect of Accounting Principle Change	-	49,702.19	-	-	-	49,702
<b>FUND BALANCE - August 31</b>	<b>\$ 56,066,371</b>	<b>\$ 1,930,351</b>	<b>\$ 25,941,599</b>	<b>\$ 514,176,468</b>	<b>\$ 2,559,597</b>	<b>\$ 600,674,387</b>

The notes to the basic financial statements are an integral part of this statement.

**TACOMA SCHOOL DISTRICT No. 10**  
**RECONCILIATION**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE/STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED AUGUST 31, 2021**

	<b>Total Governmental Funds</b>	<b>Long-Term Revenue, Expenses *</b>	<b>Capital Related items *</b>	<b>Internal Service Fund *</b>	<b>Long-Term Debt Transactions *</b>	<b>Statement of Activities Total</b>
<b>REVENUES AND OTHER SOURCES</b>						
<b>Revenues:</b>						
Property Taxes	\$ 158,890,034	\$ (479,300)	\$ -	\$ -	\$ -	\$ 158,410,734
Local Non-Taxes	3,110,855	-	-	-	-	3,110,855
State	332,884,480	-	-	-	-	332,884,480
Federal	65,440,974	-	-	-	-	65,440,974
Other Districts/Agencies	4,703,022	-	-	-	-	4,703,022
<b>Other Sources:</b>						
Issuance of Refunding Bonds	14,689	-	-	-	(8,939)	5,750
Bond Sales & Refunding Bond Sales	536,829,866	-	-	-	(536,829,866)	(0)
Proceeds from Sale of Surplus Equipment	284,209	-	-	-	-	284,209
<b>TOTAL REVENUES AND OTHER SOURCES</b>	<b>1,102,158,128</b>	<b>(479,300)</b>	<b>-</b>	<b>-</b>	<b>(536,838,805)</b>	<b>564,840,023</b>
<b>EXPENDITURES AND OTHER USES</b>						
<b>Current:</b>						
Regular Instruction	241,126,724	(27,303,334)	26,701,075	-	-	240,524,465
Federal Special Purpose Funding	22,168,219	(2,510,158)	-	-	-	19,658,061
Special Instruction	59,786,954	(6,769,814)	5,603	-	-	53,022,742
Career & Technical Instruction	15,771,949	(1,785,894)	99,367	-	-	14,085,422
Compensatory Instruction	41,844,187	(4,738,114)	23,172	-	-	37,129,246
Other Instructional Programs	2,864,669	(324,373)	63,727	-	-	2,604,023
Community Services	4,751,711	(538,047)	-	-	-	4,213,664
Support Services	73,042,669	(8,270,789)	2,195,315	-	(107,905)	66,859,289
Student Activities	263,300	-	1,149	-	-	264,449
<b>Debt Service:</b>						
Principal	27,425,000	-	-	-	(27,425,000)	-
Interest and Other Charges	21,167,142	-	-	-	(3,537)	21,163,605
<b>Capital Outlay</b>	<b>110,474,374</b>	<b>-</b>	<b>(82,955,256)</b>	<b>-</b>	<b>-</b>	<b>27,519,118</b>
<b>Other Uses:</b>						
Liquidation of Sound Partnership Assets	-	-	-	3,641,152	-	3,641,152
<b>TOTAL EXPENDITURES AND OTHER USES</b>	<b>620,686,899</b>	<b>(52,240,524)</b>	<b>(53,865,848)</b>	<b>3,641,152</b>	<b>(27,536,442)</b>	<b>490,685,237</b>
<b>NET CHANGE FOR THE YEAR</b>	<b>\$ 481,471,229</b>	<b>\$ 51,761,224</b>	<b>\$ 53,865,848</b>	<b>\$ (3,641,152)</b>	<b>\$ (509,302,363)</b>	<b>\$ 74,154,786</b>

The notes to the basic financial statements are an integral part of this statement.

\* See Note 10

**Tacoma School District No. 10**

**Internal Service Fund  
(The Sound Partnership)**

The Sound Partnership is the District's internal service fund and reported in the proprietary fund in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 10 (Risk Financing).



**TACOMA SCHOOL DISTRICT No. 10**  
**INTERNAL SERVICE FUND (THE SOUND PARTNERSHIP)**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (LIQUIDATION BASIS)**  
**FOR THE FISCAL YEAR ENDED AUGUST 31, 2021**

	<u>The Sound Partnership</u>
<b>EFFECTS OF APPLYING LIQUIDATION BASIS OF ACCOUNTING</b>	
Final Liquidation of Sound Partnership Assets	<u>(3,641,152)</u>
<b>TOTAL EFFECTS OF APPLYING LIQUIDATION BASIS OF ACCOUNTING</b>	<b>(3,641,152)</b>
<b>CHANGE IN NET POSITION</b>	<b>(3,641,152)</b>
<b>NET POSITION - September 1</b>	<u>3,641,152</u>
<b>NET POSITION - August 31</b>	<u><u>\$ -</u></u>

The notes to the basic financial statements are an integral part of this statement.

**TACOMA SCHOOL DISTRICT No. 10**  
**INTERNAL SERVICE FUND (THE SOUND PARTNERSHIP)**  
**STATEMENT OF CASH FLOWS**  
**FOR THE FISCAL YEAR ENDED AUGUST 31, 2021**

	<u>The Sound Partnership</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Benefit Claims	\$ (163,101)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>(163,101)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Liquidation of Partnership Assets	\$ (3,641,152)
<b>NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES</b>	<b>(3,641,152)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(3,804,253)</b>
<b>CASH AND CASH EQUIVALENTS - Beginning</b>	<u>3,804,253</u>
<b>CASH AND CASH EQUIVALENTS - Ending</b>	<u><u>\$ -</u></u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>	
Operating Income (Loss)	\$ -
<b>Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:</b>	
Increase (Decrease) in Liabilities	<u>(163,101)</u>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u><u>\$ (163,101)</u></u>

The notes to the basic financial statements are an integral part of this statement.

**Tacoma School District No. 10**

**Fiduciary Funds Financial Statements**

The fiduciary funds financial statements include the Private-Purpose Trust Fund. The fiduciary funds financial statements focus on net position and changes in net position.

Private-Purpose Trust Fund reports all trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

**TACOMA SCHOOL DISTRICT No. 10**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**AUGUST 31, 2021**

	<u>Private-Purpose Trusts</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 1,350
Investments at Fair Value	<u>1,020,863</u>
<b>TOTAL ASSETS</b>	<u><b>1,022,213</b></u>
<b>LIABILITIES</b>	
Accounts Payable	<u>178,228</u>
<b>TOTAL LIABILITIES</b>	<u><b>178,228</b></u>
<b>NET POSITION</b>	
Held in Trust for Scholarships and Student Aid	<u>843,985</u>
<b>TOTAL NET POSITION</b>	<u><b>\$ 843,985</b></u>

The notes to the basic financial statements are an integral part of this statement.

**TACOMA SCHOOL DISTRICT No. 10**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE FISCAL YEAR ENDED AUGUST 31, 2021**

	<u>Private-Purpose Trusts</u>
<b>ADDITIONS</b>	
Donations	\$ 275,425
<b>TOTAL ADDITIONS</b>	<u>275,425</u>
<b>DEDUCTIONS</b>	
Scholarships	70,849
Tuition and Fees	7,940
Supplies & Materials	216,253
Field Trips	19,049
Purchased Services	3,890
Salaries & Benefits	500
<b>TOTAL DEDUCTIONS</b>	<u>318,481</u>
<b>CHANGE IN NET POSITION</b>	<b>(43,056)</b>
<b>NET POSITION - September 1</b>	<u>936,743</u>
Cumulative Effect of Accounting Principle Change	(49,702)
<b>NET POSITION - August 31</b>	<u><u>\$ 843,985</u></u>

The notes to the basic financial statements are an integral part of this statement.

## Tacoma School District No. 10

# Notes to the Financial Statements

The notes to the financial statements are an integral part of the basic financial statements. The notes focus on the primary government, especially its governmental activities and major funds.

Note 1	Summary of Significant Accounting Policies
Note 2	Deposits and Investments
Note 3	Interfund Transactions
Note 4	Changes in Capital Assets
Note 5	Construction in Progress
Note 6	Pensions and Nongovernmental Pension Plans
Note 7	Long-Term Debt
Note 8	Commitments Under Leases
Note 9	Risk Management
Note 10	Reconciliation between Government-wide Financial Statements and Governmental Fund Financial Statements
Note 11	Fund Balance (Governmental Funds)
Note 12	Contingent Liabilities
Note 13	Litigation
Note 14	Subsequent Events

**TACOMA SCHOOL DISTRICT No. 10**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**September 1, 2020 through August 31, 2021**

**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Tacoma School District's financial reports, as reflected by the accompanying financial statements, conform to generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the district are described below.

**A. REPORTING ENTITY**

The Tacoma School District is a municipal corporation organized pursuant to Title 28A *Revised Code of Washington* (RCW) for the purpose of providing public school services to students in preschool – grade 12. Oversight responsibility for the district's operations is vested with the independently elected board of directors. Management of the district is appointed by and accountable to the board of directors. Fiscal responsibility, including budget authority and the power to set fees, levy property taxes, and issue debt consistent with provisions of state statutes, also rests with the board of directors.

The Tacoma School District's financial statements include all funds and organizations that are controlled by or dependent on the district's board of directors. Control by or dependence on the district was determined on the basis of budget adoption, taxing authority, outstanding debt secured by the general credit of the district, obligation of the district to finance any deficits that may occur, or receipt of significant subsidies from the district. The Sound Partnership discussed below is the district's internal service fund and blended into those of the district by appropriate activity type to compose the *primary government* presentation.

**Internal Service Fund.** The Sound Partnership was a health and welfare trust fund administered by a joint board of five management and five labor trustees. The participants of the Trust are all employees of the Tacoma School District. The Tacoma School District retained complete governing control (appointed board of trustees and accountable for financial matters) over the Sound Partnership which provided medical, dental, vision, disability, and life insurance benefits to district employees and their eligible dependents. On August 31, 2020 the Board of Trustees terminated the Sound Partnership and on February 16, 2021 all remaining assets were distributed per the Trust agreement.

**B. PRESENTATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The accounts of the district are organized on the basis of funds in governmental fund financial statements, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The district's basic financial statements in this report consist of:

**1. GOVERNMENT-WIDE FINANCIAL STATEMENTS**

Overall governmental activities are reported here without displaying individual funds or fund types and display information about the district as a whole. They include the primary government and its internal service fund (The Sound Partnership), however, they do not contain the fiduciary activity or fund.

The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

The government-wide financial statements consist of the following:

- a. **Statement of Net Position** – The Statement of Net Position reports all financial and capital resources. Capital assets (land, land improvements, building, building improvements, vehicles, and equipment) are reported at historical cost, net of accumulated depreciation.
- b. **Statement of Activities** – The operations of the district are presented net of the applicable program revenues. General revenues are divided into property taxes, interest, and investment earnings. The expenses and revenues are reported as follows:

**Expenses** – Expenses are reported by function/program and include direct and indirect expenses. Depreciation expenses are allocated to direct expenses if they can be specifically identified with a function/program. Interest expenses may be considered direct (interest on long-term debt, when borrowing is essential to the creation or continuing existence of a program) or indirect expenses (interest on long-term liabilities).

**Revenues** – The revenues are divided into program revenues and general revenues. Program revenues are derived directly from the program itself or from parties outside the district's taxpayers, as a whole. They reduce the net cost of the function to be financed from the district's general revenues. Program-specific grants and contributions include revenues arising from mandatory and voluntary non-exchange transactions with federal, state governments, organizations, or individuals that are restricted for use in a particular program.

General revenues are revenues that are not required to be reported as program revenues such as property tax levies for a specific purpose and all non-tax revenues (interest and investment earnings).

The fiduciary fund is not presented in the government-wide financial statements. It is presented separately in Schedules 8 and 9.

## **2. FUND FINANCIAL STATEMENTS**

The accounts of the district are organized on the basis of funds in the fund financial statements, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred inflows, liabilities, fund equity, revenues, and expenditures.

Resources are accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The fund financial statements consist of the Fund Balance Sheet, Reconciliation of Balance Sheet/Statement of Net Position, Statement of Revenues, Expenditures and Changes in Fund Balance, and Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balance/Statement of Activities; Internal Service Fund – Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, Statement of Cash Flows; Fiduciary Fund - Statement of Fiduciary Net Position, Statement of Changes in Fiduciary Net Position.

The various funds are grouped into three classifications: Governmental, Internal and Fiduciary.

### **GOVERNMENTAL FUNDS**

#### **General Fund**

This fund is the district's primary operating fund. It accounts for all financial resources of the district, except those required to be accounted for in another fund. The revenues of the General Fund are derived primarily from the State of Washington, local property taxes, and federal grants. In keeping with the principle of as few funds as necessary, nutrition services, maintenance, technology services, printing and graphics, and pupil transportation activities are included in this fund.



#### Special Revenue Fund (Associated Student Body Fund)

These funds account for the proceeds of specific revenue sources that are legally restricted for specific purposes. The Associated Student Body Fund (ASB Fund) is the only fund of this type. This fund is accounted for as a special revenue fund since the financial resources belong to the district.

Revenues include the extracurricular fees and resources collected in fundraising events for students. Allowable expenditures include extra-curricular activities for students that are of a cultural, athletic, recreational, or social nature. Disbursements require the joint approval of the appropriate student body organization and the district's board of directors.

#### Debt Service Fund

This fund is used to account for the accumulation of resources for and the payment of matured general long-term debt principal, interest, and related expenditures.

#### Capital Projects Funds

The capital projects fund type consists of the Capital Projects Fund and the Transportation Vehicle Fund.

The Capital Projects Fund accounts for financial resources to be used for the construction or acquisition of major capital assets. This fund must be used when projects are financed wholly or in part by bond issues, local levies, intergovernmental resources, major private donations, or insurance recoveries. Expenditures in this fund may also be for major technology implementation projects, energy capital improvements to existing buildings, and the purchase of certain initial equipment for existing buildings.

The Transportation Vehicle Fund is used to account for the purchase, major repair, rebuilding, and debt service expenditures related to pupil transportation equipment. The major sources of revenues in this fund include the state reimbursement for pupil transportation equipment and special levies.

### **INTERNAL SERVICE FUNDS**

The Sound Partnership prior to termination was reported as an internal service fund, using the liquidation basis of accounting. The Partnership assets were liquidated by distribution per the Trust agreement prior to the August 31, 2021 fiscal year end.

### **FIDUCIARY FUNDS**

Fiduciary fund reporting focuses on net position and changes in net position. Trust funds are used to account for assets held in trust for individuals, private organizations, other districts, or other funds in its fiduciary capacity as trustee or agent.

#### Private Purpose Trust Fund

This fund is used to account for resources legally held in trust by the district where principal and income benefit individuals, private organizations, or other governments. The trust agreement details whether principal and interest may both be spent, or whether only interest may be spent. Money from a Private-Purpose Trust Fund may not be used to support the district's programs. These trusts are primarily used for post-secondary scholarships, and to assist needy students with the purchase of uniforms, ASB memberships, etc.

### **MAJOR AND NON-MAJOR FUNDS**

The district considers all governmental funds "major funds".

## **C. BUDGETS AND BUDGETARY ACCOUNTING**

### **GENERAL BUDGET POLICIES**

The Tacoma School District budgets its funds in accordance with the Revised Code of Washington Chapter 28A.505 and Chapter 392-123 of the Washington Administrative Code (WAC). The board adopts the budget after public hearings. An appropriation is a prerequisite to expenditure. Appropriations lapse at the end of the fiscal period. Annual appropriated budgets are adopted at the fund level. Each governmental fund's total

expenditures cannot, by law, exceed its formal fund appropriation. Management is authorized to modify specific accounts within the overall fund appropriation. However, only the board has the authority to increase or decrease a given fund's annual expenditure budget. The board may adopt a revised or supplemental budget appropriation after public hearings anytime during the fiscal year. There were no revisions at the fund level during fiscal year 2020-2021.

## **BUDGETARY BASIS OF ACCOUNTING**

For budget and accounting purposes, revenues and expenditures are accounted for on a modified accrual basis of accounting as prescribed in laws for all governmental funds. Fund balance is budgeted as available resources and, under statute, may not be negative.

## **ENCUMBRANCES**

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g. purchase orders) outstanding at year end are reported as assigned fund balances in the general fund and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year. Encumbrances lapse at the end of the fiscal year and may be re-encumbered the following year.

Only the General Fund had encumbrances in the amount of \$310,128 on August 31, 2021 which were re-encumbered on September 1, 2021. Significant encumbrances in the general fund include summer maintenance and repairs that weren't quite complete at August 31<sup>st</sup>, furniture and equipment backorders, incomplete contracts for services, and supply orders placed late in the year.

No encumbrances are assigned in the other governmental funds as any encumbrances are included in other categories of fund balance, e.g. assigned to fund purposes, restricted to fund purposes, etc.

## **D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

The government-wide statements and fiduciary fund financial statements, measure and report all assets (both financial and capital), deferred outflow of resources, liabilities, deferred inflows of resources, revenues, expenses, gains and losses using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), and financial position. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes receivable are measurable but are considered to be available only if they are collected within 30 days after year end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financials are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, and claims and judgments are recorded only when payment is due. Property taxes received within 30 days of the end of the current fiscal period are recognized as revenues of the current fiscal period.

## **E. ELIMINATIONS AND RECLASSIFICATIONS**

In the process of aggregating data for the government-wide Statements of Net Position and the Statement of Activities, the interfund receivables and payables within governmental funds, except those with fiduciary funds, were eliminated. Interfund services are not eliminated from the government-wide presentation.

## **F. ASSETS, LIABILITIES AND NET POSITION/RESERVES/DESIGNATIONS**

### **1. Cash, Cash Equivalents, and Investments**

The Tacoma School District's cash and cash equivalents are considered to be cash on hand, certificates of deposits and short-term investments with original maturities of three months or less from the date of acquisition.

The Pierce County Treasurer is the ex-officio treasurer for the district. In this capacity, the county treasurer receives deposits and transacts investments on the district's behalf.

The district uses US Bank as its fiscal agent for bond principal and coupon interest redemption. Short-term investments are shown on the Statement of Net Position and on the Fund Balance Sheets at cost, net of amortized premium or discount, and the long-term investments are stated at fair value. The investments in governmental funds are held by the Pierce County Treasurer which reports investments at amortized cost. Gains or losses on long-term investments are recognized at year end. The district intends to hold the time deposits and securities until maturity.

### **2. Property Taxes**

Property tax revenues are collected as the result of special levies passed by the voters in the district. Per Revised Code of Washington 84.60.020 the tax assessment date is January 1 of the calendar year of collection. The tax lien date is January 1 of the year of collection and taxes receivable are recognized as of that date. Current year taxes are due in full as of April 30 and are delinquent after that date. However, without incurring penalty, the taxpayer may elect to pay one-half of the taxes due by April 30, with the remaining one-half taxes due October 31, and are delinquent after that date. Typically, a little more than half of the taxes due are collected on the April 30 date. In accordance with state law, Pierce County may begin foreclosure proceedings following the third year of delinquency. On the governmental fund financial statements, property taxes receivable are measurable but are considered to be available only if they are collected within 30 days after year end.

**Tax Abatements.** The Governmental Accounting Standards Board (GASB) Statement No. 77 requires state and local governments to disclose tax abatements where a decrease in specific taxes for a particular payer may contribute to economic development or otherwise benefits the governments or its citizens.

The property tax system in the state of Washington is budget-based, which means the taxing authority determines a budget or dollar amount and adjusts the rates for the taxpayers based on the assessed valuation of their property. As a result, tax abatement programs related to property taxes shift the tax burden to individual taxpayers rather than to the municipality.

The following are totals of abated taxes pertaining to the Tacoma School District in fiscal year 2020-2021:

City of Tacoma	Housing projects with 5 or more units	\$2,619,923
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The tax abatements did not result in a reduction or loss of revenue to the district because, pursuant to state law, these taxes were reallocated to other property tax payers.

### **3. Accounts Receivable**

This account represents amounts due for services rendered by the district, net of allowance for doubtful accounts.

### **4. Interfund Receivables/Payables**

Interfund receivables and payables and the associated revenues and expenditures/expenses are recorded in the respective funds in *government fund financial statements*. Interfund receivables and payables are eliminated in *government-wide financial statements*, except those with fiduciary finds, which are reclassified as a third-party receivable or payable.

## **5. Due From Other Governments**

This account represents receivables from federal, state, and local governments. Grant revenues are recorded in the year in which the related expenditures are incurred.

## **G. INVENTORIES AND PREPAID ITEMS**

The warehouse inventory is valued at cost using the weighted average method perpetual inventory system. The “consumption method” of inventory is used, which charges the inventory accounts when inventory is received and charges the appropriate department as expenditures when consumed. The Nonspendable – Inventory & Prepaid Items fund balance categorization reflects the district’s recorded inventories and prepaid items on the balance sheet. These are assets of the district that are not in spendable form. United States Dept. of Agriculture (USDA) commodities consist of food donated by the USDA for use in the district’s nutrition services program. The commodities are valued at the prices paid by the USDA for the commodities and are included in the general fund inventory.

Prepaid items consist of software licenses and other prepayments made late in 2020-2021 for the new school year. Inventory amounts also include expendable supplies and equipment, generally purchased over the summer, and held for consumption until school begins in the fall. The costs are recorded as expenditures at the time inventory items are consumed.

## **H. BOND DISCOUNT, BOND PREMIUMS & ISSUANCE COSTS**

In governmental fund types, bond discounts, premium and issuance costs are recognized in the period of issuance. In government-wide financial statements, bond premium and discounts are amortized over the life of the bonds.

## **I. CAPITAL ASSETS**

Capital assets, which include property, buildings and improvements, and equipment, are reported in the applicable governmental activities in the government-wide financial statements. The district’s equipment capitalization policy includes items where the individual cost of the asset is \$5,000 or more, and the asset has a useful life of longer than one year. Such assets are valued at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are reported at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset life are not capitalized and are charged as expenditures in the current period. In the governmental fund financial statements, capital assets are accounted for as expenditures upon acquisition, and no depreciation is recorded. On the government-wide financial statements, capital assets are included, and depreciation expense is charged and allocated to various functions/programs in compliance with GASB statement No. 34 (see Note 4).

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Buildings, building and site improvements, vehicles, and equipment owned by the district are depreciated using the straight-line method over the following estimated useful lives:

Buildings	50 years
Building & Site Improvements	20 years
Portable Buildings	25 years
Equipment & Vehicles	4-13 years

## **J. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

The district has adopted the provisions of GASB Statement No. 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position* and GASB Statement No. 65 *Items Previously Reported as Assets and Liabilities*. The objective of these statements is to enhance the usefulness of financial reporting as described below.

In addition to assets and liabilities, the statement of financial position will report separate sections for deferred outflows and inflows of resources. As separate financial statement elements, *deferred inflows and outflows of*

*resources*, represent flows of resources into and out of the district that apply to future period(s) and so will not be recognized as an inflow of resources (revenue) or outflow of resources (expenditures) until that time.

Unavailable revenues from property taxes are reported as a deferred inflow on the government fund statements. This amount is deferred and recognized as an inflow of resources in the period the amounts become available.

Pensions – for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense have been determined on the same basis as they are reported by the Washington State Department of Retirement Systems.

The district refunded bonds in July 2020 and the difference between the reacquisition price and the net carrying amount of the old debt resulted in a deferred charge. A deferred outflow of resources had been recorded to recognize the deferred charge.

The new GASB 75 reporting requirements show both deferred inflows and outflows of resources related to Other Post-Employment Benefits (OPEB) on the government-wide statements. Please refer to Note 9F for more details.

## **K. COMPENSATED ABSENCES**

### **1. Sick Leave**

Employees earn sick leave at a rate of 12 days per year up to a maximum of one contract year.

Under the provisions of RCW 28A.400.210, sick leave accumulated by district employees is paid at death or retirement at the rate of one day for each four days of accrued leave, limited to 180 accrued days. This chapter also provides for an annual buyout of an amount up to the maximum annual accumulation of twelve days for active employees. For buyout purposes, employees may accumulate such leave to a maximum of 195 days, including the annual accumulation, as of December 31 of each year. To qualify for the annual sick leave buy-back, the employee must have accumulated in excess of 60 days of sick leave as of January 1.

The annual estimated sick leave buyout expenditures are accrued each pay cycle and paid out of a liability account. Accrued sick leave is paid out upon death, retirement, or termination provided the employee is at least 55 years of age and has sufficient years of service. Vested sick leave was computed using the vesting method.

Sick leave is reported under long-term liabilities in the *Statement of Net Position*. For reporting purposes, 25 percent of the sick leave liability (up to 180 days) for those eligible for retirement is considered accruable. The amount of accrued sick leave as of August 31, 2021, was \$22,113,104 and reported as long-term liabilities in government-wide financial statements.

### **2. Vacation Leave**

For the employees that receive vacation, vacation leave is accrued according to the particular bargaining agreement. Vacation pay, including benefits, that is expected to be liquidated with expendable available financial resources are reported as expenditures and a fund liability of the government fund that will pay it. It is computed at 100 percent of the accrued amount. The amount accrued for vacation leave as of August 31, 2021, was \$15,613,947 and reported as long-term liabilities in government-wide financial statements.

The sick leave and vacation liabilities reflect all salary related payments to employees.

## **L. NET POSITION (Government-wide Financial Statements)**

The “Net Investment in Capital Assets” component consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The “Restricted Net Position” component reports the assets with constraints placed on net position by external laws, regulations, or legislation. Therefore, they are available for disbursements only for specific purposes (e.g. debt service, capital projects, and others). The “Unrestricted Net Position” are assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements.

## **M. GOVERNMENTAL FUND BALANCES**

**Minimum Fund Balances.** The district's Debt and Fiscal Board Policy 6015, and Fiscal Management Board Regulation 6015.1R provide the overall framework for fiscal management. To maintain reserves for cash flow, emergencies, and overall sound fiscal management, the district maintains fund balance reserves that are equal to 5 percent of the annual General Fund revenues, excluding other financing sources. The debt and fiscal reserves in the General Fund include: Assigned to Encumbrances, Non-spendable – Inventory & Prepaids, Assigned to Contingencies, and Unassigned Fund Balance accounts. When resources meeting more than one of the classifications (excluding nonspendable) are comingled in an account, assuming an expenditure meets the constraints of the classification, the assumed order of spending is restricted first, committed second, assigned, and unassigned last.

The district classifies ending fund balance for its governmental funds into five categories.

**Nonspendable Fund Balance.** The amounts reported as Nonspendable are resources of the district that are not in spendable format. They are either non-liquid resources such as inventory or prepaid items, or the resources are legally or contractually required to be maintained intact.

**Restricted Fund Balance.** Amounts that are reported as Restricted are those resources of the district that have had a legal restriction placed on their use either from statute, WAC, or other legal requirements that are beyond the control of the board of directors. Restricted fund balance includes anticipated recovery of revenues that have been received but are restricted as to their use. Outstanding encumbrances for the Associated Student Body Fund are included in the Restricted to Fund Purposes reserve; in the Capital Projects Fund, those outstanding encumbrances are included in the Restricted for Construction or the Restricted for Technology reserves.

**Committed Fund Balance.** Amounts that are reported as Committed are those resources of the district that have had a limitation placed upon their usage by formal action of the district's board of directors. Commitments are made either through a formal adopted board resolution or are related to a school board policy. Commitments may only be changed when the resources are used for the intended purpose or the limitation is removed by a subsequent formal action of the board of directors.

**Assigned Fund Balance.** In the General Fund, amounts reported as Assigned are those resources the district has set aside for specific purposes. These accounts reflect tentative management plans for future financial resource use such as the replacement of equipment or the assignment of resources for contingencies. Assignments reduce the amount reported as Unassigned Fund Balance but may not reduce that balance below zero.

In other governmental funds, Assigned Fund Balance represents a positive ending spendable fund balance once all restrictions and commitments are considered. These resources are only available for expenditure in that fund and may not be used in any other fund without formal action by the district's board of directors and as allowed by statute. In the General Fund, assigned fund balance designations include Assigned to Encumbrances which is the remaining amount on purchase orders from prior years, Assigned to Budget Carryover for carryover commitments, Assigned to Future Operations, and Assigned to Curriculum & Instruction for textbook adoptions.

The Superintendent or the Chief Financial Officer have the authority to create Assignments of Fund Balance, per Board Regulation 6015.1R.

**Unassigned Fund Balance.** In the General Fund, amounts reported as Unassigned are those net spendable resources of the district that are not otherwise Restricted, Committed, or Assigned, and may be used for any purpose within the General Fund.

In other governmental funds, Unassigned Fund Balance represents a deficit ending spendable fund balance once all restrictions and commitments are considered.

A negative Unassigned Fund Balance means that the legal restrictions and formal commitments of the district exceed its currently available resources.

## **N. CHANGE IN REPORTING**

On September 1, 2020 the district implemented GASB 84 – Fiduciary Activity to establish new criteria for identifying and reporting fiduciary activity. Private Purpose Trust Funds hold funds in trust arrangements under which the income and principal benefits individuals, private organizations, or other governments. 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 and, accordingly, the school board has the authority to determine the use of the assets only within the confines of the original trust agreement. Prior to implementation of the new standard the district held InvestEd funds in a Private Purpose Trust Fund. InvestED funds consist of grant monies distributed to public and private secondary schools so that school personnel, using their discretion, can identify and immediately respond to individual student needs. When implementing GASB 84, because school districts have administrative discretion on how InvestED monies can be allocated, it was determined that these resources should be accounted for in the Associated Student Body Fund (ASB) Fund.

The effect of moving InvestEd funds from the Private Purpose Trust (Fiduciary Fund) to the ASB Fund (Special Revenue Fund) resulted in a Cumulative Effect of Accounting Principle Change of \$49,702.

### **Note 2.**

## **DEPOSITS AND INVESTMENTS**

The district's investment policy requires funds be invested with the objective of producing the greatest return consistent with prudent business practice. The Pierce County Treasurer is the ex-officio treasurer for the district. The district directs the County Treasurer to invest those financial resources of the district that the district has determined are not needed to meet the current financial obligations of the district. In this capacity, the county treasurer receives, deposits, and transacts investments on the district's behalf.

The district's deposits are mostly covered by federal depository insurance (FDIC) or by the Washington Public Deposit Protection Commission, a multiple financial institution collateral pool. The provision for guaranteed coverage against loss applies not only to demand deposits, but also to certificates of deposit, money market deposit accounts, and savings deposits as well as accrued interest through the date of repayment. These provisions help mitigate custodial credit risk, which is the risk that, in the event of a failure of a depository financial institution, the district would not be able to recover deposits or collateral securities that are in the possession of an outside party.

All of the district's investments during the year and year-end were insured or registered and held by the district or its agent in the district's name.

Washington State statutes authorize the district to invest in the following types of securities:

- Certificates, notes, or bonds of the United States, its agencies, or any corporation wholly owned by the government of the United States,
- Obligations of government-sponsored corporations which are eligible as collateral for advances to member banks as determined by the Board of Governors of the Federal Reserve System,
- Bankers' acceptances purchased on the secondary market,
- Repurchase agreements for securities listed in the three items above, provided that the transaction is structured so that the public treasurer obtains control over the underlying securities,
- Investment deposits with qualified public depositories,
- Washington State Local Government Investment Pool, and
- County Treasurer Investment Pools.

The districts investments as of August 31, 2021, are as follows:

Investment Type	Number of Securities	Carrying Amount	Market Value
State Treasurer's Investment Pool	6	\$ 600,179,676	\$ 600,179,676
<b>Total Investments</b>	<b>6</b>	<b>\$ 600,179,676</b>	<b>\$ 600,179,676</b>

At year end, the cash on hand plus the carrying amounts of the district's deposits and investments with financial institutions and with the Pierce County Treasurer were:

Distribution	Cash on Hand and in Bank	Investments
Governmental Funds	\$ 2,636,246	\$ 599,158,813
Fiduciary Funds	1,350	1,020,863
<b>Total Deposits &amp; Investments</b>	<b>\$ 2,637,596</b>	<b>\$ 600,179,676</b>

The Washington State Local Government Investment Pool (LGIP) was authorized by Chapter 294, Laws of 1986, and is managed and operated by the Washington State Treasurer. Participation in the pool is voluntary and the pool does not have a credit rating.

Investments in the LGIP, a qualified external investment pool, are reported at amortized cost which approximates fair value. The pool portfolio is invested in a manner that meets the maturity, quality, diversification and liquidity requirements set forth by GASB 79 for external investment pools that elect to measure, for financial reporting purposes, investments at amortized cost. The pool maintains a Weighted Average Maturity (WAM) of 60 days or shorter. The LGIP does not have any legally binding guarantees of share values. The LGIP does not impose liquidity fees or redemption gates on participant withdrawals.

The Office of the State Treasurer prepares a stand-alone LGIP financial report. A copy of the report is available from the Office of the State Treasurer, PO Box 40200, Olympia, Washington 98504-0200, online at <http://www.tre.wa.gov>.

Interest Rate Risk – The Pierce County Treasurer's investment policy does not specifically address management of interest rate risk. The exposure to fair value losses arising from increasing interest rates is managed by requiring that at least twenty percent of the portfolio is comprised of investments maturing within the next year. The district's investment strategy limits the district's investment portfolio with the county to maturities of less than three years. Because of the extremely low interest rates, the district has the majority of its investments maturing on a short-term basis (maturing in less than one year), except in the capital projects fund where longer term investments were made based on construction cash flow needs. When interest rates improve, the district will revisit making longer term investments in its non-capital funds.

Credit Risk – Washington State statutes authorize the district to invest in (1) securities, certificates, notes, bonds, short-term securities, or other obligations of the United States, and (2) deposits in any state bank or trust company, national banking association, stock savings bank, mutual savings bank, savings and loan association, and any branch bank engaged in banking in the state in accordance with RCW 30.04.300 if the institution has been approved by the Public Deposit Protection Commission to hold public deposits and has segregated eligible collateral having a value of not less than its maximum liability.

The district's objective is to invest with the goal of producing the greatest return consistent with Washington State statutes. The district places no limit on the amount it may invest with any one issuer.

Through the county investment policy, credit risk is managed by restricting county investments (which include the district's funds) to obligations of the U.S. Treasury, U.S. Government agencies and instrumentalities; bankers acceptances; primary certificates of deposit issued by qualified public depositories designated by the Washington Public Deposit Protection Commission; the Washington State Local Government Investment Pool (LGIP); municipal bonds issued by the state or its local governments; and repurchase agreements collateralized by any previously authorized investments. Bankers' acceptances must be ranked in either of the two highest rating categories by Moody's Investor Service or Standard & Poor's. Diversification of the portfolio is achieved by limiting the maximum percentage of investments by type of investment in the portfolio as follows:



Investment Type	Maximum % of Portfolio
Washington State LGIP	100%
U.S. Treasury Obligations	100%
Federal Agency Securities	90%
Certificates of Deposit	40%
Repurchase Agreements	40%
Bonds of State of WA or any local government in the State of WA	20%
Bonds of other states or any local governments in the other state	15%
Commercial Paper	10%
Banker's Acceptance	10%

**Fair Market Value.** GASB 72 addresses accounting and financial reporting issues related to fair value measurements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. GASB 72 establishes a hierarchy of inputs to valuation techniques used to measure fair value. This hierarchy has three levels:

Level 1 - Pricing inputs are observable inputs such as quoted prices, available in active markets, for identical assets or liabilities on the date of measurement.

Level 2 – Pricing inputs are either directly or indirectly observable inputs available in active markets as of the measurement date.

Level 3 – Pricing inputs are unobservable inputs used in cases where financial instruments are considered illiquid, with no significant market activity and little or no pricing information on the date of measurement.

All the district's investments held with the Pierce County treasurer are Level 1.

**Note 3. INTERFUND TRANSACTIONS**

As of August 31, 2021, short-term interfund receivables and payables in governmental funds that resulted from various interfund transactions in governmental fund financial statements were as follows:

	Interfund Receivables	Interfund Payables
General Fund	\$ 3,457,843	\$ 291,511
Special Revenue Fund	6,203	12,356
Capital Projects Fund	303,897	3,464,076
<b>Total</b>	<b>\$ 3,767,943</b>	<b>\$ 3,767,943</b>

Interfund balances result from the time lag between the dates that interfund goods and services are provided and reimbursable expenditures occur, or when transactions are recorded in the accounting system and payments are made between funds. These balances are liquidated on a monthly basis. These balances are eliminated in government-wide financial statements.

Planned transfers between funds are included in the budgeting process. A transfer from the Capital Projects Fund to the General Fund for district-wide technology transactions (\$2,831,966) was made in August.

**Note 4. CHANGES IN CAPITAL ASSETS**

Purchases of equipment with a unit cost over \$5,000 are capitalized and depreciated in *government-wide financial statements*. The district's capital assets are insured in the amount of \$1,579,020,184 for fiscal year 2020-2021. In the opinion of the district's insurance consultant, the amount is sufficient to adequately fund replacement of the district's assets.

	Beginning Balance	Primary Government		Ending Balance
		Additions	Deletions	
Governmental Activities Capital Assets, not being depreciated:				
Land	\$ 42,354,470	\$ 3,076,287	\$ -	\$ 45,430,757
Construction-in-Progress	84,404,798	77,813,462	(72,282,383)	89,935,877
<b>Total Capital Assets, not being depreciated</b>	<b>\$ 126,759,268</b>	<b>\$ 80,889,749</b>	<b>\$ (72,282,383)</b>	<b>\$ 135,366,634</b>
Capital assets, being depreciated:				
Building and Improvements	1,322,090,121	74,160,312	(7,771,708)	1,388,478,725
Equipment	46,857,158	1,153,755	-	48,010,913
<b>Total Capital assets, being depreciated:</b>	<b>1,368,947,279</b>	<b>75,314,067</b>	<b>(7,771,708)</b>	<b>1,436,489,638</b>
Less Accumulated Depreciation for:				
Building and Improvements	(404,094,894)	(27,531,982)	6,805,530	(424,821,345)
Equipment	(40,341,005)	(1,557,426)	-	(41,898,431)
<b>Total Accumulated Depreciation</b>	<b>(444,435,899)</b>	<b>(29,089,407)</b>	<b>6,805,530</b>	<b>(466,719,776)</b>
<b>Total Capital assets, being depreciated, net</b>	<b>924,511,380</b>	<b>46,224,660</b>	<b>(966,178)</b>	<b>969,769,862</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 1,051,270,648</b>	<b>\$ 127,114,409</b>	<b>\$ (73,248,561)</b>	<b>\$ 1,105,136,496</b>

Depreciation expense was charged to governmental activities as follows:

	Current Year Total
Regular Instruction	\$ 26,701,075
Special Instruction	5,603
Career & Technical Instruction	99,367
Compensatory Instruction	23,172
Other Instruction Programs	63,727
Support Services	2,195,315
Extracurricular Activities (ASB)	1,149
	<b>\$ 29,089,407</b>

**Note 5. CONSTRUCTION IN PROGRESS**

School	Project	Project Authorization	Accumulated Expenditures to Aug. 31, 2021
<b>Elementary Schools</b>			
Downing	New School	\$42,279,000	\$13,143,079
Fawcett	New School	47,526,000	604,893
Skyline	New School	45,828,000	9,553,301
<b>Total Elementary Schools</b>		<b>135,633,000</b>	<b>23,301,273</b>
<b>Middle Schools</b>			
Hunt	New School	80,000,000	66,634,604
<b>Total Middle Schools</b>		<b>80,000,000</b>	<b>66,634,604</b>
<b>GRAND-TOTAL</b>		<b>\$ 215,633,000</b>	<b>\$ 89,935,877</b>

**Note 6. PENSIONS AND NONGOVERNMENTAL PENSION PLANS**

**A. PENSIONS**

**GENERAL INFORMATION**

The district is required to provide retirement benefits for substantially all qualifying employees through the Washington State Department of Retirement Systems (DRS), a department within the primary government of the state of Washington. Generally accepted accounting principles require, among other provisions, that the district recognize its proportionate share of the DRS plans' funded status. The district has no independent ability to fund or satisfy pension liabilities outside of Washington State's legislatively adopted contribution rates. Assessments now and in the future are made based on the legislatively-mandated rates and are paid by the district on salaries and wages, as earned, in future years.

The following table represents the aggregate pension amounts for all plans of the district for fiscal year 2021:

Aggregate Pension Amounts—All Plans	
Pension Liabilities	\$ (25,798,478)
Pension Assets	\$ 111,983,417
Deferred outflows of resources	\$ 46,262,693
Deferred inflows of resources	\$ (173,835,696)
Pension expense/expenditures	\$ (22,734,223)

DRS, a department within the primary government of the state of Washington, issues a publicly available annual comprehensive financial report that includes financial statements and required supplementary information for each plan. The DRS annual comprehensive financial report may be obtained by writing to: Washington State Department of Retirement Systems, Communications Unit, P.O. Box 48380, Olympia, WA 98504-8380; or online at <https://www.drs.wa.gov>.

**MEMBERSHIP PARTICIPATION**

Substantially all of the district's full-time and qualifying part-time employees participate in one of the following three contributory, multi-employer, cost-sharing statewide retirement systems managed by DRS: Teachers' Retirement System (TRS), Public Employees' Retirement System (PERS) and School Employees' Retirement System (SERS).

**MEMBERSHIP & PLAN BENEFITS**

Certificated employees are members of TRS. Classified employees are members of PERS (if Plan 1) or SERS. Plan 1 under the TRS and PERS programs are defined benefit pension plans whose members joined the system on or before September 30, 1977. TRS 1 and PERS 1 are closed to new entrants.

**TRS Plan Information**

TRS was established in 1938, and its retirement provisions are contained in RCW Chapters 41.34 and 41.32. TRS is a cost-sharing multi-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a defined benefit plan with a defined contribution component. TRS eligibility for membership requires service as a certificated, public school employee working in an instructional, administrative or supervisory capacity.

TRS is comprised of three separate plans for accounting purposes: Plan 1, Plan 2/3, and Plan 3. Plan 1 accounts for the defined benefits of Plan 1 members. Plan 2/3 accounts for the defined benefits of Plan 2 members and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan. Therefore, Plan 2/3 is considered to be a single plan for accounting purposes.

TRS Plan 1 provides retirement, disability and death benefits. TRS 1 members were vested after the completion of five years of eligible service. Retirement benefits are determined as two percent of the average final

compensation (AFC), for each year of service credit, up to a maximum of 60 percent, divided by twelve. The AFC is the total earnable compensation for the two consecutive highest-paid fiscal years, divided by two. Members are eligible for retirement at any age after 30 years of service, or at the age of 60 with five years of service, or at the age of 55 with 25 years of service. Other benefits include temporary and permanent disability payments, an optional cost-of-living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries.

TRS Plan 2/3 provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the average final compensation (AFC) per year of service for Plan 2 members and one percent of AFC for Plan 3 members. The AFC is the monthly average of the 60 consecutive highest-paid service credit months. There is no cap on years of service credit. Members are eligible for normal retirement at the age of 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. TRS Plan 2/3 members, who have at least 20 years of service credit and are 55 years of age or older, are eligible for early retirement with a reduced benefit.

The benefit is reduced by a factor that varies according to age, for each year before age 65. TRS Plan 2/3 members who have 30 or more years of service credit, were hired prior to May 1, 2013, and are at least 55 years old, can retire under one of two provisions: With a benefit that is reduced by three percent for each year before age 65; or with a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules. TRS Plan 2/3 members hired on or after May 1, 2013, have the option to retire early by accepting a reduction of five percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service. TRS Plan 2/3 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the Consumer Price Index), capped at three percent annually and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries.

#### **PERS Plan Information**

PERS was established in 1947, and its retirement benefit provisions are contained in RCW Chapters 41.34 and 41.40. PERS is a cost-sharing, multi-employer retirement system. PERS Plan 1 provides retirement, disability and death benefits. PERS 1 members were vested after the completion of five years of eligible service. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service. The AFC is the average of the member's 24 highest consecutive service months. Members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least five years of service.

Members retiring from inactive status prior to the age of 65 may receive actuarially reduced benefits. PERS Plan 1 retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, an optional cost-of-living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries.

#### **SERS Plan Information**

SERS was established by the legislature in 1998, and the plan became effective in 2000. SERS retirement benefit provisions are established in RCW Chapters 41.34 and 41.35. SERS is a cost-sharing, multiemployer retirement system comprised of two separate plans for membership purposes. SERS Plan 2 is a defined benefit plan and SERS Plan 3 is a defined benefit plan with a defined contribution component. SERS members include classified employees of school districts and educational service districts.

SERS is reported as two separate plans for accounting purposes: Plan 2/3 and Plan 3. Plan 2/3 accounts for the defined benefits of Plan 2 members and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries. Therefore, Plan 2/3 is considered to be a single plan for accounting purposes.

SERS provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service for Plan 2 and one percent of

AFC for Plan 3. The AFC is the monthly average of the member's 60 highest-paid consecutive service months before retirement, termination or death. There is no cap on years of service credit. Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. SERS members, who have at least 20 years of service credit and are 55 years of age or older, are eligible for early retirement with a reduced benefit.

The benefit is reduced by a factor that varies according to age, for each year before age 65. SERS members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions, if hired prior to May 2, 2013: With a benefit that is reduced by three percent for each year before age 65; or with a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules. SERS members hired on or after May 1, 2013, have the option to retire early by accepting a reduction of five percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service. SERS retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the Consumer Price Index), capped at three percent annually and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries.

### **PLAN CONTRIBUTIONS**

The employer contribution rates for PERS, TRS, and SERS (Plans 1, 2, and 3) and the TRS and SERS Plan 2 employee contribution rates are established by the Pension Funding Council based upon the rates set by the Legislature. The methods used to determine the contribution requirements are established under chapters 41.34 and 41.40 RCW for PERS, 41.34 and 41.35 RCW for SERS, and 41.32 and 41.34 RCW for TRS. Employers do not contribute to the defined contribution portions of TRS Plan 3 or SERS Plan 3. Under current law the employer must contribute 100 percent of the employer-required contribution. The employee contribution rate for Plan 1 in PERS and TRS is set by statute at six percent and does not vary from year to year.

The employer and employee contribution rates for all plans were effective as of September 1, 2020. PERS contribution rates changed on July 1, 2021. TRS and SERS plans will not have a contribution rate change until September 1, 2021. The pension plan contribution rates (expressed as a percentage of covered payroll) for fiscal year 2021 are listed below:

Pension Contribution Rates from September 01, 2020 to June 30, 2021			
	Employer	Employee	
PERS Plan 1	12.97%	6.00%	
Pension Contribution Rates from July 01, 2021 to August 31, 2021			
	Employer	Employee	
PERS Plan 1	10.252%	6.00%	
Pension Contribution Rates from September 01, 2020 to August 31, 2021			
	Employer	Employee	
TRS Plan 1	15.74%	6.00%	
TRS Plan 2/3	15.74%	7.77%	*/**
SERS Plan 2/3	13.30%	8.25%	*/**
<i>Note: The Employer rates include .0018 DRS administrative expense.</i>			
* – TRS and SERS Plan 3 Employee Contribution Variable from 5% to 15% based on rate selected by the employee member.			
** – TRS and SERS Plan 2/3 Employer Contributions for defined benefit portion only.			

### **THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)**

At June 30, 2021, the district reported a total liability of \$25,798,478 for its proportionate shares of the individual plans' collective net pension liability and \$111,983,417 for its proportionate shares of net pension assets. Proportion of net pension liability is based on annual contributions for each of the employers participating in the

DRS administered plans. At June 30, 2021, the district's proportionate share of each plan's net pension liability is reported below:

June 30, 2021	PERS 1	SERS 2/3	TRS 1	TRS 2/3	Total
district's Annual Contributions	\$3,593,995	\$6,005,008	\$16,249,557	\$17,912,080	\$43,760,640
Proportionate Share of the Net Pension Liability	\$5,892,317	\$(30,622,344)	\$19,906,161	\$(81,361,073)	\$(86,184,938)

Changes to net pension liability from the prior period are displayed in the Schedule of Changes in Long Term Liabilities,

At June 30, 2021, the school district's percentage of the proportionate share of the collective net pension liability was as follows and the change in the allocation percentage from the prior period is illustrated below.

Allocation percentages	PERS 1	SERS 2/3	TRS 1	TRS 2/3
Current year proportionate share of the Net Pension Liability	0.482489%	2.852047%	2.956516%	2.959869%
Prior year proportionate share of the Net Pension Liability	0.501862%	2.816577%	2.942066%	2.946767%
Net difference percentage	-0.019373%	0.035470%	0.014450%	0.013102%

### **ACTUARIAL ASSUMPTIONS**

The total pension liabilities for TRS 1, TRS 2/3, PERS 1 and SERS 2/3 were determined by actuarial valuation as of June 30, 2020, with the results rolled forward to June 30, 2021, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation	2.75% total economic inflation, 3.50% salary inflation
Salary increases	In addition to the base 3.50% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
Investment rate of return	7.40%

### **MORTALITY RATES**

Mortality rates used in the plans were developed using the Society of Actuaries' Pub.H-2010 Mortality rates, which vary by member status as the base table. OSA applies age offsets for each system to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale to project mortality rates for every year after the 2010 base table. The actuarial assumptions used in the June 30, 2020, valuation were based on the results of the *2013–2018 Demographic Experience Study Report and the 2019 Economic Experience Study*. Additional assumptions for subsequent events and law changes are current as of the 2019 actuarial valuation report.

### **LONG-TERM EXPECTED RATE OF RETURN**

OSA selected a 7.40% long-term expected rate of return on pension plan investments using a building-block method. In selecting the assumptions, OSA reviewed the historical experience data, considered the historical conditions that produced past annual investment returns, and considered Capital Market Assumptions (CMAs) and simulated expected investment returns the Washington State Investment Board (WSIB) provided.

The CMAs contain three pieces of information for each class of assets the WSIB currently invest in:

- Expected annual return
- Standard deviation of the annual return
- Correlations between the annual returns of each asset class with every other asset class

WSIB uses the CMAs and their target asset allocation to simulate future investment returns over various time horizons. The expected future rates of return are developed by the WSIB for each major asset class. Best estimates

of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2021, are summarized in the following table:

TRS 1, TRS 2/3, PERS 1, and SERS 2/3		
Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	20.00%	2.20%
Tangible Assets	7.00%	5.10%
Real Estate	18.00%	5.80%
Global Equity	32.00%	6.30%
Private Equity	23.00%	9.30%

The inflation component used to create the above table is 2.20% and represents WSIB's most recent long-term estimate of broad economic inflation.

#### **DISCOUNT RATE**

The discount rate used to measure the total pension liability was 7.40 percent. To determine the discount rate, an asset sufficiency test was completed to test whether the pension plan's fiduciary net position was sufficient to make all projected future benefit payments of current plan members. Based on the assumptions described in the DRS CAFR Certification Letter, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return, a 7.40 percent on pension plan investments was applied to determine the total pension liability.

#### **SENSITIVITY OF THE NET PENSION LIABILITY (ASSET) TO CHANGES IN THE DISCOUNT RATE**

The following table presents the Tacoma School District's proportionate share of the collective net pension liability or asset calculated using the discount rate of 7.40 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.40 percent) or one percentage-point higher (8.40 percent) than the current rate. Amounts are calculated using the school district's specific allocation percentage, by plan, to determine the proportionate share of the collective net pension liability or asset.

	1% Decrease (6.40%)	Current Discount Rate (7.40%)	1% Increase (8.40%)
<b>PERS 1 NPL</b>	\$ 2,080,441,000	\$ 1,221,234,000	\$ 471,917,000
Allocation Percentage	0.482489%	0.482489%	0.482489%
Proportionate Share of Collective NPL	\$ 10,037,895	\$ 5,892,317	\$ 2,276,947
<b>SERS 2/3 NPL</b>	\$ (11,793,000)	\$ (1,073,697,000)	\$ (1,952,101,000)
Allocation Percentage	2.852047%	2.852047%	2.852047%
Proportionate Share of Collective NPL	\$ (336,342)	\$ (30,622,344)	\$ (55,674,839)
<b>TRS 1 NPL</b>	\$ 1,290,542,000	\$ 673,298,000	\$ 134,647,000
Allocation Percentage	2.956516%	2.956516%	2.956516%
Proportionate Share of Collective NPL	\$ 38,155,077	\$ 19,906,161	\$ 3,980,860
<b>TRS 2/3 NPL</b>	\$ 479,331,000	\$ (2,748,807,000)	\$ (5,382,150,000)
Allocation Percentage	2.959869%	2.959869%	2.959869%
Proportionate Share of Collective NPL	\$ 14,187,567	\$ (81,361,073)	\$ (159,304,563)

#### **DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS**

The Pension Plans reported collective Deferred Outflows of Resources and collective Deferred Inflows of Resources related to the individual plans. At August 31, 2021, the district reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

PERS 1	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experiences	\$ -	\$ -
Net difference between projected and actual earnings on pension plan investments	-	(6,538,500)
Changes in assumptions or other inputs	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	10,068	-
TOTAL	\$ 10,068	\$ (6,538,500)
SERS 2/3	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experiences	\$ 7,966,109	\$ -
Net difference between projected and actual earnings on pension plan investments		(34,733,470)
Changes in assumptions or other inputs	125,963	(1,010,643)
Changes in proportion and differences between contributions and proportionate share of contributions	100,812	(519,740)
Contributions subsequent to the measurement date	1,491,098	-
TOTAL	\$ 9,683,981	\$ (36,263,853)
TRS 1	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experiences	\$ -	\$ -
Net difference between projected and actual earnings on pension plan investments	-	(29,843,206)
Changes in assumptions or other inputs	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	10,857	-
TOTAL	\$ 10,857	\$ (29,843,206)
TRS 2/3	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experiences	25,276,544	(658,499)
Net difference between projected and actual earnings on pension plan investments	-	(94,856,935)
Changes in assumptions or other inputs	5,060,891	(4,275,582)
Changes in proportion and differences between contributions and proportionate share of contributions	65,553	(1,399,122)
Contributions subsequent to the measurement date	6,154,798	-
TOTAL	\$ 36,557,787	\$ (101,190,138)
ALL PLANS	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experiences	\$ 33,242,653	\$ (658,499)
Net difference between projected and actual earnings on pension plan investments	-	(165,972,111)
Changes in assumptions or other inputs	5,186,854	(5,286,224)
Changes in proportion and differences between contributions and proportionate share of contributions	166,365	(1,918,862)
Contributions subsequent to the measurement date	7,666,821	-
TOTAL	\$ 46,262,693	\$ (173,835,696)

\$7,666,821 reported as Deferred Outflows of Resources related to pensions resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended August 31, 2022.



Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended August 31	PERS 1	SERS 2/3	TRS 1	TRS 2/3
2022	(1,732,050)	(7,358,979)	(7,908,416)	(21,629,681)
2023	(1,587,188)	(7,010,305)	(7,236,587)	(20,043,863)
2024	(1,500,750)	(6,523,856)	(6,848,681)	(18,745,643)
2025	(1,718,513)	(7,852,370)	(7,849,523)	(21,471,460)
2026	-	654,264	-	3,144,164
Thereafter	-	20,277	-	7,959,335

### **PENSION EXPENSE**

For the year ending August 31, 2021, the district recognized total pension expense as follows:

	Pension Expense
PERS 1	\$ (1,791,812)
SERS 2/3	(4,672,596)
TRS 1	(5,320,803)
TRS 2/3	(10,949,014)
TOTAL	\$ (22,734,223)

### **POST-EMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS**

#### **457 Plan – Deferred Compensation Plan**

District employees have the option of participating in a deferred compensation plan as defined in SS457 of the Internal Revenue Code that is administered by the state deferred compensation plan.

#### **403(b) Plan – Tax Sheltered Annuity (TSA)**

The district offers a tax deferred annuity plan for its employees. The plan permits participants to defer a portion of their salary until future years under two types of deferrals: Elective deferrals (employee contribution) and non-elective contribution (employer matching).

The district complies with IRS regulations that require school districts to have a written plan to include participating investment companies, types of investments, loans, transfers, and various requirements. Plans are administered by a third party and the district. The plan assets are assets of the district employees, not the school district and are therefore not reflected on these financial statements.

### **B. NONGOVERNMENTAL PENSION PLANS**

In fiscal year 2016-2017 the district implemented GASB Statement No. 78. This statement amends the scope and applicability of GASB 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan.

In fiscal year 2020-2021 the district has the following union sponsored pension plans that provide defined benefit pension to the district's employees.

1. National Roofing Industry Pension Fund (NRIPP). It is administered by Wilson-McShane Corporation, National Roofing Industry Benefit Funds. The entity identification is 36-6157071. Two district employees are covered by NRIPP. The NRIPP is a "defined benefit plan" where the roofer earns a monthly income payable at retirement (after 5 years of vested service) for the rest of the roofer's life. The amount of that income is determined primarily by the number of years worked for a signatory employer and the number of hours worked in each of those years. The pension benefit terms and contribution requirements are established by Trustees of NRIPP. Contributions to the plan are made monthly pursuant to the terms of a collective bargaining agreement. In fiscal year 2020-2021 all pension contributions are based on 2080 hours compensated per year.

Contribution rate FY 20-21 – district paid \$3.43/hour  
Contribution amount FY 20-21 - \$5,692  
There is currently no withdrawal liability for the NRIPP.

2. Carpenters Retirement Plan of Western Washington (CRP). It is administered by Carpenters' Trust of Western Washington. The entity identification is 91-6029051. Seven district employees are covered by CRP. The CRP is a "defined benefit plan" which means the carpenter earns a monthly income payable at retirement for the rest of the carpenter's life. The amount of that income is determined primarily by the number of years worked for a signatory employer and the number of hours worked in each of those years. The benefit terms and contribution requirements are established by Board of Trustees of CPR. Contributions to the plan are made monthly pursuant to the terms of a collective bargaining agreement. In fiscal year 2020-2021 all pension contributions are based on 2080 hours compensated per year.

Contribution rate FY 20-21 – district paid \$8.60/hour (9/19-5/20) and \$9.35/hour (6/20-8/20)  
Contribution amount FY 20-21 - \$107,307  
The CRP does have a withdrawal liability. The district's estimated withdrawal liability for 2021 is \$322,413.

3. Western Washington Laborers Employers Pension Plan (WWLEPP). It is administered by Zenith American Solutions, WW Laborers Employers Trust Fund. The entity identification is 91-6022315. Eighteen district employees are covered by WWLEPP. WWLEPP is a "defined benefit plan" providing benefit payments guaranteed at retirement by the Pension Benefit Guaranty Corporation, a federal insurance agency. The benefit is determined by years of services for a signatory employer. The benefit terms and contribution requirements are established by Board of Trustees of WWLEPP. Contributions to the plan are made monthly pursuant to the terms of a collective bargaining agreement. In fiscal year 2020-2021 all pension contributions are based on 2080 hours compensated per year.

Contribution rate FY 20-21 – district paid \$4.79/hour (9/19-5/20) and \$5.04/hour (6/20-8/20)  
Contribution amount FY 17-18 - \$151,922  
The WWLEPP does have a withdrawal liability however the amount of liability was not available by publication date.

4. Central Pension Fund of the IUOE (CPF). It is administered by the Board of Trustees of CPF of the IUOE. The entity identification is 36-6052390. Two hundred ninety-six district employees are covered by the plan - sixty bus drivers and dispatchers, thirty-three security employees, and two-hundred three custodians are covered by the CPF. CPF is a "defined benefit plan" providing a benefit determined by accrual rate, years of service and hours worked in the service years. Benefit payments are guaranteed by the Pension Benefit Guaranty Corporation, a federal insurance agency. Contributions to the plan are made monthly pursuant to the terms of the collective bargaining agreement. In fiscal year 2020-2021 all pension contributions are based on 2080 hours compensated per year for dispatchers and bus drivers, full-time security employees, and custodians, and 1,704 hours for part-time security employees

Contribution rates FY 20-21 – district paid \$2.00/hour for dispatchers, \$1.00/hour for bus drivers, \$0.75/hour for 10-month part-time security employees, \$1.50/hour for full-time security employees, and \$1.75/hour for custodians.  
Contribution amount FY 20-21 – Total – \$829,089. \$8,661 for dispatchers, \$69,044 for bus drivers, \$34,708 for part-time security employees, \$17,294 for full-time security employees, and \$699,382 for custodians.  
There is currently no withdrawal liability for the CPF.

5. IBEW Pacific Coast Pension Fund. It is administered by Rhen & Associates/IBEW Local 76. The entity identification is 94-6128032. Seven district employees are covered by the Pacific Coast Pension Fund. The fund is a "defined benefit plan" providing benefit payments guaranteed by the Pension Benefit Guaranty Corporation, a federal insurance agency. The monthly benefit at normal retirement is determined by the accrual rate, years of service and hours worked in the service years. Contributions to the plan are made monthly pursuant to the terms of the collective bargaining agreement. In fiscal year 2020-2021 all pension contributions are based on 2080 hours compensated per year.

Contribution rate FY 20-21 – district paid \$5.41/hour for IBEW and 3% of gross wages for NEBF.

Contribution amount FY 20-21 - \$92,760

There is currently no withdrawal liability for the Pacific Coast Pension Fund.

6. Western Washington Glaziers Retirement Plan. It is administered by BENESYS, Inc./The Employee Painters' Trust. The entity identification is 91-6050587. One district employee is covered by the plan. The fund is a "defined benefit fund" providing monthly benefit payments guaranteed by the Pension Benefit Guaranty Corporation, a federal insurance agency. The monthly benefit at normal retirement age is determined by an accrual rate for credited years of service. Contributions to the plan are made monthly pursuant to the terms of the collective bargaining agreement. In fiscal year 2020-2021 all pension contributions are based on 2080 hours compensated per year.

Contribution rate FY 20-21 – district paid \$12.50/hour

Contribution amount FY 20-21 - \$24,803

There is currently no withdrawal liability for the Western Washington Glaziers Retirement Plan.

7. Plumbers & Pipefitters National Pension Fund. It is administered by the Board of Trustees, Plumbers & Pipefitters National Pension Plan. The entity identification is 52-6152779. Eight district employees are covered by the plan. The fund is a "defined benefit plan" providing monthly benefit payments guaranteed by the Pension Benefit Guaranty Corporation, a federal insurance agency. The monthly benefit at normal retirement age is determined by an accrual rate and years of credited service. Contributions to the plan are made monthly pursuant to the terms of the collective bargaining agreement. In fiscal year 2020-2021 all pension contributions are based on 2080 hours compensated per year.

Contribution rate FY 20-21 – district paid \$3.90/hour

Contribution amount FY20-21 - \$59,467

The Plumbers & Pipefitters National Pension Fund has been placed in "endangered" status by the Pension Protection Act of 2006. The Plan does have a withdrawal liability however the amount of liability was not available by publication date.

8. WA State Plumbing & Pipefitting Pension Fund. It is administered by Zenith American Solutions. The entity identification is 91-6029141. Eight district employees are covered by the plan. The fund is a "defined benefit plan" with options for the participant based on the value of the benefit at the time of retirement. Benefit accruals are based on contributions made to the plan on behalf of the participant for hours of service earned during a plan year and years of credited service. The plan is guaranteed by the Pension Benefit Guaranty Corporation, a federal insurance agency. Contributions to the plan are made monthly and are pursuant to the collective bargaining agreement. In fiscal year 2020-2021 all pension contributions are based on 2080 hours compensated per year.

Contribution rate FY 20-21 – district paid \$4.00/hour

Contribution amount FY 20-21 - \$60,992

The WA State Plumbing & Pipefitting Pension Fund does have a withdrawal liability however the amount of liability was not available by publication date.

9. Western Conference of Teamsters Pension Plan. It is administered by Northwest Administrators, Inc. The entity identification is 91-6145047. Eleven district employees are covered by the plan. The fund is a "defined benefit plan" providing monthly benefit payments at retirement age. The plan is guaranteed by the Pension Benefit Guaranty Corporation, a federal insurance agency. The monthly benefit is determined by an account benefit formula used for service after 1986 and is based on a percentage of all of the participant's non-forfeited years of service. The five-year average benefit formula is used to determine a monthly benefit based on years of service and the rate of contributions payable for the participants last five years of service. Contributions to the plan are made monthly pursuant to the terms of the collective bargaining agreement. In fiscal year 2020-2021 all pension contributions are limited to 2080 maximum hours in a plan year.

Contribution rate FY 20-21 – district paid \$3.30/hour

Contribution amount FY 20-21 - \$68,843

There is currently no withdrawal liability for the Western Conference of Teamsters Pension Plan.

10. International Painters & Allied Trades (IUPAT) Industry Pension Plan. It is administered by IUPAT Pension Fund Administrator. The entity identification is 52-6073909. Four district employees are covered by the plan. The plan is a “defined benefit plan” providing guaranteed monthly benefits. The monthly benefit is a combination of 100% of the participant’s first \$11 of the Plan’s monthly benefit accrual rate, plus 75% of the next \$33 of the accrual rate, multiplied times each year of credited service. The maximum guarantee is \$35.75 per month multiplied by a participant’s years of credited service. Benefit payments are guaranteed by the Pension Benefit Guaranty Corporation, a federal insurance agency. Contributions to the plan are made monthly pursuant to the terms of the collective bargaining agreement. In fiscal year 2020-2021 all pension contributions are based on 2080 hours compensated per year.

Contribution rate FY 20-21 – district paid \$1.96/hour (9/19-6/20) and \$2.73/hour (7/20-8/20)

Contribution amount FY 20-21 - \$11,955

There is currently no withdrawal liability for the IUPAT.

11. IUOE Local 302/612 Employers Construction Industry Retirement Plan. It is administered by Construction Industry Funds Admin. Services Inc. The entity identification is 91-6028571. Two district employees are covered by the plan. The plan is a “defined benefit plan” providing a monthly benefit once they have obtained age 60 and have five years of credited service or have 7,500 covered hours of employment. Participants are entitled to a monthly benefit for each year of credited past service plus a percentage of the contributions made on the participants’ behalf. Benefit payments are guaranteed by the Pension Benefit Guaranty Corporation, a federal insurance agency. Contributions to the plan are made pursuant to the terms of the collective bargaining agreement. In fiscal year 2020-2021 all pension contributions are based on 2080 hours compensated per year.

Contribution rate FY 20-21 – district paid \$2.00/hour

Contributions amount FY 20-21 - \$5,056

There is currently no withdrawal liability for the IUOE Local 302/612 Employers Construction Industry Retirement Plan.

Plan Name	# of Employees Covered	Balance of Contributions
National Roofing Industry Pension Fund	2	\$ 5,692
Carpenters Retirement Plan of Wester Washington	7	107,307
Western Washington Laborers Employers Pension Plan	18	151,922
Central Pension Fund of the IUOE	296	829,089
IBEW Pacific Coast Pension Fund	7	92,760
Western Washington Glaziers Retirement Plan	1	24,804
Plumbers & Pipefitters National Pension Fund	8	59,467
WA State Plumbing & Pipefitting Pension Fund	8	60,992
Western Conference of Teamsters Pension Plan	11	68,843
International Painters & Allied Trades	4	11,955
IUOE Local 302/612 Employers Const. Industry Ret. Plan	2	5,056
Total	364	\$ 1,417,887

The financial reports for each of these plans are available by going to [www.efast.dol.gov](http://www.efast.dol.gov) and from:

The US Department of Labor, Employee Benefits Security Administration’s Public Disclosure Room  
200 Constitution Avenue, NW, Room N-1515  
Washington DC 20210  
(202) 693-8673

## **Note 7. LONG-TERM DEBT**

### **A. CHANGES IN LONG-TERM LIABILITIES**

Bonds payable on August 31, 2021 include the following: 2012 Refunding Bond, 2014 Unlimited Tax General Obligation Bond (UTGO) Refunded in 2020, 2015 Refunding Bond, 2015 UTGO Refunded in 2020, 2020 Refunding Bond, 2020-B UTGO, and 2020-C UTGO. Interest on bonds is payable on June 1 and December 1.

In February 2013, the district passed a \$500M bond authority measure for construction projects. An 18-month, \$100M Bond Anticipation Note (BAN) was issued in June 2013 to fund the first phase of construction. The BAN was due in December 2014. The 2014 UTGO bond was issued for \$152,625,000 and included funds to pay off the BAN as well as provide new money for the next phase of construction. Interest rates on the bonds are fixed at 1.0 to 5.0 percent.

In October 2015, the district issued unlimited tax general obligation and refunding bonds with a par value of \$368,275,000 and refunded \$122,007,375 of outstanding 2005A Bonds to take advantage of favorable market conditions. The bonds sold at a premium of \$57,225,495, and the interest rates were fixed at 2.0 to 5.0 percent. The net proceeds of \$320M, after payment of \$1,417,144 in underwriting fees, insurance, and other issuance costs, were deposited into the Capital Projects Fund to complete the projects identified in the February 2013 bond measure. As a result, all remaining 2005A Bonds are considered to be defeased. The district refunded the 2005A Bonds to reduce its total debt service payments over the next six years by \$107,469,415 and to obtain a present value economic gain of \$11,588,032. These were the final bonds issued from the 2103 \$500M bond authority measure.

The district refinanced (refunded) the remaining balance of \$104M on the 2005 refunded bond issue and included \$2.6M from its Debt Service Fund to make the December interest payment on the old notes. The par value of the refunded bonds was \$95.225M, and they were sold at a premium of \$9M. Interest rates on the refunded bonds range from 2.0 to 5.0 percent. The net present value savings on the refunding issue was \$11,588,032, or over 11 percent. The refunded bonds were fully paid in December 2020.

In July 2020, the district issued refunding bonds with a par value of \$366,010,000 and refunded \$130,360,000 of outstanding 2014 UTGO Bonds and \$165,195,000 of outstanding 2015 UTGO Bonds to take advantage of favorable market conditions. The interest rates were fixed at 1.8 to 2.4 percent. The net proceeds of \$364,639,479, after payment of \$1,370,521 in underwriting fees, insurance, and other issuance costs, were deposited in an escrow account for the payment of the defeased portion of the bonds and bond premiums. The district refunded the 2014 and 2015 Bonds to reduce its total debt service payments over the next six years by \$462,839,140 and to obtain a present value economic gain of \$45,335,614, or over 15 percent. The refunded bonds will be fully paid in December 2039.

In February 2020, voters passed a \$535 million Tacoma Public Schools construction bond that supports the replacement or renovation of 8 aging schools. New roofs and boilers, safety upgrades, energy management systems and ADA improvements to improve accessibility are all part of the construction bond. On October 30, 2020 the district issued \$484 million in new bonds, plus \$51 million in aggregate original issue premium generated by the sale, to fund the voter approved construction projects through the next several years. The interest rates were fixed at .279 to 5 percent. The bonds will be fully paid in December 2045.

Construction projects include replacement and new construction of Hunt Middle School, Mary Lyon, Grant, Birney, and Boze Elementary schools; and district-wide health and safety upgrades.

In prior years, the district defeased other general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on these old bonds. Accordingly, the trust account assets and the liability for the bonds defeased in prior years are not included in the district's financial statements.

In 2016-17, the district entered into an agreement with Daktronics Sports Marketing to design, manufacture, and install electronic scoreboards at Lincoln Bowl and Stadium Bowl. The initial cost of the equipment was \$792,847 and after down payments, a balance of \$539,938 was financed. A financing plan with equal payments of \$114,033 was established to be made over the following five years. Interest rates range from 2.8 to 3.0 percent over the life of the loan.

The debt service fund is established to redeem the outstanding bonds. Compensated absences and other liabilities are primarily liquidated in the general fund. Besides the long-term liabilities, the district also has short-term liabilities such as general accounts payable, wages and benefits payable, and unearned revenues. Those are on-going liabilities and will liquidate within one year. The district does not have conduit debt or hold demand bonds.

Net Pension Liabilities was added to the Schedule of Long-Term Liabilities in 2014-15, and this is the fifth year for reporting those liabilities under GASB 68. The district's share of the State of Washington's pension liability for the plans it participates in is included in the schedule. The information is provided to districts from the state's Department of Retirement Services and the Office of the Superintendent of Public Instruction.

The following is a summary of changes in long-term debt of the district for the fiscal year ended August 31, 2021 and reported in the government-wide financial statements:

GOVERNMENTAL ACTIVITIES	Balance at September 1, 2020	Additions	Reductions	Balance at August 31, 2021	Due within One Year
<b>Bonds and Contracts Payable:</b>					
2012 Refunding '03,05,05A UTGOs	\$46,045,000	\$-	\$4,195,000	\$41,850,000	\$6,850,000
2014 UTGO (Refunded)	6,240,000	-	-	6,240,000	-
2015 Refunding of BAN	8,915,000	-	8,915,000	-	-
2015 UTGO (Refunded)	88,755,000	-	14,315,000	74,440,000	4,635,000
2020 Refunding of '14, '15 UTGOs	366,010,000	-	-	366,010,000	5,515,000
2020-B UTGO	-	249,280,000	-	249,280,000	-
2020-C UTGO	-	235,000,000	-	235,000,000	16,460,000
Long-Term Financing-Scoreboards	218,832	-	107,905	110,927	110,927
<b>Total Bonds and Contracts Payable</b>	<b>516,183,832</b>	<b>484,280,000</b>	<b>27,532,905</b>	<b>972,930,927</b>	<b>33,570,927</b>
<b>Net Pension Liabilities:</b>					
PERS Plan 1	17,718,422	-	11,826,105	5,892,317	-
SERS Plans 2/3	14,983,175	-	14,983,175	-	-
TRS Plan 1	70,868,076	-	50,961,915	19,906,161	-
TRS Plans 2/3	45,261,774	-	45,261,774	-	-
<b>Total Net Pension Liabilities</b>	<b>148,831,447</b>	<b>-</b>	<b>123,032,969</b>	<b>25,798,478</b>	<b>-</b>
<b>Other Liabilities:</b>					
Unamortized Bond Premium	31,312,339	52,558,805	4,917,562	78,953,581	2,257,206
Total OPEB Liability	211,144,129	17,927,367	20,252,716	208,818,780	4,885,432
Compensated Absences	35,221,661	4,594,595	2,089,206	37,727,050	2,488,904
<b>Total Other Liabilities</b>	<b>277,678,129</b>	<b>75,080,767</b>	<b>27,259,484</b>	<b>325,499,412</b>	<b>9,631,542</b>
<b>Total Governmental Activities</b>	<b>\$942,693,408</b>	<b>\$559,360,767</b>	<b>\$177,825,359</b>	<b>\$1,324,228,817</b>	<b>\$43,202,469</b>

Debt service requirements for bonds are funded out of the Debt Service Fund with the revenue sources being property taxes and investment income. Compensated absences, Total OPEB Liabilities and Net Pension Liabilities are funded out of the General Fund. At August 31, 2021, the district had \$25,941,599 available in the Debt Service Fund to service the general obligation bonds.

## **B. BOND PREMIUM**

The district sold Unlimited Tax General Obligation Bonds (UTGO) at a premium for bond sales in 2012, 2014, 2015 and 2020. The premiums are being amortized over the remaining life of the bonds. The 2014 and 2015 UTGO Bonds have been refunded and the unamortized premium decrease reflects the current year refunding. Below is a schedule showing the current year's change in unamortized premium costs:

Description	Unamortized Bond Premium Costs			
	Balance at September 1, 2020	Increase	Decrease	Balance at August 31, 2021
2012 UTGO Bonds	\$ 9,644,133	\$ -	\$ 735,000	\$ 8,909,134
2014 UTGO Bonds	1,257,597	-	-	1,257,597
2015 Refunded Bond	1,605,147	-	1,605,147	-
2015 UTGO Bonds	18,805,462	-	2,577,416	16,228,045
2020-B UTGO Bonds	-	52,558,805	-	52,558,805
<b>Total</b>	<b>\$ 31,312,339</b>	<b>\$ 52,558,805</b>	<b>\$ 4,917,562</b>	<b>\$ 78,953,581</b>

### **C. DEBT SERVICE REQUIREMENT TO MATURITY**

The district has implemented the provisions of GASB Statement No. 88 and presented information in the notes related to debt and direct borrowings shown below.

Year Ending August 31,	UTGO Bonds & Refunded Bonds		Notes from Direct Borrowings		Total
	Principal	Interest	Principal	Interest	
2022	\$ 33,460,000	\$ 27,467,577	\$ 110,927	\$ 3,106	\$ 61,041,610
2023	42,405,000	26,751,874	-	-	69,156,874
2024	46,815,000	25,954,626	-	-	72,769,626
2025	49,505,000	25,080,893	-	-	74,585,893
2026	48,485,000	23,644,081	-	-	72,129,081
2027-2031	152,015,000	99,879,125	-	-	251,894,125
2032-2036	173,315,000	79,006,896	-	-	252,321,896
2037-2041	195,670,000	55,829,029	-	-	251,499,029
2042-2046	231,150,000	19,202,274	-	-	250,352,274
TOTAL	\$ 972,820,000	\$ 382,816,374	\$ 110,927	\$ 3,106	\$ 1,355,750,406

### **D. ARBITRAGE REBATE**

The Tax Reform Act of 1986 requires the district to rebate the earnings on the investment of bond and revenue anticipation note proceeds, in excess of their yield, to the federal government. Ninety percent of the rebate is due and payable five years from the date bonds were issued and at five-year intervals thereafter. The remaining 10 percent is payable 60 days after the bonds are retired. Because positive arbitrage can offset negative arbitrage, the rebate amount fluctuates each year and may or may not be owed at the payment intervals.

The district uses a contractor to provide these arbitrage rebate calculations. At the last check in period, the district had no arbitrage rebate liability.

### **E. DEFERRED CHARGE ON REFUNDING**

The district refunded its 2014 and 2015 UTGO Bonds in July 2020. The difference between the refunded principal (\$295,555,000) and the net cost of refunding (\$314,179,286) resulted in deferred charge that is amortized over the shorter of either the term of the refunded bonds or refunding bond. The deferred charge is reported as an outflow of resources and recognized as a component of interest expense over the remaining life of the new debt. Following is the remaining portion of the deferred charge with years 2030-2039 combined for efficient reporting only:

Deferred Outflow on Refunded 2014 & 2015 Bonds (July, 2020)				
Year	Balance at September 1	Additions	Reductions	Ending Balance
2021	\$ 18,624,285	-	980,226	\$ 17,644,060
2022	17,644,060	-	980,226	16,663,835
2023	16,663,835	-	980,226	15,683,609
2024	15,683,609	-	980,226	14,703,383
2025	14,703,383	-	980,226	13,723,158
2026	13,723,158	-	980,226	12,742,932
2027	12,742,932	-	980,226	11,762,707
2028	11,762,707	-	980,226	10,782,481
2029	10,782,481	-	980,226	9,802,256
2030-2039	9,802,256	-	9,802,256	0

**Note 8. COMMITMENTS UNDER LEASES**

The district is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, and therefore, the results of the lease agreements are not reflected in the district's financial statements.

The district entered into the following lease agreements: a three-year lease agreement to rent instructional and office space in downtown Tacoma for the Tacoma School of the Arts effective September 1, 2021; a five-year lease agreement to rent 52 copiers to be used throughout the district effective September 1, 2019.

The following is a schedule by years of future minimum rental payments required under operating leases with initial or remaining non-cancellable lease terms of one year or more as of August 31, 2021:

Year Ending August 31, Ending	Amount
2022	\$ 258,534
2023	258,534
2024	190,914
Total	<u>\$ 707,981</u>

**Note 9. RISK MANAGEMENT****A. UNEMPLOYMENT**

The district self-insures for unemployment compensation for all of its eligible employees. Actual employee claims are paid by the State of Washington, Department of Employment Security and then reimbursed by the district. This self-insurance program is more cost-effective for the district than full participation in the state unemployment compensation program.

Fiscal Year	Unemployment			
	Beg. Balance	Additions	Reductions	End. Balance
2020	\$ 695,903	360,101	321,168	\$ 734,836
2021	\$ 734,836	779,541	982,191	\$ 532,187

**B. INDUSTRIAL INSURANCE**

On January 1, 2002, the district joined the Puget Sound Workers' Compensation Trust, an intergovernmental risk sharing pool, approved by statute, for the purposes of group self-insuring school employee workers' compensation claims. The district forfeited its self-insurance certification at that time, and all self-insured claims prior to January 1, 2002 remain a liability for the district and are being managed by the Puget Sound Workers' Compensation Trust. The Trust pays the self-insured claims, and the district reimburses the Trust for those claims on an as incurred basis, until such time as the self-insured claims are closed. Claims occurring on or after January 1, 2002, are "Trust" claims which are managed and paid by the Trust. The district pays the trust workers' compensation premium based on employee hours worked, according to job classification codes as developed by the State's Department of Labor & Industries. In addition, the district reimburses the Trust for quarterly assessments provided by Labor & Industries to self-insured employers and self-insured groups. The Trust pays the assessments to Labor & Industries. Assessments include Supplemental Pension Fund, Asbestos Fund, Administrative Fund, Second Injury Fund, and Insolvency Trust Fund.

The industrial insurance payable includes reimbursement to the Trust for self-insured claim costs (including incurred but not reported [IBNR] claims), workers' compensation premiums to the Trust for group self-insured claims costs, and reimbursement to the Trust for Labor & Industry assessments.

Fiscal Year	Industrial Insurance			
	Beg. Balance	Additions	Reductions	End. Balance
2020	\$ 796,523	3,841,093	3,747,869	\$ 889,746
2021	\$ 889,746	3,229,678	3,430,810	\$ 688,614



### **C. RISK MANAGEMENT POOL**

The district is a member of the Washington Schools Risk Management Pool (WSRMP). Chapter 48.62 RCW authorizes the governing body of any one or more governmental entities to form together into or join a pool or organization for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire or contract for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. WSRMP was formed in 1986 when educational service districts and school districts in the state of Washington joined by signing the Cooperative Risk Management Pool Account Agreement (Account Agreement) to pool their self-insured losses and jointly purchase insurance and administrative services. Over 90 school and educational service districts have joined WSRMP.

WSRMP allows members to jointly purchase insurance coverage, establish a plan of self-insurance, and provide related services, such as risk management. WSRMP provides the following coverages for its members: property, liability, vehicle, school board liability, crime, employment practices, errors and omissions, equipment breakdown, cyber security, terrorism, and stop gap liability.

Members make an annual contribution to fund WSRMP. WSRMP purchases reinsurance and excess insurance from unrelated carriers subject to a per-occurrence self-insured retention of \$1 million for property risk \$1.5M for liability risk shared by WSRMP. Reinsurance or Excess carriers cover losses over the self-insured retention to the maximum limits of each policy. Members are responsible for varied deductibles for auto and property claims. Since WSRMP is a cooperative program, there is a joint liability among the participating members.

Members contract to remain in WSRMP for a minimum of three years and must give notice three years before terminating participation. The Account Agreement is renewed automatically each year after the initial three-year period. Even after termination, a member is still responsible for their share of contributions to WSRMP for any unresolved, unreported, and in-process claims for the period in which they were a signatory to the Account Agreement.

WSRMP is fully funded by its member participants and is governed by a board of directors that consists of one designated representative from each participating member. An executive board is elected at the annual meeting and is responsible for overseeing the business affairs of WSRMP.

The district paid \$4,562,127 for its annual premium contribution to WSRMP for its property and liability insurance coverage in 2020-21. The district had no significant reductions in insurance coverage from coverage in the prior year in any of its major risk categories. There were no insurance settlements that exceeded the district's insurance coverage in any of the past three fiscal years.

### **D. EMPLOYEE BENEFITS**

The Sound Partnership was established in 1984 to provide comprehensive medical, dental, vision, life, and long-term disability coverage for the district's qualified employees and dependents. The Board of Trustees consisted of five management members appointed by the Tacoma School District and five labor members appointed by the Tacoma Education Association. In addition to all powers and authorities under common laws, statutory authority, and other provisions of the agreement between Tacoma School District and the Trust, the board has the power to manage, acquire and dispose of the assets of the Trust.

In June 2017, the Washington State Legislature established a plan to revise the process for funding and providing benefits to school districts in the state. As part of this plan, all employee benefits will be administered by the Washington State Healthcare Authority's School Employees Benefits Board (SEBB) effective January 1, 2020. The SEBB Program administers health insurance and other benefits to all employees in school districts and charter schools, and union-represented employees of educational service districts in Washington. Due to this change Sound Partnership members approved a plan of liquidation effective on August 31, 2020, and the entity determined, therefore, that liquidation is imminent. As a result, the entity changed its basis of accounting on August 31, 2020, from the going-concern basis to a liquidation basis.

On October 15, 2020 the Board of Trustees voted to direct the remaining assets in the Trust be distributed to Gallagher HRA VEBA and then allocated per capita to the VEBA accounts of participants in a School Employees Benefits Board medical plan maintained by The Sound Partnership on December 31, 2019. The assets distributed

to VEBA on February 16, 2021 totaled \$3,641,152. This distribution concludes the operation and assets of The Sound Partnership.

The Sound Partnership	
Statement of Changes in Net Assets Available in Liquidation (Liquidation Basis)	
Net Assets Available for Liquidation	
as of August 31, 2020	\$ 3,641,152
Liquidation of Assets	(3,641,152)
Net Assets as of August 31, 2021	<u>\$ 0</u>

#### **E. POST-EMPLOYMENT HEALTH CARE BENEFITS**

All eligible district employees may participate in health care insurance programs offered by SEBB after their separation from the district due to early retirement or termination. The COBRA program is a continuation of health care benefits from the district. Eligible employees (former employees) and dependents may be on this plan for only 18 months. COBRA offers group rates, but the monthly cost of the continuation of the health care benefits is the responsibility of the former employee.

#### **F. OTHER POST-EMPLOYMENT BENEFITS**

The following table represents the aggregate OPEB amounts subject to the requirements of GASB Statement 75 for the year 2020-2021:

OPEB Amounts	
As of August 31, 2021	
OPEB Liabilities	\$ 208,818,780
Deferred Outflows of resources	30,504,073
Deferred Inflows of resources	(28,748,079)
OPEB expense (benefit)	16,635,872

The state, through the Health Care Authority (HCA), administers a defined benefit other post-employment benefit (OPEB) plan that is not administered through a qualifying trust. The Public Employees Benefits Board (PEBB), created within the HCA, is authorized to design benefits and determine the terms and conditions of retired employee participation and coverage, including establishment of eligibility criteria. Benefits purchased by PEBB include medical, dental, life insurance and long-term disability insurance.

The relationship between the PEBB OPEB plan and its member employers, their employees, and retirees is not formalized in a contract or plan document. Rather, the benefits are provided in accordance with a substantive plan in effect at the time of each valuation. A substantive plan is one in which the plan terms are understood by the employers and plan members. This understanding is based on communications between the HCA, employers and plan members, and the historical pattern of practice with regard to the sharing of benefit costs. The understanding by the employer and plan members is that there is no contractual obligation to continue the substantive plan as an employee benefit on an ongoing basis. However, the actuarial assumption used in the valuations presented in this note assume that this substantive plan will be carried into the future.

The district is deemed to provide to its retirees employer-provided subsidies associated with post-employment medical and life insurance benefits provided through the PEBB. According to state law, the Washington State Treasurer collects a fee from all school district entities which are not current active members of the state Health Care Authority but participate in the state retirement system. As outlined in the state's operating budget, school districts are mandated to pay the state HCA \$72.08 per month per full-time equivalent employee in the 2020-21 fiscal year to support the program. This assessment to the district is subject to change annually. Participation in the PEBB is limited to the district's retirees.

Employers participating in the PEBB plan include the state (which includes general government agencies and higher education institutions), 76 of the state's K-12 schools and educational service districts (ESDs), and 249 political subdivisions and tribal governments. Additionally, the PEBB plan is available to the retirees of the

remaining 227 K-12 school districts and ESDs. The district's retirees are eligible to participate in the PEBB plan under this arrangement. District membership in the PEBB plan consisted of the following:

Summary of Plan Participants As of August 31, 2021	
Retirees or beneficiaries currently receiving benefits	1,554
Active employees	4,351
<b>Total</b>	<b>5,905</b>

### **PLAN DESCRIPTION**

The PEBB retiree OPEB plan is available to employees who elect at the time they retire to continue coverage and pay the administratively established premiums under the provisions of the retirements system to which they belong. Retirees' access to the PEBB plan depends on the retirement eligibility of their respective retirement system. District members are eligible for retiree medical benefits after becoming eligible for service retirement pension benefits (either reduced or full pension benefits) under Plan 2 or 3 of TRS or SERS. Retirees with 5 years or more of service who are age 65 or more and retirees with 20 years or more of service who are 55 or older are eligible for post-employment benefits. Former members who are entitled to a deferred vested pension benefit are not eligible to receive medical benefits after pension benefit commencement. Survivors of covered members who die are eligible for medical benefits. Not all employers who participate in the retirement plans offer PEBB to their retirees.

Per RCW 41.05.022, retirees who are not yet eligible for Medicare benefits may continue participation in the state's non-Medicare community-rated health insurance risk pool on a self-pay basis. Retirees in the non-Medicare risk pool receive an implicit subsidy. The implicit subsidy exists because retired members pay a premium based on a claims experience for active employees and other non-Medicare retirees. In calendar year 2020, the average weighted implicit subsidy was valued at \$372 per adult unit per month. In calendar year 2021, the average weighted implicit subsidy is projected to be \$384 per adult unit per month.

Retirees who are enrolled in both Parts A and B of Medicare may participate in the state's Medicare community-rated health insurance risk pool. Medicare retirees receive an explicit subsidy in the form of reduced premiums. Annually, the HCA administrator recommends an amount for the next calendar year's explicit subsidy for inclusion in the Governor's budget. The final amount is approved by the state Legislature. In calendar year 2021, the explicit subsidy was up to \$183 per member per month, and it will remain \$183 per member per month in calendar year 2022.

Upon retirement, members are permitted to receive medical benefits. Retirees pay the following monthly rates for pre-65 Medical coverage for 2021:

2021 PEBB Retiree Monthly Premiums Description	Type of Coverage		
	Employee	Employee & Spouse	Full Family
Kaiser Permanente NW Classic	\$745.66	\$1,485.75	\$2,040.82
Kaiser Permanente NW CDHP	618.76	1,226.30	1,638.21
Kaiser Permanente WA Classic	775.39	1,545.22	2,122.58
Kaiser Permanente WA CDHP	619.29	1,227.86	1,640.54
Kaiser Permanente WA Sound Choice	641.43	1,277.28	1,754.17
Kaiser Permanente WA Value	698.96	1,392.34	1,912.38
Uniform Medical Plan Classic	691.72	1,377.86	1,892.47
Uniform Medical Plan CDHP	618.52	1,226.31	1,638.41
Uniform Medical Plan Select	623.50	1,241.43	1,704.88
UMP Plus-Puget Sound High Value Network	658.79	1,312.02	1,801.93

## **FUNDING POLICY**

The funding policy is based upon the pay-as-you-go financing requirements. The plan has no assets accumulating in a qualified trust. For further information on the results of the actuarial valuation for the OPEB plan, refer to: <http://leg.wa.gov/osa/additionalservices/pages/OPEB.aspx>

Each participating employer in the plan is required to disclose additional information regarding the funding policy, the employer's annual OPEB costs and contributions made, the funded status, and funding progress of the employer's individual plan, and the actuarial methods and assumptions made.

To calculate the beginning total OPEB liability balance under GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension Plans*, an actuarial valuation was performed with a valuation date of July 1, 2020. This is the date as of which the census data is gathered and the actuarial valuation is performed. The measurement date was August 31, 2020, which is the date as of which the total OPEB liability was determined. GASB 75 allows a lag of up to one year between the measurement date and the reporting date. No adjustment is required between the measurement date and the reporting date. The reporting date is August 31, 2021. The forward projection reflects the plan's assumed service cost, assumed interest, and expected benefit payments.

Projections of benefits for financial reporting purposes are based on the terms of the substantive plan (the plan as understood by the employer and the plan members), and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members (active employees and retirees) to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities, consistent with the long-term perspective of the calculations.

## **ASSUMPTIONS AND OTHER INPUTS**

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial assumptions	
Inflation rate	2.75% per year
Projected salary increases	3.50% per year
Post-retirement participation	65%
Percentage with spouse coverage	45%

Mortality rates were based on Pub-2010 Healthy Teachers and Healthy General Mortality as shown in the 2013-2018 Experience Study by the Washington State Public Retirement Systems. Mortality rates are applied on a generational basis, meaning members are assumed to receive additional mortality improvements in each future year, throughout their lifetimes.

In projecting the growth of the explicit subsidy, the cap is assumed to grow at the healthcare trend rate. The Legislature determines the value of the cap and no future increases are guaranteed, however based on historical growth patterns, future increases to the cap are assumed.

Sensitivity of the Healthcare Cost Trend Rate	
1% Decrease	\$171,325,274
Current Healthcare Cost Trend Rate	208,818,780
1% Increase	258,979,844

**Discount Rate.** Since OPEB benefits are funded on a pay-as-you-go basis, the discount rate used to measure the total OPEB liability was set equal to the 20-year tax-exempt municipal bond yield, or 2.20% percent for the August 31, 2020 measurement date. The following represents the district's proportionate share of the total OPEB liability, calculated using the discount rate of 2.20%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.20%) or one percentage point higher (3.20%) than the current rate.

Sensitivity of the Discount Rate	
1% Decrease (1.2%)	\$250,369,187
Current Discount Rate (2.2%)	208,818,780
1% Increase (3.2%)	176,148,978

Changes in assumptions resulted from a decrease in the Bond Buyer General Obligation 20-Bond Municipal Bond Index discount rate resulting in an overall increase in total OPEB liability for the measurement date of August 31, 2020. Additional details on assumptions and methods can be found on the Office of State Actuary's website: <http://leg.wa.gov/osa/additionalservices/Pages/OPEB.aspx>.

As of August 31, 2021, the district reported a total OPEB liability of \$208,818,780. This liability was determined based on a measurement date of August 31, 2020.

#### **CHANGES IN TOTAL OPEB LIABILITY**

The following table presents the change in the total OPEB liability as of the August 31, 2021, reporting date:

OPEB Liability	
Reported as of August 31, 2020	\$ 211,144,129
Changes for the year	
Service Cost	11,388,588
Interest on total OPEB liability	6,538,779
Effect of plan changes	-
Effect of economic/demographic gains or losses	(6,887,944)
Effect of assumption changes or inputs	(8,586,189)
Expected benefit payments	(4,778,583)
<b>Reported as of August 31, 2021</b>	<b>\$ 208,818,780</b>

**OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources.** The following table shows components of the district's allocated annual OPEB costs reported for fiscal year 2020-2021. The district will recognize OPEB expense of \$16,635,872.

OPEB Expense	
Service cost	\$ 11,388,588
Interest on total OPEB liability	6,538,779
Effect of plan changes	-
Recognition of Deferred Inflows/Outflows of Resources	
Recognition of economic/demographic gains or losses	(1,096,688)
Recognition of assumption changes or inputs	(194,807)
<b>Total OPEB Expense</b>	<b>\$ 16,635,872</b>

On August 31, 2021, the district reported its share of the deferred inflows of resources and deferred outflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ (7,878,832)	\$ -
Changes of assumptions	(20,869,247)	25,618,641
Contributions made subsequent to measurement date	N/A	4,885,432
<b>Total</b>	<b>\$ (28,748,079)</b>	<b>\$ 30,504,073</b>

Per paragraph 159 of GASB 75, deferred outflows of resources should be reported for benefits that come due subsequent to the measurement date, but prior to the reporting date. \$4,885,432 reported as deferred outflows of

resources resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in future OPEB expense in the fiscal years ended August 31 as shown. Note that additional future deferred inflows and outflows of resources may impact these numbers. Contributions made subsequent to the measurement date are expected benefit payments in the year between the measurement date and the reporting date.

Future OPEB expense	
Fiscal Year ended August 31,	
2021	\$ (1,291,495)
2022	(1,291,495)
2023	(1,291,495)
2024	(486,881)
2025	1,390,555
Thereafter	(158,627)

A complete description of the funded status and actuarial assumptions of the State of Washington's OPEB plan is included in the Annual Comprehensive Financial Report for the State of Washington. A copy of the report may be obtained by contacting the Statewide Accounting Division of the Office of Financial Management at P.O. Box 43127, Olympia, Washington 98504-3127, or online at <http://www.ofm.wa.gov/cafr>.

**Note 10. RECONCILIATION BETWEEN GOVERNMENT-WIDE FINANCIAL STATEMENTS AND GOVERNMENT FUND FINANCIAL STATEMENTS**

**A. BALANCE SHEETS/STATEMENT OF NET POSITION (SCHEDULE 3A)**

When capital assets (land, building, equipment) that are to be used in governmental activities are purchased or constructed, the costs of those assets are reported as expenditures in governmental funds. However, the Statement of Net Position includes those capital assets among the assets of the district as a whole.

- Cost of capital assets \$ 1,571,856,272  
Accumulated Depreciation (466,719,776)  
Net **\$ 1,105,136,496**
- Long-term assets of **\$111,983,417** are reported for the first time for the district's pensions. The Department of Retirement System's (DRS) 2021 Participating Employer Financial Information (PEFI) report showed that six out of eight state-sponsored pension plans are now fully funded. This means the district reports a net pension asset instead of a net pension liability.
- Long-term liabilities of **\$1,324,228,817** (due within one year: \$43,202,469 due more than one year: \$1,281,026,347) applicable to the district's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities – both current and long-term – are reported in the Statement of Net Position.

Deferred outflows of resources related to refunded bonds of **\$17,644,060** are not reported in the fund statements but are reported in the Statement of Net Position.

- Deferred outflows of resources and deferred inflows of resources related to pension plan experience, assumption changes, and plan contributions:
 

Deferred Outflows of Resources	<b>\$46,262,693</b>
Deferred Inflows of Resources	<b>\$173,835,696</b>
- Deferred outflows of resources and deferred inflows of resources related to Other Post Employment Benefits (OPEB) assumption changes and contributions:
 

Deferred Outflows of Resources	<b>\$30,504,073</b>
Deferred Inflows of Resources	<b>\$28,748,079</b>

6. Property tax levies **\$(71,628,233)** that were after year-end and are not considered “available.” Therefore, they are reported as deferred revenue in governmental funds.
7. Interfund Receivables and Payables **\$(3,767,943)** – Internal transfers between governmental funds were eliminated in government-wide statements to avoid the “doubling-up” effect.
8. Accrued interest payable on long-term debt is not reflected in fund financial statements. **\$6,940,410** of accrued interest on long-term debt is recorded in the Statement of Net Position.

**B. STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES /STATEMENT OF ACTIVITIES (SCHEDULE 4A)**

1. Property tax levies that do not provide current financial resources are reported as deferred inflows of resources in the fund financial statements, but as revenue in the government-wide financial statements. A decrease of **\$(479,300)** of tax revenue is recorded in the conversion from fund financial statements to the statement of activities.
2. The net amount of **\$(52,240,524)** represents the current year changes in compensated absences \$2,505,389, other post-employment benefits expense \$11,750,440, and the net pension expense \$(66,496,353) which are not reported in governmental funds. This amount is reported in the Statement of Activities as expenditures, allocated to various applicable programs.
3. a. **\$(53,865,848)** – When capital assets (land, buildings, equipment) are purchased or constructed to be used in Governmental Activities, the cost of those assets are reported as expenditures in Governmental Funds. The Statement of Net Position includes those capital assets among the assets of the district as a whole.

Capital Outlay	\$ (82,955,256)
Depreciation Expense	29,089,407
Difference	<u><u>\$ (53,865,848)</u></u>

b. Governmental Funds Financial Statements report capital outlay as expenditures while Government-Wide Financial Statements report depreciation expense **\$(29,089,407)** allocated to various applicable programs.

4. Principal payments were reported as expenditures in governmental funds, and thus have the effect of reducing fund balance. For the district as a whole, however, the principal payments reduce the liabilities in the Statement of Net Position. The following principal payments were made:

**\$27,425,000** - Repayment of bond principal amounts.

**\$107,905** - Payment on financing agreement for two school sports stadium scoreboards.

5. **\$(3,537)** – The bond premium reductions, accrued interest payable increase on the long-term debt (from July 1 – August 31) and the change in deferred outflow of resources on refunded 2014 and 2015 bonds are charged to expenditures in Government-Wide Financial Statements. Below is a breakdown of the net amount.

Current year bond premium reduction	\$ 4,917,562
Accrued interest payable increase	(3,933,800)
Change in deferred outflow on refunded bonds	<u>(980,226)</u>
Total	<u><u>\$ 3,537</u></u>

6. The sale of bonds resulted in an other financing source of **\$(536,829,866)** and **\$(8,939)** for the new 2020 bonds plus original issue premium generated by the sale.
7. Internal service fund (The Sound Partnership) was used to provide medical, dental, and life insurances for the district’s employees. The Partnership assets were liquidated on February 16, 2020. The other financing use closes the fund by liquidating the net assets as prescribed by the Board of Trustees **\$3,641,152**.

**Note 11. FUND BALANCE (GOVERNMENTAL FUNDS)**

Fund balance as of August 31, 2021 is comprised of:

	Fund Balance (Governmental Funds)				
	General Fund	Special Revenue Fund (ASB)	Debt Service	Capital Projects Fund	Trans Vehicle Fund
Nonspendable - Inventory & Prepaid Items	\$ 5,058,037	\$ -	\$ -	\$ -	\$ -
Restricted for Carryover of Restricted Revenues	1,896,105	-	-	-	-
Restricted for Construction	-	-	-	500,593,800	-
Restricted for Debt Service	110,927	-	25,941,599	-	-
Restricted to Fund Purposes	-	1,930,351	-	-	2,559,597
Restricted for Technology	-	-	-	10,366,050	-
Committed to Contingencies	1,000,000	-	-	-	-
Assigned to Other Items	310,128	-	-	-	-
Assigned to Budget Carryover	2,704,343	-	-	-	-
Assigned to Future Operations	3,265,369	-	-	-	-
Assigned to Curriculum & Instruction	3,800,000	-	-	-	-
Assigned to Fund Purposes	-	-	-	3,216,618	-
Unassigned for Minimum Fund Balance Policy	21,177,326	-	-	-	-
Unassigned for Fund Balance	16,744,137	-	-	-	-
Total Fund Balance	\$ 56,066,371	\$ 1,930,351	\$ 25,941,599	\$ 514,176,468	\$ 2,559,597

**Note 12. CONTINGENT LIABILITIES**

The district receives federal and state grants for specific programs. Both types of grants are subject to audit by the Washington State Auditor's Office. Such audits could result in request for reimbursement to grantor agencies for expenditures disallowed under the terms of the grant. Based upon prior experience, the district believes that such allowances, if any, will be immaterial.

**Note 13. LITIGATION**

The district is defending against several lawsuits and claims, which are routine in nature and common to school districts. The majority of possible losses from these lawsuits and claims are provided for by coverage through the Washington Schools Risk Management Pool.

Based on the recommendations of counsel, the district has provided an adequate amount for any uninsured losses which might arise from such lawsuits and claims.

**Note 14. SUBSEQUENT EVENTS****COVID-19 Pandemic**

In February 2020, Governor Inslee declared a state of emergency in response to the spread of a deadly new virus. In the weeks following the declaration, precautionary measures to slow the spread of the virus were ordered. These measures included closing schools, canceling public events, limiting gathering sizes, and requiring people to stay home unless they were leaving for an essential function.

On April 6, 2020, the Governor closed all public and private K-12 school buildings throughout the remainder of the 2019-20 school year. The school district, however, continued to operate, educating students using continuous learning models. Most students began the 2020-21 school year in a remote space with pockets of students reporting in-person for targeted support. As the year progressed, students gradually began reporting to school in-person, first in a hybrid manner and then fully in-person. By September 1, 2021, all staff were expected to report fully in-person and all students had the option to return to a fully in-person environment. A remote option was still available for students who chose to attend in this manner.



During the 2019-20 fiscal year the district experienced cash flow disruptions in April and May of 2020 due to deferred tax payments from the County to help with community needs and minor adjustments from State apportionment. No deferrals have been experienced since.

The district continues to approach expenditures as conservatively as possible and have limited non-essential purchases, utilized free materials where available, limited overtime and scrutinized hiring. However, the district is now facing other economic pressures such as limited hiring pools and increased cost of goods and services.

The Federal Elementary and Secondary School Emergency Relief (ESSER) Funds, through the CARES Act, allocated \$8.27M to the district for use from March 2020 through September 2022. This has helped to mitigate additional financial impacts related to COVID during the 2019-20 and 2020-21 school years. ESSER funds may be used to maintain the continuity of district services, including the purchase of educational technology and supplies for remote and hybrid learning; existing staff professional development; additional staffing for both the Tacoma Online option and to meet smaller student cohort requirements for hybrid learning; support of healthy and safe school buildings; to offset lost revenue; other costs necessary to maintain operations and to employ staff; and to provide extra support to meet the needs of teachers and schools as we safely transitioned to in-person learning. These funds have been fully expended in accordance with the expectations of the grant parameters set by the CARES Act, Department of Education, and the Washington State Office of Superintendent of Public Instruction.

On December 27, 2020 the federal Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act was signed into law, providing an additional round of ESSER funding (ESSER II). Unlike ESSER I, authority to spend was provided by the Legislature through the state budget and appropriations process. In March of 2021 OSPI allocated \$31.52 million in ESSER II funds to the district. ESSER II funding was used to maintain operations and current staff positions, including teacher positions beyond the enrollment-driven formula, as well as custodial positions during building closures and while the majority of students participated in remote or hybrid instruction. ESSER II funds were also used to purchase instructional technology and subscriptions to educational tools to support learning across the remote to in-person continuum; supplies staff and to sanitize learning spaces in alignment with the recommendations of the Tacoma-Pierce County Health Department; and to support the cost of utilities during building closures as well as the increased cost of individually wrapped and shelf stable food items in the delivery of school meals. At the close of the 2020-21 school year, 79% of ESSER II funds have been expended.

On March 11, 2021 the federal American Rescue Plan (ARP) Act was signed into law, providing an additional round of ESSER funding (ESSER III). Tacoma Public Schools has been allocated roughly \$70.84 million in ESSER III funds with a spending deadline of September 30, 2024. A minimum of 20% of the grant must be used for activities designed to support student academic recovery and acceleration following the loss of learning time and detrimental effects to social emotional wellbeing associated with the pandemic. The district did not access ESSER III funds during the 2020-21 school year.

The district experienced decreasing enrollment beginning in the 2020–21 school year of approximately 1,100 students resulting in a potential loss of state apportionment of \$10M. This loss of enrollment has continued through 2021-22 and is anticipated to be the new baseline. In response to enrollment loss across the State, the Legislature provided pandemic relief in both 2021-22, using Federal ESSER funds already allocated to Tacoma, and 2022-23, providing resources for the future fiscal year during 2021-22 fiscal year. These one-time funds, coupled with the conservative savings strategies put in place in response to the pandemic, have resulted in the growth of the fund balance reserve well in excess of the required 5% requirement set in district policy. Fund balance reserves are helping to offset budget shortfalls and are expected to be drawn down over the next two fiscal cycles to cushion the future rightsizing of the budget to the new baseline enrollment data. Additionally, the State economy has outperformed initial expectations resulting in billions of new dollars flowing to school districts and other family-oriented wrap-around services. The district has remained economically stable and continues to adapt to the changing conditions.

It is important to note that the length and severity of future pandemic impacts continues to vacillate with each new variant of the virus, the full extent of the direct or indirect financial impact on the district is unknown at this time.

## **Tacoma School District No. 10**

# **Required Supplementary Information**

### **Schedules A-1 and A-2**

The required supplemental information presents budgetary comparison (original and final budget), actual inflows and outflows, and balances for the general fund and each major fund.

### **Schedule A-3**

The required supplemental information presents the schedule of changes in total reported OPEB Liability and related ratios, as required by GASB 75. The amounts reported in the schedule are determined by an actuarial study performed every two years. The district updates the actuarial table in the year between the actuarial studies.

### **Schedule A-4**

The required supplementary information identified in the Schedule of the District's Proportionate Share of the Net Pension Liability are presented for each plan the district participates in. The amounts reported in the schedule are determined as of the June 30 measurement date of the collective net pension liability.

### **Schedule A-5**

The amounts reported in the Schedules of District Contributions are determined as of the district's fiscal year ending August 31.

### **Schedule A-6**

This required supplemental information presents the district's total contributions for each year and for each non-governmental defined benefit plan the district participates in.

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TACOMA SCHOOL DISTRICT No. 10**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED AUGUST 31, 2021**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL</b>	<b>VARIANCE</b>
	<b>ORIGINAL *</b>	<b>FINAL *</b>	<b>AMOUNT</b>	<b>FROM FINAL BUDGET POSITIVE (NEGATIVE)</b>
<b>REVENUES</b>				
Local	\$ 82,736,964	\$ 82,736,964	\$ 76,049,873	\$ (6,687,091)
State	368,450,617	368,450,617	331,651,251	(36,799,366)
Federal	37,947,854	37,947,854	65,440,974	27,493,120
Other	4,262,987	4,262,987	4,703,022	440,035
<b>TOTAL REVENUES</b>	<b>493,398,422</b>	<b>493,398,422</b>	<b>477,845,120</b>	<b>(15,553,302)</b>
<b>EXPENDITURES</b>				
<b>Current:</b>				
Regular Instruction	265,106,045	265,106,045	241,126,724	23,979,321
Federal Special Purpose Funding	-	-	22,168,219	(22,168,219)
Special Education	61,403,426	61,403,426	59,786,954	1,616,472
Career & Technical Education	17,697,819	17,697,819	15,771,949	1,925,870
Compensatory Education	42,714,012	42,714,012	41,844,187	869,825
Other Instructional Programs	18,807,089	18,807,089	2,864,669	15,942,420
Community Services	5,560,507	5,560,507	4,751,711	808,796
Support Services	90,233,378	90,233,378	73,042,669	17,190,709
<b>Capital Outlay:</b>				
Other	1,307,180	1,307,180	408,118	899,062
<b>TOTAL EXPENDITURES</b>	<b>502,829,456</b>	<b>502,829,456</b>	<b>461,765,201</b>	<b>41,064,255</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(9,431,034)</b>	<b>(9,431,034)</b>	<b>16,079,920</b>	<b>25,510,954</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Equipment	-	-	260,959	260,959
Transfers Out	-	-	-	-
Transfers In	3,000,000	3,000,000	2,831,966	(168,034)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,092,925</b>	<b>92,925</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>(6,431,034)</b>	<b>(6,431,034)</b>	<b>19,172,845</b>	<b>25,603,879</b>
<b>FUND BALANCE - September 1</b>	<b>31,210,955</b>	<b>31,210,955</b>	<b>36,893,527</b>	<b>5,682,572</b>
<b>FUND BALANCE - August 31</b>	<b>\$ 24,779,921</b>	<b>\$ 24,779,921</b>	<b>\$ 56,066,371</b>	<b>\$ 31,286,450</b>

\* The budgetary basis of accounting is modified accrual, the same as the fund basis of accounting.

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TACOMA SCHOOL DISTRICT No. 10**  
**BUDGETARY COMPARISON SCHEDULE**  
**SPECIAL REVENUE FUND (ASSOCIATED STUDENT BODY FUND)**  
**FOR THE FISCAL YEAR ENDED AUGUST 31, 2021**

	BUDGETED AMOUNTS			VARIANCE FROM
	ORIGINAL *	FINAL *	ACTUAL AMOUNT	FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
General	\$ 932,533	\$ 932,533	\$ 73,273	\$ (859,260)
Athletics	349,800	349,800	10,314	(339,486)
Classes	417,250	417,250	12,539	(404,711)
Clubs	1,774,687	1,774,687	45,603	(1,729,084)
Private Monies	45,280	45,280	21,698	(23,582)
TOTAL REVENUES	3,519,550	3,519,550	163,427	3,356,123
EXPENDITURES				
General	778,159	778,159	115,545	662,614
Athletics	473,250	473,250	19,609	453,641
Classes	346,613	346,613	38,864	307,749
Clubs	1,754,086	1,754,086	65,761	1,688,325
Private Monies	63,269	63,269	23,521	39,748
TOTAL EXPENDITURES	3,415,377	3,415,377	263,300	3,152,077
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	104,173	104,173	(99,873)	(204,046)
Prior Period Adjustment		-	49,702	49,702
FUND BALANCE - September 1	1,891,271	1,891,271	1,980,522	
FUND BALANCE - August 31	\$ 1,995,444	\$ 1,995,444	\$ 1,930,351	\$ (65,093)

\* The budgetary basis of accounting is modified accrual, the same as the fund basis of accounting.

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TACOMA SCHOOL DISTRICT No. 10**  
**SCHEDULE OF CHANGES IN TOTAL REPORTED OPEB LIABILITY AND RELATED RATIOS**  
**LAST 10 FISCAL YEARS \***

	FOR REPORTING YEAR ENDED AUGUST 31			
	2018	2019	2020	2021
<b>TOTAL OPEB LIABILITY - September 1</b>	\$ 173,580,758	\$ 164,223,379	\$ 166,629,215	\$ 211,144,129
Service cost	9,660,446	8,231,336	8,205,259	11,388,588
Interest on total liability	5,154,411	5,985,794	6,839,291	6,538,779
Changes of benefit terms	-	-	-	-
Effect of economic/demographic gains or (losses)	-	(2,750,298)	-	(6,887,944)
Effect of assumption changes or inputs	(20,651,786)	(5,189,054)	33,751,543	(8,586,189)
Expected benefit payments	(3,520,450)	(3,871,942)	(4,281,179)	(4,778,583)
Net change in total OPEB liability	(9,357,379)	2,405,836	44,514,914	(2,325,349)
<b>TOTAL OPEB LIABILITY - August 31</b>	<u>\$ 164,223,379</u>	<u>\$ 166,629,215</u>	<u>\$ 211,144,129</u>	<u>\$ 208,818,780</u>
Covered employee payroll	\$ 255,861,623	\$ 267,277,564	297,560,708	300,035,190
Total OPEB liability as a % of employee covered payroll	64.18%	62.34%	70.96%	69.60%

\* This schedule is to be built prospectively until it contains 10 years of data.  
No assets accumulated in a trust that meets the criteria in paragraph 4 of GASB 75

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TACOMA SCHOOL DISTRICT No. 10**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONAL SHARE OF THE NET PENSION LIABILITY**  
**LAST 10 FISCAL YEARS \***

	AS OF JUNE 30TH						
	2015	2016	2017	2018	2019	2020	2021
<b><u>PERS 1</u></b>							
District's proportion of the net pension liability (percentage)	0.477932%	0.481418%	0.512630%	0.512281%	0.529119%	0.501862%	0.482489%
District's proportionate share of the net pension liability (amount)	\$ 25,000,282	\$ 25,854,426	\$ 24,324,672	\$ 22,878,660	\$ 20,346,519	\$ 17,718,422	\$ 5,892,317
District's covered payroll	\$ 1,460,940	\$ 1,191,024	\$ 63,818,914	\$ 67,759,077	\$ 73,579,452	\$ 73,277,861	\$ 72,036,829
District's proportionate share of the net pension liability (amount) as a percentage of its covered payroll	1711.25%	2170.77%	38.12%	33.76%	27.65%	24.18%	8.18%
Plan fiduciary net position as a percentage of the total pension liability	59.10%	57.03%	61.24%	63.22%	67.12%	68.64%	88.74%
<b><u>SERS 2/3</u></b>							
District's proportion of the net pension liability (percentage)	3.004269%	3.030082%	3.049930%	3.029601%	2.995486%	2.816577%	2.852047%
District's proportionate share of the net pension liability (amount)	\$ 12,201,867	\$ 19,900,581	\$ 15,050,642	\$ 9,060,384	\$ 7,024,354	\$ 14,983,175	\$ (30,622,344)
District's covered payroll	\$ 51,718,906	\$ 56,306,976	\$ 62,807,512	\$ 66,936,774	\$ 72,879,090	\$ 72,730,579	\$ 71,509,480
District's proportionate share of the net pension liability (amount) as a percentage of its covered payroll	23.59%	35.34%	24.16%	13.54%	9.64%	20.60%	-42.82%
Plan fiduciary net position as a percentage of the total pension liability	90.92%	86.52%	90.79%	94.77%	96.31%	92.45%	114.15%
<b><u>TRS 1</u></b>							
District's proportion of the net pension liability (percentage)	3.282951%	3.234132%	3.180226%	3.121342%	3.058799%	2.942066%	2.956516%
District's proportionate share of the net pension liability (amount)	\$ 104,008,565	\$ 110,420,948	\$ 96,146,769	\$ 91,161,668	\$ 75,729,836	\$ 70,868,076	\$ 19,906,161
District's covered payroll	\$ 5,368,779	\$ 3,662,363	\$ 176,188,324	\$ 184,637,237	\$ 206,247,360	\$ 214,698,155	\$ 220,570,385
District's proportionate share of the net pension liability (amount) as a percentage of its covered payroll	1937.29%	3015.02%	54.63%	49.37%	36.72%	33.01%	9.02%
Plan fiduciary net position as a percentage of the total pension liability	65.70%	62.07%	65.58%	66.52%	70.37%	70.55%	91.42%
<b><u>TRS 2/3</u></b>							
District's proportion of the net pension liability (percentage)	3.207000%	3.198686%	3.164840%	3.123073%	3.063908%	2.946767%	2.959869%
District's proportionate share of the net pension liability (amount)	\$ 27,060,729	\$ 43,927,460	\$ 29,209,667	\$ 14,057,390	\$ 18,461,089	\$ 45,261,774	\$ (81,361,073)
District's covered payroll	\$ 150,091,121	\$ 160,575,063	\$ 173,807,441	\$ 183,213,142	\$ 205,305,423	\$ 214,018,302	\$ 220,093,188
District's proportionate share of the net pension liability (amount) as a percentage of its covered payroll	18.03%	27.36%	16.83%	7.67%	8.99%	21.15%	-36.97%
Plan fiduciary net position as a percentage of the total pension liability	92.48%	88.72%	93.14%	96.88%	96.36%	91.72%	120.29%

\* This schedule is to be built prospectively until it contains 10 years of data.

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TACOMA SCHOOL DISTRICT No. 10**  
**PENSION PLAN SCHEDULE OF DISTRICT CONTRIBUTIONS**  
**LAST 10 FISCAL YEARS \***

	AS OF AUGUST 31ST						
	2015	2016	2017	2018	2019	2020	2021
<b><u>PERS 1</u></b>							
Contractually required contribution	\$ 2,196,565	\$ 2,725,078	\$ 3,062,524	\$ 3,439,664	\$ 3,791,211	\$ 3,637,221	\$ 3,593,995
Contributions in relation to the contractually required contributions	2,196,565	2,725,078	\$ 3,062,524	\$ 3,439,664	\$ 3,791,211	\$ 3,637,221	\$ 3,593,995
Contribution deficiency (excess)	-	-	-	-	-	-	-
District's covered payroll	\$ 1,460,940	\$ 1,121,556	\$ 64,817,021	\$ 68,022,470	\$ 74,530,414	\$ 72,779,010	\$ 61,307,145
Contribution as a percentage of covered payroll	150.35%	242.97%	4.72%	5.06%	5.09%	5.00%	5.86%
<b><u>SERS 2/3</u></b>							
Contractually required contribution	\$ 2,920,801	\$ 3,850,297	\$ 4,249,235	\$ 5,523,532	\$ 6,136,561	\$ 6,090,677	\$ 6,005,008
Contributions in relation to the contractually required contributions	2,920,801	3,850,297	\$ 4,249,235	\$ 5,523,532	\$ 6,136,561	\$ 6,090,677	\$ 6,005,008
Contribution deficiency (excess)	-	-	-	-	-	-	-
District's covered payroll	\$ 51,718,906	\$ 57,265,517	\$ 63,845,221	\$ 67,205,486	\$ 73,853,416	\$ 72,248,702	\$ 60,862,992
Contribution as a percentage of covered payroll	5.65%	6.72%	6.66%	8.22%	8.31%	8.43%	9.87%
<b><u>TRS 1</u></b>							
Contractually required contribution	\$ 7,346,486	\$ 9,846,959	\$ 11,107,688	\$ 12,962,930	\$ 15,180,259	\$ 15,450,317	\$ 16,249,557
Contributions in relation to the contractually required contributions	7,346,486	9,846,959	\$ 11,107,688	\$ 12,962,930	\$ 15,180,259	\$ 15,450,317	\$ 16,249,557
Contribution deficiency (excess)	-	-	-	-	-	-	-
District's covered payroll	\$ 5,368,779	\$ 3,294,657	\$ 178,267,388	\$ 173,962,768	\$ 210,805,272	\$ 216,271,000	\$ 223,278,015
Contribution as a percentage of covered payroll	136.84%	298.88%	6.23%	7.45%	7.20%	7.14%	7.28%
<b><u>TRS 2/3</u></b>							
Contractually required contribution	\$ 8,522,516	\$ 11,602,040	\$ 11,950,960	\$ 14,712,494	\$ 16,709,282	\$ 17,145,466	\$ 17,912,080
Contributions in relation to the contractually required contributions	8,522,516	11,602,040	\$ 11,950,960	\$ 14,712,494	\$ 16,709,282	\$ 17,145,466	\$ 17,912,080
Contribution deficiency (excess)	-	-	-	-	-	-	-
District's covered payroll	\$ 150,091,121	\$ 162,475,444	\$ 176,049,367	\$ 172,715,474	\$ 209,933,557	\$ 215,631,970	\$ 222,826,121
Contribution as a percentage of covered payroll	5.68%	7.14%	6.79%	8.52%	7.96%	7.95%	8.04%

\* This schedule is to be built prospectively until it contains 10 years of data.

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TACOMA SCHOOL DISTRICT No. 10**  
**SCHEDULE OF DISTRICT CONTRIBUTIONS - NON-GOVERNMENTAL PENSION PLANS**  
**LAST 10 FISCAL YEARS \***

	FOR REPORTING YEAR ENDED AUGUST 31					
	2017	2018	2019	2020	2021	
<b>National Roofing Industry Pension Fund</b>						
Total Contribution	\$ 12,381	\$ 11,887	\$ 10,559	\$ 5,382	\$ 5,692	
<b>Carpenters Retirement Plan of Western Washington</b>						
Total Contribution	\$ 94,871	\$ 98,674	\$ 110,700	\$ 99,277	\$ 107,307	
<b>Western Washington Laborers Employers Pension Plan</b>						
Total Contribution	\$ 154,903	\$ 154,309	\$ 168,603	\$ 162,532	\$ 151,922	
<b>Central Pension Fund of the IUOE</b>						
Total Contribution	\$ -	\$ 905,425	\$ 894,138	\$ 884,194	\$ 829,089	
<b>IBEW Pacific Coast Pension Fund</b>						
Total Contribution	\$ -	\$ 87,039	\$ 76,401	\$ 94,349	\$ 92,760	
<b>Western Washington Glaziers Retirement Plan</b>						
Total Contribution	\$ -	\$ 20,323	\$ 21,622	\$ 24,024	\$ 24,804	
<b>Plumbers &amp; Pipefitters National Pension Fund</b>						
Total Contribution	\$ -	\$ 66,481	\$ 66,408	\$ 54,630	\$ 59,467	
<b>WA State Plumbing &amp; Pipefitting Pension Fund</b>						
Total Contribution	\$ -	\$ 51,992	\$ 51,934	\$ 47,598	\$ 60,992	
<b>Western Conference of Teamsters Pension Plan</b>						
Total Contribution	\$ -	\$ 83,131	\$ 78,567	\$ 70,747	\$ 68,843	
<b>International Painters &amp; Allied Trades Industry Pension Plan</b>						
Total Contribution	\$ -	\$ 22,796	\$ 18,768	\$ 13,422	\$ 11,955	
<b>Sheet Metal Workers National Pension Fund</b>						
Total Contribution	\$ -	\$ 7,263	\$ 5,965	\$ 81	\$ -	
<b>Northwest Sheet Metal Workers Pension Plan</b>						
Total Contribution	\$ -	\$ 5,188	\$ 4,385	\$ 58	\$ -	
<b>IUOE Local 302/612 Employers Construction Industry Ret. Plan</b>						
Total Contribution	\$ -	\$ 5,131	\$ 4,137	\$ 3,736	\$ 5,056	

\* This schedule is to be built prospectively until it contains 10 years of data.



## **Tacoma School District No. 10**

### **Supplementary Information**

Supplemental data includes financial statements and schedules not required by the Governmental Accounting Standard Board (GASB), nor a part of the basic financial statements, but are presented for purposes of additional analysis.

**TACOMA SCHOOL DISTRICT No. 10**  
**GENERAL FUND**  
**COMPARATIVE BALANCE SHEETS**

	<b>AS OF AUGUST 31</b>	
	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>		
Cash on Hand and in Bank	\$ 1,198,816	63,367
Cash on Deposit with County Treasurer	643,483	638,267
Investments	40,790,614	49,283,171
Property Tax Receivable	34,643,177	34,436,711
Accounts Receivable	300,758	356,702
Interfund Receivable	3,457,843	4,561,577
Due From Other Governmental Units	29,082,546	7,622,226
Inventories, at Cost	4,413,918	4,086,011
Prepaid Items	1,097,738	751,900
<b>TOTAL ASSETS</b>	<b>\$ 115,628,893</b>	<b>\$ 101,799,933</b>
<b>LIABILITIES</b>		
Accounts Payable	\$ 6,416,511	9,848,675
Accrued Wages and Benefits Payable	18,165,809	18,615,641
Interfund Payable	291,511	1,725,346
Unearned Revenue - Other	1,269,388	1,458,989
<b>TOTAL LIABILITIES</b>	<b>26,143,219</b>	<b>31,648,651</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable Revenues - Property Taxes	33,419,303	33,257,755
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>33,419,303</b>	<b>33,257,755</b>
<b>FUND BALANCE</b>		
Nonspendable - Inventory & Prepaid Items	5,058,037	4,837,911
Restricted for Carryover of Restricted Revenues	1,896,105	2,071,834
Restricted for Debt Service	110,927	218,832
Committed to Contingencies	1,000,000	1,000,000
Assigned to Encumbrances	310,128	1,104,130
Assigned to Budget Carryover	2,704,343	2,392,398
Assigned to Future Operations	3,265,369	5,198,019
Assigned to Curriculum & Instruction	3,800,000	2,179,295
Unassigned for Minimum Fund Balance Policy	21,177,326	17,727,880
Unassigned Fund Balance	16,744,137	163,227
<b>TOTAL FUND BALANCE</b>	<b>56,066,371</b>	<b>36,893,527</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 115,628,893</b>	<b>\$ 101,799,933</b>

**TACOMA SCHOOL DISTRICT No. 10**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED AUGUST 31, 2021**  
**(WITH COMPARATIVE TOTALS FOR AUGUST 31, 2020)**

	<b>2021</b>		<b>VARIANCE</b>	<b>2020</b>
	<b>BUDGET</b>	<b>ACTUAL</b>	<b>POSITIVE (NEGATIVE)</b>	<b>ACTUAL</b>
<b>REVENUES</b>				
Local	\$ 82,736,964	\$ 76,049,873	\$ (6,687,091)	\$ 64,470,810
State	368,450,617	331,651,251	(36,799,366)	356,709,102
Federal	37,947,854	65,440,974	27,493,120	41,693,662
Other Districts/Agencies	4,262,987	4,703,022	440,035	4,898,554
<b>TOTAL REVENUES</b>	<b>493,398,422</b>	<b>477,845,120</b>	<b>(15,553,302)</b>	<b>467,772,128</b>
<b>EXPENDITURES</b>				
Current				
Regular Instruction	265,106,045	241,126,724	23,979,321	250,947,841
Federal Special Purpose Funding	-	22,168,219	(22,168,219)	-
Special Education	61,403,426	59,786,954	1,616,472	63,633,055
Career & Technical Instruction	17,697,819	15,771,949	1,925,870	16,769,563
Compensatory Instruction	42,714,012	41,844,187	869,825	41,006,503
Other Instructional Programs	18,807,089	2,864,669	15,942,420	2,921,475
Community Services	5,560,507	4,751,711	808,796	9,191,096
Support Services	90,233,378	73,042,669	17,190,709	88,748,907
Capital Outlay				
Other	1,307,180	408,118	899,062	705,168
<b>TOTAL EXPENDITURES</b>	<b>502,829,456</b>	<b>461,765,201</b>	<b>41,064,255</b>	<b>473,923,608</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(9,431,034)</b>	<b>16,079,920</b>	<b>25,510,954</b>	<b>(6,151,479)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Equipment	-	260,959	260,959	231,551
Transfers In	3,000,000	2,831,966	(168,034)	2,868,149
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>3,000,000</b>	<b>3,092,925</b>	<b>92,925</b>	<b>3,099,700</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>(6,431,034)</b>	<b>19,172,845</b>	<b>25,603,879</b>	<b>(3,051,779)</b>
<b>FUND BALANCE - September 1</b>	<b>31,210,955</b>	<b>36,893,527</b>	<b>5,682,572</b>	<b>39,945,306</b>
<b>FUND BALANCE - August 31</b>	<b>\$ 24,779,921</b>	<b>\$ 56,066,371</b>	<b>\$ 31,286,450</b>	<b>\$ 36,893,527</b>

\* The budgetary basis of accounting is modified accrual, the same as the fund basis of accounting.

**TACOMA SCHOOL DISTRICT No. 10**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED AUGUST 31, 2021**  
**(WITH COMPARATIVE TOTALS FOR AUGUST 31, 2020)**

DESCRIPTION	2021		VARIANCE	2020
	BUDGET	ACTUAL	POSITIVE (NEGATIVE)	
<b>1000 LOCAL TAXES</b>				
1100 Local Property Tax	\$ 72,897,467	\$ 73,847,394	\$ 949,927	\$ 58,870,381
<b>TOTAL LOCAL TAXES</b>	<b>72,897,467</b>	<b>73,847,394</b>	<b>949,927</b>	<b>58,870,381</b>
<b>2000 LOCAL NON-TAX</b>				
2100 Tuition & Fees, Unassigned	117,779	116,976	(803)	323,476
2101 Regular Student Fees	970,000	861	(969,139)	9,827
2102 ALE Student Fees	-	-	-	550
2180 Convenience Fee	40,000	198	(39,802)	29,615
2188 Tuition & Fees, Daycare	612,000	-	-	304,770
2200 Sales of Goods, Supplies & Services	237,000	134,505	(102,495)	187,338
2203 Sales of Sup. & Mat. Other	-	-	-	250
2204 Sale of Recoverable Items	225,000	10,175	(214,825)	55,295
2210 Other Storeroom Sales	2,500	2,651	151	857
2220 Copy Center Reimbursements	40,000	10,138	(29,862)	32,174
2231 Secondary CTE Sales of Goods	40,000	1,800	(38,200)	22,901
2291 Food Service Sales	1,560,935	1,768	(1,559,167)	1,366,272
2294 Food Serv. Sales - Special Events	3,552	(228)	(3,780)	6,497
2296 Food Service Sales - Breakfast	137,031	-	(137,031)	166,099
2299 School Bus Revenue	-	265	265	3,040
2300 Investment Earnings	1,000,000	39,736	(960,264)	278,572
2500 Gifts & Donations	350,000	115,152	(234,848)	347,944
2600 Fines & Damages	130,000	60,372	(69,628)	15,278
2700 Facility Rental	879,700	192,280	(687,420)	365,858
2800 Insurance Recoveries	250,000	127,396	(122,604)	317,350
2900 Local Non-Tax Unassigned	3,127,000	1,309,055	(1,817,945)	1,675,543
2910 E-Rate	-	40,579	40,579	40,448
2920 Commissions	117,000	38,800	(78,200)	50,476
<b>TOTAL LOCAL NONTAX</b>	<b>9,839,497</b>	<b>2,202,479</b>	<b>(7,025,018)</b>	<b>5,600,429</b>
<b>3000 STATE FUNDS, GENERAL PURPOSE</b>				
3100 Apportionment	258,523,055	246,440,960	(12,082,095)	260,312,634
3121 Apportionment - Special Ed	9,194,969	9,152,186	(42,783)	9,214,819
3300 Local Effort Assistance	-	305,789	305,789	879,687
<b>TOTAL STATE, GENERAL PURPOSE</b>	<b>267,718,024</b>	<b>255,898,935</b>	<b>(11,819,089)</b>	<b>270,407,139</b>
<b>4000 STATE FUNDS, SPECIAL PURPOSE</b>				
4100 Special Purpose, Unassigned	14,500,000	-	(14,500,000)	-
4121 Special Education	44,535,773	39,305,447	(5,230,327)	42,523,965
4122 Special Ed - Infants & Toddlers	-	-	-	2,307,899
4155 Learning Assistance Program	16,583,354	16,223,242	(360,112)	15,701,953
4156 Institutes, Ctrs & Homes - Delinquents	420,916	237,171	(183,745)	304,953
4158 Special Pilot Programs	3,170,501	3,600,068	429,567	3,557,863
4165 Transitional Bilingual	5,447,635	5,267,041	(180,594)	5,286,620
4174 Highly Capable	876,712	840,644	(36,068)	860,692
4198 School Food Service	251,584	129,525	(122,059)	228,271

**TACOMA SCHOOL DISTRICT No. 10**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED AUGUST 31, 2021**  
**(WITH COMPARATIVE TOTALS FOR AUGUST 31, 2020)**

DESCRIPTION	2021		VARIANCE	2020
	BUDGET	ACTUAL	POSITIVE (NEGATIVE)	
4199 Transportation - Operations	14,946,118	10,149,179	(4,796,939)	15,529,747
<b>TOTAL STATE, SPECIAL PURPOSE</b>	<b>100,732,593</b>	<b>75,752,316</b>	<b>(24,980,277)</b>	<b>86,301,963</b>
<b>5000 FEDERAL FUNDS, GEN PURPOSE</b>				
5200 Direct Federal Revenue - Unassigned	489,093	378,398	(110,695)	343,315
5500 Federal Forests	-	442,102	442,102	17,919
<b>TOTAL FEDERAL, GENERAL PURPOSE</b>	<b>489,093</b>	<b>820,500</b>	<b>331,407</b>	<b>361,233</b>
<b>6000 FEDERAL, SPECIAL PURPOSE</b>				
6100 Special Purpose, Unassigned	-	-	-	25,367
6112 Federal Stimulus - School Improvement	-	24,994,667	24,994,667	-
6124 H/C, Supplemental, IDEA, Part B	7,054,456	6,920,832	(133,624)	7,131,684
6138 Career & Technical Education	254,097	273,685	19,588	254,097
6151 Disadvantaged, Federal Title I	10,337,068	9,540,990	(796,078)	10,874,602
6152 School Improvement, Federal Title II	1,775,261	1,871,795	96,534	1,733,603
6157 Institutions - Neglected & Delinquents	159,952	283,014	123,062	170,520
6164 Limited English Proficiency	436,748	506,383	69,635	328,483
6176 Targeted Assistance	-	5,570,949	5,570,949	2,706,190
6188 Child Care, Federal	-	-	-	87,391
6189 Other Community Services	117,000	0	(117,000)	3,934,608
6191 Nutrition Services Reimbursement	9,734,662	6,431,812	(3,302,850)	5,780,627
6261 Head Start	6,489,502	6,274,106	(215,396)	6,516,531
6268 Indian Education	195,682	196,530	848	185,678
6300 Federal Grants Pass Through Other Entities	-	1,062,988	1,062,988	437,012
6321 Special Ed Medicaid Match	-	127,176	127,176	148,170
6998 USDA Commodities	904,333	565,548	(338,785)	1,017,863
<b>TOTAL FEDERAL, SPECIAL PURPOSE</b>	<b>37,458,761</b>	<b>64,620,475</b>	<b>27,161,714</b>	<b>41,332,428</b>
<b>7000 REVENUES FROM OTHER DISTRICTS</b>				
7121 Special Education	1,885,009	2,104,045	219,036	1,891,067
<b>TOTAL REVENUES FROM OTHER DISTRICTS</b>	<b>1,885,009</b>	<b>2,104,045</b>	<b>219,036</b>	<b>1,891,067</b>
<b>8000 REVENUES FROM OTHER AGENCIES</b>				
8100 Agency & Association Grants	-	446,379	446,379	490,544
8188 Day Care	1,455,640	1,509,487	53,847	1,490,825
8200 Private Foundation	900,000	607,342	(292,658)	1,025,412
8500 Educational Service Districts	22,338	35,769	13,431	706
<b>TOTAL REVENUES FROM OTHER AGENCIES</b>	<b>2,377,978</b>	<b>2,598,977</b>	<b>220,999</b>	<b>3,007,488</b>
<b>TOTAL REVENUES</b>	<b>493,398,422</b>	<b>477,845,120</b>	<b>(14,941,302)</b>	<b>467,772,128</b>
<b>9000 OTHER FINANCING SOURCES</b>				
9300 Sale of Surplus Equipment	-	260,959	260,959	231,551
9900 Transfers	3,000,000	2,831,966	(168,034)	2,868,149

**TACOMA SCHOOL DISTRICT No. 10**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED AUGUST 31, 2021**  
**(WITH COMPARATIVE TOTALS FOR AUGUST 31, 2020)**

DESCRIPTION	2021 BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)	2020 ACTUAL
TOTAL OTHER FINANCING SOURCES	3,000,000	3,092,925	92,925	3,099,700
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 496,398,422</u>	<u>\$ 480,938,045</u>	<u>\$ (14,848,377)</u>	<u>\$ 470,871,828</u>

\* The budgetary basis of accounting is modified accrual, the same as the fund basis of accounting.

**TACOMA SCHOOL DISTRICT No. 10**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES BY PROGRAM**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED AUGUST 31, 2021**

PROGRAM NUMBER AND DESCRIPTION	2021		VARIANCE	PERCENT
	BUDGET	ACTUAL	POSITIVE (NEGATIVE)	EXPENDED
01 Basic Education	\$ 260,771,543	\$ 238,692,853	\$ 22,078,690	91.53%
03 Basic Ed - 1418 Open Doors	2,218,547	2,445,951	(227,404)	110.25%
12 Federal Stimulus - School Improvement	-	22,168,219	(22,168,219)	#DIV/0!
21 Special Education, Supplemental, State	50,103,301	53,108,843	(3,005,542)	106.00%
24 Special Education, Supplemental, Federal	6,808,896	6,678,110	130,786	98.08%
31 Career & Technical Education, Basic, State	13,013,672	13,050,844	(37,172)	100.29%
34 Career & Tech Ed - Middle School, State	2,915,217	2,678,102	237,115	91.87%
38 Career & Technical Education, Federal	268,973	268,973	-	100.00%
51 Disadvantaged, Federal Title I	10,523,793	9,238,712	1,285,081	87.79%
52 School Improvement, Federal Title II	1,860,374	1,933,471	(73,097)	103.93%
55 Learning Assistance Program (LAP), State	17,558,397	15,622,985	1,935,412	88.98%
56 State Institutions, Centers and Homes, Delinquent	226,524	255,201	(28,677)	112.66%
57 State Institutions, Neglected & Delinquent, Federal	171,503	312,865	(141,362)	182.43%
58 Special & Pilot Programs, State	3,601,673	3,405,189	196,484	94.54%
61 Head Start, Federal	7,607,506	5,694,367	1,913,139	74.85%
64 Limited English Proficiency, Federal	524,160	487,844	36,316	93.07%
65 Transitional Bilingual, State	4,614,975	4,580,832	34,143	99.26%
68 Indian Education, Federal ED	327,498	338,724	(11,226)	103.43%
69 Compensatory Education, Other	14,535		14,535	0.00%
73 Summer School	11,116	5,712	5,404	51.39%
74 Highly Capable	1,020,659	1,126,398	(105,739)	110.36%
79 Instructional Programs, Other	20,794,713	1,732,559	19,062,154	8.33%
88 Child Care	4,709,512	4,331,815	377,697	91.98%
89 Other Community Services	948,054	419,896	528,158	44.29%
97 District-wide Support	64,436,564	51,456,150	12,980,413	79.86%
98 School Nutrition Services	12,788,595	11,879,470	909,125	92.89%
99 Pupil Transportation	14,989,156	9,851,113	5,138,043	65.72%
<b>TOTAL EXPENDITURES</b>	<b>\$ 502,829,456</b>	<b>\$ 461,765,201</b>	<b>\$ 41,064,255</b>	<b>91.83%</b>

**TACOMA SCHOOL DISTRICT No. 10**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES BY ACTIVITY**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED AUGUST 31, 2021**

ACTIVITY NUMBER AND DESCRIPTION		2021 BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)	PERCENT EXPENDED
<b>ADMINISTRATION</b>					
11	Board of Directors	\$ 1,738,334	\$ 1,607,131	\$ 131,203	92.45%
12	Superintendent's Office	796,807	739,813	56,994	92.85%
13	Business Services	4,299,722	4,962,708	(662,986)	115.42%
14	Human Resources	5,787,893	5,238,500	549,393	90.51%
15	Public Relations	907,199	1,129,701	(222,502)	124.53%
<b>TOTAL ADMINISTRATION</b>		<b>13,529,955</b>	<b>13,677,852</b>	<b>(147,897)</b>	<b>101.09%</b>
<b>INSTRUCTION</b>					
21	Supervision	13,091,891	12,500,896	590,995	95.49%
22	Learning Resources	6,194,038	5,697,573	496,465	91.98%
23	Principal's Office	33,817,365	35,229,348	(1,411,983)	104.18%
24	Guidance & Counseling	16,909,412	16,278,603	630,809	96.27%
25	Pupil Management & Safety	4,876,709	3,447,042	1,429,667	70.68%
26	Health Services	23,671,253	24,191,508	(520,255)	102.20%
27	Teaching	284,222,712	255,486,419	28,736,293	89.89%
28	Extra Curricular	5,522,664	4,763,517	759,147	86.25%
29	Payments to Other Districts	150,500	0	150,500	0.00%
31	Professional Development	17,414,576	10,844,743	6,569,833	62.27%
32	Instructional Technology	715,121	1,381,441	(666,320)	193.18%
33	Curriculum	4,863,625	2,952,225	1,911,400	60.70%
34	Professional Development-State	-	3,786,285	(3,786,285)	#DIV/0!
<b>TOTAL INSTRUCTION</b>		<b>411,449,865</b>	<b>376,559,599</b>	<b>34,890,266</b>	<b>91.52%</b>
<b>NUTRITION SERVICES</b>					
41	Supervision	1,072,558	863,807	208,751	80.54%
42	Food	3,293,870	3,101,554	192,316	94.16%
44	Operations	8,610,400	8,637,129	(26,729)	100.31%
49	Nutrition Services Transfers	(188,233)	(19,808)	(168,425)	10.52%
<b>TOTAL NUTRITION SERVICES</b>		<b>12,788,595</b>	<b>12,582,683</b>	<b>205,912</b>	<b>98.39%</b>
<b>PUPIL TRANSPORTATION</b>					
51	Supervision	889,469	907,493	(18,024)	102.03%
52	Operations	13,648,320	8,612,578	5,035,742	63.10%
53	Maintenance	344,654	127,190	217,464	36.90%
58	Remote Learning	-	69,325	(69,325)	#DIV/0!
59	Transportation Services Transfers	(1,040,174)	(444,778)	(595,396)	42.76%
<b>TOTAL PUPIL TRANSPORTATION</b>		<b>13,842,269</b>	<b>9,271,807</b>	<b>4,570,462</b>	<b>66.98%</b>
<b>MAINTENANCE &amp; OPERATIONS</b>					
61	Supervision	1,176,671	1,097,339	79,332	93.26%
62	Grounds Maintenance	2,153,262	1,794,968	358,294	83.36%
63	Building Operations	17,120,029	17,978,449	(858,420)	105.01%



**TACOMA SCHOOL DISTRICT No. 10**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES BY ACTIVITY**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED AUGUST 31, 2021**

ACTIVITY NUMBER AND DESCRIPTION	2021		VARIANCE	PERCENT
	BUDGET	ACTUAL	POSITIVE (NEGATIVE)	EXPENDED
64 Maintenance	10,532,570	5,372,222	5,160,348	51.01%
65 Utilities	8,152,090	8,045,166	106,924	98.69%
67 Building Security	1,343,419	1,055,121	288,298	78.54%
68 Insurance	101,128	4,590,280	(4,489,152)	4539.08%
<b>TOTAL MAINTENANCE &amp; OPERATIONS</b>	<b>40,579,169</b>	<b>39,933,545</b>	<b>645,624</b>	<b>98.41%</b>
<b>OTHER SUPPORT SERVICES</b>				
72 Information Services	8,749,906	7,850,158	899,748	89.72%
73 Printing	477,255	658,799	(181,544)	138.04%
74 Warehouse & Distributions	783,157	875,806	(92,649)	111.83%
<b>TOTAL OTHER SUPPORT SERVICES</b>	<b>10,010,318</b>	<b>9,384,763</b>	<b>625,555</b>	<b>93.75%</b>
<b>PUBLIC ACTIVITIES</b>				
91 Public Activities	629,285	354,952	274,333	56.41%
<b>TOTAL PUBLIC ACTIVITIES</b>	<b>629,285</b>	<b>354,952</b>	<b>274,333</b>	<b>56.41%</b>
<b>TOTAL GENERAL FUND</b>	<b>\$ 502,829,456</b>	<b>\$ 461,765,201</b>	<b>\$ 41,064,255</b>	<b>91.83%</b>

\* The budgetary basis of accounting is modified accrual, the same as the fund basis of accounting.

**TACOMA SCHOOL DISTRICT No. 10**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES BY OBJECT**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED AUGUST 31, 2021**

OBJECT NUMBER AND DESCRIPTION		2021		VARIANCE	PERCENT EXPENDED
		BUDGET	ACTUAL	POSITIVE (NEGATIVE)	
0	Debit Transfer	\$ 2,576,641	\$ 921,618	\$ 1,655,023	35.77%
1	Credit Transfer	(2,576,641)	(921,618)	(1,655,023)	35.77%
2	Certificated Salaries	231,319,077	224,928,227	6,390,850	97.24%
3	Classified Salaries	74,642,169	69,766,289	4,875,880	93.47%
4	Employee Benefits	113,963,349	112,132,664	1,830,685	98.39%
5	Supplies & Materials	31,825,397	13,015,932	18,809,465	40.90%
7	Contractual Services	49,241,484	41,029,091	8,212,392	83.32%
8	Travel	501,147	127,771	373,376	25.50%
9	Capital Outlay	1,336,834	765,227	571,607	57.24%
<b>TOTAL GENERAL FUND</b>		<b>\$ 502,829,456</b>	<b>\$ 461,765,201</b>	<b>\$ 41,064,255</b>	<b>91.83%</b>

\* The budgetary basis of accounting is modified accrual, the same as the fund basis of accounting.

**TACOMA SCHOOL DISTRICT No. 10**  
**SPECIAL REVENUE FUND (ASSOCIATED STUDENT BODY FUND)**  
**COMPARATIVE BALANCE SHEETS**

	<b>AS OF AUGUST 31</b>	
	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>		
Cash on Hand and in Bank	\$ 44,178	\$ 8,443
Cash on Deposit with County Treasurer	950	4,344
Investments	2,074,786	2,072,174
Accounts Receivable	6,256	11,702
Interfund Receivable	6,203	20,405
Due From Other Governmental Units	150	300
<b>TOTAL ASSETS</b>	<b>\$ 2,132,523</b>	<b>\$ 2,117,369</b>
<b>LIABILITIES</b>		
Accounts Payable	\$ 87,787	\$ 115,632
Accrued Wages & Benefits Payable	(7)	371
Interfund Payable	12,356	11,684
Unearned Revenue - Other	102,035	9,159
<b>TOTAL LIABILITIES</b>	<b>202,171</b>	<b>136,846</b>
<b>FUND BALANCE</b>		
Restricted to Fund Purposes	1,930,351	1,980,522
<b>TOTAL FUND BALANCE</b>	<b>1,930,351</b>	<b>1,980,522</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCE</b>	<b>\$ 2,132,523</b>	<b>\$ 2,117,369</b>

**TACOMA SCHOOL DISTRICT No. 10**  
**SPECIAL REVENUE FUND (ASSOCIATED STUDENT BODY FUND)**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED AUGUST 31, 2021**  
**(WITH COMPARATIVE TOTALS FOR AUGUST 31, 2020)**

	<b>2021</b>		<b>VARIANCE</b>	<b>2020</b>
	<b>BUDGET</b>	<b>ACTUAL</b>	<b>POSITIVE (NEGATIVE)</b>	<b>ACTUAL</b>
<b>REVENUES</b>				
General	\$ 932,533	\$ 73,273	\$ (859,260)	\$ 448,235
Athletics	349,800	10,314	(339,486)	220,819
Classes	417,250	12,539	(404,711)	120,739
Clubs	1,774,687	45,603	(1,729,084)	350,287
Private Monies	45,280	21,698	(23,582)	4,345
<b>TOTAL REVENUES</b>	<b>3,519,550</b>	<b>163,427</b>	<b>(3,356,123)</b>	<b>1,144,425</b>
<b>EXPENDITURES</b>				
General	778,159	115,545	662,614	424,606
Athletics	473,250	19,609	453,641	212,996
Classes	346,613	38,864	307,749	103,637
Clubs	1,754,086	65,761	1,688,325	354,375
Private Monies	63,269	23,521	39,748	5,102
<b>TOTAL EXPENDITURES</b>	<b>3,415,377</b>	<b>263,300</b>	<b>3,152,077</b>	<b>1,100,716</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>104,173</b>	<b>(99,873)</b>	<b>(204,046)</b>	<b>43,709</b>
<b>FUND BALANCE - September 1</b>	<b>1,891,271</b>	<b>1,980,522</b>	<b>89,251</b>	<b>1,936,813</b>
Cumulative Effect of Accounting Principle Change	-	49,702	49,702	-
<b>FUND BALANCE - August 31</b>	<b>\$ 1,995,444</b>	<b>\$ 1,930,351</b>	<b>\$ (65,093)</b>	<b>\$ 1,980,522</b>

\* The budgetary basis of accounting is modified accrual, the same as the fund basis of accounting.

**TACOMA SCHOOL DISTRICT No. 10**  
**DEBT SERVICE FUND (BOND FUND)**  
**COMPARATIVE BALANCE SHEETS**

	<b>AS OF AUGUST 31</b>	
	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>		
Cash on Deposit with County Treasurer	\$ 532,533	\$ 499,180
Investments	24,407,704	12,278,469
Property Tax Receivable	28,340,522	28,674,081
<b>TOTAL ASSETS</b>	<b>\$ 53,280,759</b>	<b>\$ 41,451,730</b>
<b>LIABILITIES</b>		
Accounts Payable	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable Revenues - Property Taxes	27,339,160	27,694,183
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>27,339,160</b>	<b>27,694,183</b>
<b>FUND BALANCE</b>		
Restricted for Debt Service	25,941,599	13,757,546
<b>TOTAL FUND BALANCE</b>	<b>25,941,599</b>	<b>13,757,546</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCE</b>	<b>\$ 53,280,759</b>	<b>\$ 41,451,730</b>

**TACOMA SCHOOL DISTRICT No. 10**  
**DEBT SERVICE FUND (BOND FUND)**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED AUGUST 31, 2021**  
**(WITH COMPARATIVE TOTALS FOR AUGUST 31, 2020)**

	<b>2021</b>		<b>VARIANCE</b>	<b>2020</b>
	<b>BUDGET</b>	<b>ACTUAL</b>	<b>POSITIVE (NEGATIVE)</b>	<b>ACTUAL</b>
<b>REVENUES</b>				
Local Taxes	\$ 60,176,400	\$ 60,739,270	\$ 562,870	\$ 58,754,687
Local Non-Tax	-	22,236	22,236	133,326
<b>TOTAL REVENUES</b>	<b>60,176,400</b>	<b>60,761,506</b>	<b>585,106</b>	<b>58,888,013</b>
<b>EXPENDITURES</b>				
Principal Payment	27,425,000	27,425,000	-	34,210,000
Interest Expense	33,454,200	21,167,142	12,287,058	23,106,738
Bond Fees & Cost of Issuance	-	-	-	1,370,521
<b>TOTAL EXPENDITURES</b>	<b>60,879,200</b>	<b>48,592,142</b>	<b>12,287,058</b>	<b>58,687,259</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(702,800)</b>	<b>12,169,364</b>	<b>12,872,164</b>	<b>200,754</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of Refunding Bonds	-	14,689	14,689	366,010,000
Payment to Refunded Bonds Escrow Agent	-	-	-	(364,547,559)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>14,689</b>	<b>14,689</b>	<b>1,462,441</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>(702,800)</b>	<b>12,184,052</b>	<b>12,886,852</b>	<b>1,663,195</b>
<b>FUND BALANCE - September 1</b>	<b>10,276,100</b>	<b>13,757,546</b>	<b>3,481,446</b>	<b>12,094,351</b>
<b>FUND BALANCE - August 31</b>	<b>\$ 9,573,300</b>	<b>\$ 25,941,599</b>	<b>\$ 16,368,299</b>	<b>\$ 13,757,546</b>

\* The budgetary basis of accounting is modified accrual, the same as the fund basis of accounting.

**TACOMA SCHOOL DISTRICT No. 10**  
**CAPITAL PROJECTS FUND**  
**COMPARATIVE BALANCE SHEETS**

	<b>AS OF AUGUST 31</b>	
	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>		
Cash on Hand and in Bank	\$ -	\$ 16,565
Cash on Deposit with County Treasurer	213,115	178,200
Investments	529,329,281	77,787,172
Construction Retainage Escrow	1,415,842	1,108,432
Property Tax Receivable	11,268,014	11,548,290
Interfund Receivable	303,897	1,704,940
Accounts Receivable	-	37,911
<b>TOTAL ASSETS</b>	<b>\$ 542,530,149</b>	<b>\$ 92,381,511</b>
<b>LIABILITIES</b>		
Accounts Payable	12,529,350	11,602,970
Accrued Salaries & Benefits Payable	74,643	104,046
Retainage Payable	1,415,842	1,108,432
Interfund Payable	3,464,076	4,549,893
<b>TOTAL LIABILITIES</b>	<b>17,483,911</b>	<b>17,365,341</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable Revenues - Property Taxes	10,869,770	11,155,595
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>10,869,770</b>	<b>11,155,595</b>
<b>FUND BALANCE</b>		
Restricted for Bond Proceeds	500,593,800	45,901,006
Restricted for Technology	10,366,050	14,697,733
Assigned to Fund Purposes	3,216,618	3,261,836
<b>TOTAL FUND BALANCE</b>	<b>514,176,468</b>	<b>63,860,575</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCE</b>	<b>\$ 542,530,149</b>	<b>\$ 92,381,511</b>

**TACOMA SCHOOL DISTRICT No. 10**  
**CAPITAL PROJECTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED AUGUST 31, 2021**  
**(WITH COMPARATIVE TOTALS FOR AUGUST 31, 2020)**

	<b>2021</b>		<b>VARIANCE</b>	<b>2020</b>
	<b>BUDGET</b>	<b>ACTUAL</b>	<b>POSITIVE (NEGATIVE)</b>	<b>ACTUAL</b>
<b>REVENUES</b>				
Local Taxes	\$ 25,735,000	\$ 24,303,369	\$ (1,431,631)	\$ 23,959,134
Local Non-Tax	-	719,514	719,514	1,745,055
State, Special Purpose	-	657,757	657,757	100,000
Other Districts/Agencies	-	-	-	23,826
<b>TOTAL REVENUES</b>	<b>25,735,000</b>	<b>25,680,640</b>	<b>(54,360)</b>	<b>25,828,014</b>
<b>EXPENDITURES</b>				
Sites	475,000	1,211,758	(736,758)	893,828
Buildings	91,766,000	78,203,432	13,562,568	76,718,997
Equipment	33,905,000	28,046,359	5,858,641	19,456,445
Sales and Lease	-	71,231	(71,231)	5,561
Bond Interest and Other Charges	400,000	1,829,866	(1,429,866)	-
<b>TOTAL EXPENDITURES</b>	<b>126,546,000</b>	<b>109,362,646</b>	<b>17,183,354</b>	<b>97,074,831</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(100,811,000)</b>	<b>(83,682,006)</b>	<b>17,128,994</b>	<b>(71,246,817)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Real Property	500,000	-	(500,000)	-
Transfers	(3,000,000)	(2,831,966)	168,034	(2,868,149)
Bond Sales & Refunding Bond Sales	400,000,000	536,829,866	136,829,866	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>397,500,000</b>	<b>533,997,899</b>	<b>136,497,899</b>	<b>(2,868,149)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>296,689,000</b>	<b>450,315,893</b>	<b>153,626,893</b>	<b>(74,114,966)</b>
<b>FUND BALANCE - September 1</b>	<b>67,492,000</b>	<b>63,860,575</b>	<b>(3,631,425)</b>	<b>137,975,542</b>
<b>FUND BALANCE - August 31</b>	<b>\$ 364,181,000</b>	<b>\$ 514,176,468</b>	<b>\$ 149,995,468</b>	<b>\$ 63,860,575</b>

\* The budgetary basis of accounting is modified accrual, the same as the fund basis of accounting.



**TACOMA SCHOOL DISTRICT No. 10**  
**TRANSPORTATION VEHICLE FUND**  
**COMPARATIVE BALANCE SHEETS**

	<b>AS OF AUGUST 31</b>	
	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>		
Cash on Hand and in Bank	\$ 1,715	\$ -
Cash on Deposit with County Treasurer	1,455	1,058
Investments	2,556,427	2,660,227
<b>TOTAL ASSETS</b>	<b>\$ 2,559,597</b>	<b>\$ 2,661,285</b>
<b>LIABILITIES</b>		
Accounts Payable	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE</b>		
Restricted to Fund Purposes	2,559,597	2,661,285
<b>TOTAL FUND BALANCE</b>	<b>2,559,597</b>	<b>2,661,285</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCE</b>	<b>\$ 2,559,597</b>	<b>\$ 2,661,285</b>

**TACOMA SCHOOL DISTRICT No. 10**  
**TRANSPORTATION VEHICLE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED AUGUST 31, 2021**  
**(WITH COMPARATIVE TOTALS FOR AUGUST 31, 2020)**

	<b>2021</b>		<b>VARIANCE</b>	<b>2020</b>
	<b>BUDGET</b>	<b>ACTUAL</b>	<b>POSITIVE (NEGATIVE)</b>	<b>ACTUAL</b>
<b>REVENUES</b>				
Local Non-Tax	\$ 30,000	\$ 3,200	\$ 26,800	\$ 33,441
State, Special Purpose	510,550	575,472	(64,922)	520,786
<b>TOTAL REVENUES</b>	<b>540,550</b>	<b>578,672</b>	<b>38,122</b>	<b>554,227</b>
<b>EXPENDITURES</b>				
Purchase of Buses	780,000	703,610	76,390	705,600
<b>TOTAL EXPENDITURES</b>	<b>780,000</b>	<b>703,610</b>	<b>76,390</b>	<b>705,600</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(239,450)</b>	<b>(124,938)</b>	<b>114,512</b>	<b>(151,373)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Equipment/Buses	-	23,250	(23,250)	17,904
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>23,250</b>	<b>(23,250)</b>	<b>17,904</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>(239,450)</b>	<b>(101,688)</b>	<b>137,762</b>	<b>(133,470)</b>
<b>FUND BALANCE - September 1</b>	<b>2,586,800</b>	<b>2,661,285</b>	<b>74,485</b>	<b>2,794,754</b>
<b>FUND BALANCE - August 31</b>	<b>\$ 2,347,350</b>	<b>\$ 2,559,597</b>	<b>\$ 212,247</b>	<b>\$ 2,661,285</b>

\* The budgetary basis of accounting is modified accrual, the same as the fund basis of accounting.

**TACOMA SCHOOL DISTRICT No. 10**  
**FIDUCIARY FUNDS (PRIVATE PURPOSE TRUSTS)**  
**COMPARATIVE BALANCE SHEETS**

	<b>AS OF AUGUST 31</b>	
	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>		
Cash on Hand and in Bank	\$ 410	\$ 44,730
Cash on Deposit with County Treasurer	940	781
Investments	1,020,863	1,051,570
Accounts Receivable	-	868
<b>TOTAL ASSETS</b>	<b>1,022,213</b>	<b>1,097,949</b>
<b>LIABILITIES</b>		
Accounts Payable	178,228	146,160
Unearned Revenue - Other	-	15,046
<b>TOTAL LIABILITIES</b>	<b>178,228</b>	<b>161,206</b>
<b>NET POSITION</b>		
Held in Trust for Scholarships and Student Aid	843,985	936,743
<b>TOTAL NET POSITION</b>	<b>\$ 843,985</b>	<b>\$ 936,743</b>

**TACOMA SCHOOL DISTRICT No. 10**  
**FIDUCIARY FUNDS (PRIVATE PURPOSE TRUSTS)**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FOR THE FISCAL YEAR ENDED AUGUST 31, 2021**  
**(WITH COMPARATIVE TOTALS FOR AUGUST 31, 2020)**

	<u>2021</u>	<u>2020</u>
<b>ADDITIONS</b>		
Donations	\$ 275,425	\$ 267,886
<b>TOTAL ADDITIONS</b>	<u>275,425</u>	<u>267,886</u>
<b>DEDUCTIONS</b>		
Scholarships	70,849	81,894
Tuition and Fees	7,940	15,410
Supplies & Materials	216,253	80,085
Field Trips & Travel	19,049	21,753
Purchased Services	3,890	14,710
Salaries & Benefits	500	6,804
<b>TOTAL DEDUCTIONS</b>	<u>318,481</u>	<u>220,655</u>
<b>CHANGE IN NET POSITION</b>	(43,056)	47,232
<b>NET POSITION - September 1</b>	<u>936,743</u>	<u>889,512</u>
Prior Period Adjustment	(49,702)	
<b>NET POSITION - August 31</b>	<u><u>\$ 843,985</u></u>	<u><u>\$ 936,743</u></u>

**TACOMA SCHOOL DISTRICT No. 10**  
**SCHEDULE OF CHANGES IN LONG-TERM DEBT**  
**FOR THE FISCAL YEAR ENDED AUGUST 31, 2021**

	<b>BALANCE</b> <b>8/31/2020</b>	<b>INCREASES</b>	<b>DECREASES</b>	<b>BALANCE</b> <b>8/31/2021</b>
Unlimited Tax General Obligation Bonds	\$ 515,965,000	\$ 484,280,000	\$ 27,425,000	\$ 972,820,000
Long-Term Financing (Daktronics Scoreboard)	218,832	-	107,905	110,927
Compensated Absences	35,221,661	4,594,595	2,089,206	37,727,050
Unamortized Bond Premium	31,312,339	52,558,805	4,917,562	78,953,581
OPEB Obligation	211,144,129	17,927,367	20,252,716	208,818,780
Net Pension Liability - PERS Plan 1	17,718,422	-	11,826,105	5,892,317
Net Pension Liability - SERS Plans 2/3	14,983,175	-	14,983,175	(0)
Net Pension Liability - TRS Plan 1	70,868,076	-	50,961,915	19,906,161
Net Pension Liability - TRS Plans 2/3	45,261,774	-	45,261,774	0
<b>TOTAL</b>	<b>\$ 942,693,408</b>	<b>\$ 559,360,767</b>	<b>\$ 177,825,358</b>	<b>\$ 1,324,228,817</b>

**TACOMA SCHOOL DISTRICT No. 10**  
**OUTSTANDING GENERAL OBLIGATION INDEBTEDNESS**  
**AUGUST 31, 2021**

AMOUNT: \$78,905,000 2012 Refunded Bond			AMOUNT: \$152,625,000 2014 Refunded Bond		AMOUNT: \$368,275,000 2015 Refunded Bond		AMOUNT: \$366,010,000 2020 UTGO		AMOUNT: \$249,280,000 2020-B UTGO		AMOUNT: \$235,000,000 2020-C UTGO		TOTAL DEBT SERVICE	TOTAL BY YEAR
DATED: 11/06/2012			DATED: 11/6/2014 (Refunded 2020)		DATED: 10/21/2015 (Refunded 2020)		DATED: 7/31/2020		DATED: 10/30/2020		DATED: 10/30/2020			
DUE DATE	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST		
Dec 1, 2020	1,635,000	1,003,350	-	156,000	23,230,000	2,441,750	-	2,412,121	-	-	-	-	30,878,221	
Jun 1, 2021	2,560,000	970,650	-	156,000	-	1,861,000	-	3,365,751	-	6,092,698	-	2,706,922	17,713,021	48,591,242
Dec 1, 2021	6,850,000	919,450	-	156,000	4,635,000	1,861,000	5,515,000	3,365,751	-	5,247,300	16,460,000	2,331,320	47,340,821	
Jun 1, 2022	-	775,500	-	156,000	-	1,745,125	-	3,354,472	-	5,247,300	-	2,308,359	13,586,756	60,927,577
Dec 1, 2022	10,795,000	775,500	-	156,000	3,820,000	1,745,125	5,540,000	3,354,472	-	5,247,300	22,250,000	2,308,359	55,991,756	
Jun 1, 2023	-	505,625	-	156,000	-	1,649,625	-	3,340,373	-	5,247,300	-	2,266,195	13,165,118	69,156,874
Dec 1, 2023	11,705,000	505,625	-	156,000	3,640,000	1,649,625	5,565,000	3,340,373	-	5,247,300	25,905,000	2,266,195	59,980,118	
Jun 1, 2024	-	297,500	-	156,000	-	1,558,625	-	3,325,542	-	5,247,300	-	2,204,541	12,789,508	72,769,626
Dec 1, 2024	12,500,000	297,500	-	156,000	3,440,000	1,558,625	5,590,000	3,325,542	-	5,247,300	27,975,000	2,204,541	62,294,508	
Jun 1, 2025	-	-	-	156,000	-	1,472,625	-	3,306,173	-	5,247,300	-	2,109,286	12,291,384	74,585,893
Dec 1, 2025	-	-	3,045,000	156,000	13,665,000	1,472,625	5,635,000	3,306,173	18,730,000	5,247,300	7,410,000	2,109,286	60,776,384	
Jun 1, 2026	-	-	-	79,875	-	1,131,000	-	3,282,422	-	4,779,050	-	2,080,350	11,352,697	72,129,081
Dec 1, 2026	-	-	3,195,000	79,875	14,350,000	1,131,000	5,685,000	3,282,422	4,935,000	4,779,050	-	2,080,350	39,517,697	
Jun 1, 2027	-	-	-	-	-	772,250	-	3,252,831	-	4,655,675	-	2,080,350	10,761,106	50,278,803
Dec 1, 2027	-	-	-	-	15,065,000	772,250	9,090,000	3,252,831	5,195,000	4,655,675	-	2,080,350	40,111,106	
Jun 1, 2028	-	-	-	-	-	395,625	-	3,196,428	-	4,525,800	-	2,080,350	10,198,203	50,309,309
Dec 1, 2028	-	-	-	-	15,825,000	395,625	9,205,000	3,196,428	5,445,000	4,525,800	-	2,080,350	40,673,203	
Jun 1, 2029	-	-	-	-	-	-	-	3,131,855	-	4,389,675	-	2,080,350	9,601,880	50,275,082
Dec 1, 2029	-	-	-	-	-	-	25,945,000	3,131,855	5,725,000	4,389,675	-	2,080,350	41,271,880	
Jun 1, 2030	-	-	-	-	-	-	-	2,930,392	-	4,246,550	-	2,080,350	9,257,292	50,529,171
Dec 1, 2030	-	-	-	-	-	-	26,355,000	2,930,392	6,000,000	4,246,550	-	2,080,350	41,612,292	
Jun 1, 2031	-	-	-	-	-	-	-	2,712,568	-	4,096,550	-	2,080,350	8,889,468	50,501,759
Dec 1, 2031	-	-	-	-	-	-	26,780,000	2,712,568	6,310,000	4,096,550	-	2,080,350	41,979,468	
Jun 1, 2032	-	-	-	-	-	-	-	2,480,519	-	3,938,800	-	2,080,350	8,499,669	50,479,137
Dec 1, 2032	-	-	-	-	-	-	27,245,000	2,480,519	6,625,000	3,938,800	-	2,080,350	42,369,669	
Jun 1, 2033	-	-	-	-	-	-	-	2,230,819	-	3,806,300	-	2,080,350	8,117,469	50,487,137
Dec 1, 2033	-	-	-	-	-	-	27,755,000	2,230,819	6,880,000	3,806,300	-	2,080,350	42,752,469	
Jun 1, 2034	-	-	-	-	-	-	-	1,966,730	-	3,668,700	-	2,080,350	7,715,780	50,468,248
Dec 1, 2034	-	-	-	-	-	-	28,280,000	1,966,730	7,160,000	3,668,700	-	2,080,350	43,155,780	
Jun 1, 2035	-	-	-	-	-	-	-	1,690,575	-	3,525,500	-	2,080,350	7,296,425	50,452,205
Dec 1, 2035	-	-	-	-	-	-	28,835,000	1,690,575	7,445,000	3,525,500	-	2,080,350	43,576,425	
Jun 1, 2036	-	-	-	-	-	-	-	1,401,793	-	3,376,600	-	2,080,350	6,858,743	50,435,168
Dec 1, 2036	-	-	-	-	-	-	29,410,000	1,401,793	7,745,000	3,376,600	-	2,080,350	44,013,743	
Jun 1, 2037	-	-	-	-	-	-	-	1,102,840	-	3,221,700	-	2,080,350	6,404,890	50,418,633
Dec 1, 2037	-	-	-	-	-	-	30,010,000	1,102,840	8,050,000	3,221,700	-	2,080,350	44,464,890	
Jun 1, 2038	-	-	-	-	-	-	-	749,172	-	3,060,700	-	2,080,350	5,890,222	50,355,113
Dec 1, 2038	-	-	-	-	-	-	30,710,000	749,172	8,380,000	3,060,700	-	2,080,350	44,980,222	
Jun 1, 2039	-	-	-	-	-	-	-	387,255	-	2,893,100	-	2,080,350	5,360,705	50,340,928
Dec 1, 2039	-	-	-	-	-	-	32,860,000	387,255	7,290,000	2,893,100	-	2,080,350	45,510,705	
Jun 1, 2040	-	-	-	-	-	-	-	-	-	2,747,300	-	2,080,350	4,827,650	50,338,355
Dec 1, 2040	-	-	-	-	-	-	-	-	41,215,000	2,747,300	-	2,080,350	46,042,650	
Jun 1, 2041	-	-	-	-	-	-	-	-	-	1,923,000	-	2,080,350	4,003,350	50,046,000
Dec 1, 2041	-	-	-	-	-	-	-	-	42,865,000	1,923,000	-	2,080,350	46,868,350	
Jun 1, 2042	-	-	-	-	-	-	-	-	-	1,065,700	-	2,080,350	3,146,050	50,014,400
Dec 1, 2042	-	-	-	-	-	-	-	-	44,580,000	1,065,700	-	2,080,350	47,726,050	
Jun 1, 2043	-	-	-	-	-	-	-	-	-	174,100	-	2,080,350	2,254,450	49,980,500
Dec 1, 2043	-	-	-	-	-	-	-	-	8,705,000	174,100	37,655,000	2,080,350	48,614,450	
Jun 1, 2044	-	-	-	-	-	-	-	-	-	-	-	1,500,086	1,500,086	50,114,536
Dec 1, 2044	-	-	-	-	-	-	-	-	-	-	47,870,000	1,500,086	49,370,086	
Jun 1, 2045	-	-	-	-	-	-	-	-	-	-	-	762,410	762,410	50,132,496
Dec 1, 2045	-	-	-	-	-	-	-	-	-	-	49,475,000	635,341	50,110,341	50,110,341
<b>\$ 46,045,000   \$ 6,050,700   \$ 6,240,000   \$ 1,875,750   \$ 97,670,000   \$ 23,613,500   \$ 366,010,000   \$ 96,829,141   \$ 249,280,000   \$ 173,507,998   \$ 235,000,000   \$ 102,105,527   \$ 1,404,227,616   \$ 1,404,227,616</b>														

**TACOMA SCHOOL DISTRICT No. 10**  
**SCHEDULE OF CAPITAL ASSETS BY LOCATION**  
**AUGUST 31, 2021**

PROPERTY	LOCATION	LAND	BUILDINGS, IMPROVEMENTS & CONSTRUCTION		EQUIPMENT	TOTALS
				IN PROGRESS		
SENIOR HIGH SCHOOLS						
Foss	2112 S. Tyler St.	\$ 1,053,377	\$ 50,460,944	\$ 820,844	\$ 52,335,164	
Lincoln	701 S. 37th St.	1,006,499	94,176,497	1,887,092	97,070,087	
Lincoln Bowl	S. 37th & G St.	1,979,476	2,013,147	-	3,992,623	
Mount Tahoma (New)	4634 S. 74th St.	7,071,355	73,888,482	1,227,157	82,186,994	
Oakland	3319 S. Adams St.	99,270	1,541,978	117,654	1,758,902	
Willie Stewart Academy	1818 Tacoma Ave.	91,963	52,962	5,420	150,345	
IDEA	6701 S. Park Ave.	153,329	1,588,013	131,641	1,872,982	
ELC Science & Math			18,943,039		18,943,039	
Science & Math Inst.	5501 N. Pearl St.		2,120,338	312,745	2,433,083	
School of the Arts	1950 Pacific Ave.	401,122	12,341,249	200,068	12,942,439	
Stadium	111 North E St.	4,272,371	114,846,808	1,476,238	120,595,417	
Stadium Bowl	N. 1st & E St.	4,825,151	1,705,355	-	6,530,506	
Wilson/Silas	1202 N. Orchard St.	378,979	95,433,663	1,301,796	97,114,437	
MIDDLE SCHOOLS						
Baker	8320 S. I St.	2,408,821	50,466,292	328,385	53,203,498	
Gault	1115 E. Division Lane	67,314	2,966,740	19,205	3,053,259	
Giaudrone	4902 S. Alaska St.	58,279	23,452,872	380,651	23,891,802	
Gray	6229 S. Tyler	708,404	39,752,725	317,863	40,778,992	
Hunt	6501 S. 10th St.	60,230	3,745,464	242,565	4,048,259	
Jason Lee/Hilltop Heritage	602 N. Sprague Ave.	1,918,440	26,338,706	408,507	28,665,652	
Mason	3901 N. 28th St.	103,379	23,818,508	530,633	24,452,519	
Meeker	4402 Nassau Ave NE	1,416,692	15,700,124	369,151	17,485,967	
Stewart	5010 Pacific Ave.	176,943	65,599,077	437,158	66,213,178	
Truman	5801 N. 35th St.	18,860	24,417,718	345,173	24,781,751	
First Creek	1801 E. 56th St.	167,722	42,062,261	212,631	42,442,614	
ELEMENTARY SCHOOLS						
Arlington	3002 S. 72nd St.	73,264	25,857,886	133,065	26,064,216	
Birney	1202 S. 76th St.	97,147	39,113,769	144,343	39,355,259	
Blix	1302 E. 38th St.	932,339	12,115,221	287,505	13,335,065	
Boze	1140 E. 65th St.	76,181	33,491,291	143,008	33,710,480	
Browns Point	1526 - 51st. St. NE	71,147	36,030,721	194,008	36,295,876	
Bryant	717 S. Grant Ave.	149,325	1,600,845	46,290	1,796,460	
Crescent Heights	4410 Nassau Ave NE	533,450	13,788,812	230,522	14,552,784	
DeLong	4901 S. 14th St.	34,905	6,556,610	138,306	6,729,821	
Downing	2502 N. Orchard St.	3,183,845	2,032,506	232,171	5,448,522	
Edison	5830 S. Pine St.	724,068	15,665,643	290,436	16,680,147	
Fawcett	126 E. 60th St.	71,679	5,405,561	165,050	5,642,290	
Fern Hill	8442 S. Park Ave.	79,816	18,833,973	376,754	19,290,544	
Franklin	1402 S. Lawrence	1,733,534	11,903,629	192,415	13,829,578	
Geiger	621 S. Jackson Ave.	455,146	24,891,508	78,276	25,424,930	
Grant	1018 N. Prospect St.	133,229	35,189,655	149,014	35,471,898	
Jefferson	4302 N. 13th St.	59,160	11,893,936	235,493	12,188,589	
Larchmont	8601 E. B St.	234,613	8,402,711	242,426	8,879,750	
Lister	2106 E. 44th St.	704,349	12,349,393	164,906	13,218,648	
Lowell	810 N. 13th St.	119,300	2,403,868	202,441	2,725,609	
Lyon	101 E. 46th St.	49,032	33,552,328	130,059	33,731,419	
Manitou Park	4430 S. 66th St.	778,177	10,571,962	180,665	11,530,803	
Mann	1002 S. 52nd. St.	1,052,818	9,299,694	172,046	10,524,558	
McCarver	2111 S. J St.	296,583	37,823,714	366,288	38,486,585	
McCarver Primary	2141 S. J St.		214,057		214,057	
Northeast Tacoma	5412 29th St. NE	158,628	8,120,258	263,985	8,542,870	
Point Defiance	4330 N. Visscher St.	266,166	7,267,353	263,388	7,796,906	
Reed	1802 S. 36th St.	143,309	5,877,020	148,298	6,168,627	

**TACOMA SCHOOL DISTRICT No. 10**  
**SCHEDULE OF CAPITAL ASSETS BY LOCATION**  
**AUGUST 31, 2021**

PROPERTY	LOCATION	LAND	BUILDINGS, IMPROVEMENTS & CONSTRUCTION	EQUIPMENT	TOTALS
			IN PROGRESS		
Roosevelt	3550 E. Roosevelt Ave.	257,632	7,549,872	88,819	7,896,324
Sheridan	6317 McKinley Ave.	1,061,019	8,320,588	222,028	9,603,634
Sherman	4415 N. 38th St.	20,000	10,582,611	325,764	10,928,375
Skyline	2301 N. Mildred St.	96,603	1,750,202	302,426	2,149,230
Stafford	1615 S. 92nd St.	9,714	15,818,980	211,355	16,040,049
Stanley	1712 S. 17th St.	137,380	8,144,902	37,801	8,320,083
Wainwright	130 Alameda Ave.	143,892	32,955,283	70,157	33,169,332
Washington-Hoyt	2615 N. Adams	89,594	30,525,164	168,638	30,783,396
Hoyt	2708 N. Union Ave.		256,857	-	256,857
Whitman	1120 S. 39th St.	71,095	8,031,054	100,661	8,202,810
Whittier	777 Elm Tree Lane	101,469	3,516,912	259,417	3,877,798
OTHER BLDGS. & SITES					
Madison - Head Start Use	3102 S. 43rd St.	143,962	1,482,271	226,566	1,852,799
McKinley	3702 McKinley	89,259	2,422,015	52,451	2,563,725
Willard	3201 South D St.	2,299	1,501,910	167,933	1,672,142
Remann Hall	5501 6th Ave.		27,502	-	27,502
District Wide				54,267	54,267
Central Administration Bldg. (CAB)	601 S. 8th St.	84,380	9,433,442	13,509,026	23,026,848
CAB Annex	708 S. G St.		135,706	61,315	197,021
Professional Development Ctr	6501 N. 23rd St.	107,352	4,670,398	371,532	5,149,282
Lincoln Tree Farm	28001 Mountain Highway	1,986	5,439,149	109,443	5,550,578
Transportation	4002 S. Cedar	280,880	364,485	9,677,871	10,323,236
Purchasing/Food Services	3321 S. Union Ave.		258,047	802,456	1,060,504
Maintenance & Operations	3223 S. Union Ave.	86,188	9,323,483	4,938,608	14,348,279
SOTA-Parking Garage	909-915 Market St.	365,255	1,052,817	-	1,418,072
SOTA-9th & Broadway	302 S. 9th St.	1,631,612	7,228,195	8,646	8,868,453
VACANT SITES					
Construction-in-Progress			89,935,877		89,935,877
TOTALS		\$ 45,430,757	\$ 1,478,414,601	\$ 48,010,913	\$ 1,571,856,272





# Statistical Section

## **Financial Trends**

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- II. Changes in Net Position
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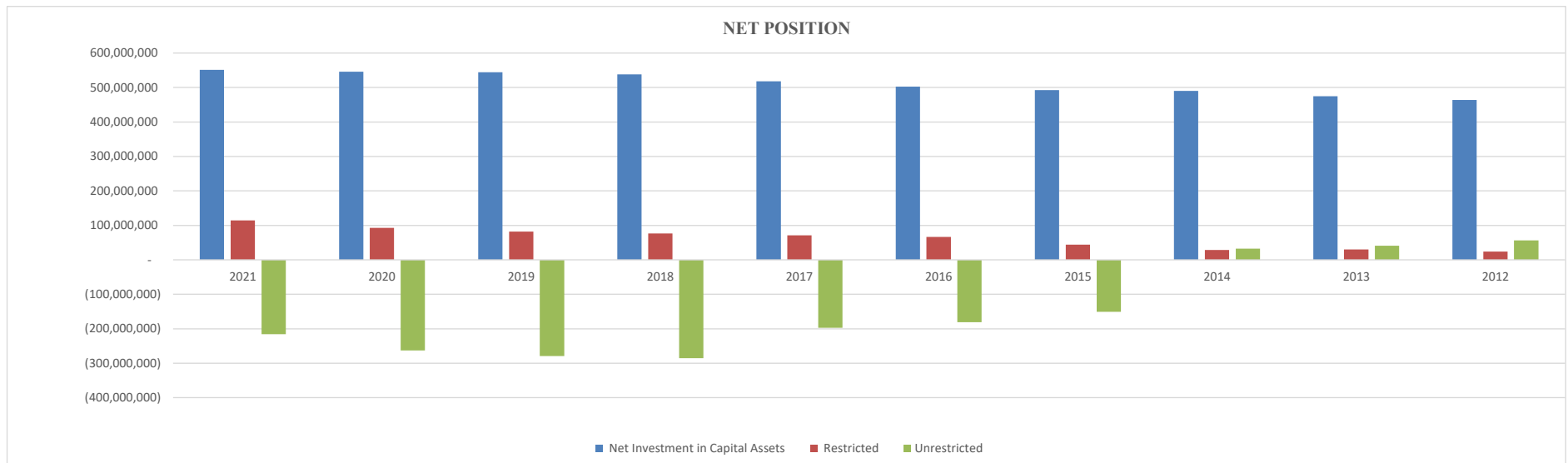
## **Operating Information**

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**TACOMA SCHOOL DISTRICT No. 10**  
**NET POSITION BY COMPONENT**  
**Last Ten Fiscal Years**  
 (Accrual Basis of Accounting)

The three components of net position are shown separately and in total.

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental Activities										
Net Investment in Capital Assets	\$ 551,375,017	\$ 545,811,549	\$ 544,221,882	\$ 537,878,529	\$ 517,988,999	\$ 502,842,932	\$ 492,723,196	\$ 489,838,116	\$ 474,767,679	\$ 463,667,781
Restricted	114,357,360	92,691,976	81,895,142	76,771,652	71,058,175	66,477,394	43,728,518	28,833,688	30,228,711	24,314,115
Unrestricted	(215,652,019)	(262,627,656)	(278,972,107)	(285,352,710)	(196,899,880)	(180,788,003)	(150,868,412)	32,408,178	40,772,196	56,195,876
<b>Total Governmental Activities Net Position</b>	<b>\$ 450,080,357</b>	<b>\$ 375,875,869</b>	<b>\$ 347,144,916</b>	<b>\$ 329,297,469</b>	<b>\$ 392,147,293</b>	<b>\$ 388,532,321</b>	<b>\$ 385,583,302</b>	<b>\$ 551,079,982</b>	<b>\$ 545,768,586</b>	<b>\$ 544,177,772</b>



**TACOMA SCHOOL DISTRICT No. 10****CHANGES IN NET POSITION****Last Ten Fiscal Years**

(Accrual Basis of Accounting)

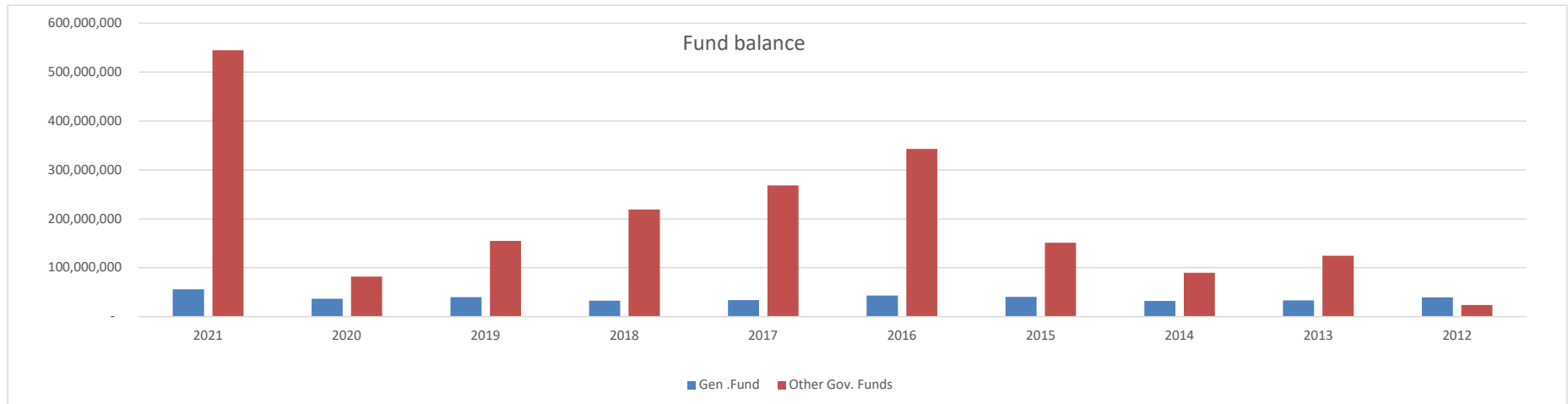
Expenses by function, program revenues by category, net (expense) revenue, general revenues and other changes in net position and total changes in net position are presented.

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>EXPENSES</b>										
<b>Governmental Activities:</b>										
Regular Instruction	\$ 255,633,043	\$ 288,140,972	\$ 268,804,673	\$ 238,135,937	\$ 240,329,794	\$ 226,826,955	\$ 204,605,892	\$ 202,869,927	\$ 200,132,388	\$ 187,093,849
Federal Special Purpose Funding	20,892,884	-	-	-	-	0	12,901	176,527	2,712,607	3,595,817
Special Instruction	56,353,373	66,286,484	65,178,828	55,478,874	52,989,814	51,855,865	48,295,312	46,538,041	45,199,346	42,916,763
Career & Technical Instruction	14,970,200	17,563,495	16,378,540	14,770,067	12,607,272	11,684,425	11,890,668	11,320,711	11,199,076	10,897,908
Compensatory Instruction	39,461,524	42,475,373	43,216,735	41,583,845	37,473,529	37,361,483	34,220,184	31,392,881	26,882,336	30,504,519
Other Instructional Programs	2,767,595	3,065,470	7,194,129	6,894,909	7,640,290	7,099,430	6,555,962	5,545,242	4,285,329	4,366,029
Community Services	4,478,345	9,407,923	965,760	1,102,011	689,265	622,495	569,669	536,295	417,267	433,295
Support Services	74,700,217	93,922,997	90,667,611	85,672,999	88,974,878	81,363,433	75,439,636	76,924,636	73,960,390	69,686,722
Extracurricular Activities (ASB)	264,449	1,102,346	1,794,834	1,906,191	1,919,602	1,915,322	1,871,077	2,018,381	2,033,416	2,001,607
Interest on Long-Term Debt	21,163,605	18,509,800	18,165,754	20,259,650	23,257,320	35,772,576	13,429,084	9,925,834	2,240,457	12,983,037
<b>Total Governmental Activities Expenses</b>	<b>490,685,237</b>	<b>540,474,860</b>	<b>512,366,864</b>	<b>465,804,482</b>	<b>465,881,762</b>	<b>454,501,984</b>	<b>396,890,385</b>	<b>387,248,475</b>	<b>369,062,612</b>	<b>364,479,546</b>
<b>PROGRAM REVENUES</b>										
<b>Governmental Activities:</b>										
Charges for Services:										
Regular Instruction	\$ 1,357,261	\$ 2,043,301	\$ 2,023,661	\$ 2,236,616	\$ 2,465,346	\$ 2,355,397	\$ 1,769,244	\$ 1,429,832	\$ 1,330,547	\$ 1,339,342
Federal Special Purpose Funding	-	-	-	-	-	-	-	-	-	-
Special Instruction	2,187,890	1,880,241	2,285,980	1,600,376	1,802,440	1,920,338	2,254,024	1,968,321	1,906,917	1,872,069
Career & Technical Instruction	12,020	114,590	39,130	78,091	204,413	74,446	137,817	145,804	140,185	126,490
Compensatory Instruction	0	0	8,500	8,315	8,900	6,850	8,042	9,750	8,525	9,400
Other Instructional Programs	152,634	396,857	937,180	949,809	1,044,796	1,148,790	961,123	906,697	763,198	776,168
Community Services	218,894	669,079	815,616	752,183	605,129	646,077	640,639	685,744	587,554	658,743
Support Services	483,895	2,167,787	3,388,705	5,129,348	5,054,569	2,995,686	2,421,661	4,147,217	3,913,427	3,475,889
Extracurricular Activities (ASB)	163,427	1,144,425	1,790,400	1,904,643	1,919,112	1,915,322	1,869,533	1,991,012	2,102,657	1,979,769
Operating Grants and Contributions	159,391,254	148,521,409	138,240,571	139,982,337	105,740,433	129,766,262	197,464,102	115,572,241	109,133,062	108,030,433
Capital Grants and Contributions	765,227	705,168	613,048	1,172,062	2,029,165	2,923,620	412,640	1,653,062	671,852	1,208,706
<b>Total Governmental Activities Program Revenues</b>	<b>164,732,502</b>	<b>157,642,856</b>	<b>150,142,792</b>	<b>153,813,780</b>	<b>120,874,303</b>	<b>143,752,788</b>	<b>207,938,825</b>	<b>128,509,680</b>	<b>120,557,924</b>	<b>119,477,009</b>
<b>NET (EXPENSE)/REVENUE</b>	<b>(325,952,735)</b>	<b>(382,832,006)</b>	<b>(362,224,073)</b>	<b>(311,990,703)</b>	<b>(345,007,459)</b>	<b>(310,749,197)</b>	<b>(188,951,560)</b>	<b>(258,738,795)</b>	<b>(248,504,688)</b>	<b>(245,002,537)</b>
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental Activities:</b>										
Taxes:										
Property Taxes for Maintenance & Operations	\$ 73,847,394	\$ 58,870,381	\$ 62,385,050	\$ 86,090,079	\$ 87,796,591	\$ 86,057,007	\$ 85,484,428	\$ 82,356,831	\$ 82,673,927	\$ 82,145,826
Property Taxes for Debt Service	60,739,270	58,754,687	57,549,762	55,743,753	54,386,637	49,619,143	42,648,706	33,534,564	30,069,252	29,829,399
Property Taxes for Capital Projects	24,303,369	23,959,134	17,800,907	10,022,917	10,260,612	10,130,137	13,065,701	18,116,612	19,187,006	16,608,950
Unallocated State Apportionment & Others	240,640,066	267,929,860	237,691,528	188,817,605	192,870,905	164,705,525	69,361,658	129,796,551	118,011,453	136,048,820
Interest and Investment Earnings	577,421	2,048,895	4,758,306	4,527,624	3,307,689	3,186,404	474,073	245,630	153,864	109,360
<b>Total Governmental Activities</b>	<b>400,107,521</b>	<b>411,562,957</b>	<b>380,185,553</b>	<b>345,201,978</b>	<b>348,622,434</b>	<b>313,698,216</b>	<b>211,034,566</b>	<b>264,050,188</b>	<b>250,095,502</b>	<b>264,742,355</b>
<b>Change in Net Position</b>	<b>\$ 74,154,786</b>	<b>\$ 28,730,952</b>	<b>\$ 17,961,480</b>	<b>\$ 33,211,276</b>	<b>\$ 3,614,977</b>	<b>\$ 2,949,018</b>	<b>\$ 22,083,006</b>	<b>\$ 5,311,393</b>	<b>\$ 1,590,814</b>	<b>\$ 19,739,818</b>

**TACOMA SCHOOL DISTRICT No. 10**  
**FUND BALANCES, GOVERNMENTAL FUNDS**  
**Last Ten Fiscal Years**  
 (Modified Accrual Basis of Accounting)

This table and graph display fund balances for both the general fund and all other governmental funds.

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>General Fund</b>										
Nonspendable	\$ 5,058,037	\$ 4,837,911	\$ 4,333,231	\$ 3,747,472	\$ 4,294,404	\$ 4,283,413	\$ 3,336,215	\$ 4,359,221	\$ 2,453,324	\$ 3,650,093
Restricted	2,007,032	2,290,666	2,408,792	1,486,057	1,081,705	633,566	753,170	859,610	604,556	150,569
Committed	1,000,000	1,000,000	1,000,000	1,000,000	-	0	1,000,000	13,138,279	12,058,267	10,833,433
Assigned	10,079,839	10,873,842	9,977,651	10,948,483	13,324,343	23,698,761	21,482,786	14,170,430	18,492,786	24,847,371
Unassigned	37,921,463	17,891,107	22,225,633	15,787,294	15,335,910	14,635,856	14,184,280	-	-	-
<b>Total General Fund</b>	<b>\$ 56,066,371</b>	<b>\$ 36,893,528</b>	<b>\$ 39,945,306</b>	<b>\$ 32,969,307</b>	<b>\$ 34,036,363</b>	<b>\$ 43,251,596</b>	<b>\$ 40,756,451</b>	<b>\$ 32,527,540</b>	<b>\$ 33,608,933</b>	<b>\$ 39,481,466</b>
<b>All Other Governmental Funds</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ 1,232.00	24,244	-	0	58,065	82,037	113,323
Restricted	541,391,397	78,998,092	151,603,906	217,146,132	267,193,118	342,091,606	150,233,741	72,402,122	99,263,870	16,664,290
Committed	-	-	-	-	-	-	-	-	-	3,724,333
Assigned	3,216,618	3,261,836	3,197,554	2,103,919	1,315,501	796,483	666,219	17,418,578	25,094,078	3,266,213
<b>Total All Other Governmental Funds</b>	<b>\$ 544,608,015</b>	<b>\$ 82,259,928</b>	<b>\$ 154,801,460</b>	<b>\$ 219,251,283</b>	<b>\$ 268,532,863</b>	<b>\$ 342,888,088</b>	<b>\$ 150,899,960</b>	<b>\$ 89,878,765</b>	<b>\$ 124,439,985</b>	<b>\$ 23,768,159</b>



**TACOMA SCHOOL DISTRICT No. 10**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**Last Ten Fiscal Years**  
 (Modified Accrual Basis of Accounting)

This table shows revenues by source, expenditures by program, other financing sources (uses) and other changes in fund balances, and the total change in fund balances for total governmental funds.

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>REVENUES</b>										
Local Taxes	\$ 158,890,034	\$ 141,584,202	\$ 137,735,719	\$ 151,856,749	\$ 152,443,840	\$ 145,806,287	\$ 141,198,835	\$ 134,008,007	\$ 131,930,185	\$ 128,584,175
Local Non-Tax	2,947,428	7,512,251	12,052,789	12,218,781	11,625,915	10,340,515	7,455,521	6,927,550	6,376,572	6,491,558
State Funds, General Purpose	255,898,935	270,407,139	266,064,575	213,096,475	196,295,999	190,992,947	171,744,953	163,660,985	149,589,538	148,300,822
State Funds, Special Purpose	76,985,545	86,922,748	84,934,998	74,303,567	65,857,235	63,669,583	52,041,308	46,848,223	38,006,506	49,115,102
Federal Funds, General Purpose	820,500	361,233	331,546	330,926	291,916	339,873	337,953	372,025	439,342	408,403
Federal Funds, Special Purpose	64,620,475	41,332,428	36,061,387	38,083,828	38,490,182	39,358,166	37,753,336	34,480,207	38,097,163	44,733,568
Revenues from Other Districts	2,104,045	1,891,067	2,308,563	1,598,706	1,801,766	1,924,650	2,256,469	1,972,203	1,909,593	1,942,036
Revenues from Other Agencies	2,598,977	3,031,314	3,237,708	2,489,947	1,750,212	1,313,939	1,229,148	1,683,548	1,525,833	398,610
Miscellaneous	163,427	1,144,425	1,790,400	1,875,974	1,905,714	1,955,752	1,875,430	1,991,012	2,102,657	1,979,769
<b>TOTAL REVENUES</b>	<b>565,029,365</b>	<b>554,186,807</b>	<b>544,517,684</b>	<b>495,854,954</b>	<b>470,462,779</b>	<b>455,701,712</b>	<b>415,892,953</b>	<b>391,943,760</b>	<b>369,977,389</b>	<b>381,954,043</b>
<b>EXPENDITURES</b>										
Regular Instruction	241,126,724	250,947,841	237,887,291	216,251,520	209,816,178	197,149,180	178,604,394	174,589,139	170,771,737	164,008,333
Federal Special Purpose Funding	22,168,219	-	-	-	-	-	2,818	154,555	2,550,190	3,511,395
Special Instruction	59,786,954	63,633,055	63,583,104	54,509,335	50,297,078	49,211,531	46,461,341	43,958,775	42,490,710	42,051,072
Career & Technical Instruction	15,771,949	16,769,563	15,957,626	14,410,548	11,888,442	11,026,622	11,399,640	10,676,618	10,503,546	10,639,000
Compensatory Education	41,844,187	41,006,503	42,330,338	41,172,424	35,536,763	35,431,604	32,905,572	29,643,976	25,264,270	29,884,379
Other Instructional Programs	2,864,669	2,921,475	7,040,592	6,858,599	7,252,123	6,737,662	6,288,925	5,225,905	4,020,355	4,270,526
Community Services	4,751,711	9,191,096	956,012	1,062,654	661,350	602,358	553,050	517,033	398,150	428,850
Support Services	73,042,669	88,748,907	86,538,501	82,368,123	81,705,524	75,033,530	70,460,303	70,465,347	67,005,275	65,581,508
Student Activities	263,300	1,100,716	1,793,287	1,904,643	1,919,112	1,915,322	1,869,533	2,018,381	2,020,978	2,000,623
Capital Outlay	110,474,374	98,485,599	89,529,379	71,615,495	108,101,256	144,977,548	42,276,676	59,058,149	20,636,911	46,460,161
Debt Service:										
Interest	21,167,142	23,106,738	24,610,913	25,896,713	26,755,510	22,648,526	13,671,410	19,595,000	11,289,818	12,805,208
Principal	27,425,000	34,210,000	31,900,000	32,020,000	20,480,000	35,825,000	117,220,000	11,814,429	19,265,000	25,199,340
Bond Fees & Cost of Issuance	-	1,370,521	-	-	-	-	-	385,193	-	-
<b>TOTAL EXPENDITURES</b>	<b>620,686,899</b>	<b>631,492,013</b>	<b>602,127,043</b>	<b>548,070,054</b>	<b>554,413,336</b>	<b>580,558,883</b>	<b>521,713,662</b>	<b>428,102,500</b>	<b>376,216,940</b>	<b>406,840,395</b>
<b>Excess of Revenues Over/(Under) Expenditures</b>	<b>(55,657,534)</b>	<b>(77,305,206)</b>	<b>(57,609,359)</b>	<b>(52,215,100)</b>	<b>(83,950,557)</b>	<b>(124,857,171)</b>	<b>(105,820,709)</b>	<b>(36,158,740)</b>	<b>(6,239,551)</b>	<b>(24,886,352)</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Sale of Equipment & Property	284,209	249,454	135,535	89,776	90,802	34,199	130,934	113,725	779,418	45,320
Long-Term Financing	-	-	-	290,322	-	-	-	-	-	182,608
Sales of Bonds	-	-	-	-	368,275,000	80,000,000	-	98,865,000	-	-
Bond Premium/(Discount)	-	-	-	-	57,225,495	671,616	-	2,341,123	-	-
Bonds, Deposit to Refunding Account	-	(364,547,559)	-	-	(106,250,850)	94,365,000	-	(92,176,953)	-	-
Sale of Refunding Bonds	536,844,555	366,010,000	-	-	-	-	-	92,281,142	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>537,128,763</b>	<b>1,711,895</b>	<b>135,535</b>	<b>380,098</b>	<b>319,340,447</b>	<b>175,070,815</b>	<b>130,934</b>	<b>101,424,037</b>	<b>779,418</b>	<b>227,928</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 481,471,229</b>	<b>\$ (75,593,311)</b>	<b>\$ (57,473,824)</b>	<b>\$ (51,835,002)</b>	<b>\$ 235,389,890</b>	<b>\$ 50,213,644</b>	<b>\$ (105,689,775)</b>	<b>\$ 65,265,297</b>	<b>\$ (5,460,133)</b>	<b>\$ (24,658,424)</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>										
	<b>9.0%</b>	<b>10.3%</b>	<b>10.5%</b>	<b>11.8%</b>	<b>10.2%</b>	<b>13.0%</b>	<b>26.6%</b>	<b>8.2%</b>	<b>8.5%</b>	<b>10.4%</b>

**TACOMA SCHOOL DISTRICT No. 10**  
**GENERAL GOVERNMENTAL REVENUES BY SOURCE**  
**Last Ten Fiscal Years**  
(Unaudited)

This table presents general fund revenues by category and the other major funds' total revenues over the last ten years for comparison purposes.

<b>FISCAL YEAR</b>	<b>LOCAL TAXES</b>	<b>STATE FUNDS</b>	<b>FEDERAL FUNDS</b>	<b>LOCAL NON-TAX REVENUE</b>	<b>PAYMENTS FROM OTHER DISTRICTS</b>	<b>PAYMENTS FROM OTHER AGENCIES AND ASSOC.</b>	<b>TOTAL REVENUES GENERAL FUND</b>
2012	82,145,826	182,805,683	45,141,971	6,448,676	1,942,036	433,756	318,917,948
2013	82,673,927	185,471,770	38,536,505	6,294,003	1,909,593	1,440,858	316,326,656
2014	82,356,831	206,856,311	34,852,232	6,719,638	1,972,203	1,477,177	334,234,392
2015	85,484,428	221,087,202	38,091,289	6,840,586	2,256,469	1,167,044	354,927,018
2016	86,057,007	244,031,565	39,698,039	7,134,304	1,924,650	1,313,939	380,159,504
2017	87,796,591	250,024,989	38,782,098	8,007,176	1,801,766	1,745,974	388,158,594
2018	86,090,079	278,453,842	38,414,754	7,916,659	1,598,706	2,489,947	414,963,988
2019	62,385,050	348,990,158	36,392,932	8,309,871	2,308,563	2,662,857	461,049,431
2020	58,870,381	356,709,102	41,693,662	5,600,429	1,891,067	3,007,488	467,772,128
2021	73,847,394	331,651,251	65,440,974	2,202,479	2,104,045	2,598,977	477,845,120

<b>FISCAL YEAR</b>	<b>SPECIAL REVENUE FUNDS</b>	<b>DEBT SERVICE FUND</b>	<b>*CAPITAL PROJECTS FUNDS</b>	<b>TOTAL ALL FUNDS</b>
2012	1,979,769	29,839,774	31,216,552	381,954,043
2013	2,102,657	30,078,332	21,469,744	369,977,389
2014	1,991,012	33,541,879	22,176,477	391,943,760
2015	1,875,430	42,668,905	16,421,600	415,892,953
2016	1,955,752	49,643,648	23,942,808	455,701,712
2017	1,905,714	54,443,193	25,955,278	470,462,779
2018	1,875,974	55,902,872	23,112,120	495,854,954
2019	1,790,400	57,817,314	23,860,539	544,517,684
2020	1,144,425	58,888,013	26,382,241	554,186,807
2021	163,427	60,761,506	26,259,312	565,029,365

\* Capital Projects Fund and Transportation Vehicle Fund

**TACOMA SCHOOL DISTRICT No. 10**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION**  
**Last Ten Fiscal Years**  
(Unaudited)

This table presents general fund expenditures by activity and the other major funds' total expenditures over the last ten years for comparison purposes.

<b>GENERAL FUND</b>										
<b>FISCAL YEAR</b>	<b>ADMIN</b>	<b>INSTRUCTION</b>	<b>NUTRITION SERVICES</b>	<b>PUPIL TRANSPORT</b>	<b>MAINT. &amp; OPERATIONS</b>	<b>INFORMATION SERVICES</b>	<b>PRINTING</b>	<b>WAREHOUSE DISTRIBUTION</b>	<b>OTHER SERVICES (1)</b>	<b>TOTAL GENERAL FUND</b>
2012	8,990,937	254,898,444	12,034,030	9,798,484	27,405,809	7,466,543	189,370	643,427	156,726	321,583,770
2013	9,179,047	256,119,026	12,098,331	10,460,960	27,861,182	6,914,634	270,138	613,839	158,927	323,676,084
2014	10,861,257	265,648,205	12,333,637	10,956,980	28,991,657	7,040,205	261,808	595,598	195,067	336,884,414
2015	10,490,878	276,028,667	12,153,586	10,715,596	29,486,577	7,112,404	164,486	718,166	218,324	347,088,684
2016	12,370,012	300,233,954	12,157,324	10,855,539	32,837,197	8,386,747	203,278	839,622	232,432	378,116,105
2017	14,513,677	315,544,975	12,721,572	11,546,153	34,985,091	8,551,173	302,411	831,375	190,200	399,186,627
2018	13,072,721	334,055,929	13,088,273	12,336,405	34,272,926	9,027,160	518,244	840,871	592,737	417,805,264
2019	12,828,905	367,476,686	13,186,557	14,429,612	37,379,073	7,774,532	524,080	780,496	526,571	454,906,511
2020	13,748,094	381,331,583	10,281,961	15,530,261	39,189,229	8,032,930	627,646	863,372	4,318,531	473,923,610
2021	13,677,852	376,559,599	12,582,683	9,271,807	39,933,545	7,850,158	658,799	875,806	354,952	461,765,201

<b>FISCAL YEAR</b>	<b>SPECIAL REVENUE FUND</b>	<b>DEBT SERVICE FUND</b>	<b>CAPITAL PROJECTS FUND</b>	<b>TRANSPORTATION VEHICLE FUND</b>	<b>TOTAL ALL FUNDS</b>
	<b>STUDENT ACTIVITIES</b>	<b>DEBT SERVICE</b>	<b>FACILITIES CONSTRUCTION</b>	<b>BUS PURCHASES</b>	
2012	2,000,623	38,004,548	45,251,454	-	406,840,395
2013	2,020,978	30,554,818	19,509,323	455,736	376,216,939
2014	2,018,381	31,409,429	56,682,917	722,169	427,717,310
2015	1,869,533	130,891,410	40,293,016	1,571,020	521,713,663
2016	1,915,322	58,473,526	140,803,004	1,250,924	580,558,881
2017	1,919,112	47,235,510	106,072,091	-	554,413,340
2018	1,904,643	57,916,713	69,193,972	1,249,461	548,070,053
2019	1,793,287	56,510,913	87,652,222	1,264,109	602,127,041
2020	1,100,716	58,687,259	97,074,831	705,600	631,492,015
2021	263,300	48,592,142	109,362,646	703,610	620,686,899

(1) Other Services includes Interest and Principal, Debt Services, Motor Pool, and Public Activities

**TACOMA SCHOOL DISTRICT No. 10**  
**GOVERNMENTAL FUNDS**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**Last Ten Calendar Years**  
(Unaudited)

This table presents historical information over the last ten years on the district's property taxes levied and collected for its general fund maintenance and operations levy, capital projects construction and technology levies, and debt service bond repayments for capital projects.

CALENDAR YEAR	ORIGINAL TAX LEVY	NET ADJUSTMENTS TO TAX LEVIES	CURRENT TAX COLLECTIONS	PERCENT OF LEVY COLLECTED	DELINQUENT TAX COLLECTION	TOTAL TAX COLLECTIONS	TOTAL COLLECTIONS AS PERCENT OF CURRENT LEVY
2012	131,363,270	(608,313)	127,033,450	96.70	3,429,623	130,463,072	99.31
2013	133,664,909	(2,045,795)	129,713,798	97.04	2,802,229	132,516,027	99.14
2014	135,514,613	(633,149)	132,028,538	97.43	3,238,775	135,267,313	99.82
2015	144,988,737	(462,211)	142,031,691	97.96	3,340,228	145,371,919	100.26
2016	148,664,229	(1,684,022)	143,431,207	96.48	2,375,080	145,806,287	95.23
2017	152,134,913	(909,745)	148,772,989	97.79	2,485,614	151,258,602	93.17
2018	153,693,003	(475,864)	150,909,756	98.19	2,417,056	153,326,812	99.76
2019	124,088,180	(543,654)	121,833,335	98.18	2,194,562	124,027,897	121.23
2020	156,878,581	(691,122)	154,103,625	98.23	2,048,617	156,152,243	99.54



**TACOMA SCHOOL DISTRICT No. 10**  
**ASSESSED VALUE OF TAXABLE PROPERTY AND PROPERTY TAX RATES**  
**ALL OVERLAPPING TAXING AUTHORITIES**  
**TAX ASSESSMENTS PER \$ 1,000 VALUE**  
**Last Ten Calendar Years**  
(Unaudited)

Table VIII displays the calendar year and assessed valuation amount used to calculate the tax rate per \$1,000 for the district and other taxing entities within its boundaries.

CALENDAR YEAR	SCHOOL DISTRICT TAXABLE VALUES FOR EXCESS LEVIES	DISTRICT ASSESSED				STATE SCHOOL	CITY	METRO PARK	PORT OF TACOMA	COUNTY	TOTAL
		SPECIAL LEVY	SCHOOL BOND	CAPITAL PROJECTS	COURT ORDER REFUND						
2012	18,649,828,373	4.4873	1.5914	0.9621	-	2.4079	3.6158	1.1074	0.1814	1.3721	15.7254
2013	16,863,514,338	4.8848	1.8153	1.2263	-	2.6294	4.0381	1.1513	0.1833	1.5263	17.4548
2014	17,436,065,582	4.7531	2.0883	0.9201	-	2.5271	4.0022	1.1374	0.1833	1.5046	17.1161
2015	18,827,396,929	4.6087	2.5449	0.5383	-	2.3863	3.8126	1.7959	0.1837	1.4279	17.2983
2016	20,038,528,844	4.3155	2.5950	0.5032	-	2.2339	3.8964	1.6802	0.1827	1.3785	16.7854
2017	21,882,718,200	3.9637	2.5248	0.4611	-	2.0670	3.6834	0.7073	0.1840	1.2848	14.8761
2018	24,513,501,701	3.5378	2.3252	0.4118	-	2.9068	3.3949	1.5471	0.1837	1.1832	15.4905
2019	28,112,802,280	1.5000	2.0575	0.8560	-	2.6165	3.0580	1.3599	0.1834	1.0850	12.7163
2020	31,242,833,203	2.3181	1.9239	0.7783	-	3.0110	2.8425	1.2200	0.1840	1.0130	13.2908

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**TACOMA SCHOOL DISTRICT No. 10**  
**PRINCIPAL PROPERTY TAX PAYERS**  
**COMPARISON OF ASSESSED VALUATIONS**  
**Current Year and Nine Years Ago**

TAXPAYER	TYPE OF BUSINESS	2021			2012		
		RANK	PROPERTY ASSESSED VALUE	PERCENTAGE OF TOTAL DISTRICT TAXABLE ASSESSED VALUE*	RANK	PROPERTY ASSESSED VALUE	PERCENTAGE OF TOTAL DISTRICT TAXABLE ASSESSED VALUE
Puget Sound Energy/Gas	Utilities	1	323,011,275	0.95	2	77,808,590	0.39
Tacoma Mall Partnership	Retail	2	226,538,892	0.67	1	188,237,344	0.94
Rocktekn CP LLC	Manufacturer	3	217,195,800	0.64			-
IPT Tacoma Logistics Center LLC	Real Estate	4	108,759,200	0.32			
DCT Blair Logistics Center LLC	Real Estate	5	107,647,700	0.32			
Point Ruston Rainer Building Inc	Property Management	6	101,343,200	0.30			
Targa Sound Terminal LLC	Energy Supplier	7	100,109,000	0.29			-
Fairways TIC I LLC & Fairways TIC II LLC & Fairways TIC III LLC & Fairways	Real Estate	8	98,941,900	0.29	8	42,441,800	0.21
NewCold Seattle LLC	Cold Storage	9	89,228,055	0.26			
US Oil & Refining Co	Oil Refining	10	87,221,200	0.26			
Simpson Tacoma Kraft	Paper Products			-	7	50,358,415	0.25
CSC of Tacoma LLC	Correctional Services			-	3	75,951,200	0.38
AT&T Mobility LLC	Telecommunications			-	4	69,691,016	0.35
Qwest Corporation	Telecommunications				5	60,815,278	0.30
Simpson Lumber Company LLC	Timber			-	6	59,152,600	0.29
University Street Prpperties LLC	Property Management			-	9	39,801,478	0.20
Fred Meyers Stores Inc #615	Retail			-	10	35,802,030	0.18
Cascade Pole Co	Lumber Products			-			-
* Percentage of total assessed value of \$34,059,689,021			<b>\$ 1,459,996,222</b>	<b>4.29</b>		<b>\$ 700,059,751</b>	<b>3.48</b>

**TACOMA SCHOOL DISTRICT No. 10**  
**ASSESSED & ESTIMATED ACTUAL PROPERTY VALUE AND CONSTRUCTION**  
**Last Ten Calendar Years**

This table shows the actual assessed valuations and estimates used to calculate the district's property tax revenues over the past ten years. Additional information is provided on the number and value of the building permits issued in the City of Tacoma for the same period of time.

CALENDAR YEAR	ASSESSED VALUATION OF REAL PROPERTY	ESTIMATED ACTUAL TAXABLE PROPERTY	PROPERTY TAX RATE	BUILDING PERMITS			
				RESIDENTIAL UNITS	VALUE	COMMERCIAL UNITS	VALUE
2011	20,129,053,134	20,129,000,000	11.9701	1,065	62,437,154	628	189,274,033
2012	18,649,828,373	18,650,000,000	14.4090	906	49,186,682	673	257,626,062
2013	16,863,514,338	16,864,000,000	15.7254	3,420	78,204,392	1,945	254,158,007
2014	17,336,065,582	17,436,066,000	17.4548	1,418	90,668,713	1,231	295,192,283
2015	18,827,396,629	18,827,397,000	17.1161	1,525	83,409,875	1,447	261,495,508
2016	20,038,528,844	20,038,529,000	17.2983	1,156	58,160,990	1,298	452,635,118
2017	21,882,718,200	21,883,000,000	16.7854	3,385	92,297,983	1,599	683,557,174
2018	24,513,501,701	24,514,000,000	14.8761	3,179	75,798,138	1,676	618,418,710
2019	28,112,802,280	28,113,000,000	15.4905	2,878	62,772,178	1,586	485,658,589
2020	31,242,833,203	31,243,000,000	12.7163	677	18,574,186	354	50,143,686

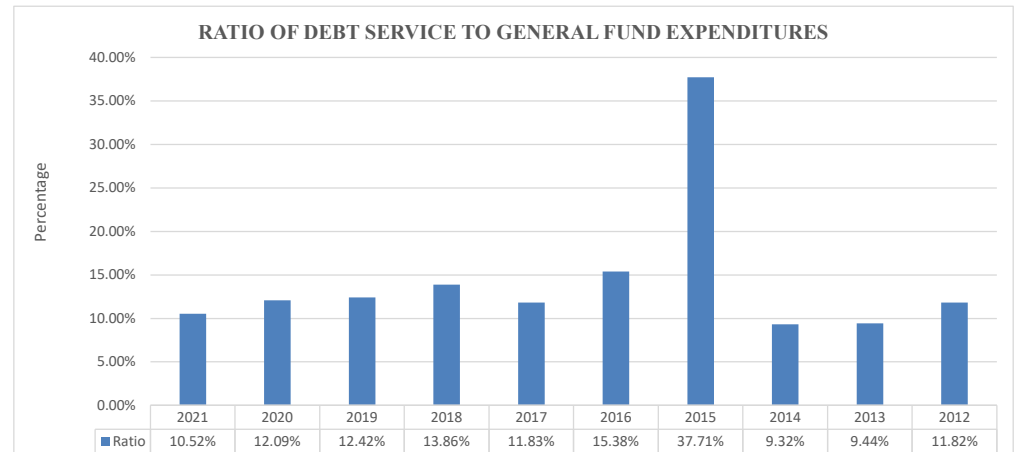
**TACOMA SCHOOL DISTRICT No. 10**  
**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR**  
**GENERAL BONDED DEBT TO TOTAL GENERAL FUND EXPENDITURES**  
**Last Ten Fiscal Years**  
(Unaudited)

This table displays the district's debt service fund expenditures for principal and interest payments over the last ten years and calculates the ratio of these expenditures against the total general fund expenditures for the same year.

FISCAL YEAR	DEBT SERVICE FUND PRINCIPAL(1)	INTEREST(2)	TOTAL	TOTAL GENERAL FUND EXPENDITURES	RATIO OF DEBT SERVICE TO TOTAL GENERAL FUND EXPENDITURES
2012	25,199,340	12,804,301	38,003,641	321,583,770	11.82
2013	19,265,000	11,288,147	30,553,147	323,676,084	9.44
2014	19,595,000	11,813,525	31,408,525	336,884,412	9.32
2015	117,220,000	13,671,246	130,891,246	347,088,682	37.71
2016	35,825,000	22,322,961	58,147,961	378,116,107	15.38
2017	20,480,000	26,754,413	47,234,413	399,186,625	11.83
2018	32,020,000	25,895,813	57,915,813	417,805,265	13.86
2019	31,900,000	24,610,913	56,510,913	454,906,513	12.42
2020	34,210,000	23,106,738	57,316,738	473,923,608	12.09
2021	27,425,000	21,167,142	48,592,142	461,765,201	10.52

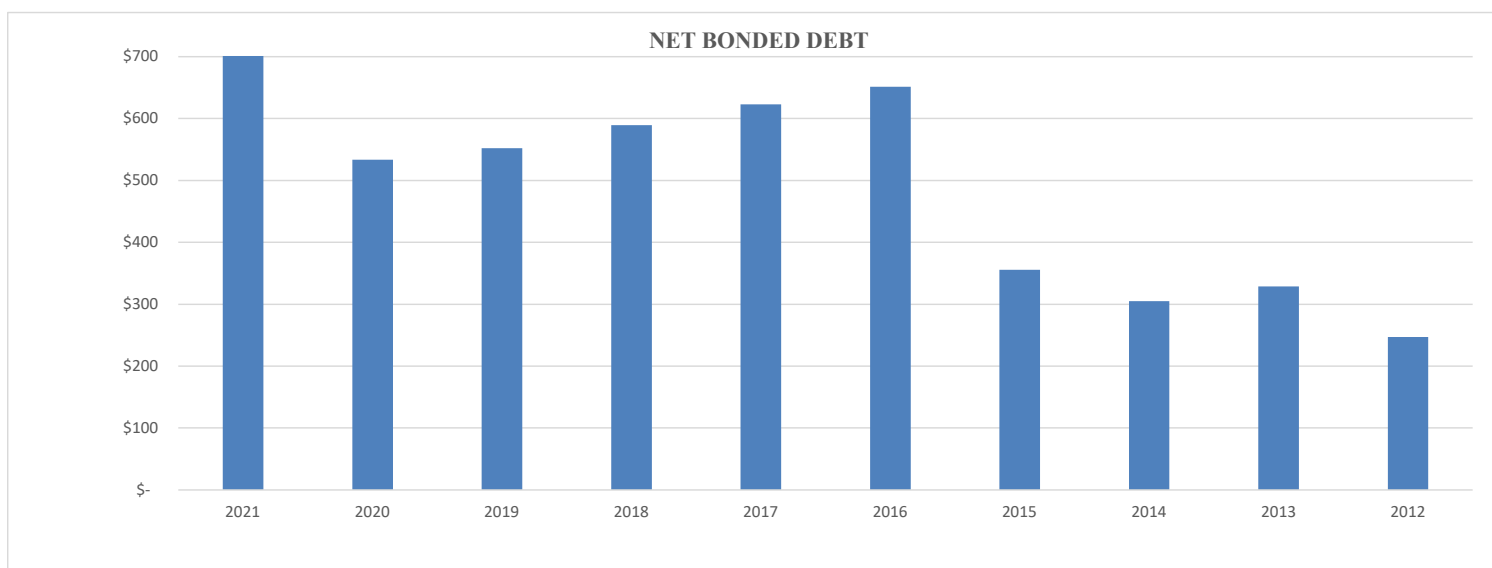
(1) General obligation bond principal payments reported in the debt service funds.

(2) Excludes bond issuance and other costs.



**TACOMA SCHOOL DISTRICT No. 10**  
**RATIO OF NET BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA**  
**Last Ten Fiscal Years**  
(Unaudited)

FISCAL YEAR	POPULATION	ASSESSED VALUE	GROSS BONDED DEBT	CAPITAL LEASES/ LONG TERM FINANCING	LESS DEBT SERVICE FUNDS AVAILABLE	NET BONDED DEBT	RATIO OF NET BONDED DEBT TO ASSESSED VALUE	RATIO OF TOTAL DEBT TO PERSONAL INCOME	NET BONDED DEBT PER CAPITA
2012	199,600	\$ 18,649,828,373	\$ 253,987,177	\$ 146,087	\$ 7,037,999	\$ 246,949,178	1.3241%	2.8823%	\$ 1,237.22
2013	200,400	\$ 16,863,514,338	\$ 335,788,136	\$ 109,566	\$ 7,241,697	\$ 328,546,439	1.9483%	3.6517%	\$ 1,639.45
2014	200,900	\$ 17,336,065,582	\$ 314,455,500	\$ 73,045	\$ 9,374,148	\$ 305,081,352	1.7598%	3.7405%	\$ 1,518.57
2015	202,300	\$ 18,827,396,629	\$ 371,303,123	\$ 36,522	\$ 15,516,643	\$ 355,786,480	1.8897%	4.5450%	\$ 1,758.71
2016	206,100	\$ 20,038,528,844	\$ 656,408,676	\$ -	\$ 4,843,752	\$ 651,564,924	3.2516%	7.1410%	\$ 3,161.40
2017	208,100	\$ 21,882,718,200	\$ 634,912,578	\$ 425,906	\$ 12,051,435	\$ 622,861,143	2.8464%	6.5367%	\$ 2,993.09
2018	209,100	\$ 24,513,501,701	\$ 599,856,882	\$ 311,873	\$ 10,787,950	\$ 589,068,932	2.4030%	5.8322%	\$ 2,817.16
2019	211,400	\$ 28,112,802,280	\$ 564,140,299	\$ 323,798	\$ 12,094,351	\$ 552,045,948	1.9637%	5.1236%	\$ 2,611.38
2020	213,300	\$ 31,242,833,203	\$ 547,277,339	\$ 218,832	\$ 13,757,546	\$ 533,519,792	1.7077%	4.7913%	\$ 2,501.26
2021	218,700	\$ 34,059,689,021	\$ 972,820,000	\$ 110,927	\$ 25,941,599	\$ 946,878,401	2.7801%	7.8694%	\$ 4,329.58



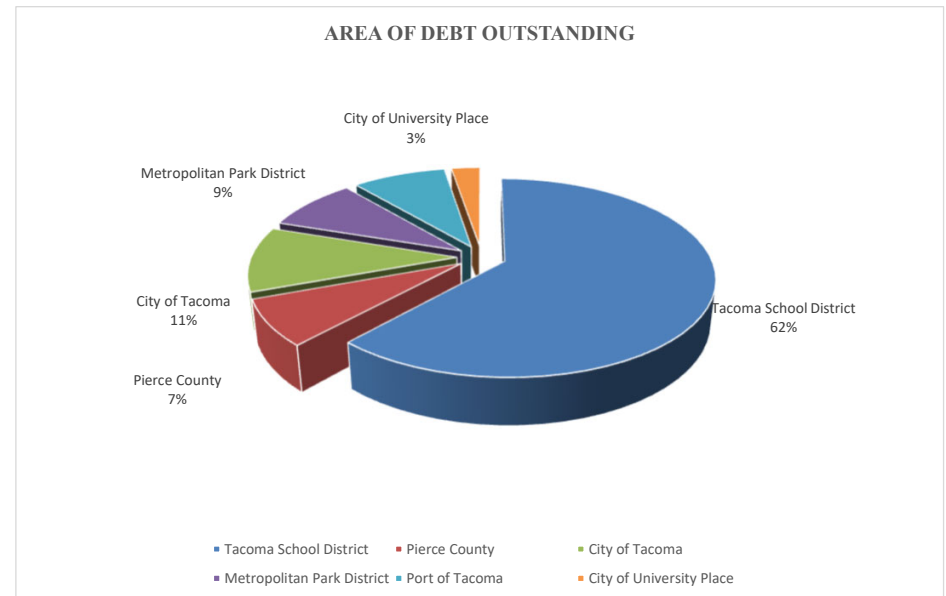
**TACOMA SCHOOL DISTRICT No. 10**  
**STATEMENT OF DIRECT AND OVERLAPPING DEBT**  
**August 31, 2021**  
(Unaudited)

	AREA DEBT OUTSTANDING	PERCENT APPLICABLE DISTRICT*	DEBT WITHIN DISTRICT BOUNDARY
<u>DIRECT BONDED DEBT:</u>			
Tacoma School District	\$ 972,820,000	100.00%	\$ 972,820,000
<u>OVERLAPPING BONDED DEBT: **</u>			
Pierce County	118,905,000	29.83%	35,474,349
City of Tacoma	169,024,000	100.00%	169,024,000
Metropolitan Park District	136,127,891	100.00%	136,127,891
Port of Tacoma	135,562,000	29.83%	40,443,831
City of University Place	41,310,000	100.00%	41,310,000
	<hr/>		<hr/>
TOTAL OVERLAPPING BONDED DEBT	600,928,891		422,380,071
	<hr/>		<hr/>
TOTAL DIRECT AND OVERLAPPING BONDED DEBT	\$ 1,573,748,891		\$ 1,395,200,071

\* Information provided by Pierce County Assessor's Office. The percentage of overlap is calculated by dividing the Tacoma School District's assessed value within a taxing district by the total assessed value of the taxing district.

\*\* Entity report a fiscal year end

Source data: Tacoma School District AFR Long-Term Debt Schedule  
Pierce County Treasurer's Office  
City of Tacoma  
Metropolitan Park District  
Port of Tacoma  
City of University Place



**TACOMA SCHOOL DISTRICT No. 10**  
**CONSTITUTIONAL LIMIT OF INDEBTEDNESS**  
**August 31, 2021**

This table provides information upon which the legal debt margin is calculated for the current year. The total limit on indebtedness may be up to five percent of assessed valuation. Additional debt can only be incurred by an authorized 3/5 of the people vote.

**NON-VOTED DEBT**

FOR GENERAL PURPOSES (1)	
3/8% of Assessed Valuation (2)	\$ 127,723,834
Less: Limited Tax G.O. Bonds	<u>-</u>
DEBT CAPACITY AVAILABLE FOR NON-VOTED DEBT	<u>127,723,834</u>

**BY 3/5 OF THE PEOPLE AUTHORIZATION VOTE**

FOR GENERAL PURPOSES(1)	
2 1/8% of Assessed Valuation (2)	723,768,392
Add: Bond Fund Cash	24,940,237
Bond Fund Taxes Receivable	28,340,522
Less: Bonds Outstanding	<u>(972,820,000)</u>
BOND CAPACITY AVAILABLE FOR GENERAL PURPOSES	<u>(195,770,849)</u>
FOR ADDITIONAL CAPITAL OUTLAY(1)	
Add: 2 1/2% of Assessed Valuation	<u>851,492,226</u>
BOND CAPACITY FOR ADDITIONAL CAPITAL OUTLAY	<u>851,492,226</u>

**UNUSED PORTION OF INDEBTEDNESS LIMIT**

**\$ 783,445,210**

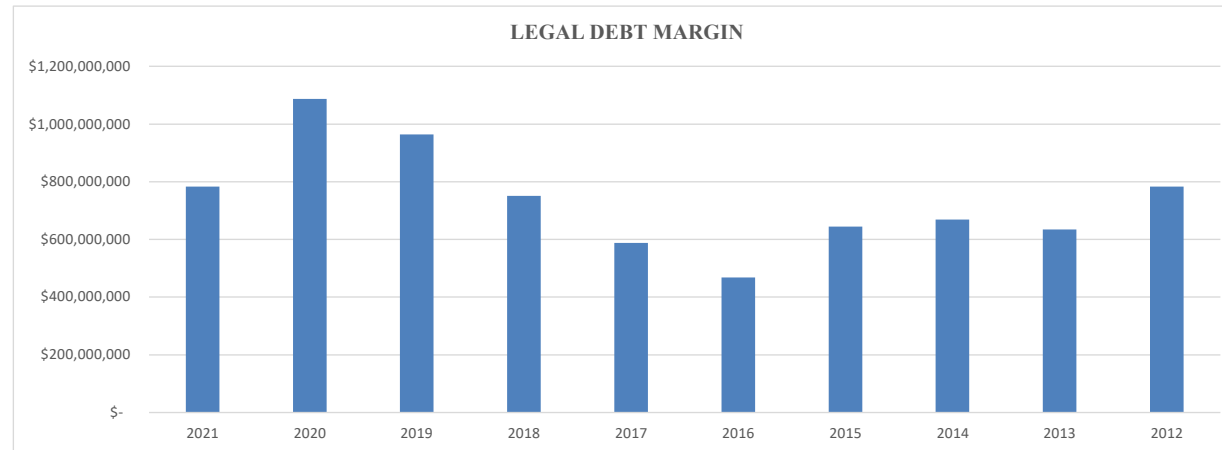
(1) Per 39.36.015 and 39.36.020 Revised Code Of Washington

(2) 2020 Assessment for 2021 Tax Base \$34,059,389,021 (for Bond Levy)

**TACOMA SCHOOL DISTRICT No. 10**  
**LEGAL DEBT MARGIN INFORMATION**  
**Last Ten Fiscal Years**

This table shows the debt limit amounts, total net debt applicable to the limit, amount of the legal debt margin, and percentage of debt to the debt limit for the last ten years.

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Debt Limit:</b>										
Non-Voted Debt	\$ 127,723,834	\$ 117,160,625	\$ 105,423,009	\$ 91,925,631	\$ 82,060,193	\$ 75,144,483	\$ 70,602,737	\$ 70,628,777	\$ 69,936,856	\$ 75,483,949
Voted Debt/General Purposes	723,768,392	663,910,206	597,397,048	520,911,911	465,007,762	425,818,738	400,082,178	400,229,736	396,308,853	427,742,379
Voted Debt/Additional Capital Outlay	851,492,226	781,070,830	702,820,057	612,837,543	47,067,955	500,963,221	470,684,916	470,858,513	466,245,709	503,226,328
<b>Total Debt Limit</b>	<b>1,702,984,451</b>	<b>1,562,141,660</b>	<b>1,405,640,114</b>	<b>1,225,675,085</b>	<b>594,135,910</b>	<b>1,001,926,442</b>	<b>941,369,831</b>	<b>941,717,026</b>	<b>932,491,418</b>	<b>1,006,452,656</b>
<b>Total Net Debt Applicable to Limit</b>	<b>919,539,241</b>	<b>474,513,270</b>	<b>441,069,249</b>	<b>474,275,049</b>	<b>506,045,681</b>	<b>534,262,994</b>	<b>374,243,020</b>	<b>272,993,126</b>	<b>297,477,633</b>	<b>222,734,499</b>
<b>Legal Debt Margin</b>	<b>\$ 783,445,210</b>	<b>\$ 1,087,628,390</b>	<b>\$ 964,570,865</b>	<b>\$ 751,400,036</b>	<b>\$ 588,090,229</b>	<b>\$ 467,663,448</b>	<b>\$ 644,192,852</b>	<b>\$ 668,724,900</b>	<b>\$ 635,013,786</b>	<b>\$ 783,718,158</b>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	54.00%	30.38%	31.38%	38.70%	85.17%	53.32%	39.76%	28.99%	31.90%	22.13%
<b>Assessed Valuation (Revenue Base)</b>	<b>34,059,689,021</b>	<b>31,242,833,203</b>	<b>28,112,802,280</b>	<b>24,513,501,701</b>	<b>21,882,718,200</b>	<b>20,038,528,844</b>	<b>18,827,396,929</b>	<b>17,436,065,582</b>	<b>16,863,514,338</b>	<b>18,649,828,373</b>





**TACOMA SCHOOL DISTRICT No. 10**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**Last Ten Years**

Table XVI displays the population for the City of Tacoma, and the per capita income and unemployment rates for Pierce County.

<b>YEAR</b>	<b>POPULATION (a)</b>	<b>PERSONAL INCOME (In Thousands) (b)</b>	<b>PER CAPITA PERSONAL INCOME (b)</b>	<b>UNEMPLOYMENT PERCENTAGE RATE (c)</b>	<b>F.T.E. AVERAGES K- 12 ENROLLMENT (d)</b>	<b>FREE &amp; REDUCED LUNCH K-12 PERCENTAGE RATE (e)</b>
2012	198,900	35,232,946	44,174	8.50%	27,806	63.90%
2013	199,600	36,054,002	45,900	7.50%	27,562	63.20%
2014	200,400	36,282,818	41,855	7.20%	27,531	63.30%
2015	200,900	37,640,095	40,387	6.10%	28,011	63.50%
2016	202,300	40,228,355	44,600	6.00%	28,323	60.60%
2017	208,100	43,148,793	46,706	4.70%	28,307	58.00%
2018	209,100	46,449,056	49,214	5.30%	28,335	56.10%
2019	211,400	48,481,266	52,114	4.80%	28,678	61.47%
2020	213,300	51,664,015	53,572	7.50%	28,446	60.14%
2021	218,700	N/A	56,532	6.00%	27,122	62.00%

(a) Office of Financial Management

(b) Bureau of Economic Analysis, Pierce County Economic Index

(c) WA Regional Economic Analysis Project

(d) WA State Office of Superintendent of Public Instruction

(e) WA State Office of Superintendent of Public Instruction, Washington State Report Card

N/A - Not Available

**TACOMA SCHOOL DISTRICT No. 10**  
**PRINCIPAL EMPLOYERS**  
**Current Year and Nine Years Ago**

<b>EMPLOYER</b>	<b>2021</b>			<b>2012</b>		
	<b>RANK</b>	<b>EMPLOYEES</b>	<b>PERCENTAGE OF TOTAL</b>	<b>RANK</b>	<b>EMPLOYEES</b>	<b>PERCENTAGE OF TOTAL</b>
Federal Government	1	55,336	32.95	1	57,724	53.01
Local Government	2	39,151	23.31	2	29,948	27.50
MultiCare Health Systems	3	8,264	4.92	3	6,547	6.01
Franciscan Health Systems	4	5,682	3.38	4	5,709	5.24
Safeway & Albertsons	5	2,153	1.28			-
Emerald queen Casino	6	2,146	1.28	5	2,200	2.02
Fred Meyer Stores	7	1,802	1.07			-
Amazon Distribution Centers	8	1,800	1.07			
Boeing Company	9	1,550	0.92	7	1,700	1.56
Costco	10	1,318	0.78	8	1,185	1.09
Wal-Mart				6	1,785	1.64
State Farm Insurance Companies				9	1,070	0.98
Comcast Cable				10	1,018	0.93
<b>Total employees</b>		<b>167,959</b>	<b>70.97</b>		<b>108,886</b>	<b>100.00</b>

Source data: Economic Development Board for Tacoma-Pierce County, Pierce County. 2021 is not available, data from 2020 list.

**TACOMA SCHOOL DISTRICT No. 10**  
**MISCELLANEOUS STATISTICS**  
**CITY OF TACOMA**  
**Calendar Year 2021**  
(Unaudited)

Year Incorporated (Tacoma School District)	1878
Population (City of Tacoma)	218,700
Total Personal Income (Pierce County)	51,664,015
Land Area	62.34 Square Miles
Average Rainfall	39.2 Inches
Average Temperature Summer	62.0 F.
Average Temperature Winter	45 F.
Number of Police Stations	6
Number of Fire Stations	15
Number of Hospitals	6
Number of City Operated Public Libraries	9 Branches
Number of Museums	14

**TACOMA SCHOOL DISTRICT**

Schools	Elementary	36
	Middle	12
	High	8
	Alternative Learning Sites	12
Students	Elementary (Grades K-5)	13,461
	Middle School (Grades 6-8)	6,677
	High School (Grades 9-12)	8,614
	Alternative Learning Sites	605
Average FTE (District Total)		<u><u>29,357</u></u>

**OTHER SCHOOLS**

Private Schools (Above Kindergarten)	22
Business Colleges (Private)	2
Technical Colleges	1
Community Colleges	1
Universities (Private)	2
Universities (Branch Campus)	1

**RECREATION - CITY OWNED**

Parks	59
Tidelands	6
Swimming Pools	5
Golf Courses, including Disk Golf (Public)	5
Playfields/Athletic Fields	30
Professional Baseball Park	1
Domed Stadiums	1

**TACOMA SCHOOL DISTRICT No. 10  
CONTRIBUTING STAFF**

The following individuals contributed to the successful completion of the  
Tacoma School District's Annual Comprehensive Financial Report:

**ACCOUNTING SERVICES**

Karlyn Shannon

Alice Shaw

Elizabeth Panameno

Ginny Adams

Mimi Nguyen

**FINANCE**

Rob Bryant

Allison Deskins

Robin Mason

Anne Cumings

**ART WORK**

BCRA Architects with photos provided by TPS Staff

**TACOMA SCHOOL DISTRICT No. 10**  
**FULL TIME EQUIVALENT DISTRICT EMPLOYEES BY PROGRAM**  
**Last Ten Fiscal Years**

Program Description	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Regular Instruction										
Certificated	1,500.877	1,506.893	1,527.844	1,494.141	1,512.640	1,472.944	1,442.091	1,439.104	1,414.586	1,400.864
Classified	218.817	231.701	256.636	262.968	254.347	235.526	227.078	226.575	224.991	217.115
Federal Stimulus										
Certificated	-	-	-	-	-	-	-	-	22.969	32.355
Classified	-	-	-	-	-	-	-	-	0.724	2.676
Special Instruction										
Certificated	322.725	307.723	315.752	329.520	329.229	310.027	307.455	307.277	300.301	303.773
Classified	116.030	185.118	190.461	172.389	184.401	181.674	177.653	169.289	165.316	175.023
Career & Technical Instruction										
Certificated	101.092	107.882	107.596	107.392	96.214	94.569	89.192	94.557	100.814	97.850
Classified	9.153	11.137	13.452	7.010	7.160	7.967	7.023	7.876	7.261	8.876
Compensatory Instruction										
Certificated	173.304	196.833	206.266	209.176	199.985	197.229	190.169	157.102	149.498	171.298
Classified	63.764	78.570	79.782	76.535	77.978	82.242	82.057	88.582	83.580	94.381
Other Instructional Programs										
Certificated	6.500	23.664	22.596	15.756	21.096	18.800	22.332	16.726	14.400	16.270
Classified	4.700	28.963	29.896	18.276	17.586	12.277	15.087	14.016	13.459	16.067
Other Community Services										
Certificated	16.885									
Classified	24.217					-	-	-	-	-
Support Services										
Certificated	2.000	2.500	2.500	4.000	3.000	3.000	2.000	3.000	2.000	2.000
Classified	363.653	369.963	392.591	428.679	406.074	387.902	375.505	368.312	354.468	354.244
Food Services										
Classified	100.158	96.929	98.069	96.929	96.497	95.483	102.484	102.049	105.758	103.536
Transportation										
Classified	53.318	56.336	45.911	46.764	45.419	43.198	41.883	42.490	38.865	41.079
Planning & Construction (CPF)										
Certificated	8.600	8.500	8.500	8.000	10.000	8.000	6.000	8.000	3.000	2.000
Classified	60.313	50.371	55.019	35.390	27.952	32.163	31.003	31.079	16.308	16.650
<b>TOTAL</b>	<b>3,146.106</b>	<b>3,263.083</b>	<b>3,352.871</b>	<b>3,312.925</b>	<b>3,289.578</b>	<b>3,183.001</b>	<b>3,119.012</b>	<b>3,076.034</b>	<b>3,018.298</b>	<b>3,056.057</b>

**TACOMA SCHOOL DISTRICT No. 10**  
**CERTIFICATED INSTRUCTIONAL STAFF STATISTICS**  
**Last Ten Fiscal Years**

This table displays information on the district's certificated instructional staff which includes all non-administrative full-time equivalent staff holding a teaching or ESA certification, e.g. teachers, school psychologists, speech language pathologists, occupation and physical therapists, etc. The derived base is the amount paid to a teacher with zero years of experience and a bachelor's degree with no additional credits.

<b>YEAR</b>	<b>CERTIFICATED INSTRUCTIONAL STAFF (1)</b>	<b>DERIVED BASE SALARY (1)</b>	<b>AVERAGE BASE SALARY (1)</b>	<b>AVERAGE OTHER SALARIES (1)</b>	<b>AVERAGE YEARS OF EXPERIENCE (2)</b>	<b>PERCENT OF STAFF WITH MASTER'S DEGREE OR HIGHER (2)</b>
2021	1,997	N/A	89,575	7,603	14.60	59.6%
2020	2,022	N/A	85,469	7,829	14.10	58.4%
2019	2,044	N/A	82,215	6,824	14.10	57.4%
2018	2,023	35,906	55,412	20,447	14.10	58.0%
2017	2,034	35,260	54,092	19,575	13.80	63.4%
2016	1,977	34,571	53,405	17,711	14.20	61.9%
2015	1,938	33,679	52,152	15,696	14.50	62.8%
2014	1,909	33,761	52,829	15,933	14.90	62.7%
2013	1,883	33,255	52,228	15,673	14.40	60.0%
2012	1,903	33,328	52,282	15,229	12.90	60.0%

(1) From OSPI Report 1801Cert, District Instructional Staff for Compliance Purposes

(2) From OSPI Washington State Report Card

**TACOMA SCHOOL DISTRICT No. 10**  
**OPERATING STATISTICS**  
**Last Ten Fiscal Years**

<b>YEAR</b>	<b>EXPENSES (1)</b>	<b>AVERAGE FTE ENROLLMENT (2)</b>	<b>COST PER PUPIL</b>	<b>PERCENTAGE CHANGE</b>	<b>CLASSROOM TEACHERS (3)</b>	<b>PUPIL/TEACHER RATIO</b>
2012	364,479,546	27,562	13,224	24.25	1,810	15.23
2013	369,062,612	27,531	13,405	1.37	1,619	17.00
2014	387,248,476	28,011	13,825	3.13	1,802	15.54
2015	396,890,383	28,323	14,013	1.36	1,842	15.38
2016	454,501,984	28,344	16,035	14.43	1,689	16.78
2017	465,881,764	28,307	16,458	2.64	1,722	16.44
2018	465,804,482	28,335	16,439	(0.12)	1,733	16.35
2019	512,366,864	28,678	17,866	8.68	1,686	17.01
2020	540,474,860	28,446	19,000	6.35	1,748	16.27
2021	490,685,237	27,122	18,092	(4.78)	1,743	15.56

(1) Tacoma School District AFR Schedule 2

(2) Annual average FTE enrollment figures from WA State Office of Supt of Public Instruction Report 1251

(3) Classroom teachers from WA State Office of Supt of Public Instruction Report Card

**TACOMA SCHOOL DISTRICT No. 10**  
**BUILDINGS & PROPERTIES**  
**August 31, 2021**

PROPERTY	LOCATION	YEAR BUILT	YEAR OF ADDITION/ MODERNIZATION	SQUARE FOOTAGE	ACREAGE
<b>HIGH SCHOOLS</b>					
Foss	2112 S. Tyler St.	1972	2005	256,013	34.29
Lincoln	701 S. 37th St.	1913	1956, 1967, 1973, 1979, 1997, 2007	280,334	25.15
Mount Tahoma	4634 S. 74th St.	2004		277,912	86.00
Stadium	111 North E St.	1912	1974, 2006	295,792	9.81
Wilson	1202 N. Orchard St.	1958	1968, 2006, 2016, 2017	252,037	41.20
Oakland	3319 S. Adams St.	1912	1958	34,276	2.95
IDEA-Park Avenue Center	6701 Park Ave.	1912	Bldg 1949 Covered Play 1963	44,613	6.32
SAMI-Environmental Learning Center	5715 Animal Loop Road	2017		30,411	
School of the Arts-9th & Broadway	302 South 9th Street	1964	1988, 2018	43,832	0.35
School of the Arts - Pacific	1950 Pacific Ave.	1904	1965	21,601	0.25
School of the Arts - Ted Brown	1117-1123 Broadway	1922	2002, 2005	18,943	0.13
<b>MIDDLE SCHOOLS</b>					
Baker	8320 S. I St.	2011		119,594	13.57
First Creek	1801 E. 56th St.	2009		119,861	37.41
Giaudrone	4902 S. Alaska St.	2003		119,402	15.54
Gray (New)	6229 S. Tyler	2008		116,872	15.09
Hunt	6501 S. 10th St.	2021		91,077	24.83
Jason Lee	602 N. Sprague Ave.	1923	1964, 2001	127,053	8.37
Mason	3901 N. 28th St.	1925	1951, 1963, 1979, 2003	114,869	7.92
Meeker	4402 Nassau Ave NE	1991	2002	103,588	40.00
Stewart	5010 Pacific Ave.	1924	1963, 1973, 2016	132,071	7.29
Truman	5801 N. 35th St.	1999		124,750	13.00
<b>ELEMENTARY SCHOOLS</b>					
Arlington	3002 S. 72nd St.	2017		55,944	6.30
Birney	7827 South Sheridan	2020	1961	68,414	8.70
Blix	1302 E. 38th St.	2002		62,028	8.80
Boze	1140 E. 65th St.	2020		55,918	14.57
Browns Point	1526 - 51st. St. NE	2018		60,331	18.72
Bryant	717 S. Grant Ave.	1960		40,662	2.60
Crescent Heights	4410 Nassau Ave NE	1999		60,648	15.00
DeLong	4901 S. 14th St.	1953	1986	56,412	5.00
Downing	2502 N. Orchard St.	1948	1953, 1958, 1973	60,698	10.08
Edison	5830 S. Pine St.	1952	1967, 1983	62,834	3.00
Fawcett	126 E. 60th St.	1950	1957, 1987	55,808	5.59
Fern Hill	8442 S. Park Ave.	1919	1925, 1957, 2006	58,257	3.96
Franklin	1402 S. Lawrence	1889	1910, 1953, 1968, 1997	62,525	6.00
Geiger	7401 S. 8th Street	2012		67,823	7.22
Grant	1018 N. Prospect St.	2019	2019	52,098	3.51
Hoyt Early Learning Center	2708 N. Union Ave.	1959		7,495	0.76
Jefferson	4302 N. 13th St.	2003		60,440	3.55



**TACOMA SCHOOL DISTRICT No. 10**  
**BUILDINGS & PROPERTIES**  
**August 31, 2021**

PROPERTY	LOCATION	YEAR BUILT	YEAR OF ADDITION/ MODERNIZATION	SQUARE FOOTAGE	ACREAGE
<b>ELEMENTARY SCHOOLS, continued</b>					
Larchmont	8601 E. B St.	1969	2002	73,504	14.06
Lister	2106 E. 44th St.	1998		70,782	6.90
Lowell	810 N. 13th St.	1949	1951	55,600	2.84
Lyon	101 E. 46th St.	2018		58,146	3.02
Manitou Park	4330 S. 66th St.	1994		67,055	3.93
Mann	1002 S. 52nd. St.	1953	1967, 2003	67,759	3.30
McCarver	2111 S. J St.	1925	2016	79,215	5.79
McCarver Primary	2141 South J St.	1961		17,376	
Northeast Tacoma	5412 29th St. NE	1992		54,863	4.34
Point Defiance	4330 N. Visscher St.	1911	1920, 1946, 1957, 1979, 1980, 1987	55,944	12.44
Reed	1802 S. 36th St.	1951	1952, 1987	57,815	5.39
Roosevelt	3550 E. Roosevelt Ave.	1922	1967, 1972, 1973, 1984	53,638	7.33
Sheridan	6317 McKinley Ave.	1994		57,227	4.13
Sherman	4415 N. 38th St.	1999		59,127	3.56
Skyline	2301 N. Mildred St.	1962	1967, 1979	59,083	6.00
Stafford	1615 S. 92nd St.	2005		63,610	10.04
Stanley	1712 S. 17th St.	1927	1955, 1967, 1973, 1987	59,679	3.00
Wainwright Intermediate School	130 Alamenda Ave.	2016		65,991	7.13
Washington	3701 N. 26th St.	2014		60,298	1.91
Whitman	1120 S. 39th St.	1952	1954, 1983, 2003	63,971	3.64
Whittier	777 Elm Tree Lane	1962		62,205	5.14
<b>OTHER BUILDINGS AND SITES</b>					
Building & Grounds	3223 S. Union Ave.	1940	1965	72,428	6.92
Central Administration Bldg. (CAB)	601 S. 8th St.	1930		111,426	3.33
CAB Annex	708 S. G St.	1960		8,276	0.15
Food Svcs/Purchasing/Warehouse	3321 S. Union Ave.	1940	1965	37,003	4.79
Lincoln Tree Farm	28001 Mountain Highway	1969		2,849	332.16
Old BrownsPoint Bldg		1952		23,965	
Madison - Head Start Use	3102 S. 43rd St.	1924	1958, 1968	29,966	9.00
Transportation (Acres in Madison)	4002 South Cedar	1992		4,084	In Madison
Willie Stewart Academy	1818 Tacoma Ave.	1919	1966	5,985	0.45
Willard	3201 South D St.	1951		25,743	1.86
9th & Broadway Parking Garage	909 Market Street	1919	1960	45,271	0.28
Tone Center	3611 South G Street	1964	1986	2,602	0.22
Professional Development Ctr	6501 N. 23rd St.	1950	1963, 1968, 1979, 2003	78,849	19.80
Round Building	6501 S. 10th St.	1957		12,217	
<b>VACANT SITES</b>					
Gault	1115 E. Division Lane	1925	1952, 1973, 1979	109,582	7.20
Gray (old)	3109 S. 60th St.	1924	1943, 1952, 1963, 1973, 1974	18,590	7.49
McKinley	3702 McKinley	1908	1910, 1954, 1958, 1967	53,876	2.44
<b>TOTALS</b>				<b>5,533,565</b>	<b>1,022.53</b>



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## Board of Directors

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### CAMBODIAN

ធ្វើក្លាប់មកជាមួយនេះគឺជាឯកសារដ៏សំខាន់មកពីសាលារៀនរបស់កូនអ្នក ។ សូមមេត្តារកគេជួយបកប្រែឯកសារនេះឲ្យអ្នក ។ សូមអរគុណ ។

### LAOTIAN

ຂັດຕິດມາພ້ອມນີ້ແມ່ນເອກະສານສຳຄັນ ຈາກໂຮງຮຽນຂອງລູກທ່ານ. ກະລຸນາຮັບເອົາເອກະສານຊຶ່ງພວກເຮົາໄດ້ແປໃຫ້ທ່ານແລ້ວນີ້ໄວ້ດ້ວຍ. ຂອບໃຈ.

### SPANISH

Adjunto encontrará un documento importante de la escuela de su hijo/a. Si corresponde, sírvase pedir que se lo traduzcan. Muchas gracias.

### KOREAN

귀댁 자녀의 학교에서 보내 드리는 본 서류는 중요합니다. 자녀에게 서류에 있는 내용을 설명해 달라고 하십시오. 감사합니다.

### RUSSIAN

В приложении Вы найдете важный документ из школы, где учится Ваш ребенок. Пожалуйста, попросите, чтобы Вам его перевели. Спасибо!

### VIETNAMESE

Kèm theo đây là giấy tờ quan trọng của nhà trường con em quý vị. Xin hãy nhờ người giải thích những giấy tờ này cho quý vị. Cảm ơn.

**Attached is an important document from your child's school. Please have this document translated for you. Thank you.**

TTacoma Public Schools does not discriminate in any programs or activities on the basis of sex, race, creed, religion, color, national origin, age, veteran or military status, sexual orientation, gender expression or identity, disability, or the use of a trained dog guide or service animal and provides equal access to the Boy Scouts and other designated youth groups.

The following employees have been designated to handle questions and complaints of alleged discrimination:

Civil Rights Coordinator: Lisa Nolan, [lnolan@tacoma.k12.wa.us](mailto:lnolan@tacoma.k12.wa.us), 253-571-1252;

Title IX Coordinator: Eric Hogan, [ehogan1@tacoma.k12.wa.us](mailto:ehogan1@tacoma.k12.wa.us), 253-571-1191;

504 Coordinator: Elementary, Tracie Ferguson, [afergus@tacoma.k12.wa.us](mailto:afergus@tacoma.k12.wa.us), 253-571-1096; 504 Coordinator:

Secondary, Jon Bell, [jbelle2@tacoma.k12.wa.us](mailto:jbelle2@tacoma.k12.wa.us), 253-571-1225.

Mailing address: P.O. Box 1357, Tacoma, WA 98401-1357.



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