Wenatchee School District
Special Board Meeting

Minutes of August 1, 2017
WSD District Office

Board Members	Staff Present
Robert Sealby, President	Brian Flones, Superintendent
Laura R. Jaecks, V. P. (Excused Absence)	Cabinet
Walter Newman	
Jennifer Talbot	
Claudia De Robles	

I. Special Meeting 5 pm

Robert Sealby, Board President, opened the special board meeting at 5:00 p.m., with the Pledge of Allegiance.

II. Facilities Update

Construction Contracts:

Gregg Herkenrath, Facilities Director, explained the reasoning for the Special meeting - to get these two contracts approved so they could be finished before the beginning of the school year. He answered questions and asked for approval.

1) Lewis & Clark portable utilities-

Date	New or Renewal or Revision	Agency	Purpose	Amount	Contract Start Date & End Date	Staff Person Responsible for Contract	Approved by Les?	PO Required?	Attorney Review Required?
07/27/17	New	SE, Inc. dba Smith Excavation	Lewis & Clark Portable - trenching, installing and backfill work for water, power and sewer.	$20,000.00 (plus WSST) Budget Code 9705 64 7000 000	Upon approval thru August 25, 2017	Gregg Herkenrath I have read this contract and recommend it for board approval. Initial Date		Yes	This is decided at the district office.

Agency Contact Information (who & where contract needs to be mailed to for signing):

Agency Name	SE, Inc. dba Smith Excavation
Attention:	Gregg Smith
Street address or PO Box	P.O. Box 284
City, State, Zip Code	Cashmere, WA 98815
Email Address	info@smithexcavation.com
Phone Number	(509) 782-0446

Contract Details (Give a brief description of the contract):

If this is a revision, what has changed?

Smith Excavation to provide all labor and materials to complete the trenching, installation of water, power and sewer conduits, then backfilling and asphalt patching work per quote #1507 dated July 26, 2017.

MOTION MADE: Jennifer Talbot made the motion to approve the Smith Excavation contract for Lewis & Clark portable utilities as presented by Gregg Herkenrath, Facilities Director.
SECONDED: By Walter Newman
DISCUSSION: NONE
PASSED: Unanimously

(It was noted that this was passed with a quorum vote, including the president's vote, due to one of the board members was running late.)

2) Foothill Middle School domestic water pipe replacement-

Date	New or Renewal or Revision	Agency	Purpose	Amount	Contract Start Date & End Date	Staff Person Responsible for Contract	Approved by Les?	PO Required?	Attorney Review Required?
08/01/17	New	Precise Plumbing, LLC	FMS - New piping for domestic water line	$36,100.00 plus WSST Budget Code 9705 64 7000 000	Upon approval thru November 2017	Gregg Herkenrath I have read this contract and recommend it for board approval. Initial 8-1-17 Date		Yes	This is decided at the district office.

Agency Contact Information (who & where contract needs to be mailed to for signing):

Agency Name	Precise Plumbing, LLC
Attention:	Don Spencer or Scot Blanchard
Street address or PO Box	PO Box 2454
City, State, Zip Code	Wenatchee, WA 98807-2454
Email Address	don@preciseplumbingllc.com
Phone Number	509-667-0710

Contract Details (Give a brief description of the contract):

If this is a revision, what has changed?

FMS - Contractor agrees to provide all labor and materials to re-pipe the domestic water line per quote dated July 31, 2017.

After a brief discussion with Mr. Herkenrath President Sealby asked for a motion.
MOTION MADE: Walter Newman made the motion to approve The Foothills Middle School's domestic water pipe replacement by Precise Plumbing as presented by Gregg Herkenrath, Facilities Director.
SECONDED: By Jennifer Talbot
DISCUSSION: NONE
PASSED: Unanimously

Construction Updates: Mr. Herkenrath gave a brief summary of the following projects in the district.

1) **Lewis & Clark sidewalk and bus/parent pickup and drop-off project**
   - Proposed increase in parent-student drop off area.
   - Also increase in bus drop off area
   - City hoping to proceed next summer 2018, cannot do during school year
   - Hoping to keep project under $150,000
   - City decided best option was to wait
   - Committed to students and parents at L&C
   - Communication is taking place to parents, students and staff, all agree best to wait, but setting up an alternative area for a safe parent-student drop off

2) **Apple Bowl Drainage Project**
   - Working on the contract for this project –
   - Legal counsel is working on the language
   - Should be completed this week
   - Request to ask for Supt. Flones to have authorization to sign so we can go forward ASAP
   - Mr. Herkenrath gave a summary of the progress of the project

MOTION MADE: Claudia De Robles made the motion to grant Superintendent Flones authority to sign the contract for the Apple Bowl Drainage Project when it is completed as presented by Gregg Herkenrath, Facilities Director.
SECONDED: By Jennifer Talbot
DISCUSSION: NONE
PASSED: Unanimously

Gregg Herkenrath, Director of Facilities

III. Budget and Finance

2017-18 Budget Draft Update:
Les Vandervort, CFO gave a brief summary of the 2017-18 Draft Budget that he will complete and presented at the August 07,2017 board meeting for first reading.

Wenatchee School District
2017-18 Budget Update
August 1, 2017

2017-18 Budget

August 1, 2017	Budget Update
August 7, 2017	Preliminary Budget 2017-18
August 22, 2017	Budget Adoption 2017-18

Preliminary Preliminary 2017-18 Budget

General Fund	Budget 2016-17	Budget 2017-18	Budget 2018-19
Beg Fund Balance	9,923,956	11,000,000	
Total Revenue	95,189,406	99,865,372	
Total Expenditure	96,305,332	101,858,717	
Transfers out	-150,000		
Excess of Expend over Rev	-1,265,926	-1,993,345	
End Fund Balance	8,658,030	9,006,655	

What did the legislature do for 2017-18 Budgets?
COLA of 2.3% to certs, classified and administrators.
A new salary allocation model won't be phased in until starting 2018-19.

An extra $40 a month per FTE for **health insurance** (from $780 to $820)

The new state levy will begin in January 2018. This tax will increase about 82 cents for a total assessment of $2.70 per $1,000 of assessed value. WSD does not directly receive this money.

In 2019, local levy collections will be capped at the lesser of $1.50 per $1k of AV or $2,500 per FTE.

Collection Year	Local Levy	rate per $1,000 AV	250,000	new state levy	250,000	Total
2017	$12,163,000	2.94	735.00	1.88	470.00	1205.00
2018	$12,527,890	2.96	740.00	2.70	675.00	1415.00
2019	$6,444,000	1.50	375.00	2.70	675.00	1050.00

Levy equalization continues. Estimated amount is about the same as current year. 4,864,115

Added funding to reduce all K-3 class size to 17:1
Slightly increased MSOC 1.70%
Increased Learning Assistance (LAP) funding (can only be used for LAP)
Increase Vocational (CTE) funding (can only be used for CTE)
Increased Bilingual funding (can only be used for Biling)
Increased percentage of Special Ed qualifying students (12.7% to 13.5%)
Increase Skill Center funding (can only be used for Skill Center)

Impact on WSD:

- Overall revenues increase about $4.6 M
- Overall expenditures increase about $5.5 M
- Expenditures are about $1.99 M in excess of revenue

- Addition of net 11 cert FTE is about $ 1 M
- Carry forward of enrollment loss is about $1 M
- Addition of $360,000 local levy offset by loss of $335,000
- Loss of $180,000 federal grant dollars (Title II, Title III, Migrant, SpED)
- Transportation costs up $375,000 for office help, bus washers, new director
- Special Ed costs up due to continued addition of para's and specialists and loss of some federal funding

- The only additions to collective bargaining agreements are the state pass-through and provisions already agreed to in contracts.

- Math adoption is not included (estimated cost $1 million)

Included in the summary were the following reports:

- Budget & Excess Levy Summary
- General Fund Financial Summary
- FT Enrollments and Staff Counts
- Summary of General Fund Budget
- Format of the budget for next week's meeting

Discussion points:

- Cola at 2.3 %
- A lot will be removed from the budget in 2018-19
- Levy Equalization chart – numbers move up and down
- Impact on:
  - LAP
  - CTE
  - Bilingual
  - Special Ed
  - Skill Center
- Challenge of meeting the Curriculum Adoption – elementary math
- We are going to have to be more creative in our budget
- 2018-19 budget will look very different, we need to look at that now
- We have 6-8 months to figure it out, all the districts are in the same boat all around the state

This presentation was a summary of the board workshop to let the board review the numbers, remind them where we started and compare how the legislature has moved for the 2017-18 school year.

Supt. Flones gave the following Reminders:
Board meeting is on MONDAY, August 7th, 2017 and the Agenda Review will be on Friday at 7:30 am.

IV. Meeting Adjournment

MEETING ADJOURNED President Robert Sealby adjourned the public meeting at 5:40 p.m.

_____ _____Date_____
President Superintendent