

Board Special Meeting
Monthly Audit & Finance Meeting
Monday, November 5, 2018, 4:30-6:30pm
Board Office Conference Room, John Stanford Center
2445 – 3rd Avenue South, Seattle WA 98134



Minutes

Call to Order

This meeting was called to order at 4:30pm Directors DeWolf, Geary and Mack were present.

Chief Financial Officer JoLynn Berge staffed this meeting.

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

Approval of meeting minutes: Director Mack moved to approve the October 8, 2018 meeting minutes. Director DeWolf seconded. This motion passed.

Items Requiring Board Action

1. BAR: Resolution No. 2018/19-8, Inter-local Procurement Agreements (Murphy)

This item has been removed from the agenda.

2. BAR: Certification of the 2019 Levy (Berge/Sebring)

Budget Director Linda Sebring spoke about the certification of the 2019 levy which is for maintenance and operations. She explained how this is standard process, she reviewed the timeline for this process. She spoke about the rollback change that has been done. Chief Financial Officer JoLynn Berge spoke about how this will be the largest rollback.

Director DeWolf asked why did we have previous rollbacks. Ms. Berge explained factors in the levy. Such as inflationary factors which are in legislation, which must be projected. In the past it was based on a percent on state and federal revenue based on enrollment.

Director Geary asked if we already know the predicted amount. Ms. Berge confirmed that we do have a predicted amount. Ms. Berge added an additional slide will be included when it is presented to the whole board.

Director Mack asked how much will be lost per student. Ms. Sebring confirmed we do have slides with that information.

Director DeWolf asked if the District needs to provide these numbers to the county. Ms. Sebring confirmed we need to recertify the levy with this BAR.

Director Geary made a motion to move this item forward to the full Board with a recommendation for **approval** Director Mack seconded. This motion passed unanimously.

Special Attention Items

1. Notification of Contracts Exceeding \$250,000: Specially Designed Instruction (SDI) Contracts (Mills)

Director of Special Education Beth Mills spoke about an approved BAR for special instruction contracts. She explained the initial amounts have been updated after student placements. She explained they have built in some capacity for the contracts.

Director Mack asked if the number of students have changes. Ms. Mills confirmed yes the number of students has increased.

Director DeWolf asked about the previous students served. Ms. Mills explained yes it does have students served without too much detailed information.

2. Informational Only: Budget Development Calendar (Sebring)

Ms. Sebring spoke about the high level budget development calendar for the 2019-20 school year.

Director DeWolf asked what changes are being proposed and changes to the WSS formula. Ms. Berge explained it was reductions to balance the budget. She explained the WSS drives off other factors such as poverty. Free reduced lunch (FRL) dollars that schools receive for each student on FRL.

Ms. Sebring spoke about the upcoming timeline deadlines. She explained what factors are taken into account as the budget development occurs.

Director Mack asked about central budget done here. Ms. Berge explained at the November work session she will have suggestions for the board on how staff thinks we can get to the balanced budget. The board will then need to come to a consensus on what the next steps will be.

Ms. Sebring explained budgets start being built at the end of January. If anything positive came from the legislative session we would have to make changes after. Ms. Berge reiterated the board will still need to come to a decision by the end of January to keep the timeline on track.

Regular Agenda Items

1. Monthly Financial Status Update (Berge)

Ms. Berge explained fiscal year 2017-18 has been closed. She reviewed the highlights and started with enrollment by grade.

Director Mack asked what is the private purpose trust account. Ms. Berge explained that is scholarships and non-profit fundraising. She explained the different type of student body accounts or fundraising accounts available to schools.

Ms. Berge spoke about the general fund balance, she explained how the majority of the funds are school carry forwards and grants. Accounting Director Amy Fleming will go over this in detail at the next committee meeting as she does at the end of each year.

Director DeWolf asked about the difference of what was budgeted and who showed up for special education. Ms. Berge explained special education the District enrolled 391 more students than we had budgeted for. And the amount of students we were funded increased as well. Overall enrollment is declining but special education enrollment is growing, she added this is a trend we will see more of. Ms. Berge summarized the additional status updates.

2. Monthly Budget Update (Berge)

Ms. Berge spoke about how the October work session was cancelled. Ms. Berge spoke about the agenda for the November work session will be on timing of upcoming decisions.

3. Committee Annual Work Plan (Berge)

Ms. Berge spoke about the current and upcoming items on the work plan.

Adjourned at 5:46pm