

Board Financial
Update

February 26,
2026

INITIAL LEGISLATIVE IMPACTS

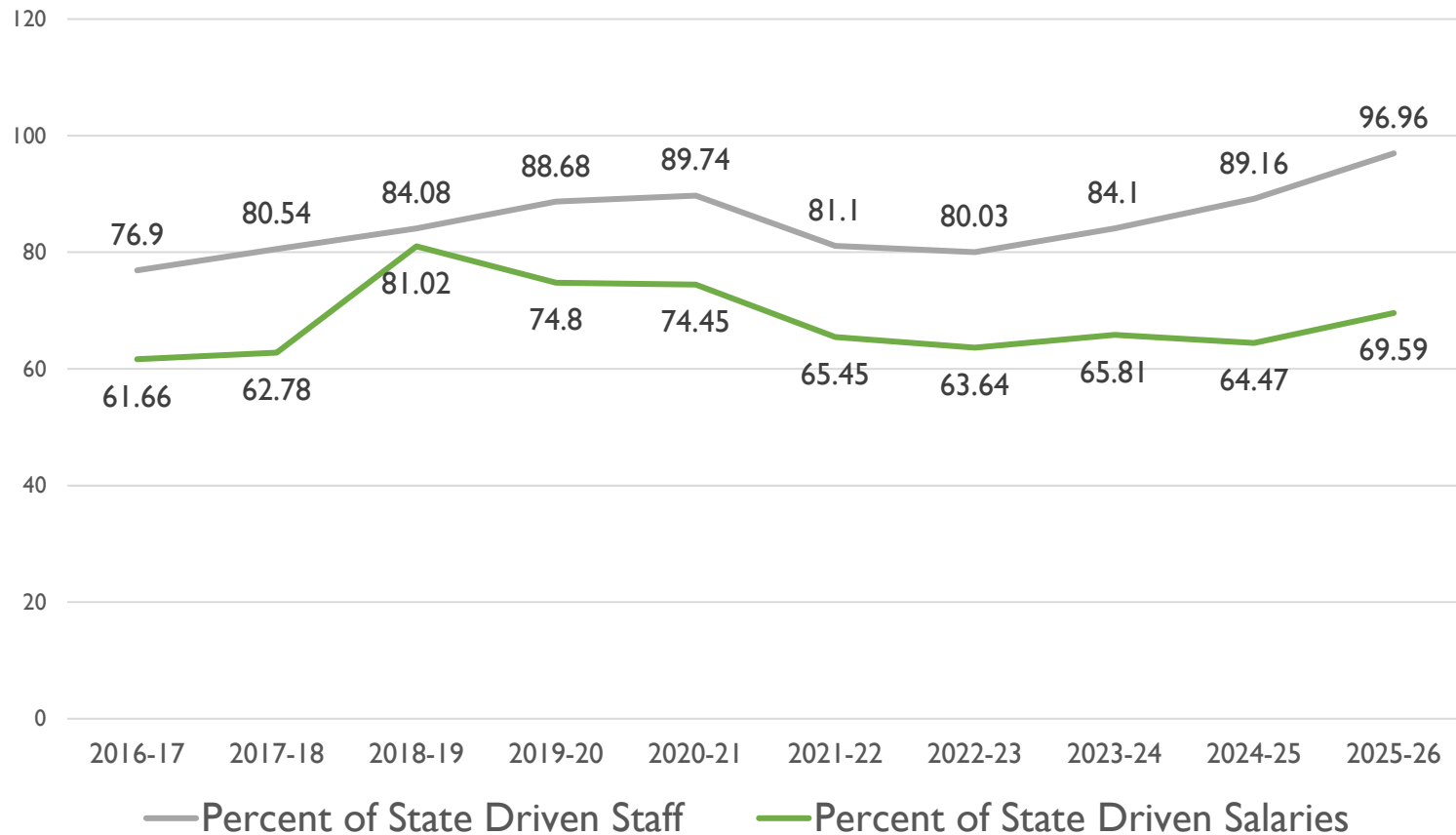
BUDGET PREPARATIONS 2025-26

- Legislature released initial budgets this week – full impact is TBD
 - Initial impacts:
 - IPD at 2.6% for salaries
 - Modest increases for MSOC (\$47 per student)
 - Health care cost increases
 - Sine die March 12
- Ongoing Federal Impacts are an unknown
- 101 Unfunded mandates identified since 2017
- Local impacts
 - Enrollment projection correction from prior year
 - Wage and cost inflation
 - Levy collection will begin

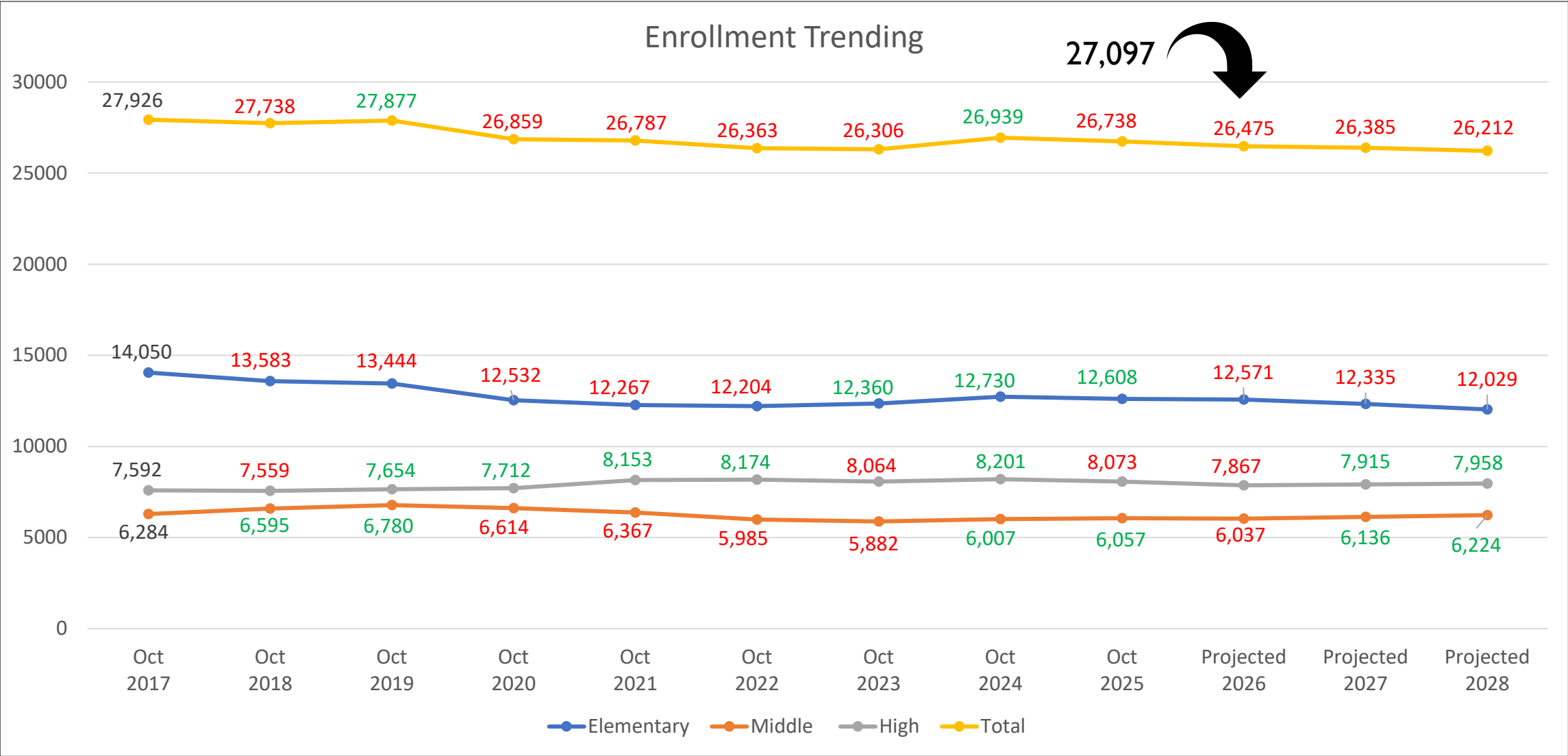
LEGISLATIVE IMPACTS IN PLAY

- Transition to Kindergarten TTK
 - House cuts 25%, Senate cuts 50%
 - Tacoma has ~650 slots in 31 classrooms
 - Risk – reduction of services, limitations on options to provide services for special needs students
- Bus Depreciation
 - Extends depreciation from 13 to 15 years
 - Risk – cost of maintenance to run buses longer, long-term impacts on ability to maintain replacement cycle of buses.
- LEA reductions
 - Will not impact Tacoma
- Sales tax (6346)
 - Relief from owing sales tax...in 2030

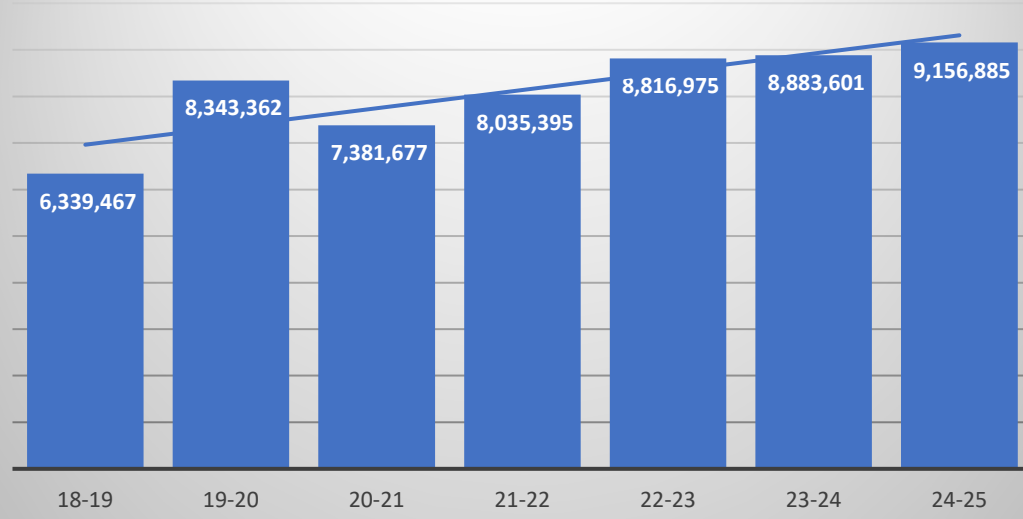
Percent of State Driven Staff and Salaries Compared to Total BE and LEVY Funded Staff



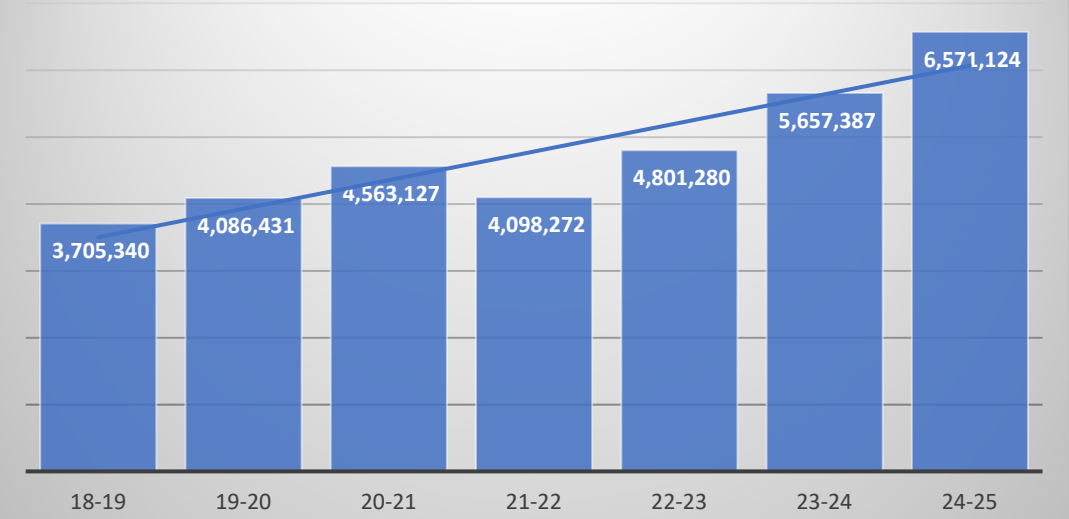
FUNDING
GAP FROM
THE STATE



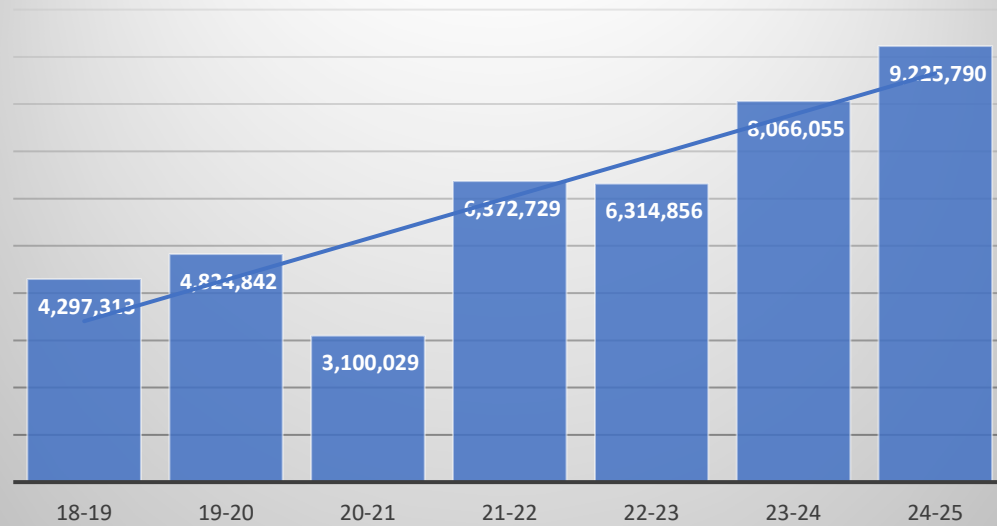
Utilities Cost Comparison



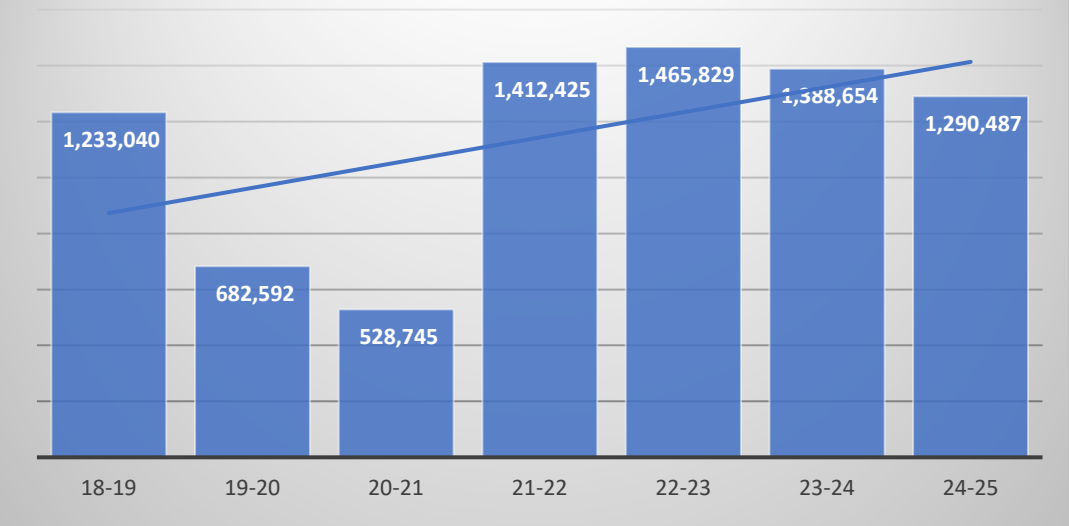
Insurance Cost Comparison



Food Cost Comparison

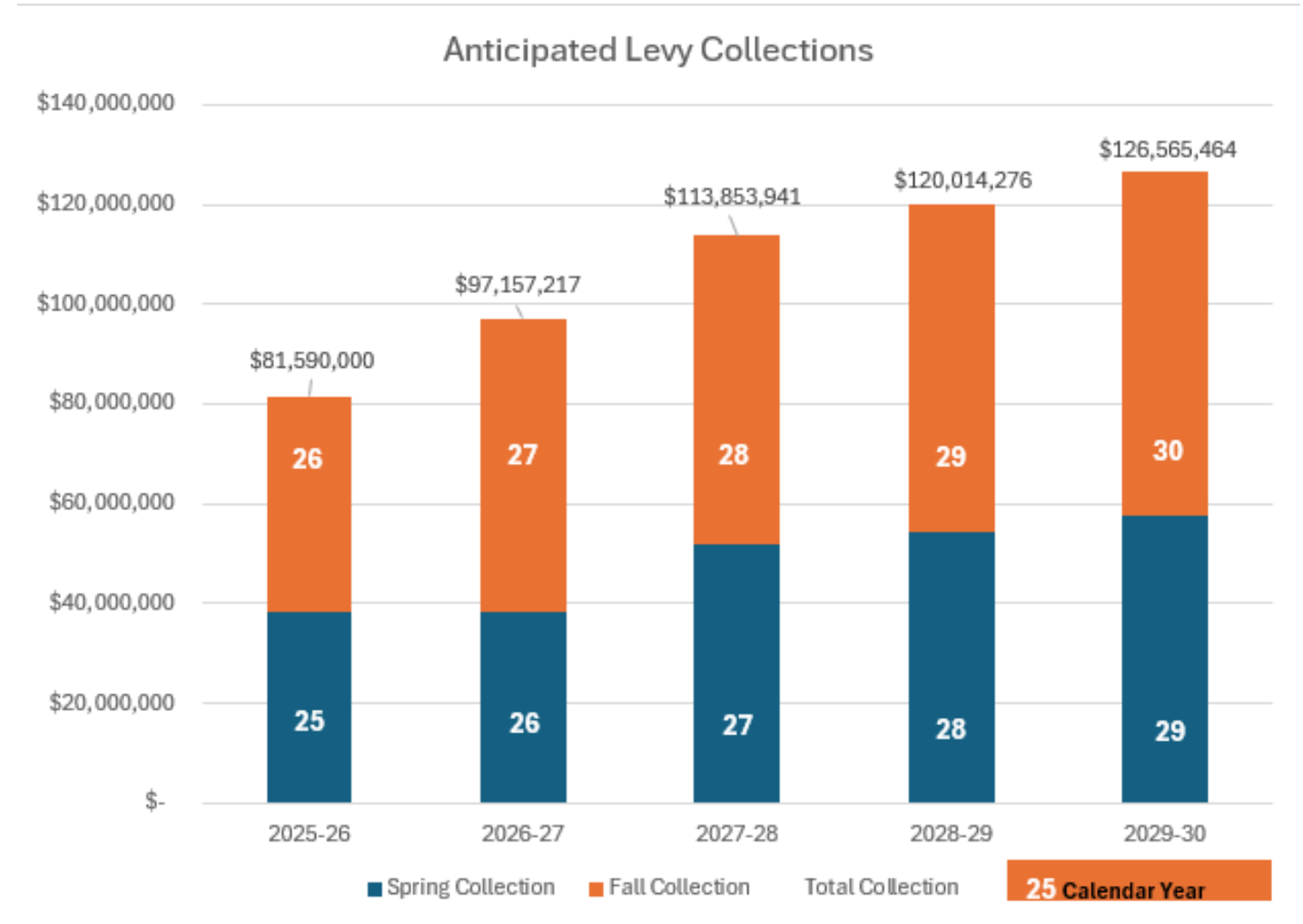


Motor Vehicle Fuel Cost Comparison

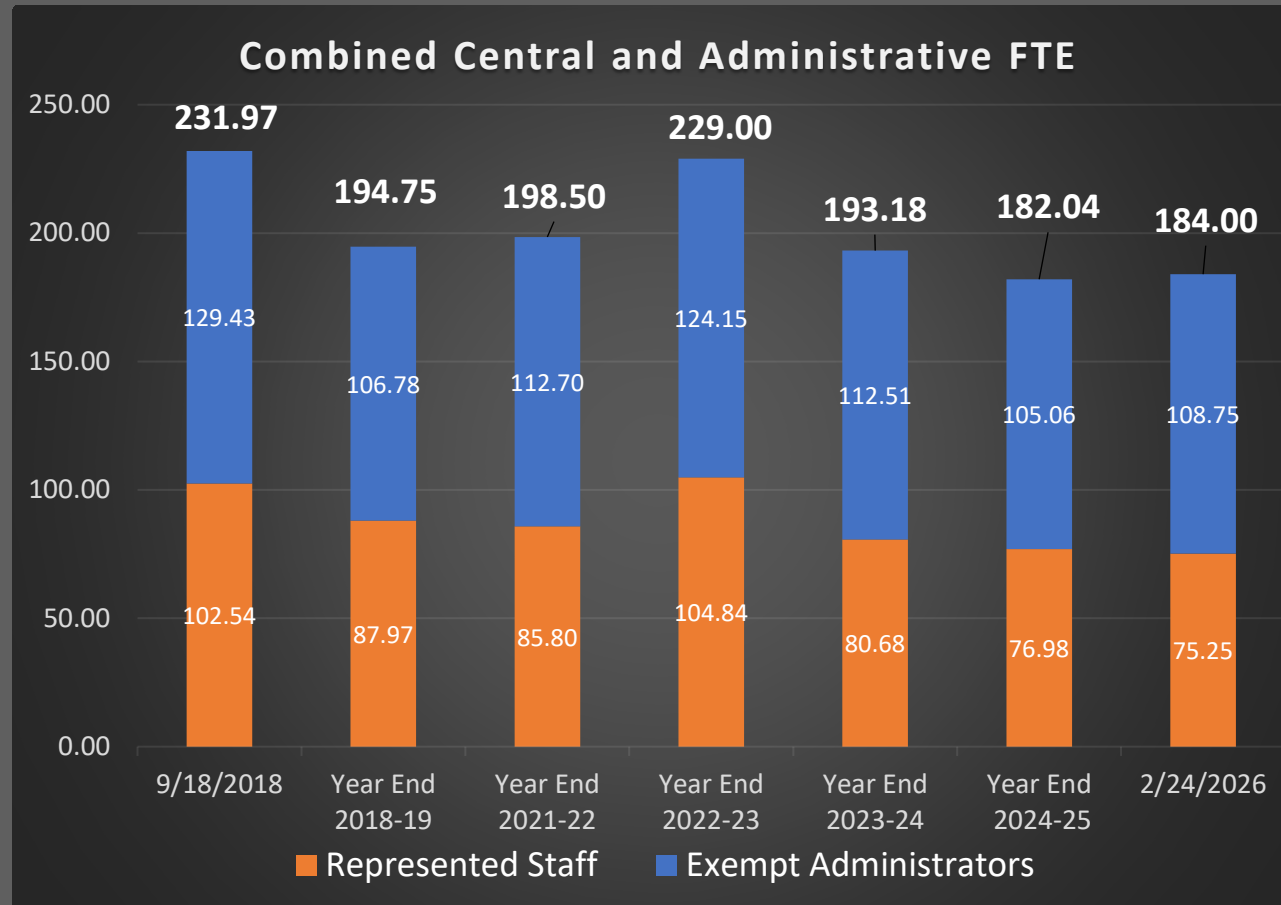


LEVY APPROVAL

- Levy approval of Educational Programs and Operations
- 70.97% Pass Rate
- ~15.6M in new revenues in 26-27
- Calendar year differs from collection year



PROGRESS MONITORING "ADMINISTRATIVE" GROUP



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)

"Administrative" positions currently represent 5.4% of all FTE positions

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

APPENDIX

2026-27 Budget Process

2025-27 Legislative Session	
2025-26 • Full Cycle	2026-27 • Review and Adjust Year

Review year

- Only minor modifications

Modify

- Apply shortfall impacts
- Apply Legislation impacts
- Program adjustments needed

Adopt

- June 25 adoption

Execute the budget plan

Monitor the budget

- Expenditure oversight
- Revenue monitoring

Modify

- Adjust and address for the unexpected

Report

- Monthly department reviews
- Cabinet reports
- Monthly Board reports