



Date: January 15, 2019
To: Aberdeen School District Board of Directors
From: Alicia Henderson, Ph.D., Superintendent
Elyssa Louderback, Executive Director of Finance and Operations
Re: Budget Advisory Committee

We wish to extend many thanks to the members of our Budget Advisory Committee (BAC) who devoted many evenings to learn about our budget and the challenges we currently face as a result of the new state funding model. In order to maintain a balanced budget, and a 5% reserve fund, we must achieve a 9% (\$4,500,000) reduction in expenses over two years. In the current year, our goal is a 2% (\$1,000,000) reduction through a freeze on non-essential travel, hiring and purchases. For 2019-20, we are planning for an additional 7% (\$3,500,000) reduction in costs.

The BAC provided valuable input on how we spend our local levy funds, which have been reduced by 65%, and can now only be used for enrichment. This includes maintenance of most current enrichment expenses such as athletics and music. Support was expressed to have the preschool program to be self-sustaining and less reliant on the levy. The BAC is strongly in favor of seeking reductions in special education expenses, which currently cost approximately half of our levy funds. The BAC also supported the proposed reductions to district initiative expenses, including curriculum, technology and AVID costs. The combined reductions in levy expenses and district initiatives supported by the BAC total approximately \$650,000. An additional \$2,850,000 in cost savings is needed to achieve the 7% (\$3,500,000) for 2019-20.

All of the BAC materials are posted on the district web page. We are closely monitoring our 2018-19 cost savings, and advocating to our Legislature to remedy the inequities in state funding with the new model. At the same time, we are following up with innovative ideas suggested by the BAC for both new revenue sources and cost reductions. We must also plan for personnel reductions for the 2019-20 school year.

A sincere thanks again to the BAC members for their time and dedication on this committee, and for their future advocacy efforts and contributions to the fiscal health of the Aberdeen School District.

BAC Members:

Patrick Farwell	Rick Stallo
Mike Toy	Molly Leithold
Jan Gravley	Nick Barene
Sarah Teveliet Channel	Lynn Green
Carrie Erwin	Kim Edwards
Michelle Reed	Kim Malizia
Sally Holt	Hunter Larson
Deborah Ross	Arnie Lewis
Kasi Turner	Kris Koski
Thomas West	David Glasier