

BOARD MEETING MINUTES

August 26, 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 7:00 p.m. on August 26, 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 August 5 Regular Board Meeting were approved as submitted.

Adoption of Consent Agenda

The following consent agenda was presented for approval:

- a. Approval of 2019-2020 Application for the State Transitional Bilingual Instructional Program (TBIP)
- b. Award of Contract – Custodial Consumables – Walter E. Nelson Company
- c. Einstein Middle School Replacement Project – Total Budget Authorization and Award of Final Contract Value – Hoffman Construction, Inc.
- d. Kellogg Middle School Replacement Project – Total Budget Authorization and Award of Final Contract Value – Hoffman Construction, Inc.
- e. High School Student Computers Project – Approval of Final Acceptance
- f. Approval of Extended Field Trip
- g. Approval of Personnel
 - 1) Certificated – Recommended for Election, Leaves of Absence, Retirements/Resignations
 - 2) Certificated – Out-of-Endorsement Assignments
- h. Approval of Vouchers

MOTION NO. 43: Mr. Wilson moved that the Board adopt the consent agenda, which is attached hereto and becomes a part hereof. The motion was seconded by Ms. Fralick and carried unanimously.

As of August 26, 2019, the Board, by a unanimous vote, approved for payment, those vouchers described as follows: Reconciliation of Warrants Issued Between July 26, 2019 and August 9, 2019 - General Fund Warrants #79023-79098, 79112-79116, 181901786-181901795, 79117, 79118-79150, 181901799-181901805, 79167-79226, 181901808-181901810, and 181901812, in the amount of \$586,370.99; Capital Projects Fund Warrants #79099-79108, 79151-79161, 181901806, 79227-79233, 181901811, and 181901813, in the amount of \$8,478,623.84 Student Bond Fund Warrants #79109-79111, 181901796-181901798, 79162-79166, 181901807, 79234-79236, and 181901814, in the amount of \$50,479.04; for a grand total of \$9,115,473.87.

Reports/Presentations

First Reading: 2019-2020 Board/Superintendent/District Priorities

Rebecca L. Miner, Superintendent, presented.

Superintendent Miner reviewed the process used to develop these priorities for 2019-2020. Individual meetings were held during the spring with the directors and deputy superintendent to review progress/accomplishments on the 2018-2019 priorities as well as plans for the 2019-2020 priorities. Drafts

of the new priorities were submitted to the superintendent for her review. In August, at the administrative retreat, feedback was received from all administrators. Based on that feedback, directors made changes and the results were presented at this meeting for first reading. Any input from the Board will be incorporated into the recommended adoption on September 9. This information will also be shared with the PTA presidents and the community in September. Progress reports on each priority will be provided to the Board on the following dates:

- Priority #1, Teaching and Learning – March 16
- Priority #2, Business and Operations – January 27
- Priority #3, Capital Projects – March 30
- Priority #4, Human Resources – January 13
- Priority #5, Technology – February 10
- Priority #6, Communications – March 2

A key change in this year's process is that directors have been asked to further refine their draft priorities to limit them to the elements of the work that are a focus for this year rather than routine work. For example, Priority #6 previously read, "Promote communications that resonate with our diverse school community". Since this is part of our ongoing work, it will no longer be listed as an annual priority. Another example was highlighted in a question asked by a board member earlier in the day, which read as follows:

Q. "Because there is a more targeted focus on specific goals, rather than ongoing work, is it fair to expect that all of the goals will have been met by the end of the school year – barring external challenges that the District might not have control over? For example, every school will have the safe vestibules – under Priority #3 - Is the expectation that all the elementary schools will have secure vestibules by the end of the 2019-2020 school year?"

A. "We are still getting our final cost estimates from the architectural firm that assessed and prepared preliminary designs for the vestibules at each school. Assuming the projects are reasonably priced and permits are readily issued, we do expect to have secure vestibules in place at every elementary school by the end of the 2019-2020 fiscal year (August 31, 2020)."

Superintendent Miner provided a brief summary of each priority.

Priority #1, All students graduate college and career ready

- Attention given to professional learning and a comprehensive, strategic implementation plan
- Focused work on middle school implementation, data use, counseling, dual language, highly capable, special education, social emotional learning, tiered interventions and equitable access to computer science

Priority #2, Maintain fiscal systems with adequate reserves to ensure the long-term financial stability of the District, while strategically using available resources to best serve the instructional needs of students; continue to identify and implement operating efficiencies

- Ensure that bargaining commitments are sustainable
- Maximize our eligibility for receiving K-3 class size reduction funding
- Develop a capital assets replacement plan
- Work in the arenas of Business Services, Food Services and Warehouse, Maintenance and Operations, Transportation, and Emergency Planning/Safety Support Services are included here

Priority #3, Continued implementation of the Capital Projects identified in the 2006 and 2017 bonds and the 2018 technology levy

- Einstein and Kellogg will be ready to occupy by August 2020
- Secure vestibules in place for all elementary schools
- Small works projects
- Assess transportation facility needs

Priority #4, Continued focus on improved and expanded Human Resources

- Increased collaboration with the Director of Equity and Family Engagement to increase community connections and promote diversity in our workforce
- Train administrators in investigation protocols/procedures
- Update application and exit survey systems

Priority #5, Refine and expand infrastructure and educational uses for instructional technology

- Professional development for teachers with a focus on grades K-2 and 9-12
- Implement single sign-on for most district online resources
- Develop professional development on enhanced features of Canvas

Priority #6, Explore and expand opportunities for open, timely and two-way communication with the Shoreline and Lake Forest Park community members, families and District staff

- Provide communications-focused professional development opportunities to administrators and staff
- Develop and pilot an internal staff newsletter
- Modify structure and format of Community Connections meetings to encourage greater community attendance and dialog around programs and initiatives (as a result of poor turnout for this year's offerings)

Director Potter expressed appreciation for the elimination of ongoing activities as long as we don't lose focus on the ongoing work.

Director Fralick appreciated that there will be mid-year progress reports. Regarding Priority #3, she asked if the Transportation facility assessment would include discussion about how the facilities might support hybrid buses. Superintendent Miner responded yes and that even now, sizes of buses are changing so consideration is being given to length of maintenance bays, etc. Regarding Priority #5, she asked if the single sign-ins for students and staff would include families. Superintendent Miner stated that some things for students are parallel to families but that she would check with Eric Caldwell and report back.

President Jacobs inquired about Priority #4 and specifically what types of investigations were being referred to in regard to training in investigation protocols/procedures. Superintendent Miner indicated that this is referring to a standardized and systemized way for principals/administrators to perform initial investigations with staff. Also, one of the District's attorneys just recently presented a training for all administrators and deans to assist with changes in students discipline.

June and July 2019 Financial Update

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

The July Cash Flow Report reflects improved revenues since the budget extension was processed in late spring. A significant amount of Children's Center revenues were collected in June as a result of a change from a 9-month to a 10-month payment schedule that began with the 2018-2019 school year. The current and projected total ending fund balance is \$15,438,883.

Ms. Miller reported that during the tedious process of preparing the budget, there were items found as part of the 2019-2020 budget that also impacted the end-of-year projections for 2018-2019. For example, with the implementation of the new SEA collective bargaining agreement, there were costs in the past that would have been paid out over the summer and extrapolated into the costs projections. Some of these costs were moved to earlier in the year so adjustments needed to be made to the projections in order to avoid overextending what was expected to occur before August 31.

Also of note were the interest and bond principal payments of \$10 million out of the Debt Service Fund in June. Thanks to the budget extension, the Debt Service Fund came in under budget.

Director Potter suggested that the line item, “Unassigned—Minimum Fund Balance Policy” at the bottom of the Cash Flow Report might be clearer if it read that it was the “Unassigned--School Board Reserve Policy”.

Board Requested Discussion

None

Comments from the Community

The following individuals spoke:

- 1) Todd Staheli, Einstein and Shorewood Parent – Spoke on behalf of speeding up the process of implementing solar energy at district buildings. Reported that the earth receives enough sunlight in one hour to power the world for one year. As of 2017, there were approximately 6,000 K-12 schools in the United States that had implemented solar.
- 2) Thomas Mercer, Cascade K-8 Parent – Stated that every month that goes by we are losing money without the implementation of solar. Suggested that this be added to the Board/Superintendent/District priorities.
- 3) Mike Dee, Community Member – Described access on District website to school board meetings—agendas and minutes; noted that there was not a link to the board agenda from the calendar and upcoming events. Referred to this meeting as a “special meeting” because it was changed from August 19 to August 26 and cited RCW 42.30.080, Policy 1400 and Procedure 1400P. Offered congratulations to fellow primary opponents for the District 5 school board position.

Action Items

Public Hearing and Adoption of Resolution 2019-15, Fixing, Approving and Adopting the 2019-2020 Budgets, Accepting the Four-Year Financial Projection, Certifying Budget and Excess Levies for the 2020 Tax Year and Establishing Fees

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

On July 15, 2019, the Board reviewed preliminary draft budgets for all funds. The proposed final ASB and Transportation Vehicle Fund budgets are unchanged since the prior presentation. The General Fund, Capital Projects Fund and Debt Service Fund budgets have been revised to reflect additional analysis as listed below:

- General Fund: \$163,002,681 (down \$14,428 from July 15)
- Capital Projects Fund: \$176,403,000 (up \$3,650,000 from July 15)
- Debt Service Fund: \$35,641,000 (down \$180,000 from July 15)

Levy collections for calendar year 2020 remain the same as was presented on July 15

- General Fund/M & O Levy: \$23,500,000
- Capital Projects/Tech Levy: \$3,250,000
- Debt Service Fund: \$34,000,000

Operating transfers include Capital Projects (Tech Levy) to General Fund: \$1,320,519 (down \$30,985 from July 15.)

General Fund Recommended Budget

- Beginning Fund Balance \$15,438,883 (+\$1,098,840 from July 15)
 - Plus Revenues \$157,231,588 (+\$630,818 from July 15)
- Changes: +Children’s Center, -Safety Net, +Title I, +Food Services*

Minutes – August 26, 2019

- Minus Expenditures \$163,002,681 (-\$14,428 from July 15)
Changes: +Activity Pay, +Special Ed, +Title I, -additional budget cleanup
- Ending Fund Balance \$9,667,790 (+1,745,086 from July 15)
--Mandatory Reserves (OSPI, contracts, 5% minimum): \$8,998,607
--Discretionary Reserves (carryovers, undesignated): \$669,183

A four-year enrollment forecast was presented to the Board by Mr. Spangenberg. The kindergarten projection was increased by the updated percentage from the demographer. The enrollment for all other grades follows the same cohort as was used in preparing the budget. Assumptions include: HEE stays about the same and Running Start grows at the same percentage as the rest of the enrollment. Ms. Miller reported that as of the enrollment reporting from earlier in the day, it appears that the District has met the projection for 2019-2020 by approximately 27 students. However, these numbers could change as families don't always withdraw in as timely a manner as they enroll. Additionally, there will likely be students who will be attending Running Start instead of attending class at the high schools.

Director Fralick asked if the current kindergarten enrollment, which is currently about 30 over projections, could be accommodated with appropriate staff given the K-3 class size reduction. Ms. Miller responded that the staffing process begins with predicting enrollment and staff is allocated based on the formula of students per teacher. Enrollment is monitored as it grows in order to determine if more staff needs to be added. As of now, the K-3 student population exceeds what was expected so we are solid on earning the state funding as long as we have the staff assigned (which totally meets the requirement currently). If districts project but don't meet the expectation, the state will pull away the funds. We are in compliance as long we can demonstrate that we have certificated staffing compared to our K-3 enrollment such that overall we have a ratio of 17 students per certificated staff member. Staff is monitoring very carefully and currently, we stand at 16.7, which includes music and P.E. teachers that are also assigned to work with students during the school day. Any time a new class is added, the full component of certificated staff is needed to remain in compliance with the required staffing ratio.

Superintendent Miner added that particularly at this time of year staff might get shifted from one school to another to ensure that all are in compliance. For example, being 30 students over kindergarten projections probably means we are below projections at another grade level or school.

Mr. Spangenberg reviewed the 4-year revenues and expenditures projections. Ms. Miller added that embedded in these projections is the expectation that the two kindergarten programs (Meridian Park and North City) will be disbursed back into the neighborhood schools once it is determined what will be done with the North City site. The overhead costs for each of these sites is approximately \$1.4 million; it is anticipated those expenditures will be dissolved. Additionally, in the 2021-2022 school year, in accordance with the SEA collective bargaining agreement, there will no longer be an ongoing contractual obligation for the elementary dean positions.

Capital Projects Fund Recommended Budget

- Beginning Fund Balance \$169,169,000 no change from July 15)
- Plus Revenues \$45,100,750 (+\$25,868,750 from July 15)
--Capacity for bond sale, additional leave revenue
- Minus Expenditures \$176,403,000 (+\$3,650,000 from July 15)
--Middle school construction contingency
- Transfers Out: \$1,320,519 (+30,985 from July 15)
--Updated reimbursement of General Fund salaries, software, contracts
- Ending Fund Balance \$36,546,231(+ \$22,187,765 from July 15)

Minutes – August 26, 2019

- 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
- Compensation
 - Capacity to pass through the State's 2% increase
 - Capacity for existing contractual obligations for mid-point increases
 - Capacity for ongoing 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)

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 compared to 2018-2019
 - Levy collections are expected to increase in 2020-2021, based on higher collection authority approved by the Legislature and voter-approved levy amounts
 - The recommended 2019-2020 budget maintains the allocation of \$500,000 levy revenue to fund purchase of curriculum
- Operating Transfers
 - The \$1,320,519 from the Capital Projects Fund (Tech Levy) to reimburse the 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: increases as approved on March 4, 2019 (with correction to the calculation of the fee for early release days)
 - Food Service: increases as approved on June 17, 2019; price list now includes a la carte items; reflects discontinuation of a la carte sales at Meridian Park other than milk and juice
 - Other fee changes are noted on the fee schedule
 - Field trips (based on preliminary calculations): increase in labor cost
 - *2019-2020: \$2.14 per mile + \$38.57/\$47.35 per hour (with and without additional health insurance, respectively)
 - 2018-2019: \$2.14 per mile + \$36.30/\$44.01 per hour

*Ms. Miller reported that tentative agreements had been reached with the three different bargaining units of SEIU; the field trip rates reflected above assume that the negotiated rates will be ratified by the members and approved by the Board at a future date.

- New for 2019-2020 Budget Report:
 - OSPI added two new columns to the salary exhibits: "Annual State Salary" and "Annual Local Salary". This is another step forward in being able to provide reports to the Legislature and auditors separating state and local costs.
 - Salaries have been split by state/federal or local funding relative to the specific salary funding categories in the state revenue details ("F203")
 - The salary exhibits begin on "Shoreline Budget Page 45" and continue through "Shoreline Budget Page 107".

Director Potter asked if the budget numbers included the payment to the City of Shoreline for the proposed swimming pool. Ms. Miller replied that there is a contingency in the Capital Projects Fund, specifically 2006 bonds, for the \$2.43 million and is identified separately.

President Jacobs opened the public hearing by stating: *“RCW 28A.505 specifies that the school district board of directors shall first hold a public hearing prior to the adoption of the budget for the ensuing school year. I will now open the public hearing. At this time are there any persons present who would like to speak for or against the recommended 2019-2020 F-195 Proposed Budgets including the General Fund, Capital Projects Fund, Debt Service Fund, Associated Student Body Fund, and Transportation Vehicle Fund?”*

The following individuals spoke:

- 1) Mike Dee, Community Member – Again expressed concerns about the public meeting and public hearing process as noted in the Comments from the Community portion of this meeting.
- 2) Meghan Jernigan, Parent – Asked for follow-up on a previous board meeting when counselors spoke about the need for additional mental health counselors; asked if those suggestions were taken into consideration when preparing the budget.

President Jacobs stated: *“Seeing that no one else has come forward to comment on the 2019-2020 budget, this public comment portion of the hearing is now closed.”*

Marla Miller, Deputy Superintendent stated that the notice of this public hearing to take comments for or against the budget was properly advertised in the *Seattle Times*. It is required that the notice run for two weeks prior to the board meeting; that was done and copies of the notice are on file. In regard to the request by counselors, the proposal was included in the bargaining with the Shoreline Education Association a year ago. It was agreed at that time that the District would be looking for a partner organization to use space within the high schools. They wouldn't be staff employed by the school district. The partner organization would have opportunities to meet individually with students in the school setting. The District has issued an RFP, which has been published in the *Seattle Times* this past week. Agencies with that specific expertise have been asked to respond by September 20. A committee comprised of the two high school principals as well as counselors that were represented on the bargaining team will evaluate the proposals and make a recommendation. Interviews will be conducted and then a final recommendation will be brought to the Board for approval, prior to signing an agreement.

Superintendent Miner stated: *“The Superintendent recommends Board adoption of Resolution 2019-15, Fixing, Approving and Adopting the 2019-2020 Budgets, authorizing the Secretary of the Board of Directors to certify the appropriated expenditure amounts, authorizing interfund transfers, certifying the collection of excess levies for the 2020 tax year, and authorizing the 2019-2020 fee schedule, as presented. A draft of the resolution was provided in the Board packets and previously made available to the public on the District's website. Do any members of the Board have any questions or comments?”*

President Jacobs stated: *“In accordance with the statutes of the State of Washington, it is recommended that the Board adopt the 2019-2020 proposed budgets as outlined in Resolution 2019-15 for the period of September 1, 2019 through August 31, 2020. Is there a motion?”*

MOTION NO. 44: Mr. Wilson moved that the Board adopt Resolution 2019-15, Fixing, Approving and Adopting the 2019-2020 Budgets, Accepting the Four-Year Financial Projection, Certifying Budget and Excess Levies for the 2020 Tax Year, and Establishing Fees, as presented. The motion was seconded by Mr. Potter and carried unanimously.

Adoption of Revisions to Policy 7230, Revenues from Local, State, and Federal Sources

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

Revisions to this policy were presented for first reading at the Board's regular meeting on August 5, 2019.

Director Potter noted that the board background for this item was listed as "information" rather than "action" at the top of the page. Ms. Miller noted that it did however have a motion to adopt at the bottom of the page. President Jacobs asked if it was time sensitive and Ms. Miller responded that auditors were requiring it to be in place by August 31. President Jacobs suggested proceeding with the motion and checking with legal counsel and if necessary, have a special meeting prior to August 31. *[Later in the week, legal counsel provided the following response: "No, there is no legal reason to re-present the changes and re-vote at the next meeting. The label at the top of the form is a locally-created format, and not required by any statute or regulation. The Board had the legal authority to adopt, reject or even amend your proposed changes to the policy regardless of mistakes on the form. From the facts you described, the members of the Board understood that they were giving final approval to the policy changes, and the minutes of the meeting should reflect that the Board adopted those changes. The fact that someone pointed out the typographical error at the top of the form is evidence that the intent of the vote was clarified at the meeting."]*

It was the recommendation of the Superintendent that the Board adopt the revisions to Policy 7230, Revenues from Local, State, and Federal Sources, as presented.

MOTION NO. 45: Mr. Potter moved that the Board adopt the revisions to Policy 7230, Revenues from Local, State, and Federal Sources, as presented. The motion was seconded by Ms. Fralick and carried unanimously.

School Board Reports and Communication

Mr. Potter reported that he had been communicating with a couple members of the community.

Ms. Fralick reported that she had been out of town.

Mr. Wilson thanked Curtis Campbell for another great *Flagship* publication, summer edition. He also commented on the fabulous back to school launch for staff that occurred at Shorewood earlier in the day.

Mr. Jacobs thanked the Rotary Club and all the volunteers who participated in the Back to School backpack event at Ridgecrest. It was a great experience and the community really appreciates the event.

Adjournment: 8:08 p.m.

Michael Jacobs, President

Attest: September 9, 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.