

BOARD MEETING MINUTES

June 15, 2020

Call to Order

President Heather Fralick called the Regular Board Meeting of the Shoreline Board of Directors to order via Zoom at 7:00 p.m. on June 15, 2020. Rebecca Miner, Superintendent; Curtis Campbell, Public Information Officer; and Kathie Schindler, Executive Assistant, were attending this meeting at the Administrative Offices at the Shoreline Center.

Roll Call

Present: Heather Fralick, President; David Wilson, Vice-President; Sara Betnel, Member; Meghan Jernigan, Member; and Rebeca Rivera, Member. *(President Fralick announced that she had visual confirmation that all board members were present.)* Congratulations were extended to student representatives Cynthia Ruelas (Shorewood) and Michael Crosson (Shorecrest) who just graduated, as well as all members of the Class of 2020 from Shorecrest and Shorewood.

Land Acknowledgement

Director Jernigan was asked to provide this meeting's land acknowledgement: "Thank you for the opportunity of this land acknowledgment to recognize our status as guests on these lands. I'm incredibly grateful for the chance at each board meeting to recognize not just the first people of this land, Coast Salish, but the educational philosophy, thought systems and cultural framework that best embody contemporary Indigenous life. That connection is critical. So it occurred to me, as I was listening to the student speeches from the June 6 march, just how busy our students have been during the physical closure of our schools. I saw last Saturday just how much learning has been taking place. I saw our students dismantling racist ideology. I saw the centering of family in family life. I saw students doing community service; I saw advocacy; I saw civic engagement, leadership and generosity. So as we acknowledge the first people of this land, let us too acknowledge that it's time to think beyond the learning loss narratives of these past few months and make room for the Indigenous educational framework that recognizes kids learn at home and in community and from their elders, their peers, and this learning has value. Yakoke Director Fralick for the opportunity to share this today."

Flag Salute

Comments

President Fralick began by stating: "Please let the record reflect, that once again, given our unique circumstances of being in the midst of the COVID-19 pandemic, we are meeting via Zoom and joined by members of the community who may be joining remotely or telephonically. Due to an update on June 1 to the Governor's orders regarding public meetings, we are moving forward again with district business that had been temporarily suspended. She then asked Ms. Miner to share a few words about the updates to the Governor's order.

Ms. Miner announced that there had been some modifications to the Open Public Meetings Act resolution that the Governor had published which allowed us to begin to conduct things that were beyond normal and routine, so we were able to begin that work. The current proclamation expires as it stands now on June 17, 2020, so perhaps soon we will be able to return to in-person meetings, but we will await and see if there is future guidance on that topic.

For the record, President Fralick noted that community members were given notice last week regarding how to join this meeting. They were also notified by email of the opportunity to join the meeting electronically or telephonically and to submit written comments using an online form until noon on June 15. There were a total of 17 pages of comments submitted. Those comments were received by the Board via email earlier in the afternoon (June 15). They were also placed on the district website at the following URL:

<https://www.shorelineschools.org/Page/1235> (School Board agenda for June 15). In order to make these comments more accessible, they have been posted in two locations (at the top before the agenda items begin and immediately following the consent agenda) within the board agenda packet. As with past meetings, President Fralick announced that there would also be a link to those public comments within the meeting minutes once the minutes are transcribed and approved by the Board (see link above). Several of the comments received addressed the District's consideration for the fall opening and distance learning. She took the opportunity to encourage everyone to share their feedback and experiences with the distance learning in the upcoming community survey. The Board sincerely wants to thank the students, parents, teachers and community members who took the time to submit their comments in advance of the meeting. President Fralick announced at the last meeting that there would be a presentation at this meeting on school governance rules; however, due to time constraints, that has been postponed to the July 20 regular meeting.

Based on this alternative community comment process, President Fralick moved to suspend the provision of Board Procedure 1441P allowing for community members to address the Board during this meeting.

MOTION NO. 48: President Fralick moved that the Board suspend the provision of Board Procedure 1441P allowing for community members to address the Board. The motion was seconded by Director Wilson and the motion carried unanimously.

Approval of Minutes

The minutes of the May 18 Regular Board Meeting were approved as submitted.

Adoption of Consent Agenda

The following consent agenda was presented for approval:

- a. Acceptance of Gifts, Grants, Donations
 - 1) Kellogg Middle School - \$5,800.00 – Kellogg PTSA – Hang Time Club and snacks for testing
 - 2) Shorewood High School - \$15,134.70 – Shorewood Boosters 2019-2020 Auction proceeds to benefit various ASB sports and clubs
 - 3) Elementary Summer School - \$19,000.00 – Shoreline Public Schools Foundation
- b. Adoption of Resolution 2020-10, Interdistrict Cooperative Programs for Students with Disabilities
- c. Adoption of Resolution 2020-11, Purchase of Educational Services for Students with Disabilities
- d. Approval of 2020-2021 Administrative Personnel Contract with Deputy Superintendent Marla Miller
- e. Approval of 2020-2021 Administrative Personnel Contract with Assistant Superintendent Brian Schultz
- f. Approval of 2020-2021 Meet and Confer Agreement with Shoreline Principals Association (SPA) and Shoreline Center Administrators (SCA)
- g. Approval of Initial 2020-2021 Salary Addendum with Shoreline Principals Association
- h. Approval of Initial 2020-2021 Salary Addendum with Shoreline Center Administrators
- i. Approval of Initial 2020-2021 Salary Addendum with Shoreline Professional-Technical Association
- j. Approval of 2020-2023 Meet and Confer Agreement and Initial 2020-2021 Salary Addendum with Shoreline Confidential Employee Association
- k. Aldercrest Campus Modernization Project, Phase 2 – Approval of Change Order #14 – Kassel and Associates, Inc.
- l. Cedarbrook Elementary – Abatement and Demolition Project – Approval of Final Acceptance
- m. Einstein Middle School Replacement Project – Approval of Change Order #02 – Hoffman Construction, Inc.
- n. Kellogg Middle School Replacement Project – Approval of Change Order #02 – Hoffman Construction, Inc.
- o. Approval of Personnel

- 1) Certificated
- 2) Classified
- p. Approval of Payroll and Vouchers
- q. Adoption of DIMC Recommendations for Grades 6-8 Mathematics

President Fralick asked each director if there were any agenda items they wanted pulled for discussion or a separate vote. There were none.

MOTION NO. 49: Director Rivera moved that the Board adopt the consent agenda, items 5a through 5q, which is attached hereto and becomes a part hereof. The motion was seconded by Director Jernigan and carried unanimously.

As of June 15, 2020, the Board, by a unanimous vote, approved for payment, those vouchers described as follows: May 2020 Payroll Warrants #447011-447039 and Electronic Transfers in the amount of \$11,770,780.13; Reconciliation of Warrants Issued between May 29 and June 5, 2020 - General Fund Warrants #85556-85557, 85558-85607, 85608-85863, 192001121 and 192001159, totaling \$527,027.86; Capital Projects Fund Warrants #85864-85878, totaling \$1,162,255.74; and Student Bond Fund Warrants #85879-85933 and 192001160-192001163, totaling \$33,317.20; for a grand total of \$13,493,380.93.

President Fralick took the opportunity to express gratitude for the generous donations listed under agenda item 5a from the Kellogg PTSA (\$5,800.00), Shorewood Boosters (\$15,134.70) and the Shoreline Public Schools Foundation (\$19,000).

Reports and Presentations

First Reading: Proposed New Policy 3424, Opioid Related Overdose Reversal
Amy Vujovich, Director of Student Services, presented.

In 2019, the Washington State Legislature passed Substitute Senate Bill 5380 in response to an increase in overdoses in the state. Governor Inslee signed the bill into law on May 13, 2019. This law required school districts with 2,000 students or more to obtain and maintain at least one set of opioid overdose reversal medication doses at each of its high schools.

This proposed new policy is based on the Washington State School Directors' Association (WSSDA) model policy. There was a question from a board member earlier in the day as to whether or not Shoreline had any overdoses at any of our schools or sites and the answer was none, to Ms. Vujovich's knowledge.

Alpha-Pharm is the expected provider for this medication. The District can work with ICHS or other partners in the community. The District will seek donations or use budget through the standing order for the medication; the cost per dose is approximately \$120. The District will also identify designated trained responders who can distribute and administer opioid overdose reversal medication in each school. Each school has a school nurse and there will be at least one other designated trained school staff member. Nurses can train administrators; however, that would occur during the regular day so there wouldn't be any additional associated costs.

In response to a question earlier in the day regarding "under what circumstances would we not be able to obtain the medication," Ms. Vujovich stated that she didn't anticipate any challenges in obtaining the medication, but she thought it was critical to have that statement in the policy; however, she doesn't see that changing. In response to another question regarding "in the event the school does not have a full-time nurse," Ms. Vujovich stated this wasn't applicable because there is a nurse in every building.

Director Rivera asked if the language in the first sentence of the second paragraph of the policy could be changed to reflect that even if the medication could not be obtained through donations, it could be purchased. Ms. Vujovich stated that she would bring back an amended policy for the second reading.

Director Wilson asked if there was a shelf life on this medication. Typically, it's one year, so a new dose would need to be obtained, either through donation or purchase, every year. Occasionally, medications are good for two years; Ms. Vujovich indicated she would check with the nurses. Ms. Miner added that it is much like defibrillators and the annual monitoring that occurs for those machines.

Director Betnel asked if this medication would be kept in the nurse's office and if so, what access exists in relation to before and after school activities. Ms. Vujovich explained that the accompanying procedure will state that it needs to be in an unlocked location that is labeled because it isn't always known when it will be needed and who will administer it. It is an interesting medication in that it does not create a danger or a negative impact if it is administered to someone not experiencing an opioid overdose. There are no issues with leaving it in an easily accessible cabinet.

This new policy was presented for a first reading and would be back for recommended adoption on July 20, 2020.

Shoreline Children's Center Program Update and Financial Information

Presenters:

Marla S. Miller, Deputy Superintendent

Hillery Clark, Director of Early Learning

Mark Spangenberg, Director of Finance and Business Services

The Shoreline Children's Center is an optional, tuition-based preschool/childcare and extended care program offered by Shoreline School District to families in Shoreline and Lake Forest Park. The preschool/child care services are available at elementary schools in the District.

Ms. Clark reviewed the vision and mission of the Shoreline Early Learning program, which was created by a committee of parents and staff about three years ago. Vision: Our vision is to eliminate the opportunity gap by optimizing the foundational early learning years in an inclusive, equitable community where every child belongs and is supported in developing friendships and becoming a lifelong learner. Mission: Our mission is to provide high quality early learning experiences to all Shoreline and Lake Forest Park preschool aged children. Our mission prioritizes underserved populations, inclusive learning, culturally responsive teaching and working together with all families.

A number of services are provided by the Shoreline Children's Center. The only mandated program at the Edwin Pratt Early Learning Center is the special education preschool program.

Elementary Extended Care:

- Before, after, partial release and break care options
- 870 enrolled in 2019-2020 school year
- Snacks included
- Offering healthy and safe positive care for students in grades K-5

Preschool:

- Half-day, full day and extended day options
- 276 enrolled in 2019-2020 school year
- Meals included and eaten family style
- Prepares students for kindergarten through social emotional (Second Step Curriculum) and kindergarten readiness (Creative Curriculum) instruction

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- Fully inclusive
- Awarded two grants from OSPI (\$30,000): Pyramid Model and Inclusionary Practices

There are some changes that will be required due to COVID-19 and CDC health and safety guidelines and these will create some logistical and financial challenges. These include:

- Increased staffing to meet maximum of 10 people in a classroom
- More space due to social distancing
- Required health checks
- Family style meals discontinued
- Increased safety procedures
- PPE, safety and cleaning/sanitizing purchases
- Equipment/supplies for individual use, e.g. containers for crayons, markers, scissors, etc.

Mr. Spangenberg reviewed a current and projected financial information document that covered actual revenue and expenses for the period of 2014-2015 through 2018-2019 and budgeted for 2019-2020. The largest projected costs for 2019-2020 are timesheet-based pay of \$357,464. The incoming revenues stopped at \$3,796,399. The projected expenses for 2019-2020 are \$4,565,166 (including indirect costs of \$415,015) for a net loss of (\$651,368). As could be seen on the chart, in prior years when there is a negative balance, the full amount becomes the beginning balance for the next year and when there is a positive balance, half of it is carried over to the next year. This goes back to the difficult recovery days of 2006 and 2007 when there were some substantial write-offs of uncollectible tuition and bills from those years. For a number of years, there wasn't any carryover. The current carryover process has been in place since about 2011.

Ms. Miller referred to one of the questions asked earlier in the day by a board member regarding how the above-mentioned balance is covered and why does this particular program impact the General Fund budget. When there is a negative balance, the General Fund covers the deficit. It can be likened to a short-term loan from the reserves in order to keep the program going. Typically, at this point the Board would be given a tuition rate for consideration that would keep the program in line with other programs and put it on the road to recovery. A positive ending fund balance was expected. Credit was given to Kelly Davidson and Hillery Clark for coming up with program choices and a tuition rate recommendation for 2019-2020 that was right on track. And then the pandemic hit. Staff continued to be paid through this time but now there is a deficit as reflected on the report.

Ms. Miller reported that the purpose of this presentation was to make the Board aware of the situation prior to staff bringing forward a recommendation for the fall. She also noted that the communities of Shoreline and Lake Forest Park are very proud of the programs at Edwin Pratt Early Learning Center. It is very much desired that the program open in the fall with District staff.

Ms. Clark presented three very general, possible programming scenarios for the 2020-2021 school year. She made clear that at this point, they don't have definite ideas as to what will happen in the fall. They hope to have more information by the next meeting.

Scenario 1: Suspended programming for Preschool and suspended programming for Extended Care

- Program budget would stay stagnant
- Tuition cost to safely staff would be significantly higher
- Families may not be interested in enrolling due to health/safety concerns or in accessing a modified schedule
- Staff may not be able to work due to health/safety concerns or be available for a different schedule than they were hired for

Elementary Extended Care

- Spaces that meet social distancing requirements may be unavailable at elementary schools

Preschool

- Prioritizes space and staff for Head Start and special education programming

Scenario 2: Modified programming for Preschool and suspended programming for Extended Care

Elementary Extended Care

- Spaces that meet social distancing requirements may be unavailable at elementary schools
- Staff may not be able to work due to health/safety concerns or be available for a different schedule than they were hired for
- Families may not be interested in enrolling due to health/safety concerns or in accessing a modified schedule
- Tuition cost to safely staff would be significantly higher

Preschool

- Prioritizing returning four-year-olds the year before kindergarten
- Supports social emotional learning
- Continues with blending model for the three preschool programs
- Community need for care
- More staff are retained

Scenario 3: Modified programming for Preschool and modified programming for Extended Care

- Community need for care
- More staff are retained

Also relevant to Preschool:

- Prioritizes returning four-year-olds the year before kindergarten
- Supports social emotional learning
- Continues with blended model for the three preschool programs

Ms. Miller reviewed the next steps, which are as follows:

- Provide additional information as requested by the Board
- Recommend approval of 2020-2021 tuition models and rates at the Board's July 20 meeting, to support:
 - Enrollment of students for 2020-2021 for care and preschool
 - Projected revenues for budget preparation (impacts Children's Center budget as well as District fund balance and cash flow)

Ms. Miller referenced a previous question by a board member in a conversation regarding why the District looks at the Children's Center as having to make up the deficit fund balance as opposed to the Food Service program. Ms. Miller explained that the Food Service program isn't optional—it needs to be available for students, but technically, the Children's Center program is an optional service in which parents can choose to participate or not. It's important to ensure that the District's General Fund is not subsidizing an optional preschool on a continuous basis. Caution is needed in order to not delude the resources available for the primary mission of the District, which is the K-12 program.

Director Jernigan shared her family's personal experience; both her children have been part of the Edwin Pratt family for several years and her youngest son graduates this year from the preschool. "It is monumentally important to our district and it is unique and it breaks my heart to see necessary changes being discussed or potentially on the horizon." She stated to Ms. Clark how much the programs are appreciated and how much they want to support the success because it is so critical to kindergarten preparation.

Director Rivera echoed Director Jernigan’s comments above and expressed her desire to support the success of the program. In terms of scenario building, she asked what the feasibility would be of opening up again if the programs were suspended and also asked about the cost of running the building. Ms. Miller responded that the building supports both the mandatory early childhood special education program and the grant-funded Head Start program. So if the District were to open for school, those programs would be operating under some fashion. Given that the District just built this new center, she couldn’t imagine a scenario where they stepped away and ceased operations of the program.

Director Betnel also echoed her fellow directors’ support and admiration for the program and stated that her family has also benefited from it. She asked Ms. Clark for clarification regarding the 10 people in a classroom—does that refer to students or people. Ms. Clark responded that it was a total of 10 people and typically that is two staff and eight students. She also asked how it would look if there were eight students in a room with two teachers and the preschool houses 276 students (as mentioned earlier). Ms. Clark stated that they were looking at different models, possibly students coming for half days, but at this point, they were still working on it and waiting for more guidelines from the state. Ms. Miner added that currently, there are so many things that we just don’t know, including Department of Heath and CDC information, and it would only be speculation. Director Betnel also asked what happens to the other half of the carryover in those years with a positive ending fund balance for the program. Ms. Miller explained that those funds go into the general reserve and are used towards funding other K-12 programs.

Preliminary Update on Development of 2020-2021 Budget Recommendations

Presenters:

Marla S. Miller, Deputy Superintendent

Mark Spangenberg, Director of Finance and Business Services

Ms. Miller reported that typically at this time of year, a preliminary budget would be presented to the Board. However, due to the uniqueness of these times, that is not yet the case. Staff would like to schedule a study session immediately following the regular “business only” meeting on June 29. Ms. Miner added that the Board had not yet been surveyed on that but would be in the very near future.

Mr. Spangenberg reviewed the summer timeline for the budget development process.

- Preliminary Budget Review – July 20
- First publication of public hearing notice – Week of July 29
- Second publication of public hearing notice – Week of August 6 (cannot be closer than one week before the public hearing)
- Public hearing/final adoption – August 17

GENERAL FUND

The work on the budget begins with the working assumptions for budget development, which for 2020-2021 are as follows:

- 2019-2020 budget allocations are built into the 2020-2021 budget, unless specific decisions are made or information from the state becomes available to inform revisions
- Our usual detailed budget development work must proceed to be able to prepare a complete and balanced budget recommendation
- Staffing budgets represent over 88% of the General Fund and require the most time to prepare
- Pending adjustments: Highly Capable enrollment, Food Service prices, Children’s Center tuition, any local share of CARES funding, additional state reductions

Levy Collections:

1. Due to the pandemic, non-escrowed property tax payments have been deferred by the County to June 1

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2. Usually collect 39.4% of expected tax revenue by April 30; instead we collected 33.8% resulting in \$1.3M less than usual
3. By approximately July 10 we will know how much revenue was collected through June 30

Classroom Staffing Ratios

- K – 3rd grade classrooms allocated at 1 teacher per 20 students – plus music and PE
- 4th grade classrooms allocated at 1 teacher per 27 students – plus music and PE
- 5th grade classrooms allocated at 1 teacher per 28 students - plus music and PE
- 6th – 12th grade classrooms allocated at 1 teacher per 26.10 students (includes electives)

Curriculum Adoption (provided by the levy)

- Math Adoption estimate \$473,000

Cost of living increase vs. reduction in state funding due to drop in regionalization factor

- Cost of Living increases by 1.6%
- Funding due to regionalization factor drops by 2.0%

Ms. Miller made some clarifying comments regarding the regionalization factor. When the state responded to the McCleary Decision several years ago and increased basic education funding, they also took over a greater share of funding compensation. They set some minimums and maximums in their funding formula and recognized that districts, particularly in the Puget Sound region, already were funding salaries (primarily teachers) at a higher level than the state's new funding model. So the legislature built into their funding formula regionalization factors based on property values. Shoreline was one of a small group of districts that received the highest regionalization factor because of being completely surrounded by districts that qualified as "high property value" districts.

Beginning in the 2018-2019 school year, the state's funding model for compensation added 24% to the base funding formula for teachers. Beginning in 2020-2021, that formula will drop down to 22% and then in each of the following years, 2021-2022 and 2022-2023, it drops another 2%. Knowing that the regionalization factor would be dropping, the District, when bargaining the various employee agreements (especially with SEA), granted large increases for the first year but then capped to the cost of living adjustment (COLA) for the remaining two years of the agreement. The state's assumption was that state and local revenues would begin to grow and that there would be an opportunity for districts to bring their compensation levels along without having to ask staff to take a reduction. If the state had not implemented the regionalization factor and they funded compensation for teachers as they did for everyone else, we literally would have had to ask our teachers to take a cut in pay. So, in essence, the regionalization factor was a mechanism for recognizing the high cost areas and for having additional funding available to begin the implementation process before dropping off. We are now seeing the first drop down (2%) which is enhanced by the 1.6% COLA. This regionalization factor ripples through all the state-funded programs, not just basic education, e.g. categorical programs (ELL, LAP, transportation, special education, etc.)

Other anticipated financial impacts:

- Children's Center deficit 2019-20: \$556,400
 - Food Service deficit 2019-20: \$292,025 plus unreimbursed cost of community meals program \$466,000
 - Comprehensive Early Intervening Services (CEIS): \$315,000
 - Career & Technical Education Recapture by OSPI: \$226,000
 - ◆ (under spend of revenue and carryover)
 - ◆ (difficult to spend with distance learning/CTE)
 - State's adjustment to address State's error in 2019-2020 transportation funding: unknown at this time
- Ms. Miller explained that when the budget is being built, there is much reliance on data received from

OSPI that calculates what kinds of revenue should be expected in all the different programs. The budget for 2019-2020 included (unbeknownst to all) an error in OSPI’s calculation for funding transportation for a number of districts across the state. When that error was identified by OSPI, they sent out a notice stating that they would hold districts harmless that built their budget based on those state calculations. They also announced that they were going to cover that error as they planned calculations for revenue for the coming year. However, as a result of the pandemic losses, the Governor vetoed that in an effort to balance the budget. So what we know now is that the state will not be providing additional funding to backfill the calculation error going forward. For 2019-2020, they are not allowing our transportation revenue drop down to what it should have been, but they will be adjusting their distribution of funds across the state, which results in less funds. Just how that will be done has not yet been established and conveyed to districts.

Mr. Spangenberg shared a document reflecting revenues as of June 9, 2020 (prior to reductions currently in process. Detailed information from the state is very limited and not yet adjusted for certain known reductions, such as funding for a third day of professional development for teaching staff vetoed by the Governor. In answer to a question by Director Betnel regarding whether or not the dollar change on the first line of \$2,773,093 included money coming out due to the veto, Mr. Spangenberg responded that there was still money to come out due to that veto and he estimated it to be about \$300,000. Ms. Miller added that for years Shoreline has had more professional days for teachers than what the state has funded. It was anticipated that the state would be picking up that slack next year but if that doesn’t happen, the result will be more funds from the reserves to cover that expense.

Revenue	19-20 Budget	20-21 Budget	\$ Change	Comments
3100-Apportionment	\$92,314,173	\$95,087,266	\$2,773,093	Includes 3 rd Prof Day - Vetoed
3121-Apportionment-Sped	2,569,644	2,697,851	128,207	
4121-Special Ed-State	11,122,951	12,141,632	1,018,681	New tiered formula
4121-Safety Net	419,000	419,000		District estimate
4122-Special Ed-Birth to 2	1,157,163	0	(\$1,157,163)	Moved to DCYF in 2020-21
4155-Learning Assistance (LAP)	1,846,403	1,826,653	(\$19,750)	Reduced poverty & regionalization
4165-TransitionalBilingual (TBIP)	1,512,259	1,552,525	\$40,266	
4174-Highly Capable-State	318,636	325,897	\$7,261	
4199-Transportation Operations	5,175,652	3,657,791	(\$1,517,861)	
6124-Special Ed-Federal	2,376,910	2,098,250	(\$278,660)	State formula error 2019-20
6151-Title I-Federal	989,417	979,717	(\$9,700)	
CAREs		810,900	810,900	OSPI may absorb

CAPITAL PROJECTS FUND

There are three major areas that need to be covered in the budget:

- Complete the middle schools, estimate expenditures for 2020-2021
- Refine the projects list for 2020-2021 funded from the 2006 Bond Authorization
- Refine technology purchase plans – technology levy collections are also affected by the delay in the local tax collection

DEBT SERVICE FUND

- Revenues affected by the slower local levy collections
- June's tax collections (available around July 10) are necessary to calculate anticipated debt service funding
 - ◆ Sufficient funds must be collected in time for the December 1, 2020 payments and the June 1, 2021 payments
 - ◆ Required to target a minimum fund balance of about \$2.8 million (1/12th of annual payments) to occur sometime during 2021
- 2020-2021 principal payments \$16,920,000 (-\$1,110,000 less than 2019-2020)
- 2020-2021 interest payments \$16,777,322 (-813,650 less than 2019-2020)

ASSOCIATED STUDENT BODY FUND

- ASB planning for 2020-2021 will be significantly influenced by the plans for opening schools in the fall
- Budget preparation at this time assumes a status quo fiscal year
- ASB budgets are being adjusted to reflect the change of 6th grade from elementary to middle school

TRANSPORTATION VEHICLE FUND

- Final year of two-year grant to replace four older diesel buses with four newer diesel buses
- First year of a two-year grant to replace two diesel buses with two electric buses
- Confirming expected timing for bus deliveries and managing the cash flow
- Confirming plans for upgrades of the infrastructure support necessary to support electric buses (the grant includes a portion to cover the costs of these changes)

Ms. Miller addressed questions from the Board regarding when the Board provides input on the budget development. Typically, the priorities for the 2019-2020 school year would help set up what the Board would want staff to be thinking about for program changes in the 2020-2021 school year. However, as three board members were sworn in during December, the turnaround time for making significant changes to the budget is difficult right now but staff certainly want to hear what the Board wants to be included and staff want to make space for conversations and decisions the Board would like to see made. In reality, so much of the budget is tied up in staffing (88%) and of the remaining 12%, much of it is utilities and other costs that are continuous regardless of the program. We don't have a lot of discretionary funds so typically if we are going to start a new program, we need to decide if we're going to stop doing something else in order to create the capacity to do it. Years in which new revenue is expected are good times for adding something different.

Ms. Miller provided some recent examples of board-directed initiatives. One was the implementation of all day kindergarten for all students before it was fully funded by the state. Another involved adding new positions such as elementary counselors, instructional coaches, family advocates, elementary deans, high school graduation success coordinators, and the equity and family engagement department. These position changes came through a combination of board priorities, recommendations from staff that were presented and adopted by the Board, and some were a result of the bargaining process. The implementation of early release Wednesdays was a two-year process that ended with adoption by the Board after a substantial period of community and staff input. Once adopted it was built into the budget. Reducing K-3 class sizes came through several routes—it came through the state saying funds were

available but only if implemented; it came through bargaining where all agreed on wanting smaller class sizes; and it came through a phased-in approach once the SEA contract was approved by the Board. Ms. Miner elaborated on the equity department piece mentioned above. It came about because the Board established it as a priority, that equity needs would be reviewed and established through a committee process. She gave the directive to the committee and the committee came up with recommendations, one of which was to have an equity department. That recommendation was then built into the following year's budget by the Board.

As an example of a “big ticket item” that is coming up in the 2020-2021 school year is the implementation of a decision that was made three years ago to move sixth graders from the elementary level to the middle school level. This contributed greatly to the design and construction of the middle schools as well as to the staffing of those schools. This, of course, was all approved by the Board. The intent for sharing these examples was to provide a picture of how the school board input and board prioritization process does change the budget but usually with a little bit more of a runway prior to the point of staff presenting the Board with a recommended balanced budget for the coming year.

Ms. Miller again reviewed the budget process that was presented earlier in this presentation and added the study session that has now been requested for June 29:

- Preliminary Budget Review – July 20 – will include all of the information that the budget team knows for certain at that point in time (revenue changes from the state, labor cost differences, utility differences)—things that are pretty well quantifiable and clear; there will still be unknowns particularly if the legislature decides to have a special session. Part of the reserves most likely will be needed to balance the budget and that will be part of the July 20 presentation as well.
- First publication of public hearing notice – Week of July 29
- Second publication of public hearing notice – Week of August 6 (cannot be closer than one week before the public hearing)
- Public hearing/final adoption – August 17 (state requires this be done by August 31)

Director Betnel asked if the July 20 presentation could also include a summary of all the budget impacts specific to this current school year, e.g. change in tax collections due to homeowners deferring tax payments, additional costs due to school closure. This would help the Board to discern what items are potentially one-time costs and which are ongoing.

Board Requested Discussion

Director Jernigan stated that over the last few weeks, the Board had heard from a large number of community members, staff and students about the importance of ethnic studies curriculum in meeting many of the District's goals in terms of equity and beyond. She also recognized that there was a petition circulating with a few thousand signatures. Ms. Miner is scheduled to meet with students later in the week and she knows that conversation will inform next steps and assist in grounding and guiding this work. Over the last week, Directors Jernigan and Rivera have been meeting and collaborating and making contacts with colleagues in surrounding districts in order to get a clear picture of the status of ethnic studies around the state. For example, Seattle School District passed a resolution that has the implementation of the Since Time Immemorial (STI) and Black Lives Matter curriculum imbedded into the resolution. Directors Jernigan and Rivera have co-authored a resolution calling for ethnic studies and they will be meeting with Ms. Miner, Tanisha Brandon-Felder and Maria Stevens in the near future. It is Director Jernigan's hope that after that meeting, they will be able to finalize the resolution and bring it forward for adoption by the Board at the July 20 regular meeting. She was “inspired by the petition because the harm of not having the STI curriculum fully implemented is not abstract or theoretical to me so I want to offer that I see this work as urgent, both as a woman of color but also as a parent raising two Native boys in the district.” Director

Rivera added that Since Time Immemorial and Ethnic Studies have also been adopted for inclusion in the schools at the state level.

Director Betnel voiced her wholehearted support for Directors Jernigan and Rivera for their work and offered gratitude to the students leading the petition process as well as the students who led the march in the community the previous week. In response to Director Jernigan's request for future discussion and in an understanding of the critical role that instructional coaches, TOSAs and the entire Instruction Department play in being equity leads and in developing and delivering new curriculum and being a resource for our teaching staff, Director Betnel asked about having a conversation in an upcoming meeting regarding the strategies for restoring that instructional layer at our elementary and high schools (it remains at middle school level) and the budgetary options that might be available for enabling that initiative, particularly in view of the resolution for new curriculum.

Action Items

Approval of 2020-2021 Food Services Fully-Paid Meal Prices

Presenters:

Marla S. Miller, Deputy Superintendent

Mark Spangenberg, Director of Finance and Business Services

Jessica Finger, Director of Food and Nutrition Services

Each year the School Board is asked to adopt meal prices for the food service program for the coming school year. At the June 1, 2020 regular board meeting, Board members received an update on Food Service operations and current and projected finances. As a part of that presentation, staff presented three scenarios for prices for fully paid meals for the 2020-2021 school year. It is to be noted that the price of fully-paid meals has no impact on access to food for students who qualify for free breakfast and lunch through the federal School Meals program.

Of the three scenarios presented to the Board at its last meeting, District staff now recommend Board approval of Scenario 2, which increases prices for elementary and middle school fully-paid meals by a nickel and increases high school meal prices by a quarter. It projects an increase to the deficit of \$258,023. It is felt that filling the deficit and breaking even would require an increase that would not be met with participation on the part of students; it would most likely cause a loss in participation and revenue as well. The alternative scenarios either significantly contribute to the deficit (the "no increase" Scenario 1) or increase prices to an extent we believe would be a hardship for families and potentially reduce participation in the purchase of meals (the "break even" Scenario 3).

President Fralick asked the reason for the difference in the increase between elementary and middle schools (\$.05) and high school (\$.25). Ms. Finger responded that in looking at ways to increase revenue, they were interested in something that would have the least impact on the greater number of students. One of the things involved creating a third tier of pricing. Secondary prices (middle and high schools) have had the same pricing for many years. The District's meal pattern for high school requires much more food, more calories and it costs more money. It made sense to add to the price of the meals that are actually costing more to produce, which is high school.

Director Jernigan asked if there would be enough PPE (personal protection equipment) to continue to operate the program safely. Ms. Miller stated that the District would be procuring a district-wide allocation of PPE as part of a monitoring of COVID-related expenses and the costs would not be coming out of the individual building and department budgets. Ms. Miller shared an experience in another school district where prices were increased by \$.25 and participation decreased significantly.

Director Betnel asked at what threshold of price increase does the District see a large drop in families discontinuing the purchase of school meals. Given current conditions due to the pandemic, it is anticipated that families will experience pressure and stress to be able to afford increases. Even the \$.25 that occurred during a time when there was no recession, could be worse now due to what families are experiencing and the significant unemployment in our area. In creating the scenarios, staff got up to an approximate \$.80 increase in order to break even; that was simply too much as it would impact revenues significantly as well as impact students in terms of getting good nutrition. Ms. Finger added that the last time prices were increased by \$.25, it was accompanied by a 20% drop in participation. There could have been other factors as there were budget shortfalls that year; it's hard to know if that was the entire story for the drop in participation.

It was the recommendation of the Superintendent that the Board approve an increase in full-paid meal prices of \$.05 at the elementary and middle level and \$.25 at the high school level per fully-paid breakfast and lunch, as presented.

MOTION NO. 50: Director Rivera moved that the Board approve an increase in full-paid meal prices of \$.05 at the elementary and middle level and \$.25 at the high school level per fully-paid breakfast and lunch. The motion was seconded by Director Jernigan and carried unanimously.

President Fralick thanked those who electronically attended this meeting.

Adjournment: 8:57 p.m.

Heather Fralick, Board President

Attest: July 20, 2020

Rebecca L. Miner, Secretary
Shoreline Board of Directors

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