

**Mukilteo School District No. 6**  
**Quarterly Financial Report**  
**For the Quarter Ended May 31, 2022**  
**August 8, 2022**

*General Fund*

This quarterly financial report updates estimates of revenue and expenditures, and the resulting effect on ending fund balances, based on the actual financial performance of the past nine months of the fiscal year. The estimated third quarter ending fund balance is the estimated beginning fund balance for the 2022-23 budget.

Expenditures

Contracted salaries are based on year-to-date plus encumbrances.

Personnel costs such as timesheets, substitutes, extra time, and collective bargaining increases have been considered. Historical data and averages are used to estimate the costs for these categories of expenditures. Direct input from managers is used to refine these projections. With COVID-19, substitute costs have increased from our normal averages.

Direct input from directors and managers is used to determine department discretionary budgets in addition to historical rates. It is also assumed that grants will be fully expended; any unexpended grant authority will carry over to the next year and can only be used for the allowable purposes under the grant.

Revenue

Mukilteo School District did receive \$4.4 million in enrollment stabilization, this is \$900,000 less than estimated at second quarter. Also included in the revenue projections is \$1.3 million in safety net funds, this is \$200,000 less than anticipated at second quarter.

Actual enrollment for grades K-12 including running start and Sno-Isle TECH Skills Center ended the year <454> Full-Time Equivalent (FTE) less than budgeted.

Annual average FTE for the last five years:

Actual 2021-22	14,945.92
Actual 2020-21	15,141.30*
Actual 2019-20	15,629.58**
Actual 2018-19	15,674.57
Actual 2017-18	15,413.77

\*Enrollment reporting for school year 2020-21 was changed due to the COVID-19 pandemic.

\*\*Pandemic began, enrollment was based on the March enrollment.

Summary of Fund Balance:

Summary of Projections

Beginning Fund Balance	\$36,955,091
Revenue	\$288,182,029
Expenditures	<u>(\$296,701,493)</u>
<b>Estimated Ending Fund Balance</b>	<b>\$28,435,627</b>

Projected Ending Fund Balance

<u>GASB*** Categories</u>	<u>Amount</u>	<u>% of Revenue</u>
Restricted by law	\$1,958,634	0.68%
Nonspendable	\$142,673	0.05%
Min Fund Balance Policy (3%)	\$8,645,461	3.00%
Assigned	\$16,783,517	5.83%
Unassigned	\$905,342	0.31%
<b>Total</b>	<b>\$28,435,627</b>	<b>9.87%</b>

\*\*\*Government Accounting Standards Board (GASB)

**Assigned for Other Purposes:**

- School Employees Benefits Board (SEBB) costs
- School and grant carryover
- Curriculum adoptions
- Salary increases beyond State allocation
- Regionalization reduction

**Future items to consider:**

- Long-range impact current transportation funding model
- Funding model for Nutrition Services
- Enrollment stabilization
- COVID-19 future impacts
- Collective bargaining agreements
- Unfunded mandates

Fiscal Year	Regionalization Factor
2018/19	1.24
2019/20	1.24
2020/21	1.22
2021/22	1.20
2022/23	1.18

\*\*\*\*Regionalization is additional funding provided by the Legislature to compensate for higher cost of living and in particular for median home values higher than the statewide median.