



# TACOMA SCHOOL DISTRICT FINANCIAL HEALTH INDICATORS

OSPI Report

Fiscal Year 2020-21



# Financial Health Indicators

- These indicators provide a view of the district's overall financial health as measured by the Office of Superintendent of Public Instruction (OSPI). This tool was developed by OSPI in response to school district insolvency concerns. To develop the indicators, OSPI uses data from every school districts' prior year financial reporting and is used by Tacoma Public Schools to assess the financial health of the district and as a comparator to other districts in the state. The information used for this report was published by OSPI on October 27, 2022, and includes data from the most recently completed prior fiscal year (2020-21).
- This data:
  - *Assign a financial health score based on data as of the end of the school fiscal year*
  - *Identify districts that are facing potential financial difficulties*
  - *Allow users to compare a district's financial indicator score over time*

# Financial Health Indicators

The fiscal indicators utilized in this tool:

1. *Fund Balance to Revenue Ratio: measures what percentage of a district's revenues it currently has "in reserve".*
2. *Expenditures to Revenues: measures whether expenditures were greater or less than the amount of revenue the district brought in.*
3. *Days Cash on Hand: measures the number of days a district could operate if all funding were to dry up suddenly.*
4. *F195F 4-year Budget Summary Plan: measures how many years a district has reported having a negative fund balance deficit in its F195F report. (metric added to financial health indicators in 2017-18)*

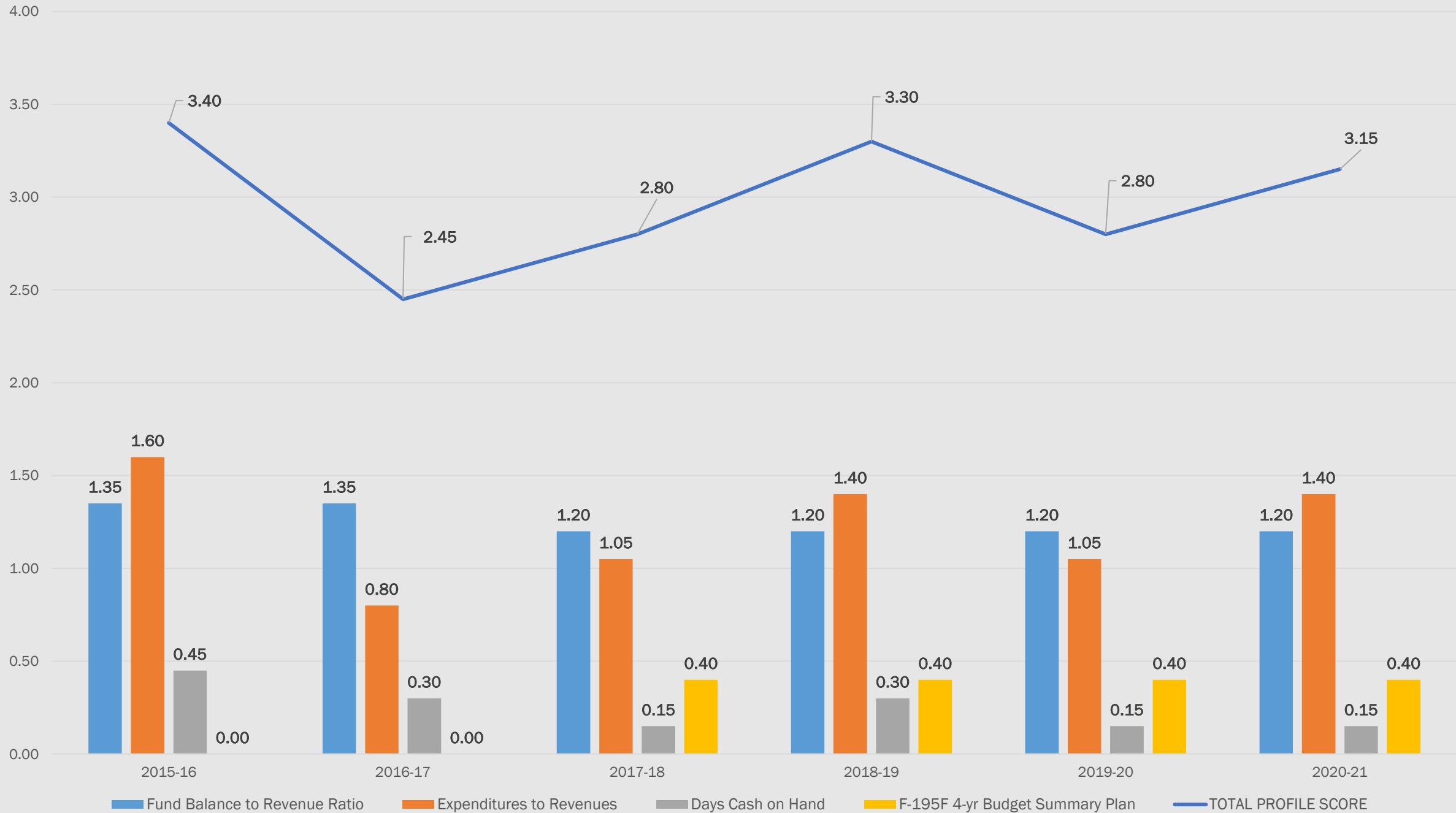
*A value is calculated for each of these indicators, which is then weighted. These values are added together to arrive at the district's financial indicator score for each school year.*

# Financial Health Total Weighted Average

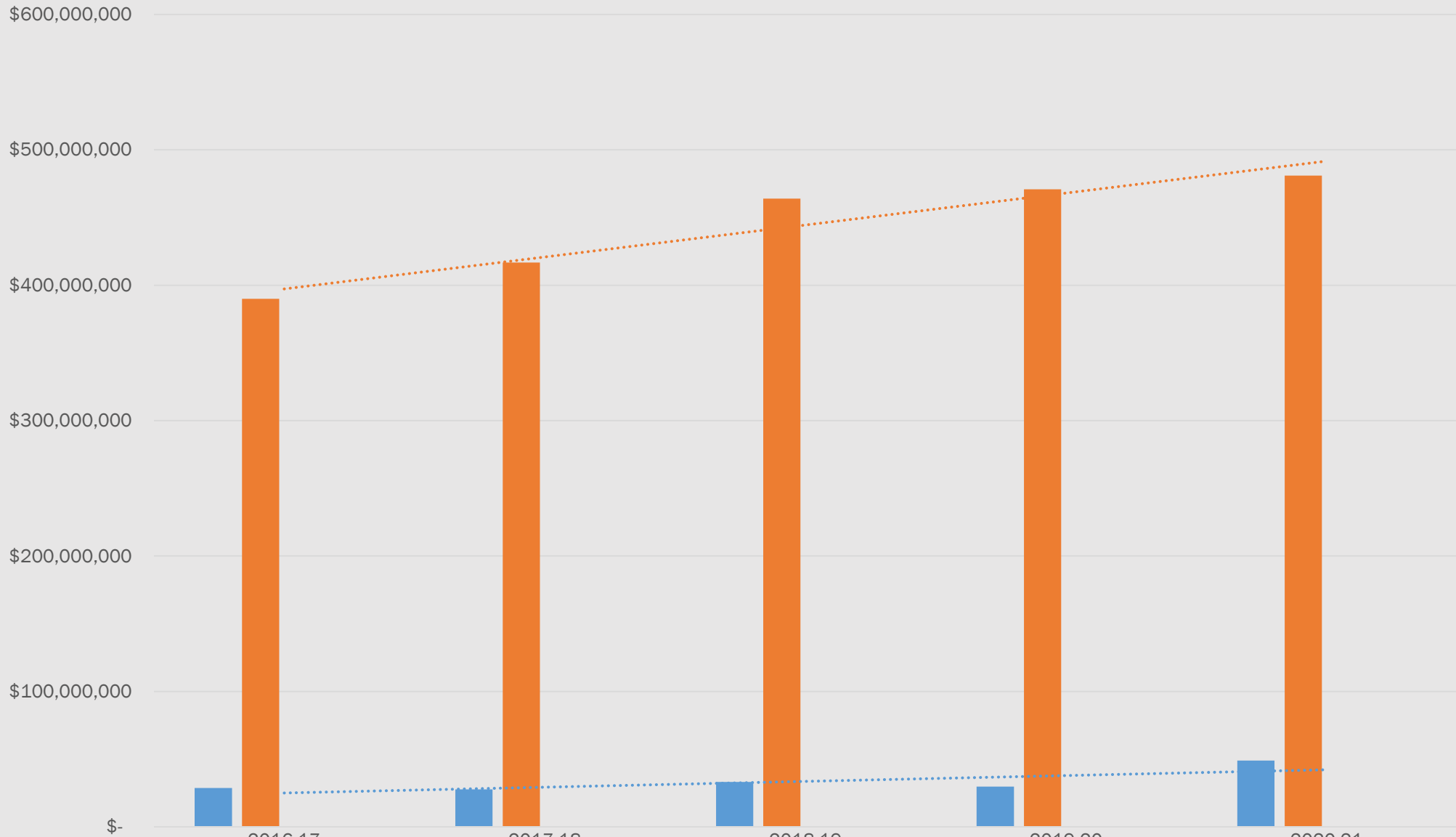
Matrix of Possible Scores					
<u>Category/Weighting</u>	<u>4</u>	<u>3</u>	<u>2</u>	<u>1</u>	<u>0</u>
Fund Balance to Revenue Ratio/40%	1.60	1.20	0.80	0.40	0.00
Expenditures to Revenues/35%	1.40	1.05	0.70	0.35	0.00
Days Cash on Hand/15%	0.60	0.45	0.30	0.15	0.00
F-195F 4-yr Budget Summary Plan/10%	0.40	0.30	0.20	0.10	0.00

Tacoma School District Weighted Score	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Fund Balance to Revenue Ratio	1.35	1.35	1.20	1.20	1.20	1.20
Expenditures to Revenues	1.60	0.80	1.05	1.40	1.05	1.40
Days Cash on Hand	0.45	0.30	0.15	0.30	0.15	0.15
F-195F 4-yr Budget Summary Plan	n/a	n/a	0.40	0.40	0.40	0.40
<b>TOTAL PROFILE SCORE</b>	<b>3.40</b>	<b>2.45</b>	<b>2.80</b>	<b>3.30</b>	<b>2.80</b>	<b>3.15</b>

# Tacoma School District Weighted Score Trends



# Fund Balance to Revenue Ratio



■ "Unrestricted" Fund Balance

■ Total Revenues and Other Financing Sources

■ Ratio

■ Score

2016-17

\$28,660,253

\$389,971,390

7.35%

3

2017-18

\$27,735,778

\$416,738,211

6.66%

3

2018-19

\$33,203,284

\$463,882,512

7.16%

3

2019-20

\$29,764,949

\$470,871,828

6.32%

3

2020-21

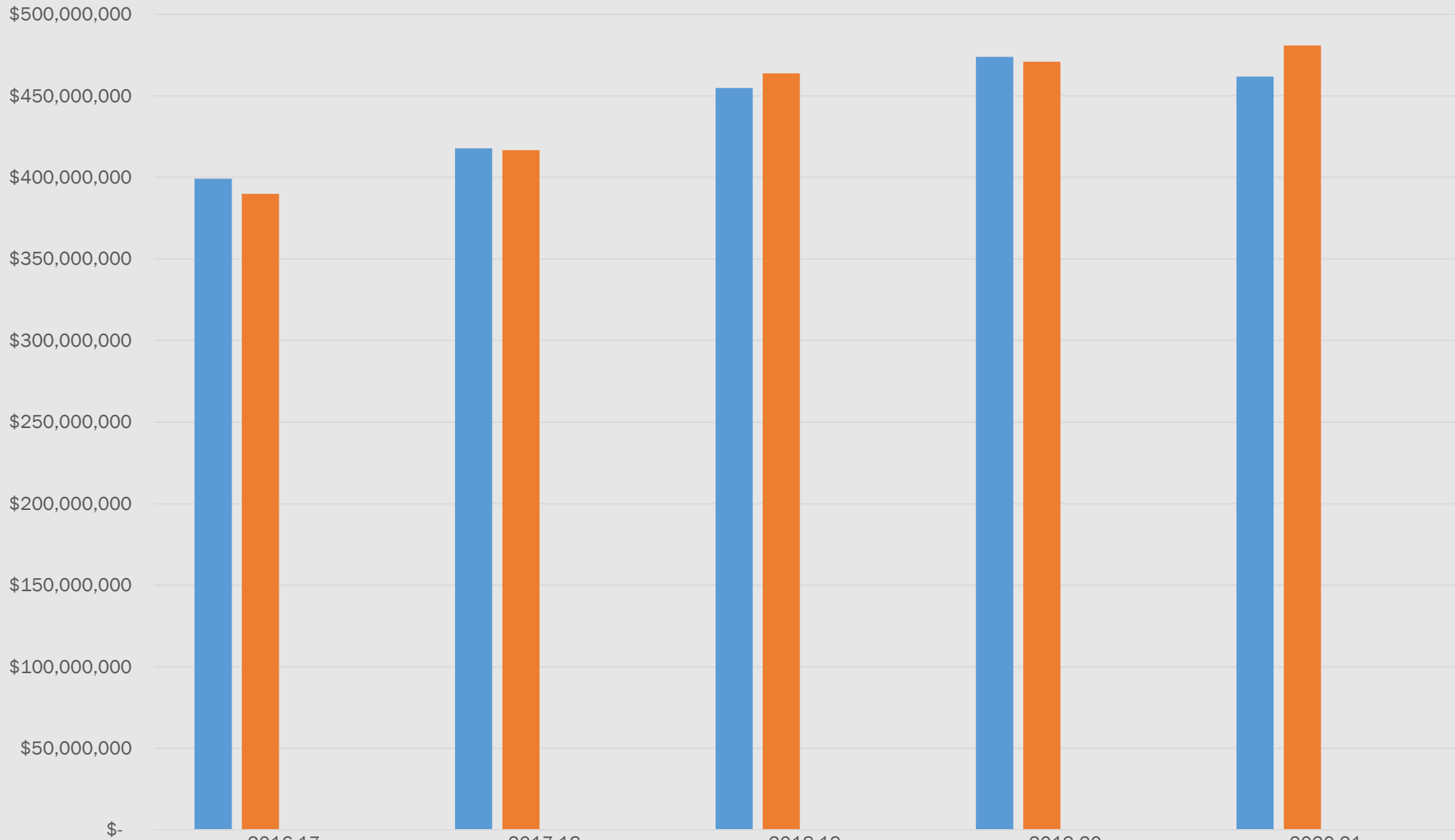
\$49,001,302

\$480,938,045

10.19%

3

# Expenditure to Revenue Ratio



- Total Expenditures
- Total Revenues and Other Financing Sources
- Ratio
- Score

2016-17

\$399,186,625

\$389,971,390

102.36%

2

2017-18

\$417,805,266

\$416,738,211

100.26%

3

2018-19

\$454,906,513

\$463,882,512

98.07%

4

2019-20

\$473,923,608

\$470,871,828

100.65%

3

2020-21

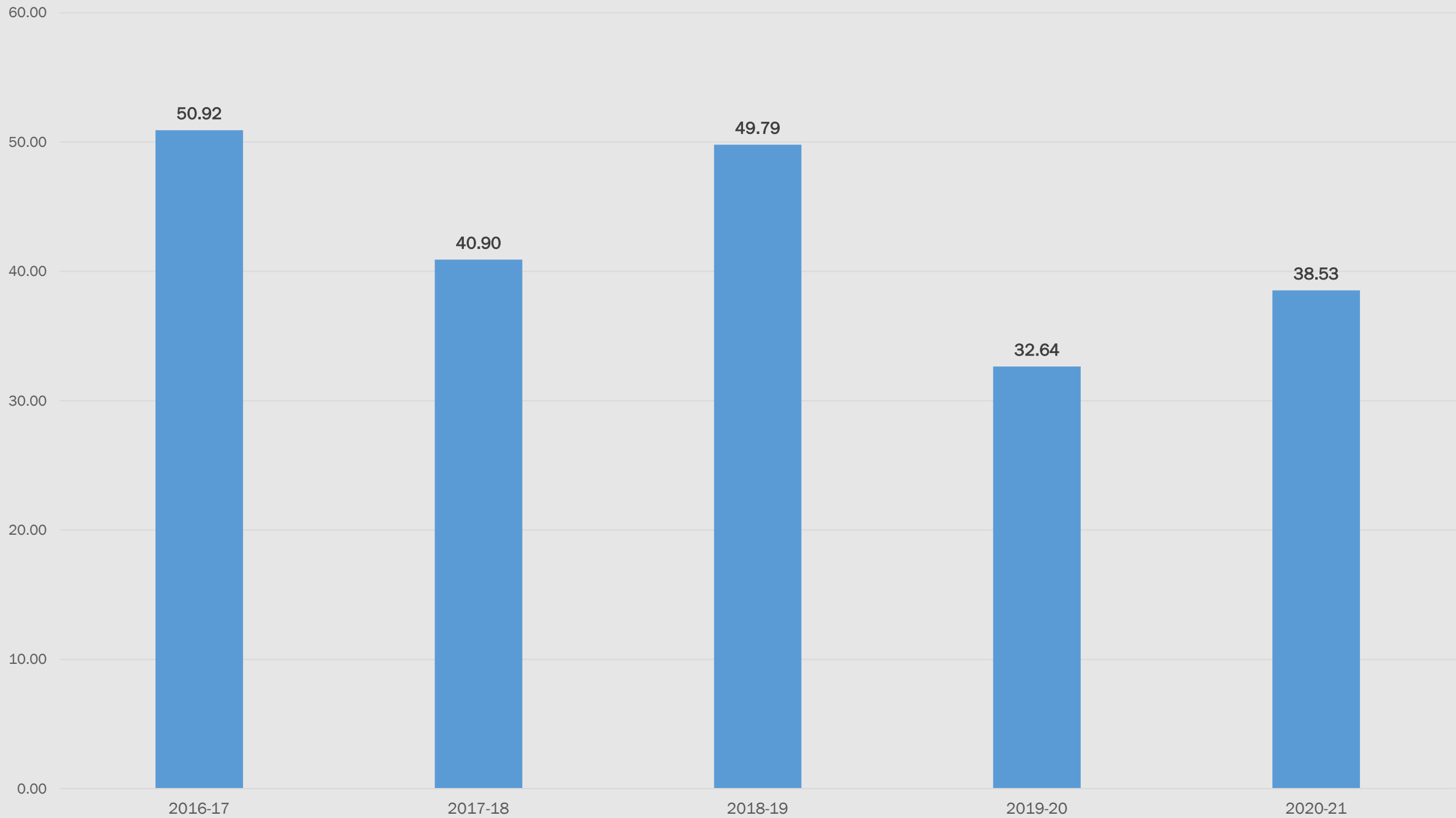
\$461,765,201

\$480,938,045

96.01%

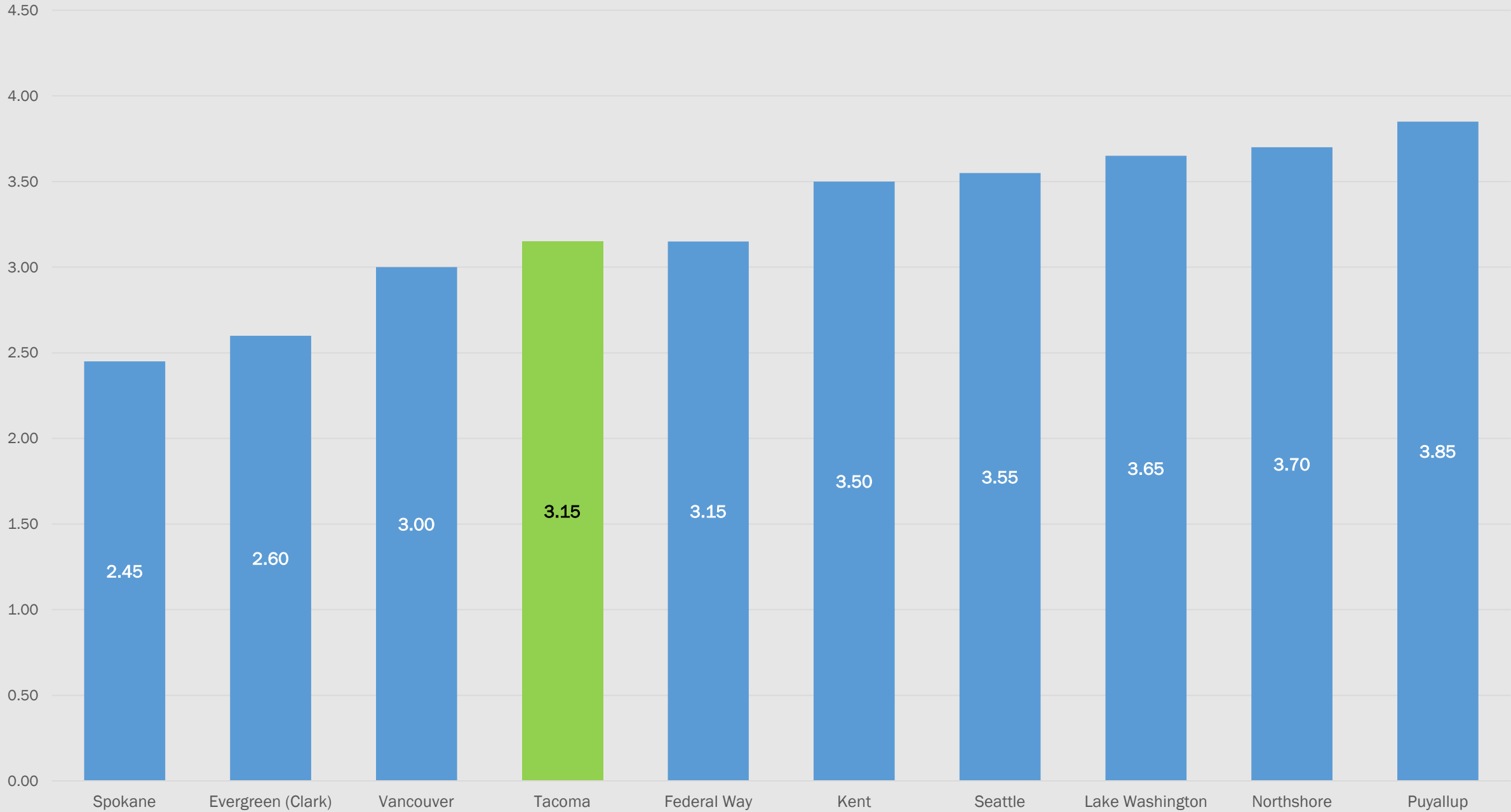
4

# Days Cash on Hand

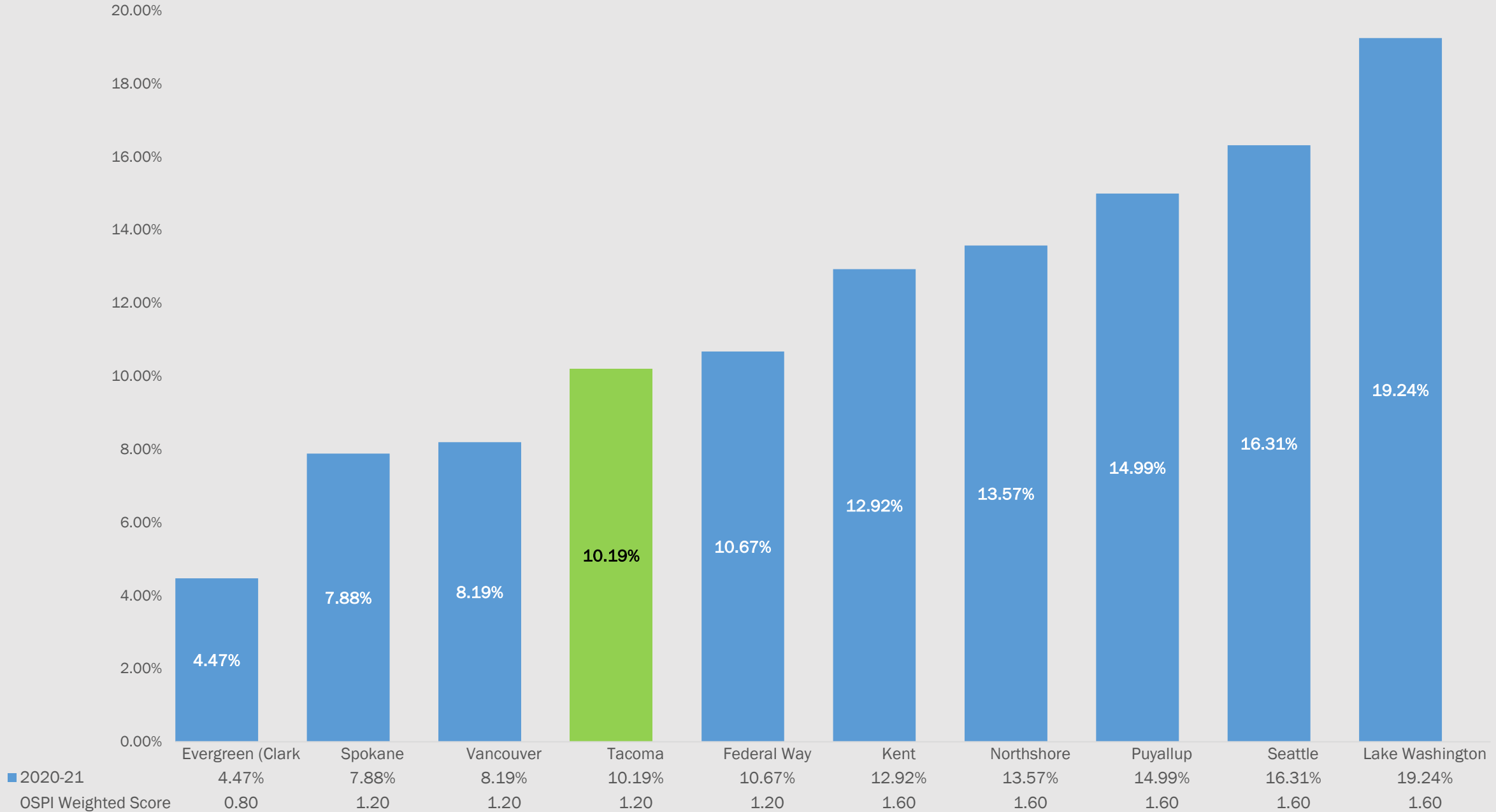




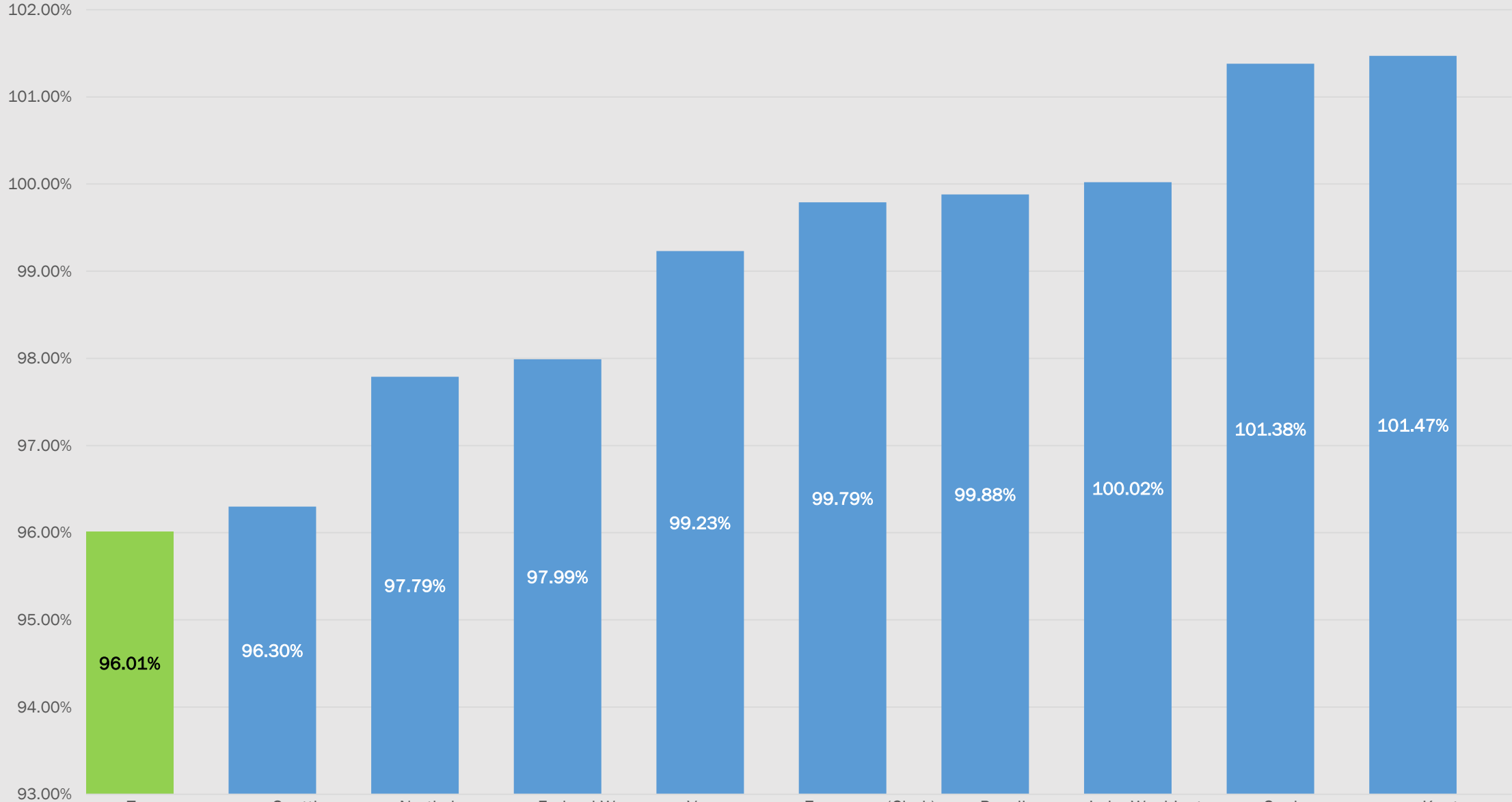
# Top 10 Comparison 2020-21 OSPI Total Profile Score



# Top 10 Comparison 2020-21 Fund Balance to Revenue Ratio



# Top 10 Comparison 2020-21 Expenditures to Revenue Ratio



2020-21

OSPI Weighted Score

Tacoma

96.01%

1.40

Seattle

96.30%

1.40

Northshore

97.79%

1.40

Federal Way

97.99%

1.40

Vancouver

99.23%

1.40

Evergreen (Clark)

99.79%

1.40

Puyallup

99.88%

1.40

Lake Washington

100.02%

1.05

Spokane

101.38%

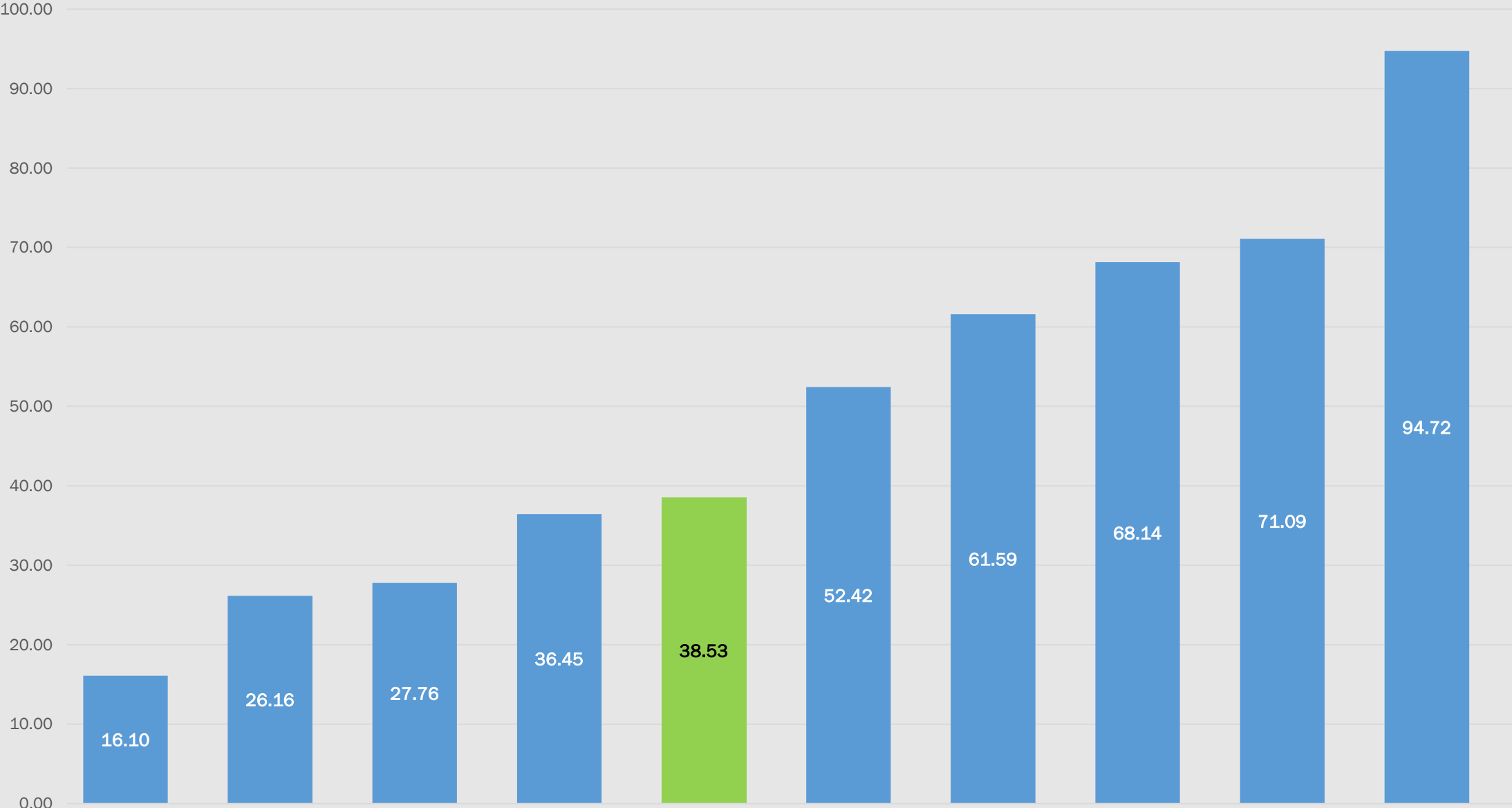
1.05

Kent

101.47%

1.05

# Top 10 Comparison 2020-21 Days Cash on Hand



	Evergreen (Clark)	Spokane	Vancouver	Federal Way	Tacoma	Northshore	Puyallup	Kent	Seattle	Lake Washington
Days Cash on Hand	16.10	26.16	27.76	36.45	38.53	52.42	61.59	68.14	71.09	94.72
OSPI Weighted Score	0.00	0.00	0.00	0.15	0.15	0.30	0.45	0.45	0.45	0.60

# Top 10 Comparison Consecutive Years with a Deficit Fund Balance

