



Aberdeen
School District

*Our Children,
Our Schools,
Our Future*

Budget Advisory Committee

December 16, 2021

Alicia Henderson, Ph.D., Superintendent
Elyssa Louderback, Executive Director of Finance and Operations

Agenda



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1. Welcome
2. Brief History of ASD5 Budget
3. Budget Status Update
 - a. Year-end Recap 2020-21
4. What's Coming?
5. Preliminary Update to Budget Assumptions
6. Next Steps

Adjourn

Budget Advisory Committee (BAC) Members

Carrie Erwin, ASD5

Michelle Reed, ASD5

Patrick Farwell, Community Member

Mike Toy, ASD5

Jan Gravley, ASD5

Sarah Teveliet Channel, Parent

Jessie Winter, ASD5

Deborah Ross, Community Member

Molly Leithold, ASD5

Rick Stallo, ASD5

Thomas (TJ) West, Community Member

John Meers, ASD5

Kris Koski, Community Member

Lynn Green, ASD5

Kim Malizia, ASD5

Hunter Larson, Community Member

Tyson Burgess, Parent

Christi Sayres, ASD5

Dave Douglass, ASD5

Cathleen Wilder, ASD5



Norms



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Committee Members:

- Attend meetings (2022: March / April)
- Submit comments / questions in chat box
- Assume positive intent
- Respect & civility at all times

Members of the Public:

- Observe / listen to BAC meeting

All attendees are requested to remain on mute

Brief History of ASD5 Budget

- Healthy budget up until implementation of the new state funding model (“McCleary fix) beginning in 2018-19.
- Budget was devastated by the new state funding model, including the Levy Cliff , inequitable funding (regionalization & experience factor), change in allocation of state funding and elimination of state salary schedule
- Fund balance was precariously low, under 5% in 2018-19. Needed state loan to pay salaries in November, 2019
- Declining enrollment (the lifeblood of school funding) further impacted budget
- Staff layoffs needed in Spring 2019 & Spring 2020 to remain solvent
- Unexpected windfall of federal funds for pandemic (ESSR) in Fall 2020
- Multiple cost savings (e.g., centralized purchasing, HLC) has positive impact on budget
- Projected healthy budget for 2021-22 and 4-year projections



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FY 2020-21 F-196 YEAR END FINANCIAL REPORT

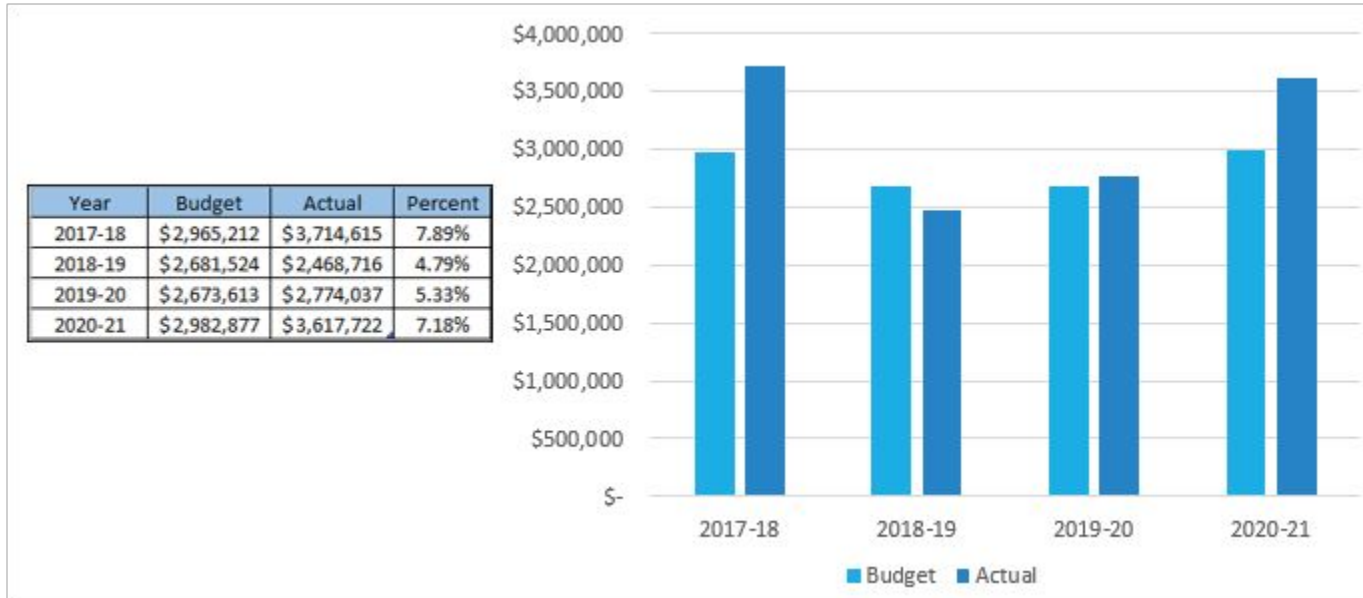
Presented by:
Elyssa Louderback
Executive Director of Business & Operations

2020-21 General Fund

Beginning Fund Balance	\$ 2,774,037.23
Revenues and Other Financing Sources	\$ 51,208,334.56
Expenditures	- \$ 48,580,886.30
Transfers Out	- \$ 1,783,763.25
Ending Fund Balance	\$ 3,617,722.24

The ending fund balance for the 2020-21 fiscal year was 7.18% of the expenditures. This is very close to what we planned at the beginning of the year.

Fund Balance – 4 Year history



The Board of Directors passed a resolution to maintain a 5% minimum fund balance in 2015-16, upon recommendation from the Washington State Auditor's Office.

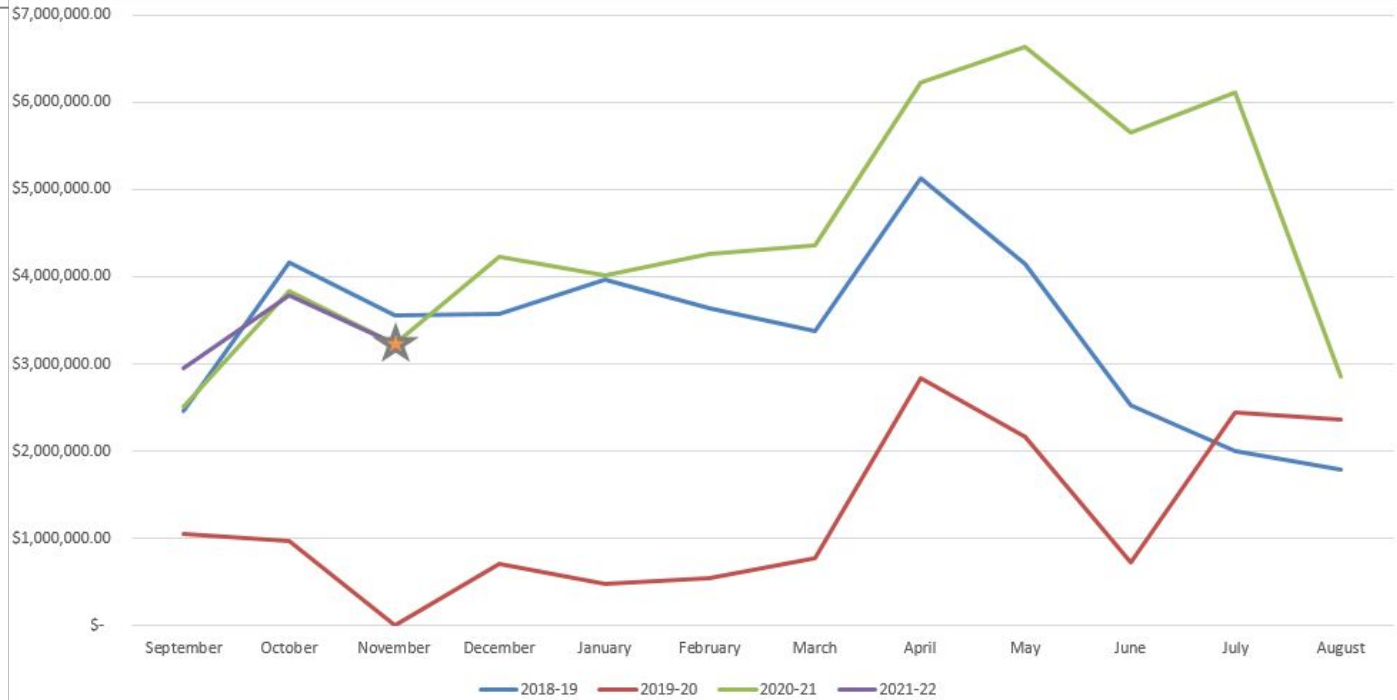
Revenue – 3 Year Comparison

Description	2018-19	%	2019-20*	%	2020-21	%
Local Tax	3,420,693	7	2,883,399	5	3,690,937	7
Local Non-Tax (Fees, Fines, Food Service)	540,088	1	461,115	1	243,370	1
State General (Apportionment)	30,593,745	61	31,986,823	61	29,592,061	58
State Special (SpEd, Transport)	10,958,852	22	11,476,148	22	10,361,652	20
Federal (Federal Forest)	43,864	0	40,269	0	36,120	0
Federal (Special Ed, Title I, ESSER)	4,542,188	9	5,689,690	11	7,190,219	14
Other Sources (Non-High, Grants)	200,959	0	150,471	0	93,976	0
Total Revenue	\$50,300,096	100	\$52,687,916	100	\$51,208,335	100

* 2019-20 was the beginning of the COVID pandemic.

GENERAL FUND FUND BALANCE TRENDS

End of November, 2021



ESSER funds (One time funding!)

ESSER issue #	Amount	Spend by date
ESSER 1	\$ 1,370,403	8/31/2022
ESSER 2 ★	\$ 5,297,103	8/31/2023
ESSER 3 ★▲	\$11,904,882	8/31/2024
Total	\$18,572,388	

Additional Requirements:

★ Addressing learning loss, school facility repairs and improvements, and improving air quality.

▲ 20% requirement spent on learning loss (approximately \$2.4m)

Allowable Use of Funds:

- Activities authorized under: Every Student Succeeds Act (ESSA), Individuals with Disabilities Act (IDEA), Perkins CTE Act, Adult Education and Family Literacy Act (AEFLA), McKinney-Vento Homeless Assistance Act.
- Invest in connectivity and hardware
- Support students furthest from Educational Justice
- Prepare for Health and Safety in the buildings
- Leverage local expertise and provide training
- Providing mental health services and supports

COVID-19 expenses

ESSER issue	Allocation	Expended Spring 2020	Personnel 2020-21	MSOC 2020-21	Amt to spend in future years
ESSER 1 (2020-2021)	\$ 1,370,403	\$ 509,547	\$ 281,963	\$ 373,740	\$ 0
ESSER 2 (2021-2023)	\$ 5,297,103	\$ 0	\$ 0	\$ 67,806	\$ 5,229,297
ESSER 3 (2021-2024)	\$ 11,904,882	\$ 0	\$ 7,511	\$ 0	\$ 11,897,371
Total	\$ 18,572,388	\$ 509,547	\$ 256,392.06	\$ 441,546	\$ 17,126,668

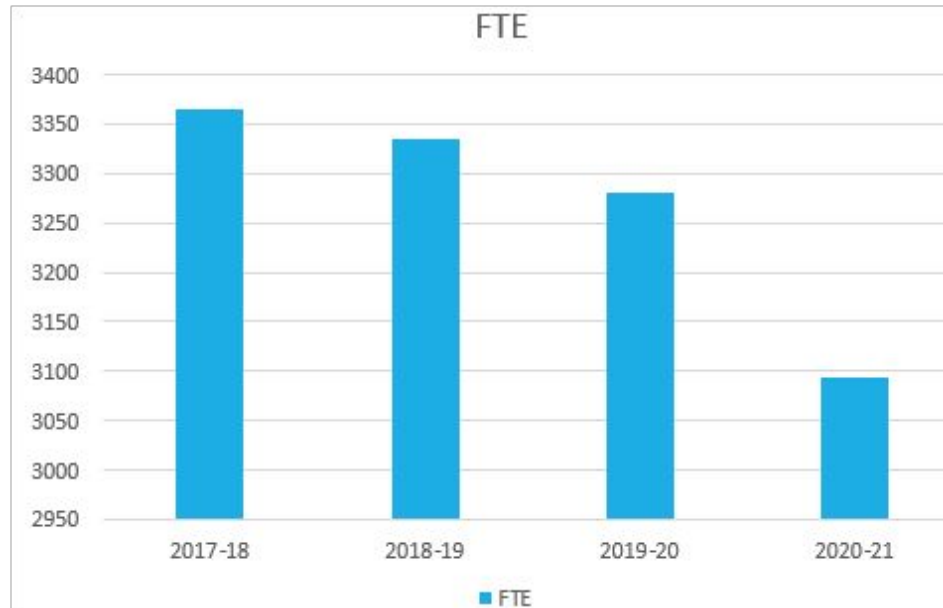
Total ESSER funds expended in 2020-21 = \$ 697,936.79

Enrollment – 4 year history

Year	FTE
2017-18	3364.6
2018-19	3334.95
2019-20	3281.56
2020-21	3094.48

2020-21 - GHA enrollment increased through the year

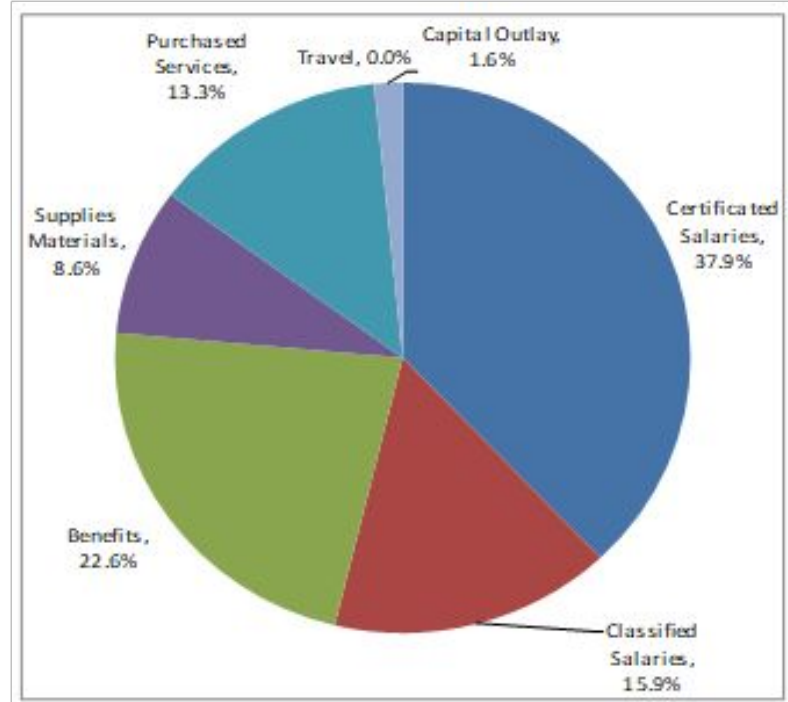
2021-22 – Harbor Learning Center has seen an increase in enrollment with the added programs: Open Doors and Grays Harbor Academy



2020-21 Budgeted Enrollment = 3,229; Ending AAFTE is 3,094.48

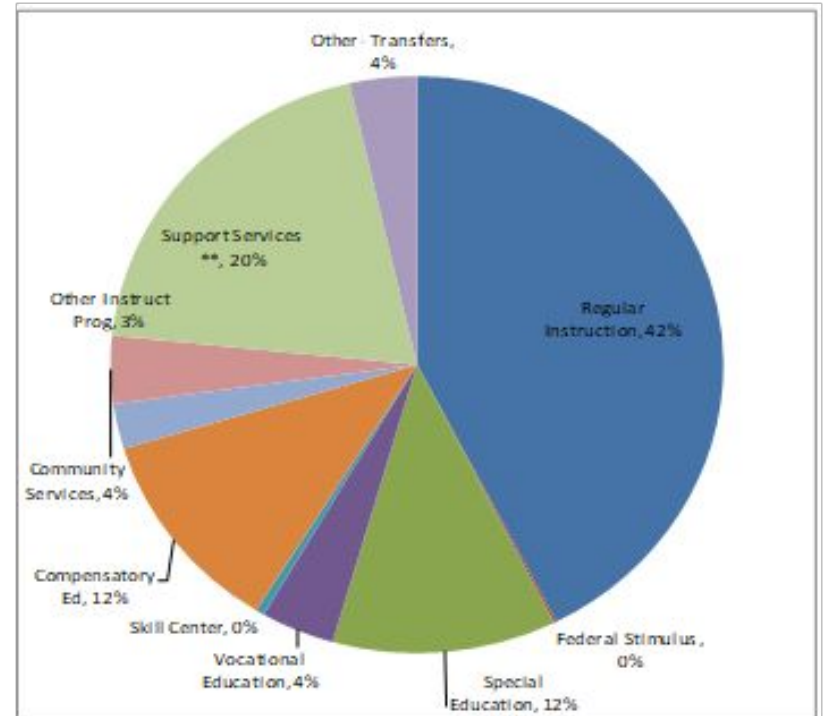
EXPENDITURES BY OBJECT

Object	Expense	Percent
Certificated Salaries	18,428,234	37.9%
Classified Salaries	7,707,475	15.9%
Benefits	10,999,188	22.6%
Supplies Materials	4,197,136	8.6%
Purchased Services	6,473,193	13.3%
Travel	11,646	0.0%
Capital Outlay	764,013	1.6%
Total	48,580,886	
Personnel Costs Percent		76.4%
MSOC's Percent (Materials, Supplies, Operating Costs)		23.6%



EXPENDITURES BY PROGRAM

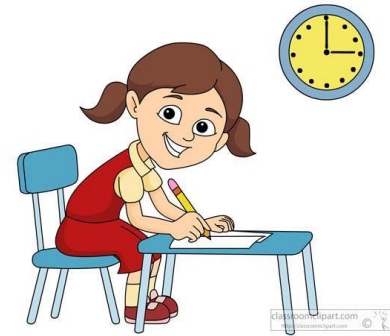
Program	Expenses	
	2020-21	Percent
Regular Instruction	21,389,650	42%
Federal Stimulus	75,317	0%
Special Education	5,957,143	12%
Vocational Education	1,959,025	4%
Skill Center	232,819	0%
Compensatory Ed	5,795,564	12%
Other Instruct Prog	1,266,650	3%
Community Services	1,913,019	4%
Support Services **	9,991,699	20%
Other- Transfers	1,783,763	4%
Total	50,364,650	



** Support Services includes:
Maintenance, Custodial, Transportation and Food Service

What's coming?

- Very close monitoring of the 2021-22 school year:
 - Monitoring enrollment;
 - Special Education & English Learner supports
 - MTSS Implementation
 - Social/ Emotional supports
 - Adjust MSOC's as year progresses;
 - Facility improvements
- Planning for 2022-23 year:
 - Closely monitor staffing and facility needs
 - Monitor fiscal updates and revise to reflect new information
 - Addressing Social/Emotional needs, add supports



Preliminary – Revised Assumptions for 2022-25

- The state requires us to build a budget that is balanced, based on current assumptions. We are required to develop a *4-year Projection* that incorporates all known assumptions to project fiscal sustainability of the district beyond the current year.
- As a result of the COVID-19 pandemic, enrollment throughout the state has decreased. Many parents held off on enrolling Kindergarten students. Many students have moved to Private or Homeschool options. Our ALE and Open Doors enrollment is filling a definite need.
- State revenues – “Basic Education” is largely protected in the state budget. The Legislative session may see some changes in funding allocations. LEA “Levy Equalization” continues to be discussed as an area that is not protected. OSPI is asking for an Enrollment Hold Harmless due to the decline in enrollment throughout the state.
- Federal revenues – Are largely being used for capital (HVAC) improvements in all buildings, to address learning loss, student/family wellness and support student/family mental health. There are concerns about services and supports for students when these funds go away.

Next Steps



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*Ensure Balanced Budget for 2021-22
Plan for 2022-23*

- Communicate
- Closely monitor enrollment, staffing & facility needs
- Monitor fiscal updates
- Prepare to address learning losses; interventions needed