



Wenatchee School District

Regular Board Meeting

Minutes of March 22, 2011
Mission View

Board Members Present

Kevin Gilbert, President
Gary Callison, Vice President
Walter Newman
Jesús Hernández
Laura Jaecks

Staff Present

Brian Flones, Superintendent
Cabinet

I. Regular Meeting 7 p.m.

Kevin Gilbert, Board President, opened the regular board meeting at 7:00 p.m., with the Pledge of Allegiance.

II. Consent Agenda

President Kevin Gilbert asked for a motion to approve the consent agenda. Motion made by Laura Jaecks, seconded by Jesús Hernández, the motion carried unanimously. The following items included in the consent agenda:

1) Minutes

Minutes of Board Meeting & Public Meeting 3/08/11

2) Personnel Report

PREPARED BY: Lisa Turner, H.R. Director
March 22, 2011 personnel report is on file.

3) Vouchers/Payroll

PAYROLL: PREPARED BY: Tammy Hubensack
March 2011: \$4,745,096.64
VOUCHERS: PREPARED BY: Karen Walters,
Director of Accounting – March 22, 2011
General Fund:
Check # 546809-547080 totaling \$465,999.71
Capital Projects Fund:
Check # 547081-547081 totaling \$5,927.00
Associated Student Body Fund:
Check # 547082-547122 totaling \$77,321.15

4) Contracts

NONE

III. School Presentation

Mission View Principal, Jeff Jeager introduced the 4th grade Dual Language class and teacher, Mr. Avila. The class performed two songs and the school song “We are the Lions” in both English and Spanish. The board and guests thanked them for the impressive performance.

IV. Recognitions

Lisa Turner, HR Director and Heather Yonko, Assistant HR Director read the Governor’s proclamation for Classified Appreciation month. Josi Bryan accepted the recognition certificates on behalf of the WSD classified employees. They also read the Governor’s proclamation for retired school employees’ recognition. Several members from WSSRA accepted certificates and thanked WSD for the recognition.

V. Citizen Comment

Several Mission View parents spoke in favor of continuing the Dual Language program at Mission View. Brief summary of comments:

Amy Lewis: Parent of 2 students and can bring 30 -50 additional parents who also support the Dual Language program at Mission View. Many positive reasons to keep the program going. Please consider continuing.

Kari Luma: Choice her students to M.V. for the Dual Language program. We need to make this work for our students. Closing gap on the cultural diversity.

Sara Rolfs: Encourage board to find a way to help our students continue the program, many are benefiting from this positive program.

Rebecca Liensen: Gave statistical data on the many benefits of the Dual Language program. Parents should have a say in the decision and we should think outside the box to make this happen.

High School Teacher, Ms. Schafer-Cloke: Concerned that the 8th grade math score stays on the students' high school transcript. It is hurting some students applying for college. Please revisit and consider an alternative.

Discussing followed with cabinet and board about the math issue. Assistant Superintendent Jodi Smith will clarify for the board.

VI. ASB Reports

- WHS
Maggie Smith, ASB Activities Coordinator reported on the following:

- Tie-Dye Day is March 23rd
- Spring Week is in the planning stage.
- Play was a big success

- WSHS: Elaina
 - Business Luncheon coming up
 - Rotary will be meeting with students

VII. Special Reports

1) **Legislative Budget Update:** CFO Les Vandervort made the following report to the board.

The March 17, 2011 state revenue forecast projects a \$6.1 billion deficit for the 2011-13 biennium. For K-12 education, this means a guaranteed reduction in the amount of state funding for “discretionary” programs. The Wenatchee School District’s (WSD) “discretionary” programs funded by the state include K-4 class size enhancements, levy equalization (LEA), all-day kindergarten (ADK), highly capable, I-728 student performance, I-732 cost of living raises (COLA), food service, DSHS, and others.

Since K-4, I-728 and I-732 are already eliminated, the choices for reduction are essentially limited to LEA, ADK, highly capable, food service, social programs, and apportionment. Apportionment could mean reducing the number of school days and hours, freezing steps, requiring furlough days, or changing the formula itself.

What have we reduced so far?

2009-10	<u>State Revenue Reductions</u>	<u>2009-10</u>
Library Supplies		\$29,078
Vocational Equipment		30,375
Teacher Assistance Program (TAP)		14,960
Two (2) Professional Development days for Math & Science		140,637
Learning Improvement Day (182 nd day)		136,635
I-728 Student Performance (\$712,135 in 2008-09)		<u>2,554,539</u>
Total		\$2,906,224

<u>WSD Expenditure Reductions</u>		
Operations (Grounds, Custodial, Maintenance)		\$116,680
Travel		102,000
Program Reductions (WHS Tutor, Safety & Security, Music, Day Care)		208,000
Athletics		104,500
Learning & Teaching (Curriculum adoptions, printing)		154,000
Technology		100,000
Staff Absorption (Retirements)	10 FTE	725,000
August Institute (183 rd day for certs)		140,000
Building I-728 Allocation		<u>175,000</u>
Total		\$1,825,180

IN addition to specific expenditure reductions, the district implemented "austerity" measures during the 2008-09 school year to minimize the eventual impact of reduced funding on programs and jobs; i.e.,

1. Suspending out of state travel unless required
2. Suspending non essential in state travel
3. Adjusting the culture of food at meetings
4. Prior approval of district office for capital outlay purchases
5. Encouraging energy conservation measures
6. Eliminating overtime/extra time except for emergencies and operational necessity

Wenatchee School District
Memo to Board of Directors
March 22, 2011

<u>2010-11</u>	<u>State Revenue Reductions</u>	<u>2010-11</u>
Learning Improvement Day (181st day)		\$139,795
I-728 Student Performance (\$450 * 7350= \$3,307,500)		188,683
K-4 Class Size Enhancement		<u>916,268</u>
Total		\$1,244,746

<u>WSD Expenditure Reductions</u>		
Operations (Administrator, part-time grounds, custodian)		\$130,000
Suspend transfers to Trans Vehicle Fund		30,000
Athletics (travel, stipends)		32,000
Administrative (HR, finance assistant)		105,000
Staff Absorption (Retirements)	12 FTE	<u>864,000</u>
Total		\$1,161,000

So, what can we expect for 2011-12?

In real dollars, I expect a reduction of at least \$3 million in state funding for the Wenatchee School District for the 2011-13 biennium.

In addition, WSD will lose \$3,756,000 in federal stimulus dollars. Almost ½ of that amount (\$1,579,000) is EduJobs money that Governor Gregoire "retrieved" from the district to help balance the state budget in 10-11. WSD reasonably expected for those funds to be available for 10-11 staff re-hires and hired four (4) extra teachers to balance high class loads. **This money is actually being deducted from BEA apportionment this year.** The remainder of the stimulus funds are for Title and Special Ed qualifying expenditures.

I believe the WSD needs to meet that state reduction by reducing WSD expenditures by at least \$1.5 million for the 2011-12 school year and at least \$1.5 million for the 2012-13 school year.

The general strategies at this time to reduce expenditures are:

1. Freeze all new hiring. If open positions or new programs require staffing, fill with existing staff. Reduce where possible thru attrition.
2. Work to get all deficit programs to break even or better.
3. Bring actual classified staffing closer to funding level.
4. Reduce administrative costs where possible.
5. Reduce NERC's (department and building budgets 10%)
6. Re-emphasize energy conservation measures.
7. Restrict travel to only absolutely necessary trips.
8. Maximize indirect charges.
9. Prioritize levy and discretionary dollars

Wenatchee School District Budget Planning Calendar

Timeline: 2011-12

December	2010	Data gathering w/ Cabinet, Directors of Accounting/Payroll/HR
January	2011	Enrollment projection for 2011-12
Jan - May	2011	Review new legislative data Complete Action Steps (once House and Senate present budgets) Cabinet Review Administrative Team Review WenEA Input
April / May	2011	Meet individually with each Principal/ Director regarding staffing/ budgets
March 17	2011	State presents revenue forecast
March 22	2011	Board meeting on 2010-11 Budget Status, Enrollment
April 12	2011	Board study session on 2011-12 Budget Planning
April 26	2011	Determine if "Modified Educational Program" is necessary Notification to WenEA staff of reductions, if any
May 15	2011	Statutorily required notice to cert staff of reduction
June 28	2011	2011-12 Preliminary Budget presented to Board Budget presented to ESD for review
July 11	2011	2011-12 Budget F-195, public draft available
July 26	2011	Publish first notice of public hearing for budget
August 2	2011	Publish second notice of public hearing for budget
August 9	2011	2011-12 Budget Adoption by WSD Board of Directors

Mr. Vandervort shared the following updated news release from WSSDA on the Legislative Session.

Legislative Update

by Marie Sullivan, WSSDA Director of Governmental Relations
THURSDAY, MARCH 17, 2011

No gold at end of this rainbow

Speaking to the Revenue Forecast Council on Thursday at noon, state chief economist Dr. Arun Raha delivered the bad news that projected state revenues are down nearly \$700 million over the next two years. This widens the state's budget shortfall to \$5.1 billion.

Most education advocates expect that funding for I-728 and I-732, which are part of the projected costs for the 2011-13 biennium, are gone. Also on the table are cuts to K-4 class size enhancements, local effort assistance (LEA), all-day kindergarten, highly capable students programs, and a variety of other existing programs that are part of "discretionary" expenditures.

Council members were also asked if they would open up collective bargaining agreements with state employees. Senate Ways & Means Chair Ed Murray, D-Seattle, Hunter and Brown all said that it would be difficult and time-consuming, and wouldn't save enough money.

For K-12 education, proposals have floated around that would reduce the number of days and hours, limit the retire/rehire provisions, freeze step increases for employees, and consider furlough days. Everything is on the table, and things no one would have considered a couple of years ago are getting some play.

Not many are talking openly about revenue options, such as those put together at the end of the 2010 special session. Voters in November turned down the soda/water/candy tax increase and an income tax on higher wage earners, and voted to reinstate a two-thirds majority vote to pass revenue or tax increases by the Legislature. Responding to a question, Zarelli indicated he was working with Senate budget chair Murray, who had been expected to release his spending plan shortly after the House proposal. Following tradition, the House is supposed to release its budget first this biennium.

Lawmakers are working towards the 105-day deadline of April 24, but few are holding out hope they will be done on time. TVW carried today's forecast announcement; the questions and answers are also worth listening to if you have the time. It runs a little under an hour.

The discussion following covered ideas of general strategies to reduce expenditures.

2) Budget Status Report: CFO Les Vandervort gave this report to the board.

Re: **February 2011** Budget Status Reports

For each of the District's five funds, the budget status report shows the annual budget, the year-to-date revenues and expenditures, and the percent received/expended. The highlighted figure at the foot of each "Actual" column is the ending fund balance for that fund.

GENERAL FUND With **50%** of the fiscal year elapsed, Total General Fund revenues were **45.3%** and expenditures were **43.9%** of budgeted amounts. The Ending Unreserved fund balance of **\$6,293,517** is **8.085%** of budgeted expenditures.

Restricted Fund Balance of **\$4,602,000** is set aside for:

1. Unemployment / Pension contingencies
2. Worker's Comp Reserve
3. Property contingencies
4. Maintenance / "Cliff" contingencies
5. 2009-10 revenue carryforwards
6. Motor Pool

Additionally, \$3,000,000 is set aside for the Westside High School remodel.

The district's M&O Levy for 2011 collection is **\$10,187,000**.

The Washington State Legislature is in session to adopt a new budget for the 2011-13 biennium. In addition to reductions in the 11-13 school funding to deal with the \$5 billion shortfall in expected state sales tax revenue, the legislature must reduce expenditures in the 10-11 school year to offset the actual current revenue deficit. The projected reduction in state revenue for 2010-11 for Wenatchee School District is about \$1.1 million.

CAPITAL PROJECTS FUND The ending fund balance of **\$2,627,065** is designated for remodeling, miscellaneous building projects, and specific projects.

This includes a transfer of \$2,500,000 from the General Fund for the exchange of property between Wenatchee School District and Wenatchee Valley College and some remodeling costs for the Westside High School project.

DEBT SERVICE FUND The ending fund balance of **\$1,529,525** is reserved for payment of bond principal and interest payments which are due each December and June. Revenues consist primarily of property taxes, which are levied annually to provide adequate funds for the bond payments.

The district's 2002 Bonds were refinanced January 26, 2010 through Seattle NW Securities. The net savings in debt service payments to Wenatchee taxpayers is \$1,565,823 through the final maturity date of December 1, 2021.

ASB FUND Revenues are **56%** of the amount budgeted for the year. Expenditures are **42.7%** of budget. The Total Ending Fund Balance is **\$590,882**.

TRANSPORTATION VEHICLE FUND The ending fund balance of **\$32,711** is available for purchase of school buses. The total cost for three (3) new buses for this year is \$378,661.

Mr. Vandervort provided spreadsheets for each fund and answered the board's questions during a brief discussion.

3) Enrollment Report: CFO Les Vandervort provided the following report to the board:

Re: Enrollment Reports for **March 2011**

Exhibit A - Monthly Enrollments.

The **March 2011** count of K-12 students is **7,652.42 full-time equivalents (FTE)** including 138.29 FTE Running Start students.

The *average* FTE is **7,724.15** which are **24.65** FTE above budgeted *average* FTE of 7,700.

Exhibit B shows the changes in our average FTE enrollment, as reported to SPI, over time. Exhibit B reflects the history of our actual state funding level of FTE.

Exhibit C is a restatement of enrollment from 2000-01 for comparability.

Kindergarten is restated based on headcount rather than FTE due to the state funding formula changes. All day kindergarten at Columbia has been BEA funded since 2007-08. All day kindergarten at Lewis & Clark, Lincoln, and Mission View has been BEA funded since 2008-09.

The current Wenatchee Valley Technical Skills Center counts for grades 9-12 have been included in the prior year grades 9-12 counts (except for 09-10 which reflects actual enrollment).

Exhibit D shows the monthly information in graphic form, with a comparison to last year's enrollment and 2010-11 budgeted numbers.

Also included are exhibits showing enrollment by school.

Graphs and spreadsheet exhibits were also provided. Brief discussion followed and the board thanked Mr. Vandervort.

VIII. Old Business

1) Strategic Plan 0000 Policy Series – 2nd Reading:

Superintendent Fiones presented the 0000 Policy Series for 2nd reading approval. There were no questions.

Policy	Title	Suggested Action	District Recommendation	Rationale
0100	Commitment to Strategic Planning	Adopt	Adopt	...with editing & additional wording
0300	Planning Process	Adopt	Adopt	...with editing & additional wording
0300P	Planning Process Procedure	Adopt	Adopt	...with editing & additional wording
0500	Strategic Plan	Adopt	Adopt	...with editing & additional wording
0510	Vision Statement	Adopt	Rename	Goals & Objectives – language not yet added will be updated at a later date
0520	Beliefs	Adopt	In rewritten state	Rewritten
0530	Mission	Adopt	Rename	Vision & Mission – new language
0540	Environmental Scanning	Adopt	Delete	Delete completely
0550	Goals, Target Objectives & Strategies	Adopt	Delete	Covered in other policies
0560	Strategic Action Evaluation	Adopt	Delete	Using Principals/Teacher Evaluation Pilot
0700	Strategic Plan Evaluation	Adopt	Adopt	With language editing
0700P	Strategic Plan Evaluation Procedure	Adopt	Adopt	Slight language editing

MOTION MADE: Laura Jaecks made the motion to approve & adopt the WSSDA recommended & WSD 0000 policies as presented by Superintendent Fiones for our WSD Policy.

SECONDED: By Jesús Hernández

APPROVED: Unanimously

IX. New Business

1) 6000 Policy Series- 1st Reading: CFO Les Vandervort presented the following 6000 policies for 1st reading.

Policy	Title	Suggested Action	District Recommendation	Rationale
6000	Program Planning, Budget Preparation, Adoption and Implementation	Revise	District Revisions	Multiple district policies (7110, 7120, 7130, 7140, 7141, 7310, and 7330) merged into one new policy. Content, cross references and legal references updated. One small deletion in section B.
6102	District Fundraising Activities	Revise	District Revision	Legal references updated and management resources added. One addition "student" to fourth paragraph.
6113	Rental of Musical Instruments	Revise	District Revisions	Renumbered and small changes to content.
6210	Purchasing: Authorization and Control	Revise	District Revision	Renumbered. WSSDA deleted "bid limits," district wants to leave "bid limits" in and omit dollar amount to policy.
6215	Voucher Certification and Approval	Revise	District Revisions	Renumbered and cross references updated. Omit dollar amount and replace with "bid limits."
6216	Reimbursement for Goods and Services: Warrants	Revise	District Revisions	Two district policies 7323 and 7326 merged and cross references updated. One sentence deleted in last paragraph.
6530	Insurance	Revise	District Revisions	Multiple district policies (5331, 8330, 8331, 8332, 8333, and 8334) merged into one policy. Cross references and legal references updated. "Sedgwick Claims Management Service, Inc." was added to Workers' Compensation section.
6540	School District's Responsibility for Privately-Owned Property	Revise	District Revisions	Renumbered and sentence added to section D.
6570	Property and Data Management	Revise	District Revisions	Three district policies merged (8360, 5400 and 8410) Cross and legal references updated. Management resources added and sentence deleted in fifth paragraph.
6620	Special Transportation	Revise	District Revisions	Renumbered and changes to content and cross references and legal references updated.

Policy	Title	Suggested Action	District Recommendation	Rationale
6512	Infection Control Program	Add	District Revision	To safeguard the school community from the spread of certain vaccine-preventable diseases. District added "Bloodborne Pathogen" to sixth paragraph.
6513	Workplace Violence Prevention	Add	District Revision	This policy is needed to state that the district does not tolerate violence in the workplace and measures will be taken to prevent it. The district added "under current FMLA Domestic Violence Policy." And the district deleted the last sentence.

Policy	Title	Suggested Action	District Recommendation	Rationale
6020	System of Funds and Accounts	No changes	OK	Multiple district policies (7270, 7410, 7411, 7412, 7413, 7415, 7416, and 7417) merged into one new policy. Legal references updated.
6100	Revenues from Local, State and Federal Sources	No changes	OK	Four district policies merged (7210, 7220, 7230 and 7231) and legal references updated.
6111	Tuition	No changes	OK	Renumbered
6112	Rental or Lease of District Property	No changes	OK	Renumbered
6240	Food and Beverage Consumption	No changes	OK	Renumbered
6500	Risk Management	No changes	OK	Renumbered. One sentence update and legal references updated and management resources added.
6511	Staff Safety	No changes	OK	Renumbered. Once sentence update and cross references and legal references updated.
6882	Sale of Real Property	No changes	OK	Renumbered and legal references updated.
6890	State Environmental Policy Act Compliance	No changes	OK	Renumbered and content updated slightly in sections and management resources added.
6900	Facilities Planning	No changes	OK	Three district policies merged (9100, 9110, and 9111). Slight update in first section and legal references updated.
6905	Site Acquisition	No changes	OK	Renumbered and legal references updated.
6910	Construction Financing	No changes	OK	Three district policies merged (9220, 9221, and 9222). Content has been updated and legal references updated.
6920	Construction Design	No changes	OK	Renumbered and content updated in sections E and H and legal references updated.
6923	Energy Conservation	No changes	OK	Renumbered and cross references added and legal references updated.
6950	Contractor Assurances, Surety Bonds and Insurance	No changes	OK	Two policies 9242 and 9243 merged into one.
6959	Acceptance of Completed Project	No changes	OK	Renumbered and one sentence updated and legal references updated.
6971	Works of Art	No Changes	OK	Renumbered

Policy	Title	Suggested Action	District Recommendation	Rationale
6000	GOALS	DELETE	DELETE	No longer used or needed, NO. 6000 REASSIGNED
6121	Delegation of Authority	DELETE	DELETE	Changed to policy No. 6110
6150	Management Team	DELETE	DELETE	In District Policy 0000 Series
7000	Goals	DELETE	DELETE	No longer used or needed
7340	Interest on Short Term Debt	DELETE	DELETE	Replaced by new policies: 6910,6112,6020, 6021
7342	Inter-agency Loans	DELETE	DELETE	Replaced by policy No. 6021
7423	Audits	DELETE	DELETE	Replaced by No. 6570 & 6020
8000	Goals	DELETE	DELETE	No longer used or needed
8122	Bus Maintenance	DELETE	DELETE	Replaced by No. 6640,6620,6881,6630,6600,6570,6020,6690
8361	Loans of School-Owned Equipment and Books	DELETE	DELETE	Replaced by No. 6910, 6881, 6570, 6540, 6530, 6220, 6801, 3231
8500	Provision of Certain Goods & Services to Students and Patrons	DELETE	DELETE	Replaced by Policy No. 6920,6882,6700,6112,6925,6690
9000	Goals	DELETE	DELETE	No longer used or needed
9113	Public & Professional Advisors	DELETE	DELETE	Replaced by Policy No. 6920,6882,6700,6112,6925,6690
9240	Construction Phase	DELETE	DELETE	Replaced by No. 6923, 6920, 6910, 6905, 6900, 6112, 6020, 6971, 6957, 6955, 6950, 6921
9241	Project Supervision	DELETE	DELETE	Replaced by Policy No. 6920,6882,6700,6112,6925,6690
9272	Catalog of Unused Real Property	DELETE	DELETE	New Policy No. 6881
9320	Security	DELETE	DELETE	Replaced by Policy No. 6530, 6690
9330	Building & Ground Maintenance	DELETE	DELETE	Replaced by newer policies

Mr. Vandervort answered a few questions and the board thanked him.

X. President’s Report

President Mr. Gilbert read a letter sent to WSD board thanking the board and WSD district for their interests in the legislative session and will take their concerns into consideration.

XI. Superintendent’s Report

Mr. Flones gave out the workshop packets to the board to review. He also gave a brief agenda review. Discussion followed about the updated materials that the board would be provided with in the packet. Mr. Gilbert commented on how much work has gone into this workshop and thanked the cabinet for all their work.

XII. Meeting Adjourned

Meeting adjourned at 8:05 pm by President Kevin Gilbert.

XIII. Executive Session

Open meeting closed at 8:05 and went into the executive session at 8:15 p.m. The Board President, Kevin Gilbert read the following: The school board will now enter into executive session in accordance with board policy 1410 and RCW 42.30.110 Section D to discuss performance of an employee. The meeting is expected to last 40 minutes. No action will be taken.

XIV. Open Session

The meeting was reconvened in open session – 8:55 p.m.

XV. Meeting Adjourned

President Kevin Gilbert adjourned the meeting at 8:55 p.m.

President

Superintendent

Date