

**ABERDEEN SCHOOL DISTRICT NO. 5  
ABERDEEN, WASHINGTON**

Special Meeting of the Board of Directors  
Community Room, AHS  
July 30, 2019

**SPECIAL MEETING AGENDA**

5:00 p.m. Special Meeting Call to Order

Flag Salute

Work Study

1. 2019-2020 Budget Presentation

Superintendent Alicia Henderson and Executive Director of Business and Operations Elyssa Louderback will provide an overview of the preliminary 2019-2020 budget. [Enclosure](#)

2. Next Meeting

The next meeting of the Board is scheduled for 5 p.m. Tuesday, August 6, 2019, in the Community Room at Aberdeen High School.

**ADJOURN**



Aberdeen  
School District

*Our Children,  
Our Schools,  
Our Future*

## 2019-20 Budget Board Workshop

July 30, 2019



# Aberdeen School District - General Fund - REVENUES

		Pre-McCleary 2017-18	Transition Year 2018-19	Post-McCleary <b>2019-20</b>	Post-McCleary 2020-21
Local	Levy (and taxes)	\$5,261,861 Rate: \$4.31	\$3,410,155 Fall rate = \$4.31 Spring rate = \$1.50	\$2,465,299 Fall rate = \$1.50 Spring rate = \$2.50	\$3,038,593 Fall rate: \$2.50 Max Spring rate: \$2.50
	Other Local	\$782,807	\$909,074	\$978,882	\$943,917
State		\$37,040,111 (LEA = \$3,586,224)	\$41,538,643 (LEA = \$3,344,938)	\$43,189,691 (LEA = \$ 3,125,048 ) (HH = \$535,775 )	\$43,953,279 (LEA = \$3,462,069)
Federal		\$5,230,844	\$5,059,495 (loss of 21st Century Grant)	\$6,122,608 (includes 21st Century Grant)	\$6,183,834
Total		\$48,315,623	\$50,917,367	\$52,756,480	\$ 54,119,623

*HH = Hold Harmless: was originally an anticipated \$900,000 one time increase in 2019-20*



# Aberdeen School District - General Fund - **EXPENDITURES**

		Pre-McCleary 2017-18	Transition Year 2018-19	Post-McCleary <b>2019-20</b>	Post-McCleary 2020-21
Salary	Certificated	\$ 17,691,794	\$ 21,046,960	\$ 20,586,505	\$ 21,204,098
	Classified	\$ 8,653,800	\$ 9,106,007	\$ 9,353,121	\$ 9,633,717
Benefits		\$ 11,242,009	\$ 12,501,950	\$ 14,068,916	\$ 15,475,805
MSOC's		\$ 9,472,483	\$ 8,895,006	\$ 9,142,319	\$ 9,233,742
Transfer		\$ 0	\$ 285,000	\$ 300,000	\$ 300,000
Total		\$48,315,623	\$50,917,367	\$53,150,861	\$ 55,547,362

## 2019 Legislative Session - *Impacts on Education Funding*

	ASD5		
<b>K-3 Class Size Reduction:</b> Requires ratio of 1:17 to avoid significant penalty	Ready to implement in 2019-20 with 6th to Miller move which provided additional K-3 classrooms (Penalty avoided: \$720,000)		
<b>Special Education:</b> Additional funding for Students w/ Disabilities	Anticipated: \$125,000 (not confirmed by OSPI) <i>SpEd shortfall: \$1,500,000</i>		
<b>Lifting of Local Levy Cap</b>	2018: \$4.31	2019: \$1.50	2020: \$2.50
<b>Hold Harmless:</b> One-time payment to offset impact of “Levy Cliff” for districts severely impacted by new funding model. Increase is in “LEA”, which is a state match for property poor districts.	Originally anticipated: \$931,000  <b>Currently anticipated: \$535,775</b> (not confirmed by OSPI)  <i>Actual confirmation not until January, 2020!</i>		

## Implementation of School Employee Benefits Board (SEBB) in January 2020

	ASD5
Provide full benefits for every employee working at least 630 hrs/yr. Includes substitutes	Anticipated cost: \$300,000 (for 25 eligible substitutes)
Pay health premium for employees who waive benefits	Anticipated cost: \$1,000,000 (currently no cost for 84 employees who waive benefits)
Pay unfunded premiums for employees. State pays <ul style="list-style-type: none"><li>• Only for subset of district employees</li><li>• Based on FTE% (but district must pay 100% for all employees)</li></ul>	Anticipated cost: \$ 1,300,000  (will be funded for 310 employees, but must pay for 416 employees)

# 4 Year Projection

School Year		2019-2020	2020-2021	2021-2022	2022-2023
Enrollment	w/ RS & GRAVITY	3,290	3,290	3,290	3,290
Beginning Fund Balance		3,368,014	2,673,632	960,890	(1,551,872)
Plus Revenue		52,756,479	54,119,623	55,110,864	56,311,046
Transfers	GL 536	(300,000)	(285,000)	(285,000)	(285,000)
Minus Expenditures		(53,150,861)	(55,547,365)	(57,338,627)	(58,539,121)
<b>Ending/Projected Fund Balance (800's)</b>		<b>2,673,632</b>	<b>960,890</b>	<b>(1,551,872)</b>	<b>(4,064,948)</b>
	Fund Balance Percentage	5.03%	1.73%	-2.71%	-6.94%
	<b>Difference Rev to Expend</b>	<b>(694,382)</b>	<b>(1,712,742)</b>	<b>(2,512,762)</b>	<b>(2,513,076)</b>
	5% Min FB =	2,657,543.05	2,777,368.23	2,866,931.34	2,926,956.06
	Amt needed to 5%=	Goal Met	1,816,477.85	4,418,803.35	6,991,903.69
	Salaries/Benefits Percenta	82.80%	83.38%	83.74%	83.91%
	MSOC Percentage	17.20%	16.62%	16.26%	16.09%



# 2019-20 Budget Highlights



1. Balanced Budget
2. 5% ending fund balance met
3. Anticipated SEBB costs covered
4. Impact of “Levy Cliff” absorbed
  - a. Current levy expires December, 2020
  - b. Need to renew levy authorization
5. K - 3 Class size reduction requirements met
6. 4 year budget projection of concern in years 2-4
  - a. Legislative session in January, 2020
  - b. Continued monitoring for cost savings measures
7. Budget Advisory Committee continues