

February 2025 Financial Report

April 17th ,2025





Agenda

Monthly Financial Report Format Changes

Legislation Updates

Overview of Warrants Certification

Enrollment Update for 2025-26

Budget Update

Questions

Financial Report Format Updates



- In-progress – Report overhaul. The goal is to include more context in each section and provide a better flow of data. Along with reducing the need to search back into the glossary/appendix.
- Additional enrollment charts; Running Start Trend and Average Student FTE Trend.
- ASB, Debt Service, Capital Projects & Transportation Funds.
 - These funds are tracking as expected & we will continue to monitor.
 - If any significant changes, we will bring to your attention.



Legislative Updates

Positive Impact



MSOC – SB 5192 –
Maintenance Increase

- For BSD, we could potentially see up to \$500K in additional funding.

Special Education SB
5263 – Tier Increase

- For BSD, we could potentially see up to \$1.3M in additional funding.

Levy/LEA – HB 1356/2049
– Levy/LEA Increases

- For BSD, we could potentially see up to \$5M in additional funding from the EP&O Levy.

Positive Impact



SB 5412 – Interfund Loan/Property Sale

- For BSD, this could save up to \$600K if the district is in binding conditions and takes an interfund loan.
- For BSD, if property is sold, the district would be allowed to use those funds to help stabilize our general fund.

Negative Impact



Apportionment Shift – HB 2050

- Reduces apportionment payments in February, March, and April and increases payments in August.

Current Apportionment Schedule – July/August is 22.5%

Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
9%	8%	5%	9%	8.5%	9%	9%	9%	5%	6%	12.5%	10%

HB 2050 - Apportionment Schedule – July/August 25%

Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
9%	8%	5%	9%	8.5%	8%	8%	8.5%	5%	6%	12.5%	12.5%

Warrant Certification – Overview



The Warrant Certification is a summary of vendor payments, employee reimbursements, and payroll that the district has issued. The district's auditing officer certifies that these payments have followed district policies, approval workflows and internal controls. The Warrant Certification is presented to the Board of Directors for its review and approval.

The vouchers audited and certified by the auditing officer as required by RCW 42.24.080, and those expenses reimbursement claims certified as required by RCW 42.24.090, are presented for the consideration of the board.

In addition, payroll warrants, electronic transfers, and automatic withdrawals are also approved. Cancelled warrants, recalled and rejected electronic transfers, replacement warrants and checks, and non-warrant expenditures not previously submitted are also presented for approval.

Per RCW 42.24.180 in order to expedite the payments of claims, the Board of Directors in Policy 6215, authorizes the issuance of vouchers after the auditing officer has signed the payment certification but before the Board of Directors has acted to approve the claims.

Warrant Certification – Updates



For more clarification the descriptions have been updated and subtotals between Accounts Payable and Payroll related payments have been included.

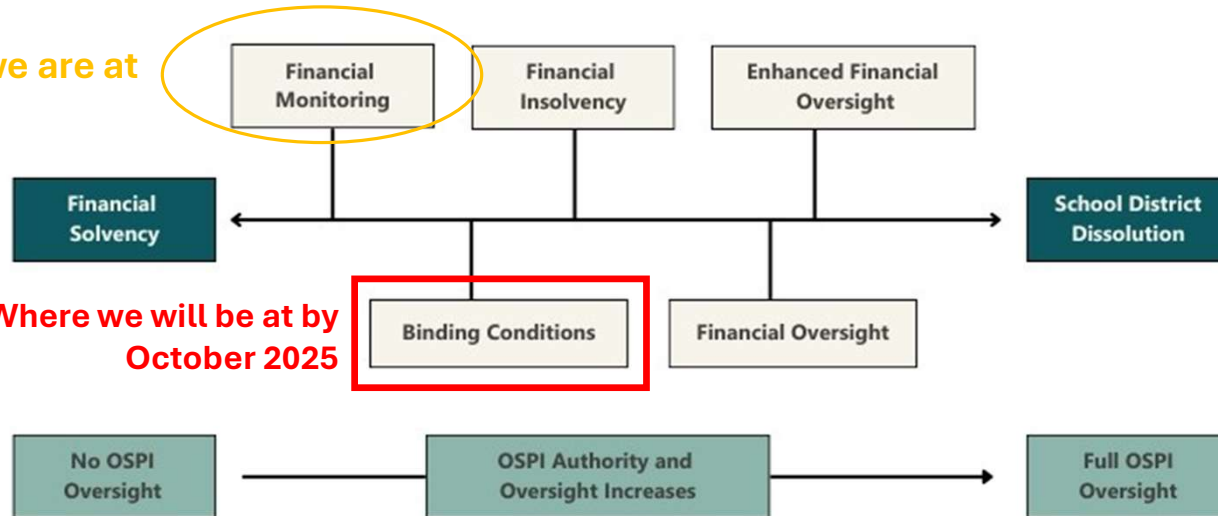
GENERAL FUND:

Electronic Transfer - AP Issued	3/25/2025	25032501	25032502	\$	76,516.95
Warrants - AP Issued	3/28/2025	854545	854628	\$	578,134.41
Electronic Transfer - AP Issued	3/28/2025	451684	451760		1,327,477.97
Warrants - AP Issued	4/4/2025	854653	854717		
<i>Warrants - AP Related</i>					169,275.22
<i>Warrants - Payroll Related</i>					4,548,027.28
Electronic Transfer - AP Issued	4/4/2025	451788	451861		
<i>Electronic Transfer - AP Related</i>					633,772.09
<i>Electronic Transfer - Payroll Related</i>					88,169.66
Non-Warranted Expenditures - Qtr2	Various				270,935.02
GENERAL FUND TOTAL:				\$	7,692,308.60

Binding Conditions Update



Where we are at



Where we will be at by
October 2025



FUND BALANCE

SELECTION

OSPI HEALTH

REV

EXP

NCES CODES

STAFFING

ENROLLMENT

Bellevue School District

Background

Substitute House Bill 1431, passed in 2011, directed the Office of Superintendent of Public Instruction (OSPI) to work with Educational Service Districts (ESDs) to develop a tool that would provide information about the financial health of school districts. On OSPI's School Apportionment Webpage (Click: [Direct Link](#)), OSPI monitors the financial health of school districts using a Financial Health Indicator Tool.

Below is the data, calculations, methodology, and terminology presented in the Financial Health Indicator Tool.

Hover over the Narrative and Scoring buttons to see the specific detail provided in the tool.

NARRATIVE

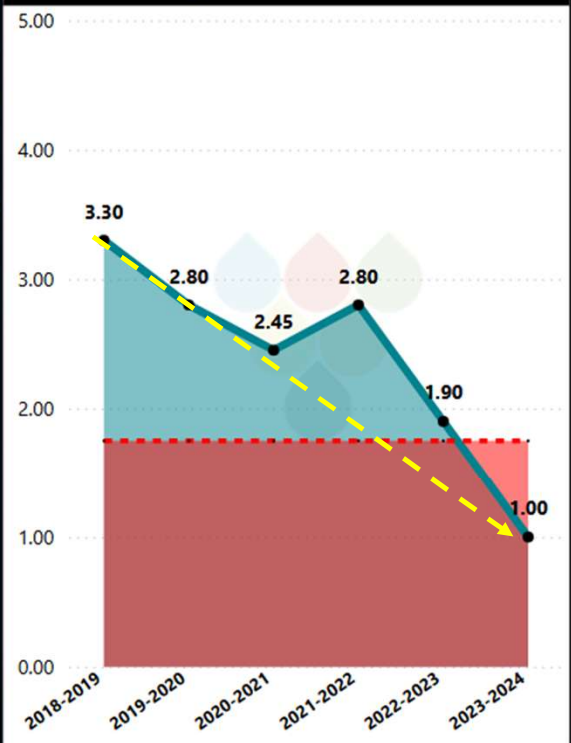
SCORING

Office of Superintendent of Public Instruction (OSPI): Financial Health Indicators

	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Fund Balance to Revenue Ratio:						
"Unrestricted" Fund Balance divided by	35,405,657.91	32,699,877.30	25,311,558.43	26,576,178.80	12,299,855.64	-1,728,998.23
Total Revenues and Other Financing Sources	336,255,789.01	345,188,775.11	333,340,538.08	354,339,475.40	374,862,246.40	392,557,542.90
Ratio	10.53%	9.47%	7.59%	7.50%	3.28%	-0.44%
Score #1	3	3	3	3	2	0
Expenditure to Revenue Ratio:						
Total Expenditures divided by	326,818,298.61	348,168,075.02	340,877,283.61	352,962,098.10	388,062,700.10	401,828,042.40
Total Revenues and Other Financing Sources	336,255,789.01	345,188,775.11	333,340,538.08	354,339,475.40	374,862,246.40	392,557,542.90
Ratio	97.19%	100.86%	102.26%	99.61%	103.52%	102.36%
Score #2	4	3	2	4	2	2
Days Cash on Hand:						
Average Monthly Cash on Hand divided by	50,630,623.06	40,120,570.59	32,918,169.35	23,926,465.70	24,041,560.94	17,450,725.01
Expenditures per day	907,828.61	967,133.54	946,881.34	980,450.27	1,077,951.94	1,116,189.01
Days Cash on Hand	55.77	41.48	34.76	24.40	22.30	15.63
Score #3	2	1	1	0	0	0
4-Year Budget Summary Plan						
Number of Years with Negative Fund Balance Deficit	0	0	0	2	0	1
Score #4	4	4	4	2	4	3
Weighted Scores:						
Fund Balance to Revenue Ratio	1.20	1.20	1.20	1.20	0.80	0.00
Expenditure to Revenue Ratio	1.40	1.05	0.70	1.40	0.70	0.70
Days Cash on Hand2	0.30	0.15	0.15	0.00	0.00	0.00
4-Year Budget Summary Plan	0.40	0.40	0.40	0.20	0.40	0.30
Total Profile Score	3.30	2.80	2.45	2.80	1.90	1.00

Total Profile Score by Fiscal Year

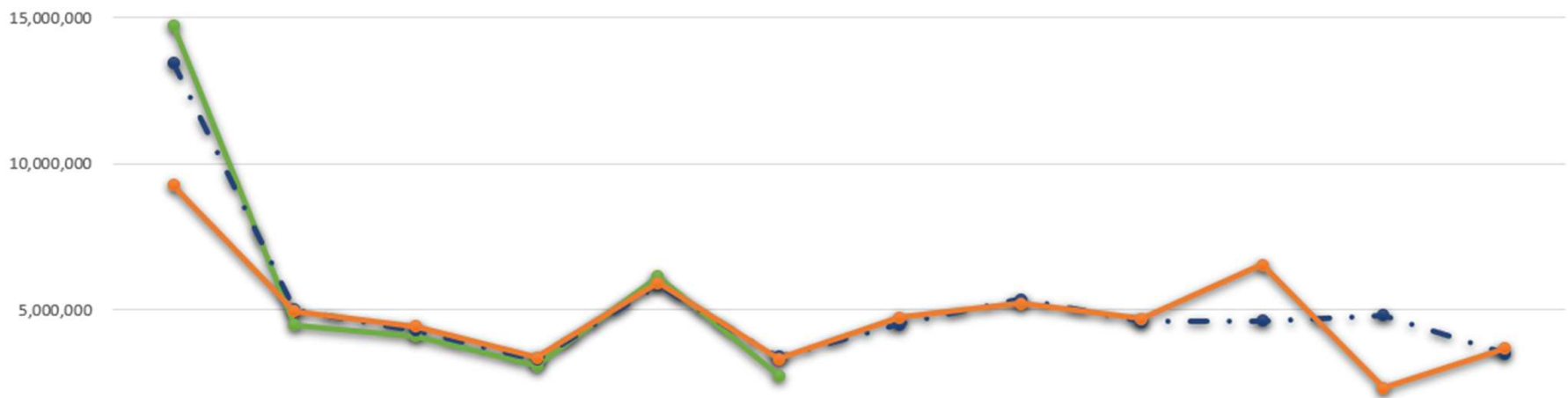
Fiscal Warning is less than 1.75 Total Profile Score



Positive News - MSOCs

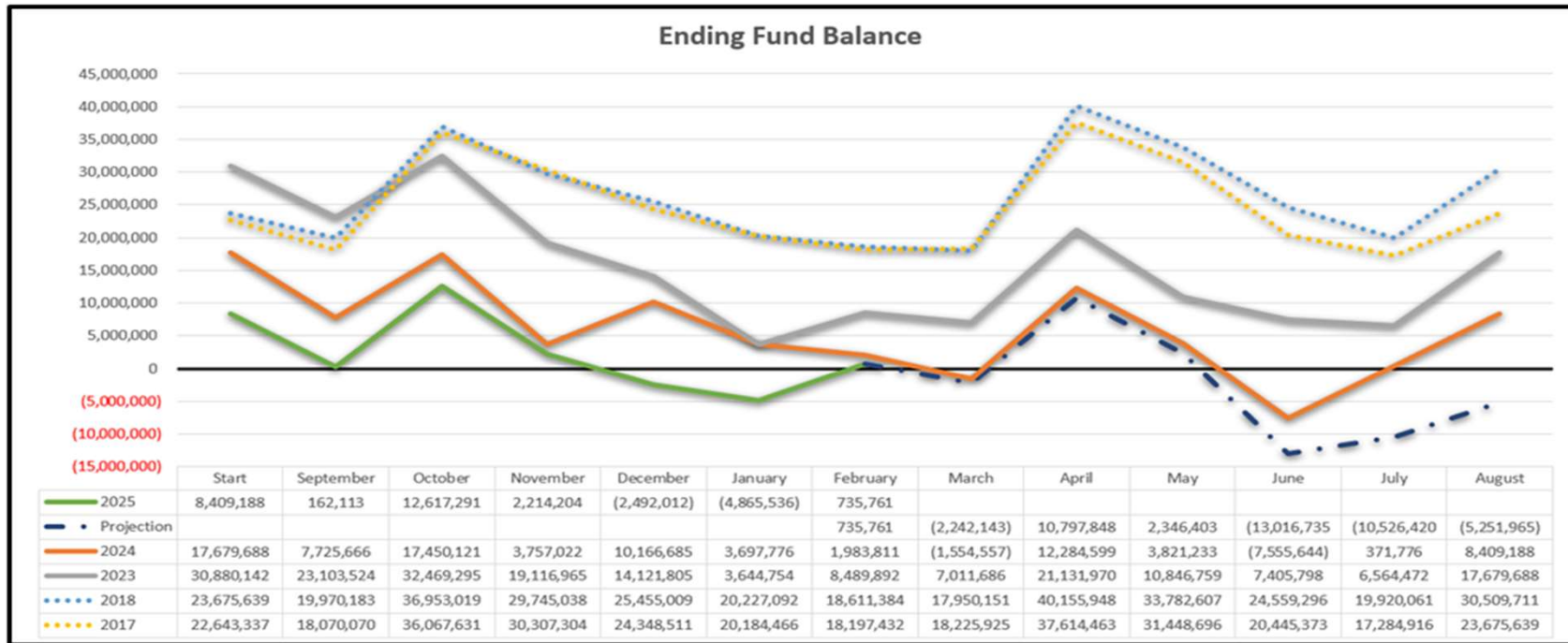


MSOC True
Month by Month



	September	October	November	December	January	February	March	April	May	June	July	August
2025	14,738,955	4,454,155	4,076,203	3,065,890	6,138,965	2,738,555						
Projection	13,462,401	4,984,063	4,273,575	3,283,560	5,851,815	3,379,562	4,499,991	5,341,777	4,582,280	4,618,041	4,790,697	3,484,759
2024	9,265,212	4,928,404	4,414,393	3,352,864	5,908,740	3,293,187	4,716,319	5,200,423	4,684,376	6,536,678	2,311,138	3,663,050

Continued Concern – Ending Fund Balance



- Projected Year-End Ending Fund Balance - **(\$5.25M)**
 - Projection continues on a downward trend.
 - YTD Revenue: \$208.2M & YTD Expenditures: \$215.8M

Continued Concern - Reductions



Budget Reductions	Budget Increases
Initial Proposal Nov 2024 - \$10M	Initial Proposals Nov 2024 - \$2.75M
Revised Proposal Dec 2024 - \$6.9M	Revised Proposals - \$1.5M
Confirmed Saving to Date - \$2.1M	Confirmed Savings to Date \$0.00

Ending Fund Balance Possibilities

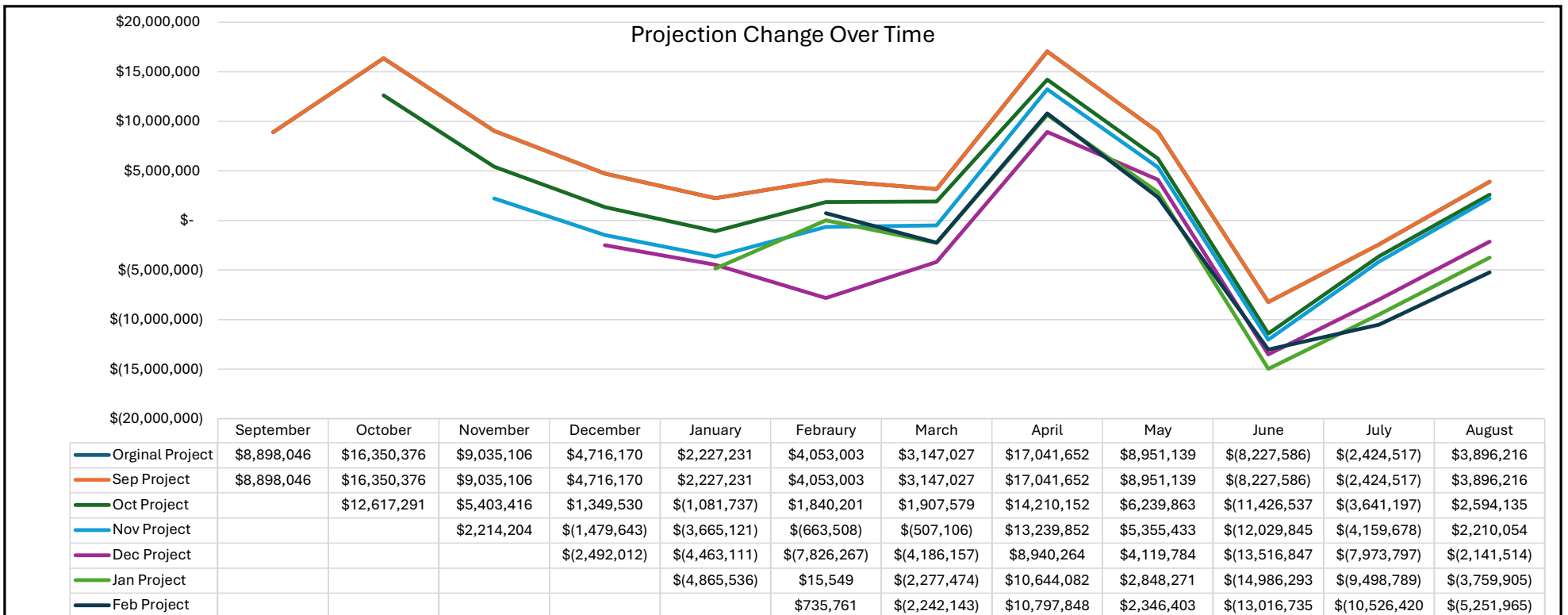


◆ **Optimistic Outcome:** If the full \$6.5M in budget reductions are achieved, the district's ending fund balance could range between **\$1M and \$3M**.

⚠ **Expected Outcome:** Based on current projections, the district is likely to end the year with a deficit between **\$(3M) and \$(5M)**.

🚨 **Adverse Outcome:** If reductions fall short or unexpected expenses arise, the deficit could deepen to **\$(9M) to \$(11M)**.

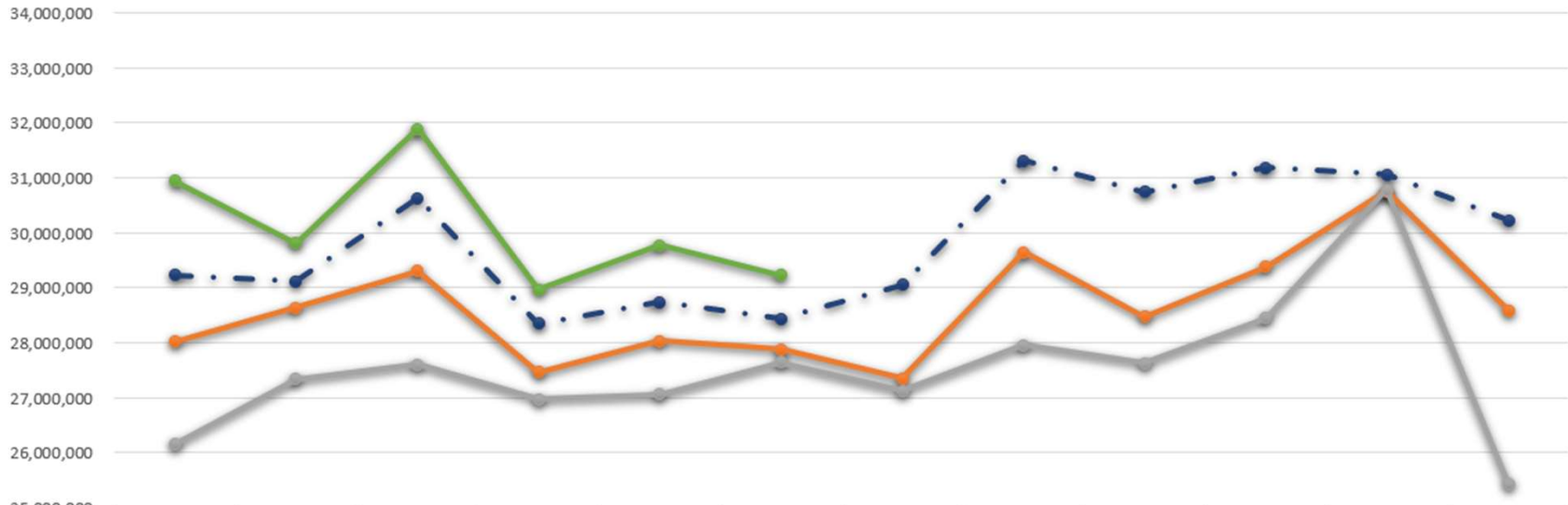
Projections have changed over time due to actual spending



Salary and Benefits Analysis



Salaries and Benefits
Month by Month

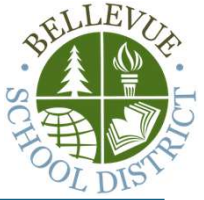


	September	October	November	December	January	February	March	April	May	June	July	August
2025	30,948,503	29,810,646	31,888,544	28,969,449	29,778,374	29,235,667						
Projection	29,231,824	29,112,959	30,628,840	28,351,195	28,740,138	28,436,117	29,052,824	31,313,332	30,750,088	31,183,920	31,060,175	30,227,370
2024	28,018,202	28,643,453	29,309,143	27,465,218	28,040,435	27,883,842	27,349,372	29,643,489	28,476,007	29,378,245	30,760,047	28,585,805
2023	26,161,186	27,337,626	27,609,513	26,975,727	27,070,275	27,644,960	27,129,422	27,961,610	27,626,958	28,453,148	30,787,181	25,432,629

Cash Flow Options



- ✓ Capital Projects Fund Levy Transfer(s)
 - ✓ Currently approved to transfer up to \$35.5M
 - ✓ By the middle of February, we will have transferred \$28.5M
- ✓ Implement cost – reduction measures
- ✓ Basic Education Apportionment Advancement
 - ✓ Board Resolution 2025-02
- Interfund Loan from Capital Projects Fund
 - Submitting resolution in April May
 - Potentially Will need for July & August



Next Steps

Time Frame: February – April	Status
Analyze expenditures September thru February	Completed
Update financial projects for March thru August	Completed
2025-26 Budget Preparations	In-Progress
Analysis of the impact of reductions.	Not Started
Analyzing salary and benefits up to February.	Not Started



Next Steps – Up coming

Time Frame: May - June	Status
Analyze expenditures September thru May	Not Started
Update financial projections for May thru August	Not Started
Analyze impact of reductions	Not Started
Submit Interfund Loan resolution to board	Not Started

Questions?

