Operating and Capital

Approved Budgets for Fiscal Year

2024-2025

Presented to the Tukwila School District

Board of Directors

July 23, 2024

Presented by: Amy Fleming, CFO

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Draft Board Resolution

TUKWILA SCHOOL DISTRICT NO. 406 KING COUNTY, WASHINGTON

RESOLUTION NO. XXX

A RESOLUTION of the Board of Directors of the Tukwila School District No. 406, King County, Washington, adopting the 2024-25 Budget, the four-year budget plan summary and the four-year enrollment projection.

WHEREAS, the Board of Directors of the Tukwila School District No. 406 has reviewed the proposed 2024-25 budget, the four-year budget plan summary, and the four-year enrollment projection; and

WHEREAS, RCW 28A.505.060 and WAC 392-12-054 requires the Board of Directors of every school district meet for the purpose of fixing and adopting the budget of the district for the ensuring year; and

WHEREAS, public notices were published on July 22, 2024 and July 29, 2024, announcing that the Board of Directors of the Tukwila School District No. 406 would meet in a public meeting on August 13, 2024, for the purpose of holding a required public hearing regarding the 2024-2025 Fiscal Budget of the District; and

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

WHEREAS, the Board of Directors has been requested to approved the operating transfers from the Transportation Vehicle Fund to the Debt Service Fund up to the amount of $148,677 and from the Capital Fund to the General Fund up to $695,083

NOW, THEREFORE BE IT, RESOLVED, that the Board of Directors of the Tukwila School District No. 406 has determined that the final appropriation level of expenditures for each fund in 2024-25 will be as follows:

General Fund	$57,405,952
Capital Projects Fund	$5,594,036
Associated Student Body Fund	$222,560
Debt Service Fund	$7,861,652
Transportation Vehicle Fund	$300,000

BE IT FURTHER RESOLVED, the Board of Directors of the Tukwila School District No. 406 approves the four-year budget plan summary, the four-year enrollment projection; and

BE IT FURTHER RESOLVED, that the Board of Directors of the Tukwila School District No. 406 approves in a meeting thereof held August 23, 2024, operating transfers from the Transportation Vehicle Fund to the Debt Service Fund up to the amount of $148,677 and Capital Fund Transfer up to the amount of $695,083 to the General Fund.

ADOPTED this 23rd day of August, 2024 in Tukwila, Washington.

_____	_____
President	Vice President
_____	_____
Director	Director
_____	
Director	

ATTEST:

_____

Dr. Concepcion Pedroza
Secretary to the Board of Directors

Executive Summary

While the district had an adequate ending fund balance several years ago it more recently has been faced with stretch budgets to make it through each year. The end of the 22-23 school year presented more challenges when the District was faced with a general fund negative ending fund balance of ($717,671). As a result, the district entered into binding conditions with OSPI requiring established benchmarks to be met over the course of two-years.

The first benchmark requires the district's general fund ending fund balance reported in the end of year financial statement dated August 31,2024 to be not less than negative ($4.5 million). The district expects to meet this benchmark with a negative ending fund balance of $3.5M or less.

The second benchmark requires the district's general fund April 30, 2025 ending fund balance to be not less than negative ($2.0 million). The district will continue monitoring spending levels throughout the next fiscal year to meet this required benchmark.

The third benchmark requires the district's general fund August 31, 2025 ending fund balance to not be less the $0. At this time, the district is unable to meet this benchmark. The proposed 2024-2025 general fund budget has shown significant steps taken to reduce expenditures, however work continues and will likely continue into the 2024-2025 school year to identify additional cost reductions in order to meet this benchmark. This will require work with our labor partners to explore what other cost saving and cost reduction measures can be taken.

There are two possible scenarios of not meeting the third benchmark 1) OSPI could agree to extend the binding conditions placed on Tukwila School District as we continue to work on cost reductions and show improvement; or 2) OSPI could place the district into financial oversight. Financial oversight would require the district to work with our current Educational Service District (ESD), an ESD from a different region and OSPI to work through additional steps to become solvent.

General Information

Three operating funds and two capital projects funds (Capital Projects and Transportation Vehicle) comprise the total annual budgets for the Tukwila School District. The distinctive funds are identified below with a summary description of each.

1. General Fund

The General Fund is the largest fund in the district and accounts for daily operations of the Tukwila School District. It supports funding for all schools and supporting departments such as food service, transportation, custodial and maintenance.

2. Capital Projects Fund

The Capital Projects Fund is used for construction, renovation, and upgrades to district facilities and technology. The capital fund makes significant investments in district facilities and technology to ensure equitable access provide a positive secure learning environment for every student.

3. Debt Service Fund

The Debt Service Fund is established to account for the accumulation of resources for, and the payment of long-term debt principal, interest, and related expenses.

4. Associated Student Body Fund

The Associated Student Body Fund (ASB) fund is used to account for funds raised by students to support optional, extra-curricular activities that promote the cultural, athletic, recreational, or social growth of students. ASB programs were created to encourage students to participate in extra-curricular activities outside of their basic education classes. To have ASB activities, Washington State law requires each school, grade seven or higher, to establish a student-led governing body.

5. Transportation Vehicle Fund

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

General Information (Cont.)

The following table shows the historical and proposed 2024-25 budget for all funds.

General Fund	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2024-2025 Budget
Beginning Balance	4,479,157	2,280,946	-717,671	-3,500,000
Revenues	54,780,938	59,671,087	61,818,600	58,802,598
Transfer from Capital Fund	0	199,065	50,000	695,083
Funds Available	59,260,095	62,151,098	61,150,929	55,997,681
Expenditures	56,979,149	62,868,769	65,539,086	57,405,952
Ending Fund Balance	**2,280,946**	**-717,671**	**-4,388,157**	**-1,408,271**
Capital Fund				
Beginning Balance	8,075,039	8,101,041	6,388,110	5,605,912
Revenues	3,333,173	3,507,458	4,270,000	4,009,914
Funds Available	11,408,212	11,608,499	10,658,110	9,615,826
Transfer to General Fund	0	217,275	1,300,000	695,083
Expenditures	3,307,171	4,910,070	8,397,800	5,594,036
Ending Fund Balance	**8,101,041**	**6,481,154**	**960,310**	**3,326,707**
Debt Service Fund				
Beginning Balance	199,115	2,471,279	3,120,250	3,255,766
Revenues	251,208	7,928,677	7,836,000	7,851,520
Transfer from Transportation Vehicle	450,323	144,982	149,705	148,677
Funds Available	900,646	10,544,938	11,105,955	11,255,963
Expenditures	146,509	7,392,382	8,091,555	7,861,652
Ending Fund Balance	**754,137**	**3,152,556**	**3,014,400**	**3,394,311**
ASB				
Beginning Balance	183,737	178,067	273,737	301,194
Revenues	50,602	105,135	179,950	151,970
Funds Available	234,339	318,737	453,687	453,164
Expenditures	56,272	37,181	181,950	222,560
Ending Fund Balance	**178,067**	**273,737**	**271,737**	**230,604**
Transportation Vehicle Fund				
Beginning Balance	199,115	162,657	284,913	371,961
Revenues	251,208	273,129	275,012	235,499
Funds Available	450,323	435,786	559,925	607,460
Expenditures	141,157	-	200,000	300,000
Transfer to Debt Service	146,509	150,732	149,705	148,677
Ending Fund Balance	**162,657**	**285,054**	**210,220**	**158,783**

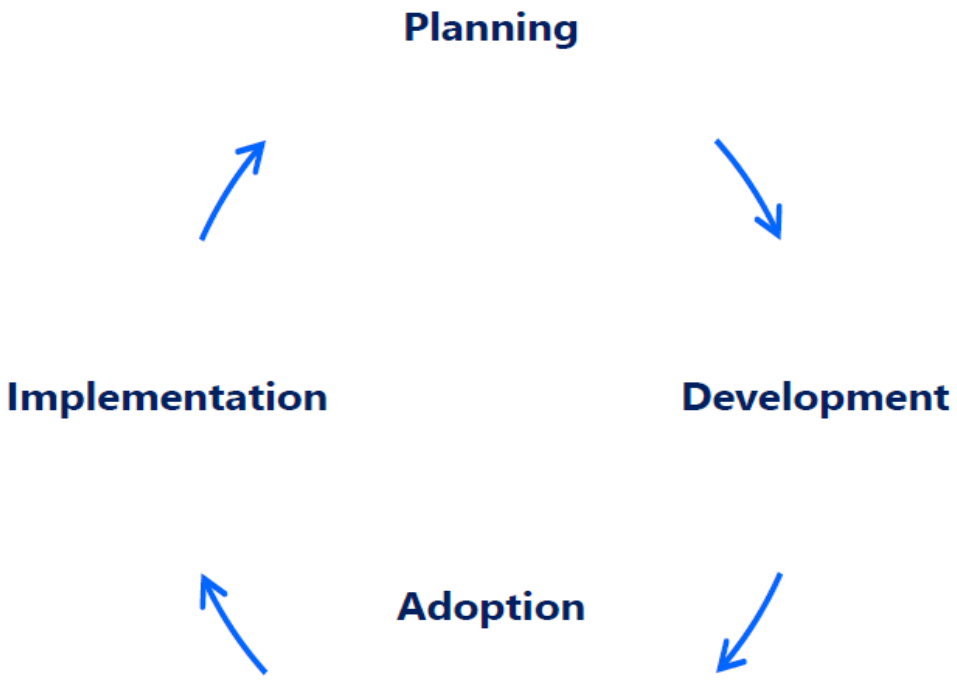
Budget Process

The budget is the official document that describes the district's financial plan for the next year. It is also the plan to achieve the district's goals and objectives expressed in dollars, and a key tool in controlling operations.

The budget authorizes a maximum amount of expenditures (called an appropriation) for each fund. By state law, the district may not exceed this maximum spending amount with the exception of some specified emergencies.

The budget covers a single fiscal year, which runs from September 1, 2024, to August 31, 2025. State law requires district staff to prepare a recommended budget no later than July 10. Formal adoption of the budget requires approval of the Board of Directors by August 31 and submission of the approved budget to the state. The district cannot collect tax revenues or incur expenditures until a legally adopted budget is in place.

Budget development is an ongoing process beginning in the fall and concluding with budget adoption in the summer. The process is conducted through a school board governance structure. The full board is engaged in the process through board work sessions allowing each board member to provide input.



Strategic Plan Goals 2023-2026

Strategic Plan Goals 2023-2026

High Expectations & Excellence for All

Students and staff have high expectations for themselves and others.

Engaged Learners

Students engage with meaningful and relevant content and receive high-quality instruction.

Relationships

We value and prioritize positive relationships between students, staff, families, and community organizations.

Equity & Empathy

We value the diverse cultures, languages, and experiences of the Tukwila community.

Student Enrollment

The 2024-25 Full-Time Equivalent (FTE) K-12 enrollment budget is 2,620. 89 students are expected to participate in Running Start bringing the total 2024-25 enrollment budget 2709.

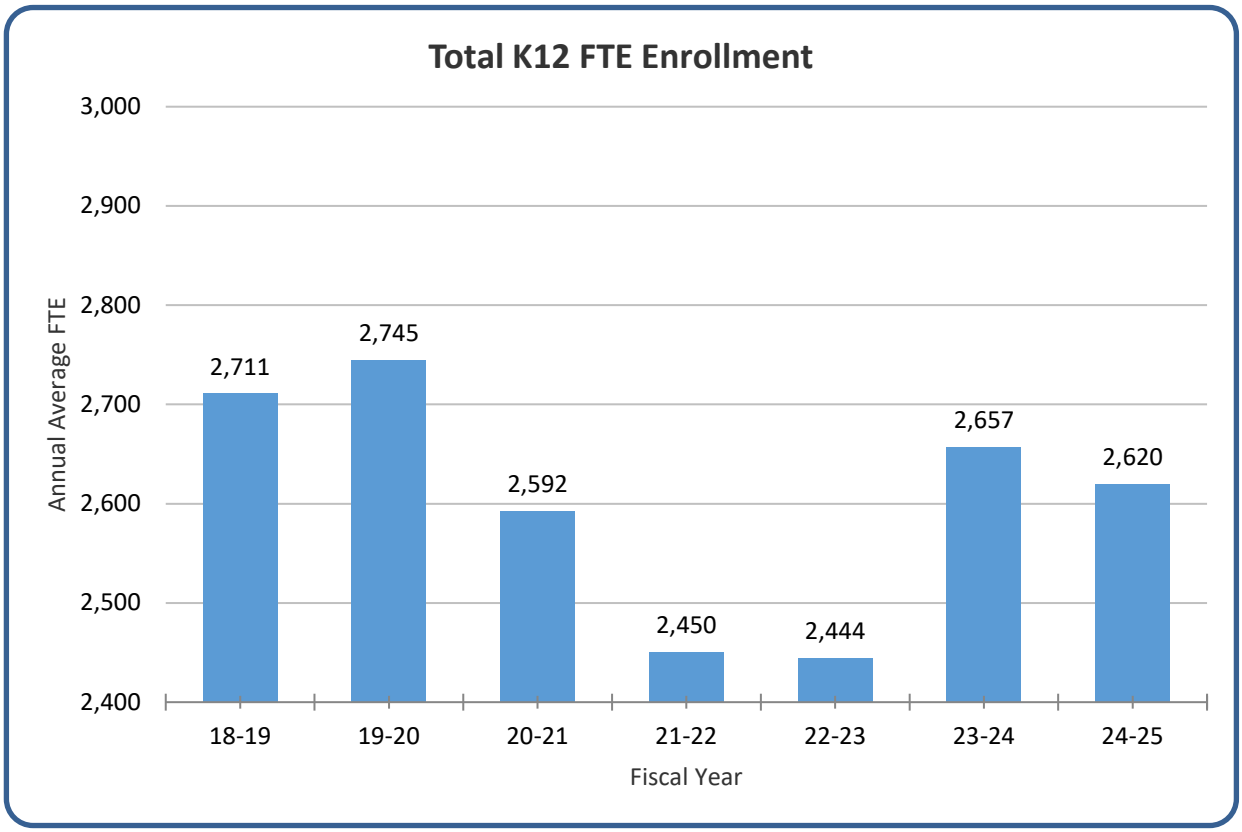
The following table shows the changes in actual student enrollment and the changes (increases/ decreases) in the budgeted student enrollment over the past several years.

FTE Enrollment By Grade	**18-19 Act**	**19-20 Act**	**20-21 Act**	**21-22 Act**	**22-23 Act**	**23-24 Act**	**24-25 Budget**	**25-26 Projected**	**26-27 Projected**	**27-28 Projected**
Elementary (K-5)	1,305	1,304	1,214	1,136	1,115	1,254	1,218	1,105	1,142	1,154
Middle (6-8)	626	660	612	585	572	609	621	570	537	517
High (9-12)	779	781	766	729	757	794	781	786	778	766
Total K12 FTE	**2,711**	**2,745**	**2,592**	**2,450**	**2,444**	**2,657**	**2,620**	**2,461**	**2,457**	**2,437**
FTE Change from PY	-70	34	-153	-142	-6	213	-37	-159	-4	-20
% Change	-2.5%	1.3%	-5.6%	-5.5%	-0.2%	8.7%	-1.4%	-6.1%	-0.2%	-0.8%
ALE	32	55	0	0	0	0	0	0	0	0
Running Start	80	94	78	57	68	91.1	89.04	95	95	95
Open Doors	4	2	4	0	0	0	0	0	0	0
Grand Total	**2,826**	**2,896**	**2,674**	**2,507**	**2,512**	**2,749**	**2,709**	**2,556**	**2,552**	**2,532**
FTE Change from PY	-26	70	-222	-167	5	237	-40	-153	-4	-20
% Change	-0.9%	2.5%	-7.7%	-6.2%	0.2%	9.4%	-1.6%	-5.6%	-0.1%	-0.8%

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

Student Enrollment – Chart

As shown below, K-12 enrollment has declined since the 2020-2021 school year. 2023-24 increased significantly during February through June due to the number of Asylum-seeking students enrolling in our district. We anticipate enrollment to begin stabilizing with future projected enrollment decreasing in the out years.



General Fund Summary

The General Fund is the largest fund in the district and accounts for daily operations of the Tukwila School District. It supports funding for all schools and supporting departments such as food service, transportation, custodial and maintenance.

The 2024-25 General Fund budget is shown below.

General Fund	**2021-2022 Actual**	**2022-2023 Actual**	**2023-2024 Budget**	**2024-2025 Budget**
Beginning Balance	4,479,157	2,280,946	-717,671	-3,500,000
Revenues	54,780,938	59,671,087	61,818,600	58,802,598
Transfer from Capital Fund	0	199,065	50,000	695,083
Funds Available	59,260,095	62,151,098	61,150,929	55,997,681
Expenditure	56,979,149	62,868,769	65,539,086	57,405,952
Ending Fund Balance	**2,280,946**	**-717,671**	**-4,388,157**	**-1,408,271**

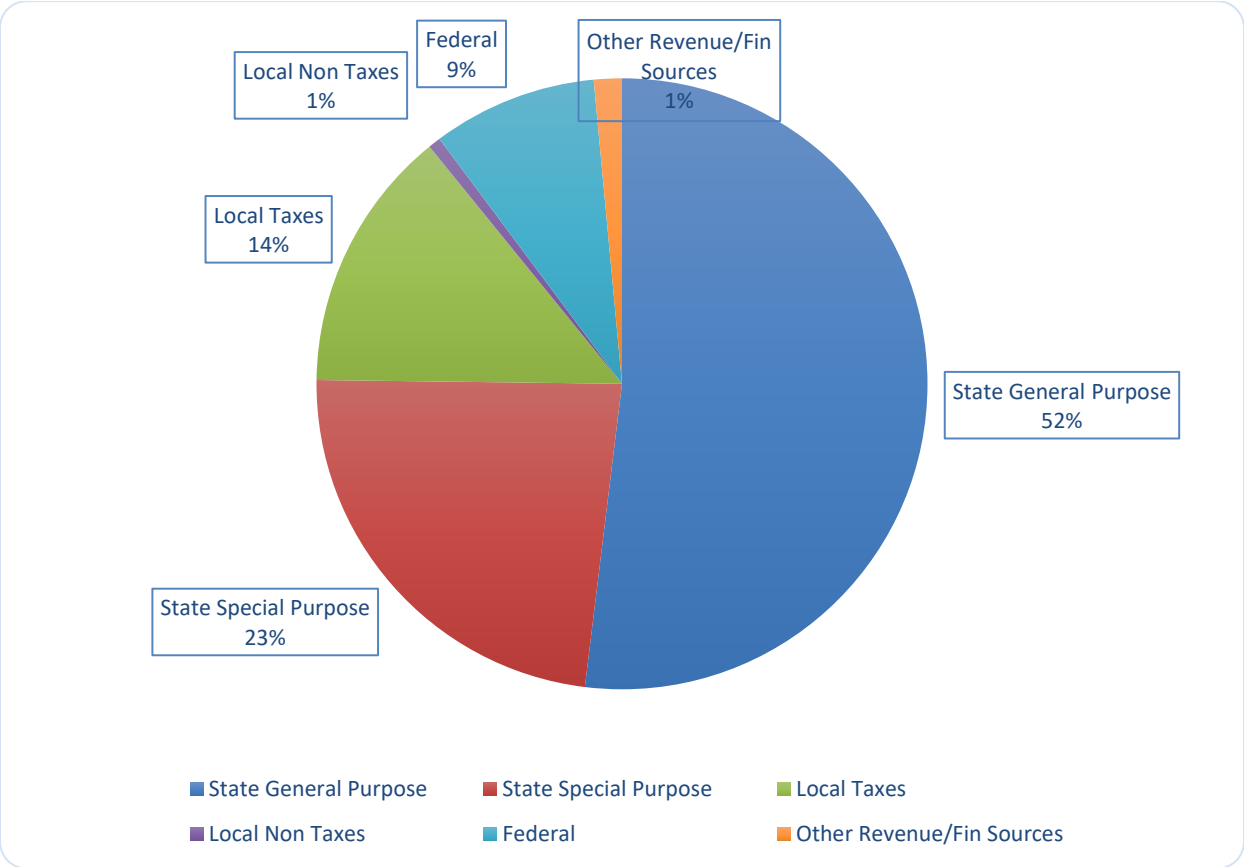
General Fund Revenue

The general fund receives funding from a variety of sources totaling $58.8 million for the 2024-25 budget. There are four major revenue types including state, local levy, federal, and other revenue that total $1.11 billion. These revenues are primarily received for use towards the traditional costs of operating a school district such as funding schools, maintaining facilities, and supplementing instruction.

In addition to revenue, the general fund plan includes other available resources totaling $695 thousand for the 2024-25 budget including transfers from the Capital Fund. This transfer will occur for specific capital eligible expenditures held in the general fund

2024-2025 Revenue comes from the following sources.

Revenue By Category	2024-25 Budget
State General Purpose	30,902,920
State Special Purpose	13,838,036
Local Taxes	8,298,760
Local Non Taxes	392,450
Federal	5,185,431
Other Revenue/Fin Sources	880,083
Total Revenue	**59,497,680**



General Fund- Revenue by Activity

General Fund Revenue is further broken down in the following activities:

Act. Code	Revenue By Activity Description	2021-22 Actual	2022-23 Actual	2023-2024 Budget	2024-2025 Budget
11	Local Property Tax	7,482,849	8,109,352	8,186,543	8,298,760
13	Sale of Tax Title Prop	-	-	-	-
21	Tuitions & Fees	240	240	-	-
22	Sale of Goods, Svc, Supplies	39,624	91,070	20,000	10,700
23	Investment Earnings	20,673	31,073	18,000	20,000
25	Gifts & Donations	94,000	47,129	-	23,000
26	Fines & Damages	1,080	454	2,377	-
27	Rentals and Leases	72,730	112,869	150,000	120,750
28	Insurance Recoveries	145,754	128,580	216,000	100,000
29	Local Support Nontax	82,005	83,455	130,000	118,000
31	Apportionment	24,602,375	26,624,651	29,141,124	30,902,920
41	State Revenue Program	9,420,379	10,358,783	10,393,637	12,146,833
43	Other State Agency	828,780	1,103,234	900,786	1,691,203
52	Direct Federal Grants	-	-	-	-
55	Federal Forests	865	745	-	-
61	Federal Revenues	10,859,979	12,044,645	11,640,133	4,435,431
63	Fed Grant Other Agency	726,501	825,122	840,000	680,000
69	USDA COMMODITIES	127,752	-	110,000	70,000
71	Program Participation	65,378	109,685	70,000	85,000
82	Private Foundation	200,000	-	-	100,000
93	Sale of Equipment	-	30	-	-
99	Transfers from Captial Fund	-	199,034	50,000	695,083
Total Revenue		**54,770,964**	**59,870,151**	**61,868,600**	**59,497,680**

General Fund- Expenditure Budget

Tukwila School District reports its general fund expenses in a Program-Activity-Object format as specified in the *Accounting Manual for Public School* Districts published by the Office of Superintendent of Public Instruction (OSPI) in Washington State. Each Expense is classified by these three descriptions to described its planned purposes. The following is a summary of each expenditure format, and the 2024-25 planned expenses. Changes in budget, by category over time can result from new state coding rules, adjustments in district priorities, or reclassifications of district capacity.

Program		2021-22 Actual	2022-23 Actual	2023-24 Budget	2024-25 Budget
By Program					
01	Regular Instruction	24,951,419	26,775,686	27,015,036	25,964,096
10	Federal Stimulus - ESSER	3,820,580	6,498,856	5,631,515	0
20	Special Education Instruction	6,598,816	6,577,107	8,250,663	8,231,798
30	Vocational Education Instruction	1,070,881	1,288,499	2,000,063	1,905,028
50	Compensatory Education Instruction	7,629,593	7,460,353	7,872,586	6,638,310
70	Other Instructional Programs	1,107,355	645,255	1,188,507	780,516
80	Community Services	913,877	1,265,456	1,210,597	1,867,578
90	Support Services	10,811,627	12,356,956	12,370,119	12,018,626
Total Program Expenditures		**56,904,148**	**62,868,168**	**65,539,086**	**57,405,952**
By Activity					
	Teaching Activities	32,725,310	34,771,316	38,129,085	32,996,021
	Teaching Support	8,791,493	10,796,150	10,296,204	8,269,729
	Principal's Office	2,695,528	2,888,997	2,966,255	2,690,949
	Other Support Activities	8,641,400	9,948,997	9,585,281	9,676,082
	Central Administration	4,050,417	4,462,708	4,562,261	3,773,171
Total Activity Expenditures		**56,904,148**	**62,868,168**	**65,539,086**	**57,405,952**
By Object					
	Certificated Salaries	22,498,136	23,914,392	25,438,646	24,812,082
	Classified Salaries	9,751,305	10,652,049	11,040,352	10,623,598
	Employee Benefits	11,336,033	12,398,849	12,190,285	11,592,675
	Supplies/Materials	2,149,274	2,170,324	2,907,352	1,171,121
	Purchased Services	10,760,015	13,363,598	13,846,471	9,127,051
	Travel	49,394	93,150	65,980	79,425
	Captial Outlay	359,991	275,806	50,000	0
	Debit Transfer	242,636	177,304	260,000	238,700
	Credit Transfer	-242,636	-177,304	-260,000	-238,700
Total Object Expenditures		**56,904,148**	**62,868,168**	**65,539,086**	**57,405,952**

General Fund- Expenditure by Program

Regular Instruction
Expenditures charged to these program codes are for the direct expenditures of Basic Education. These charges are limited to the activities of instruction, which includes reading, language arts, mathematics, social studies, science, music, art, health, and P.E.

Federal Stimulus - ESSER
Responding to the severe health and economic impacts created by the COVID pandemic, the federal government passed several aid packages to respond and provide support to government entities. The 2023-2024 was the final year of funding to school districts.

Special Education
Expenditures charged to these program codes include the excess costs expenditures for providing special education and related services for all special education-eligible students between birth and twenty-one years of age.

Career and Technical Education
Expenditures charged to these program codes include direct expenditures for operating vocational education secondary programs approved by OSPI.

Compensatory Education
Expenditures charged here are the direct expenditures to assist student participation in the regular instructional programs provided by federal and state grant funding. These programs include remediation programs like Title I, Learning Assistance Progam and bilingual education.

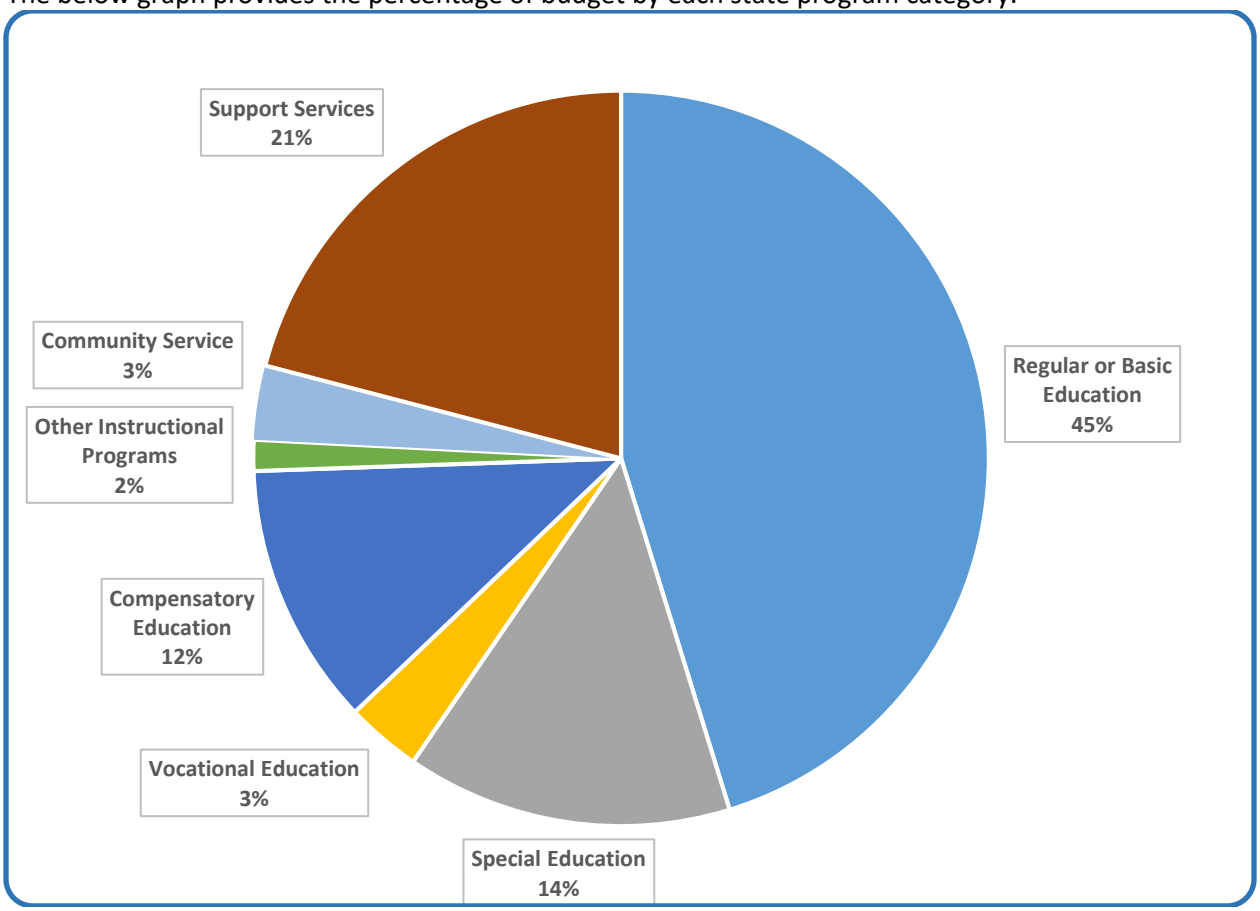
Other Instructional Programs
Expenditures charged to these program codes are instructional programs that do not meet any of the above definitions. Examples are: highly capable education, local education program enhancement, grants for basic skills development, Gear up, educational improvement and support, and special projects.

Community Services
Expenditures are charged to these programs for operating programs primarily for the benefit of the community as a whole or some segment of the community. This program includes areas such as the Performing Arts Center and Stadium. These programs are mostly cost-neutral due to being funded by outside sources, such as donations and the fees charged to use district facilities.

Support Services
Support Services are the activities that support the educational programs of the district. Areas included are maintenance, superintendent's office, Board of Directors, business operations, personnel services, utilities, insurance, data processing, district printing, food service and pupil transportation.

2024-25 Budget Expenditures by State Program

The below graph provides the percentage of budget by each state program category.



General Fund- Detailed Expenditure by Program

Program	2021-22 Actual	2022-23 Actual	2023-24 Budget	2024-25 Budget
Regular Instruction				
Basic Education	24,951,419	26,775,686	27,015,036	25,964,096
Total Regular Instruction	24,951,419	26,775,686	27,015,036	25,964,096
Federal Stimulus - ESSER				
ESSER II	3,022,592	1,432,331	0	0
ESSER III	54,942	4,051,021	4,913,876	0
ESSER III Learning Loss	743,046	877,294	717,639	0
Cares Act - Other	0	138,210	0	0
Total Federal Stimulus - ESSER	3,820,580	6,498,856	5,631,515	0
Special Education Instruction				
Special Education, Supplemental State	5,987,124	5,927,926	7,646,460	7,205,795
Special Education, ARP, IDEA Federal	0	120,538		
Special Education, Supplemental Fede	611,692	528,643	604,203	1,026,003
Total Special Education Instruction	6,598,816	6,577,107	8,250,663	8,231,798
Vocational Education Instruction				
Vocational, Basic, State	1,035,855	1,268,896	1,851,821	1,738,626
Middle School Career & Tech Ed, State	0	0	112,051	150,469
Vocational, Federal	35,026	19,603	36,191	15,933
Total Vocational Education Instruction	1,070,881	1,288,499	2,000,063	1,905,028
Compensatory Education Instruction				
ESEA Disadvantaged, Federal	1,634,018	1,151,170	1,181,072	1,054,402
Other Title Grants under ESEA, Federal	685,844	797,648	856,538	173,220
Learning Assistance Program, State	2,119,764	2,141,434	2,319,536	2,370,391
Special and Pilot Programs, State	765,407	995,248	725,775	930,680
Head Start, Federal	456,139	487,981	473,740	0
Limited English Proficiency, Federal	264,436	269,611	287,875	140,851
Transitional Bilingual, State	1,703,985	1,617,261	2,028,050	1,968,766
Total Compensatory Education Instruction	7,629,593	7,460,353	7,872,586	6,638,310
Other Instructional Programs				
Highly Capable	70,645	95,602	90,609	97,667
Instructional Programs, Other	1,036,710	549,653	1,097,898	682,849
Total Other Instructional Programs	1,107,355	645,255	1,188,507	780,516
Community Services				
Early Learning Programs	714,662	933,500	947,923	1,588,520
Other Community Services	199,215	331,956	262,674	279,058
Total Community Services	913,877	1,265,456	1,210,597	1,867,578
Support Services				
District-wide Support	8,043,033	9,066,023	9,209,452	8,352,180
School Food Services	1,767,138	1,900,850	1,904,744	2,069,557
Pupil Transportation	1,001,456	1,390,083	1,255,923	1,596,889
Total Support Services	10,811,627	12,356,956	12,370,119	12,018,626
Total Program Expenditures	56,904,148	62,868,168	65,539,086	57,405,952

General Fund- Expenditures by Activity

State defined activity codes group expenses by the activities accomplished with the expense (e.g., teaching, counseling, maintenance, utilities, etc.). The budget is summarized using the five activity groups described below:

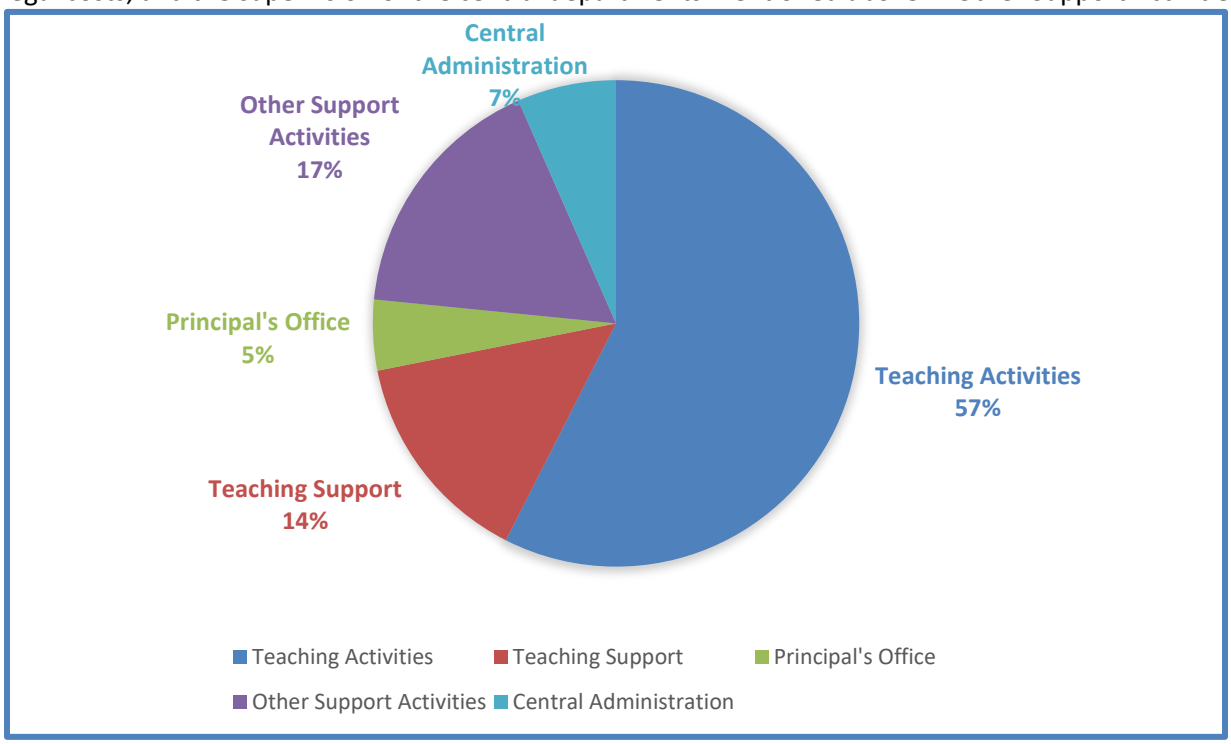
Teaching – Teaching includes expenditures for teachers, educational assistants, extracurricular activities, and teaching supplies.

Teaching Support – Teaching support includes librarians, counselors, psychologists, health services, security officers, playground and lunch supervisors, coaches, and student safety personnel. Also included are textbooks, curriculum, instructional technology, professional development, assessment, and curriculum development.

Principal's Office – Principal's office (also called unit administration) includes principals, assistant principals, school office support, and school office supplies.

Other Support Activities – Other support activities include the cost of building operations, including grounds, building maintenance, custodial services, utilities, property management, property and liability insurance, technology services, printing, mailroom services, procurement, and warehouse services. This group also includes the expenses for school buses, and the food and operations of the district lunch and breakfast program.

Central Administration – Central administration includes the Superintendent, Deputy Superintendent, and the Board of Directors. Also included are business and human resource services, communications, legal costs, and the supervision of the central departments mentioned above in Other Support Activities.



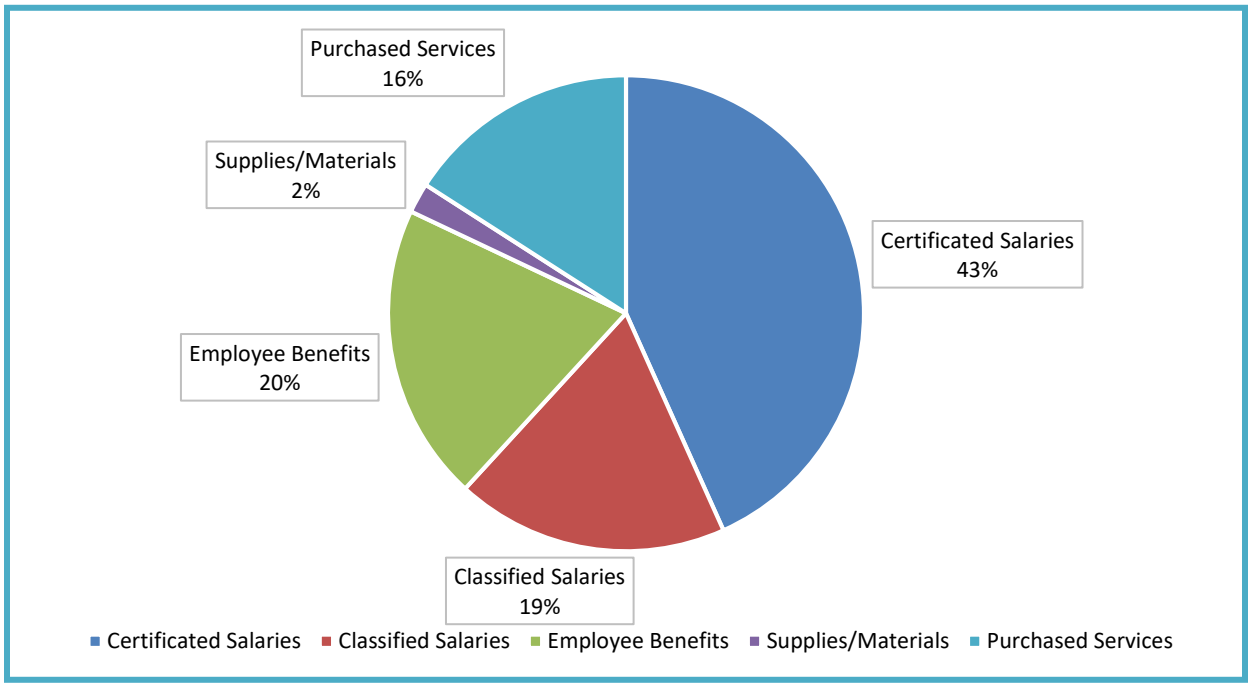
General Fund- Expenditures by Activity (Cont.)

Activity Description	2021-22 Actual	2022-23 Actual	2023-24 Budget	2024-25 Budget
Teaching Activities				
Teaching	31,884,217	33,644,128	37,425,606	31,626,159
Extracurricular	826,093	1,051,362	629,979	943,059
Payments to School Districts	15,000	75,826	73,500	426,803
Total Teaching Activities	32,725,310	34,771,316	38,129,085	32,996,021
Teaching Support				
Learning Resources	891,409	827,966	741,895	507,863
Guidance and Counseling	2,710,200	3,291,922	3,659,222	2,860,435
Pupil Management	741,847	667,931	369,828	3,000
Health/Related Services	3,104,904	3,750,760	4,148,097	3,018,703
Instructional Professional Development	1,263,376	1,393,032	987,517	1,484,545
Instructional Technology	23,001	296,776	-	30,000
Curriculum	3,386	153,416	-	-
Professional Learning, State	53,370	414,347	389,645	365,183
Total Teaching Support	8,791,493	10,796,150	10,296,204	8,269,729
Other Support Activities				
Nutrition Services	149,883	63,228	109,016	142,097
Operations - Nutrition Services	1,607,768	1,881,504	1,878,803	1,906,189
Operations - Transportation	823,703	1,206,255	1,065,666	1,265,018
Grounds Maintenance	239,013	264,405	231,385	244,241
Operations of Buildings	1,672,856	1,831,614	1,787,119	1,869,724
Maintenance	1,396,493	1,753,771	1,403,108	1,130,869
Utilities	882,899	1,096,077	839,550	1,081,136
Building and Property Security	219,769	335,353	374,700	229,027
Insurance	491,513	571,065	764,001	848,898
Informaton Systems	846,699	650,399	903,977	708,959
Warehouse & Distribution	58,034	62,968	67,282	67,151
Motor Pool	108,296	46,446	40,000	31,000
Public Activities	144,475	185,912	120,674	151,773
Total Other Support Activities	8,641,401	9,948,997	9,585,281	9,676,082
Principal's Office				
Principal's Office	2,695,528	2,888,997	2,966,255	2,690,949
Total Princpal's Office	2,695,528	2,888,997	2,966,255	2,690,949
Central Administration				
Board of Directors	124,826	477,652	187,400	111,600
Superintendent's Office	712,955	772,888	751,717	501,010
Business Office	786,323	826,671	879,788	668,638
Human Resources	833,102	645,968	691,448	490,845
Public Information	153,212	185,379	194,548	134,832
Supervision of Instruction	1,057,315	1,153,161	1,433,405	1,258,549
Supervision of Nutrition Services	11,970	12,092	16,925	21,271
Supervision of Transportation	178,074	183,828	190,257	331,871
Supervision of Maintenance & Oprations	192,640	205,069	216,773	254,555
Total Central Administration	4,050,417	4,462,708	4,562,261	3,773,171
Total Activity Expenditures	56,904,149	62,868,168	65,539,086	57,405,952

Object Codes

Object codes represent expenses in a way that describes the item of services to be purchased or paid such as salaries and benefits, supplies and materials, contract services, travel or capital purchases. Object codes are sued in combination with program and activity codes.

2024-25 Budgeted Expenditures by Object (Travel is not shown due to percentage totaling less than .5%)



Object	2021-22 Actual	2022-23 Actual	2023-24 Budget	2024-25 Budget
Certificated Salaries	22,498,136	23,914,392	25,438,646	24,812,082
Classified Salaries	9,751,305	10,652,049	11,040,352	10,623,598
Employee Benefits	11,336,033	12,398,849	12,190,285	11,592,675
Supplies/Materials	2,149,274	2,170,324	2,907,352	1,171,121
Purchased Services	10,760,015	13,363,598	13,846,471	9,127,051
Travel	49,394	93,150	65,980	79,425
Captial Outlay	359,991	275,806	50,000	0
Debit Transfer	242,636	177,304	260,000	238,700
Credit Transfer	-242,636	-177,304	-260,000	-238,700
Total Object Expenditures	**56,904,148**	**62,868,168**	**65,539,086**	**57,405,952**

Materials, Supplies and Operating Costs (MSOC)

During the annual budget hearing, the District is required to disclose the use of MSOC allocations provided by the state.

The District has allocated all MSOC monies provided by the state for its intended purpose and relies on local levy to bridge the gap.

Basic Education MSOC State Allocation	**Allocation**
Regular Instruction (Item F1)	3,755,899
Grades 9-12 Additional (Item F2)	159,347
Total MSOC Allocation	**3,915,246**

District Budgeted MSOC Expenditures	**Program 01**	**Program 97**	**Total Budgeted**
Object 5 – Supplies	285,325	201,700	487,025
Object 7 – Contractual	523,942	3,558,594	4,082,536
Object 8 – Travel	9,000	2,975	11,975
Object 9 – Capital Outlay	-	0	0
Total Budgeted 5-9 Expenditures			**4,581,536**

Difference	**-666,290**

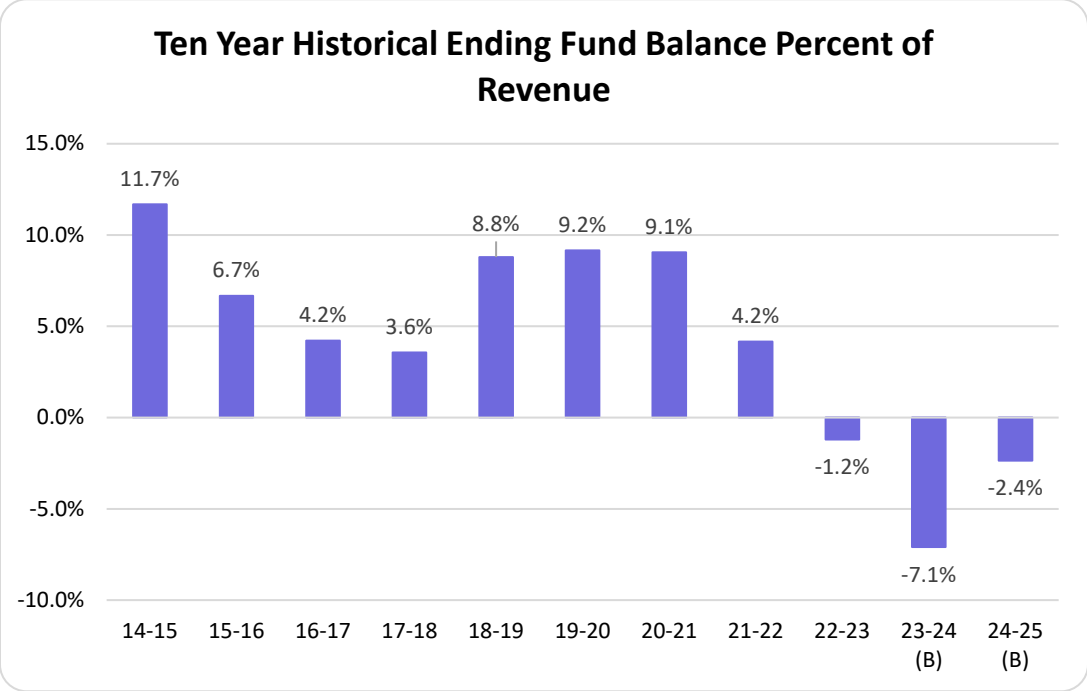
General Fund – Fund Balance History

The district's expenditures have been greater than its revenue from 2014-15 through 2017-18 and again from 2020-2021 to current. 2019-20 positive fund balance was due to the COVID-19 pandemic which closed brick and mortar schools which aided in lowering expenditures in that particular year. Historically, the district has not reduced spending enough to maintain a positive ending fund balance. The 2024-25 budget reflects spending reductions to move toward a positive year end fund balance, but more work needs to be done to achieve this goal.

Ten Year Historical Fund Balance Percentage Table

($000's)	14-15 Act	15-16 Act	16-17 Act	17-18 Act	18-19 Act	19-20 Act	20-21 Act	21-22 Act	22-23 Act	23-24 (B) Bug	24-25 (B) Bug
Beginning Fund Balance:	4,937	4,510	2,671	1,761	1,583	4,350	4,503	4,479	2,281	-718	-3,500
(Plus) Revenues:	38,635	41,250	41,811	44,389	49,476	49,187	49,459	54,781	59,870	61,869	59,498
(Minus) Expenditures:	39,062	43,010	42,721	44,567	46,709	49,034	49,483	56,979	62,869	65,539	57,406
Change in Fund Balance:	-427	-1,760	-910	-178	2,767	153	-24	-2,198	-2,999	-3,670	2,092
8/31 Ending Fund Balance:	**4,510**	**2,750**	**1,761**	**1,583**	**4,350**	**4,503**	**4,479**	**2,281**	**-718**	**-4,388**	**-1,408**
Fund Balance Percentage	11.7%	6.7%	4.2%	3.6%	8.8%	9.2%	9.1%	4.2%	-1.2%	-7.1%	-2.4%

Ten Year Historical Fund Balance Percentage Chart



Capital Projects Fund

The Capital Projects fund is used for construction, renovation, and upgrades to district facilities. The capital fund makes significant investments in district facilities and technology to ensure technology to ensure equitable access provide a positive secure learning environment for every student.

The Tukwila School District passed a four-year Capital Projects Levy on February 13, 2024 that provides the district with funding to acquire and install technology equipment and infrastructure to better prepare students for careers of tomorrow, improve school facilities and make safety and energy efficiency upgrades, by levying the following excess taxes:

Collection Year	Estimated Levy Rate/$1,000 Assessed Value	Levy Amount
2025	$0.75	$4,388,220
2026	$0.75	$4,512,804
2027	$0.75	$4,619,605
2028	$0.75	$4,865,474

The 2024-25 Capital Projects fund budget is shown below

Capital Fund	**2021-2022 Actual**	**2022-2023 Actual**	**2023-2024 Budget**	**2024-2025 Budget**
Beginning Balance	8,075,039	8,101,041	6,388,110	5,605,912
Revenues	3,333,173	3,507,458	4,270,000	4,009,914
Funds Available	11,408,212	11,608,499	10,658,110	9,615,826
Transfer to General Fund	0	217,275	1,300,000	695,083
Expenditures	3,307,171	4,910,070	8,397,800	5,594,036
Ending Fund Balance	**8,101,041**	**6,481,154**	**960,310**	**3,326,707**

Capital Projects Fund Cont.

The annual spending breakdown for each category is shown below.

Captial Projects Fund Project Description	Sites	Buildings	Equipment	Instruction Technology	Energy Improvements	Total by Project
Technology				3,224,552		3,224,552
Field Lighting	800,000					800,000
Tukwila Elementary Improvements		264,895	140,000			404,895
Showalter Middle School Improvements		231,894			44,000	275,894
Foster High School Improvements		494,895	135,000		62,600	692,495
District-wide Infrastructure			196,200			196,200
Total Expendtures	800,000	991,684	471,200	3,224,552	106,600	5,594,036

Debt Service Fund

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

The 2024-25 Debt Service Fund budget is shown below.

Debt Service Fund	**2021-2022 Actual**	**2022-2023 Actual**	**2023-2024 Budget**	**2024-2025 Budget**
Beginning Balance	199,115	2,471,279	3,120,250	3,255,766
Revenues	251,208	7,928,677	7,836,000	7,851,520
Transfer from Transportation Vehicle	450,323	144,982	149,705	148,677
Funds Available	900,646	10,544,938	11,105,955	11,255,963
Expenditure	146,509	7,392,382	8,091,555	7,861,652
Ending Fund Balance	**754,137**	**3,152,556**	**3,014,400**	**3,394,311**

The debt service fund is used to make the debt payments for the 2016 bus loan (ten buses) and the 2019 bus loan (four buses, of which two were purchased in 2019 and two were purchased in 2020). Below is the loan repayment schedule:

Transportation Vehicle Fund Debt Payments														
	2016 Bus Loan					2019 Bus Loan					2016 & 2019 Bus Loans			
Period Ending	Principal	Interest	Debt Service	Fiscal Year Debt	Annual Debt Svc	Principal	Interest	Debt Service	Fiscal Year	Annual Debt Svc	Principal	Interest	Debt Service	Fiscal Year
12/1/2024	104,801	7,801	112,602	na	120,403	0	4,750	4,750	na	30,000	104,801	12,551	117,352	na
6/1/2025	0	6,575	6,575	119,177	na	20,000	4,750	24,750	29,500	na	20,000	11,325	31,325	148,677
12/1/2025	107,253	6,575	113,828	na	120,403	0	4,250	4,250	na	29,000	107,253	10,825	118,078	na
6/1/2026	0	5,320	5,320	119,148	na	20,000	4,250	24,250	28,500	na	20,000	9,570	29,570	147,648
12/1/2026	109,763	5,320	115,083	na	120,403	0	3,750	3,750	na	28,000	109,763	9,070	118,833	na
6/1/2027	0	4,036	4,036	119,119	na	20,000	3,750	23,750	27,500	na	20,000	7,786	27,786	146,619
12/1/2027	112,331	4,036	116,367	na	120,403	0	3,250	3,250	na	27,000	112,331	7,286	119,617	na
6/1/2028	0	2,722	2,722	119,088	na	25,000	3,250	28,250	31,500	na	25,000	5,972	30,972	150,588
12/1/2028	114,960	2,722	117,682	na	120,403	0	2,625	2,625	na	30,875	114,960	5,347	120,307	na
6/1/2029	0	1,377	1,377	119,058	na	25,000	2,625	27,625	30,250	na	25,000	4,002	29,002	149,308
12/1/2029	117,650	1,377	119,027	na	120,403	0	2,000	2,000	na	29,625	117,650	3,377	121,027	na
6/1/2030	0		0	119,027	na	25,000	2,000	27,000	29,000	na	25,000	2,000	27,000	148,027
12/1/2030			0	na	0	0	1,375	1,375	na	28,375	0	1,375	1,375	na
6/1/2031			0	0	na	25,000	1,375	26,375	27,750	na	25,000	1,375	26,375	27,750
12/1/2031			0	na	0	0	750	750	na	27,125	0	750	750	na
6/1/2032			0	0	na	30,000	750	30,750	31,500	na	30,000	750	30,750	31,500

Debt Service Fund (Cont.)

Bonds that were issued to finance the $99.2M construction projects require semi-annual payments. Below is the bond repayment schedule:

Period Ending	Principal	Interest	Debt Service	Fiscal Year Debt Svc
12/1/2024	4,905,000	1,440,300	6,345,300	na
6/1/2025	0	1,317,675	1,317,675	7,662,975
12/1/2025	5,380,000	1,317,675	6,697,675	na
6/1/2026	0	1,183,175	1,183,175	7,880,850
12/1/2026	3,030,000	1,183,175	4,213,175	na
6/1/2027	0	1,122,575	1,122,575	5,335,750
12/1/2027	3,300,000	1,122,575	4,422,575	na
6/1/2028	0	1,056,575	1,056,575	5,479,150
12/1/2028	3,580,000	1,056,575	4,636,575	na
6/1/2029	0	984,975	984,975	5,621,550
12/1/2029	3,875,000	984,975	4,859,975	na
6/1/2030	0	907,475	907,475	5,767,450
12/1/2030	4,190,000	907,475	5,097,475	na
6/1/2031	0	823,675	823,675	5,921,150
12/1/2031	4,525,000	823,675	5,348,675	na
6/1/2032	0	736,925	736,925	6,085,600
12/1/2032	4,865,000	736,925	5,601,925	na
6/1/2033	0	639,625	639,625	6,241,550
12/1/2033	5,235,000	639,625	5,874,625	na
6/1/2034	0	521,838	521,838	6,396,463
12/1/2034	5,645,000	521,838	6,166,838	na
6/1/2035	0	394,825	394,825	6,561,663
12/1/2035	6,085,000	394,825	6,479,825	na
6/1/2036	0	273,125	273,125	6,752,950
12/1/2036	5,445,000	273,125	5,718,125	na
6/1/2037	0	147,000	147,000	5,865,125
12/1/2037	5,880,000	147,000	6,027,000	na

Associated Student Body Fund

The ASB budget is shown below.

ASB	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2024-2025 Budget
Beginning Balance	183,737	178,067	273,737	301,194
Revenues	50,602	105,135	179,950	151,970
Funds Available	234,339	318,737	453,687	453,164
Expenditure	56,272	37,181	181,950	222,560
Ending Fund Balance	**178,067**	**273,737**	**271,737**	**230,604**

ASB Revenue By Activity	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2024-2025 Budget
1000 General Student Body	24,656	63,802	95,850	99,620
2000 Athletics	25,598	37,660	54,800	46,850
3000 Classes	0	0	2,900	2,000
4000 Clubs	348	3,673	23,400	500
6000 Private Moneys	0	0	3,000	3,000
Total Revenue	**50,602**	**105,135**	**179,950**	**151,970**

ASB Expenditures By Activity	2021-2022 Actual	2022-2023 Actual	2023-2024 Budget	2024-2025 Budget
1000 General Student Body	43,352	28,700	95,850	110,600
2000 Athletics	9,983	5,451	54,800	93,650
3000 Classes	2,458	1,884	2,900	2,900
4000 Clubs	479	1,146	23,400	12,410
6000 Private Moneys	0	0	5,000	3,000
Total Expenditures	**56,272**	**37,181**	**181,950**	**222,560**

- The Associated Student Body (ASB) Fund is used to account for funds raised by students to support optional extra-curricular activities that promotes the cultural, athletic, recreational, or social growth of students.

- All ASB revenues are restricted to the extra-curricular benefit of students.

Transportation Vehicle Fund

The Transportation Vehicle Fund is used for the purchase and major repair of pupil transportation equipment. Funds can also be transferred to the Debt Service Fund to pay for Bus purchases financed by a loan. This fund cannot pay for labor or other operating costs for school transportation.

Revenues come from state-funded depreciation, investment earnings and/or general fund transfers. For 2024-2025, revenues consist of state funded depreciation and investment earnings.

Transportation Vehicle Fund	**2021-2022 Actual**	**2022-2023 Actual**	**2023-2024 Budget**	**2024-2025 Budget**
Beginning Balance	199,115	162,657	284,913	371,961
Revenues	251,208	273,129	275,012	235,499
Funds Available	450,323	435,786	559,925	607,460
Expenditure	141,157	-	200,000	300,000
Transfer to Debt Service	146,509	150,732	149,705	148,677
Ending Fund Balance	**162,657**	**285,054**	**210,220**	**158,783**

- Transfer to Debt Service represents principal and interest payments for the following:

2016 Loan	$119,176.97
2019 Loan	$ 29,500.00
Total	$148,676.97

Four-Year Budget Assumptions

The below table represents the four-year budget outlook for all funds.

	2024-25	2025-26	2026-27	2027-28
Enrollment	**2,709**	**2,556**	**2,552**	**2,532**
General Fund				
Beginning Fund Balance	-3,500,000	-1,408,272	67,433	1,008,147
Total Revenues	58,802,597	56,450,493	57,014,998	57,585,148
Transfer from Capital Fund	695,083	708,985	723,164	737,628
Total Expenditures	57,405,952	55,683,773	56,797,448	57,933,397
Ending Fund Balance	**-1,408,272**	**67,433**	**1,008,147**	**1,397,525**
Capital Fund				
Beginning Fund Balance	5,605,912	3,326,707	1,673,202	590,783
Total Revenues	4,009,914	4,090,112	4,171,915	4,255,353
Transfer to General Fund	695,083	708,985	723,164	737,628
Total Expenditures	5,594,036	5,034,632	4,531,169	4,078,052
Ending Fund Balance	**3,326,707**	**1,673,202**	**590,783**	**30,456**
Debt Service Fund				
Beginning Fund Balance	3,255,766	3,394,311	3,433,496	6,082,082
Total Revenues	7,851,520	7,930,035	8,009,336	8,089,429
Transfer from Trans. Vehicle	148,677	147,648	146,619	150,588
Total Expenditures	7,861,652	8,038,498	5,507,369	5,654,739
Ending Fund Balance	**3,394,311**	**3,433,496**	**6,082,082**	**8,667,360**
ASB Fund				
Beginning Fund Balance	301,194	230,604	161,941	97,584
Total Revenues	151,970	155,009	160,435	166,050
Total Expenditures	222,560	223,673	224,791	220,115
Ending Fund Balance	230,604	161,941	97,584	43,519
Transportation Vehicle Fund				
Beginning Fund Balance	371,961	158,783	251,344	99,738
Total Revenues	235,499	240,209	245,013	249,913
Total Expenditures	300,000	-	250,000	-
Transfer to Debt Service	148,677	147,648	146,619	150,588
Ending Fund Balance	158,783	251,344	99,738	199,063

- **General Fund**- these projected numbers are based on adjustments to the 25-26 budget to meet the requirements from binding conditions. Revenues are expected to decline due to loss of enrollment. Expenditures are adjusted showing anticipated cuts of $1.7 million. The following years show a slight increase due to inflation.
- **All Other Funds** – are projected based on actual planned activity for the outlying years.