

Dear Pullman Public School Families,

Our district spends considerable time organizing and reviewing our budget each summer to ensure that we are well prepared, financially, to support your students in the upcoming school year. With a new requirement from the Office of the Superintendent of Instruction (OSPI) to prepare a 4-year budget projection, we have a clearer outlook of our district's financial future.

Our schools are funded through state and federal dollars, grants, and local voter-approved levy dollars. Pullman Public Schools lost funding and flexibility in the state legislature's attempt to fix school funding after the McCleary lawsuit.

In the past, the district was able to collect an additional \$5.3 million every year through our local education levy funding. These funds support educator salaries and programs students need and parents expect. Now the state is limiting the district's ability to collect, reducing collection to \$1,500 per student every year via the voter-approved operations levy. This will be a loss of \$305,183 in funding for the 2018-2019 school year and will increase significantly to approximately \$1,016,633 loss in funding by the time we reach the 2020-2021 school year.

To fill the gap for the next three school years, our district will rely on our reserves. We are so thankful to have a fiscally responsible administration and board. They planned ahead for the opening of Kamiak Elementary, to ensure that we have adequate reserves to fund a school supported by the community and needed to relieve overcrowded elementary schools.

According to our projected four-year budget, our projected deficit will be approximately \$2.6 million in 2021-2022. To make up the budget shortfall this year and in the coming years, the district will have to make reductions in expenditures. More than 81 percent of our funding goes directly to salaries and benefits that support classrooms and schools.

Despite our projected funding gap starting in the 2019-20 school year, Pullman Public Schools is committed to ensuring our students have the access and opportunities they need to succeed. This includes balancing paying our educators a fair and competitive wage with providing the programming our students and families need and expect.

Our pledge to you:

- *We will continue to advocate for our students, educators, staff and families.*
- *We will continue to work with lawmakers to allow us to collect the local levy dollars we need to operate.*

- *We will continue to use responsible financial planning to prepare for the upcoming shortfall.*
- *We will continue to ask our community to consider replacement operations levies when they expire.*

We have been planning for this funding challenge and will continue to ensure that our students have the educators, instructional materials, technology and opportunities they need to be successful in school and beyond. We will provide updates about bridging the future funding gap at www.pullmanschools.org.

If you have any questions about our budget, funding, or would like a budget presentation for your school community please contact Diane Hodge, Finance Director, at dhodge@psd267.org.

Pullman Public Schools