

JANUARY FINANCIAL UPDATE

School Board Financial Update

January 25, 2024

2023-24 ONGOING MITIGATION

- Ongoing Mitigation Strategies
 - Make mid-year position eliminations
 - 14 Exempt staff
 - 8 Teachers reassigned
 - Future reductions pending
 - Hiring freeze for non-critical positions
 - Continued evaluation
 - Reduce discretionary spending
 - Removed capacity from budgets to limit ability to spend
 - Limited use of P-cards
 - Limit or reduce contracts and other purchases

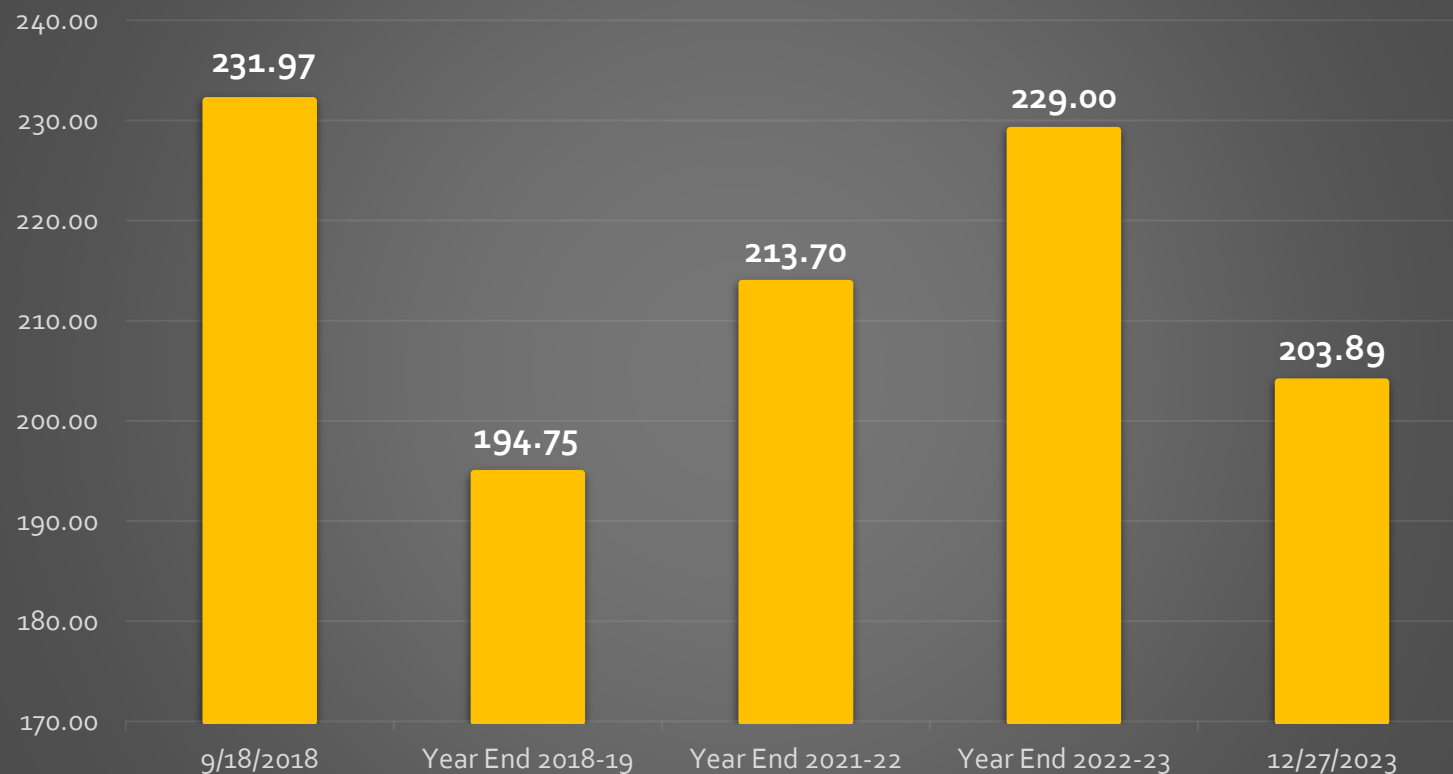
2023-24 ONGOING MITIGATION

-CONTINUED

- Ongoing Mitigation Strategies - continued
 - Identify surplus properties to maximize efficiencies and support student engagement
 - Madison
 - Willard
 - Lean efficiency practices – find ways to work smarter not harder
 - Reorganize bus routes to reduce number of routes
- Future Mitigation Strategies
 - Evaluate programming needs
 - Freeze exempt salary schedule
 - Position Eliminations
 - 23-24 costs carryforward
 - Seek Legislative assistance for full-funding of necessary programming
 - Begin developing strategies for cost reductions in the 2024-25 budget and beyond

PROGRESS MONITORING "ADMINISTRATIVE" GROUP

Combined Central and Administrative FTE



Includes all central administration* positions and spending in any union group in the following activities:

- Activity 11 - Board of Directors
- Activity 12 - Superintendent's Office
- Activity 13 - Business Office
- Activity 14 - Human Resources
- Activity 15 - Public Relations
- Activity 21 - Instructional Supervision
- Activity 41 - Supervision - Nutrition
- Activity 51 - Supervision - Transportation
- Activity 61 - Supervision - Maintenance

Includes all non-represented staff (exempt)

*Central Administration activities are defined in the OSPI F-195 instructions.

"Administrative" positions currently represent 5.7% of all FTE positions

APPENDIX

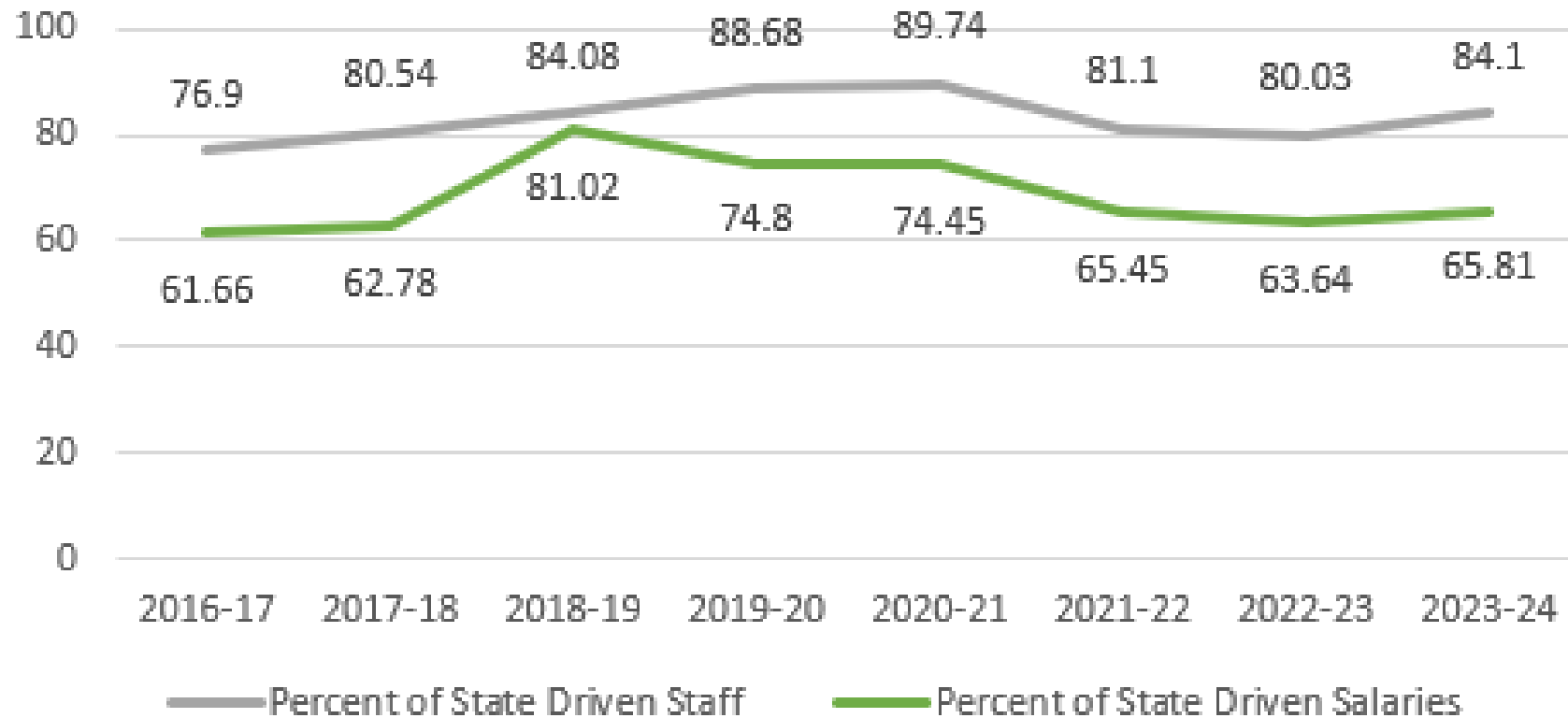
WHAT DRIVES FUNDING ISSUES FOR WASHINGTON SCHOOLS

- Enrollment decline trend has continued
- Inflation and escalated costs continue
 - Nutrition - increase cost of food items, reimbursement rates not able to keep up with costs
 - Benefits are more costly
 - Competitive market driven salary requirements drive higher wages
 - ESSER- escalating cost of programs planned to be paid for with ESSER results in less resources available to meet all planned commitments

WHAT DRIVES FUNDING ISSUES FOR WASHINGTON SCHOOLS - CONTINUED

- Legislative agenda is critical for Tacoma
 - Transportation Costs – McKinney Vento students, route efficiency, antiquated funding model
 - Special Education – Per student costs far exceed state's allocation, more students are funded but at the same low rate and costs aren't fully covered
 - Basic Education Prototypical Model – the state's allocation model only covers 66% of the costs of staff that they allocate to districts
 - Limits local levy collections

Percent of State Driven Staff and Salaries Compared to Total BE and LEVY Funded Staff



FUNDING GAP FROM THE STATE

Enrollment Trending

