

BOARD MEETING MINUTES

July 15, 2019

Call to Order

President Mike Jacobs 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 5:00 p.m. on July 15, 2019, followed by the flag salute.

Roll Call

Present: Mike Jacobs, President; David Wilson, Vice President; Heather Fralick, Member; and Dick Potter, Member (*attended remotely via conference phone*).

Absent: Dick Nicholson, Member.

Approval of Minutes

The minutes of the June 10 Study Session and June 17 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) Ridgecrest Elementary - \$11,599.09 – Ridgecrest PTA – 2019-2020 Outdoor Camp
 - 2) Kellogg Middle School - \$5,000.00 – Kellogg PTSA – 2018-2019 Hang Time Transportation
 - 3) Shorecrest High School - \$47,273.00 – Shorecrest Boosters – Various ASB and General Fund Projects for 2019-2020
- b. Authorization for District to Provide Readiness to Learn Services in 2019-2020
- c. Approval of 2019-2020 Leases and Lease Rates
- d. 2019-2020 Renewal of Fuel Bid Contract with IPC (USA)
- e. Award of Contract – Dairy Products for 2019-2020 School Year
- f. Renewal of Contract – Yearbooks for Secondary Schools for 2019-2020
- g. Authority to Surplus Vehicles
- h. Adoption of Resolution 2019-13, Amending Flexible Benefits Plan Effective July 1, 2019
- i. Aldercrest Campus Modernization Project, Phase 2 – Approval of Change Order #08 – Kassel and Associates, Inc.
- j. North City Elementary Campus Modernization Project, Phase 2 – Approval of Change Order #07 – Western Ventures Construction, Inc.
- k. Parkwood Elementary School Replacement Project – Approval of Change Order #04 – Allied Construction Associates, Inc.
- l. District-wide Safety and Security Systems Project – Approval of Change Order #01 – Long Building Technologies, Inc.
- m. Approval of Extended Field Trips
- n. Approval of Personnel
 - 1) Certificated
 - 2) Classified
 - 3) Administrative
 - 4) Supplemental Contracts – Activity Pay
- o. Approval of Payroll and Vouchers

MOTION NO. 37: Mr. Wilson moved that the Board adopt the consent agenda, which is attached hereto and becomes a part hereof. The motion was seconded by Mr. Potter and carried unanimously.

As of July 15, 2019, the Board, by a unanimous vote, approved for payment, those vouchers described as follows: June Payroll Warrants #446531-446570 and Electronic Transfers in the amount of \$11,409,636.05; Reconciliation of Warrants Issued Between June 14, 2019 and June 28, 2019 - General Fund Warrants #78244-78363, 181901541-181901588, 78429-78441, 78442-78563, 181901602-181901622, 78613-78711, and 181901643, in the amount of \$1,432,678.04; Capital Projects Fund Warrants #78364-78369, 78564-78576, 181901623-181901624, and 78712-78721, in the amount of \$13,358,276.86; Student Bond Fund Warrants #78370-78426, 78427-78428, 181901589-181901601, 78577-78610, 78611-78612, 181901625-181901642, and 78722-78737, in the amount of \$236,726.06; and Private Purpose Trust Fund Warrants #78738-78740, in the amount of \$2,772.03; for a grand total of \$26,440,089.04.

President Jacobs acknowledged and highlighted the generous donations accepted on this consent agenda: \$11,599.09 from the Ridgecrest PTA for outdoor camp; \$5,000.00 from Kellogg PTSA for Hang Time transportation; and \$47,273.00 from the Shorecrest Boosters for various ASB and General Fund projects for 2019-2020.

Tam Osborne, Director of Human Resources, introduced the new Human Resources Director of Classified Staff, Darlene Mendoza. Darlene comes to us from the Seattle Housing Authority where she served as the Human Resources Manager. Her prior positions in HR include Reser's Fine Foods, Ben Franklin Transit and Cascade Natural Gas. She holds a bachelor's degree in business administration and is currently pursuing her master's degree in jurisprudence at the University of Washington School of Law. Additionally, she has a nine-year-old who will be starting school in Shoreline this coming year.

Reports/Presentations

Home Education Exchange (HEE) Annual Report

Ron Jones, HEE Program Coordinator, presented.

HEE just completed its 20th year of existence and third year at the Aldercrest Campus, which is currently under Phase 2 construction. He spoke again about the outstanding relationship HEE has with Chrisy Francescutti and the Cascade K-8 Community School, also housed at Aldercrest. There was concern that enrollment may experience some decline amidst the construction; however enrollment has remained steady at approximately 130 students (120 FTE).

Staff, in addition to Mr. Jones, includes 2.5 certificated teachers, an office manager and eight classified coaches. This year, 43% of students were from inside the district and 57% from outside the district. Fifteen new families (25 students) enrolled this year and of those, 22 were retained. Two additional families returned to HEE after trying out other programs but decided that HEE was the best fit for them. The number of students in grades K-2 increased through the registration of siblings of older students. The average number of students per family is two; 17% of students are non-white; 43% of students are girls and 57% are boys. This year, there were 45 students in grades K-2, 51 in grades 3-5, and 32 in grades 6-8.

The annual spring survey (98% returned) reflected that 65% of participants say their needs are ALWAYS met, 28% said ALMOST ALWAYS and 7% said OFTEN. The top three valued features of HEE according to the survey are: 1) on-site classes and activities; 2) curriculum; and 3) staff.

Next year, OSPI will be performing a year long, extensive study of ALE programs, which could result in a new WAC designation and name. Mr. Jones is seeking to serve on the study committee.

Mr. Jones concluded with a video which highlighted the Phase 2 construction at Aldercrest. He extended appreciation to the project managers, Dan Stevens, Jim Price and Paaroo Raja for always being so attentive to the needs of the HEE and Cascade K-8 communities.

May 2019 Financial Update

Marla S. Miller, Deputy Superintendent and Mark Spangenberg, Director of Finance and Business Services, presented.

In regard to the previous presentation, Ms. Miller commended Chrisy Francescutti and Ron Jones for their phenomenal leadership and support during a difficult construction process.

Mr. Spangenberg reviewed the May Cash Flow Report, which now reflects an increase of \$657,000, due to the Safety Net Award of \$1,035,316. The increase is divided between state and federal revenues (an approximation based on the last three years); however, the actual breakdown will be confirmed in August. Appreciation was expressed for the work of Amy Vujovich, Mark Spangenberg and Aileen Finnigan in preparing the documentation for the Safety Net application.

Director Fralick inquired about the negative \$78 listed under “Federal” on the Cash Flow Report for May. Mr. Spangenberg explained that the District receives a small share of the State’s federal forests funds for a location somewhere in Shoreline, which was received in April and then adjusted in May.

2019-2020 Preliminary Budgets

Marla S. Miller, Deputy Superintendent and Mark Spangenberg, Director of Finance and Business Services, presented.

This was a preliminary report. There have been extensive changes implemented by the State that affect funding, salary/benefits costs and accounting changes. The software used across the state to generate data and prepare the budget information is still being updated. It should be stabilized before the final budget is presented and adopted by the Board. School districts are required to adopt budgets by August 31 of each year.

One of the major changes this year involves what the state has mandated for school district employees and their health insurance. There will be different rates and eligibility factors at the beginning of the fiscal year than those that will kick in mid-year. This has created a number of data anomalies. The information presented at this meeting was referred to as “a worst case scenario” but will most likely change considerably for the August 26 recommended adoption; those revisions will be highlighted and easily identifiable for the Board’s review.

Preliminary Budget Overview by Fund

	General	ASB	Debt Service	Capital Projects	Transp Vehicle
Beginning Reserves	\$14,339,043	\$974,000	\$13,309,000	\$169,169,000	\$559,300
Revenues/Other	\$156,600,770	\$2,883,000	\$33,966,000	\$19,232,000	\$550,000
Expenditures/Other	\$163,017,109	\$2,883,000	\$35,821,000	\$174,042,534	\$1,108,300
Ending Reserves	\$7,922,704	\$974,000	\$11,454,000	\$14,358,466	\$1,000

General Fund expenditure notes include:

- Major Program Changes
 - Full implementation of reduced class sizes at grades K-3
 - Addition of the kindergarten program at North City
 - Summer 2020 costs to purchase curriculum, library materials and other support for the move of 6th graders to middle schools in Fall 2020
- Staffing
 - Smaller K-3 class sizes adds nearly 30 teaching FTE plus support staff
 - Personnel to support opening a second kindergarten site at North City

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- Compensation
 - Capacity to pass through the State’s 2% increase
 - Capacity for existing contractual obligations for mid-point increases
 - Capacity for 2019 contract negotiations
- Health Insurance
 - Significant increases in unfunded costs for health insurance coverage with required January 1, 2020 move to the State’s School Employees Benefits Board (SEBB) from a District menu of options; eligibility will be a lower threshold than what was in previous employee contracts—employees working 630 hours per year or 3.2 hours per day will be eligible for full insurance coverage and whether or not the employee signs up for coverage, the school district will be required to pay the state the full cost of insurance coverage for that employee

General Fund revenue notes include:

- Levy
 - The 2019-2020 budget year reflects the full impact of the State’s limitation on General Fund Levy collections to \$2.50 per \$1,000 of assessed value or \$2,500 per student, whichever is less. Results in an overall reduction of \$1.05 million in local levy revenue
 - Levy collections will increase in 2020-2021, based on higher collection authority approved by the Legislature and approved levy amounts
 - The recommended 2019-2020 budget maintains the set aside of levy revenue to fund purchase of curriculum
- Operating Transfers
 - The \$1,289,534 from the Capital Projects Fund (Tech Levy) to General Fund for tech support staff and software license fees
- Schedule of Fees
 - Consistent with 2018-2019 fees, with the exception of:
 - Children’s Center: roughly 8% increases as approved on March 4, 2019
 - Food Service: roughly 2% increases as approved on June 17, 2019
 - Field trip transportation rates will be updated based on OSPI’s methodology to reflect increases in labor and fuel costs

General Fund reserve notes:

- Impact on Reserves
 - Continues to meet the Board’s policy requiring a minimum of 4-5% reserve
 - However, expenditures exceed revenues for 2019-2020 and we are reducing overall reserves to cover those costs
 - Revenues are expected to exceed expenditures in 2020-2021 with capacity to rebuild reserves

General Fund expenditures by object for 2019-2020: salaries and benefits, 87.5%; purchased services, 7.9%; supplies and materials, 4.2%; and other, 0.3%. General Fund expenditures by activity for 2019-2020: teaching and support, 74.9%; central and building administration and office support, 10.3%; transportation, food service and other, 8.8%; and maintenance and operations, 6.0%. These are all relatively similar to previous years.

The proposed budget for the Capital Projects Fund accomplishes the following:

- Fully funds completion of major construction projects
- Reserves capacity for swimming pool commitment to City of Shoreline
- Recognizes collection of state match for construction of new Parkwood

The proposed budget for the Transportation Vehicle Fund accomplishes the following:

- Provides capacity to purchase new buses as in previous years
- Allows the District to evaluate the option to purchase electric buses newly available on the state's bid; they are still more expensive than diesel buses, but are expected to come down in price as they become more commonly purchased

Next steps include:

- Staff will continue to analyze/verify the source data and finalize budget details
- A four-year budget projection will be included with the recommended final budget, as required by law
- A public hearing will be scheduled and the final adoption of the budget for all funds will be recommended at the Board's August 26, 2019 regular meeting

Director Potter asked if the new State insurance plans will be cheaper than what the District currently offers. Ms. Miller responded that this would depend on the plan. It could be more expensive for employee only coverage and less expensive for an employee and family. The State is still developing their menu of options and preparing contracts with providers. The analysis so far is that overall it will probably be slightly more expensive. However, the real change will be at the individual level, based on coverage for just oneself or for a family. The intent of this change was to bring down costs for family coverage.

In regard to the 87.5% of General Fund expenditures by object for salaries and benefits, Director Wilson asked if that number should instead be in the 82-85% range. Ms. Miller responded that in her experience, the standard has consistently been in the 85-88% range for quite some time. About three years ago, there was a comparison of school districts and those surveyed fell within the 85-88% range.

Director Wilson also asked if there was a hybrid bus available for school districts. Ms. Miller responded that yes they would be researching that option, particularly since there is a need to drive over the passes to attend various competitions. President Jacobs inquired about the cost differential. The electric bus is about \$300,000 and a diesel is \$110,000 but the expectation is that electric bus prices will continue to drop.

President Jacobs called attention to the General Fund expenditures by activity slide and stated that the District has traditionally fallen in the 75% range for teaching and support and approximately 11% for administration. The proposed budget is currently at 74.9% and 10.3% for those categories.

Board Requested Discussion

None

Comments from the Community

The following individual spoke:

- 1) Heather McLennand, Shorecrest Parent – Petitioned the Board to amend the cell phone and electronic device policy in order to ban their use in locker rooms and restrooms in response to an act of cyberbullying that occurred against her son at Shorecrest High School in June 2019. Her son has been adversely impacted both physically and psychologically. Nationwide, schools and fitness centers have taken action regarding cell phones/devices in these facilities.

Action Items

Adoption of Kindergarten Highly Capable Committee Recommendations
Amy Vujovich, Director of Student Services, presented.

These recommendations were presented to the Board on June 17 and the Board has had time to review and ask questions. The recommendations are specific to three areas: identification process, service delivery, and staff training/support needed in order to ensure student needs are met.

It was the recommendation of the Superintendent that the Board adopt the recommendations of the Kindergarten Highly Capable Committee, effective July 15, 2019.

MOTION NO. 38: Ms. Fralick moved that the Board adopt the recommendations of the Kindergarten Highly Capable Committee, to be effective July 15, 2019. The motion was seconded by Mr. Wilson and carried unanimously.

Adoption of Special Education Program Review Committee Recommendations

Amy Vujovich, Director of Student Services, presented.

These recommendations were presented to the Board on June 17 and the Board has had time to review and ask questions. There were eight recommendations in total and one broad Committee recommendation to “*have a diverse group of stakeholders to define a clearly articulated vision and guiding principles for the District’s special education program, which is approved by the Board.*” In addition to that, there are seven specific recommendations that addressed each of the four areas identified by the American Institutes for Research (AIR) special education program review that was conducted during the 2017-2018 school year. Those four areas included:

- 1) Developing a strategic plan to improve communication, staffing, instructional practices and placement process for students receiving transition services through the Transition Plan component of the IEP (Individual Education Plan)
- 2) Increasing capacity of general and special educators to effectively include students with disabilities in the general education instruction, to the extent appropriate, and in the school community
- 3) Developing clearly written guidance and resources in high needs areas that are easily accessible to the intended user (i.e. parents/guardians and school staff)
- 4) Exploring the ratio of staff to students eligible for special education services in both general and special education classroom settings and how staff roles and responsibilities are allocated

It was the recommendation of the Superintendent that the Board adopt the recommendations of the Special Education Program Review Committee, as presented.

MOTION NO. 39: Ms. Fralick moved that the Board adopt the recommendations of the Special Education Program Review Committee, as presented. The motion was seconded by Mr. Potter and carried unanimously.

Adoption of Resolution 2019-14, Contribution of Capital Funds to Construction of City of Shoreline Community and Aquatic Center in Exchange for Use of New Pool, Pending Voter Approval of City Bonds

Presenters:

Marla S. Miller, Deputy Superintendent

Don Dalziel, Director of Athletics

This action item follows the direction provided to staff by the Board at the June 17 regular meeting regarding the pool and the commitment to the City of Shoreline in the event that the City moves forward with a bond proposal. If that bond measure is successful, staff will return for the Board’s approval of contract documents and other items necessary to put this plan into action and to work with colleagues at the City.

Director Potter pointed out that the resolution’s language (“Expanded viewing deck to provide ample capacity for observers during swim and dive team practice and competition”) did not specifically state the size of the viewing area. He expressed concern about ensuring that the City abides by an earlier commitment of seating for approximately 500. Ms. Miller stated that she had verified that there was written confirmation in the proposal for the number of seats anticipated; firm numbers will be included in the documents that will be created in the event of a successful bond measure by the City.

It was the recommendation of the Superintendent that the Board adopt Resolution 2019-14, Contribution of Capital Funds to Construction of City of Shoreline Community and Aquatic Center in Exchange for Use of New Pool, pending voter approval of City bonds.

MOTION NO. 40: Mr. Wilson moved that the Board adopt Resolution 2019-14, Contribution of Capital Funds to Construction of City of Shoreline Community and Aquatic Center in Exchange for Use of New Pool, pending voter approval of City bonds. The motion was seconded by Ms. Fralick and carried unanimously.

Adoption of Revisions to Policy 5328, Leave Sharing
Marla S. Miller, Deputy Superintendent, presented.

These revisions were presented for first reading on June 17. Adoption of these revisions will allow the District to implement the changes to the leave sharing program authorized by the Legislature for public employees. These provisions will be made available to staff through the employee contracts.

It was the recommendation of the Superintendent that the Board adopt the revisions to Policy 5328, Leave Sharing, to be effective July 15, 2019, as presented.

MOTION NO. 41: Mr. Potter moved that the Board adopt the revisions to Policy 5328, Leave Sharing, to be effective July 15, 2019, as presented. The motion was seconded by Mr. Wilson and carried unanimously.

School Board Reports and Communication

Director Wilson thanked Curtis Campbell for the excellent *Flagship*, Summer Edition. He also announced that he would be visiting the summer food program on Tuesday and Wednesday as well as the elementary and secondary summer schools.

Director Potter stated that he had been communicating with various community members.

President Jacobs thanked all for attending and spending a summer evening with the Board.

Adjournment: 6:03 p.m.

Michael Jacobs, President

Attest: August 5, 2019

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.