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— *Start of*

David Knechtel,

I. GENERAL FUND (EXHIBIT 3)

1. Fund Balance Comparison

KENT SCHOOL DISTRICT NO. 415  
 Financial Analysis Report  
 For the Month Ended December 2020

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The year to date ending fund balance December 2020 improved by \$27 million compared to December 2019.

However, it is important to note that much of this improvement is due to the increased beginning fund balance between the years, as expenditures were outpacing revenues so far for the year by about \$700,000. In other words, increased expenditures are drawing down on the increase in fund balance between the years, so far for this year.

In addition, transportation funding and enrollment are two revenue variables that are, as yet, unrealized. The legislated formula for transportation funding may generate a payback of state transportation revenue due to a lack of to and from school ridership. The current enrollment decrease is likely to generate a payback of state apportionment revenue, as well, under the legislated apportionment formula.

The next table shows the reconciliation between the district's cash and investments and the district's fund balance in the general fund December 2020. This shows the interrelationship between the district's fund balance and the district's primary asset of cash and investments that can be drawn on to meet the immediate obligations of the district.

Net Cash & Investments per County/Bank	\$ 73,737,947
Plus: Other Assets	
Tax Receivable	1,182,519
Due from Other Funds/Govt.	414,610
Receivables	156,574
Inventory	746,785
Other Items	23,538
Total Assets	76,261,973
Less: Liabilities	
Accounts Payable and other obligations	(3,876,530)
Interfund Loans Payable	
Salaries, Benefits, & Payroll Taxes	(17,280,864)



KENT SCHOOL DISTRICT NO. 415  
Financial Analysis Report  
For the Month Ended December 2020

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State, General Purpose

This revenue comes mostly from two sources: apportionment and local effort assistance (LEA)

- x Apportionment is the revenue received through a state funding formula that is based on the average number of students enrolled and allocations of staff units from the prototypical school model. Basic and career technical education revenues are included in this revenue.
- x Local effort assistance (LEA) is revenue provided by the state to equalize local levy rates for districts with a proportionally lower assessed valuation tax base.

Minimal state local effort assistance (LEA) was expected and only \$356,605 has been received to date. Apportionment has increased by about \$1.2 million to date. With the drop in enrollment for Kent School District, this increase in apportionment is expected to be shaved. Apportionment is adjusted in January to actual enrollment and the district will see the effect of the drop at that time.

State, Special Purpose

This revenue is primarily comprised of grants and includes funding for Special Education, Learning Assistance, Bilingual Education, Highly Capable, Nutrition Services and Transportation. It is based on various formulas for students receiving services from specific programs. This revenue category fluctuates year to year.

The state special education funding primarily explains this current, large increase in state special purpose funding of about \$1.5 million. However, with the drop in district enrollment, the district is likely to see the state special education drop, as well. This funding will be adjusted to actual in January, as well, and the district will see any effect at that time.

State transportation funding continues to decrease, and currently is about \$1 million less than last year at this time. How this transportation funding will end up is unsure at this time, due to the statutory state funding formula based on student ridership and students are not being transported to school. For now, transportation is based on last fall and spring ridership counts. The state will be adjusting the transportation funding to actual in February, and the district will see an effect at that time.

Funding for various other state programs have increased slightly as well, up to this time period, to offset the differences in special ed and transportation funding.

KENT SCHOOL DISTRICT NO. 415  
Financial Analysis Report  
For the Month Ended December 2020

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This revenue fluctuates and is difficult to project. Currently, no revenues have been received here.

Federal, Special Purpose

This revenue is provided by the federal government to support programs for special needs students and others needing help with reading and math (federal grants).

The majority of federal revenue is received on a reimbursement basis; the district submits claims for reimbursement as expenditures are incurred. Thus, over time, there is no net impact to the district's budget.

Title I (+\$300,000) and federal CARES/ESSER special funding to mitigate COVID 19 challenges (+\$500,000) has increased from this time last year. Federal revenues are down, which, all together, explains the nearly \$600,000 increase in federal special purpose funding.

Revenue From Other Districts

This revenue reflects reimbursements received for special education services rendered to students from other school districts. No funds from other districts have been received, yet, for this year.

Revenue From Other Agencies

This revenue relates to agreements and partnerships with governmental agencies and businesses to help fund educational programs. Such agreements vary from year to year.

The district expected to receive revenue of approximately \$340,000 in September for claims that had been filed for the SBBRIT Best Start grants. These revenues were accrued back to the fiscal year ending 08/31/2020, where the expenditures were incurred, which is a normal accounting practice. However, only approximately \$224,000 of these funds have come in. This anomaly has contributed to the approximate \$105,000 revenue deficit shown in this category. This matter is being researched further.

Revenue From Other Financing Sources

This revenue relates to sales of surplus equipment and interfund transfers. This revenue necessarily fluctuates from year to year. Revenue from other financing sources was \$77,931 through the month of December 2020.

KENTSCHOOL DISTRICT NO. 415  
 Financial Analysis Report  
 For the Month Ended December 2020

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3. Expenditures and Other Financing Uses

Year to date expenditures and other financing uses for this month were \$132,448,743 million, which is at this time approximately \$7.1 million or almost 6% higher than last year. This is primarily a result of increases in expenditures for salaries (2% - 8% higher) and payroll related benefits (23% higher).

Comparisons of the current month's expenditures to the same period last year by object and variance are shown below:

December 2019	Percent of Total	December 2020	Percent of Total	Variance
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A comparison of medical benefits for December of 2019 to December of 2020 will reveal the primary reason for this large jump in benefits, as December 2019 and January 2020 were a time transition from the old medical benefits plan to the new School Employees Benefit Board (SEBB) medical benefits, and there were timing differences in recording expenditures between the two plans. Under the old plan, the district paid ahead and under the new SEBB plan, the district pays for benefits during the month the benefits are due and available to the employees. This change has resulted in a month during the past fiscal year (2019) in which the district did not incur any benefit expenditures. For the past fiscal year (2019), 11 months of expenditures were recorded for such benefit expenditures, due to the transition from paying a month ahead. For this current fiscal year (2020), the district will be recording 12 months of benefit expenditures.

Supplies and travel are notably down, due to the remote learning environment.

KENT SCHOOL DISTRICT NO. 415  
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For the Month Ended December 2020

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II. ASSOCIATED STUDENT BODY FUND (EXHIBIT 4)

This fund accounts for monies raised by associated student bodies of the district. As a special revenue fund, amounts within the ASB Fund may only be used for those purposes that relate to the operation of the Associated Student Body of the District.

With ASB, there isn't much activity due to the COVID-19 pandemic and remote learning environment. Last year at this time, revenues were \$38,446 and expenditures were \$649,460. ASB revenue and expenditures for this current year through December 2020 were respectively only \$82,614 and \$59,122. This current activity results in a slight change to the ASB fund balance and the current ASB fund balance has increased from the ending balance for last year a little over \$2.0 million total.

III. DEBT SERVICE FUND (EXHIBIT 5)

The Debt Service Fund is used to accumulate resources (property taxes, investment earnings, transfers from other funds to pay debts) to meet the district's long-term obligations.



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Financial Analysis Report  
For the Month Ended December 2020

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construction priorities of projects. Therefore, comparison between actual and budget for specific projects is not meaningful.

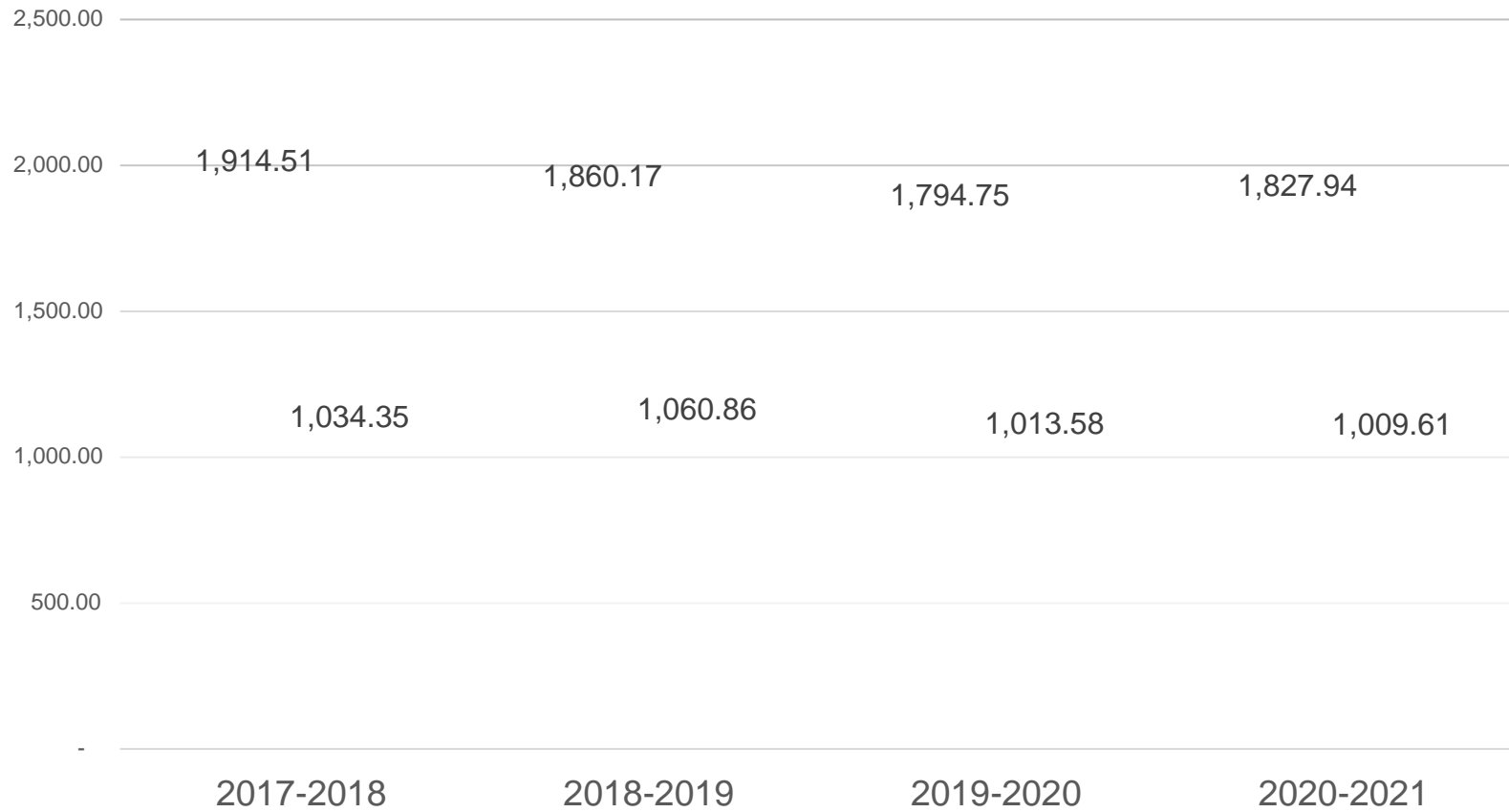
V. TRANSPORTATION VEHICLE FUND (EXHIBIT 7)

This fund is primarily intended to account for the purchase of buses.

The district did receive approximately \$257,000 from the state Dept of Ecology towards the purchase of electric buses. In the end, the district should receive approximately \$850,000 from the state for this purpose. The district obligated approximately \$1.2 million for the 3 electric buses.

The transportation fund does owe the general fund \$300,000 in April for cash used to

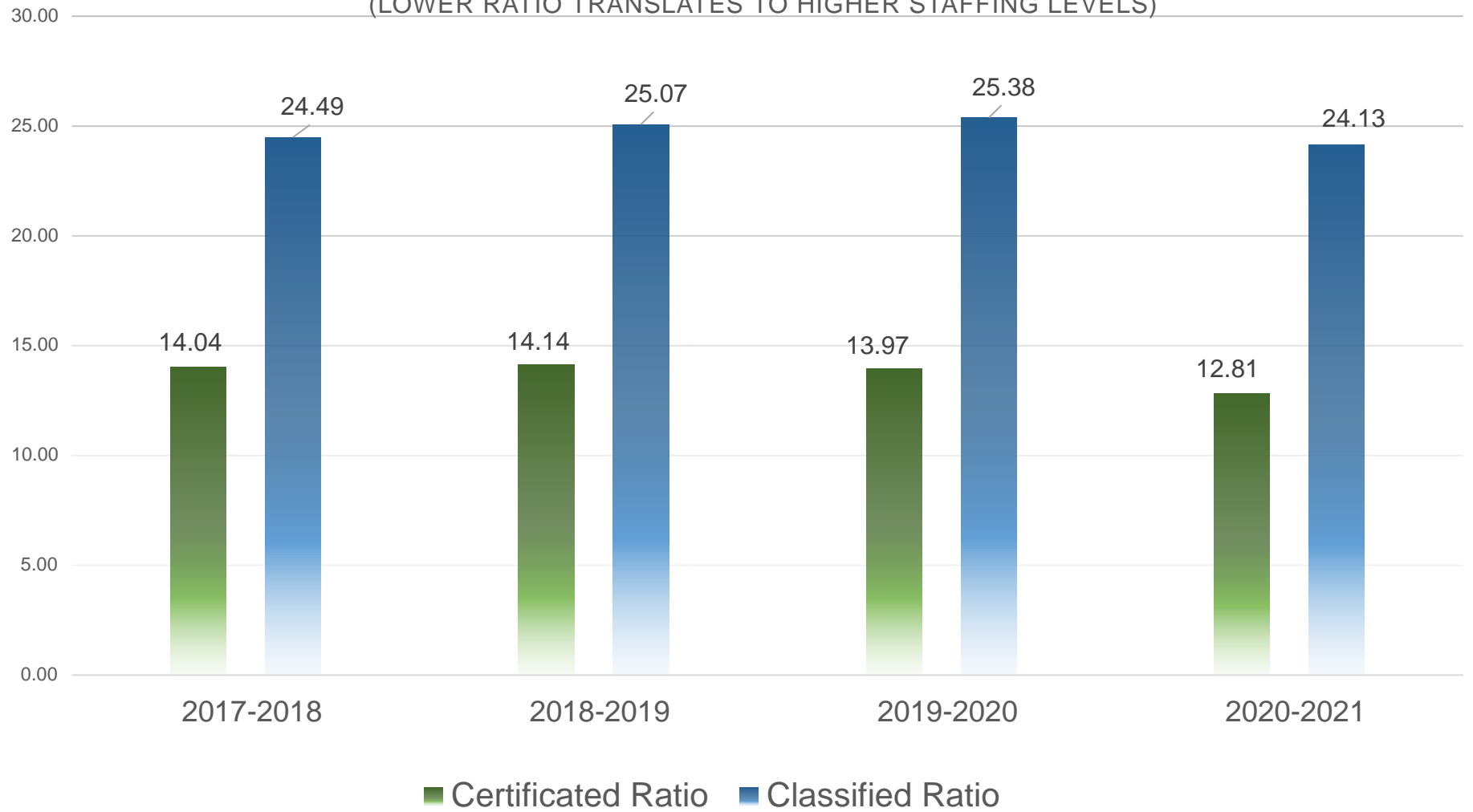
# DECEMBER STAFFING FTE (4 YEARS)



Certificated FTE      Classified FTE

# DECEMBER STAFFING FTE PER STUDENT FTE RATIOS

(LOWER RATIO TRANSLATES TO HIGHER STAFFING LEVELS)



	GENERAL FUND	SPECIAL REVENUE FUND (ASB)	DEBT SERVICE FUND	CAPITAL PROJECT FUND	TRANSPORTATION VEHICLE FUND	PERMANENT (REEMPLOEG)	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS:</b>							
Cash and Cash Equivalents	73,737,947\$	2,026,192\$	4,754,720\$	108,294,288\$	1,041,832\$	190,801\$	190,045,786
Property Tax Receivable	1,182,519	-	838,914	390,249	-	-	2,411,682
Interfund Loans Receivable	300,000	-	-	-	-	-	300,000
Accounts Receivable, Net	156,574	60	-	-	-	-	156,634
Prepaid Expenses	23,538	-	-	-	-	-	23,538
Due From Other Funds	95,126	8,261	-	19,308	-	-	122,695
Due From Other Government Units	19,484	-	-	-	-	-	19,484
Inventories at Cost	746,785	-	-	-	-	-	746,785
<b>TOTAL ASSETS</b>	<b>76,261,973</b>	<b>2,034,513</b>	<b>5,593,634</b>	<b>108,703,845</b>	<b>1,041,832</b>	<b>190,801</b>	<b>193,826,598</b>
<b>LIABILITIES:</b>							
Accounts Payable	293,036	1,330	-	(14,081)	-	-	280,285
Accrued Wages & Benefits Payable	7,289,314	-	-	-	-	-	7,289,314
Accrued Interest Payable	-	-	-	-	-	-	-
Accrued Contingent Losses	26,352	-	6,495	34,671	635	100	68,253
Due To Other Funds	27,844	2,171	-	92,743	-	-	122,758
Due To Other Governmental Units	3,557,142	-	-	-	-	-	3,557,142
	-	-	-	-	300,000	-	300,000
<b>TOTAL LIABILITIES</b>	<b>11,193,688</b>	<b>3,501</b>	<b>6,495</b>	<b>113,333</b>	<b>300,635</b>	<b>100</b>	<b>11,617,757</b>
<b>DEFERRED INFLOW OF RESOURCES:</b>							
Unavailable Revenue	74,267	-	-	(19)	-	-	74,248
Unavailable Revenue - Taxes Receivable	1,182,519	-	838,914	390,249	-	-	2,411,682
	1,256,786	-	838,914	390,230	-	-	2,485,930
<b>FUND BALANCES</b>							
<b><i>Nonspendable:</i></b>							
Inventory/Prepayments	718,786	-	-	-	-	-	718,786
Permanent Fund Principal	-	-	-	-	-	-	-

	GENERAL FUND	ASSOCIATED STUDENT BODY FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TRANSPORTATION VEHICLE FUND	PERMANENT (REEPLOEG)	TOTAL GOVERNMENTAL FUNDS
<b>BEGINNING FUND BALANCES:</b>							
Total Beginning Fund Balances	64,479,476	2,007,520	22,579,525	121,154,703	1,010,219	190,099	211,421,542
Prior Year Adjustments	-	-	-	-	-	-	-
<b>REVENUES</b>							
Local	23,618,728	-	19,250,566	11,347,171	3,294	612	54,220,371
State	101,903,108	-	-	-	257,897	-	102,161,005
Federal	6,286,917	-	-	-	-	-	6,286,917
Miscellaneous	(105,918)	82,614	-	-	-	-	(23,304)
<b>TOTAL REVENUES</b>	<b>131,702,835</b>	<b>82,614</b>	<b>19,250,566</b>	<b>11,347,171</b>	<b>261,191</b>	<b>612</b>	<b>162,644,989</b>
<b>EXPENDITURES</b>							
Current Operating:							
Regular Instruction	74,856,689						

KENT SCHOOL DISTRICT NO. 415  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
December 2020

	GENERAL FUND	ASSOCIATED STUDENT BODY FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TRANSPORTATION VEHICLE FUND	PERMANENT (REPELOEG)	TOTAL GOVERNMENTAL FUNDS
OTHER FINANCING SOURCES (USES)							
Sale of Bond	-	-	-	-	-	-	-
Sale of Refunding Bonds	-	-	-	-	-	-	-
Bond Premium	-	-	-	-	-	-	-
Bond Discount	-	-	-	-	-	-	-
Sale of Surplus Equipment	564	-	-	-	-	-	564
Transfers	77,367	-	530,163	(77,367)	(530,163)	-	-
Transfer to Escrow	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Long-Term Financing	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES AND USES	77,931	-	530,163	(77,367)	(530,163)	-	564
NET CHANGE IN FUND BALANCE	(667,977)	23,492	(17,831,300)	(12,954,421)	(269,022)	602	(31,698,626)
ENDING FUND BALANCES:	63,811,499	2,031,012	4,748,225	108,200,282	741,197	190,701	179,722,916
<b>Nonspendable:</b>							
Inventory/Prepayments	718,786	-	-	-	-	-	718,786
Permanent Fund Principal	-	-	-	-	-	165,000	165,000
<b>Restricted for:</b> Assigned to Fund Purposes							
Bond Proceeds	-	-	-	77,353,620	-	-	77,353,620
State Proceeds	-	-	-	1,467,086	-	-	1,467,086
Impact Fee Proceeds	-	-	-	2,659,778	-	-	2,659,778
Other Purposes	-	-	-	127,367	-	-	127,367
Federal Proceeds	-	-	-	-	-	-	-
Associated Student Body Fund	-	2,031,012	-	-	-	-	2,031,012
Debt Service	-	-	4,748,225	-	-	-	4,748,225
Transportation Vehicle Fund	-	-	-	-	741,197	-	741,197
Grants - Restricted Revenues	3,151,728	-	-	-	-	-	3,151,728
Carryovers and Others	1,485,949	-	-	-	-	-	1,485,949
	-	-	-	26,326,144	-	-	26,326,144
<b>Assigned Fund Balance</b>	9,221,636	-	-	266,287	-	25,701	9,513,624
<b>Unassigned Fund Balance:</b>							
<b>Minimum Fund Balance Policy</b>	19,005,488	-	-	-	-	-	19,005,488
<b>Unassigned Fund Balance</b>	30,227,912	-	-	-	-	-	30,227,912
TOTAL ENDING FUND BALANCES	\$ 63,811,499	\$ 2,031,012	\$ 4,748,225	\$ 108,200,282	\$ 741,197	\$ 190,701	

	Revised Budget	Current Month	Year-To-Date	Encumbrances*	Balance	Percent**
BEGINNING FUND BALANCES:						
Total Beginning Fund BalancesCES:						

Revised Budge



	Adopted Budget	Current Month	Year-To-Date	Encumbrances	Balance	Percent*
BEGINNING RESTRICTED FUND BALANCE:						
<i>Restricted Fund Balance</i>	21,177,224	41,612,533	22,579,525		(1,402,301)	106.62%
Total Beginning Restricted Fund Balance	21,177,224					

	Adopted Budget	Current Month	Year-To-Date	Encumbrances	Balance	Percent*
<b>BEGINNING RESTRICTED FUND BALANCES:</b>						
Total Beginning Restricted Fund Balances	123,283,706	115,377,116	121,154,703		(2,129,003)	98.27%
<b>REVENUE</b>						
Local Taxes	22,289,300	96,152	9,889,940	-	12,399,360	44.37%
Local Non-Taxes	3,075,000	696,369	1,457,231	-	1,617,769	47.39%
State, General Purpose	-	-	-	-	-	N/A
State, Special Purpose	4,100,000	-	-	-	4,100,000	0.00%
<b>Total Revenues</b>	<b>29,464,300</b>	<b>792,521</b>	<b>11,347,171</b>	<b>-</b>	<b>18,117,129</b>	<b>38.51%</b>
<b>EXPENDITURES</b>						
Undistributed	-	46,431	225,212	-	(225,212)	N/A
Sites	36,576,544	97,713	758,419	452,572	35,365,553	3.31%
Buildings	120,059,400	7,777,134	21,764,763	55,972,447	42,322,190	64.75%
Equipment	23,840,000	28,308	1,475,226	1,247,677	21,117,097	11.42%
Energy	-	-	-	-	-	N/A
Sales & Leases Expenditures	4,000	174	605	-	3,395	15.13%
Bond Issuance Expenditures	700,000	-	-	-	700,000	0.00%
Arbitrage Rebate	-	-	-	-	-	N/A
Capital Outlay	-	-	-	-	-	N/A
<b>Total Expenditures</b>	<b>181,179,944</b>	<b>7,949,760</b>	<b>24,224,225</b>	<b>57,672,696</b>	<b>99,283,022</b>	<b>45.20%</b>

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	Adopted Budget	Current Month	Year-To-Date	Encumbrances	Balance	Percent*
<b>BEGINNING RESTRICTED FUND BALANCE:</b>						
<i>Restricted Fund Balance</i>	980,440	1,012,605	1,010,219	-	(29,779)	103.04%
Total Beginning Restricted Fund Balance	980,440	1,012,605	1,010,219	-	(29,779)	103.04%
Prior Year Adjustments			-			
<b>REVENUE</b>						
Investment Earnings	20,000	871	3,294	-	16,706	16.47%
State Special Purpose-Unassigned	773,691	257,897	257,897	-	515,794	33.33%
State Transportation Reimbursement-Deprec.	850,000	-	-	-	<del>850,000</del> / P <</-4(33.)7.9	

KENT SCHOOL DISTRICT NO. 415  
 PERMANENT FUND (REEPLOEG)  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 December 2020

	Current Month	Year-To-Date	Encumbrances	Balance after Encumbrances
<b>BEGINNING FUND BALANCE:</b>				
Total Beginning Fund Balance	190,577	190,099		190,099
<b>REVENUE</b>				
Investment Earnings	126	612		612
Total Revenues	126	612		612
<b>EXPENDITURES</b>				
Investment Fees	2	10	-	10
Total Expenditures	2	10	-	10
Revenues less Expenditures	124	602	-	602
<b>ENDING FUND BALANCE:</b>				
<i>Nonspendable Fund Balance</i>	165,000	165,000		165,000
<i>Assigned Fund Balance</i>	25,701	25,701		25,701
Total Ending Fund Balance	190,701	190,701		190,701

Kent School District No. 415  
Statement of Fiduciary Net Position  
Fiduciary Fund  
December 2020

	Private Purpose Trusts	Other Trust
<b>ASSETS:</b>		
Cash and cash equivalents	\$ 269,662	\$ 102,398
Due from Other Funds	310	-
Total Assets	<u>\$ 269,972</u>	<u>\$ 102,398</u>
<b>LIABILITIES</b>		
Accounts Payable	\$ 223	\$ 121
Due to other Funds	247	-
Total Liabilities	<u>\$ 470</u>	<u>\$ 121</u>
<b>NET POSITION</b>		
Restricted for:		
Trust Principal	\$ -	\$ 102,277
Trust Purposes (scholarships, etc.)	269,502	-
Total Net Financial Position for Fiduciary Fund	<u>\$ 269,502</u>	<u>\$ 102,277</u>

Kent School District No. 415  
Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
December 2020

	Private Purpose Trusts	Other Trust
<b>ADDITIONS</b>		
Donations	\$ 41,360	\$ -
Members	-	\$ -
Investment Earnings	767	156
Total Additions	<u>\$ 42,127</u>	<u>\$ 156</u>
<b>DEDUCTIONS</b>		
Benefits	\$ -	\$ 1,156
Scholarships	\$ 8,226	-
Administrative expenses	12	-
Other expenses	670	-
Total Deductions	<u>\$ 8,908</u>	<u>\$ 1,156</u>
Change in Net Position	\$ 33,219	\$ (1,000)
Net Position - Beginning	<u>236,283</u>	<u>103,277</u>
Net Position - Ending	<u>\$ 269,502</u>	<u>\$ 102,277</u>

	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG
2018-19	4,410,941	32,236,56	20,092,11	23,282,01	20,833,20							



