

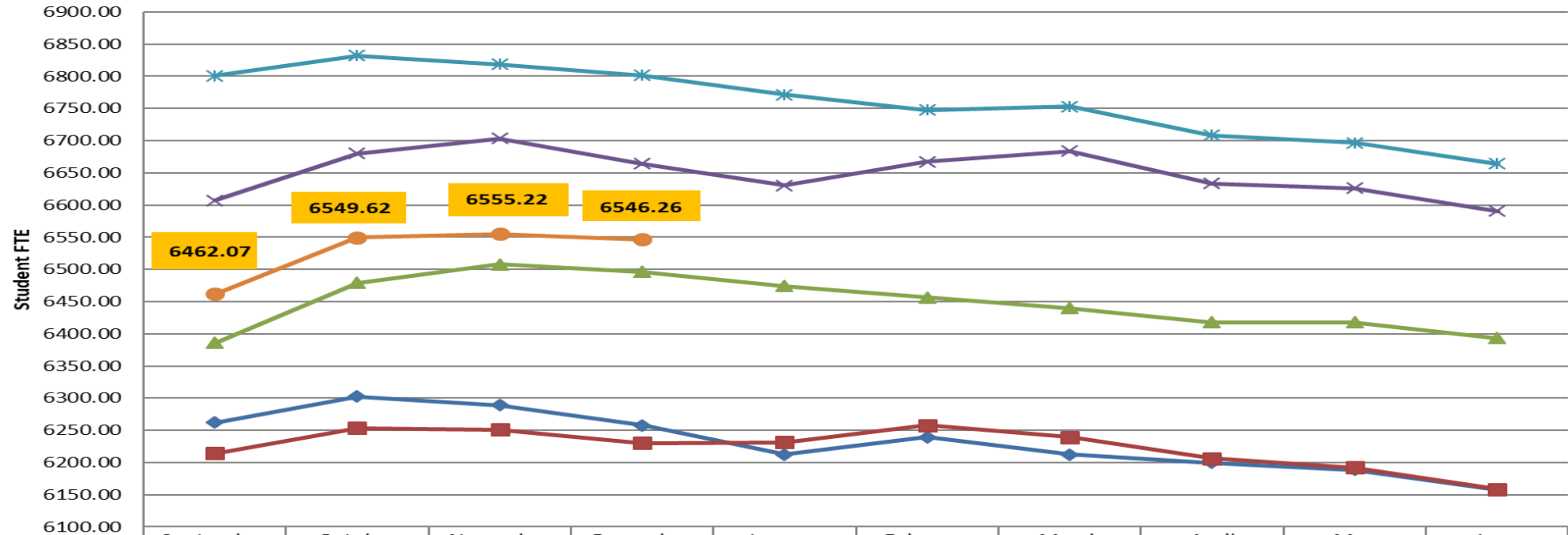


Tumwater School District

Financial Update

December 13, 2018

Reported Student FTE Enrollment By Fiscal Year (OSPI 1251 Report)



	September	October	November	December	January	February	March	April	May	June
2013-14	6261.80	6302.65	6288.95	6257.52	6212.44	6239.54	6212.59	6199.77	6188.35	6157.48
2014-15	6214.07	6253.23	6251.28	6230.42	6231.15	6257.68	6239.26	6206.55	6192.05	6158.28
2015-16	6386.00	6479.28	6507.96	6496.45	6474.42	6456.19	6439.54	6417.69	6417.56	6393.52
2016-17	6607.34	6679.94	6703.52	6664.38	6630.70	6667.11	6683.92	6633.55	6625.90	6590.62
2017-18	6800.66	6832.01	6818.41	6801.56	6771.44	6747.37	6753.15	6708.30	6696.69	6663.84
2018-19	6462.07	6549.62	6555.22	6546.26						

Average enrollment (6,526.29) is less than budgeted enrollment (6,670.47) by 144.18 student FTEs. In January 2019, OSPI will make an adjustment to our state apportionment funding to reflect average enrollment. This adjustment is estimated to reduced budgeted revenues by more than \$1 million which will impact projected ending fund balance.

Impact of Enrollment Shortfall

2018-2019 School Year

State of Washington

Run November 28, 2018 4:56 PM

Superintendent of Public Instruction

Tumwater School District

Capital Region ESD 113

Thurston County

F-203 Summary Report

CCDDD 34033

2018-2019 Budget Final F-203 JB

F-203
October Enrollment

Account	Item Code	Account Title	Amount	Amount
1400	A24	Local In-Lieu-Of Taxes	0.00	0.00
1600	A25	County Administered Forests	0.00	0.00
3100	M70	Apportionment	56,212,177.59	55,106,927.96
3121	Z288	Special Education, Gen Apportionment	1,554,277.97	1,549,744.46
3600	A26	State Forests	0.00	0.00
4121	N7	Special Education	6,793,951.99	6,776,388.20
4122	N8	Special Education - Infants and Toddlers - State	313,814.25	312,898.92
4155	O7	Learning Assistance Program	1,171,354.89	1,171,354.89
4165	Z477	Transitional Bilinual	200,362.84	200,362.84
4174	Z095	Highly Capable	184,955.57	181,765.11
4198	S5	School Food Service	23,640.70	23,640.70
4199	I4	Transportation - Operations	3,251,708.52	3,251,708.52
4499	J1	Transportation Reimbursement	435,282.83	435,282.83
5400	A27	Federal In-Lieu-of Taxes	0.00	0.00
5500	A28	Federal Forest	0.00	0.00
n/a	200A	Grades 7-8 Vocational Minimum Expenditures	131,636.72	315,063.30
n/a	Z109	Skill Center Total	3,404,821.99	3,404,821.99
n/a	Z266	Grades 9-12 Vocational Minimum Expenditures	2,209,162.46	2,209,162.46

\$1.1 million



Apportionment/Levy/Other Revenue Sources to Expenditures

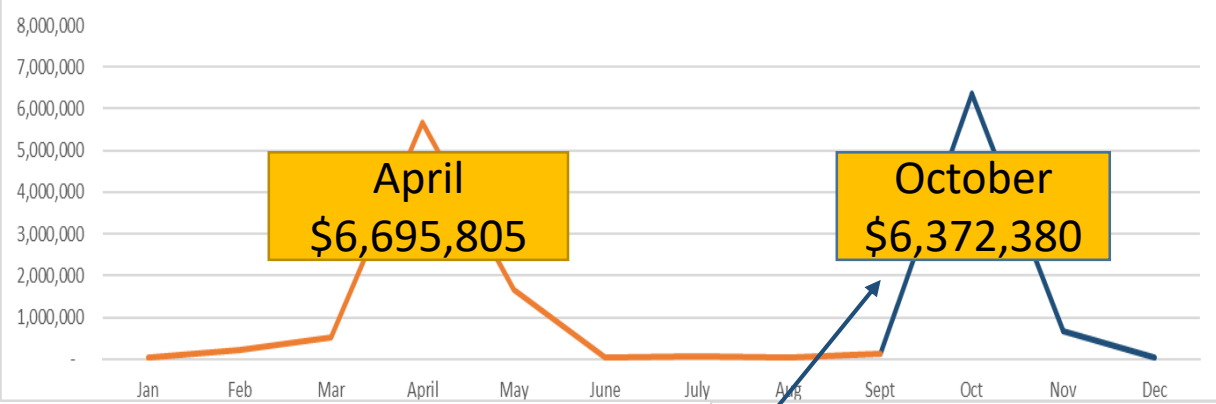
General Fund

Apportionment/Levy/Other Revenue Sources to Expenditures									
	1	2		3	4	5	6	7	8
Month	Monthly Apportionment Allocation Percentage	Annual Apportionment		Monthly Apportionment	Monthly Levy Collection	Other Revenue	Total Monthly Revenues	Total Monthly Expenditures	Variance (Impact to Fund Balance)
2018-2019									
September	9.0%	\$ 56,235,951		\$ 5,061,236	\$ 131,580	\$ 1,354,396	\$ 6,547,212	\$ 8,122,939	\$ (1,575,727)
October	9.0%	\$ 56,235,951		\$ 5,061,236	\$6,372,380	\$ 1,873,851	\$ 13,307,467	\$ 7,367,824	\$ 5,939,643
November	5.5%	\$ 56,235,931		\$ 4,598,683	\$ 665,098	\$ 107,348	\$ 5,371,129	\$ 7,780,699	\$ (2,409,570)
Net Change to fund balance									\$1,954,345
2017-2018									
September	9.0%	\$ 48,619,588		\$ 4,375,763	\$ 348,745	\$ 1,246,264	\$ 5,970,772	\$ 7,479,597	\$ (1,508,825)
October	9.0%	\$ 48,696,763		\$ 4,382,709	\$5,848,150	\$ 1,567,148	\$ 11,798,007	\$ 6,460,111	\$ 5,337,896
November	5.5%	\$ 48,696,763		\$ 2,678,322	\$ 711,793	\$ 1,521,896	\$ 4,912,011	\$ 6,664,282	\$ (1,752,271)
Net Change to fund balance									\$ 2,076,800
December	9.0%	\$ 48,696,763		\$ 4,382,709	\$ 41,067	\$ 1,519,420	\$ 5,943,196	\$ 6,334,126	\$ (390,930)
January	9.0%	\$ 48,649,656		\$ 4,378,469	\$ 33,917	\$ 1,626,230	\$ 6,038,616	\$ 6,319,497	\$ (280,881)
February	9.0%	\$ 48,574,219		\$ 4,371,680	\$ 245,860	\$ 1,703,818	\$ 6,321,358	\$ 6,560,916	\$ (239,558)
March	9.0%	\$ 48,534,223		\$ 4,368,080	\$ 647,650	\$ 1,699,044	\$ 6,714,774	\$ 6,684,567	\$ 30,207
April	9.0%	\$ 48,449,897		\$ 4,360,491	\$6,696,805	\$ 2,565,638	\$ 13,622,934	\$ 6,318,111	\$ 7,304,823
May	5.5%	\$ 48,364,081		\$ 2,660,024	\$ 931,033	\$ 1,722,526	\$ 5,313,583	\$ 6,605,269	\$ (1,291,686)
June	6.0%	\$ 48,270,890		\$ 2,896,253	\$ 50,611	\$ 1,411,688	\$ 4,358,552	\$ 6,853,814	\$ (2,495,262)
July	10%	\$ 48,268,859		\$ 4,826,886	\$ 18,260	\$ 1,905,079	\$ 6,750,225	\$ 8,170,801	\$ (1,420,576)
August	10%	\$ 48,950,949		\$ 4,895,095	\$ 51,154	\$ 2,987,965	\$ 7,934,214	\$ 9,896,635	\$ (1,962,421)

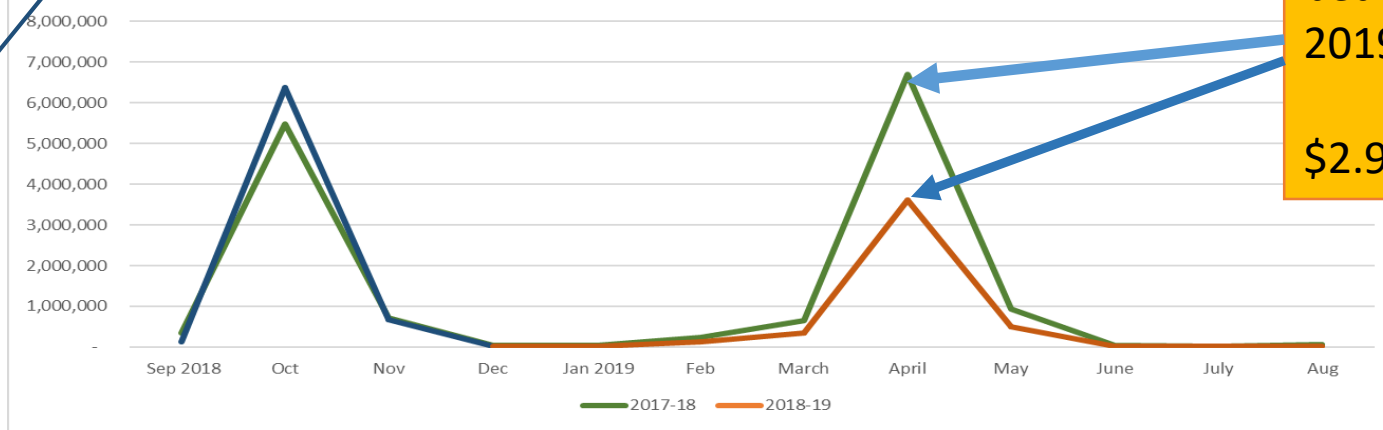
April 2019 levy collection is estimated to be \$3 million less than April 2018 levy collection but the state April apportionment is estimated to be \$1.3 million more. The difference is an estimated \$1.7 million reduction in fund balance.

Local Property Tax Calendar Year vs Fiscal Year

Levy Collection Calendar Year 2018 Actual Collection



Levy Collection School Fiscal Year 2017-2018 and 2018-2019 (Sept thru August)

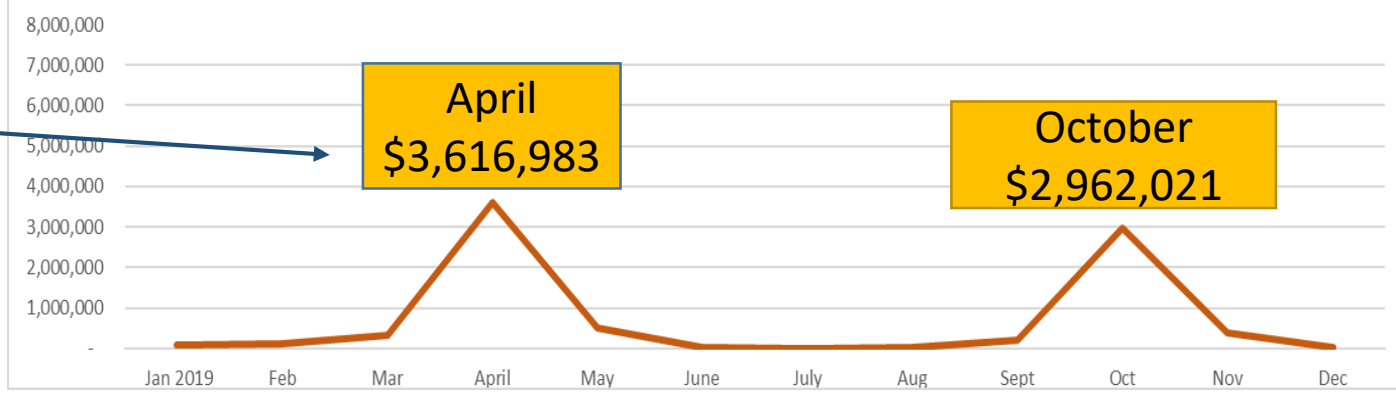


\$3 million difference in local property tax between April 2018 and 2019.


\$2.9 million for October.

\$2.8 million less in estimated levy collections between October and April for this fiscal year.

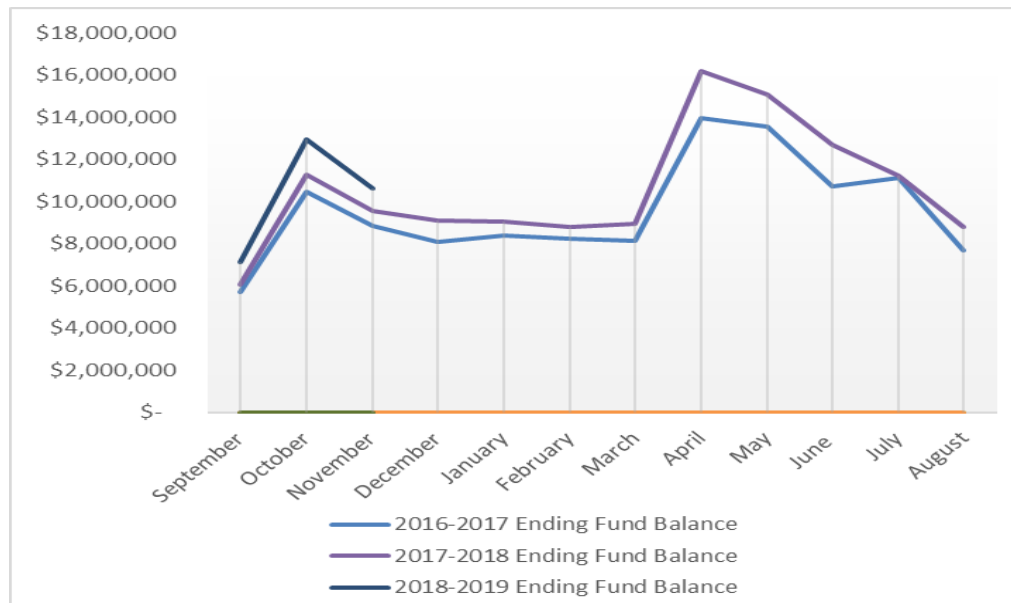
Levy Collection Calendar Year 2019



General Fund Balance (Excluding New Market Skill Center)

	2016-2017		2017-2018		2018-2019	
	Ending Fund Balance	% Change from Prior Month	Ending Fund Balance	% Change from Prior Month	Ending Fund Balance 	% Change from Prior Month
September	\$ 5,683,160	-24%	\$ 6,042,995	-21%	\$ 7,134,041	-19%
October	\$ 10,465,312	84%	\$ 11,273,092	87%	\$ 12,950,785	82%
November	\$ 8,834,077	-16%	\$ 9,557,078	-15%	\$ 10,627,069	-19%
December	\$ 8,083,527	-8%	\$ 9,085,509	-5%		
January	\$ 8,383,563	4%	\$ 9,035,662	-1%		
February	\$ 8,237,401	-2%	\$ 8,801,651	-3%		
March	\$ 8,149,326	-1%	\$ 8,919,268	1%		
April	\$ 13,953,015	71%	\$ 16,182,485	81%		
May	\$ 13,528,464	-3%	\$ 15,069,747	-7%		
June	\$ 10,731,465	-21%	\$ 12,663,766	-16%		
July	\$ 11,139,698	4%	\$ 11,207,055	-12%		
August	\$ 7,657,731	-31%	\$ 8,797,115	-22%		

November 2018	
Imprest Acct	\$ 4,930
Prepaid	\$ 900,000
Tum West	\$ 245,432
Min FB Policy	\$ 4,700,000
Unassigned	\$ 4,776,707
Total	\$ 10,627,069
NMSC	\$ 764,248



4-Year Forecast

(Policy Minimum Fund Balance 5.5%)

	2018-2019	2019-2020	2020-2021	2021-2022
Revenues	\$89,859,016	\$89,831,003	\$93,434,470	\$97,212,921
Expenditures	\$92,615,170	\$96,051,480	\$98,577,769	\$101,170,903
Over/Under	(\$2,756,154)	(\$6,220,477)	(\$5,143,299)	(\$3,957,982)

Beginning Fund Balance	\$9,208,287	\$6,689,178	\$7,123,764	\$7,312,761
Projected Ending Fund Balance	\$6,452,133	\$468,701	\$1,980,466	\$3,354,780
Projected Ending Fund Balance % to Expenditures	6.97%	0.49%	2.01%	3.32%

Required Spending Reductions *	(\$237,045)	(\$6,655,063)	(\$5,332,296)	(\$4,096,928)
Percent of Expenditures	-0.26%	-6.93%	-5.41%	-4.05%

Ending Fund Balance After Reduction	\$ 6,689,178	\$ 7,123,764	\$ 7,312,761	\$ 7,451,707
Percent of Expenditures	7.22%	7.42%	7.42%	7.37%

1. Assumption: Spending reductions for 2019-2020 through 2021-2022 are based on prior year reduction occurring so district can meet Board Policy Minimum Fund Balance of 4 % and other committed fund balance requirements.

2. This projection does NOT include additional expenditure for new SEBB health care costs or anticipated increases in employer pension rates.

4-Year Forecast

(Policy Minimum Fund Balance - 4%)

	2018-2019	2019-2020	2020-2021	2021-2022
Revenues	\$89,859,016	\$89,831,003	\$93,434,470	\$97,212,921
Expenditures	\$92,615,170	\$96,051,480	\$98,577,769	\$101,170,903
Over/Under	(\$2,756,154)	(\$6,220,477)	(\$5,143,299)	(\$3,957,982)

Beginning Fund Balance	\$9,208,287	\$6,452,133	\$5,734,537	\$5,871,989
Projected Ending Fund Balance	\$6,452,133	\$231,656	\$591,238	\$1,914,008
Projected Ending Fund Balance % to Expenditures	6.97%	0.24%	0.60%	1.89%

Required Spending Reductions *	\$0	(\$5,502,880)	(\$5,280,751)	(\$4,059,033)
Percent of Expenditures	0.00%	-5.73%	-5.36%	-4.01%

Ending Fund Balance After Reduction	\$ 6,452,133	\$ 5,734,537	\$ 5,871,989	\$ 5,973,041
Percent of Expenditures	6.97%	5.97%	5.96%	5.90%

1. Assumption: Spending reductions for 2019-2020 through 2021-2022 are based on prior year reduction occurring so district can meet Board Policy Minimum Fund Balance of 4 % and other committed fund balance requirements.

2. This projection does NOT include additional expenditure for new SEBB health care costs or anticipated increases in employer pension rates.

Summary of Fund Balance / Reductions

Fiscal Year 2018-2019	
Beginning Fund Balance	\$9,208,287
Ending Fund Balance	<u>\$6,452,133</u>
Used Fund Balance	<u><u>\$2,756,154</u></u>

Fiscal Year 2019-2020	
Estimated Beginning Fund Balance	\$6,452,133
Estimated Deficit	<u>\$6,220,447</u>
Estimated Ending Fund Balance	\$231,686
Minimum Fund Balance (5.5%)	\$4,700,000
5.5% Minimum Fund Balance Policy	
Required Reductions	\$6,655,063

Other Financial Related Information

State Salary Increases 2018-2019

III. Summary and Benefits					Based on Nov Enrollment	Budget F-203	Difference	
A. District Staffing Total Salaries								
1. Total Certificated Instructional Salaries - Maintenance Level								
[School Generated CIS FTE] * [CIS - Salary Maint] * [CIS Mix]								
	313.901	*	35,700.00	*	1.57756			
						\$ 17,678,556.52	\$ 18,657,773.09	\$ (979,216.57)
2. Total Certificated Instructional Staff Salaries - Increase								
[School Generated CIS FTE] * [CIS - Salary Inc] * [CIS Mix] - [School CIS Salary Maint Total]								
	313.901	*	65,216.05	*	1.00000 - 17,678,556.52			
						\$ 2,792,826.79	\$ 2,947,521.68	\$ (154,694.89)
3. Total Certificated Administrative Staff Salaries - Maintenance Level								
[Central Admin CAS Salary Maint Total] + [School CAS Salary Maint Total]								
	362,674.07	+	1,157,398.83					
						\$ 1,520,072.90	\$ 1,602,587.07	\$ (82,514.17)
4. Total Certificated Administrative Staff Salaries - Increase								
[Central Admin CAS Salary Inc Total] + [School CAS Salary Inc Total]								
	179,821.15	+	573,861.79					
						\$ 753,682.94	\$ 794,595.15	\$ (40,912.21)
5. Total Classified Salaries - Maintenance Level								
[School CLS Salary Maint Total] + [Facilities Salary Maint Total] + [Warehouse Salary Maint Total]								
+ [Technology Salary Maint Total] + [Central Admin CLS Salary Maint Total]								
	2,256,379.18	+	345,814.20	+	63,315.74			
			119,782.02	+	547,923.39			
						\$ 3,333,214.53	\$ 3,513,271.80	\$ (180,057.27)
6. Total Classified Salaries - Increase								
[School CLS Salary Inc Total] + [Facilities Salary Inc Total] + [Warehouse Salary Inc Total]								
+ [Technology Salary Inc Total] + [Central Admin CLS Salary Inc Total]								
	903,037.91	+	138,400.20	+	25,339.94			
			47,938.62	+	219,287.43			
						\$ 1,334,004.10	\$ 1,406,100.49	\$ (72,096.39)
7. TOTAL Salaries								
[School CIS Salary Maint Total] + [School CIS Salary Inc Total] + [Total CAS Salary Maint]								
+ [Total CAS Salary Inc] + [Total CLS Salary Maint] + [Total CLS Salary Inc]								
	17,678,556.52	+	2,792,826.79	+	1,520,072.90	+	753,682.94	
			3,333,214.53	+	1,334,004.10			
						\$ 27,412,357.78	\$ 28,921,849.28	\$ (1,509,491.50)

School Generated Certificated Staff

Prototypical Model - Staffing Analysis				
Basic Education and District Wide Support (Programs 01 and 97)		State Allocation (Sept-Nov Average Enrollment)	Actual FTE and Salary (S-275)	Under (Over)
School Generated				
Principals	FTE	17.884	18.600	-0.716
	Funding	\$1,731,261	\$2,206,770	(\$475,509)
Teachers	FTE	291.477	291.890	-0.413
	Funding	\$19,008,979	\$23,623,370	(\$4,614,391)
Librarians	FTE	7.856	10.000	-2.144
	Funding	\$512,337	\$928,954	(\$416,617)
Counselors	FTE	13.020	15.772	-2.752
	Funding	\$849,113	\$1,335,831	(\$486,718)
School Nurses	FTE	0.992	3.000	-2.008
	Funding	\$64,694	\$254,406	(\$189,712)
Social Workers	FTE	0.395	1.000	-0.605
	Funding	\$25,760	\$98,065	(\$72,305)
Psychologists	FTE	0.161	0	0.161
	Funding	\$10,500	\$0	\$10,500

School Generated Classified Staff

Prototypical Model - Staffing Analysis

Basic Education and District Wide Support (Programs 01 and 97)	State Allocation (Sept-Nov Average Enrollment)	Actual FTE and Salary (S-275)	Under (Over)	
School Generated				
Para-educators	FTE	10.805	34.348	-23.543
	Funding	\$505,505	\$1,553,997	(\$1,048,492)
Office Support / LPN	FTE	29.673	37.967	-8.294
	Funding	\$1,388,231	\$1,896,850	(\$508,619)
Custodians	FTE	25.18	31.250	-6.07
	Funding	\$1,178,029	\$1,426,243	(\$248,214)
Student and Staff Safety	FTE	1.199	4.625	-3.426
	Funding	\$56,094	\$145,140	(\$89,046)
Family Involvement Coordinator	FTE	0.675	0	0.675
	Funding	\$31,579	\$0	\$31,579

Total School Staffing FTE	399.317	448.452	-49.135
----------------------------------	----------------	----------------	----------------

District Wide Generated Support

Prototypical Model - Staffing Analysis				
		State Allocation (Sept-Nov Average Enrollment)	Actual FTE and Salary (S-275)	Under (Over)
District Wide Support				
Technology	FTE	3.585	5.650	-2.065
	Funding	\$167,722	\$373,133	(\$205,411)
Facilities/Maint/Grounds/Warehouse/Mechanics	FTE	12.245	13.519	-1.274
	Funding	\$572,874	\$779,757	(\$206,883)
Central Admin - Certificated Administrators	FTE	5.604	3.820	1.784
	Funding	\$542,495	\$540,326	\$2,169
Central Admin - Classified Staff	FTE	16.399	18.151	-1.752
	Funding	\$767,216	\$1,228,677	(\$461,461)
Total District-wide Staffing FTE		37.833	41.140	-3.307

Prototypical Model Summary

Prototypical Model - Staffing Analysis				
Basic Education and District Wide Support (Programs 01 and 97)		State Allocation (Sept-Nov Average Enrollment)	Actual FTE and Salary (S-275)	Under (Over)
Total Staffing FTEs		437.150	489.592	-52.442
Total Salary Funding Costs		\$27,412,391	\$36,391,519	(\$8,979,128)
Unfunded Salaries				(\$8,979,128)
Unfunded Insurance for 53.442 FTE				(\$531,114)
Unfunded 24% Payroll Tax-Benefits				(\$2,154,991)
Total Unfunded Salary and Benefit Costs				(\$11,665,233)
State Funding Level				
Certificated Instructional Staff (CIS)		313.901	\$65,216.05	
Certificated Admin. Staff (CAS)		23.488	\$96,805.00	
Classified (CLS)		99.761	\$46,784.33	

Budget Audit Committee

Committee Members:

Dan O'Neil

Allen Jones

Scott Kee

Anne Renschler

Discussion Items:

Budget Process

Enrollment and Impact

4-year Forecast

Fund Balance

Regionalization/Experience Factor Funding

Community Support – Public Perception/Awareness

Types of Funding - Revenues

District Budget Assumptions

Prototypical Funding Model

Levy - Impact of Changes