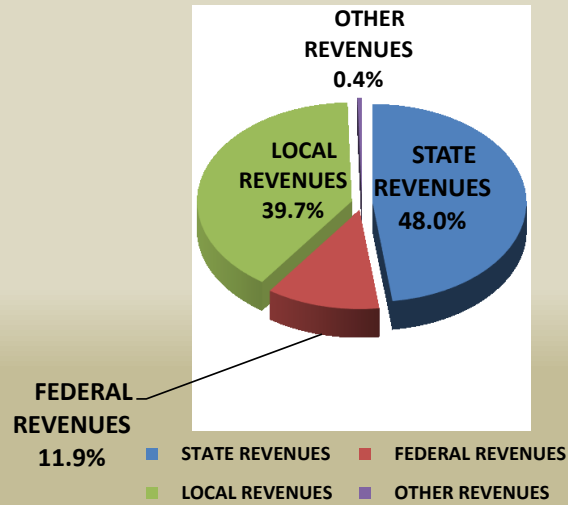


There are important, **significant differences** which exist between for profit companies and K-12 public school systems which are routinely dismissed out of hand:

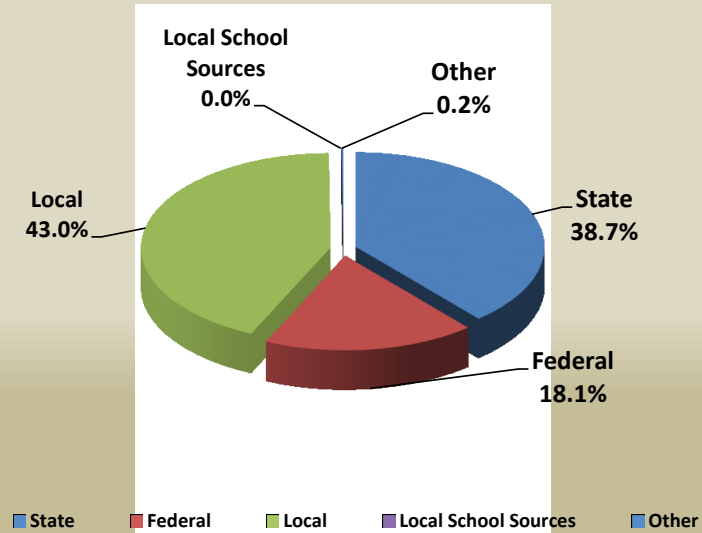
- For profit companies exist to return profits to the company owners/shareholders
- K-12 public schools return profits to the owners (the community) in the form of educated citizens beginning to understand the basic rules which bind society together in a nation of laws.
- It is common sense public policy that if you collect taxes for the purpose of providing a stated service or a needed capital project, then the taxing entity ought to spend the money on providing the services or building the project(s).
- For a K-12 school district the above policy translates to **“spend this year’s money on this year’s students.”**
- If current funding is used to add cash to a reserve account beyond reasonable goals (8% - 12% of operational expenses), then current students are deprived of the services those resources could have provided.

A “for profit” company whose balance sheet shows increasing net assets on an annual basis is viewed as well run and more financially stable. A K-12 district whose balance sheet shows a similar increase either has capital projects that are being added to assets as the project is completed **OR** has unspent revenue which was allocated for the current year’s students that was not spent on this year’s students.

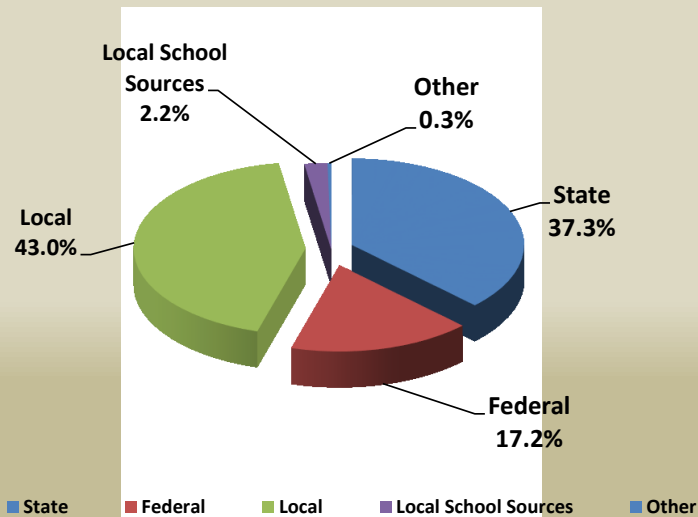
### FY 2008 REVENUES



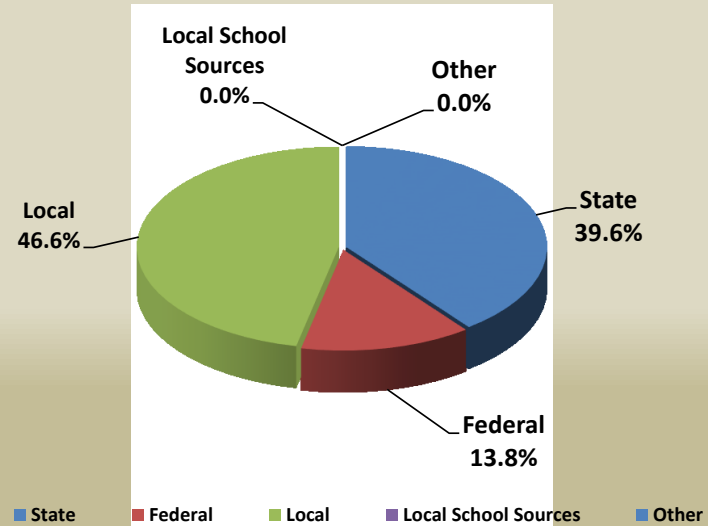
### FY 2011 Educational Revenues



### FY 2013 Educational Revenues

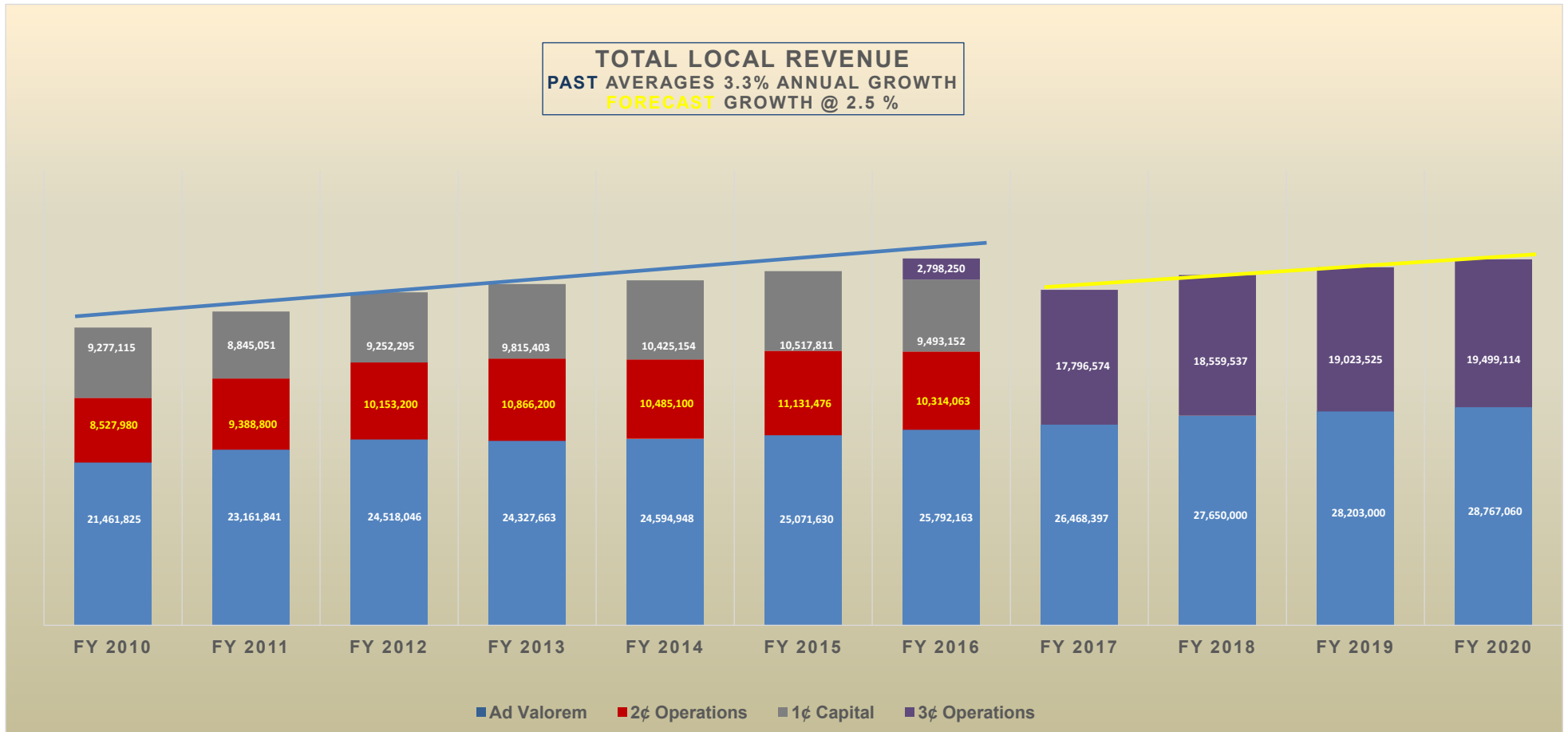


### FY 2016 Educational Revenues



# Tuscaloosa City Schools

**TOTAL LOCAL REVENUE**  
 PAST AVERAGES 3.3% ANNUAL GROWTH  
 FORECAST GROWTH @ 2.5 %



	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Ad Valorem	21,461,825	23,161,841	24,518,046	24,327,663	24,594,948	25,071,630	25,792,163	26,468,397	27,650,000	28,203,000	28,767,060	29,342,401
3¢ Operations							2,798,250	17,796,574	18,559,537	19,023,525	19,499,114	19,986,591
2¢ Operations	8,527,980	9,388,800	10,153,200	10,866,200	10,485,100	11,131,476	10,314,063					
1¢ Capital	9,277,115	8,845,051	9,252,295	9,815,403	10,425,154	10,517,811	9,493,152					

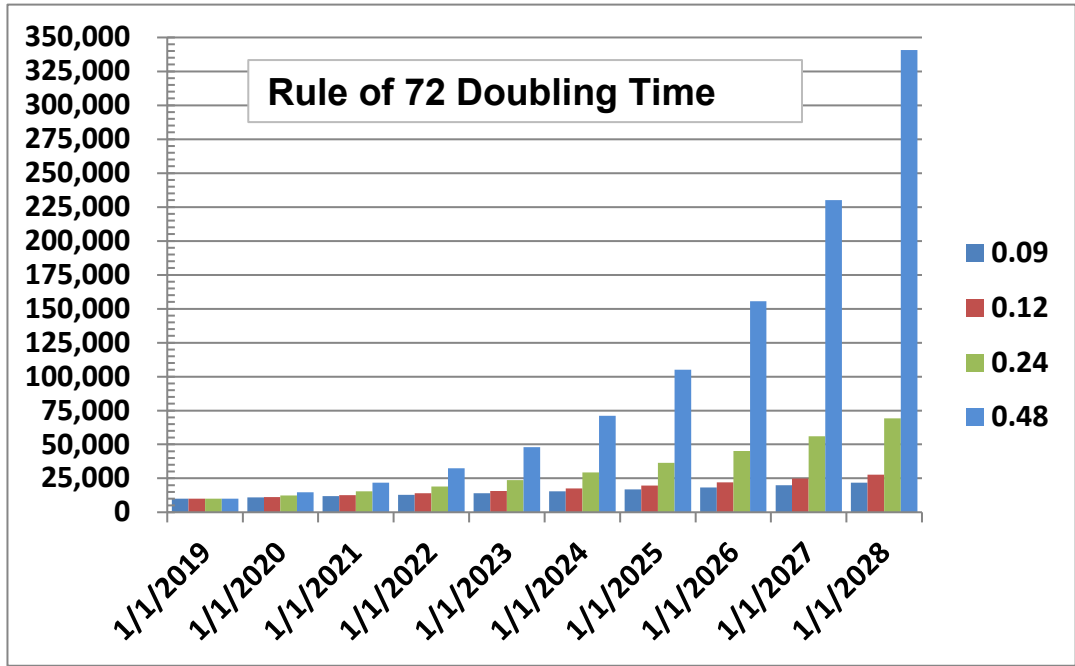
# Power of Two Moore's Law

1946 Bell Labs team pioneer transistor work		1949 William Shockley proof of concept sandwich transistor		1952		1955 Steve Jobs Born	
1	2	4	8	16	32	64	128
						1956 Shockley moves to Mountain View CA starts Shockley Semiconductor Lab- birth of Silicon Valley	
1958							
	256	512	1,024	2,048	4,096	8,192	16,384
1970		1973	1974.5	1976 Apple cofounded by Jobs and Wozniak	1977.5	1979 Jobs visits Xerox and "borrows" idea of mouse and a	1981 IBM licenses Microsoft Basic for IBM PC. IBM PC
	65,536	131,072	262,144	524,288	1,048,576	2,097,152	4,194,304
				1975 Bill Gates and Paul Allen found Microsoft			8,388,608
1982		1985 Jobs pushed out at Apple, founds NeXT					
	16,777,216	33,554,432	67,108,864	134,217,728	268,435,456	536,870,912	1,073,741,824
	Apple releases Lisa - first Mac	Apple releases Macintosh Jan 84	Mac XL Jan 85				
1994		1997 NeXT merges with Apple; Jobs becomes CEO		2000		2003	
	4,294,967,296	8,589,934,592	17,179,869,184	34,359,738,368	68,719,476,736	137,438,953,472	274,877,906,944
			iMac Aug 1998		2001 First iPod released		549,755,813,888
2006		2009		2012		2015	
	1,099,511,627,776	2,199,023,255,552	4,398,046,511,104	8,796,093,022,208	17,592,186,044,416	35,184,372,088,832	70,368,744,177,664
		2007 First iPhone released Q3		2010 First iPad released			Apple sells total of 896 Billion iPhones through Q1 of 2016
2018	** We Are Here						
	281,474,976,710,656	562,949,953,421,312	1,125,899,906,842,620	2,251,799,813,685,250	4,503,599,627,370,500	9,007,199,254,740,990	#####
	2018 iPhone XR released; 360 million iPads sold by 11.6.18						#####
	72,057,594,037,927,900	144,115,188,075,856,000	288,230,376,151,712,000	576,460,752,303,423,000	1,152,921,504,606,850,000	2,305,843,009,213,690,000	4,611,686,018,427,390,000
							9,223,372,036,854,780,000

# Tuscaloosa City Schools

## Operational Funds Summary FY 2017 through FY 2020

	District Closed Financials			District Closed Financials			Assumptions: Revenue					
	FY 2017 (1%+4%)			FY 2018(1.0% Raise) Prior Year District Estimated Closing Position			FY 2019 (0.5% Local & 2.5% State Raise) Current Year			FY 2020 (No Raise; Projected State Revenue Increase @ 3%; )		
	General Fund	Special Revenue	Total Educational Operations	General Fund	Special Revenue	Total Educational Operations	General Fund	Special Revenue	Total Educational Operations	General Fund	Special Revenue	Total Educational Operations
<b>REVENUES</b>												
STATE REVENUES	51,732,490	-	51,732,490	53,734,151	-	53,734,151	54,222,512	-	54,222,512	55,849,187	-	55,849,187
FEDERAL REVENUES	121,500	13,022,126	13,143,626	143,328	16,624,466	16,767,794	121,500	15,177,144	15,298,644	121,500	15,177,144	15,298,644
LOCAL REVENUES	47,514,471	3,452,292	50,966,763	43,517,209	11,881,706	55,398,915	43,385,595	11,999,265	51,000,492	43,424,901	11,999,265	52,101,901
Local School Sources	-	-	-	-	-	-	-	-	-	-	-	-
OTHER REVENUES	215,000	367,603	582,603	159,572	161,079	320,650	160,000	547,497	707,497	160,000	547,497	707,497
<b>TOTAL REVENUES</b>	<b>99,583,461</b>	<b>16,842,021</b>	<b>116,425,482</b>	<b>97,554,260</b>	<b>28,667,250</b>	<b>126,221,510</b>	<b>97,889,607</b>	<b>27,723,906</b>	<b>125,613,513</b>	<b>99,555,588</b>	<b>27,723,906</b>	<b>127,279,494</b>
<b>EXPENDITURES:</b>	<b>Add 10 Staff</b>			<b>Add 10 Staff</b>						<b>Decrease 10 Staff</b>		
INSTRUCTIONAL SERVICES	51,672,692	4,864,902	56,537,594	53,104,111	5,217,190	58,321,301	54,019,014	5,375,770	59,394,784	53,689,109	5,375,770	59,064,879
INSTRUCTIONAL SUPPORT SERVICES	17,358,330	3,430,268	20,788,598	19,165,376	3,515,172	22,680,547	19,038,738	2,533,935	21,572,673	19,229,125	2,533,935	21,763,060
OPERATIONS & MAINTENANCE	9,723,560	292,779	10,016,339	12,693,434	298,958	12,992,392	10,990,451	14,528	11,004,979	10,999,356	14,528	11,013,884
AUXILIARY SERVICES	5,094,316	7,257,146	12,351,462	6,111,891	8,973,296	15,085,186	6,018,933	7,975,191	13,994,124	6,049,028	7,975,191	14,024,219
GENERAL ADMINISTRATIVE SERVICES	5,379,261	443,175	5,822,436	5,502,585	516,718	6,019,302	5,391,608	549,682	5,941,290	5,445,524	549,682	5,995,206
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-	-	-	-
DEBT SERVICES	-	-	-	-	-	-	-	-	-	-	-	-
OTHER EXPENDITURES	3,611,425	1,828,471	5,439,896	3,729,819	2,642,062	6,371,881	4,406,048	1,981,085	6,387,133	4,450,108	1,981,085	6,431,193
<b>TOTAL EXPENDITURES</b>	<b>92,839,583</b>	<b>18,116,741</b>	<b>110,956,324</b>	<b>100,307,215</b>	<b>21,163,395</b>	<b>121,470,610</b>	<b>99,864,792</b>	<b>18,430,191</b>	<b>118,294,983</b>	<b>99,862,250</b>	<b>18,430,191</b>	<b>118,292,441</b>
<b>OTHER FUND SOURCES (USES):</b>												
TRANSFERS IN	1,307,285		1,307,285	101,823	889,816	991,639			-	-		-
OTHER FUND SOURCES(indirect costs)	905,670	1,501,145	2,406,815	1,122,681		1,122,681	916,707	433,485	1,350,192	916,707	433,485	1,350,192
OTHER FUND USES				2,278,117			1,935,505	9,049,673			9,049,673	
TRANSFERS OUT - Debt Service	603,625				8,948,403							
TRANSFERS OUT	1,280,410	295,910										
<b>TOTAL OTHER FUND SOURCES (USES)</b>	<b>328,920</b>	<b>1,501,145</b>		<b>(1,053,612)</b>	<b>(8,058,587)</b>		<b>(1,018,798)</b>	<b>(8,616,188)</b>		<b>916,707</b>	<b>(8,616,188)</b>	
<b>EXCESS REVENUES &amp; OTHER SOURCES</b>												
<b>OVER (UNDER) EXPENDITURES &amp; OTHER</b>	<b>6,125,360</b>	<b>226,425</b>	<b>6,351,784</b>	<b>(3,806,568)</b>	<b>(554,732)</b>	<b>(4,361,300)</b>	<b>(2,993,983)</b>	<b>677,527</b>	<b>7,318,530</b>	<b>610,045</b>	<b>677,527</b>	<b>8,987,053</b>
<b>BEGINNING FUND BALANCE - OCT 1</b>	<b>10,737,559</b>	<b>4,876,153</b>		<b>16,862,919</b>	<b>5,285,601</b>		<b>13,056,351</b>	<b>4,564,738</b>		<b>10,062,368</b>	<b>5,242,265</b>	
Anticipated Underspending Current Budget												
<b>ENDING FUND BALANCE - SEP 30</b>	<b>16,862,919</b>	<b>5,102,578</b>		<b>13,056,351</b>	<b>4,730,869</b>		<b>10,062,368</b>	<b>5,242,265</b>		<b>10,672,413</b>	<b>5,919,792</b>	



	0.09	0.12	0.24	0.48
2/1/2019	10,000	10,000	10,000	10,000
2/1/2020	10,900	11,200	12,400	<b>14,800</b>
2/1/2021	11,881	12,544	<b>15,376</b>	<b>21,904</b>
2/1/2022	12,950	14,049	19,066	32,418
2/1/2023	14,116	15,735	23,642	<b>47,979</b>
2/1/2024	15,386	17,623	<b>29,316</b>	71,008
2/1/2025	16,771	<b>19,738</b>	36,352	<b>105,092</b>
2/1/2026	18,280	22,107	45,077	155,536
2/1/2027	<b>19,926</b>	24,760	<b>55,895</b>	<b>230,194</b>
2/1/2028	21,719	27,731	69,310	340,687

# Analysis of General Fund Reserve Balance

