



Kelso School District #458  
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Kelso, WA 98626

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Dear Kelso Team,

As we start the second half of the school year, I would like to take this opportunity to communicate with you directly about the district's budget outlook moving forward into the remainder of this school year. I hope you will take a few minutes to read and reflect on the information I'm sharing in this message.

The projected budget deficit (approximately \$4 million) for next school year is neither unexpected nor unique to Kelso School District. Although the legislature provided an additional \$7 million of McCleary money to Kelso School District for 2018-19, the levy swap takes away \$3.8 million for 2019-20 by imposing a cap on local levy resources. This has been referred to as the "levy cliff". As a result, districts throughout the state are anticipating major financial challenges in the coming months and years.

Even after the McCleary investments, the state continues to underfund K-12 education. In KSD, about \$1.2 million in local levy resources are needed annually to cover the cost of special education. The state also significantly underfunds teaching positions necessary for grades 4-12 class-size reduction as well as counseling positions, security, administrators, nurses and custodial staff. All of these costs, and much more, still must be paid through local levies.

I continue to work with local legislators and OPSI to address the new funding system. If this system goes unchanged, we will have no other choice but to cut valued programs and services, including employee positions, to balance next year's budget. I am 100 percent committed to continuing my legislative advocacy on behalf of the students, families, employees and community of Kelso. I encourage you to contact our state elected officials throughout the legislative session to let them know that their work on the McCleary legislation is not finished.

In the meantime, we will engage in a budget development process over the next three months that will include outreach and input from staff and community. It is likely that staff and program reductions will be necessary to address the \$4 million shortfall.

Our process will include:

- Budget Advisory Council deliberation
- Discussions with Cabinet and Leadership teams
- Regular Board updates and opportunities for public comment
- Public Board Hearing
- Staff and Community feedback

Please know that I respect each and every one of you, and I deeply appreciate the work you do for all of our students. The board of directors and I are committed, and always have been committed, to attracting and retaining a world-class workforce by providing professional compensation for educators and fair and competitive wages for support staff.

Sincerely,  
*Mary Beth*

Mary Beth Tack  
Superintendent