

BOARD MEETING MINUTES

July 18, 2023

Executive Session

President Cohen announced at 5:00 p.m. that the Board was meeting in Executive Session via Zoom to discuss with legal counsel potential litigation to which the District was likely to become a party for approximately 45 minutes. The Executive Session adjourned at 5:44 p.m.

Call to Order

President Cohen called the Regular Board Meeting of the Shoreline Board of Directors to order in the Board Room of the Administrative Offices at the Shoreline Center at 6:00 p.m. on July 18, 2023. This meeting was also available to the community via Zoom.

Roll Call

Sarah Cohen, President (*attended remotely*); Meghan Jernigan, Member; Sara Betnel, Member; Rebeca Rivera, Member (*attended remotely*).

Absent: Emily Williams, Vice-President (family emergency).

Election of Pro Tempore by Roll Call Vote

In the in-person absences of both board officers (President and Vice President) there was an election of a pro tempore to facilitate meetings in their absence.

MOTION NO. 52: President Cohen moved that the Board appoint Director Jernigan to serve as pro tempore for the Shoreline School Board. The motion was seconded by Director Betnel. President Cohen stated that there would be a roll call vote in accordance with RCW 28A.330.020. Director Betnel voted aye; Director Jernigan voted aye; Director Rivera voted aye; and President Cohen voted aye. The motion carried unanimously.

Land Acknowledgement

Director Jernigan provided a brief land acknowledgement.

Agenda Review

None

Comments from the Community

Director Jernigan provided updated instructions for community comments. "Procedure 1441P concerning audience participation at board meetings has been updated. In the prior procedure, 20 minutes was allotted for public comment. Based on the board's desire to hear from the community, this time allocation has been increased to 90 minutes. To accommodate the hybrid meeting format, the comment period will begin with 45 minutes of time for in person comments. Then there will be 45 minutes for remote comments. If there is remaining time, additional in person attendees who would like to comment will have the opportunity to do so up to 90 minutes. If you are not able to address the board because of time, please know that you may also submit written public comment on the district website or email the school board at school.board@ssd412.org."

There were no comments in person or via Zoom.

Approval of Minutes

The minutes of the May 9 Regular Board Meeting and the May 23 Study Session were submitted for review and approval.

MOTION NO. 53: Director Betnel moved that the Board approve the minutes of the May 9 Regular Board Meeting and May 23 Study Session as submitted. The motion was seconded by President Cohen and carried unanimously.

Adoption of Consent Agenda

Director Jernigan announced that the Board had an opportunity to ask questions on the consent agenda and have them answered prior to this meeting. The following consent agenda was presented for adoption:

- a. Acceptance of Gifts, Grants, Donations
 - Shorewood High School - \$8,000 – Shoreline Public Schools Foundation – College Write and Ready Workshop
- b. Approval of 2023-2024 Interlocal Agreement with Shoreline Community College – Career and Technical Education
- c. Early Learning Center – New Building and Site Work Project – Adoption of Resolution 2023-6, Public Right of Way Dedication Deed to City of Shoreline for Early Learning Center
- d. Approval of Extended Field Trips
- e. Approval of Personnel
 - 1) Certificated
 - 2) Classified
- f. Approval of Payroll and Vouchers

MOTION NO. 54: Director Betnel moved that the Board adopt the consent agenda, items 7a through 7f, which is attached hereto and becomes a part hereof. The motion was seconded by President Cohen and carried unanimously.

As of July 18, 2023, the Board, by a unanimous vote, approved for payment, those vouchers described as follows: June 2023 Payroll Warrants #448227-448257 and Electronic Transfers totaling \$12,619,385.97; Reconciliation of Warrants Issued Between June 16 and June 30, 2023 – General Fund Warrants #101300-101301, 101302-101398, 222300991, 222300993-222301042, 101439-101480, 101519, 101520-101619, 101651, 222301058-222301076, totaling \$1,136,594.69; Capital Projects Fund Warrants #101399-101402, 101481-101483 and 101620-101623, totaling \$146,236.04; Student Body Fund Warrants #101403-101438, 222300992, 222301043-222301057, 101484-101517, 101624-101650, 101652-101654 and 222301077-222301093, totaling \$252,487.27; and Private Purpose Trust Fund Warrant #101518, in the amount of \$200.00; for a grand total of \$14,154,903.97.

Reports and Presentations

Preliminary 2023-2024 Budget

Presenters:

Dr. Susana Reyes, Superintendent

Mark Spangenberg, Director of Finance and Business Services

Mr. Spangenberg acknowledged the lengthy process involved in preparing this budget and also the fact that many have lost jobs and many will be losing compensation that was otherwise planned for this next year. Additionally, we would not be here without the work and cooperation of all the bargaining groups; everyone has had a role in bringing this to completion.

Superintendent Reyes also thanked the bargaining partners and reviewed the budget journey that began last summer. This journey was reflected on slide 4, as illustrated by former Assistant Superintendent, Jennifer Farmer—school board meetings (regular and study sessions), community survey, Budget Advisory Team meetings and community engagement.

Mr. Spangenberg reviewed the June updates for total expenditures, \$169,888,646, and fund balance, \$4,922,000. The expenditures were down from \$170,718,510 in April. The fund balance increased from \$4,261,165 in April.

Policy 7130 stipulates that the District’s fund balance target should be 4-5% of budgeted General Fund expenditures. For the proposed budget, that should be \$6.8 – \$8.4 million in the unreserved category. Fund balance is an important indicator of district financial health and is a key factor in a bond rating, affecting the interest rate our community pays on borrowed funds for capital projects. Fund balance allows flexibility for unforeseen conditions or mitigation of reductions once the budget cycle begins. It can help in offsetting unexpected declines in funding or enrollment and ensures continuity of operations in an emergency by mitigating any delays/changes in state funding.

Preliminary budgets for the five funds are as follows, although these numbers will fluctuate and will change:

General Fund Preliminary Budget for 2023-2024

• Beginning Fund Balance, estimated	\$4,922,000
• Plus Revenues	\$168,013,000
• Minus Expenditures	\$168,827,000
• Ending Fund Balance, estimated	\$4,108,000

This puts off binding conditions for this year. Given that a number of the employee contract suspensions are for two years, the District stands a good chance of avoiding binding conditions next year as well. It will, however, depend on how this coming year progresses. The special ed multiplier had a surprisingly large effect. There is also some concern about tech levy monies.

Capital Projects Fund Preliminary Budget for 2023-2024

• Beginning Fund Balance, estimated	\$50,596,000
• Plus Revenues	4,802,000
• Minus Expenditures	\$26,401,000
• Transfers to General Fund:	\$2,946,000
• Ending Fund Balance, estimated	\$26,051,000

Capital Levy or bond proceeds may only be expended on capital projects.

Debt Service Fund Preliminary Budget for 2023-2024

• Beginning Fund Balance, estimated	\$14,672,000
• Plus Revenues	\$35,489,000
• Minus Expenditures	\$34,295,000
• Ending Fund Balance, estimated	\$15,866,000

The Debt Service Fund is strictly for the payment of principal, interest, and expenditures related to the redemption of outstanding bonds.

Associated Student Body Fund Preliminary Budget for 2023-2024

• Beginning Fund Balance, estimated	\$1,353,000
• Plus Revenues	\$3,009,000
• Minus Expenditures	\$3,039,000
• Ending Fund Balance, estimated	\$1,323,000

Transportation Vehicle Fund Preliminary Budget for 2023-2024

• Beginning Fund Balance, estimated	\$1,337,000
• Plus Revenues	\$460,000
• Minus Expenditures	\$1,747,000
• Ending Fund Balance, estimated	\$50,000

This fund is solely for the purchase of school buses.

Budget next steps include:

- Weeks of August 7 and August 14 – publish notice of budget hearing
- By August 31: final budget adoption, scheduled for the August 22 regular board meeting
- Future planning; Absent additional revenue for 2024-2025, additional reductions will be needed in order to balance future budgets
- Continued community, staff, student engagement into school year 2023-2024 and beyond

The board members echoed the gratitude expressed at the beginning of this presentation for the work and time put in by so many during this process. Mr. Spangenberg gave a shout out to the Human Resources technical staff for incorporating all the ever-changing information into the budget. Mr. Spangenberg also announced that from the adoption of last year’s budget until now, the District has increased certificated staff by 15 FTE in order to accommodate the improvements to K-3 class size and special ed requirements.

Superintendent Reyes gave a shout out to the SESPA bargaining process. Recent efforts resulted in maintaining some positions that were originally proposed to be cut entirely. The work is ongoing and will continue once again in August. Information on this topic went out through ParentSquare on July 14 and was also placed on the website.

Board Requested Discussion and Future Topics

None

Action Items

None

Reports and Communications – Board Members and Superintendent

Director Betnel provided an update on legislative activity. At the federal level, there is some movement towards special education funding through a significant proposal being brought forward. There are calls for advocacy for school boards to reach out to legislative representatives. She will be drafting a communication on behalf of the Board. On the flip side, there are some dire proposals by House being put forward that are looking at cutting the overall Department of Education funding by 15% across the board; Title I funding would be cut by 80%.

Superintendent Reyes announced a couple of dates to calendar: Celebrate Shoreline at Cromwell Park on August 19, where she and Jessica Jandayan, Food and Nutrition Services Director and her team be will hosting a table with games and information. Superintendent Reyes would also be on hand for Shoreline and Lake Forest Park Farmers Markets on August 26 [Shoreline] and 27 [LFP].

Executive Session

Director Jernigan announced at 6:38 p.m. that the Board would be convening an Executive Session for the purpose of receiving and evaluating complaints or charges brought against a public employee for approximately one hour. No action would be taken during the Executive Session. After a brief break, the

Regular Minutes – July 18, 2023

Executive Session began at 6:47 p.m. and ended at 7:11 p.m. The Board returned to the Board Room and adjourned the regular meeting at 7:13 p.m.

Adjournment: 7:13 p.m.

Dr. Sarah Cohen, School Board President

Attest: August 22, 2023

Dr. Susana Reyes, Secretary
Shoreline Board of Directors

All documents referenced in the minutes may be viewed in the Superintendent's Office during normal business hours.