

**North Kitsap School District #400
Special Meeting of the Board of Directors
July 27, 2017
District Office
18360 Caldart Ave NE
Poulsbo, WA 98370**

MINUTES

Present:

**Beth Worthington, President
Cindy Webster-Martinson, Vice-President/Legislative Representative
Bill Webb, Director- Excused
Jim Almond, Director
Glen Robbins, Director**

**Laurynn Evans, Superintendent
Kori Henry, Recorder**

1. **Call Meeting to Order at 5:00 p.m.**
2. **2017-2018 Budget Presentation**
Jason Rhoads, Executive Director of Finance and Operations provided an overview of the preliminary 2017-2018 budget.
3. **Public Forum on 2017-2018 Budget**
Verbal Public Comments on the 2017-2018 budget were received from Loretta Byrnes, Kathy Roberts, and Catherine Ahl. **Written Questions** were received from Loretta Byrnes, Member of the Public, Catherine Ahl, Kathy Roberts, and Dick Lockwood.
4. **Recess: The board recessed for 15 minutes.**
5. **Answers to Public Forum Questions on 2017-2018 Budget**
Dr. Laurynn Evans, Superintendent, and Jason Rhoads, Executive Director of Finance and Operations answered questions asked by members of the public during the Public Forum of the 2017-2018 budget.
6. **Board Questions on 2017-2018 Budget**
Board members asked questions regarding the preliminary 2017-2018 budget. There was a question regarding capacity, and funding for highly capable. The Board thanked Jason Rhoads for the work he has done on the budget.
7. **Answers to Board Questions on 2017-2018 Budget**
Jason Rhoads, Executive Director of Finance and Operations answered Board questions regarding the preliminary 2017-2018 budget.
8. **Adjournment at 6:25 p.m.**

The meeting minutes were approved as written by:

Secretary to the Board

Board President

**PUBLIC FORUM QUESTIONS FROM JULY 27, 2017
2017-2018 BUDGET**

1. The difference between the original total budget and the 7/22 F195 is only \$200,000. Are you sure you have all the information from the law?

Yes.

2. Where did the F195 come from? OSPI? OESD?

The F195 is generated by an OSPI computer application using an uploaded data file from the district.

3. Do you have any analysis on how the budget is different based on the new law and how it will affect the levy?

We have an initial analysis based on local data and information interpreted from the new law. However, we expect more guidance from OSPI in the future.

4. Will there be a local impact with regard to the new state tax IE local levy increase or not?

We expect that we will need to run the local enrichment levies that will be allowed in calendar year 2019.

5. Questions regarding the F-195 revenues/other financing sources:

- #2500 Gifts/Donations are down \$200,000 from 2016/2017 why?
 - **This amount is based on previous year actual activity**
- #2298 School food services down from 2016/2017 due to lower enrollment?
 - **We believe the lower food service program participation corresponds with the decline in enrollment**
- #6262 Math/Science down \$492,912 from 2016/2017 why?
 - **This amount represents the remaining amount in the 5 year DODEA Science grant**
- #6300 Federal Grants is up \$50,000 from 2016/2017 why?
 - **This is for Medicaid match program. This corresponds with recent activity. This answer is corrected from forum answer after verification of the account code referenced.**
- #6321 Sped Medicaid reimbursement down \$15,000 why, and no funds shown for 2017-2018, is it because no student qualify or because no reimbursement was submitted?
 - **This revenue is based on eligible staff and students. The amount was reduced based on lack of actual activity in this area.**

6. Program 97 - Districtwide Support, Activity 11 - Board of Directors:

- Allocated \$299,000 for purchased services, what does this include?
 - **This is primarily made up of attorney fees, state auditor fees, and election costs. Other smaller costs include membership to education organizations.**

- Allocated \$15,000 for travel, what does this include?
 - **This is used to cover official school business travel for board members for conferences and legislative visit**
7. Where are the revenues and expenditure for the pool? #89 Community Services? Revenue \$200,000, and expenditures \$510,131?
- Correct the main expenditure in program 89 is the pool. Pool revenue this year is almost \$200,000**
8. Summer School zeroed in General Fund. What is the risk to Class of 2020 for credit retrieval? Is online instruction the only recourse?
- Fee based summer school was offered this summer with approximately 80 student participating for credit retrieval and original credit**
9. Total CTE in General Fund is budgeted to be 3.34% CTE participation is 2016-2017 dropped. Does the drop in 2017-2018 down to 3.34% reflect that historical drop or does it predict continued decline in CTE participation?
- CTE is one of the programs that has increased funding and increased minimum expenditure limits. This will be the largest category that is adjusted in the final revision of the budget.**
10. State funding for Special Ed & CTE were increased so why have they decreased in the budget?
- CTE is one of the programs that has increased funding and increased minimum expenditure limits. This will be the largest category that is adjusted in the final revision of the budget. Special Education funding increases did not affect our district since NKSD special education student population percentage is 12.48% and is lower than the 12.7% threshold for increased funding.**
11. Where is the money put aside for turf replacement? Is it in the committed fund balance?
- Correct the PFD turf replacement is designated in the Committed Fund Balance.**
12. Capital Budget: \$725,000 expenditure for 16-17, what is it for?
- That was for portable replacements at Wolfle and Poulsbo Elementaries**
13. Online enrollment has been in place for 2 years. How does the District make families aware of this process?

We currently make this information available to our families through social media and the NKSD website. But this will be an area of focus for improvement to allow more accurate forecasting.

14. What is the District's current bond rating as it relates to the fund balance?

Moody's Aa2 which is the second highest rating possible

15. How much revenue is generated through the Perkins Grant?

\$27,503

16. The Board did not discuss how reductions in classified staff would be approached, why not?

The possibility of classified staffing was discussed. The district used a classified staffing allocation model that was used to determine reductions in some areas where enrollment has declined.

17. How does 17-18 budget change?

The 17-18 allocation models only changed in funding but not allocation formulas.

18. What does 18-19 look like? You will need to find out before contract negotiations.

In 18-19 the allocation models change slightly combined with increased funding. The effects on future contract negotiations will need to be determined.

19. Will the TRI days come down with pay increase?

This will have to be determined.