

Legislative Priorities for University Place School District #83

2019 Session

The fiscal health of University Place School District is strong and stable at this time. However, recent funding changes and increases in salary costs will create **significant revenue shortfalls of between \$2M and \$3M beginning in the 2019/20 school year.** To address these shortfalls, reductions will be necessary unless changes are made by the legislature. Cutting programs will hurt students and diminish our ability to meet their growing needs. **The following four (4) legislative actions are most important to the fiscal health of UPSD:**

#1 FULLY FUND SPECIAL EDUCATION

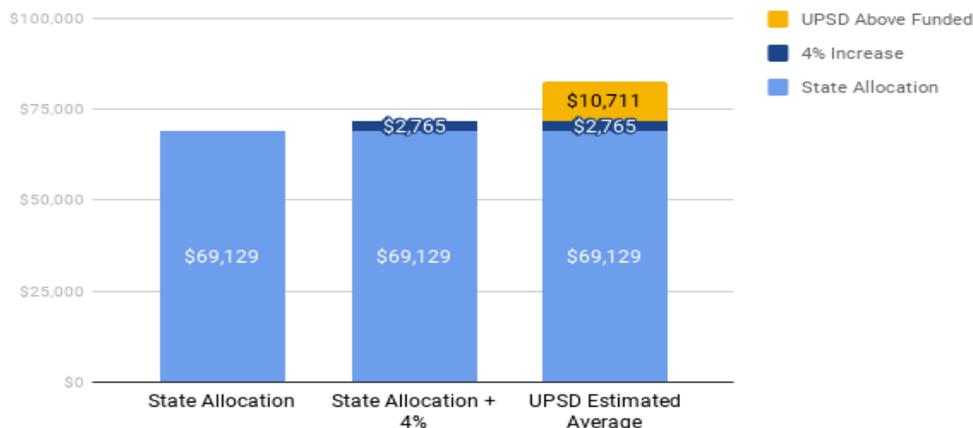
We spend between \$1.0M and \$1.8M of local levy funding annually on underfunded, yet required, special education services for kids. This yearly subsidy has persisted (and sometimes grown) even as the percent of special needs students has decreased. This is due to both the cost of maintaining the required range of services and the cost of high-needs students. In the past, these subsidies have been paid through our local levy funds. Smaller levies with greater restrictions can not continue to support the costs of special education services.

Year	2013/14	2014/15	2015/16	2016/17	2017/18
Spec. Ed. Student %	13.96%	13.04%	11.85%	11.60%	10.89%
Subsidy from Levy	\$1,080,131	\$1,353,188	\$1,436,464	\$1,202,980	\$1,832,672

#2 FULLY FUND SALARIES

Funding salaries at an average does not work when most teachers in a district earn above that average. Salary schedules in neighboring districts are similar to ours, with some paying teachers with similar experience and education slightly more or less each year. However, because of experience and education levels, the actual cost of UPSD teachers is amongst the highest in the county. The additional 4% in salary funding for 2019/20 is appreciated but insufficient to cover actual costs. On average, funding will fall short by about **\$10,500 per teacher.** With roughly 340 teachers in our district, the total shortfall is more than **\$3.6 M annually.**

Funded Salary vs. Actual Salary



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#3 FULLY FUND STATE-MANDATED COSTS SUCH AS THE SEBB, TRANSPORTATION ETC.

We estimate that the current plan for the proposed School Employees Benefits Board (SEBB) will add about \$500,000 in annual costs to UPSD. This increase is a result of the mandate that part-time employees get full benefits. This added cost will result in increased cuts to staffing and programs.

Similarly, required costs associated with transportation, classified and administrative salaries, safety, security, health services and changes to student discipline rules will need state funding as levies are reduced.

#4 AMEND LOCAL LEVY FUNDING RULES WITHOUT DECREASING LOCAL EFFORT ASSISTANCE

The new local levy cap of \$1,500/student, regionalization differences and differences in staff “experience factor” combine to create a “triple threat” to the financial future of UPSD. The amount we can collect from our levy is as much as \$1,000 less per student than some districts in western Washington- even with Local Effort Assistance from the state. Additionally, salary funding is 6% lower than two of our closest neighbors (Tacoma & Peninsula) and our staff costs are higher due to experience and education levels. We request that the legislature. . .

- Change local levy rules in a way that closes current funding gaps. This will require local tax rates **and** total, combined levy/LEA collections to be equal among districts.
- Maintain or increase Local Effort Assistance levels for qualifying districts like ours.
- Fully fund basic education to minimize the need for levies in the long run. This “full funding” must include:
 - Special Education (see request #1)
 - Transportation
 - Classified & Administrative Salary Costs
 - Actual teacher costs (State Salary Schedule) (see request #3)
 - Safety, Security and Health Services

Strategic, intentional growth of unreserved fund balance over the last three years will offset deficits in the short term for UPSD. This fund balance will allow us to mitigate sudden reductions and to phase in cuts over time. **However, reductions to staffing and programs will be needed in the next three years unless changes are made to the current funding model for UPSD.** This will be a step backwards for our district as essential staff and programs become unaffordable.

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If you have any questions, please feel free to contact our Superintendent, Jeff Chamberlin, at 253-566-5600 or at jchamberlin@upsd83.org.

