

2022-2023 Year End Financial Report

September 1, 2022 - August 31, 2023

(Unaudited)

Tacoma School District No. 10

P.O. Box 1357 • Tacoma, Washington 98401-1357 • 253-571-1000

2022-2023
YEAR END FINANCIAL REPORT
for
TACOMA PUBLIC SCHOOLS

Financial Operations through: August 31, 2023

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Chief Financial Officer

Report Prepared by Finance Department
Allison Deskins, Senior Financial Analyst

Date: December 11, 2023

To: Board of Directors

From: Rosalind Medina, Chief Financial Officer 

Re: 2022-23 Unaudited Year-End Financial Report

INTRODUCTION

This financial report is broken down into the following sections:

- I. Financial Analysis
- II. Enrollment and Staffing Information
- III. General Fund
- IV. Associated Student Body Fund
- V. Capital Projects Fund
- VI. Transportation Vehicle Fund
- VII. Debt Service Fund
- VIII. Appendixes
- IX. Supplemental Graphs

The intent of Section I, Financial Analysis, is to provide a summary of the financial operation of the general fund for the entire fiscal year. Year-end revenue, expenditure and fund balances are compared to budget and the prior year's balances. This section also provides summary information for major programs.

Financial statements for the general fund and all other funds are found in each fund's section as listed above.

GENERAL FUND SUMMARY

Table 1 compares financial operating results from September 1, 2022 through August 31, 2023 with information through the same period for Fiscal Year 2021-22.

Table 1

General Fund Comparison for the fiscal period ended	August 31, 2022	August 31, 2023	Variance Higher/(lower)
Beginning Fund Balance	\$ 56,066,371	\$ 44,334,490	\$ (11,731,881)
Revenue	501,600,429	530,391,875	28,791,446
Other Financing Sources	3,925,920	6,940,295	3,014,375
Total Resources Available	561,592,720	581,666,660	20,073,940
Expenditures	517,258,231	564,423,606	47,165,376
Other Financing Uses	-	-	-
Total Use of Resources	517,258,231	564,423,606	47,165,376
Ending Fund Balance	\$ 44,334,490	\$ 17,243,053	\$ (27,091,437)

OPERATING HIGHLIGHTS

- Tacoma Public Schools Board of Directors has again been recognized as a Board of Distinction by the Washington State School Directors Association (WSSDA) for demonstrating high levels of leadership and governance that promote district and student performance.
- At the time of this annual report, Tacoma Public Schools had a record breaking graduation rate of 91.1%. This is an increase of 0.9% from last year's rate of 90.2%.
- Tacoma Public School District had the fourth highest enrollment in the State of Washington for fiscal year 2022-23 behind Seattle, Lake Washington and Spokane.
- Several departments in the Business & Finance division won awards:
 - The Purchasing Department received the *Achievement of Excellence in Procurement Award* for the fourteenth consecutive year.
 - The Finance Department received both ASBO International's FY 2022 *Certificate of Excellence in Financial Reporting Award* as well as the GFOA *Certificate of Achievement for Excellence in Financial Reporting*.

REVENUE and OTHER FINANCING SOURCES

COMPARISON OF YEAR END VS. PRIOR YEAR ACTUAL

General fund revenue and other financing sources total \$537,332,170; this was \$31,805,821 (+6.3%) more than the prior year. Revenue from the various sources and the increases or decreases from the prior year are summarized in **Table 2**.

Table 2

<u>Revenue and Other Financing Sources Comparison by Year</u>					
Revenue Source	Through Aug 2022	Percent of Total	Through Aug 2023	Percent of Total	Variance higher/(lower)
Local Taxes	\$ 74,676,712	14.77%	\$ 76,233,725	14.19%	\$ 1,557,013
Local Non-Tax	4,909,177	0.97%	6,022,805	1.12%	1,113,628
State, General Purpose	256,780,274	50.79%	273,709,848	50.94%	16,929,574
State, Special Purpose	82,713,950	16.36%	92,212,180	17.16%	9,498,230
Federal, General Purpose	406,619	0.08%	384,935	0.07%	(21,684)
Federal, Special Purpose	76,862,549	15.20%	75,564,677	14.06%	(1,297,872)
Revenue - Other Districts	2,165,607	0.43%	3,658,507	0.68%	1,492,900
Revenue - Other Agencies	3,085,543	0.61%	2,605,198	0.48%	(480,345)
Revenue - Other Financing	3,925,920	0.78%	6,940,295	1.29%	3,014,375
Total Revenue	\$ 505,526,349	100.00%	\$ 537,332,170	100.00%	\$ 31,805,821

Local tax revenues consist of tax receipts from the educational programs and operations levies. In February 2022, Tacoma voters approved a levy that would allow the district to collect \$77,500,000 in the 2022-23 school year. Local tax revenues increased \$1,557,013 (+2.1%) compared to last year. The variance reflects an increase in the levy base used to calculate the 2022-23 levy versus the 2021-22 levy; thereby, increasing the actual revenue from year to year.

Local non-tax revenue is made up of student meal receipts, sales from vocational programs, tuition for extended day kindergarten and summer school, interest earned from the investment of available cash, and several other small sources.

Revenue in this category increased \$1,113,628 (+22.7%) compared to last year. This variance is the result of the following:

- \$1,260,657 increase in investment earnings
- \$230,303 decrease in revenue collected from the sale of timber
- \$447,316 decrease in tuition collected from tuition based programs
- \$161,736 increase in commissions and rebates
- \$150,473 increase in rentals and leases of district buildings and land
- \$153,156 increase in gifts, grants and donations
- The remaining difference is due to smaller variances in several other programs

State general purpose revenue comes from apportionment and is the revenue received through a state funding formula that is based on the average number of students enrolled which drives the number of staff allocated to the district. The funding formula is designed to ensure that each school district receives a minimum amount of funding per student, known as the basic education allocation. This allocation is set by the state legislature and is adjusted annually to account for changes in enrollment and inflation. Starting in the 2018-19 school year, the formula also includes a supplemental regionalization factor which is based on local housing cost factors.

Revenue in this category increased \$16,929,574 (+6.6%) compared to last year. This variance was the result of the following:

- Total apportionment revenue increased \$16,929,574 from last year at due to an increase in State funding through the prototypical funding model per pupil allocation.

For more information on enrollment by grade or program see **ENROLLMENT and STAFFING**, Section II, of this report for more detail.

State special purpose revenue includes funding for the following programs: Special Education, Learning Assistance, Institutions for Juvenile Delinquents, Transitional Bilingual Education, Highly Capable, Child Nutrition Services and Transportation. The state supports each program based upon the district's total student enrollment or on a funding formula for the students receiving services from specific programs. This category also includes funds for one-time allocations or special grant activities.

This revenue category fluctuates from year to year and budget capacity of \$14.5 million was included to allow for any additional allocations or grant awards. Program managers are given expenditure authority only for the revenue that will actually be received; so variances from the budgeted revenue should not have a negative impact on the district's basic education budget. For specific information on a particular program see **Appendix C, Grant Activity**.

Revenue in this category increased \$9,498,230 (+11.5%) compared to last year. This variance is the result of the following:

- \$5,301,600 increase in support for the Special Education program. This includes a one-time community impact Safety Net award of \$2,560,211 that the district believes it will not be eligible for in future years.
- \$1,221,197 increase in Nutrition Services revenue
- \$1,156,596 increase in Learning Assistance funding
- \$564,978 increase in funding for special & pilot programs
- \$487,393 increase in Transportation funding
- \$326,621 increase in funding for the transitional bilingual program
- The remaining difference is due to smaller variances in several other programs

Federal general purpose revenue includes federal general-purpose grants for ROTC – Army, Navy, Air Force and Marines as well as revenue from the distribution of federal forest fees.

Revenue in this category decreased \$21,684 (-5.3%) compared to last year.

Federal special purpose revenue consists of funding for the following programs: Special Education Federal Flow Through, Perkins Vocational Education, Title 1 – Disadvantaged, School Improvement, Head Start, Limited English Proficiency, Indian Education, federal reimbursement for student meals, funding granted in response to the COVID-19 pandemic, as well as several other instructional programs. Revenues in this category are on a reimbursement basis. Therefore, the fluctuation in this category is often due to the timing of reporting expenditures and the processing of reimbursements by the funding agency. Program managers are given expenditure authority only for the approved amount of the grant awards; so variances should not have a negative impact on the district's basic education budget.

Combined revenues in this category decreased \$1,297,872 (-1.7%) compared to last year. This variance is the result of the following:

- \$2,154,885 decrease in Title I revenues
- \$1,349,217 increase in revenue funded through Individuals with Disabilities Education Act (IDEA) American Rescue Plan (ARP)
- \$1,177,901 decrease in total revenue associated with relief for the COVID-19 pandemic (Elementary and Secondary School Emergency Relief Fund [ESSER], Coronavirus Aid, Relief, and Economic Security Act [CARES] and State And Local Fiscal Recovery Fund [SLFRF]). *For more detailed information about total COVID-19 relief expenditures, please refer to page 35*
- \$736,490 increase in funding for the Head Start program
- The remaining variance is due to smaller variances in several other programs

Revenue from other districts are reimbursements for services rendered to students from other school districts.

Revenues in this category increased \$1,492,900 (+68.9%) compared to last year. This variance was the result of an increase in non-resident Special Education FTE from last year.

Revenue from other agencies consists of funding from educational service districts, other governmental entities and private foundations.

Revenue in this category decreased \$480,345 (-15.6%) compared to last year. This variance was the result of the following:

- \$401,693 decrease in funding provided through private foundations
- The remaining variance is due to smaller variances in several other programs

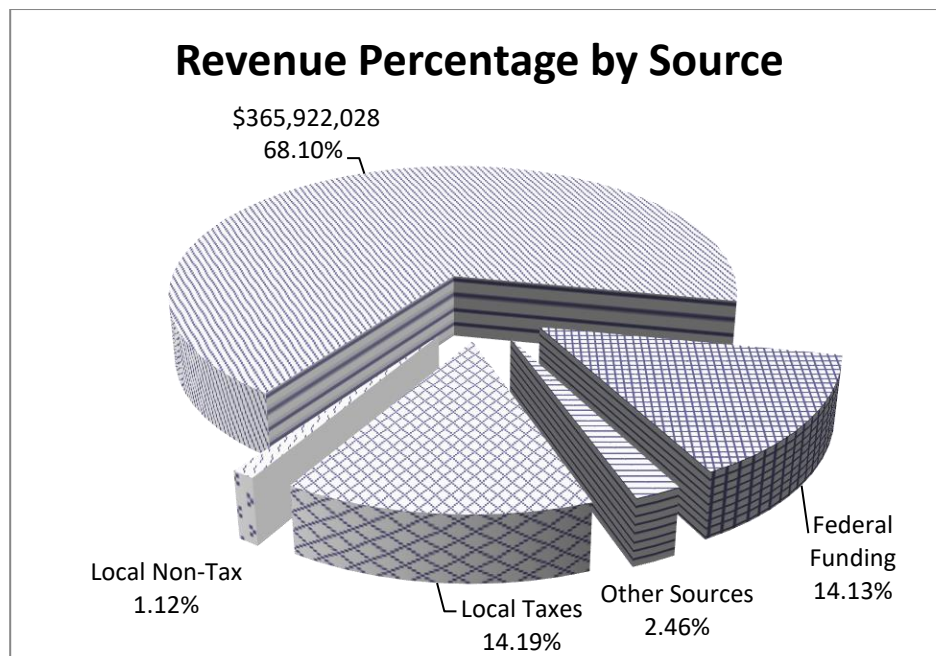
Revenue from other financing includes revenue from the sale of equipment and the transfer of revenues from other funds.

Revenue in this category increased \$3,014,375 (+76.8%) compared to last year. This variance was the result of the following:

- \$2,407,391 increase in tech transfers from the Capital Projects Fund
- \$674,581 increase in long-term financing
- The remaining variance is due to smaller variances in several other programs

Chart 1 represents the sources of revenue as a percentage of total revenue for the year.

Chart 1



Comparison of Budget vs. Actual

Table 3 compares budget and actual revenues and other financing sources for fiscal year 2022-23. Actual revenues were \$34,120,603 (-6.0%) below budget. This was due to a combination of variances in the nine major sources of revenue and is described in the following paragraphs.

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Table 3

<u>Revenue and Other Financing Sources</u>					
Revenue Source	Budget	Percent of Total	Actual	Percent of Total	Variance over/(under)
Local Taxes	\$ 76,499,727	13.39%	\$ 76,233,725	14.19%	\$ (266,002)
Local Non-Tax	10,785,178	1.89%	6,022,805	1.12%	(4,762,373)
State, General Purpose	277,223,526	48.51%	273,709,848	50.94%	(3,513,678)
State, Special Purpose	109,958,350	19.24%	92,212,180	17.16%	(17,746,170)
Federal, General Purpose	559,666	0.10%	384,935	0.07%	(174,731)
Federal, Special Purpose	89,564,712	15.67%	75,564,677	14.06%	(14,000,035)
Revenue - Other Districts	1,885,009	0.33%	3,658,507	0.68%	1,773,498
Revenue - Other Agencies	1,976,604	0.35%	2,605,198	0.48%	628,594
Revenue - Other Financing	3,000,000	0.52%	6,940,295	1.29%	3,940,295
Total Revenue	\$ 571,452,772	100.00%	\$ 537,332,170	100.00%	\$ (34,120,603)

Local Tax revenue was \$266,002 (-0.4%) below budget due to a lower collection rate than was originally anticipated at the time the 2022-23 budget was developed.

Local Non-Tax revenue was \$4,762,373 (-44.2%) below budget. This variance is the result of the following:

- \$3,614,280 decrease in unassigned local support non-tax
- \$946,283 decrease from student fees
- \$700,000 decrease in indirects from the Capital Projects Fund
- \$419,620 increase in investment earnings
- The remaining variance is due to smaller variances in several other programs

State General Purpose revenue was \$3,513,678 (-1.3%) below budget. This variance is the result of the following:

- \$4,394,917 decrease in Basic Education (K-12) apportionment funding due to enrollment coming in less than budget for certain programs such as the Alternative Learning Program (ALE) and high school Career & Technical Education (CTE)
- \$881,239 increase in Special Education apportionment due to higher than anticipated enrollment

State Special Purpose revenue was \$17,746,170 (-16.1%) below budget. This variance is the result of the following:

- \$14,066,377 decrease from budget in state funded nutrition service revenue due to the budgets at the federal and state levels being interchanged
- \$6,000,000 decrease from budget due to grant capacity that was used, but moved to their respective programs through accounting transactions
- \$2,935,882 increase in Special Education funding
- \$1,775,649 decrease from budget for Transportation revenues
- The remaining variance is due to smaller variances in several other programs

Federal General Purpose revenue was \$174,731 (-31.2%) below budget. This is due to a lower collection rate than what was originally budgeted.

Federal Special Purpose revenue was \$14,000,035 (-15.6%) below budget. This variance is the result of the following:

- \$26,864,287 decrease from budget for ESSER funding that was provided to reimburse the district for COVID-19 related expenditures
- \$12,481,591 increase from budget in federally funded nutrition service revenue due to the budgets at the federal and state levels being interchanged
- \$1,045,377 increase in USDA commodities
- \$922,764 decrease from budget for Title I funding
- The remaining variance is due to smaller variances in several other programs

Revenue from Other Districts was \$1,773,498 (+94.1%) above budget. This variance is the result of an increase in Special Education services for non-resident FTE due to higher than budgeted enrollment.

Revenue from Other Agencies was \$628,594 (+31.8%) above budget. This variance is the result of the following:

- \$451,487 increase in grants funded through private foundations and government entities
- \$199,445 increase in tuition collected for day care services
- The remaining variance is due to smaller variances in several other programs

Revenue from other financing was \$3,940,295 (+131.3%) above budget. This variance is the result of the following:

- \$2,407,391 increase from the year-end transfer of funds from the Capital Projects Fund
- \$1,359,298 increase in long-term financing
- The remaining variance is due to smaller variances in several other programs

EXPENDITURES

COMPARISON OF YEAR END VS. PREVIOUS YEAR ACTUAL

General fund expenditures for the year were \$564,423,606. This was \$47,165,376 (+9.1%) more than the prior year. Expenditures by object and any variances from the previous year are summarized in **Table 4**.

Table 4

<u>Expenditure and Other Financing Uses Comparison by Year</u>					
Expenditure Objects	Through Aug 2022	Percent of Total	Through Aug 2023	Percent of Total	Variance higher/(lower)
Certificated Salaries	\$ 241,621,079	46.71%	\$ 260,132,192	46.09%	\$ 18,511,113
Classified Salaries	80,987,020	15.66%	88,956,932	15.76%	7,969,912
Employee Benefits	115,602,159	22.35%	125,374,694	22.21%	9,772,535
Supplies and Materials	19,338,344	3.74%	27,280,306	4.83%	7,941,962
Contractual Services	50,426,891	9.75%	59,524,557	10.55%	9,097,666
Local Mileage & Travel	387,737	0.07%	620,978	0.11%	233,241
Capital Outlay	8,895,001	1.72%	2,533,948	0.45%	(6,361,053)
Total Expenditures	\$ 517,258,231	100.00%	\$ 564,423,606	100.00%	\$ 47,165,376

Certificated salaries consist of compensation including, but not limited to, regular salaries, substitutes, extended contracts, extra work for extra pay and training for employees holding an educational certificate (e.g., teachers, principals, librarians, etc.).

Expenditures in this category increased \$18,511,113 (+7.7%) compared to last year. This variance is the result of the following:

- \$16,347,534 increase in regular salaries due to negotiated salary increases, including +7.5% increase for teachers
- \$1,423,195 increase in substitutes salaries
- \$1,369,359 increase in optional day compensation
- The remaining variance is due to smaller variances in several other programs

Classified salaries consist of compensation costs for employees who do not hold an educational certificate (e.g., secretarial, technical, custodial, etc.) including but not limited to regular salaries, staff development, training and extra work for extra pay.

Expenditures in this category increased \$7,969,912 (+9.8%) from last year. This variance was the result of the following:

- \$6,954,953 increase in in regular salaries due to negotiated salary increases, including +8.5% for Education Support Professionals and Office Professionals and +7.5% increase for Professional Technicals and Bus Drivers
- \$2,868,639 decrease in classified extra-work & extra-time wages
- \$2,485,457 increase in classified overtime pay
- The remaining difference is due to smaller variances in several other programs

Employee Benefits consist of expenditures for the district's portion of employee benefits (e.g., retirement, social security, health insurance, etc.). This category increases or decreases in proportion to the number of staff, salaries and changes in benefit rates. Expenditures in this category increased \$9,772,535 (+8.5%) compared to last year.

Supplies and Materials consist of expenditures for supplies, instructional materials, and equipment costing less than \$5,000 per item.

Expenditures in this category were \$7,941,962 (+41.1%) more than the prior year. This variance is the result of the following:

- \$7,382,998 increase in technology related supplies, including the purchase of new student laptops
- \$1,034,296 increase in total district-wide food costs
- \$953,180 decrease in general district-wide supplies
- \$424,444 increase in books & periodicals, including the purchase of iReady math curriculum
- The remaining difference is due to smaller variances in several other programs

Contractual Services consist of expenditures for services rendered to the district under expressed or implied contracts, with the exception of travel.

Expenditures in this category increased \$9,097,666 (+18.0%) compared to last year. This variance was the result of the following:

- \$3,061,191 increase in various district-wide contracted services
- \$2,053,847 in contracted student transportation
- \$964,525 increase in communication services, including online subscription curriculum for math, social studies and literacy
- \$842,309 increase in district-wide utilities
- \$703,007 increase in insurance expenditures
- \$693,802 increase in repairs and maintenance
- The remaining variance is due to smaller variances in several other programs

Local Mileage and Travel consists of expenditures for local mileage and extended travel.

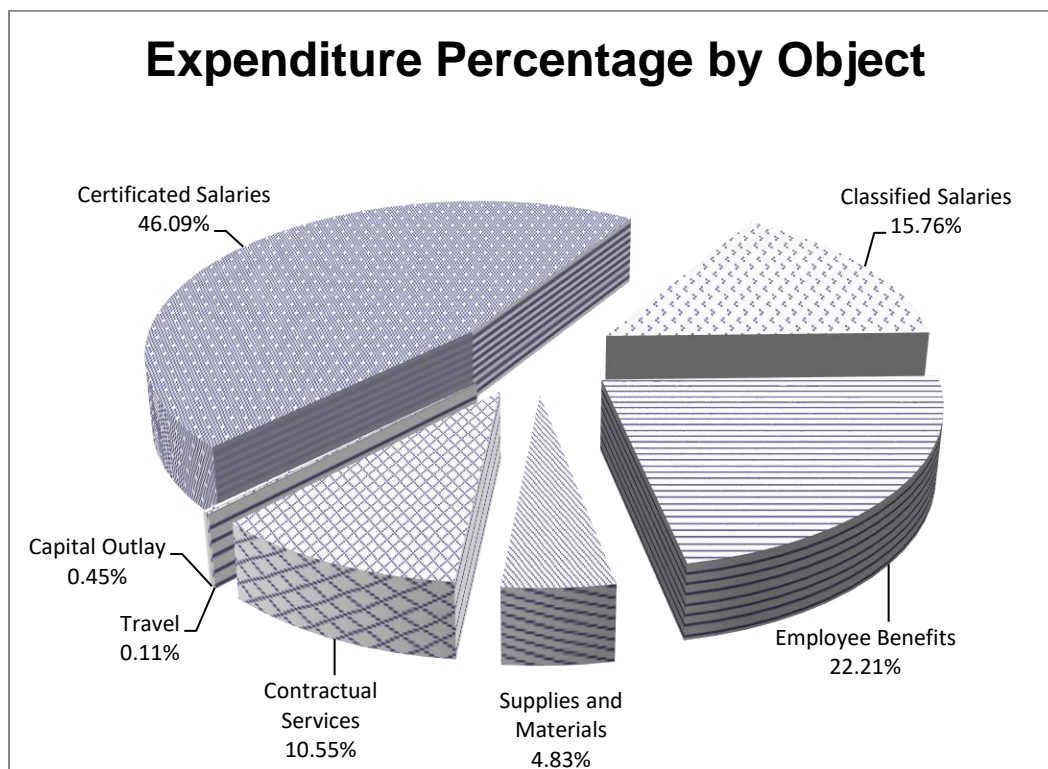
Expenditures in this category increased \$233,241 (+60.2%) compared to last year. This variance is due to an increase in district-wide staff and student travel.

Capital Outlay expenditures consist of payments for items costing more than \$5,000 each and are not consumable by nature.

Expenditures in this category decreased \$6,631,053 (-71.5%) compared to last year. This variance is the result of the following:

- \$6,645,686 decrease in building construction expenditures
- \$1,352,696 increase in software charges
- \$1,078,975 decrease in equipment purchases
- The remaining variance is due to smaller variances in several other programs

Chart 2 shows the categories of expenditures as a percentage of total expenditures.



COMPARISON OF BUDGET VS. ACTUAL

Total expenditures were \$34,120,377 (-5.7%) below budget. The actual expenditures in each object category are displayed in **Table 5**.

Table 5

Expenditure Objects	Budget	<u>Actual Expenditures</u>		Percent of Total	Variance (over)/under
		Percent of Total	Actual	Percent of Total	
Certificated Salaries	\$ 257,896,247	43.09%	\$ 260,132,192	46.09%	\$ (2,235,945)
Classified Salaries	91,565,148	15.30%	88,956,932	15.76%	2,608,216
Employee Benefits	123,491,209	20.63%	125,374,694	22.21%	(1,883,485)
Supplies and Materials	51,187,075	8.55%	27,280,306	4.83%	23,906,769
Contractual Services	71,501,112	11.95%	59,524,557	10.55%	11,976,555
Local Mileage & Travel	837,111	0.14%	620,978	0.11%	216,133
Capital Outlay	2,066,082	0.35%	2,533,948	0.45%	(467,866)
Total Expenditures	\$ 598,543,984	100.00%	\$ 564,423,606	100.00%	\$ 34,120,377

Certificated and classified salaries were \$2,235,945 (+0.9%) above and \$2,608,216 (-2.9%) below budget, respectively. Certificated salaries were over budget primarily due to regular salaries coming in higher than originally anticipated. Classified salaries were under budget largely due to regular salaries coming in lower than initially budgeted.

Employee benefits were \$1,883,485 (+1.5%) above budget. This variance is the result of the following:

- Benefits increase or decrease in proportion to salaries, the number of employees, and changes in benefit rates. This year's variance is the result of DRS funding true-ups.

Supplies and materials were \$23,906,769 (-46.7%) below budget. This variance is the result of the following

- \$31,653,969 savings in general district-wide supplies and materials
- \$4,668,770 overspend on technology resources
- \$3,083,133 over budget in food costs for the nutrition services program
- The remaining variance is due to smaller variances in several other programs

Contractual Services were \$11,976,555 (-16.8%) below budget. This variance is the result of the following:

- \$17,394,246 savings in general district-wide purchased services
- \$3,286,827 overspend in in pupil transportation
- \$1,811,560 above budget for district-wide utilities
- \$1,232,202 savings in district-wide insurance charges
- \$872,245 overspend in repairs and maintenance
- \$793,499 over budget on lease-purchase agreement principal payments
- \$774,233 under budget in communications services
- The remaining variance is due to smaller variances in several other programs

Local Mileage and Travel was \$216,133 (-25.8%) below budget. This variance is due to less district-wide staff and student travel than originally expected.

Capital Outlay expenditures were \$467,866 (+22.7%) above budget. This variance is the result of the following:

- \$1,359,298 over budget for district software
- \$775,301 below budget for district equipment
- The remaining variance is due to smaller variances in several other programs

FUND BALANCE

In accordance with Government Accounting Standards Board (GASB) Statement 54, *Fund Balance Reporting and Governmental Fund Type Definition* the following are the fund balance designations for the governmental funds financial statements:

- **Nonspendable** accounts represent those portions of the fund balance that cannot be spent either because they are not in a spendable form, (e.g., inventories and prepaid items) or are legally required to be maintained intact, (e.g., trust principal).
- **Restricted** accounts represent those amounts that are restricted to specific purposes. These restrictions may be either externally imposed by creditors, grantors, contributors, laws, or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

- **Committed** accounts represent those amounts that can only be used for specific purposes pursuant to constraints imposed by resolution of the board of directors. These committed fund balances cannot be used for any other purposes unless the board takes action to change or remove the original limitations. Reserves for debt and fiscal management, encumbrances, and contingencies are reported here.
- **Assigned** fund balance accounts comprise amounts the district intends to use for a specific purpose. Authority for making these assignments rests with senior administration of the district.
- **Unassigned** fund balance includes all resources not reported in the other four classifications. These resources are the only ones that are truly available for any purpose.

Fund balance is the excess of assets of a governmental unit over its liabilities (i.e., beginning fund balance plus revenues, less expenditures and transfers, equals ending fund balance). Five year trend information on beginning fund balance, revenues, expenditures and ending fund balance are displayed in section **IX Supplemental Graphs**.

Funds that are committed for a specific purpose are placed in fund balance accounts per the Board's Debt and Fiscal Management Policy 6015 and Generally Accepted Accounting Principles (GAAP). These fund balance accounts are structured to facilitate the prudent fiscal operation of the district. These accounts should remain at the designated levels unless there is substantial change in the district's operational requirements. The accounts are frequently reviewed in relation to board policies and GAAP requirements.

Table 6 shows a comparison of fund balance as of the end of August 31, 2022 and August 31, 2023.

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Table 6

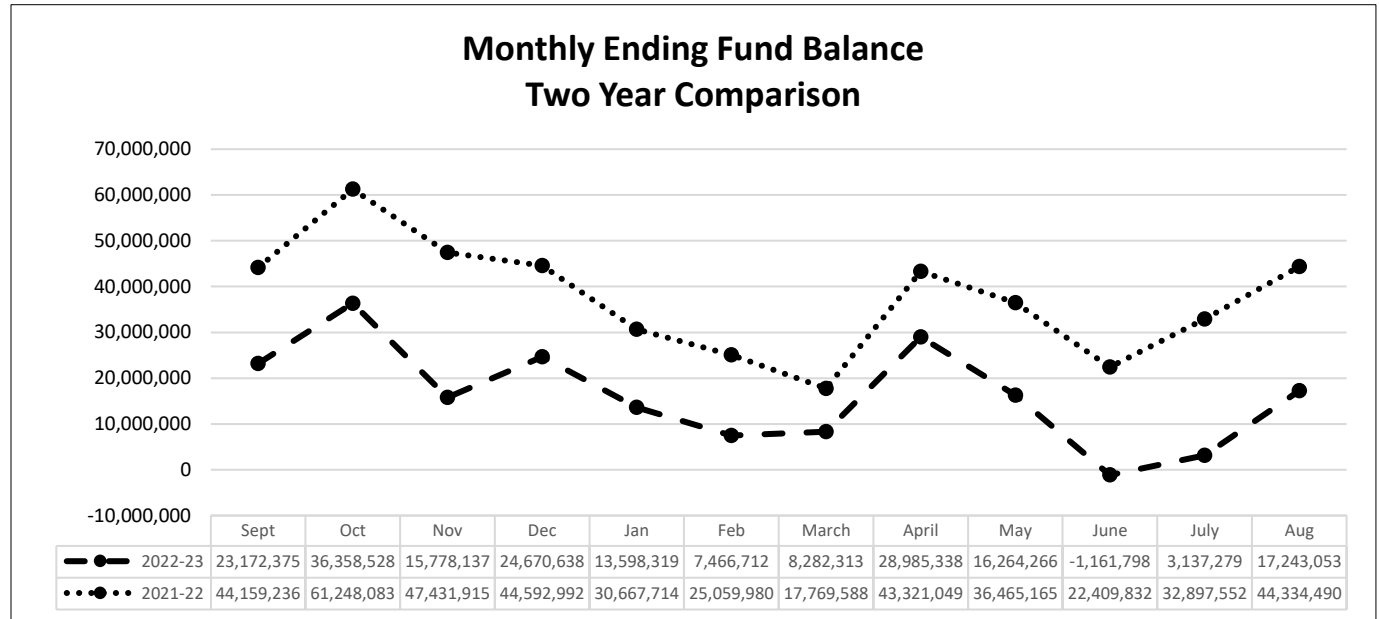
Fund Balance Comparison by Year					
Fund Balance Descriptions for the fiscal period ended	August 2022	Percent of Revenue	August 2023	Percent of Revenue	Variance higher/(lower)
Nonspendable - Inventory & Prepaid Items	\$ 5,861,370	1.17%	\$ 5,451,547	1.03%	\$ (409,822)
Committed to Debt and Fiscal Management	-	0.00%	-	0.00%	-
Committed to Encumbrances	3,769,770	0.75%	4,007,979	0.76%	238,208
Committed to Contingencies	1,000,000	0.20%	1,000,000	0.19%	-
Total Debt & Fiscal Management Fund Balance	\$ 10,631,140	2.12%	\$ 10,459,526	1.97%	\$ (171,614)
Restricted for Carryover	\$ 1,328,374	0.26%	\$ 800,578	0.15%	\$ (527,796)
Restricted for Debt Service	439,803	0.09%	439,803	0.08%	-
Assigned to Carryover	2,543,975	0.51%	2,282,537	0.43%	(261,438)
Assigned to Curriculum & Instruction	-	0.00%	-	0.00%	-
Assigned to Future Operations	7,225,737	1.44%	7,487,175	1.41%	261,438
Restricted or Assigned Fund Balance	\$ 11,537,889	2.30%	\$ 11,010,093	2.08%	\$ (527,797)
Total Nonspendable, Restricted, Committed and Assigned Fund Balance	\$ 22,169,029	4.42%	\$ 21,469,619	4.05%	\$ (699,411)
Unassigned Fund Balance	\$ 4,373,962	0.87%	\$ (20,303,122)	-3.83%	(24,677,084)
Unassigned for Minimum FB Policy	\$ 17,791,499	3.55%	\$ 16,076,556	3.03%	(1,714,943)
Total Unassigned Fund Balance	\$ 22,165,461	4.42%	\$ (4,226,566)	-0.80%	\$ (24,677,084)
Total Fund Balance	\$ 44,334,490	8.84%	\$ 17,243,053	3.25%	\$ (27,091,436)
Revenue less other financing	\$ 501,600,429	*	\$ 530,391,875	**	

*2021-22 total actual revenue less other financing sources as of August 31, 2022

**2022-23 total actual revenue less other financing sources as of August 31, 2023

Table 7 shows a two-year history of the monthly ending fund balance. The ending fund balance will appropriately fluctuate based upon when certain revenues are received and expenses accrued. The fund balance typically increases in October and April when the district receives property tax revenue.

Table 7



Cash Management

In addition to the fund balance, another key performance indicator used to monitor the financial health of the district is cash on hand. The district uses cash to meet payroll and pay bills as they arise. Because our revenue schedule provides a fluctuating amount each month, the cash on hand balance will vary. For the month of August, total cash on hand was \$34,188,476 and daily expenditures amounted to \$1,532,001 per day which when used in the formula [cash on hand / daily expenditures] equates to 22.32 days of cash on hand.

Table 8 displays a comparison of cash on hand records through the period ending August 31 for fiscal years 2021-22 and 2022-23.

Table 8

<u>Cash Balance Comparison by Year</u>				
	Aug 2022	Aug 2023	Variance higher/(lower)	
230 - Cash with Key Bank	\$ 1,260,585	\$ 948,704	\$ (311,881)	
240 - Cash with Treasurer	39,146,076	2,090,068	(37,056,008)	
241 - Warrants Outstanding	(212,230)	(1,548,572)	(1,336,343)	
45x - Investments	13,013,681	32,698,277	19,684,596	
Total Cash on Hand	\$ 53,208,112	\$ 34,188,476	\$ (19,019,636)	
Avg Daily Balance	\$ 1,716,391	\$ 1,102,854	\$ (613,537)	
Days Cash on Hand	31.57	22.32	(8.73)	

Debt and Fiscal Management Reserves: The Debt and Fiscal Management Policy 6015 was updated effective August 31, 2014 to specify fund balance reserves to be at least 5% of general fund revenues less other financing sources. The fund balance reserve at year end is 3.3%. Regulation 6015.1R states that the Superintendent, or Chief Financial Officer, will prepare a financial plan identifying how to return the fund balance reserve to the minimum 5% amount. That effort is currently underway as of the date of this annual report. The following are descriptions of the fund balance accounts that are designated by the board for Debt and Fiscal Management:

- The **Nonspendable - Inventory & Prepaid Items** account represents the portion of the fund balance that cannot be spent because it is not in a spendable form, (i.e., inventories and prepaid items). This account was set at \$5,451,547 to represent the inventory balance on August 31.
- The **Committed to Debt and Fiscal Management** account was established at \$0 and the funds were placed into *Unassigned for Minimum Fund Balance Policy* to comply with board policy of maintaining a minimum fund balance.
- The **Committed to Encumbrances** account of \$4,007,979 was established at an amount equal to the estimated outstanding purchase orders on August 31.
- The **Committed to Contingencies** account of not less than one million dollars is the targeted amount that is established to facilitate district operations and to provide for a contingency fund in case of a substantial change in revenue and/or expenditures.

Restricted or Assigned Fund Balance: The following fund balanced accounts are restricted or assigned due to the nature of the funding source and/or specific uses:

- The **Restricted for Carryover** account is established for restricting amounts determined to be unspent carryover funds with restricted use. This would include the following state funding streams: Learning Assistance Program, Career and Technical Education – Middle School, Highly Capable, State Institutions, Fire District, and other such unspent funds as may be subject to carryover.
- The **Restricted for Debt Service** account is established to accumulate and restrict fund balance for future payment of contractual obligations incurred and carried on the schedule of long-term debt.
- The **Assigned to Carryover** account is established to represent management's and/or the board of director's intended use of a portion of the fund balance for the carryover of unrestricted funds at the end of the fiscal year. The district adopted the policy of allowing certain programs and budget responsibility centers (BRC) the ability to carryover funds from one year to the next in order to provide better flexibility in the budget planning process for all managers and cost centers.
- The **Assigned to Curriculum and Instruction** account is established to represent management's and/or the board of director's intended use of a portion of the fund balance for the implementation of a cyclical curriculum adoption plan. This reserve will fluctuate yearly depending upon budget allocations and actual fiscal year expenditures for planned adoptions.
- The **Assigned to Future Operations** account is established to represent management's and/or the board of director's intended use of a portion of the fund balance. This account is used as a means for accumulating resources that have been designated as a one-time source of funding to help balance future years operating budgets.

Unassigned Fund Balance: The following fund balance account includes all resources not reported in the other four fund balance designations. These resources are the only ones that are available for any purpose:

- The **Unassigned Fund Balance** account is the net result of operations. This account fluctuates with both the receipt of revenues and the flow of expenditures. When local taxes are collected, this balance is high. The yearly cycle of revenues and expenditures are considered when developing both the projections for the current year and the budget for the upcoming year.

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- The **Unassigned for Minimum FB Policy** is targeted at five (5) percent of the annual General Fund revenues, excluding other financing sources and inventory, encumbrances and contingencies. This amount is budgeted to compensate for economic uncertainties.

Table 9 displays the actual year-end reserves and the fund balance. Changes in reserves from budget are based on operating and board policy requirements.

Table 9

Fund Balance Descriptions	Fund Balance				
	2022-23 Budget	Percent of Revenue	2022-23 Actual	Percent of Revenue	Variance higher/(lower)
Nonspendable - Inventory & Prepaid Items	\$ 3,453,645	0.61%	\$ 5,451,547	1.03%	\$ 1,997,902
Committed to Debt and Fiscal Management	-	0.00%	-	0.00%	-
Committed to Encumbrances	310,128	0.05%	4,007,979	0.76%	3,697,851
Committed to Contingencies	1,000,000	0.18%	1,000,000	0.19%	-
Total Debt & Fiscal Management Fund Balance	\$ 4,763,773	0.84%	\$ 10,459,526	1.97%	\$ 5,695,753.08
Restricted for Carryover	\$ -	0.00%	\$ 800,578	0.15%	\$ 800,578
Restricted for Debt Service	-	0.00%	439,803	0.08%	439,803
Assigned to Carryover	-	0.00%	2,282,537	0.43%	2,282,537
Assigned to Curriculum & Instruction	-	0.00%	-	0.00%	-
Assigned to Future Operations	-	0.00%	7,487,175	1.41%	7,487,175
Restricted or Assigned Fund Balance	\$ 0	0.00%	\$ 11,010,093	2.08%	\$ 11,010,093
Total Nonspendable, Restricted, Committed and Assigned Fund Balance	\$ 4,763,773	0.84%	\$ 21,469,619	4.05%	\$ 16,705,846
Unassigned Fund Balance	\$ -	0.00%	\$ (20,303,122)	-3.83%	\$ (20,303,122)
Unassigned for Minimum FB Policy	23,658,866	4.16%	16,076,556	3.03%	\$ (7,582,310)
Total Unassigned Fund Balance	\$ 23,658,866	4.16%	\$ (4,226,566)	-0.80%	\$ (27,885,432)
Total Fund Balance	\$ 28,422,639	5.00%	\$ 17,243,053	3.25%	\$ (11,179,586)
Revenue less other financing	\$ 568,452,772	**	\$ 530,391,875	***	

*2022-23 budgeted revenue less other financing sources

**2022-23 total actual revenue less other financing sources as of August 31, 2023

MAJOR PROGRAMS

The district operates several large programs that have a material impact on the financial condition of the district. The following section contains the operating results for some of those programs.

Curriculum & Instruction

Finances for the Curriculum & Instruction (C&I) Department is modified as necessary to primarily support Goal #1, Academic Excellence, and Goal #3, Early Learning of our [TPS Strategic Plan to Measure the Whole Child](#).

The vision of the C&I Department:

In order to ensure each student is provided with a high quality, Whole Child education K-12, standards-aligned K-12 curricular resources and professional growth are essential.

The mission of the C&I Department:

As leaders, learners, and partners, the Curriculum and Instruction Team will support and empower Tacoma Public Schools' educators. We commit to ongoing collaboration through relevant, engaging and purposeful professional growth experiences with high quality resources to ensure success for all students.

The work of the C&I Department falls into two categories: (1) K-12 Standards Alignment and (2) Professional Growth. The [C&I "Our Focus" internal webpage](#) outlines this breakdown.

Finances are split between "On-going/One-time" expenditures and "Levy" expenditures.

- *Ongoing/Onetime:* Content-specific framework and professional growth, classroom materials to ensure equitable access for students, content-specific and/or grade-level specific leadership teams, vetting of existing resources for alignment to standards, release time for development of resources to support different grade levels and content, adoption and pilot teams, content-specific consumables that are purchased annually including Springboard (ELA), Engage NY (math) student workbooks, elementary math manipulatives and consumables (Math Expressions), Math Vision Project consumables for HS, and newly adopted resources.
- Levy expenditures are for enrichment and supplemental resources, PD, and work that are an extension to the day to day teaching requirements and adopted materials.

- Budget Responsibility Centers (BRC) have been created for each curriculum content area in both the One-Time/Ongoing and Levy categories in order to budget and track adoption and implementation expenditures more effectively.

School Year at a Glance...

This school year the Curriculum and Instruction department was hard at work continuing phase three of the standards alignment project, which included prioritization of standards, updating curricular resources, and implementing content-specific frameworks. Here are some of the efforts that the C&I department engaged with this year:

- Provided support, professional growth opportunities, and resources in alignment with our Learning Plan during Emergency Operations.
- Partnership across our system to lead Virtual Teaching & Learning leveraging Schoology, Microsoft Applications, and other approved applications for high quality student and adult learning. A focus area was lifting our train-the-trainer model.
- Direct support for content instruction, assessment, and grading aligned with Priority Standards and using district-approved instructional materials.

The C&I Department uses Budget Responsibility Centers (BRCs) to monitor and prioritize expenditures. The C&I Department administrators recognize the risk of not prioritizing funds to provide classroom teachers with resources that align to the Washington State Learning Standards. To mitigate this risk, the C&I Department developed a multi-year plan to adopt curricular resources (in alignment with [Regulation 2020](#)) after teams of teachers prioritize standards and vet existing resources.

The funding for C&I is modified as necessary to support the academic goals of the District's Strategic Plan and achievement data. The department receives funds annually to support the review and replacement of curriculum materials. This reserve will fluctuate yearly depending upon budget allocations, and may carry over to support expenditures for planned reviews, standards alignment, and/or adoptions.

The Curriculum & Instruction Program ended the year with an overspend of \$1,805,792. This is due to an increase in spending on planned curriculum and musical instruments after the budget was originally adopted.

Table 10 displays the 2022-23 budgeted and actual expenditures for the Curriculum and Instruction department.

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Table 10

<u>Curriculum & Instruction</u>				
<u>Resources</u>		<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
				<u>Incr/(Decrease)</u>
State Funding		\$ 4,033,496	\$ 3,283,422	\$ (750,074)
Basic Ed Enrichment		-	-	-
		\$ 4,033,496	\$ 3,283,422	\$ (750,074)
Carryover Reserve		-	-	-
One Time Additional Funding		-	-	-
Total Resources Available		\$ 4,033,496	\$ 3,283,422	\$ (750,074)
<u>Expenditures</u>		<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<u>BRC</u>	<u>Description/Content Area</u>			<u>Under/(Over)</u>
703	Fine Arts	\$ 15,100	\$ 29,820	\$ (14,720)
711	C&I K-12 Math	1,481,778	407,895	1,073,883
712	C&I K-12 Social Studies	412,765	803,134	(390,369)
713	C&I K-12 Arts Education	128,635	1,826,056	(1,697,421)
714	C&I 6-12 World Languages	48,375	29,546	18,829
715	C&I Integrated Content	163,540	271,553	(108,013)
716	C&I Textbook Depository	-	-	-
717	C&I Teacher Support	160,480	111,661	48,819
718	C&I Literacy	951,600	1,199,346	(247,746)
720	C&I Science/Health/Envrmt	596,337	363,052	233,285
743	C&I Fitness & Health	74,886	47,151	27,735
	Total Expenditures	4,033,496	5,089,214	\$ (1,040,997)
	Ending Balance	\$ -	\$ (1,805,792)	\$ (1,791,071)

Child Nutrition Services

The Tacoma School District Child Nutrition Service Department and the United States Department of Agriculture Child Nutrition Programs provide nutrition that promotes learning.

- The National School Lunch Program provides healthy lunches and the opportunity to practice skills learned in classroom nutrition education.
- The School Breakfast Program ensures that all children have access to a healthy breakfast at school to promote learning readiness and healthy eating behaviors.
- Nutritious snacks are now available through the National School Lunch Program to students enrolled in after-school programs.
- The Summer Food Service Program provides meals to low-income students during school vacation.

Revenues were \$411,100 under budget. Supplies and equipment for the program were collectively \$1,848,777 over budget due to inflationary impacts and an increase in meals served.. Salaries and benefits were \$737,681 over budget. Therefore, the program ended the year with an operating shortfall of \$2,732,741.

The financial summary for the program is shown in **Table 11**.

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Table 11

Child Nutrition Services Program Summary (Programs 98.XXX & 89150)			
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> Favorable/ (Unfavorable)
Revenue			
Food Sales	\$ 46,064	\$ 137,968	\$ 91,904
State Funding	15,591,762	1,525,385	(14,066,377)
Federal Funding	1,992,271	15,519,239	13,526,968
Other Governmental Entities	-	-	-
Sale of Equipment	-	-	-
Total Revenue	\$ 17,630,097	\$ 17,182,591	\$ (447,506)
Indirect Charges	(1,153,371)	(1,116,965)	36,406
Local Support	-	-	-
Prior Year Carryover	-	-	-
Total Resources	\$ 16,476,727	\$ 16,065,626	\$ (411,100)
Expenditures			
Salaries	\$ 6,578,227	\$ 7,223,924	\$ (645,697)
Benefits	3,934,760	4,026,744	(91,984)
Supplies	5,121,831	6,829,324	(1,707,493)
Contractual	1,014,579	591,045	423,534
Travel	10,260	22,521	(12,261)
Equipment	25,000	166,284	(141,284)
Internal Transfers (in)/out	(207,930)	(61,475)	(146,455)
Total Expenditures	\$ 16,476,727	\$ 18,798,368	\$ (2,321,641)
Transfer Out	-	-	-
Total Use of Resources	\$ 16,476,727	\$ 18,798,368	\$ (2,321,641)
Ending Balance	\$ -	\$ (2,732,742)	\$ (2,732,741)

Special Education

Special Education services are funded by state apportionment, state special purpose revenue, Medicaid reimbursements, Federal Flow Through, local support and revenue from other districts. State apportionment is revenue received through a state funding formula as discussed earlier in this report. The state special purpose revenue consists of an allocation for special education students ages birth to 3 years old, 3 to 5 years old (and not yet enrolled in kindergarten) and an allocation for special education students enrolled in kindergarten through age 21. The state special purpose revenue for special education students enrolled in kindergarten through age 21 is capped at 13.5% of the annual average resident basic education enrollment FTE for kindergarten through grade 12. Special Education may be reimbursed for Related Services (e.g., physical therapy, nursing services, etc.) for students that are eligible for Medicaid. These reimbursements are dependent on the availability of funding and not on service rendered. Revenue from other districts consists of reimbursements received for special education services rendered to students where facilities and/or staff are not available in their resident district to provide the required services. Our district bills at the end of the first semester and the end of the school year for these services. Federal Flow Through funding is an entitlement with a base, relative population and poverty allocations. Safety Net funding is not an entitlement, but an annual grant and is available to districts with demonstrated need for Special Education funding in excess of state and federal funding otherwise provided, as long as the program meets the criteria. Local support is revenue from local maintenance and operation levies.

The state uses an average headcount from October to June to determine the state special revenue funding of resident population for Special Education. The 2022-23 average was 4,359 students; an increase of 130 students from last year's average of 4,229. Based on the state formula, the district was funded for 3,993 students.

Revenue for the Special Education program was \$391,843 below budget. State funding was \$4,044,057 above budget due to higher enrollment than anticipated as well as the one-time community impact Safety Net award. Program expenditures were \$1,130,612 over budget due to salaries and benefits coming in \$908,129 above budget. As a result, the program ended the year with an operating deficit of \$1,522,455.

The financial summary for the program is shown in **Table 12**.

Table 12

Special Education Consolidated Program Summary (Programs 01210, 21XXX, 24XXX)			
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> Favorable/ (Unfavorable)
Revenue			
State Funding	\$ 53,585,034	\$ 57,629,091	\$ 4,044,057
Federal Funding	8,621,784	7,709,154	(912,630)
Other Districts	1,885,009	3,479,006	1,593,997
Other Agencies	-	-	-
Total Revenue	\$ 64,091,827	\$ 68,817,251	\$ 4,725,424
Indirect Charges	(3,378,674)	(3,662,575)	(283,901)
Local Support	8,973,536	4,140,170	(4,833,366)
Prior Year Carryover	-	-	-
Total Resources	\$ 69,686,689	\$ 69,294,846	\$ (391,843)
Expenditures			
Certificated Salaries	\$ 35,300,631	\$ 35,656,538	\$ (355,907)
Classified Salaries	10,992,702	11,100,110	(107,408)
Benefits	17,653,144	18,097,958	(444,814)
Supplies	145,448	196,136	(50,688)
Contractual	5,594,764	5,652,151	(57,387)
Travel	-	46,769	(46,769)
Equipment	-	-	-
Internal Transfers (in)/out	-	67,639	(67,639)
Total Expenditures	\$ 69,686,689	\$ 70,817,301	\$ (1,130,612)
Transfer Out	-	-	-
Total Use of Resources	\$ 69,686,689	\$ 70,817,301	\$ (1,130,612)
Net Surplus/(Deficit)	\$ -	\$ (1,522,455)	\$ (1,522,455)

Transportation

The district has its own fleet and bus drivers that transport special education students to and from school while contracting with First Student Services for basic education students. The transportation department's expenditures include costs associated with transporting all district students.

This is the fifth year of a five-year contract with First Student Services. First Student operates one-hundred and two home-to-school routes; and the district operates fifty-three special needs routes. In addition, the department is transporting students to field and sports events, and has daily service for after school activities.

State funding is based on distance driven, hazardous areas, student ridership, and special programs students may attend. The district reports three times a year this information which includes morning and afternoon counts to the Office of the Superintendent of Public Instruction (OSPI). Transportation to and from school on yellow buses is fully funded by the state. Alternative transportation, using non yellow buses, is not fully funded by the state but is required to provide.

The transportation program ended the year with an operating deficit of \$3,809,610. The program revenue was \$1,557,405 below budget and program expenditures were \$2,252,205 over budget due to an increase in contracted and purchased services that were realized after the budget was adopted.

The financial summary for the program is shown in **Table 13**.

Table 13

Transportation Program Summary			
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> Favorable/ (Unfavorable)
Revenue			
Local Support	\$ 571,975	\$ 535,347	\$ (36,628)
Local Non-Tax	100,000	93,881	(6,119)
State Special Purpose	16,551,418	14,775,769	(1,775,649)
Total Revenue	\$ 17,223,393	\$ 15,404,997	\$ (1,818,396)
Indirect Charges	(759,587)	(678,098)	81,489
Other Districts	-	179,502	179,502
Total Resources	\$ 16,463,806	\$ 14,906,401	\$ (1,557,405)
Expenditures			
Salaries	\$ 4,846,579	\$ 4,758,434	\$ 88,145
Benefits	2,532,721	2,109,718	423,003
Supplies	1,100,130	1,342,902	(242,772)
Contractual	9,003,941	12,403,182	(3,399,241)
Travel	853	14,717	(13,864)
Equipment	-	-	-
Internal Transfers (in)/out	(1,020,418)	(1,912,943)	892,525
Total Expenditures	\$ 16,463,806	\$ 18,716,011	\$ (2,252,205)
Total Use of Resources	\$ 16,463,806	\$ 18,716,011	\$ (2,252,205)
Net Surplus/(Deficit)	\$ -	\$ (3,809,610)	\$ (3,809,610)

Career-Technical Education

“World Class CTE” means being the absolute best in the world at what we do as defined by ALL students graduating from Tacoma Public Schools being ready for life after high school. The CTE program will align curriculum, instructional materials, and professional development to ensure teachers and students have the tools and support for each student to earn one or more industry recognized credentials prior to graduation, earn CTE dual credit (college credit) while enrolled in high school CTE courses, and participate in extended learning leadership activities. *Student attainment of industry recognized credentials* is a measurable indicator for the strategic plan goal of Academic Excellence, and ensures each student is ready to enter post-secondary education and/or the workplace. Engagement in rigorous and relevant instruction through project-based learning and industry-standard equipment to meet college level learning standards is founded in the belief that all students can learn at high levels when provided high quality learning activities.

Four grounding premises for World Class CTE in Tacoma Public Schools:

1. Learning is Life – relevant activities breathe life into learning and reinvent the school experience as in-the-moment inquiry and exploration through the student lens.
2. 21st Century Careers are Changing – communication and leadership skills are universal to all careers, present and future.
3. Partnerships Matter – networking is essential for preparing students for the real-world and provides a vehicle for students to expand their personal network for career guidance.
4. Prepared for the Future – each student deserves a “fair shot” at exploring their strengths and interests, and receiving the encouragement and support needed to successfully prepare for the universe of opportunities that await them in post-secondary education and/or the workplace.

Theory of Action: If we focus our effort and resources to expand opportunities and remove barriers for students to attain industry recognized credentials, CTE dual credit, and participate in leadership activities, then programs will align to current in-demand needs of the workplace and students will have a competitive advantage for entry-level employment and/or post-secondary education.

Program revenues were \$2,603,675 under budget due to a decrease in enrollment and expenditures were \$1,380,165 below budget. The CTE program ended the year with a deficit of \$1,223,510.

The financial summary for the program is shown in **Table 14**.

Table 14

Career-Technical Education Program Summary (Program 31.XXX, 34.XXX & 38.XXX)			
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> Favorable/ (Unfavorable)
Revenue			
Sales	\$ 40,000	\$ 48,950	\$ 8,950
State - Apportionment	20,488,371	17,826,802	(2,661,569)
Federal Special Purpose	254,097	174,059	(80,038)
Revenue from Other Districts	-	-	-
Revenue from Other Agencies	-	-	-
Sale of Equipment	-	-	-
Total Revenue	\$ 20,782,468	\$ 18,049,811	\$ (2,732,657)
Indirect Charges	(980,937)	(851,955)	128,982
Prior Year Carryover	-	-	-
Total Resources	\$ 19,801,531	\$ 17,197,856	\$ (2,603,675)
Expenditures			
Certificated Salaries	\$ 11,388,608	\$ 11,503,008	\$ (114,400)
Classified Salaries	1,120,461	880,531	239,930
Benefits	4,348,535	4,414,032	(65,497)
Supplies	1,204,663	393,314	811,349
Contractual	1,584,770	1,128,795	455,975
Travel	6,000	14,675	(8,675)
Equipment	100,000	29,703	70,297
Internal Transfers (in)/out	48,494	57,308	(8,814)
Total Use of Resources	\$ 19,801,531	\$ 18,421,366	\$ 1,380,165
Net Surplus/(Deficit)	\$ -	\$ (1,223,510)	\$ (1,223,510)

Facilities

The Facilities Department supports and maintains the Tacoma School District's 5.4 million square feet in 71 district buildings on approximately 729 acres of land over 69 mile area. The primary function of the department is to ensure that the facilities and sites are safe, secure, healthy, and efficiently operated.

The focus of the Maintenance department is to maintain and repair district facilities providing a quality learning environment in support of district's instructional, extracurricular and athletic programs. This support is provided through a variety of building trades that include electrical, plumbing, carpentry, painting and mechanical infrastructure of district facilities. The maintenance department works in conjunction with custodial operations by responding to reports of facility repair needs of daily request and emergency response and repair.

The focus of the Custodial department is to provide the best customer service possible by maintaining healthy, safe and clean environments for teaching and learning in support of the district's instructional, extracurricular and athletic programs. This support includes the efficient and effective operation of all facilities by utilizing best practices and processes. The Custodial staff works in conjunction with the Maintenance department by reporting and monitoring of facility repair needs. It also plays a vital role in the daily operation of district facilities not only through their daily work activities, but also through interactions with students, staff, parents, partnerships and community focused on the student's social, physical, and academic needs.

The Facilities department supports all four of the district's strategic goals. The learning environment provided by the district can greatly impact and influence the district's goal of academic excellence from early learning through graduation. Clean, safe and healthy learning environments provide a positive asset to our community and support partnerships every day of the week. Safety is at the heart of our operations. The work we do each day enables our staff to engage with the community providing excellent facilities and grounds for student and staff success.

Expenditures were \$1,386,093 under budget due to a savings in salaries & benefits which collectively were \$2,706,268 under budget.

The financial summary for the program is shown in **Table 15**.

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Table 15

Facilities Program Summary (YE 2022-23)			
	<u>Adopted Budget</u>	<u>Actual</u>	<u>Variance</u> Favorable/ (Unfavorable)
Expenditures			
Classified Salaries	\$ 19,270,722	\$ 17,469,208	\$ 1,801,514
Benefits	8,245,543	7,340,789	904,754
Supplies	1,506,075	1,941,306	(435,231)
Contractual	850,117	1,731,491	(881,374)
Travel	3,000	2,824	176
Equipment	75,000	79,347	(4,347)
Internal Transfers (in)/out	(31,883)	(32,484)	601
Total Expenditures	\$ 29,918,574	\$ 28,532,481	\$ 1,386,093

Please note: All explanations on the operating results of the programs contained in the “Major Programs and Initiatives” section above were jointly prepared and reviewed by program and finance department staff.

GENERAL FUND CONCLUSION

Table 16 displays the budget and ending fund balance, revenues, and expenditures. The ending fund balance was \$18,333,694 or \$17,529,908 below budget.

Table 16

General Fund	2022-23 Budget	2022-23 Actual	Variance Surplus/(Deficit)
Beginning Fund Balance	\$ 55,513,851	\$ 44,334,490	\$ (18,620,324)
Revenue	568,452,772	530,346,903	(38,105,869)
Other Financing Sources	3,000,000	5,580,998	2,580,998
Total Resources Available	626,966,623	572,821,428	(54,145,195)
Expenditures	598,543,984	561,928,696	36,615,288
Other Financing Uses	-	-	-
Total Use of Resources	598,543,984	561,928,696	36,615,288
Ending Fund Balance	\$ 28,422,639	\$ 18,333,694	\$ (17,529,908)

The district administration continually reviews operational requirements and revises operations for the benefit of the students in stewardship over district assets. Any material changes that affect the financial condition of the district are included in the financial reports. Enrollment counts and basic education financial operations are updated and reported monthly.

COVID-19

Washington State's Elementary and Secondary School Emergency Relief (ESSER) Fund is a federal program that provides funding to support K-12 education in response to the COVID-19 pandemic. The funding comes from the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA), and the American Rescue Plan Act (ARPA). The district is closely monitoring the financial impacts that the COVID-19 pandemic continues to have on revenues and expenditures. Washington State's ESSER funding is allocated to school districts based on a formula that takes into account the number of low-income students, English language learners, and students with disabilities in each district. The funds must be used in accordance with federal guidelines and must be used to address the impacts of the COVID-19 pandemic on K-12 education. The district is currently in the third phase of ESSER funding (ESSER III) which was authorized under the ARPA, and provides an additional \$2.6 billion to Washington State's K-12 schools. The funds are being used to support schools in their efforts to safely reopen for in-person learning, address learning loss, provide additional academic and social-emotional support for students, and invest in school infrastructure to support improved learning environments.

Table 10 shows the district's current expenses under the budget responsibility codes (BRCs) used to track COVID-19 related expenditures.

Table 10

Expenditures by Object	Amount of Expenditures
Debit/Credit - 0XXX/1XXX	1,156
Salaries - Certificated Employees - 2XXX	5,341,387
Salaries - Classified Employees - 3XXX	3,464,558
Benefits and Payroll Taxes - 4XXX	3,145,277
Supplies, Instructional Resources - 5XXX	9,075,729
Purchased Services - 7XXX	4,789,580
Travel - 8XXX	2,944
Capital Outlay - 9XXX	230,467
Totals by Object	\$26,051,099

Expenditures are from September 1 - August 31

ENROLLMENT

State funding for school districts is based on the number of full time equivalent (FTE) students enrolled in the district (see also **REVENUE in Section I** of this report). FTE is calculated based on the number of hours of classroom instruction received. Student enrollment is typically highest in October, but for funding purposes, monthly enrollment is averaged for the year. **Table 17** displays the variances between actual and budgeted average FTE by individual grade level for 2021-22 and 2022-23, and the variances between actual and budgeted average FTE for 2022-23.

Table 17

K-12 Annual Average FTE Enrollment Two Year Comparison					
	(A) 2021-22 Actual	(B) 2022-23 Budget	(C) 2022-23 Actual	(D) Variance (C)-(A)	(E) Variance (C)-(B)
Kindergarten	1,996	2,017	2,083	87	66
Grade 1	1,914	1,987	2,068	154	81
Grade 2	1,947	1,905	1,944	(3)	39
Grade 3	1,992	1,890	1,980	(13)	90
Grade 4	1,893	1,963	2,025	133	62
Grade 5	1,912	1,879	1,909	(3)	29
Elementary	11,653	11,641	12,008	355	367
Grade 6	1,931	1,856	1,843	(88)	(12)
Grade 7	1,925	1,917	1,947	22	30
Grade 8	2,047	1,939	1,932	(114)	(7)
Middle School	5,903	5,712	5,722	(181)	10
Grade 9	2,158	2,155	2,181	23	26
Grade 10	1,977	2,166	2,076	99	(90)
Grade 11	1,652	1,786	1,653	1	(133)
Grade 12	1,531	1,550	1,476	(56)	(75)
High School	7,319	7,658	7,385	67	(272)
Running Start	402	442	355	(47)	(87)
TCC Fresh Start **	101	114	90	(11)	(23)
Reengagement Center **	150	147	186	36	39
Goodwill **	8	11	15	6	4
Alternative Learning Experience	1,567	1,446	1,016	(552)	(430)
Grand Total *	27,103	27,170	26,777	(325)	(392)
Actual data through August 2023					

** Open Doors - 1418 Programs

In comparison with 2021-22, actual enrollment for 2022-23 (**Table 17 column (D)**):

- Elementary schools (grades K-5) increased by 355 FTE;
- Middle schools (grades 6-8) decreased by 181 FTE;
- High schools (grades 9-12) increased by 67 FTE;
- Running Start (college level courses) decreased by 47 FTE;

Open Doors – 1418 Programs

- TCC Fresh Start decreased by 11 FTE;
- Reengagement Center increased by 36 FTE;
- Goodwill increased by 6 FTE;
- ALE (Alternative Learning Experience) decreased by 552 FTE

Every student enrolled is converted to a full-time equivalent (FTE) based on the number of instructional hours. A full-time equivalent student for grades 4-12 is 900 hours (i.e., 5 hours per day x 180 days) and grades K-3 is 720 hours (i.e., 4 hours per day x 180 days).

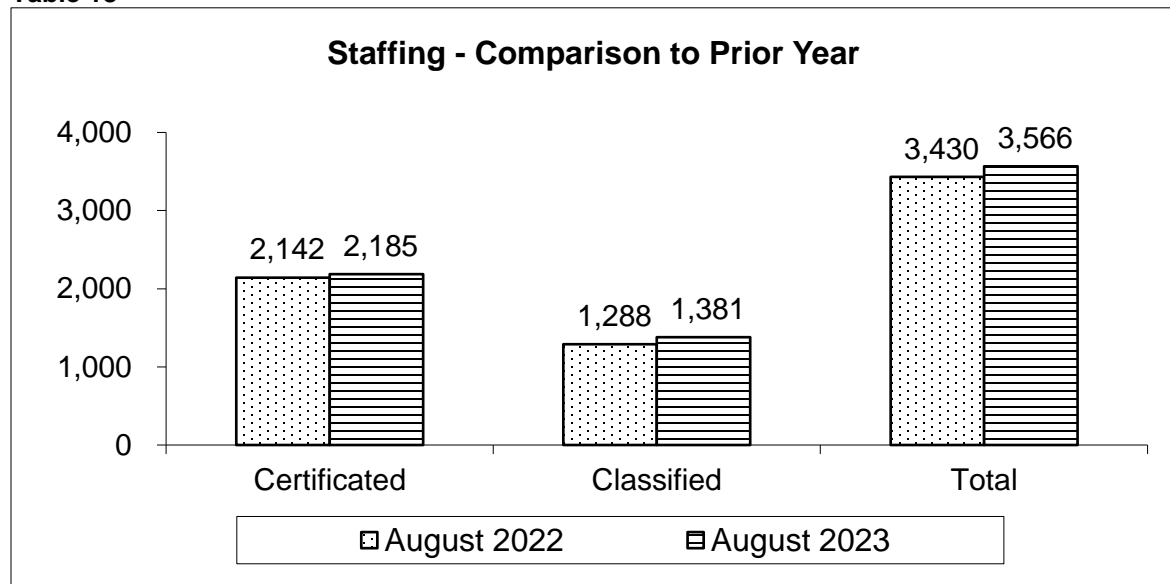
Students who participate for only part of the year or part of each day are calculated as a portion of an FTE. Any district may choose to serve students more hours per day or per year than the state definition of full-time equivalent. However, those students who attend classes more hours per day will not generate more than one FTE for funding purposes.

Open Doors – 1418 Programs, named for the bill establishing a statutory framework for a statewide dropout reengagement system. This program provides education and services to older youth, ages 16-21, which have dropped out of school or are not expected to graduate from high school by the age of 21.

STAFFING

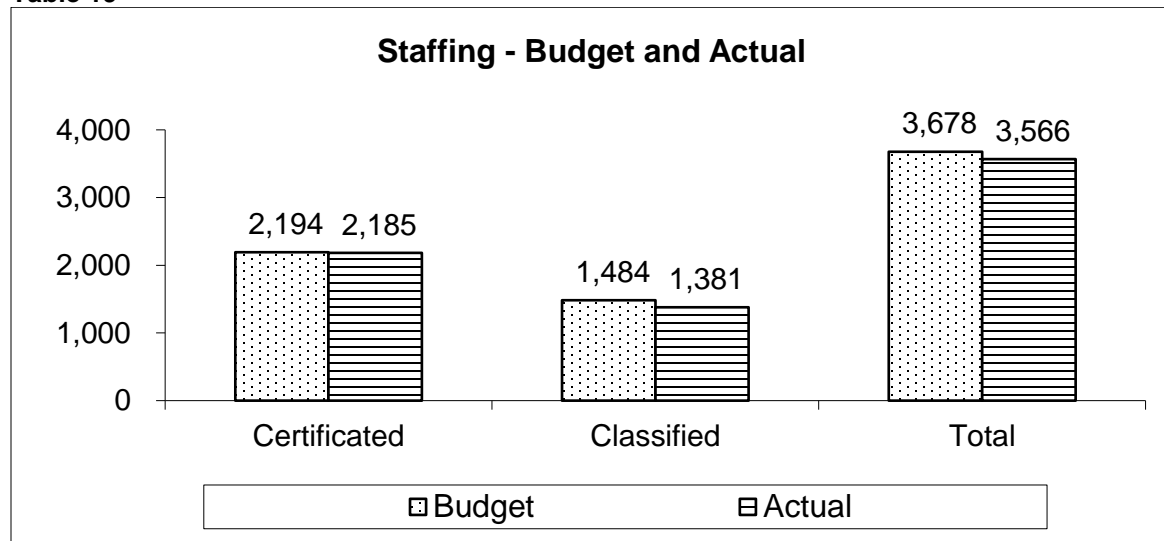
District staffing is divided into two categories: certificated staff – teachers, counselors, librarians, nurses, specialists and principals, and classified staff – classroom aids, secretaries, bus drivers, cooks, custodians, playground staff, maintenance crews, grounds crews, and business support staff. **Table 18** compares the number of filled positions in August 2022 to the number of filled positions in August 2023. The number of certificated staff increased by 43 FTE and classified staff increased by 93 FTE.

Table 18



As shown in **Table 19**, the number of assigned certificated FTE was 2,185 and classified staff FTE was 1,381. Certificated and classified staffing were below budget by 9 and 104 FTE, respectively.

Table 19



Certificated staffing levels vary with student population. The total change in staffing reflects both the change in student population and any shifts between levels (elementary and secondary). Classified staffing levels vary with major changes in student population, as well as with major projects or with changes in operations of the support functions. **Table 20** compares the number of budgeted FTE to the number of actual FTE by program.

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Table 20

Budget vs. Actual Staffing In FTE (Full Time Equivalents)			
Program Description (Number)	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> Incr/(Decrease)
<u>Certificated Staff</u>			
Certificated Management	34.10	33.00	1.10
Principals	100.00	103.88	(3.88)
Superintendent	1.00	1.00	0
Teachers	2,058.88	2,047.13	11.75
Total Certificated	2,193.98	2,185.01	8.97
<u>Classified Staff</u>			
Bus Drivers	59.00	53.62	5.38
Custodians	206.50	196.50	10.00
Exempt	89.40	90.15	(0.75)
Food Services	141.75	128.55	13.21
Maintenance	57.00	60.11	(3.11)
Office Professionals	180.10	178.45	1.65
Paraeducators	549.03	478.49	70.54
Professional Technicals	165.60	159.85	5.75
Security	36.00	34.86	1.14
Total Classified	1,484.39	1,380.58	103.80
<u>Total All Staff</u>	3,678.36	3,565.59	112.77
* Actual data through August 2023			

“Basic education” includes instructional support – principals, librarians, counselors.

“Compensatory” programs are programs paid for from special funding or other agencies. “Other instructional” includes several programs – Head Start, ECEAP, ROTC, summer school, Title VI, and several smaller grants. “Support Services” includes custodial, maintenance, business support, food services, transportation, and central administrative support.

Similar to enrollment, staffing is calculated in full time equivalents (FTE). Staff (FTE) is based upon full day schedules as stipulated in each bargaining agreement. Staff who work a portion of each day, or a portion of the year, are calculated to that portion of an FTE.

Certificated staffing levels vary with student population. The total change in staffing will reflect both the change in student population and any shifts between levels (elementary and secondary). Classified staffing will vary with major changes in student population, as well as with major projects or with changes in operations of the support functions.

10-GENERAL FUND

September 1, 2022 - August 31, 2023

For the TACOMA SCHOOL DISTRICT NO. 10 School District for the Month of August 2023

	Annual Adopted Budget	Month Actual	Year-to-Date Actual	Encumbrances	Balance	Percent
<u>A. REVENUES/OTHER FIN. SOURCES</u>						
1000 LOCAL TAXES	76,499,727	1,299,388	76,233,725		266,002	99.65
2000 LOCAL SUPPORT NONTAX	10,785,178	1,321,409	6,022,805		4,762,373	55.84
3000 STATE, GENERAL PURPOSE	277,223,526	27,464,858	273,709,848		3,513,678	98.73
4000 STATE, SPECIAL PURPOSE	109,958,350	14,513,619	92,212,180		17,746,170	83.86
5000 FEDERAL, GENERAL PURPOSE	559,666	727	384,935		174,731	68.78
6000 FEDERAL, SPECIAL PURPOSE	89,564,712	9,216,721	75,564,677		14,000,035	84.37
7000 REVENUES FR OTH SCH DIST	1,885,009	1,208,781	3,658,507		(1,773,498)	194.08
8000 OTHER AGENCIES AND ASSOCIATES	1,976,604	1,131,995	2,605,198		(628,594)	131.80
9000 OTHER FINANCING SOURCES	3,000,000	5,438,788	6,940,295		(3,940,295)	231.34
 <u>Total REVENUES/OTHER FIN. SOURCES</u>	 571,452,772	 61,596,286	 537,332,170	 0	 34,120,602	 94.03
 <u>B. EXPENDITURES</u>						
00 Regular Instruction	291,066,667	23,443,186	281,474,749	22,488,951	(12,897,033)	104.43
10 Federal Stimulus	53,801,530	561,904	27,800,506	4,924,404	21,076,620	60.83
20 Special Ed Instruction	64,172,384	6,650,958	72,363,184	7,514,132	(15,704,932)	124.47
30 Voc. Ed Instruction	19,801,531	1,741,380	18,421,366	1,472,433	(92,268)	100.47
40 Skills Center Instruction	0	0	0	0	0	0.00
50+60 Compensatory Ed Instruct.	45,148,130	5,429,844	46,035,132	3,664,350	(4,551,351)	110.08
70 Other Instructional Pgms	13,219,998	1,009,555	3,037,449	81,647	10,100,903	23.59
80 Community Services	5,778,142	525,034	5,990,260	744,345	(956,463)	116.55
90 Support Services	105,555,602	8,130,180	109,300,962	4,429,615	(8,174,974)	107.74
 <u>Total EXPENDITURES</u>	 598,543,984	 47,492,041	 564,423,606	 45,319,876	 (11,199,499)	 101.87
 <u>C. EXCESS OF REVENUES/OTHER FIN.SOURCES</u>						
<u>OVER(UNDER) EXP/OTH FIN USES (A-B)</u>	(27,091,212)	14,104,246	(27,091,436)		45,320,101	
 <u>D. TOTAL BEGINNING FUND BALANCE</u>	 55,513,851		 44,334,490			
 <u>E. TOTAL ENDING FUND BALANCE</u>	 28,422,639		 17,243,053			

10-GENERAL FUND

September 1, 2022 - August 31, 2023

For the TACOMA SCHOOL DISTRICT NO. 10 School District for the Month of August 2023

	Annual Adopted Budget	Month Actual	Year-to-Date Actual	Encumbrances	Balance	Percent
<u>F. ENDING FUND BALANCE ACCOUNTS:</u>						
3820 - Assigned to Encumbrances	310,128		4,007,979			
3821 - Restricted for C/Over of Restricted RV	0		800,578			
3830 - Restricted for Debt Service	0		439,803			
3840 - Nonspendable - Inventory & Prepaid Items	3,453,645		5,451,547			
3866 - Assigned to Carryover	0		2,282,537			
3868 - Assigned to C&I Initiative	0		0			
3870 - Committed to Contingencies	1,000,000		1,000,000			
3875 - Assigned to Future Operations	0		7,487,175			
3890 - Unassigned Fund Balance	0		(20,303,122)			
3891 - Unassigned for Minimum FB Policy	23,658,866		16,076,556			
<u>TOTAL</u>	28,422,639		17,243,053			

ASSOCIATED STUDENT BODY FUND

The Associated Student Body Fund (ASB) is a special revenue fund which holds public monies generated in the students' interest for non-curricular events for cultural, athletic, recreational, or social purposes. The ASB fund is restricted by laws, statutes, and policies.

Most of the District's schools have active ASB accounts and funds are generated through fundraising efforts, student membership fees, and donations. ASB reporting categories include:

1000 series	General Student Body
2000 series	Athletics
3000 series	Classes
4000 series	Clubs
6000 series	Private Monies for Charitable Contributions

Revenues and expenditures were both lower in total than the previous year but resulted in a net increase in its fund balance.

Associated Student Body Fund for the fiscal period ended	August 31, 2022	August 31, 2023	Variance Higher/(lower)
Beginning Fund Balance	\$ 1,930,351	\$ 2,018,843	\$ 88,492
Revenue	1,074,513	1,618,545	544,032
Total Resources Available	3,004,864	3,637,388	632,524
Expenditures	986,021	1,437,269	451,248
Total Use of Resources	986,021	1,437,269	451,248
Ending Fund Balance	\$ 2,018,843	\$ 2,200,119	\$ 181,277

The ASB financial statements are next in this section.

40-ASSOCIATED STUDENT BODY FUND

September 1, 2022 - August 31, 2023

For the TACOMA SCHOOL DISTRICT NO. 10 School District for the Month of August 2023

	Annual Adopted Budget	Month Actual	Year-to-Date Actual	Encumbrances	Balance	Percent
<u>A. REVENUES/OTHER FIN. SOURCES</u>						
1000 GENERAL STUDENT BODY	1,124,200	13,397	573,770		550,430	51.04
2000 ATHLETICS	1,127,700	10,055	405,046		722,654	35.92
3000 CLASSES	383,800	2,260	180,124		203,676	46.93
4000 CLUBS	1,581,200	6,994	442,434		1,138,766	27.98
6000 PRIVATE MONEYS	74,300	201	17,171		57,129	23.11
<u>Total REVENUES/OTHER FIN. SOURCES</u>	4,291,200	32,906	1,618,545	0	2,672,655	37.72
<u>B. EXPENDITURES</u>						
1000 GENERAL STUDENT BODY	982,700	43,897	434,102	0	548,598	44.17
2000 ATHLETICS	1,046,800	(10,979)	379,803	0	666,997	36.28
3000 CLASSES	361,300	8,007	177,655	(4,212)	187,857	48.01
4000 CLUBS	1,560,600	6,685	415,579	200	1,144,821	26.64
6000 PRIVATE MONEYS	92,200	505	30,130	0	62,070	32.68
<u>Total EXPENDITURES</u>	4,043,600	48,115	1,437,269	(4,012)	2,610,343	35.45
<u>C. EXCESS OF REVENUES/OTHER FIN.SOURCES OVER(UNDER) EXP/OTH FIN USES (A-B)</u>	247,600	(15,209)	181,276		62,312	
<u>D. TOTAL BEGINNING FUND BALANCE</u>	1,902,800		2,018,843			
<u>E. TOTAL ENDING FUND BALANCE</u>	2,150,400		2,200,119			
<u>F. ENDING FUND BALANCE ACCOUNTS:</u>						
3810 - Restricted for Other Items	0		0			
3819 - Restricted for Fund Purposes	2,150,400		2,200,119			
3840 - Nonspendable - Inventory & Prepaid Items	0		0			
3850 - Restricted for Uninsured Risks	0		0			
3870 - Committed to Contingencies	0		0			
3889 - Assigned to Fund Purposes	0		0			
3890 - Unassigned Fund Balance	0		0			
<u>TOTAL</u>	2,150,400		2,200,119			

DEBT SERVICE FUND

The Debt Service 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. Current year principal and interest payments on the District's outstanding Unlimited Tax General Obligation (UTGO) bonds are paid using property taxes as the primary revenue source. Principal and interest payments on the outstanding bonds are made twice a year in December and June.

On July 22, 2020 the District completed the sale of bonds issued to refund \$295,555,000 of the District's outstanding Series 2014 and Series 2015 bond issues. The new issue of refunding bonds was sold at an overall interest rate of 2.018%. The average interest rate of the bonds refunded was 5.036%. This improvement in interest rate resulted in an aggregate reduction in annual debt service of \$45,335,614 over the years 2027 - 2039. This debt service savings will be passed along to District taxpayers as reductions in annual tax collection for debt service.

On October 30, 2020, the District completed the sale of bonds (2020B tax exempt bonds and 2020C taxable bonds) for the purpose of paying the costs of replacing or renovating eight district schools and making safety and facility improvements in schools throughout the district. The 2020B bonds were sold at an overall interest rate of 2.587037% and the 2020C bonds were sold at an overall interest rate of 2.814222%. The bonds sold at a premium of over \$52.5M and will be fully paid off in December 2045.

Finance staff regularly consults with the District's financial advisors to review debt payments and tax rates to minimize borrowing costs and keep a level property tax rate for its citizens.

Property tax revenues are performing as expected when measured against the Debt Service Fund cash flow models. Tax collections are forecast to be sufficient to pay the scheduled interest and principal payments on the District's outstanding bonds.

Following is a summary of the bonds payable for 2022-23:

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**Debt Service Fund - Schedule of Long-Term Debt
For the Quarter Ended August 31, 2023**

Bonds and Contracts Payable	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due In One Year
2012 Refunding of '03,05,05A UTGO's	\$ 35,000,000	\$ -	\$ 10,795,000	\$ 24,205,000	\$ 11,705,000
2014 UTGO	6,240,000	-	-	6,240,000	-
2015 Refunding of 2005 UTGO	69,805,000	-	3,820,000	65,985,000	3,640,000
2020 UTGO	360,495,000	-	5,540,000	354,955,000	5,565,000
2020-B UTGO	249,280,000	-	-	249,280,000	-
2020-C UTGO	218,540,000	-	22,250,000	196,290,000	25,905,000
Total Bonds Payable	\$ 939,360,000	\$ -	\$ 42,405,000	\$ 896,955,000	\$ 46,815,000

The financial statements for this fund are next in this section

30-DEBT SERVICE FUND

September 1, 2022 - August 31, 2023

For the TACOMA SCHOOL DISTRICT NO. 10 School District for the Month of August 2023

	Annual Adopted Budget	Month Actual	Year-to-Date Actual	Encumbrances	Balance	Percent
<u>A. REVENUES/OTHER FIN. SOURCES</u>						
1000 LOCAL TAXES	71,389,390	1,223,752	71,147,546		241,844	99.66
2000 LOCAL SUPPORT NONTAX	32,600	145,548	993,498		(960,898)	3,047.54
3000 STATE, GENERAL PURPOSE	0	0	0		0	0.00
4000 STATE, SPECIAL PURPOSE	0	0	0		0	0.00
5000 FEDERAL, GENERAL PURPOSE	0	0	0		0	0.00
9000 OTHER FINANCING SOURCES	0	0	0		0	0.00
<u>Total REVENUES/OTHER FIN. SOURCES</u>	71,421,990	1,369,300	72,141,044	0	(719,054)	101.01
<u>B. EXPENDITURES</u>						
Matured Bond Expenditures	42,405,000	0	42,405,000	0	0	100.00
Interest On Bonds	26,751,900	0	26,751,874	0	26	100.00
Interfund Loan Interest	0	0	0	0	0	0.00
Bond Transfer Fees	10,000	0	1,800	0	8,200	18.00
Arbitrage Rebate	0	0	0	0	0	0.00
Underwriter's Fees	0	0	0	0	0	0.00
<u>Total EXPENDITURES</u>	69,166,900	0	69,158,674	0	8,226	99.99
<u>C. EXCESS OF REVENUES/OTHER FIN.SOURCES OVER(UNDER) EXP/OTH FIN USES (A-B)</u>	2,255,090	1,369,300	2,982,370		(727,280)	
<u>D. TOTAL BEGINNING FUND BALANCE</u>	29,797,000		30,551,345			
<u>E. TOTAL ENDING FUND BALANCE</u>	32,052,090		33,533,715			
<u>F. ENDING FUND BALANCE ACCOUNTS:</u>						
3810 - Restricted for Other Items	0		0			
3820 - Assigned to Encumbrances	0		0			
3830 - Restricted for Debt Service	32,052,090		33,533,715			
3835 - Restricted for Arbitrage Rebate	0		0			
3870 - Committed to Contingencies	0		0			
3889 - Assigned to Fund Purposes	0		0			
3890 - Unassigned Fund Balance	0		0			
<u>TOTAL</u>	32,052,090		33,533,715			

CAPITAL PROJECTS FUND

The capital projects fund is used to account for the construction or purchase of major capital facilities, districtwide technology implementations, site acquisitions, major remodels or building renovations and capital equipment purchases. Revenue sources for this fund include: Bond proceeds, special levies, state matching funds, mitigation fees, interest earnings and property sales.

Voters of Tacoma/Pierce County approved a capital construction bond measure in the amount of \$535 million on February 11, 2020.

The 2020 bond measure authorized the district to replace or renovate 8 deteriorating schools across Tacoma, improve learning environments, fix or replace leaky or deteriorating roofs, construct up-to-date classrooms, technology infrastructure, and science labs and fix or replace aging school boilers, elevators, and bathroom facilities. The measure will also implement health, safety, security and technology upgrades, earthquake safety, alarm/sprinkler systems, energy-efficient heating/lighting, electrical/plumbing and improve playgrounds, playfields and athletic facilities. The district will issue \$535,000,000 of general obligation bonds maturing within a maximum term of 25 years and to levy annual excess property taxes to repay the bonds. Capital improvements to facilities districtwide are as follows:

Projects currently under construction (part of the 2013 bond measure)

Lincoln High School Athletic Complex (*opens 2024*)
Bryant Montessori School replacement (*opens 2024*)
Oakland High School Historic modernization: (*opens 2025*)

Neighborhood School Replacements or Major Renovations (part of the 2020 bond measure)

Lowell Elementary School replacement: 2026
Whittier Elementary School replacement: 2027

The current capital projects are as follows:

- The new Lincoln Athletic Complex will include baseball and fastpitch fields, 8 tennis courts, restrooms, dugouts, batting cages and various sport facilities and infrastructure. The ballfields and play area will be synthetic turf to provide year-round use. The project will also include site improvements, such as fencing and ADA accessible ramps.
- The original Bryant school was built in 1891 and the school has been at its current site and in its current building since 1960. It became a Montessori school in 1998. The Bryant project will include on-site and off-site improvements, parking, new playgrounds and playfields. The new Bryant will be designed for about 560 students. Bryant will continue to serve as a Montessori school serving students K-8.
- Originally constructed in 1912 as an elementary school, Oakland High School is now 108 years old and on the City of Tacoma's register of historic places. During its remodel, the outside will remain intact while the inside will be improved.

The Capital Projects Fund financial statements are next in this section.

20-CAPITAL PROJECTS FUND

September 1, 2022 - August 31, 2023

For the TACOMA SCHOOL DISTRICT NO. 10 School District for the Month of August 2023

	Annual Adopted Budget	Month Actual	Year-to-Date Actual	Encumbrances	Balance	Percent
<u>A. REVENUES/OTHER FIN. SOURCES</u>						
1000 LOCAL TAXES	24,410,000	419,012	24,373,340		36,660	99.85
2000 LOCAL SUPPORT NONTAX	1,010,800	1,679,029	18,435,284		(17,424,484)	1,823.83
3000 STATE, GENERAL PURPOSE	0	0	0		0	0.00
4000 STATE, SPECIAL PURPOSE	0	0	27,194		(27,194)	100.00
5000 FEDERAL, GENERAL PURPOSE	0	0	0		0	0.00
6000 FEDERAL, SPECIAL PURPOSE	0	7,782,419	7,782,419		(7,782,419)	0.00
7000 REVENUES FR OTH SCH DIST	0	0	0		0	0.00
8000 OTHER AGENCIES AND ASSOCIATES	0	0	0		0	0.00
9000 OTHER FINANCING SOURCES	500,000	1,325,634	1,368,795		(868,795)	0.00
<u>Total REVENUES/OTHER FIN. SOURCES</u>	25,920,800	11,206,094	51,987,031	0	(26,066,231)	200.56
<u>B. EXPENDITURES</u>						
10 Sites	1,320,000	4,657,479	13,263,616	17,780,703	(29,724,320)	1,004.82
20 Buildings	118,391,500	25,604,552	83,777,857	70,047,143	(35,433,500)	70.76
30 Equipment	21,000,000	9,174,308	29,592,506	1,512,043	(10,104,549)	140.92
40 Energy	0	0	0	0	0	0.00
50 Sales & Lease Expenditure	0	0	39,790	0	(39,790)	100.00
60 Bond Issuance Expenditure	0	0	0	0	0	0.00
90 Debt	0	0	0	0	0	0.00
<u>Total EXPENDITURES</u>	140,711,500	39,436,339	126,673,769	89,339,889	(75,302,159)	153.52
C. OTHER FIN. USES TRANS. OUT (GL 536)	3,000,000					
<u>D. EXCESS OF REVENUES/OTHER FIN.SOURCES OVER(UNDER) EXP/OTH FIN USES (A-B-C)</u>	(117,790,700)	(28,230,245)	(74,686,738)		(192,477,438)	
<u>E. TOTAL BEGINNING FUND BALANCE</u>	458,057,461		430,241,427			
<u>F. TOTAL ENDING FUND BALANCE</u>	340,266,761		355,554,688			

20-CAPITAL PROJECTS FUND

September 1, 2022 - August 31, 2023

For the TACOMA SCHOOL DISTRICT NO. 10 School District for the Month of August 2023

	Annual Adopted Budget	Month Actual	Year-to-Date Actual	Encumbrances	Balance	Percent
<u>G. ENDING FUND BALANCE ACCOUNTS:</u>						
3861 - Restricted from Bond Proceeds	329,573,761		338,268,311			
3862 - Restricted from Levy Proceeds	5,793,000		12,399,094			
3889 - Assigned to Fund Purposes	4,900,000		4,887,283			
3890 - Unassigned Fund Balance	0		0			
<u>TOTAL</u>	340,266,761		355,554,688			

TRANSPORTATION VEHICLE FUND

The transportation vehicle fund is used to account for expenditures related to the purchase, major repair, rebuilding, and related debt service costs incurred for district owned/operated pupil transportation equipment.

Currently, the district maintains a fleet of 77 yellow buses operating approximately 53 Special Education routes. In 2000, the district began a long-term bus replacement plan that is to be self-supporting through the use of state bus depreciation payments. In 2022-23, the district has budgeted to receive \$554,400 in depreciation from the state for district buses. The district is planning to replace six buses in 2022-23 and six buses each year for the next two years. This plan includes upgrades, which address emerging safety requirements for the transportation of students. Additionally, the district is researching the viability of electric vehicle student transportation options for future use.

The transportation vehicle fund financial statements are next in this section.

90-TRANSPORTATION VEHICLE FUND

September 1, 2022 - August 31, 2023

For the TACOMA SCHOOL DISTRICT NO. 10 School District for the Month of August 2023

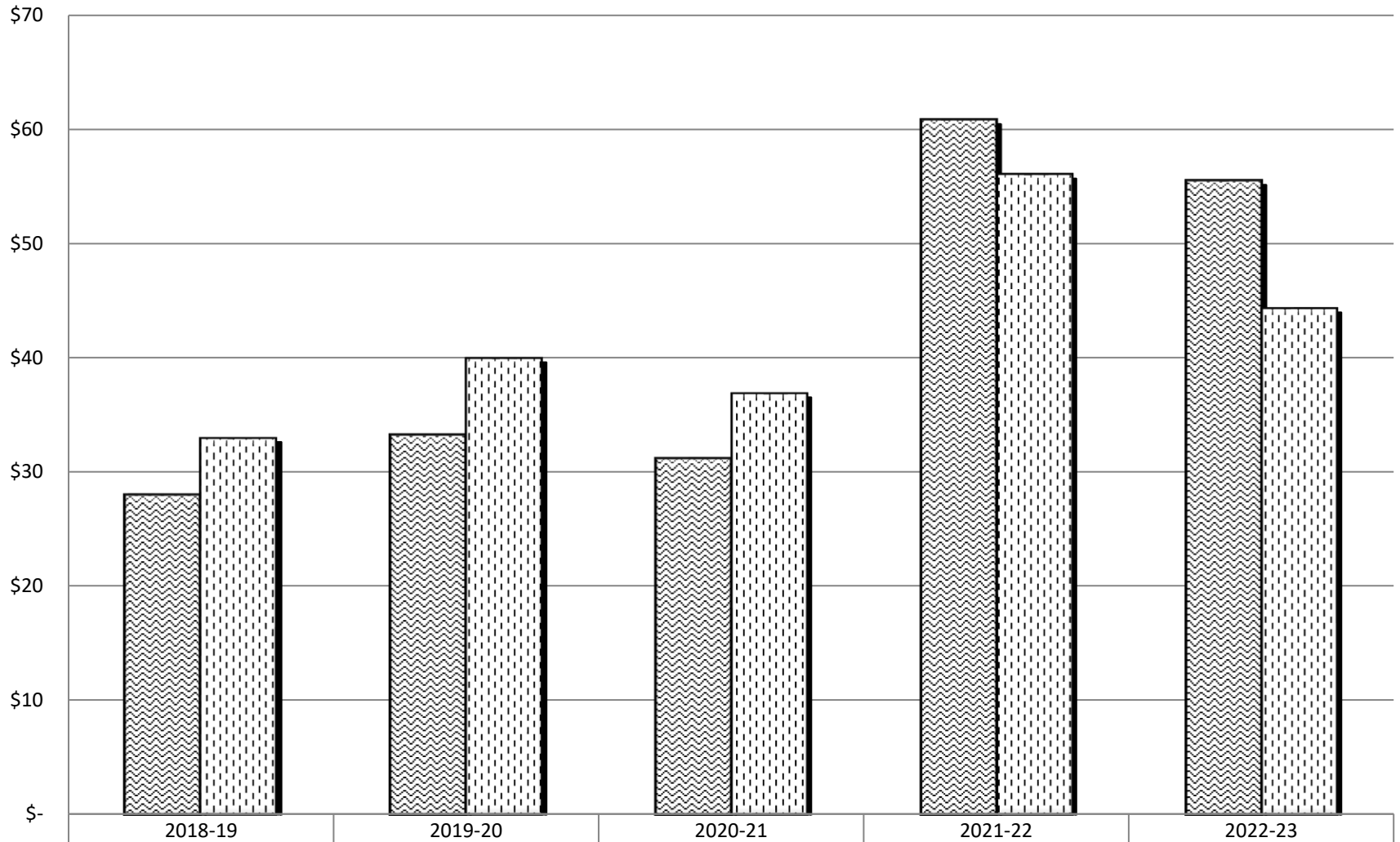
	Annual Adopted Budget	Month Actual	Year-to-Date Actual	Encumbrances	Balance	Percent
<u>A. REVENUES/OTHER FIN. SOURCES</u>						
1000 LOCAL TAXES	0	0	0		0	0.00
2000 LOCAL SUPPORT NONTAX	4,200	10,317	107,023		(102,823)	2,548.16
3000 STATE, GENERAL PURPOSE	0	0	0		0	0.00
4000 STATE, SPECIAL PURPOSE	554,400	997,694	997,694		(443,294)	179.96
5000 FEDERAL, GENERAL PURPOSE	0	0	0		0	0.00
6000 FEDERAL, SPECIAL PURPOSE	0	0	0		0	0.00
7000 REVENUES FR OTH SCH DIST	0	0	0		0	0.00
8000 OTHER AGENCIES AND ASSOCIATES	0	0	0		0	0.00
9000 OTHER FINANCING SOURCES	0	0	19,302		(19,302)	0.00
<u>Total REVENUES/OTHER FIN. SOURCES</u>	558,600	1,008,011	1,124,019	0	(565,419)	201.22
<u>B. EXPENDITURES</u>						
30 Equipment	800,800	267,605	657,203	131,826	11,771	98.53
40 Energy	0	0	0	0	0	0.00
60 Bond Levy Issuance	0	0	0	0	0	0.00
90 Debt	0	0	0	0	0	0.00
<u>Total EXPENDITURES</u>	800,800	267,605	657,203	131,826	11,771	98.53
<u>C. EXCESS OF REVENUES/OTHER FIN.SOURCES OVER(UNDER) EXP/OTH FIN USES (A-B)</u>	(242,200)	740,406	466,816		(577,190)	
<u>D. TOTAL BEGINNING FUND BALANCE</u>	2,351,600		2,563,566			
<u>E. TOTAL ENDING FUND BALANCE</u>	2,109,400		3,030,381			
<u>F. ENDING FUND BALANCE ACCOUNTS:</u>						
3810 - Restricted for Other Items	0		0			
3819 - Restricted for Fund Purposes	2,109,400		3,030,381			
3830 - Restricted for Debt Service	0		0			
3835 - Restricted for Arbitrage Rebate	0		0			
3850 - Restricted for Uninsured Risks	0		0			
3870 - Committed to Contingencies	0		0			
3889 - Assigned to Fund Purposes	0		0			
3890 - Unassigned Fund Balance	0		0			
<u>TOTAL</u>	2,109,400		3,030,381			

APPENDIX A

Year-End Financial 2022-23			
	(1) Budget	(2) Actual	(3) Variance (1) vs. (2)
Beginning Fund Balance	\$55,513,851	\$44,334,490	\$ (11,179,361)
Revenue	568,452,772	530,391,875	(38,060,897)
Other Financing Sources	<u>3,000,000</u>	<u>6,940,295</u>	<u>3,940,295</u>
Total Resources Available	626,966,623	581,666,661	(45,299,963)
Expenditures	598,543,984	564,423,606	34,120,378
Other Financing Uses	<u>-</u>	<u>-</u>	<u>-</u>
Total Use of Resources	598,543,984	564,423,606	34,120,378
Ending Fund Balance	<u>\$28,422,639</u>	<u>\$17,243,054</u>	<u>\$ (11,179,586)</u>
Detail of Ending Fund Balance			
Nonspendable - Inventory & Prepaid Items	3,453,645	5,451,547	1,997,902
Committed to Debt & Fiscal Management	-	-	-
Committed to Encumbrances	310,128	4,007,979	3,697,851
Committed to Contingencies	1,000,000	1,000,000	-
Restricted for Carryover	-	800,578	800,578
Restricted for Debt Service	-	439,803	439,803
Assigned to Carryover	-	2,282,537	2,282,537
Assigned to Curriculum & Instruction	-	0	0
Assigned to Future Operations	-	7,487,175	7,487,175
Unassigned Fund Balance	<u>23,658,866</u>	<u>(4,226,566)</u>	<u>(27,885,432)</u>
Total Fund Balance	<u>\$28,422,639</u>	<u>\$17,243,053</u>	<u>\$ (11,179,586)</u>

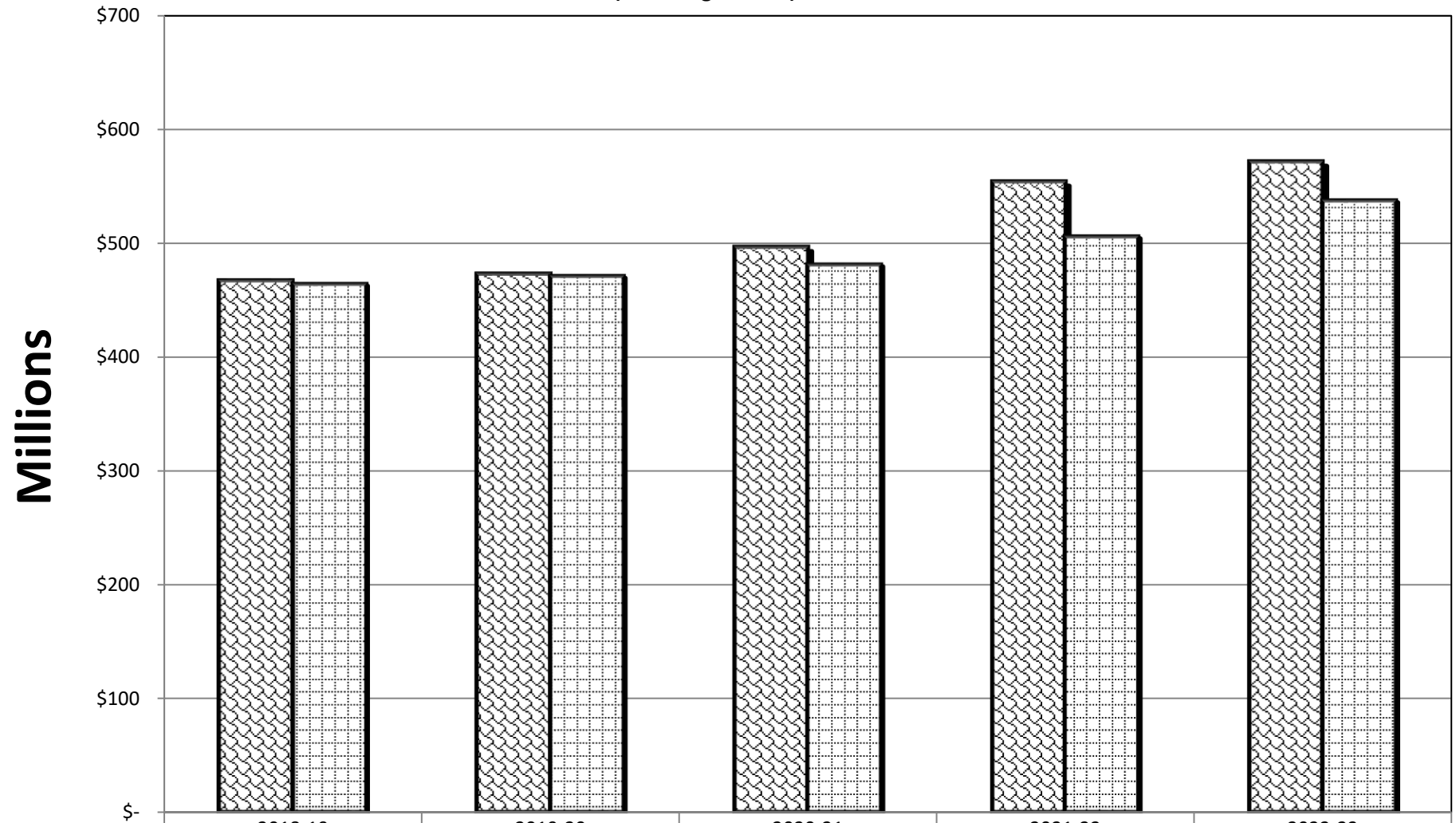
5 - Year Trend General Fund Beginning Fund Balance (As of September 1st)

Millions



	2018-19	2019-20	2020-21	2021-22	2022-23
Budget	\$28,021,518	\$33,258,527	\$31,210,955	\$60,819,684	\$55,513,851
Actual	\$32,969,307	\$39,945,306	\$36,893,527	\$56,066,371	\$44,334,490
Variance Over/(Under) Budget	\$4,947,789	\$6,686,779	\$5,682,572	\$(4,753,313)	\$(11,179,361)
% of Variance from Budget	17.7%	20.1%	18.2%	-7.8%	-20.1%

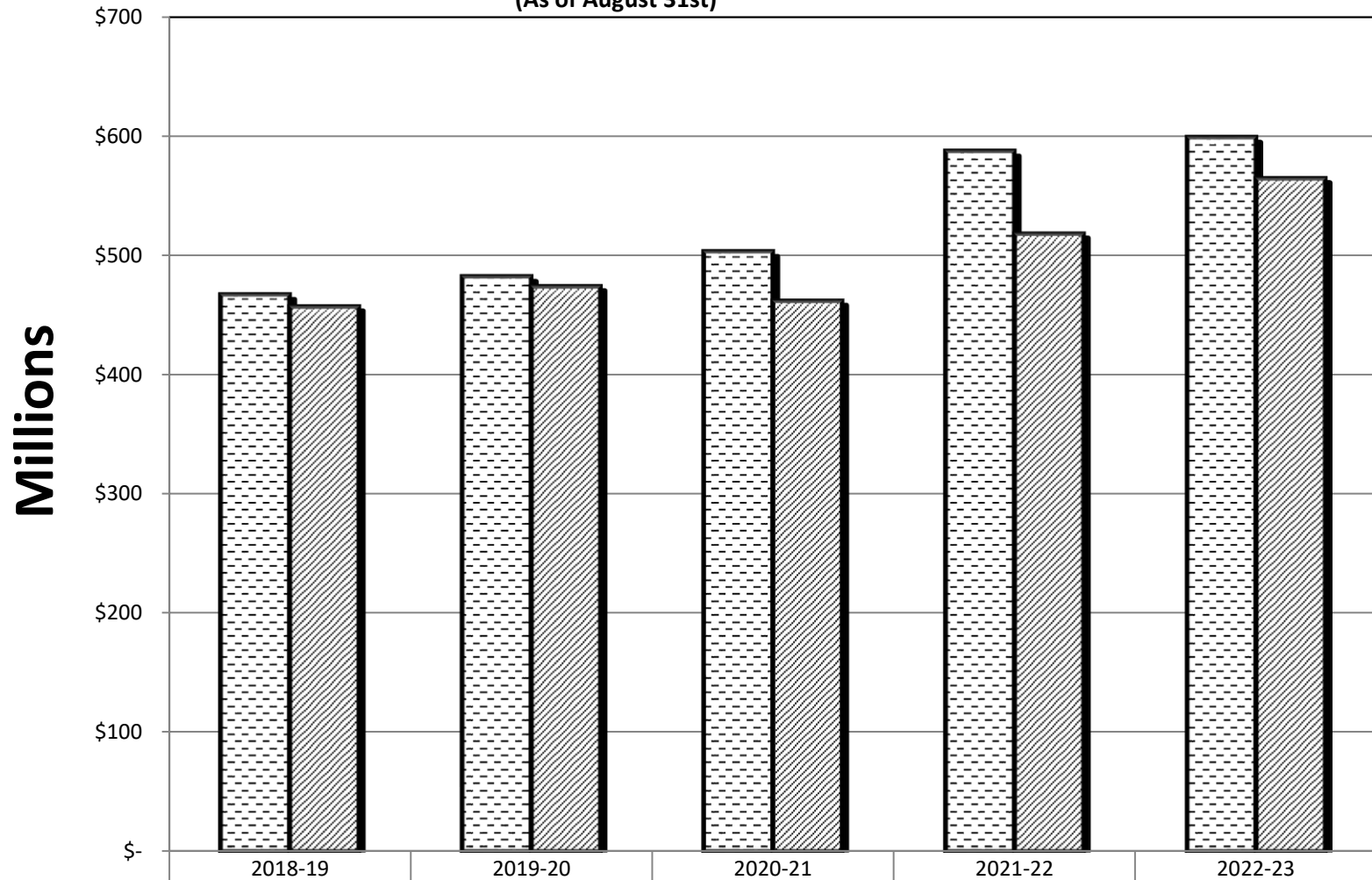
**5 - Year Trend General Fund
Budget vs. Actual Revenues**
(As of August 31st)



	2018-19	2019-20	2020-21	2021-22	2022-23
Budget	\$466,960,591	\$472,791,586	\$496,398,422	\$553,909,806	\$571,452,772
Actual	\$463,882,512	\$470,871,828	\$480,938,045	\$505,526,349	\$537,332,170
Variance Over/(Under) Budget	\$(3,078,079)	\$(1,919,758)	\$(15,460,377)	\$(48,383,457)	\$(34,120,602)
% of Variance from Budget	-0.7%	-0.4%	-3.1%	-8.7%	-6.0%

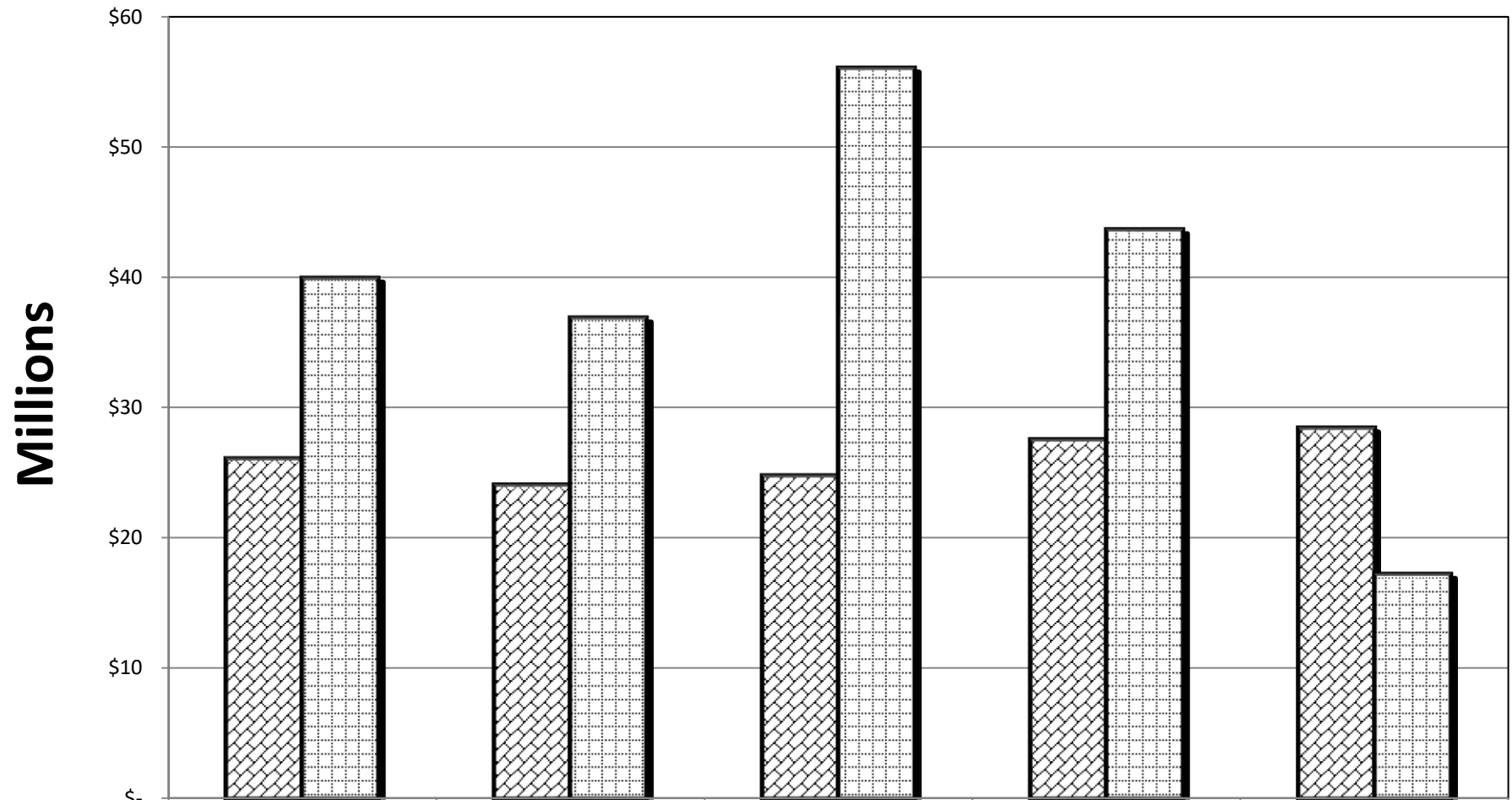
5 - Year Trend General Fund Budget vs. Actual Expenditures

(As of August 31st)



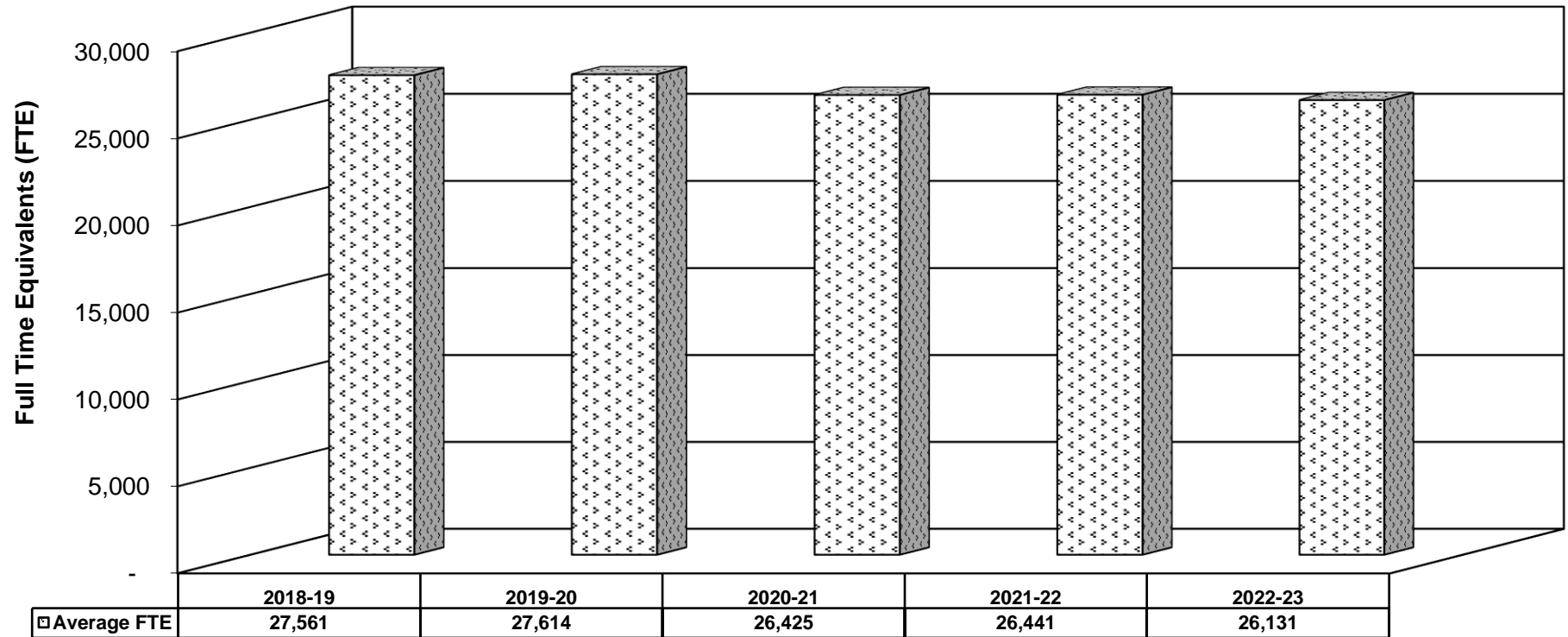
Budget	\$466,885,637	\$481,980,805	\$502,829,456	\$587,183,999	\$598,543,984
Actual	\$456,906,513	\$473,923,608	\$461,765,201	\$517,919,915	\$564,423,606
Variance (Over)/Under Budget	\$9,979,124	\$8,057,197	\$41,064,255	\$69,264,084	\$34,120,378
% of Variance from Budget	2.1%	1.7%	8.2%	11.8%	5.7%

5 - Year Trend General Fund Ending Fund Balance (As of August 31st)

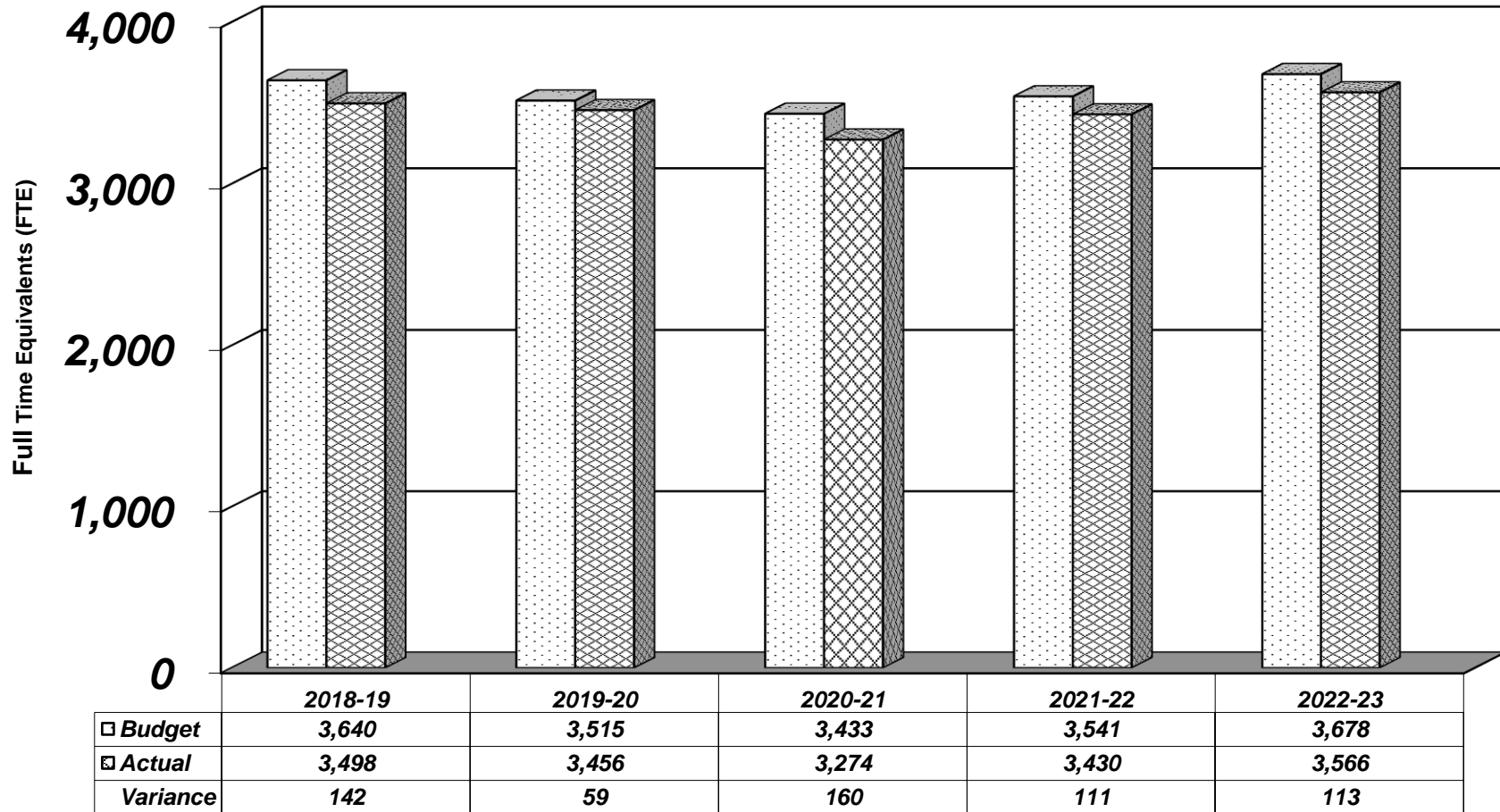


	2018-19	2019-20	2020-21	2021-22	2022-23
■ Budget	\$26,096,472	\$24,069,308	\$24,779,921	\$27,545,491	\$28,422,639
■ Actual	\$39,945,306	\$36,893,527	\$56,066,371	\$43,672,806	\$17,243,053
Variance Over/(Under) Budget	\$13,848,834	\$12,824,219	\$31,286,450	\$16,127,315	\$(11,179,586)
% of Variance from Budget	53.1%	53.3%	126.3%	58.5%	-39.3%

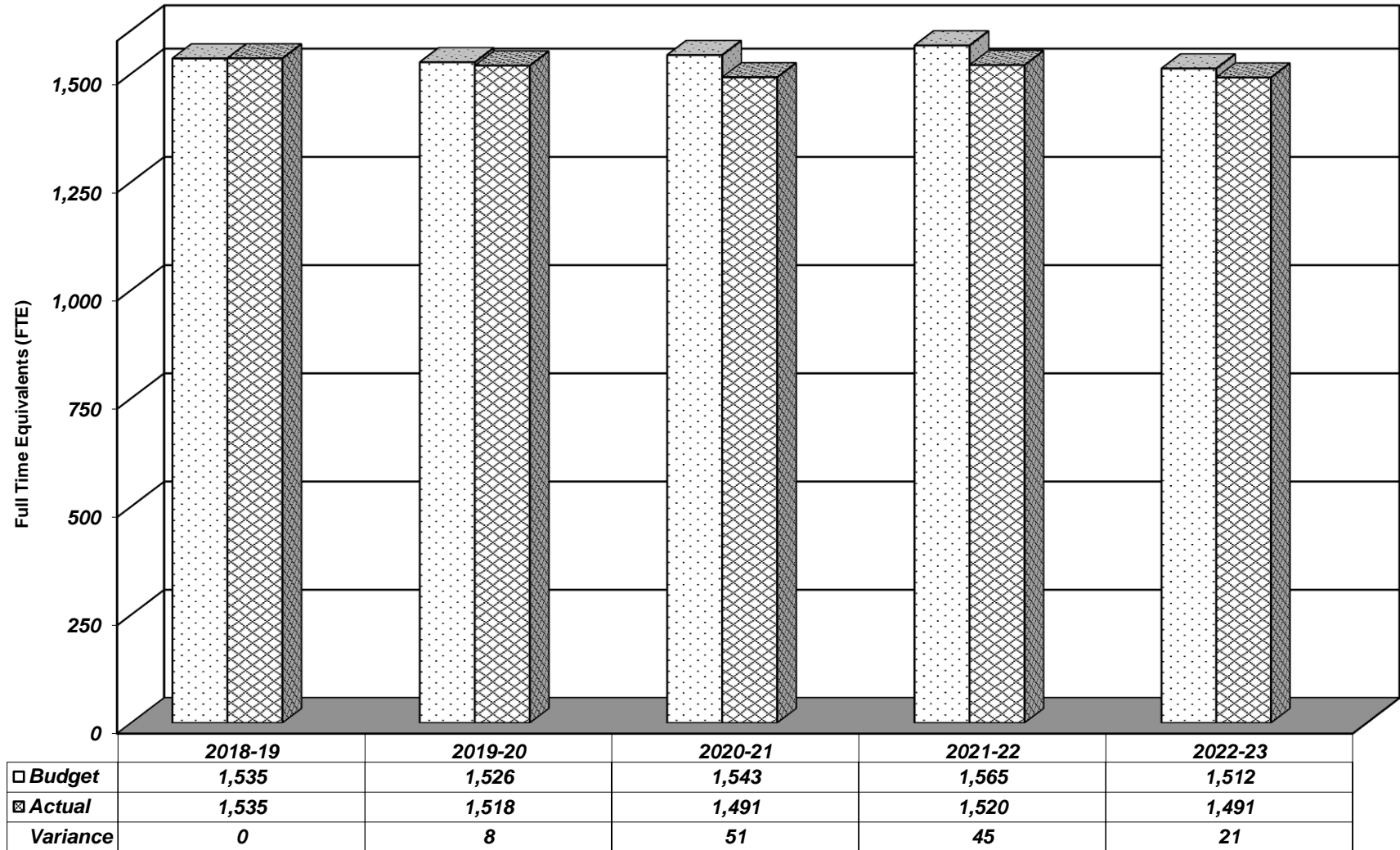
K-12 Enrollment History Fiscal Year Average



Staffing History

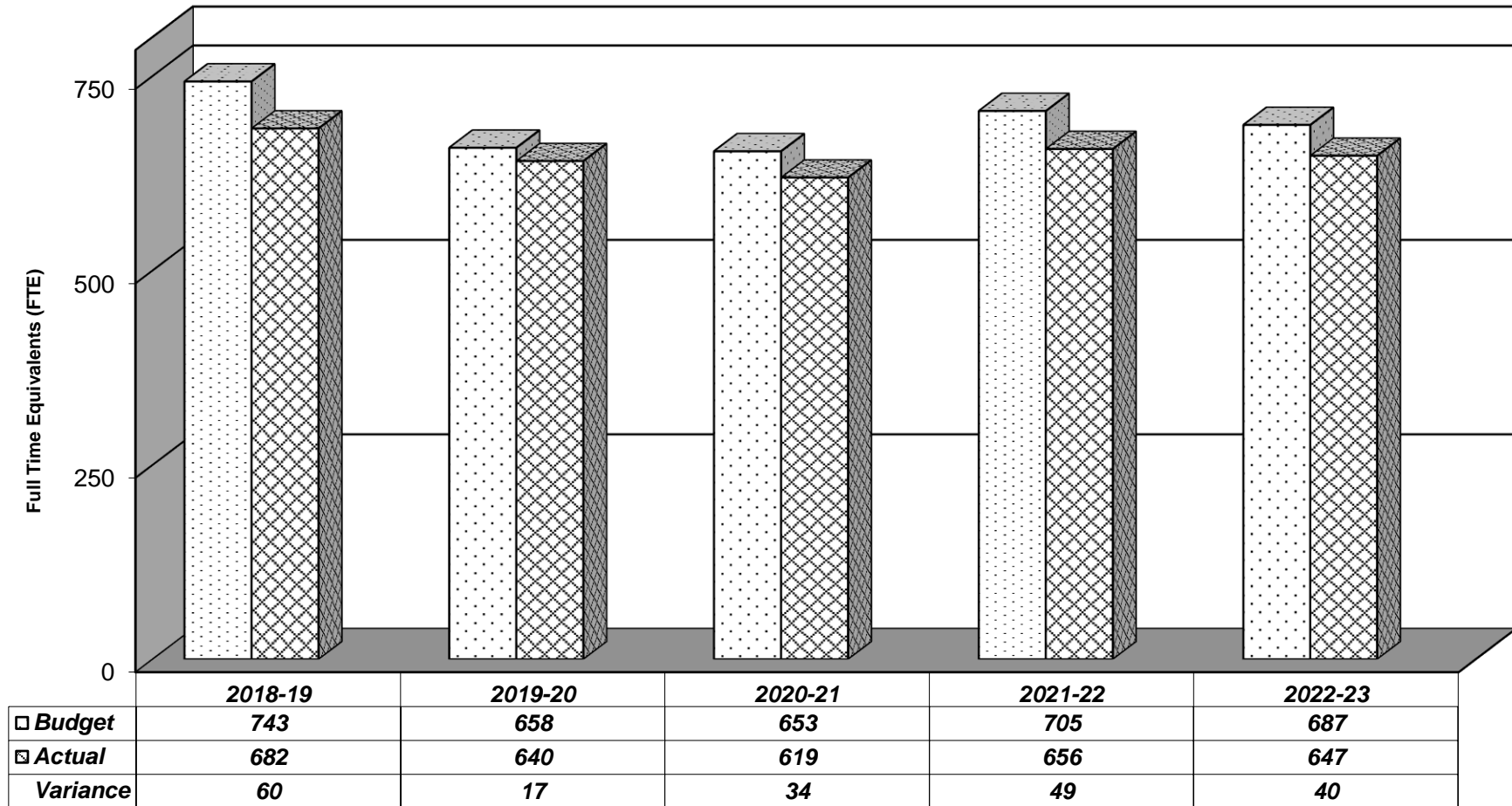


Basic Education Certificated Staffing History



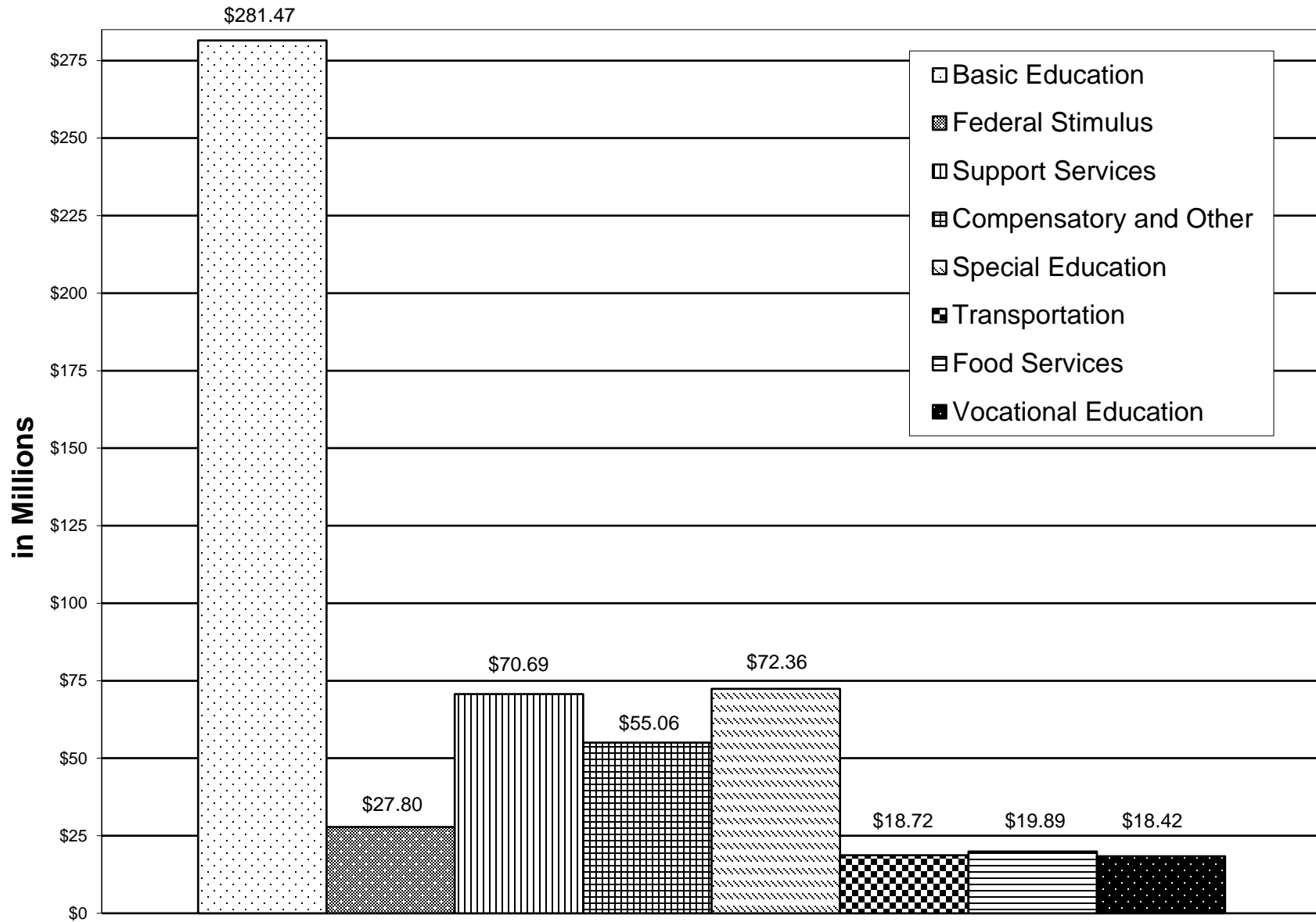
(Basic Ed includes the following programs: 01.XXX, 02.XXX and 97.XXX only.)

Basic Education Classified Staffing History

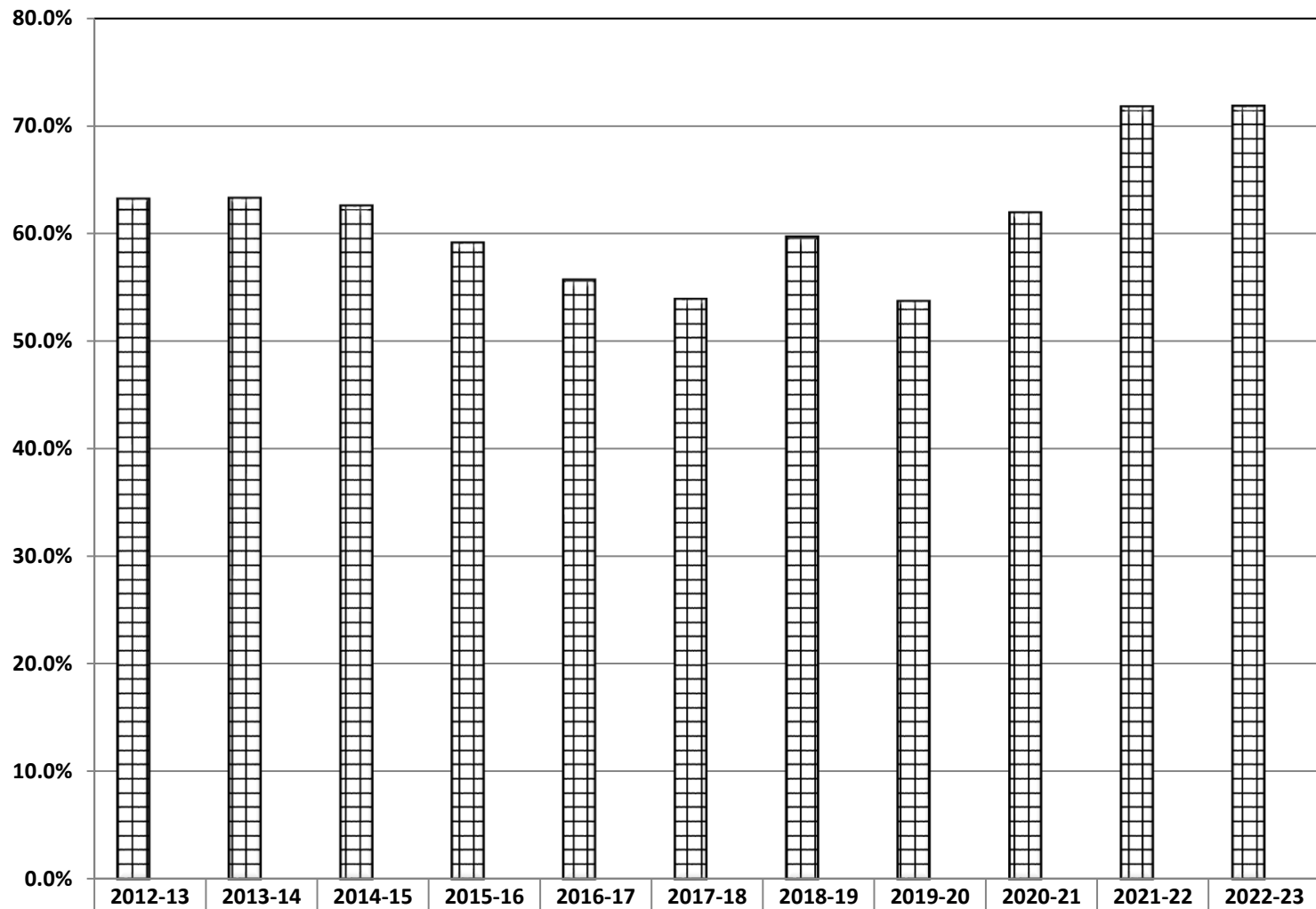


(Basic Ed includes the following programs: 01.XXX, 02.XXX and 97.XXX only.)

2022-23 General Fund Expenditures by Program



Free & Reduced Price Meal Eligibility



Free & Reduced Eligibility	63.2%	63.3%	62.6%	59.1%	55.7%	53.9%	59.7%	53.7%	61.9%	71.8%	71.8%
% Change from prior year	0.4%	0.1%	-0.7%	-3.4%	-3.4%	-1.8%	5.8%	-6.0%	8.2%	9.8%	0.0%



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CAMBODIAN

ផ្ញើក្តាប់មកជាមួយនេះគឺជាឯកសារដ៏សំខាន់មកពីសាលារៀនរបស់កូនអ្នក ។ 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.

Tacoma 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: Renee Trueblood, 253-571-1252, civilrights@tacoma.k12.wa.us
- Title IX Coordinator, Elementary: Christa Erolin, 253-571-1318, cerolin@tacoma.k12.wa.us
- Title IX Coordinator, Secondary: Wayne Greer, 253-571-1191, wgreer@tacoma.k12.wa.us
- 504 Coordinator, Elementary: Jennifer Herbold, 253-571-1096, jherbol@tacoma.k12.wa.us
- 504 Coordinator, Secondary: Megan Nelson, 253-571-1003, mnelson@tacoma.k12.wa.us

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

If you have questions regarding this non-discrimination statement and its use, please email civilrights@tacoma.k12.wa.us.

