

Tacoma Public Schools Public Hearing

2024-2025 Proposed Budget

Presenter: Rosalind Medina, Chief Financial Officer

June 6, 2024

Public Hearing

2024-25 Preliminary Budget

Inform Board and public of budgeted use of resources

- ✓ Budget interactions summary
- ✓ Alignment to Strategic Plan

Present preliminary budget for 2024-25

- ✓ Adoption planned for June 20
- ✓ Review preliminary expenditure authority for each fund
- ✓ Review 4-year budget for each fund

Budget Development

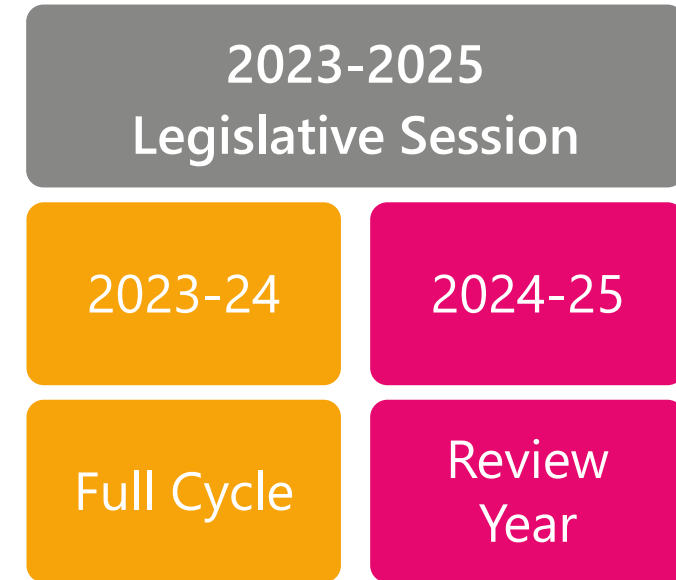
Biennial Process: Year 1 (2023-2024)

- **February 2023:** We asked for voluntary participants in the Budget Advisory Committee. The committee consisted of staff, union members, PTA members, parents, community partners, and Tacoma residents.
- **March 2023:** Committee members received an overview of fund accounting basics, revenue sources, limitations, and staff models.
- **April 2023:** Committee members reviewed two-year budget proposals from departments and programs and asked questions directly to representative staff.
- **May 2023:** Budget Advisory Committee recommended considerations to the superintendent in budget decisions.

Budget Development

Biennial Process: Year 2 (2024-2025)

- Review Year
- Application of the Budget Development Guiding Principles
- Right sizing of expenditures in response to loss in resources
- Other funds utilize a roll over or activity-based budgeting process



Budget Development

Guiding Principles

1. We will be **sensitive to our diverse needs** and continue to focus on eliminating disparities among all groups.
2. We will **prioritize coursework** necessary for on-time graduation.
3. We will focus on maintaining and enhancing **social emotional well-being and mental health** services for all students.
4. We will focus on maintaining and enhancing the **quality of learning** and the **learning environment** for all students.
5. We will protect our institutional or **program accreditations** or **compliance with laws** and regulations.
6. We will rely on **data and benchmarks**, when available, to assess the educational impact of programs and initiatives considered for enhancement, reduction or elimination.
7. We will ensure **transparency and communicate adjustments** to district staff, partner organizations, parents and the community.
8. If position eliminations are necessary, we will make every effort, to **reassign displaced employees** to vacant positions for which they qualify.

Criteria

1. We will put the **safety** of our students, as well as staff, partners, and the community, at the forefront of all decisions.
2. We will consider the **essential needs** for maintenance of our physical facilities when making decisions.
3. We will be mindful of **long-term financial impacts** regarding both program enhancements and reductions.
4. We will prioritize the affordability and access to **athletics, activities** and **school meals**.

District Funds



**General
Fund**



**Debt Service
Fund**



**Associated Student
Body Fund**



**Transportation
Vehicle Fund**



**Trust
Fund**



**Capital &
Technology Levy**

Funds are like separate checking accounts. They **can't** be used outside of their intended uses. Budgets are not submitted for Trust Funds – those dollars are held on behalf of others.

2024-25 Preliminary Budget

2024-25 Preliminary Budget

General Fund Overview

Revenues and Other Financing Sources: **\$577,888,444**

Expenditures: **\$572,408,012**

Recovery of Fund Balance: **Targeted 4%**

2024-25 Preliminary Budget

Fund Balance Plan

Maintain 5% Reserve

- 5% of planned revenues (Policy 6015.1R)
- 24-25 plan rebuilds fund balance from 3.5% to 4%

Use balance for:

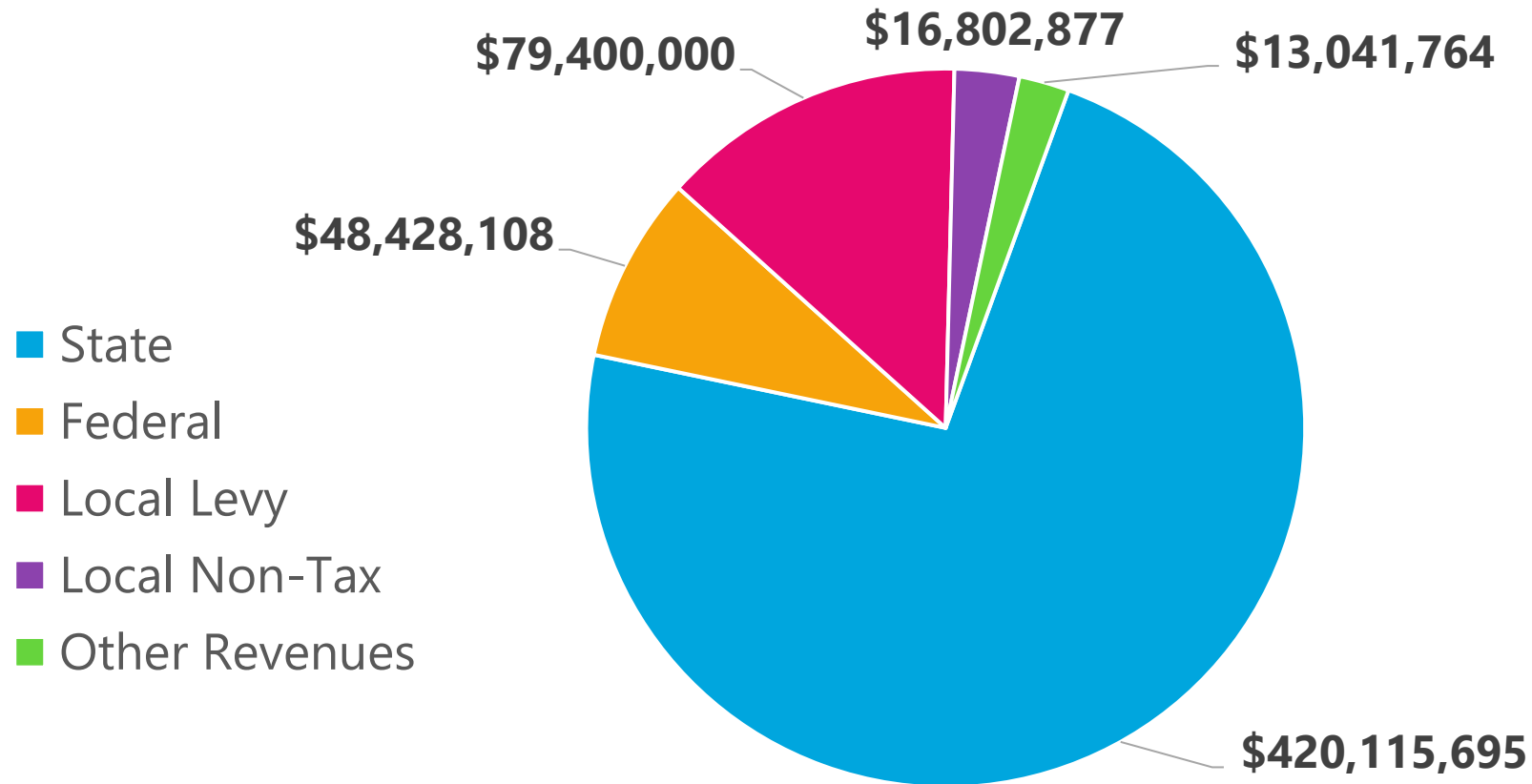
- Typical program carryover and curriculum
- Smoothing the disruption from the current year
 - Enrollment changes

What are reserves needed for?

- Emergencies
- Bond ratings
- Extraordinary events
- Cash flow fluctuations
- Preventing the need to borrow

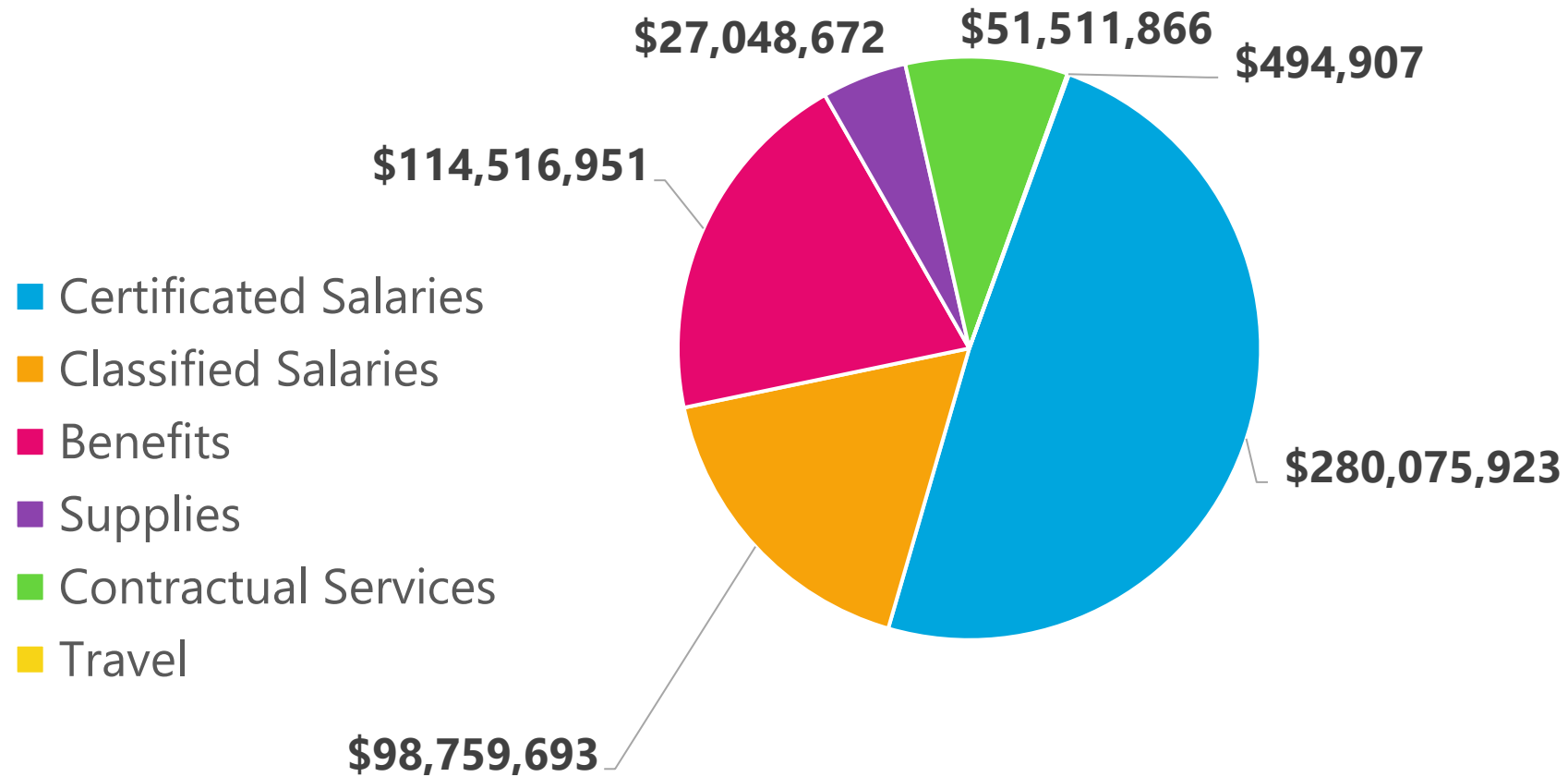
2024-25 Preliminary Budget

General Fund: Revenue Sources \$577,888,444



2024-25 Preliminary Budget

General Fund: Expenditures by Object \$572,408,012



2024-25 Preliminary Budget

General Fund: Materials, Supplies, Operating Costs (MSOC)

| | |
|---|------------------------|
| Student Unit (FTE) | 25,147.57 |
| Technology | \$4,574,813.08 |
| Utilities/Insurance | \$11,147,496.54 |
| Curriculum | \$4,259,026.89 |
| Other Supplies | \$8,459,973.77 |
| Library Materials | \$601,332.93 |
| Instructional Professional Development for Certificated and Classified Staff | \$751,539.61 |
| Facilities Maintenance | \$5,345,839.77 |
| Central Districtwide Support | \$3,796,362.84 |
| Total Allocated MSOC | \$38,936,385.43 |
| 2024-25 Budget | \$42,658,492.00 |
| Over/(Under) Compliance | \$3,722,106.57 |

2024-25 Preliminary Budget

Total percentage by strategic plan goal

| Strategic Plan Goal | Biennial Budgets | | | | | |
|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2019-20 Year 1 | 2020-21 Year 2 | 2021-22 Year 1 | 2022-23 Year 2 | 2023-24 Year 1 | 2024-25 Year 2 |
| Academic Excellence | 72.83% | 73.51% | 77.55% | 75.26% | 74.29% | 74.83% |
| Early Learning | 3.52% | 2.94% | 2.48% | 2.63% | 3.35% | 4.06% |
| Health and Safety | 1.12% | 1.07% | 1.77% | 1.96% | 2.33% | 2.25% |
| Partnerships | 0.19% | 0.18% | 0.19% | 0.20% | 0.18% | 0.10% |
| Operations | 22.34% | 22.30% | 18.01% | 19.95% | 19.85% | 18.76% |

2024-25 Preliminary Budget

Other Funds



Debt Service: \$74,596,000

Fund used to manage bond related debt obligations.
Currently the district has \$896,955,000 of outstanding bonds



Associated Student Body: \$5,191,496

Special revenue fund for holding student related fees
Funds are distributed exclusively under the guidance of the student body



Transportation Vehicle Fund: \$1,903,000

Fund used for the purpose of purchasing buses for student transportation
Plan includes the purchase of 6-12 replacement buses



Capital Projects: \$167,723,000

Using funds secured through 2020 bonds and 2022 technology levy
Fund used to acquire or construct major capital facilities, technology upgrades, or small capital projects

2024-25 Preliminary Budget

Four-Year Budget

| (values are rounded in millions) | 2024-25 Budget | 2025-26 Budget | 2026-27 Budget | 2027-28 Budget |
|--|------------------|------------------|------------------|------------------|
| Revenues: | | | | |
| Local Taxes | \$ 79.40 | \$ 81.29 | \$ 82.00 | \$ 82.00 |
| State - Basic Education | \$ 292.68 | \$ 301.00 | \$ 308.02 | \$ 313.95 |
| State - Categorical | \$ 127.44 | \$ 123.64 | \$ 126.30 | \$ 128.28 |
| Other | \$ 78.37 | \$ 88.79 | \$ 88.79 | \$ 88.79 |
| Total Revenues | \$ 577.89 | \$ 594.71 | \$ 605.11 | \$ 613.02 |
| Expenditures: | | | | |
| Salaries and Benefits | \$ 486.55 | \$ 505.51 | \$ 514.34 | \$ 521.06 |
| Supplies, Materials, Other Operating costs | \$ 85.86 | \$ 89.21 | \$ 90.77 | \$ 91.95 |
| Total Expenditures | \$ 572.41 | \$ 594.71 | \$ 605.11 | \$ 613.02 |
| Fund Balance Impact | \$ 5.48 | \$ - | \$ - | \$ - |

2024-25 Preliminary Budget

Important Dates



June 6

Formal Budget Hearing



June 7-19

Draft available on the
website for review



June 20

Formal Budget
Adoption

Budget Development Resources

- Budget Calculator
- Guiding Principles
- Spring 2024 Budget Presentations
- 2024-25 Preliminary General Fund Budget

Scan to access
budget
development
resources



<http://bit.ly/TPSBudget>