

**Operating and Capital
Approved Budgets for Fiscal Year
2023-2024**



Presented to and Approved by the Tukwila School District

Board of Directors

August 22, 2023

Draft

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Draft Board Resolution

TUKWILA SCHOOL DISTRICT NO. 406 KING COUNTY, WASHINGTON

RESOLUTION NO. XXX

A RESOLUTION of the Board of Directors of the Tukwila School District No. 406, King County, Washington, adopting the 2023-24 Budget, the four-year budget plan summary and the four-year enrollment projection.

WHEREAS, the Board of Directors of the Tukwila School District No. 406 has reviewed the proposed 2023-24 budget, the four-year budget plan summary, and the four-year enrollment projection; and

WHEREAS, the budget, summary and enrollment projections as presented, adequately provides for the school district’s operations; and

NOW, THEREFORE BE IT, RESOLVED, that the Board of Directors of the Tukwila School District No. 406 has determined that the final appropriation level of expenditures for each fund in 2023-24 will be as follows:

General Fund	\$62,369,861	
Capital Projects Fund	\$8,397,800	
Associated Student Body Fund	\$181,950	
Debt Service Fund	\$8,091,555	
Transportation Vehicle Fund	\$349,704	

ADOPTED this 22nd day of August, 2023 in Tukwila, Washington.

President

Vice President

Director

Director

Director

ATTEST:

Dr. Concepcion Pedroza
Interim Secretary to the Board of Directors

Executive Summary

Preface: Will update after all feedback has been received.

Executive Summary: While the district had an adequate ending fund balance several years ago it more recently has been faced with stretch budgets to make it through each year. The 19-20 school year presented more challenges when schools were forced to close in March of 2020 due to the COVID-19 Pandemic. One of the upsides to the school closure were some expense reduction leaving a 9.2% ending fund balance for that year. For 22-23sy, the District is faced with the ESSER cliff and working towards having an ending fund balance of 6%. At the end of the 22-23sy, ESSER II(\$1.9M) will be fully expended leaving only ESSER III (\$5.M), which will be fully expended by Aug 2024. This will leave the district with hard decisions as \$5.M of funding will no longer be available. With such a huge impact, the budgeting for the 24-25 school year will start immediately after the official closing of the 22-23sy budget in mid November.

The following table shows historic enrollment, revenue, spending and fund balance trends. The district will have its final carryover Cares monies (ESSER) that will be spent through August 2024.

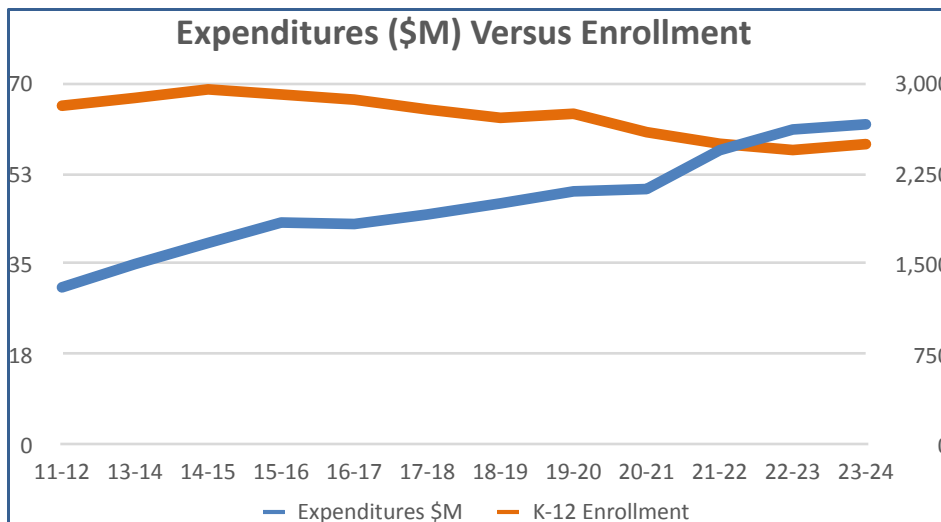
Executive Summary (\$000's)	Act 2019-20	Act 2020-21	Pro 2021-22	Bgt Yr 1 2022-23	Bgt Yr 2 2023-24	Bgt Yr 3 2024-25	Bgt Yr 4 2025-26
Enrollment	2,745	2,592	2,496	2,478	2,503	2,528	2,553
Change	34	(153)	(96)	(18)	25	25	25
% Change	1.3%	-5.6%	-3.7%	-0.7%	1.0%	1.0%	1.0%
State Funding	6,459	9,480	7,433	7,997	7,502	7,502	7,502
Other	26,638	25,864	25,898	26,334	27,977	27,977	27,977
Local Funding	279	7,531	170	174	194	194	194
Sub Total BEA	33,376	42,875	33,501	34,505	35,673	35,673	35,673
% Change	-2.8%	28.5%	-21.9%	3.0%	3.4%	0.0%	0.0%
Grants and Other	15,810	6,583	25,705	25,346	17,691	17,692	17,693
Total Revenue	49,186	49,458	59,206	59,851	53,364	53,365	53,366
% Change	-0.6%	0.6%	19.7%	1.1%	-10.8%	0.0%	0.0%
Expenditures	49,034	49,483	60,128	58,531	58,518	54,219	55,845
% Change	5.0%	0.9%	21.5%	-2.7%	0.0%	-7.3%	3.0%
Begin Fund Balance	4,350	4,502	4,477	3,555	4,875	(278)	(1,132)
Capacity	152	(25)	(922)	1,320	(5,154)	(854)	(2,479)
Ending Fund Balance	4,502	4,477	3,555	4,875	(278)	(1,132)	(3,611)
%	9.2%	9.1%	6.0%	8.1%	-0.5%	-2.1%	-6.8%

Draft

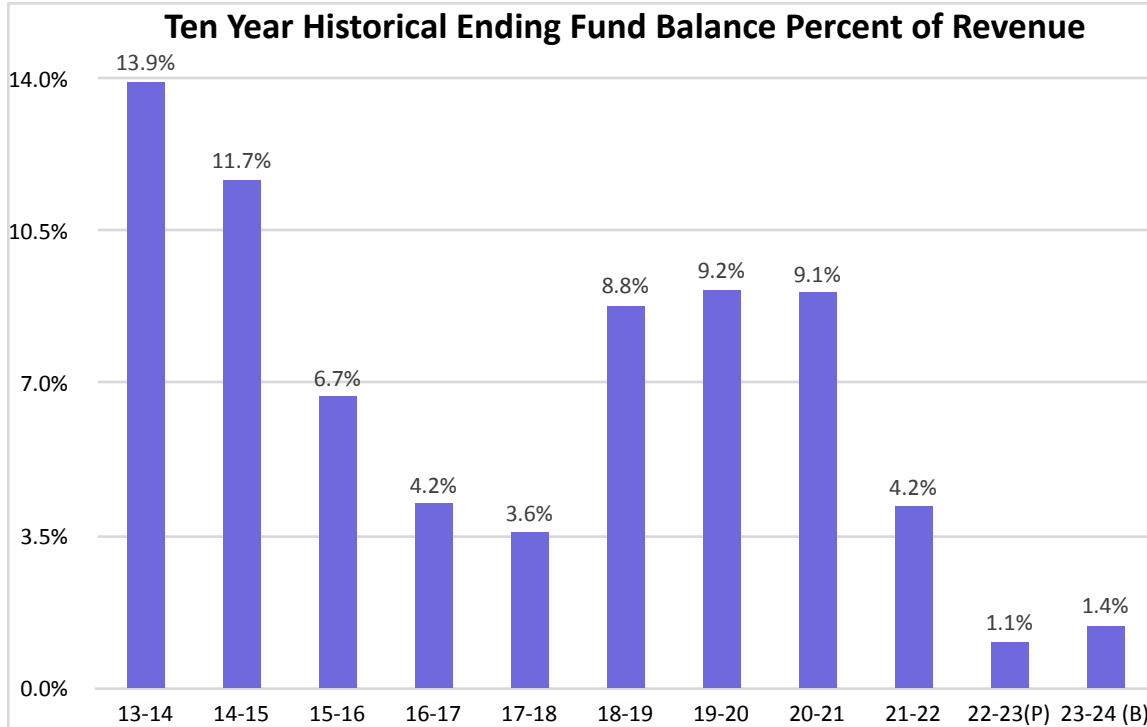
To remain sustainable, the district must align its costs with its revenues. Cost reductions will be required to achieve a positive ending fund balance going forward. The district must stabilize its enrollment, lobby the State for additional monies continue to pursue CTE and other sources of funding. In addition, any additional expenditure must be offset by cost reductions.

Expenditures exceeded revenues for four out of the last six years, with the exceptions being 2018-19 and 2019-20. Cost reduction measures in 2018-19 focused on attrition, MSOC reductions and operating controls that were made as far away from the students as possible and these cost reductions were maintained in 2019-20. In addition, 2019-20 had additional cost reductions, including a \$1.3M in staffing reductions through attrition and a reduction in force and additional MSOC reductions related to Covid-19 pandemic that started in March 2020. Guidance from the KCHD and MOU's established in 2019-20 school year, resulted in additional incurred staffing costs for 2020-21 to current 2022-2023.

The 2023-24 budget cost assumptions are aggressive and must be exceeded to cover known and unknown risks. The district has material risk in the size of its infrastructure, TEA/ESP, SEIU, Administrator, and Principal wage increases due to comparable district language inflation, and Risk Management insurance costs. These and other risks are outlined on the next several pages and will require significant cost reductions to limit their impact to the Ending Fund Balance and allow the district to maintain sustainability.



Because a large portion of every school district's revenue is based on enrollment, districts must reduce expenditures when they reduce students to avoid drawing down their ending fund balance. When Tukwila's enrollment began to decline in 2015-16 and costs continued to increase, Tukwila continued to draw down their fund balance. This can work in the short term, but if Tukwila continues to spend more money than they receive, this can result in huge budget reductions. The next table shows the district's ending fund balance over time.



Risks, Opportunities and Capacity

Covid-19:

2020-21 school year started fully distance learning with the exception of our most vulnerable student being able to attend in person. Optional Hybrid began in April. The district has teams that are continually working on school safety plans. The budget assumes that additional Covid-19 related costs will be covered by the Cares (ESSER II and III).

Some families may keep their kids away from brick and mortar as Covid-19 precautions.

Enrollment versus Infrastructure:

District enrollment reached a peak of 2,946 students in 2014-15 and has declined for the last seven years. The district is expecting a 2% enrollment increase in 2023-24 due to the construction of new housing units. See the enrollment section for more information.

Enrollment is trending down faster than the district is reducing its cost structure. Stabilizing long-term enrollment is critical to the long-term sustainability of the district. The updates of the Elementary Schools, and the Foster and Showalter Modernization will help, as will the larger 'Technology Levy' that will provide additional funding to support the student learning environment. The Technology Levy is due to expire 2024 and the district will start the new levy efforts August 2023.

Wage Increases and Union Activity:

The 2023-24 budget assumes a 4.2% rate increase for TEA and ESP and a 3.7% rate increase for SEIU. The TEA and ESP union agreements include comparable district language that may result in a higher wage increase. The Principal team bargained a 4.2% rate increase. Pending Board approval.

Grants - Special Education:

The state does not fully fund Special Education. In five of the last six years, the district has spent 30% or more than it received in its special education revenue. In other words, for five years for every dollar of funding the district has spent \$1.30 or more to support their special need students. 2023-24 is projected to have an over spend of 26%.

The following is new for the 23-4sy:

- Increases the special education funding cap from 13.5% to 15% effective with the 2023–24 school year.
- Funding multipliers are increases for the 2023–24 school year as follows:

Age Group	2022-23SY	2023-24SY
Birth to Pre-K	1.15	1.20
Greater than 80% in BEA setting	1.0075	1.12
Less than or equal to 80% in BEA setting	0.995	1.06

Sped (\$000's)	17-18 Act	18-19 Act	19-20 Act	20-21 Act	21-22 Act	22-23 Pro	23-24 Budg
Revenue	3,451	4,739	4,917	4,180	4,447	4,763	5,953
Expenditures	4,843	5,468	6,234	5,751	5,987	6,029	6,343
Difference \$	-1,391	-729	-1,318	-1,570	-1,540	-1,266	-390
Difference %	40%	15%	27%	38%	35%	27%	7%

Grants – 2022-23 Underspend: Needs to be updated

Legal Costs:

The 2023-24 budget includes \$75k in legal costs. It is possible actual costs will be higher than the budget.

Insurance Increase:

We are expecting an increase. The projected amount for 23-24 is \$764,001. This is a 33% increase due to claims and an increase in property values.

SEBB:

Effective January 1, 2020 all employee insurance plans were managed by the School Employees Benefit Board (“SEBB”). All of the district’s employees that work 630 hours a year are now eligible for health

insurance with no proration based on the number of hours worked. For the 2023-24 school year the SEBB rate decreased. Starting Sept 1, it will be increased to \$1,110 versus \$1023

K-3 Class Size Compliance

The State requires districts to maintain a K-3 class size of 17 students per teacher.

Deferred Maintenance:

The citizens of Tukwila passed a four-year 'Capital Levy' and increased funding will start in January 2021. Monies will be used to meet technology needs and will begin to address deferred maintenance on a prioritized schedule. In fall 2023, we will be working on our next Levy on the February 2024 ballot.

Moody's Bond Rating:

The district's Moody's bond rating dropped from Aa2 to Aa3 in Nov 2017. The bond rating dropped from Aa3 to A2 with a negative outlook on 9/11/2018. This was a double down grade (the district skipped A1). The current rating 11/2020 stayed an A2 but the negative outlook was removed. This is a step in the right direction.

Opportunity: Attrition

It is statistically likely that employees will leave the district in 2023-24. Cost savings will occur if there is a delay in hiring the replacement or if the position is not filled at all.

Budget Year Two Risks and Opportunities

Any cost overrun associated with the risks listed above will carry into Budget Year Two and beyond. The district needs to reduce the size of its cost structure to achieve a positive year two ending fund balance. The ESSER cliff will be in full effect and will result in \$7M budget cuts.

Budget Process

The Budget Advisory Team was created in March 2023. The Team's goal was to explore enrollment strategies and find "operating efficiencies" to allow the district to meet its Mission. Another layer of this was discussing the use and needs of ESSER dollars. In addition, the district hosted Community Budget Forums to get feedback from the community and to discuss the budget in an open and transparent manner. These meetings do not have high attendance. We are working on other strategies to get higher participation.

BAC

Focused on understanding

- Board Budget priorities
 - Student achievement
 - Partnerships
 - Onboarding and retaining
 - Dual language
- ESSER Funding
- Enrollment
 - Offer more robust programs that are CTE focused

No recommendations were made, but a lot of questions for understanding around budget and processes.

Community Budget Forum

- Only one community and Board member attended
- Main focus was on understanding the budget and how to increase Mental health and social and emotional supports when community partnerships are short staffed and have little to no availability to support our students in time of need?

Revenue assumptions are based on the F203 Revenue Report and have been reviewed by the BAC. Every expenditure account is still being reviewed and vetted with each stakeholder(s) and reductions will be made to reflect cost-cutting efforts, enrollment projections, state and federal funding, categorical spending, inflation, unfunded mandates and input from the Board, the Budget Advisory Committee and the community at large.

Board Priorities

1 Create a culture of equity, trust, honesty, respect, and positive relationships.

- **Staff Appreciation.**

Originally, this has been an annual event. With feedback provided, in addition to an annual event, staff would like monthly recognition. With the hiring of a Communications Director, we can find new ways to highlight staff on a more frequent basis. Budget has been increased from \$7,000 to \$12,000 to accommodate this request.

- **Community counsel/ Parent counsel-** *(BEA cannot pay for this. We would need a grant specific to this need). We are waiting for the Bill to be passed.*

#2 Develop a clear focus on engaging students through the design of instruction through curriculum, experiences, work, and supports to ensure student achievement.

- **Race and Equity.** *This budget is \$75,000. We will continue our partnerships with the PSESD and look for other opportunities.*

- **Creative Learning Labs:** *The Tech levy has money allocated to keep the curriculum up to date and innovative.*

- **Design and implement an academic acceleration program for all students with a special focus on the 60% of students who are 2 or more grade levels behind.** *Summer School for students that are below grade level expectations and students that need credit recovery. Both Hi-Lap and ESSER dollars with support this work.*

- **Social and Emotional Learning support for staff and students-** *Sound Discipline is working with the Building leadership and Ruler has been rolled out to Leadership.*

- **Mental Health Supports and services.** *We have partnerships with Community Based Organizations. We also have ESSER dollars to pay for additional supports.*

- **Family & community engagement-** This can be accomplished with hiring staff or collaborating with a CBO.
- **Outdoor Education (Osprey Camp).** *The budget includes \$95k for 5th Grade Camp. Due to COVID, this may look different in the current and upcoming school year. Legislation to possibly fund outdoor activities.*
- **Dual Language.** *T&L formed a MLS PLC committee with multilingual parents being at least half of the participants in learning and giving recommendations to the superintendent's cabinet for building our dual language program. With enough parent input, we hope to start the program in the fall of 2023 with two Spanish kindergarten dual-language classes at one of the elementary schools and this will progress into other grades after that. We have received Dual Language federal grants for the two years of planning and startup cost for teachers, staff, parents, and leadership training. However, the expansion of the dual-language programs, including the cost of curriculum and teacher salaries, will all be a part of basic education. The dual-language program is in General Education and will not take up more spaces with the exiting general education class setup.*
- **High Quality Pre K in all elementary schools.** *The district has preschool classes for all three elementary school. Cascade View has ECEAP, Head Start, and ECSE (Early Childhood Special Education); Thorndyke has ECEAP, Head Start, and Voice of Tomorrow. Tukwila Elementary has ECEAP/Community blend dual language and inclusive (Gen Ed and sped ED combines) classes. CV ECEAP maintains its Early Achiever certification while Thorndyke ECEAP is up for renewal this year.*
- **Increase access for the Arts, specifically Band, Choir, Drama.-** *Meetings of the minds would play a huge part in the what this plan would look like and desired outcomes. Having a meeting with the department heads would be the first step. We are currently doing an analysis of these programs and will create a plan based upon the findings.*
- **Biotech to expand and support CTE program.** *CTE dollars are available for this. Just outlining the plans and analysis of current and upcoming projects.*

#3 Ensure and communicate structures of sustainability and continuity are in place that result in increased student, staff, and community commitment to and ownership of the direction of the district.

- **Communications.** Improving communication structures that are responsive. Create more specific languages. We have hired a .75 Communication Specialist and will provide a communications budget.

- **Financial Stability**
 - Performance Audits, every 5 years per policy 6550.

 - Ending Fund Balance 6% for 2022-23.

 - Utilize all available funds effectively for the benefit of our students, e.g. no give backs or money left on the table.

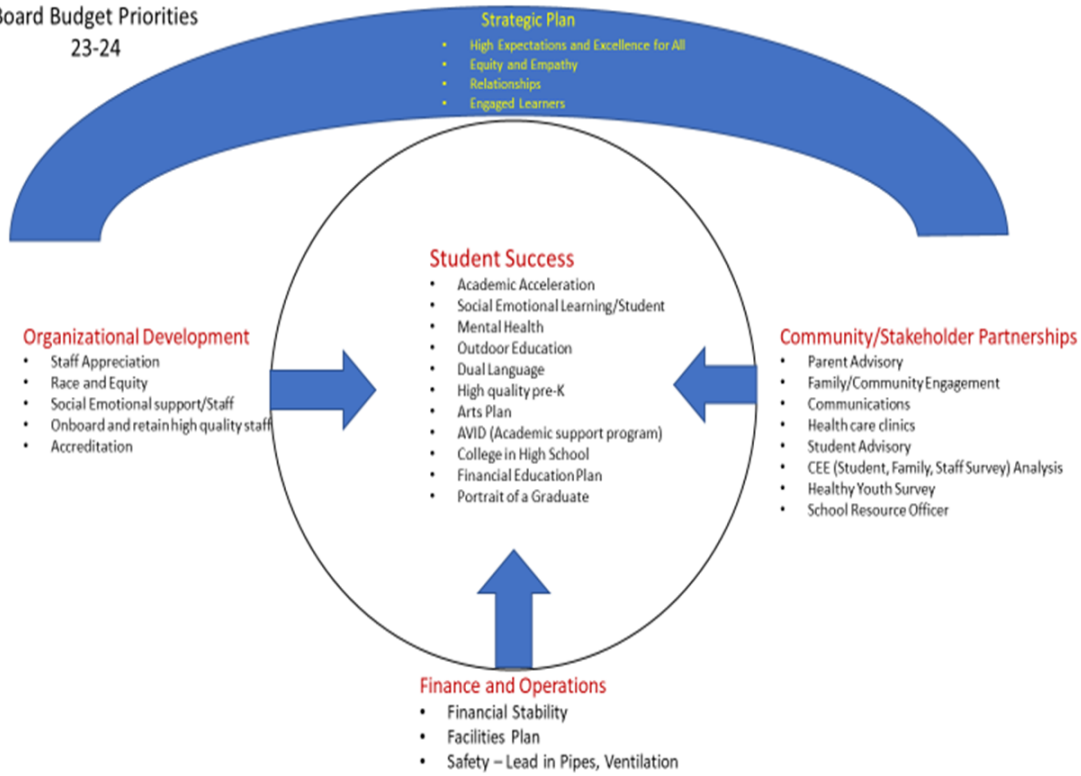
- **Safety Issues**
 - Lead in water faucets. Retest all faucets after construction and every three years (all below 5ppb with plan to get all below 1 ppb, see [DOH guidelines](#)). *Testing was completed in 2019 and all faucets with 1ppb or higher were replaced in 2019-20.*
 - Ventilation evaluation of current systems and their capacity. *Create a plan for future upgrades to address air quality/exchanges/filters. Analysis of current systems will be conducted. ESSER can pay for this work.*
 - Staffing- *ensuring staffing levels are there to provide safety for students and staff*
 - Mental health, sexual safety, bullying and bystander training- Looking to partner with Safe schools to see if they offer these types of modules.
 - Reporting- how can people report? Who gets the information? How is sent to appropriate personnel?

- **School lunch nutritional standard.** Establish ongoing input via student surveys.

#4 Design a recruitment and on-boarding system that hires, retains, empowers and provides leadership pathways for high quality staff that believe in the direction of the district.

- *Hire a workforce reflective of our community. The HR department has a recruitment budget.*
 - *Establish working relationships with Historically Black Colleges.*
 - *Hiring Bilingual staff*

Board Budget Priorities
23-24



Enrichment

In the 2012 McCleary decision, the Washington State Supreme Court ruled that insufficient state funding for basic education unconstitutionally caused districts to rely on local levy funding to support the costs of implementing the state's basic education program. HB 2242 addressed this by limiting the amount of local levy funding for education, and restricting the use of the funds. The HB 2242 limits on local levies began in January 2019 and the monies collected through the local levy were thereafter called, "Educational Programs and Operations Levy," or "EP&O" funding. The EP&O monies are sometimes referred to as "Enrichment" funds, but the term enrichment can be misleading and was excluded from the district's 2020 EP&O ballot measure. The EP&O ballot language is shown below.

Proposition No. 1

Renewal Educational Programs and Operations Levy

The Board of Directors of Tukwila School District No. 406 adopted Resolution No. 896, authorizing a renewal educational programs and operations levy. This proposition would authorize the District to meet the educational needs of students by levying the following excess taxes, renewing an expiring levy, on all taxable property within the District, for educational programs and operations expenses not funded by the State.

Year	Rate	Amount
2021	\$1.75	\$7,850,000
2022	\$1.75	\$8,250,000
2023	\$1.75	\$8,700,000
2024	\$1.75	\$9,150,000

Explanatory statement

Passage of Proposition No. 1 would allow the Tukwila School District to renew an existing educational programs and operations levy that will expire at the end of calendar year 2024. The taxes collected by this levy will be deposited in the District's General Fund and used to meet the educational needs of students and pay expenses of educational programs and operations that are not fully funded by the State of Washington, including, but not limited to, expenses of teaching, student support, school nurses and counselors, textbooks and classroom supplies, student transportation, security, student activities (such as band, music, art, world languages and extra-curricular activities), professional development and training, and other school operations. Further information is available on the District's website at www.tukwilaschools.org.

All expenditures that are not covered by the State, grants, categoricals, etc. must be covered by the local EP&O levy since there are no other remaining funding sources. As a result, the EP&O levy pays for unfunded certified & classified salaries, unfunded library services, unfunded maintenance, and other costs that are not covered by other funding sources such as the unfunded costs of nurses, counselors, family advocates, custodians, textbooks and other instructional materials, Covid-19 related costs not covered by other programs. In addition, the local levy pays for the actual cost of basic utilities such as power, water, sewer, insurance and maintenance that is not covered by the State.

In addition to the EP&O levy, other local funding is considered "enrichment". These revenues includes programs like ECEAP and Head Start that have their own limits on how their money is spent and it

includes other local revenues like donations, facility rentals, etc. 2023-24 “enrichment” revenues are shown below.

Revenue Description	Revenue
Ed Programs & Operations Levy	8,763,648
Head Start	450,000
ECEAP	900,786
Other	370,000
Total Revenue	10,484,434

MSOC Description	MSOC	Salary and benefits by Object	
Basic Education	255,503.00	Base contract-Cert	1,234,940.90
Art	8,500.00	Administration Salary	197,908.46
Curriculum Council	5,000.00	Cert Subs	660,000.00
Music / Band	1,000.00	Cert Extra Hours	30,000.00
Language Arts	1,400.00	TRI	1,486,706.30
Math	5,500.00	Cell Phone Stipend	9,900.00
Music/Choir	3,800.00	Extended Days	76,576.36
AVID	6,500.00	Dept Chair	29,550.00
Science	1,800.00	Cert Stipend	64,374.65
Social Studies	4,500.00	Class Overload	40,000.00
World Language	300.00	Sick Leave Buyback	95,000.00
Library	23,000.00	Certified Personal Leave Cash	80,000.00
Drama	700.00	NBTC	35,000.00
Special Ed Basic	1,000.00	Classified Salary	1,826,461.99
TEA PD Funds	35,000.00	CL Extra Hours	80,000.00
TCEA PD	15,000.00	Cell Phone Stipend	12,156.92
SEIU PD	3,000.00	Tutors	10,000.00
504	4,000.00	Class Stipend	6,030.00
Camp	Esser 23/24	Game Supervision	75,000.00
Student Registration	6,000.00	In-district Interp/Trans	11,261.50
Health/Fitness	5,500.00	Sick Leave/Vacation Buy Back	10,000.00
Graduation	25,500.00	CL Personal Leave Cashout	30,000.00
Evaluation & Assessment	23,750.00	OASI/FICA	246,392.96
Donations	10,925.75	OASI/FICA-Classified	146,160.03
Extra Curricular	164,000.00	Retirement Contributions-Cert	460,525.02
Football	6,500.00	Retirement contributions-Class	217,043.34
Basketball-Boys	4,500.00	OASI/FICA	68,510.00
Basketball-Girls	6,000.00	Unemployment- Cert	10,600.12
Baseball	2,000.00	Unemployment- Class	5,427.26
Girls Tennis	2,000.00	Labor & Industries	13,430.73
Boys Tennis	2,000.00	Labor & Industries	28,426.81
Volleyball	7,500.00	Med/Dental Insurance- Cert.	194,260.56
Track-B&G	6,000.00	Medical/DentalInsurance- Class	398,042.40
Soccer-Boys	6,000.00	PFMLA-Employee	5,978.76
Soccer-Girls	8,000.00	PFMLA-Employer	4,340.76
Softball	2,000.00	OASI/FICA	19,902.00
Golf-B&G	2,000.00		
Cross Country	2,000.00	Total	7,919,907.83
Swimming	8,000.00		
Cheerleader	4,000.00		
Concessions	8,000.00		
Head Start	13,960.00		
Building Changes Grant	1,900.00		
ECEAP	39,000.00		
Facility Rental	6,000.00		
Neudorf Stadium	2,000.00		
Billable	140,000.00		
Districtwide Support	975,000.00		
Summer Maintenance Pro	200,000.00		
Race & Equity	5,000.00		
Total	2,070,538.75		

Student Enrollment

The 2023-24 Full-Time Equivalent (FTE) K-12 enrollment budget is 2,493. 105 students are expected to participate in Running Start bringing the total 2023-24 enrollment budget 2,619.

The following table shows the changes in actual student enrollment and the changes (increases/decreases) in the budgeted student enrollment over the past several years. 2023-24 enrollment was built by each school principal with input from their staff and reviewed by the Budget Advisory Team.

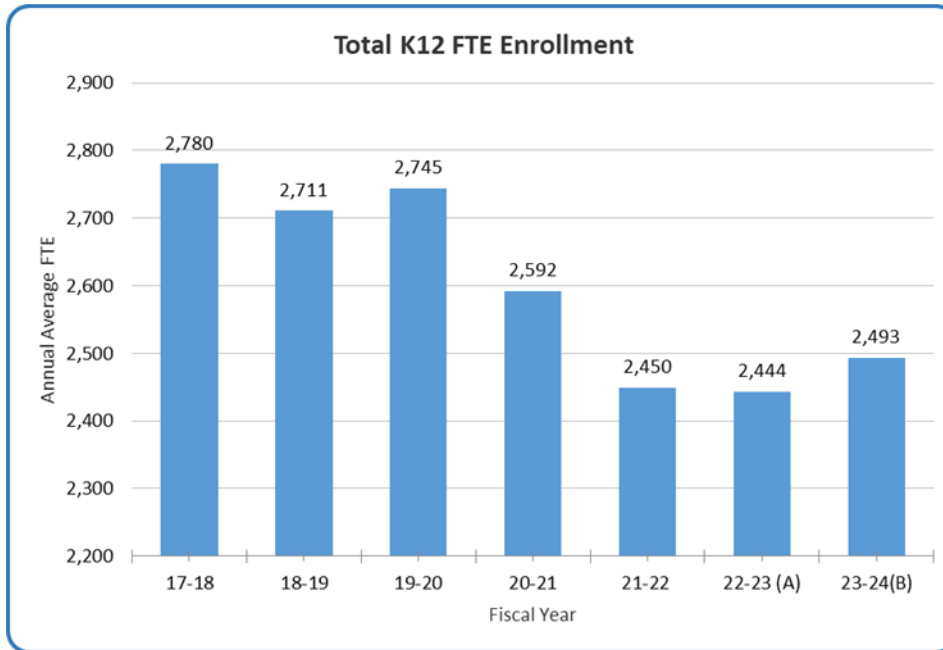
Budget years 2-4 are still being updated.

FTE Enrollment	17-18	18-19	19-20	20-21	21-22	22-23	23-24
By Grade	Act	Act	Act	Act	Act	Ave	Bud
Elementary (K-5)	1,367	1,305	1,304	1,214	1,136	1,115	1,131
Middle (6-8)	615	626	660	612	585	572	570
High (9-12)	798	779	781	766	729	757	792
Total K12 FTE	2,780	2,711	2,745	2,592	2,450	2,444	2,493
FTE Change from PY	-81	-70	34	-153	-142	-6	49
% Change	-2.8%	-2.5%	1.3%	-5.6%	-5.5%	-0.2%	2.0%
ALE	3	32	55	0	0	0	21
Running Start	69	80	94	78	57	68.09	105
Open Doors	0	4	2	4	0	0	0
Grand Total	2,852	2,826	2,896	2,674	2,507	2,512	2,619
FTE Change from PY	-59	-26	70	-222	-167	5	107
% Change	-2.0%	-0.9%	2.5%	-7.7%	-6.3%	0.2%	4.3%
FTE Vs Plan	17-18	18-19	19-20	20-21	21-22	22-23	23-24
Actual K12 FTE	2,780	2,711	2,745	2,592	2,450	2,444	
Budgeted FTE	2,775	2,760	2,643	2,645	2,605	2,478	
Bgt vs. Act FTE	5	-49	102	-53	-155	-34	
SPED FTE	17-18	18-19	19-20	20-21	21-22	22-23	23-24
Ages 0-2	18.8	22.9	37.2	39.5	0.0	0	0
Ages 3-5	36.6	38.0	30.4	32.3	32.3	31	35
Ages K-21	290.3	315.2	323.3	342.7	368.0	346	370
Totals	345.7	376.1	391.0	414.5	400.3	377.0	405.0
% Increase	14.8%	8.8%	4.0%	6.0%	-3.4%	-5.8%	7.4%
% of Total	12.4%	13.9%	14.2%	16.0%	16.3%	15.4%	16.2%

* Source Document: Historical data from OSPI Report 1251 full-year average

Student Enrollment – Chart

As shown below, K-12 enrollment peaked in 2017-18 has declined for the last five years. 2023-24 projects a slight increase. The district expects a small increase in budget year two enrollment due to the completion of three housing developments.



Contributing to the recent decline in enrollment include two competing schools that opened during the summer of 2018. The Impact Public Charter School is adding one grade level per year. The Abubakr Islamic Center of Washington, formerly known as Makkah Islamic School. **Chart is not yet updated**

Impact School	18-19	19-20	20-21	21-22	22-23
K	120	95	104	100	
1	60	127	102	104	
2		63	133	102	
3			70	135	
4				70	
5					
Total	180	285	409	511	0
Abubakr K-8	170	170	196	185	

General Information

Four (4) operating funds and one (1) capital projects fund comprise the total annual budgets for the Tukwila School District. The distinctive funds are identified below with a summary description of each.

1. General Fund

The General Fund is financed from local, county, state, and federal sources. These revenues are used for financing the current operations of the school district such as personnel, student instruction, food service, transportation, and maintenance.

2. Capital Projects Fund

The Capital Projects Fund is used to cover expenditures for technology projects, construction projects, major repairs, and equipment.

3. Debt Service Fund

The Debt Service Fund is established to account for the payment of principal, interest, and expenditures related to the redemption of outstanding bonds.

4. Associated Student Body Fund

The Associated Student Body Fund is financed through the establishment and collection of fees from students and nonstudents as a condition of their attendance at any extracurricular event of the district.

5. Transportation Vehicle Fund

The Transportation Vehicle Fund is provided to account for the state reimbursement to the school district for approved pupil transportation equipment and for the purchase and major repair of such equipment.

General Fund – Local Excess Levy

In the 2012 McCleary decision, the state Supreme Court ruled that insufficient state funding for basic education unconstitutionally caused districts to rely on local levy funding to support the costs of implementing the state's basic education program. HB 2242 addressed this by limiting the amount of local levy funding for education, and restricting the use of the funds. Limits on Local Levies began on January 1, 2019 and this is reflected in the table below where 2018-19 local levy collections were reduced by 35.8% and 2019-20 local levy collections decline an additional 35%, but 2021-22 is flat due to being able to use 19/20 enrollment numbers for formula allocation. This hold harmless sunset after the 21-22sy.

Local Levy History	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-2022 Actual	2022-2023 Proj	2023-2024 Bud Y1	2024-2025 Bud Y2
Amount	11,844,582	8,719,105	6,459,251	7,248,392	7,446,873	8,009,358	8,763,648	3,792,888
Change \$	-22,780	-3,125,477	-2,259,854	789,141	198,481	562,485	754,290	-4,970,760
Change %	-0.2%	-35.8%	-35.0%	10.9%	2.7%	7.0%	8.6%	-131.1%

The State sets its local levy rates on a calendar year (from January 1st through December 31st), however school districts operate on a fiscal calendar (from September 1st through August 31st). As a result, the District’s 2023-24 levy revenue includes calendar year 2023 and 2024 levy values as calculated above.

The Levy cap imposed by the McCleary Act limits school districts to collect the lower of (1) revenue per FTE, (2) a rate per Assessed Property Value (“AV”) or (3) the levy amount approved by the taxpayers, which was \$9,150,000 in 2023.

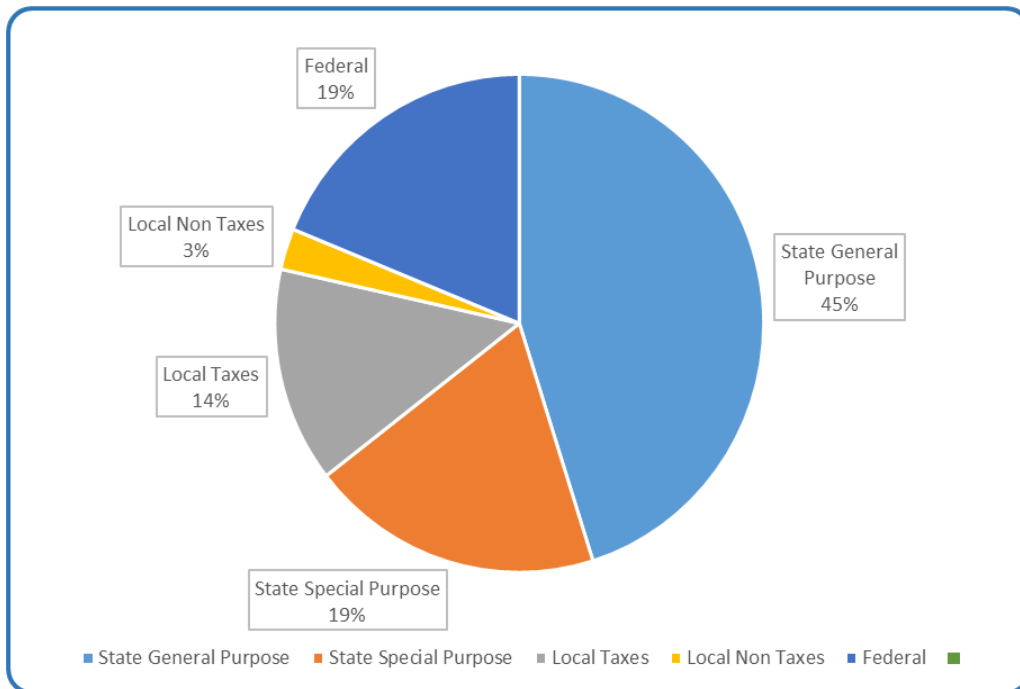
Local Levy Revenue*	Annual Levy	Collection Percent	2023-24 Budget
Fall 2023	8,509,018	46%	3,914,148
Spring 2024	9,150,000	53%	4,849,500
Sub Total			8,763,648
Collection percentage			100.00%
Total 2023-24 Local Levy Revenue			8,763,648

As shown in the table above, local levy calculations use prior year enrollment and assessed value amounts. The State maximum per pupil is capped at \$2,604 in 2021 and grows with CPI thereafter. In 2019 the State rate per AV was \$1.50 / \$1,000 and the AV rate was increased to \$2.50 / \$1,000 in 2020 and beyond. In order for Tukwila to increase its local levy it will need to increase enrollment and / or lobby the State for relief. 2021-22 has the same allocation as 19-20 due to being able to use 19-20 enrollment numbers for formula allocation.

General Fund Revenue

2023-2024 Revenue comes from the following sources.

Revenue By Category	2023-24 Bgt
State General Purpose	28,261,830
State Special Purpose	12,136,428
Local Taxes	8,763,648
Local Non Taxes	1,670,000
Federal	11,793,392
Total Revenue	62,625,298



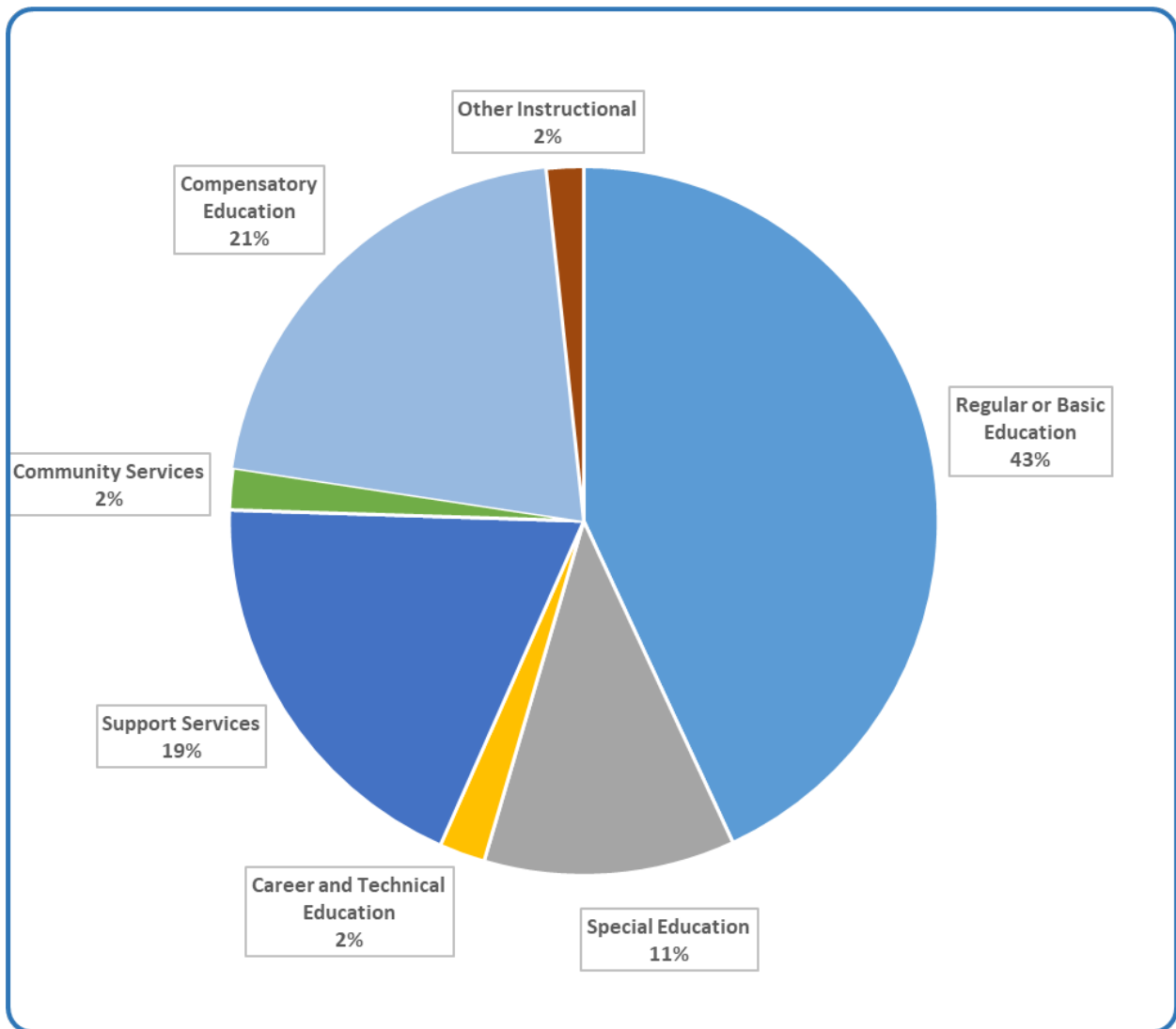
General Fund- Revenue by Activity

Revenue By Activity	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Proj	2023-2024 Budget
11 Local Property Tax	11,994,404	11,358,626	6,459,251	7,248,392	7,482,849	8,009,358	8,763,648
13 Sale of Tax Title Prop	1,271	0	731	0		-	
21 Tuitions & Fees	9,421	5,093	2,432	0	240	240	
22 Sale of Goods, Svc, Supplies	218,808	218,465	167,625	5,131	39,624	80,000	
23 Investment Earnings	45,593	33,948	87,041	47,104	20,673	27,000	20,000
25 Gifts & Donations	32,987	14,094	60,409	45,730	94,000	25,730	
26 Fines & Damages	3,088	4,260	1,269	678	1,080	130	
27 Rentals and Leases	116,929	81,134	48,592	11,020	72,730	94,000	150,000
28 Insurance Recoveries	22,337	7,467	19,208	8,443	145,754	128,580	
29 Local Support Nontax	93,448	181,061	83,363	161,155	82,005	62,476	130,000.00
31 Apportionment	19,698,097	19,016,079	27,242,818	25,864,232	24,602,375	25,962,185	28,261,830
41 State Revenue Program	6,838,597	5,473,490	9,455,197	8,971,330	9,420,379	11,945,126	11,100,642
43 Other State Agency	448,951	332,433	556,650	508,379	828,780	928,862	1,035,786.00
52 Direct Federal Grants	0	0	0	17,340	-	-	
55 Federal Forests	1,948	0	753	647	865	745	
61 Federal Revenues	4,198,207	4,119,162	4,111,040	5,336,203	10,859,979	11,116,254	10,843,392
63 Fed Grant Other Agency	419,338	458,892	485,086	485,947	726,501	687,119	840,000
69 USDA COMMODITIES	137,515	108,248	111,272	104,968	127,752	110,000	110,000
71 Program Participation	99,924	146,150	19,110	38,560	65,378	88,056	70,000
82 Private Foundation	931	251,581	272,921	598,500	200,000	-	
93 Sale of Equipment	7,103	535	2,208	0		-	
99 TRANSFERS**							1,300,000
Total Revenue	44,388,897	41,810,716	49,186,976	49,453,759	54,770,964	59,265,861	62,625,297

General Fund- Expenditure Budget

The General Fund Expenditure Budget of **\$62,625,298** is the recommended operating budget for the 2023-24 school year. This includes a 2.5% capacity amount of **\$1,565,632** that should only be used when (1) additional revenues are received that require an increase in the District’s current operations or (2) when emergencies or unexpected situations occur that have a financial impact (i.e. fire or flood). Capacity is not budget available to fund new initiatives.

The General Fund includes the following: Basic Education programs, Career and Technical Education, Food Services, Pupil Transportation, operational costs for all buildings and grounds and all Categorical Aid Programs (Federal and State). The following chart shows the General Fund Budget broken into categories.



General Fund- Expenditure by Program

Regular or Basic Education	\$26,875,987
Charged to these program codes are the direct expenditures for Basic Ed. These charges are limited to the activities of instruction, related direct supervision of teachers.	
Extra-Curricular	\$568,187
Expenditures for activities that extend beyond the classroom, such as athletics (coaches, uniforms, stipends, transportation, etc.).	
Special Education	\$7,141,731
Charged to these programs are the expenditures for providing special education and related services for all handicapped pupils between birth and twenty-one years of age.	
Compensatory Education	\$13,034,459
Charged here are the direct expenditures to assist student participation in the regular instructional programs. Includes remediation programs like Title I and bilingual education. The programs are mostly cost-neutral due to being funded by outside sources, such as grants and/or donations. Apportionment and/or levy money contributes to these programs if/when the district chooses to expand the programs beyond the ability of their outside funding. This also include ESSER II and III 20% set asides.	
Other Instructional Programs	\$1,061,682
Charged in these accounts are summer school, highly capable education, local education program enhancement, grants for basic skills development, educational improvement and support, and special projects.	
Career and Technical Education	\$1,304,855
Direct expenditures for the secondary Vocational/Technical Program.	
Community Services	\$1,186,597
These accounts are charged for operating programs primarily for the benefit of the community as a whole or some segment of the community. This program includes the Swim Pool, Performing Arts Center and Recreation. These programs are mostly cost-neutral due to being funded by outside sources, such as donations and the fees charged to use district facilities. Apportionment and/or levy money contributes to these programs when the district allows a student-focused organization (i.e. PTA) to use its facilities free of charge	
Support Services	\$11,786,544
Support Services are the activities that support the educational programs of the district. Areas included are maintenance, health services, superintendent's office, Board of Directors, business operations, personnel services, utilities, insurance, data processing, district printing, food service and pupil transportation.	

General Fund- Detailed Expenditure by Program

Program		2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Proj	2023-24 Budget
01	Basic Education	23,821,168	23,162,756	24,149,047	24,267,523	26,875,987
2	ALE	352,823	0			0
3		13,435	17,759			0
04	Extra Curricular	641,790	633,010	802,372	807,776	749,512
11	Special purpose - GEER				1,738,214	0
12	Special purpose- ESSER II		86,900	3,019,310	1,773,321	0
13	Special Purpose- ESSER III			54,942	3,283,311	4,462,622
14	Special Purpose- ESSER III Learning loss			746,329	665,000	828,738
21	Special Ed, Basic, State	5,370,432	5,750,530	5,987,124	6,029,303	6,343,138
22	SpEd Infants & Toddlers	367,832	0			0
24	Special Ed Suppl, Federal	495,874	632,590	611,692	709,767	798,599
31	Vocational Basic State	444,176	787,589	1,035,855	1,126,086	1,185,000
34	MS 7/8 Voc					87,944
38	Vocational, Federal	26,733	30,071	35,026	31,912	31,911
51	Title I	1,782,644	1,692,714	1,634,018	1,647,800	1,251,585
52	School Improvement	515,569	726,845	685,844	911,432	856,538
55	Learning Assistance, State	2,115,143	2,201,437	2,119,764	2,234,468	2,319,536
58	Special & Pilot Programs	711,886	762,310	682,915	903,152	525,775
61	Head Start	302,506	305,313	456,139	458,194	473,740
64	Title III LEP	96,409	97,343	133,936	182,236	287,875
65	Trans Bilingual, State	1,555,368	1,601,084	1,703,984	1,625,214	2,028,050
74	Highly Capable	18,302	72,154	70,645	20,000	20,000
79	Medicaid, SBIRT, Gearup, Refugee grant	522,700	710,022	1,167,210	586,969	223,511
88	ECEAP	493,283	514,098	797,155	811,418	947,923
89	Other Community Services	141,425	95,876	199,214	94,755	237,674
97	Districtwide Support	6,582,963	7,579,779	8,027,852	8,483,389	8,637,877
98	Food Service	1,633,378	1,184,045	1,767,138	1,865,640	1,874,744
99	Pupil Transportation	1,027,685	838,445	1,016,637	1,392,680	1,255,923
	Transfers			75,000	0	0
	Capacity					0
	Total Expenditures	49,033,524	49,482,670	56,979,148	61,649,560	62,304,202

General Fund-Administrative Cost Comparison

Not yet updated

Central Administration		2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Dollars		Actual	Actual	Actual	Actual	Proj	Bug
11	Board Of Directors	160,477	150,845	81,599	124,510	116,800	112,400
12	Superintendent'S Office	590,756	515,248	658,284	712,955	792,325	763,436
13	Business Office	742,727	845,407	849,733	786,323	731,562	849,788
14	Human Resources	779,571	610,869	668,610	833,417	756,165	616,448
15	Public Relations	144,229	15,568	8,990	153,212	180,616	193,547
21	Supervision - T&L	1,011,886	1,024,794	1,019,907	1,057,317	1,205,983	1,319,247
41	Supervision Food Svc	148,169	99,703	57,857	11,970	16,236	16,925
51	Supervision - Transportation	175,809	220,818	168,621	178,074	183,826	190,257
61	Supervision - Plant	189,366	185,883	187,222	192,640	201,696	214,772
Central Administration		3,942,990	3,669,135	3,700,823	4,050,418	4,185,209	4,276,820

Central Administration		2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Percent of Revenue		Actual	Actual	Actual	Actual	Proj	Bug
11	Board Of Directors	0.3%	0.3%	0.2%	0.2%	0.2%	0.2%
12	Superintendent's Office	1.2%	1.0%	1.3%	1.3%	1.4%	1.2%
13	Business Office	1.5%	1.7%	1.7%	1.4%	1.2%	1.4%
14	Human Resources	1.6%	1.2%	1.4%	1.5%	1.3%	1.0%
15	Public Relations	0.3%	0.0%	0.0%	0.3%	0.3%	0.3%
21	Supervision - T&L	2.0%	2.1%	2.1%	1.9%	2.1%	2.1%
41	Supervision Food Svc	0.3%	0.2%	0.1%	0.0%	0.0%	0.0%
51	Supervision - Transportation	0.4%	0.4%	0.3%	0.3%	0.3%	0.3%
61	Supervision - Plant	0.4%	0.4%	0.4%	0.4%	0.3%	0.3%
Central Administration		8.0%	7.5%	7.5%	7.4%	7.1%	6.8%

General Fund-Central Admin Responsibilities

Board of Directors: Audits, Governance, Legal, Levy Election

Superintendent's Office: Supervision, Bond Projects, Enrollment

Business Office: Accounts Receivables (Revenues), Accounts Payable (Expenditures), Benefits, Budget, Free & Reduced Lunch Applications, Payroll, Records Retention, Facility Rental

Human Resources: Training & Employee Support, Professional Development, Public Records Requests, Risk Management, Safety & Security (Personnel), TEA/TCEA/SEIU

Communications: Newsletter, Website

Instruction, Teaching & Learning, Academics: AVID, Before & After School, Curriculum, Early Learning (ECEAP / Head Start), English Language Learners (ELL), Family Engagement, GRANT: Title I, II, & III, Learning Assistance Program (LAP), Special Education, Student Services, Summer School, Homeless (McKinney-Vento), Family Engagement, Title IV, Title X

Food Services: Breakfast in the Classroom, Lunch Program, USDA Fresh Fruits & Vegetables

Transportation: Bus Maintenance, Fleet Management, Student Transportation

Maintenance & Operations: Building Maintenance, Grounds Maintenance, Safety & Security (Property), Utilities and oversight of the \$99M construction project that covers all five schools.

Elementary and Secondary School Emergency Relief (ESSER)

Providing local educational agencies (LEAs), including charter schools that are LEAs, with emergency relief funds to address the impact that Novel Coronavirus Disease (COVID-19).

During the 2022-23 school year, the district continued several meetings were held with student, staff, parents and community stakeholders to get input regarding ideas on how to spend the funds.

- ESSER Learning loss- \$847K
 - Summer school
 - Tutoring
- ESSER III-\$4.8MIL
 - Support staff
 - Teachers
 - Extracurricular
 - Meal supports
 - Social and emotional supports
 - Counseling supports

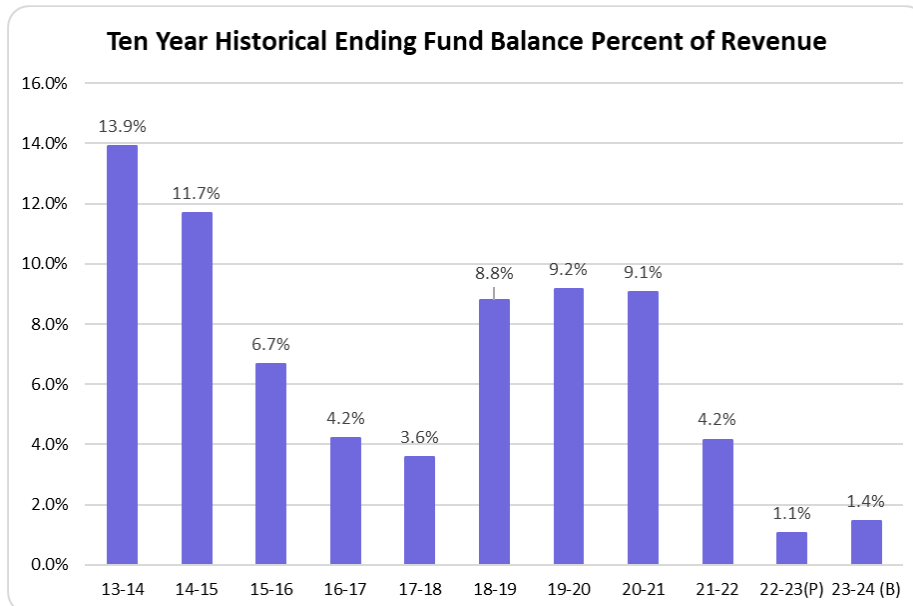
General Fund – Fund Balance History

The district’s expenditures were greater than its revenue from 2013-14 through 2017-18 and resulted in four years of declining ending fund balances. 2018-19 ending fund balance is where the trend starts to show an increase. 2019-20 the ending fund balance was 9.2% due to intentional reductions in expenditure as well as additional reductions due to Covid- 19 pandemic, which cause the closure of brick and mortar school and moved to an online model.

Ten Year Historical Fund Balance Percentage Table

(\$000's)	13-14	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23(P)	23-24 (B)
	Act	Act	Act	Act	Act	Act	Act	Act	Act	Pro	Bug
Beginning Fund Balance:	4,444	4,937	4,510	2,671	1,761	1,583	4,350	4,503	4,479	2,281	650
(Plus) Revenues:	35,476	38,635	41,250	41,811	44,389	49,476	49,187	49,459	54,781	61,208	62,625
(Minus) Expenditures:	34,983	39,062	43,010	42,721	44,567	46,709	49,034	49,483	56,979	62,839	62,370
Change in Fund Balance:	493	-427	-1,760	-910	-178	2,767	153	-24	-2,198	-1,631	255
8/31 Ending Fund Balance	4,937	4,510	2,750	1,761	1,583	4,350	4,503	4,479	2,281	650	905
Fund Balance Percentage	13.9%	11.7%	6.7%	4.2%	3.6%	8.8%	9.2%	9.1%	4.2%	1.1%	1.4%

Ten Year Historical Fund Balance Percentage Chart



Capital Projects Fund

The Tukwila School District passed a Capital Projects Levy on February 11, 2020 that provides the district with \$3,350,000 per calendar year for four years, from January 1, 2021 through December 31, 2024. Collections are used for capital projects, deferred maintenance, technology equipment, software and support staff.

Tukwila School District No. 406

Proposition No. 2

Renewal Technology and Capital Projects Levy

The Board of Directors of Tukwila School District No. 406 adopted Resolution No. 897 authorizing a renewal levy for technology and capital projects. This proposition would authorize the District to acquire and install technology equipment and infrastructure to better prepare students for careers of tomorrow, improve school facilities, and make safety and energy efficiency upgrades, by levying the following excess taxes, renewing an expiring levy, on all taxable property within the District:

Collection Year	Est Levy Rate/\$1,000 Assed Value	Levy Amount
2021	\$0.75	\$3,350,000
2022	\$0.71	\$3,350,000
2023	\$0.67	\$3,350,000
2024	\$0.64	\$3,350,000

Explanatory statement

Passage of Proposition No. 2 would allow the Tukwila School District to renew an existing levy that will expire at the end of calendar year 2020. These funds would be deposited in the District’s Capital Projects Fund to pay for technology infrastructure, computers and other hardware, software, online subscriptions, applications, licensing and related implementation costs. These technology improvements will allow the District to stay-up to date to better prepare students for the careers of tomorrow and ensure technology systems are safe, secure and reliable. To provide and enhance quality learning environments, the renewal levy will also fund critical school repairs, energy efficiency upgrades, major systems (such as, heat pumps and lighting systems), equipment upgrades and replacements, and site safety and security upgrades. Further information is available on the District’s website at www.tukwilaschools.org. The proposed four-year renewal technology and capital projects levy would authorize collection of taxes of \$3,350,000 each year from 2021 through 2024. The tax levy rate required to produce these levy amounts were \$0.73 per \$1,000 of assessed value in 2021, \$0.72 in 2022, estimated \$0.67 in 2023 and \$0.64 in 2024.

The annual spending breakdown for each category is shown below.

Not yet updated

Year	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Proj	2023-2024 Bgt Yr 1	2024-25 Bgt Yr 2
Beginning Balance	387,046	256,145	182,550	819,197	1,529,183	742,155	742,155
Tax Revenue	877,409	863,194	2,179,215	3,276,572	3,318,510	3,318,510	3,318,510
Total Revenue	877,409	863,194	2,179,215	3,276,572	3,318,510	3,318,510	3,318,510
Tech Dept Equipment and Software	515,418	426,731	648,410	1,210,705	1,268,405	1,268,405	1,268,405
Creative Learning Lab Instruction	86,056	82,866	447,979	372,914	532,754	554,864	658,064
Tech Department Support	229,207	233,735	158,107	261,030	275,471	320,516	390,490
Tech Instructional Coaches	177,629	193,458	195,377	184,239	191,608	197,565	199,272
Facility Projects	0	0	92,695	537,699	1,837,300	1,515,872	802,278
Total Expenditures	1,008,310	936,789	1,542,568	2,566,586	4,105,538	3,857,222	3,318,510
Ending Balance	256,145	182,550	819,197	1,529,183	742,155	203,443	742,155

Capital Projects Fund Cont.

In addition to the Capital Levy, the Tukwila School District passed a Bond Levy on February 9, 2016 that provided the authority to issue \$99.2M in Bond Funding payable over twenty years and to collect bond levies over the same time period to pay for the bonds.

Capital Projects Fund 2023-24 Budget		
2023-24 Estimated Beginning Balance		6,188,855
Estimated Revenues		
Projected 2023-24 Levy Collection	3,318,510	
Other Revenues	0	
Interest	120,000	3,438,510
<hr/>		
Total Estimated Funds Available		9,627,365
Recommended Expenditure Budget		
Bond Projects ¹	4,365,596	
Technology Related	2,516,232	
Facility Related	1,515,972	8,397,800
<hr/>		
2023-24 Estimated Ending Fund Balance		1,229,565

1 – Bond Projects includes budget for Foster, Showalter Middle School, all three Elementary Schools and Administration Building Modernization. This amount represents a portion of the total cost of the listed bond projects. This amount will be expended over multiple years. The amount included ensures sufficient funding is available to the multitude of projects the District is doing at one time. Unexpended funds will be carried forward to the next year to continue funding the bond

Debt Service Fund

The Debt Service Fund is used for the payments of long-term debt principal and interest. Tukwila uses long-term debt to pay for its \$99.2M construction project and for the purchase of its buses in 2016 and 2019-20.

Bonds that were issued to finance the \$99.2M construction projects require semi-annual payments. Upcoming bond payments are shown below.

Period Ending	Principal	Interest	Debt Service	Fiscal Year Debt Svc
12/1/2020	3,345,000	1,780,950	5,125,950	
6/1/2021	0	1,714,050	1,714,050	6,840,000
12/1/2021	3,690,000	1,714,050	5,404,050	
6/1/2022	0	1,640,250	1,640,250	7,044,300
12/1/2022	4,055,000	1,640,250	5,695,250	
6/1/2023	0	1,551,550	1,551,550	7,246,800
12/1/2023	4,450,000	1,551,550	6,001,550	
6/1/2024	0	1,440,300	1,440,300	7,441,850

In addition to making debt payments on the \$99.2M construction project the debt service fund is used to make the debt payments for the 2016 bus loan (ten buses) and the 2019 bus loan (four buses, of which two were purchased in 2019 and two were purchased in 2020).

Transportation Vehicle Fund Debt Payments															
Period Ending	2016 Bus Loan					2019 Bus Loan					2016 & 2019 Bus Loans				
	Principal	Interest	Debt Service	Fiscal Year Debt	Annual Debt Svc	Principal	Interest	Debt Service	Fiscal Year	Annual Debt Svc	Principal	Interest	Debt Service	Fiscal Year	Annual Debt
6/1/2019	0	13,524	13,524		na	0	0	0		na	0	13,524	13,524		na
12/1/2019	93,355	13,524	106,879	na	120,403	0	2,850	2,850	na	2,850	93,355	16,374	109,729	na	123,253
6/1/2020	0	12,432	12,432	119,311	na	10,000	6,750	16,750	19,600	na	10,000	19,182	29,182	138,911	na
12/1/2020	95,539	12,432	107,971	na	120,402	0	6,500	6,500	na	23,250	95,539	18,932	114,471	na	143,652
6/1/2021	0	11,314	11,314	119,285	na	15,000	6,500	21,500	28,000	na	15,000	17,814	32,814	147,285	na
12/1/2021	97,775	11,314	109,089	na	120,403	0	6,125	6,125	na	27,625	97,775	17,439	115,214	na	148,028
6/1/2022	0	10,170	10,170	119,259	na	15,000	6,125	21,125	27,250	na	15,000	16,295	31,295	146,509	na
12/1/2022	100,063	10,170	110,233	na	120,403	0	5,750	5,750	na	26,875	100,063	15,920	115,983	na	147,278
6/1/2023	0	8,999	8,999	119,232	na	20,000	5,750	25,750	31,500	na	20,000	14,749	34,749	150,732	na
12/1/2023	102,404	8,999	111,403	na	120,402	0	5,250	5,250	na	31,000	102,404	14,249	116,653	na	151,402
6/1/2024	0	7,801	7,801	119,204	na	20,000	5,250	25,250	30,500	na	20,000	13,051	33,051	149,704	na

The 2023-24 Debt Service Fund budget is shown below.

Debt Service Fund		
2023-24 Estimated Beginning Balance		2,532,430
Estimated Revenues		
Projected 2023-24 Levy Collection	7,786,000	
Interest Income	50,000	
Transfer (from Transportation)	149,705	7,985,705
Total Estimated Funds Available		10,518,135
Recommended Expenditure Budget		
Bond Principal	4,450,000	
Bond Interest	2,991,850	
Bus Loan Principal	122,404	
Bus Loan Interest	27,300	
Fees (Capacity)	500,000	8,091,554
2023-24 Estimated Ending Fund Balance		2,426,581

Annual Disclosure Statement

Disclosure Information

Tukwila School District No. 406
King County, Washington
CUSIP #495116

Outstanding Unlimited Tax General Obligation Debt (As of December 31, 2022)

<u>Type</u>	<u>Amount Issued</u>	<u>Date Issued</u>	<u>Final Maturity</u>	<u>Amount Outstanding</u>
UTGO Bonds, 2016	\$ 56,405,000	06/07/2016	12/01/2035	\$ 50,060,000
UTGO Bonds, 2018	31,190,000	10/11/2018	12/01/2037	<u>20,330,000</u>
				<u>\$ 70,390,000</u>

Outstanding Limited General Obligation Debt (As of December 31, 2022)

<u>Type</u>	<u>Amount Issued</u>	<u>Date Issued</u>	<u>Final Maturity</u>	<u>Amount Outstanding</u>
LGO Bid, 2016	\$ 1,334,300	11/08/2016	12/01/2029	\$ 771,450
Local Program	270,000	10/15/2019	06/01/2032	<u>230,000</u>
				<u>\$ 1,001,450</u>

The 2022 Collection Year Bond Assessed Valuation was \$4,635,387,168⁽¹⁾. The District has no authorized but un-issued bonds outstanding.

Tax Collections (As of December 31, 2022)

<u>Tax Levies</u>	<u>Levy Rates</u> ⁽²⁾	<u>Ad Valorem Levy Amounts</u>
Bonds	\$ 1.81291	\$ 8,403,582
EP&O	1.68193	7,796,418
Capital Project	0.72280	3,350,469
Transportation	--	--
Total	<u>\$ 4.21764</u>	<u>\$ 19,550,469</u>

As of December 31, 2022, approximately 98 percent of taxes levied in 2022 were collected ⁽³⁾.

1 Assessed valuation is based upon 100% of actual valuation, and is adjusted to exclude senior citizens. The District has no Timber Assessed Value.

2 Dollars per \$1,000 of Assessed Valuation

3 Taxes are due and payable on April 30 of each year succeeding the levy. The entire tax or first half must be paid on or before April 30, or else the total amount becomes delinquent on May 1. The second half of the tax is payable on or before October 31, becoming delinquent November 1.

Associated Student Body Fund

The ASB budget is shown below.

ASB	2016-17	2020-21	2021-2022	2022-2023	2023-2024	2024-2025
Ending Fund Balance	Actual	Actual	Actual	Proj	Bgt Yr 1	Bgt Yr 2
Beginning Balance		187,344	183,737	218,737	130,879	89,721
Revenues		12,201	100,000	35,515	40,842	46,969
Funds Available		199,545	283,737	254,252	171,721	136,690
Expenditure		15,808	65,000	123,373	82,000	94,300
Ending Fund Balance		183,737	218,737	130,879	89,721	42,390

ASB	2016-17	2020-21	2021-2022	2022-2023	2023-2024	2024-2025
Revenue By Activity	Actual	Actual	Actual	Proj	Bgt Yr 1	Bgt Yr 2
1000 General Student Body		12,176	24,656	55,202	95,850	110,228
2000 Athletics		25	25,598	37,660	54,800	63,020
3000 Classes		0	0	0	2,900	3,335
4000 Clubs		0	348	3,673	23,400	26,910
6000 Private Moneys		0	0	0	3,000	3,450
Total Revenue		12,201	50,602	96,535	179,950	206,943

ASB	2016-17	2020-21	2021-2022	2022-2023	2023-2024	2024-2025
Expenditures By Activity	Actual	Actual	Actual	Proj	Bgt Yr 1	Bgt Yr 2
1000 General Student Body		12,111	43,352	45,045	95,850	147,609
2000 Athletics		3,112	9,983	6,400	54,800	84,392
3000 Classes		0	2,458	2,000	2,900	4,466
4000 Clubs		585	479	1,145	23,400	36,036
6000 Private Moneys		0	0	3,000	5,000	2,406
Total Expenditures		15,808	56,272	57,590	181,950	274,909

Transportation Vehicle Fund

Draft

The Transportation Vehicle Fund is used for the purchase and major repair of pupil transportation equipment.

The district replaced four buses in 2019-20 keeping the total number of buses at 19. The district is working toward electric bus grant opportunities.

Transportation Vehicle Fund		
2023-24 Estimated Beginning Balance		284,913
Estimated Revenues		
State Depreciation Funding	271,712	
Fund from General Fund	0	
State Eco Grant	0	
Interest Income	3,300	275,012
Total Estimated Funds Available		559,925
Recommended Expenditure Budget		
Capacity	200,000	
Transfer to Debt Services: 2016 Loan	119,204	
Transfer to Debt Services: 2019 Loan	30,500	349,704
2023-24 Estimated Ending Fund Balance		210,221

Since the State funds buses based on depreciation the school district would lose 'revenue from depreciation' if it does not replace buses when they are completely depreciated.

Four-Year Budget Assumptions

The following assumptions were used to create the four-year forecast.

	2021–22	2022–23	2023-24	Notes
CPI	2.2%	1.5%	1.6%	Applied to LEA & Levy per pupil inflators
IPD	2.0%	5.5%	3.7%	Applied to salary allocations and National Board Bonus

- Enrollment based on Davis Demographic assumptions and validated with school principals.
- Inflationary increases (CPI and IPD) based on OSPI rates as follows.
- Local Levy (Enrichment) funding based on \$2,563 per FTE in 2020 and grows with OSPI CPI assumptions thereafter.
- State revenue based on enrollment projection plus OSPI CPI assumptions.
- Annual wages increase with union agreements plus a 2% average step increase. When a union agreement expires wage rates increase with OSPI IPD assumptions plus 2% step increases.

Appendix I: 2023-24 General Fund Four Year Projection – Not updated
