Minutes

Call to Order

This meeting was called to order at 4:34 pm Directors Pinkham and Mack were present.

Assistant Superintendent for Business & Finance JoLynn Berge staffed this meeting.

Approval of agenda: Director Mack moved to approve the agenda. Director Pinkham seconded. This motion passed unanimously.

Approval of meeting minutes Director Mack moved to approve the March 12, 2018 meeting minutes. Director Pinkham seconded. This motion passed.

Special Attention Items

1. Triennial Report: Rental, Lease & Sale of Real Property per Policy 6882 (Carlson)
Director of Facility Operations Bruce Skowyra spoke about how Rental, Lease & Sale of Real Property per Policy is brought to the committee every three years. He explained the number of rental and leased properties is a lot less than it has been in previous years.
Director Mack asked for an explanation between Policy 6882 and Policy 4260. Mr. Skowyra explained Policy 4260 is the short-term building rentals and is presented at the May 2018 Operations committee and has been included in a Friday memo.

Real Estate Supervisor Lewis Carlson explained Policy 6882 is reporting on leased properties the District currently has. He explained the current ground leases and current short-term leases for the District.
Director Mack asked about the Lake City property. Mr. Carlson explained that item is under short term leases because it is for 5 years or less. Mr. Skowyra explained Policy 4260 is for leases that are one year or less, which is driven by the school year.
Director Mack asked about Interbay property. Mr. Skowyra spoke about how they have a special agreement for athletics. No revenue is received for that property, and it is part of the joint use agreement. It is not listed because the athletics department use that property therefore it is not leased to ourselves.
Director Mack asked about the month to month at Fauntleroy. Mr. Skowyra confirmed that 1.4 acres of property is being leased to a nursery.
Director Mack asked about Africatown. Mr. Carlson explained he has begun talks with Africatown and currently Africatown is undecided on what they plan to do as the lease is coming close to ending.
Director Pinkham asked what is the timeline for Africatown. Mr. Carlson explained he is scheduled to speak with them again in May and the lease ends at the end of August.
Director Mack asked about the Schmitz Park property. Mr. Carlson spoke about how that can be found in short term leases on this report.
Mr. Skowyra will send out the last report on Policy 4260 to Director Mack this week.
2. Annual Update: Potential RIF (Codd)
Assistant Superintendent of Human Resources (HR) Clover Codd explained what the Reduction in Force (RIF) means and how Human Resources typically forecast in April any possible RIF that would need to occur in the next school year. Ms. Codd explained it is projected that little to no certificated RIF is anticipated this year. She explained and gave examples of why classified staff are RIF’d each year. She spoke about the finalized RIF list being available by next Monday and will be reviewed with Seattle Education Association as usual. She explained per the collective bargaining agreement any classified RIFs require notification by April 30th.
Director Pinkham asked if the numbers presented for prior years are just estimates. Ms. Codd confirmed they are estimates based on the previous year numbers.
Ms. Codd will provide a Friday memo with actual numbers of layoff compared to projected numbers.
Director Mack asked if these estimates are before or after schools have numbers. Ms. Codd explained it was after. She spoke about the reporting process at the school level and how Human Resources will use that data for RIF projections. Director of HR Strategy & Operations Shelia Redick spoke about the budget arena process and how that also is helpful when estimates are made for RIFs.

3. Informational Only: Youth Participatory Action Research (Redick/ Codd)
Assistant Superintendent of Human Resources Clover Codd introduced students from Nathan Hale High School that have been participating in the Youth in Action Program (YIAP) with the City of Seattle. Each student introduced themselves and gave a brief description on how the lack of racial diversity within staff at Nathan Hale impacts students.
Director Pinkham asked if the students can send the presentation to them. The presentation was given to the room and a copy was given to the Board office for the official record.
Shelia Redick explained how she has attended a YIAP meeting and was happy to have the student voice included in the work that is being done with the District.
Director Pinkham asked what grades were the students that participate in the program. The students explained students from all grades participate. And the surveys include all grades and a variety of faculty was included.

4. Committed/Minimum Fund Balance Percent per Policy 6022 (Berge)
Assistant Superintendent for Business & Finance JoLynn Berge spoke about Policy 6022 requirements. She explained how the policy was revised last year to be more transparent. She explained based on the budget work sessions, the Board has come to concensus and agreed to the economic stabilization fund balance. And it will be included in the budget that is voted on, which is scheduled for July 10th. Ms. Berge spoke about the recommended action to include board adoption of the specific stabilization of the account percentage in the adoption of the budget and it will be specifically called out. Director Mack asked if the original intent of the policy was to set the appropriate percentage prior to decisions. Ms. Berge explained this was to specifically include the economic stabilization fund as a part of the budget. Because of the work sessions for the budget in 2017-18 and again for the budget in 2018-19 this has been discussed multiple times by the entire board for the past five to six months. Ms. Berge explained the recommended action is to include the board adoption of the specific account percentage in the adoption of the budget in July to insure the budget is balance before the percent is adopted. Ms. Berge explained if the committee would like this done as a separate Board Action Report (BAR) then it would be routed the same time as the BAR for the budget. Director Mack would prefer this to be done with a separate BAR. Ms. Berge will bring two separate BAR’s one for the economic stabilization and BAR for the budget adoption.

5. Preliminary Operations Levy Rate Discussion (Berge)
Assistant Superintendent for Business & Finance JoLynn Berge spoke about the need to decide how the committee would like to move forward on the Maintenance Operation (M&O) amount. Ms. Berge explained the M&O amount would either be at $2500 per pupil, which the State allows or it could be for a lesser amount. She explained a resolution would need to be passed for the amount, and she has budgeted in 2018-19 projections for the $2500 per pupil that starts in calendar year 2020. Ms. Berge reminded the committee we will be having a $150M reduction from the levy as it is. And she is not aware of any $2500 District that is not going to request the maximum amount.

Director Mack would like this included in a work session and a BAR. Ms. Berge confirmed that could be done. It would need to be done between July and August and would need to be to OSPI by the first part of October.

Ms. Berge confirmed with the committee they would prefer this BAR also come to the board meeting when the economic stabilization and budget adoption BARs are presented in July. Directors think the May work session on why the operations levy is so critical would be helpful. Ms. Berge confirmed she will plan to have introduction of the BAR in June and action will be in July.

**Regular Agenda Items**

1. Monthly Financial Status Update (Berge)
   Accounting Director Amy Fleming summarized the January and February financials. She explained the financials are trending as expected. She explained the fund balance typically dips this time of year due to the property tax levy collections proceeds will be at the end of March and April. Enrollment is still slightly higher than last year, but less than what was projected.
   Director Pinkham asked about skills center. Ms. Fleming explained it was a budget projection dip but skills center is still higher than it was last year.
   Director Mack asked how are the calculations for average of students decided. Ms. Berge explained OSPI has the P223 enrollment reports, which is the average through February.
   Ms. Fleming spoke about the general fund specifically the two-tiered bus system and family and education levy and how those are shown in the expenditures.
   Director Mack asked if compensatory education dollars are included regular education. Ms. Fleming explained those are in Title and LAP, within grants.
   Director Mack asked about Head Start funds. Ms. Berge explained they will be given a detailed annual report of Head Start at the May Audit & Finance meeting.

2. Monthly Budget Update (Berge)
   Nothing to report that wasn’t covered in the work session.

3. SMART Goal #3 Budget (Berge)
   Nothing to report

4. Committee Annual Work Plan (Berge)
   Nothing to report

   **Adjourn**: 6:34pm