



**Minutes from the Regular Meeting of the Board of Directors
Monday, April 25, 2022**

The Board of Directors held a Regular Board Meeting on Monday, April 25, 2022. This meeting was held in-person and virtually via a Zoom link posted on the Mead School District website. Directors Burchard, Denholm, Olson, Cannon and Gray were present. Also attending were Superintendent Shawn Woodward, Chief Financial Officer Heather Ellingson and Assistant Superintendents Heather Havens and Jared Hoadley.

I. Pledge of Allegiance

The meeting began with President Burchard asking all to rise for the Pledge of Allegiance.

II. Approval of Agenda

Director Cannon made a motion to approve the meeting agenda, as presented. Director Olson seconded the motion. The motion carried unanimously.

III. Approval of Minutes

Director Olson made a motion to approve the minutes of the April 11, 2022, Regular Board Meeting, as presented. Director Denholm seconded the motion. The motion carried unanimously.

IV. Remarks for the Good of the Schools - Public Comment

President Burchard, noting no one from the community signed up to speak, opened the floor for board comments.

Board Comments

Director Olson, who is personally following the Mead High School Boys Golf Team, shared the team recently competed in an 18-school tournament hosted in Pullman at Palouse Ridge Golf Course where, as a team, they placed first with three of the team's four golfers individually placing 1st, 2nd and 3rd. Director Olson additionally reminded that the Mead School District will team with Associated Builders and Contractors Inland Pacific Chapter to host, at Mead High School, a *Trades Night* on May 4th from 5-8 pm. At this event local contractors will be looking to hire part-time student workers.

President Burchard referenced a very nice article in the Journal of Business on the upcoming *Trades Night*. He additionally congratulated the Mead High School Track Team (boys and girls) on a recent meet victory.

Director Gray also expressed appreciation/excitement that the district is hosting the *Trades Night*.

Director Olson, who this past weekend attended a volleyball tournament at the Podium downtown, noted how nice the facility is and, in particular, encouraged folks when they are at the venue to visit the lower level and check out *Hunter's Hall* dedicated to Hunter Ford, a 2020 Mead High School graduate, who died of cancer. His father was the construction superintendent for the Podium. On display in *Hunter's Hall* are pictures of Hunter and his family.

V. Continuing Business - none

VI. New Business

A. Consent Agendas A & B

In response to a question from Director Cannon, Chief Financial Officer Heather Ellingson explained the \$116,696.56 and \$48,741.68 payments to US Bank Corporate Payment System were for purchase card expenditures. One check could not be sent as the first amount was paid out of the General Fund and the second was for ASB expenditures.

Responding to a question from Director Gray, Ms. Ellingson and Maintenance Director Travis Bown shared the \$28,000+ payment to Planet Turf was for grass seed that will be used for field maintenance throughout the district. Because of current supply chain issues the district made a large grass seed purchase taking advantage of the opportunity to buy while the product was available. Director Gray also inquired about a \$1,000 payment to WSSDA. Ms. Ellingson will do some research on this payment and get back with Director Gray.

Director Cannon made a motion to approve Consent Agenda A, as presented. Director Olson seconded the motion. The motion carried unanimously.

Director Cannon made a motion to approve Consent Agenda B, as presented. Director Gray seconded the motion. The motion carried. Director Olson abstained from the vote.

Consent Agenda A

1. Hired Certificated Personnel:

Sarah Mack	Creekside	Cert	.5 FTE Leave Replacement PreSchool Teacher 2 nd Semester 21/22 effective 3/25/22
Cory Ray	Special Services	Cert	1.0 FTE Leave Replacement School Psychologist 2 nd Semester 21/22 effective 4/1/22
Erika Dubinsky	Colbert	Cert	1.0 FTE Leave Replacement DLC Teacher 2 nd Semester 21/22 effective 4/11/22

2. Hired Classified Personnel:

Amy Bruce	Mt. Spokane	Class	5 hrs/day Para Ed effective 4/1/22
Ena O'Connor	Northwood	Class	3 hrs/day Cook III effective 4/11/22
Dianne Figueroa	Evergreen	Class	6.25 hrs/day Para Ed effective 4/14/22
Jennifer Harmon	Prairie View	Class	6 hrs/day Para Ed effective 4/25/22
Lynzee Swegle	Creekside	Class	6 hrs/day Para Ed effective 4/11/22

3. Hired Classified Personnel:

Shantel Woodland | Erin Cole | Paulette Rhoads | Kelsey Nylund

4. Hired Classified Personnel:

Sven Aaseby	Kimberly Sather	Monica Aukerman	Deborah Hunt
Megan Spier	Dawson Kamalu-Nako	Daniel Langan	

5. Approved AP Vouchers for General Fund, Capitol Projects, Private Purpose Trust & ASB.

Vouchers audited and certified by auditing officers as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, have been recorded on a listing which has been made available to the Board. As of this day, **April 25, 2022**, the Board, by a unanimous vote does approve for payment the vouchers included in the above referenced list and further described as **Warrant Numbers 105622 to 105797** in the following amounts:

<u>Fund</u>	<u>Amount</u>
General Fund - AP	\$ 839,242.57
General Fund - PR	169,661.31
ASB Fund	77,987.65
Capital Projects Fund	90,420.47

6. Approved Extra-Curricular, Co-Curricular and Supplemental Contracts.

7. **Accepted the Following Donations:**

- Mead High School Life Skills \$500 from Mizoguchi Charitable Foundation
- Mead High School Cheerleaders \$ 500.00 from Zachary Rockwell, Assistant Coach Fundraising, LLC

8. **Declared the Following Items as Surplus:**

Item	Quantity
green cloth chairs	4
blue cloth chairs w/ wheels	4
4 drawer metal filing cabinets	11
misc. matched student desks	20
kidney table	2
rectangular table	3
rolling coat carts	4
isolation desk	1
Algebra II/Trig books	161
old library book shelf	1
misc. band equipment	
Tables	2
VCRs	2
wooden teacher desks	9
round tables	5
book shelves (cream color)	6
metal stools	18
misc. chairs	5
misc. stools	7
book rack	2
rectangular tables	6
Desks	8
tables	10
book shelves	4
book shelf	1
metal file cabinets (4 drawer)	24
computer desks	4
6' rectangular tables	3
popcorn machine	1
small round tables	2
octagon table	1
magazine/book shelves	2
black carts w/ wheels	5
rolling coat rack	1
pink/white book cases	4
metal file cabinets (2 drawer)	3
trapezoid tables	2

9. **Approved Requests for Retirement/Resignation:**

Brett Hale	Mt. Spokane	Cert	Resignation effective 6/30/22 (Asst. Principal)
Marcus Syzmore	Mt. Spokane	Class	Resignation effective 4/12/22 (Custodian)
Brian Liberg	Transportation	Class	Resignation effective 6/13/22 (Director)
Kristen Vincent	Farwell	Cert	Resignation effective 3/31/22 (Teacher - currently on leave)
PJ Carlson-Hafner	Prairie View	Class	Resignation effective 4/13/22 (Para Ed)
Barb Pybus	Highland	Cert	Resignation effective 6/30/22 (Principal)

Consent Agenda B

1. **Approved Extra-Curricular Contract:**

Yukon Degenhart Track & Field Mountainside \$1,767.00

**B. Resolution 22-04
2022-2023 Modified Educational Program**

Superintendent Woodward presented Resolution 22-04, 2022-2023 Modified Educational Program, for board consideration. The Mead School District Board of Directors, on January 24, 2022, adopted Resolution 22-02, 2022-2023 Financial Emergency and Budget Uncertainty, that directed Superintendent Woodward to develop and recommend to the board a Modified Educational Program to address and resolve this budget uncertainty.

Resolution 22-04 includes items representing reduced expenditures ranging from \$2 million to \$3.3 million to address and resolve the district's financial emergency and general uncertainty for the 2022-2023 school year. The presented reductions impact certified and classified staff, as well as programs.

To provide historical context on factors leading to the need to reduce expenditures in the 2022/2023 school year Superintendent Woodward shared the following:

2019/2020 Modified Educational Program - The board approved a Modified Educational Program representing approximately \$11 million in reductions for the 2019/2020 school year. Some of those reductions represented one-time savings and others, such as general education para educator reductions, were reinstated because of the impact the reduction had on student learning. Approximately \$6 million of the original 2019/2020 reductions are ongoing.

Unassigned Fund Balance Year-By-Year - A graph showing the district's unassigned fund balance percentage from 2014 to 2022 was shared. This ranged from a low of .1% in 2014 to a high of 7.4% in 2021, with a predicted fund balance percentage of 4.8% at the end of the current, 2021/2022 school year (could range from a low of 4% to a high of 5.4%). In April 2017 the state capped the local levy rate at \$1.50, in June 2018 the McCleary Decision was upheld by the Supreme Court, in April 2019 the state increased the local levy rate to \$2.50 and in 2020, 2021 & 2022 the district received additional revenues from ESSER funds, as well as Enrollment Stabilization and Regionalization. The district's fund balance policy includes an unassigned fund balance goal of 8.3%, which is something the district will need to work toward over time.

Enrollment - A table showing enrollment from 2015-2021 (October of each year), as well as Davis Demographics enrollment projections for 2019, 2020 & 2021, was shared. From 2015-2018 enrollment increased by 778 students, from 2018-2019 enrollment was flat most likely because of low housing inventory, and enrollment dropped off sharply (loss of 449 students) in 2020 due to the pandemic. In 2021 enrollment rebounded slightly (increase of 109 students) but remains 360 students below the 2018 high of 10,550 students. Davis Demographics in 2018 (prior to the pandemic) projected 2021 enrollment (current school year) to be 11,928.

In response to a question from Director Cannon, Superintendent Woodward shared district funding is based on FTE not head count. A full-time student generates a 1.0 FTE. Part-time students generate FTE based on the number of hours they attend. For example, a high school student who takes two classes generates .4 FTE.

New Facility Operational Costs - In 2018 the community approved a bond to build Highland Middle School and Creekside Elementary to address current and projected enrollment increases. Voters also approved funds to build Union Stadium. All three facilities opened in the fall of 2020. State match funds were used to build Skyline Elementary that opened in the fall of 2021. In opening three new schools and Union Stadium the district was counting on the monies generated from increasing enrollment to help cover operational costs (administration, office staff, custodians, kitchen staff, specialists, counselors/social workers, utilities, maintenance, etc.). With enrollment, impacted by the pandemic, currently lower than in 2018 the operational costs of approximately \$3,624,079 annually (Creekside \$770,517, Skyline \$797,465, Highland \$1,756,097, Union Stadium \$300,000) for these four facilities has had, and in the near future will have, a more than anticipated impact on the district's budget.

Director Denholm referenced the state's Prototypical School Funding Model and how, in many areas, the formula does not adequately fund critical positions, noting in particular nurses, social workers/counselors and para-educators. This lack of funding has a direct impact on the district's budget. Acknowledging this underfunding, Superintendent Woodward noted the district, during the upcoming legislative session, will need to lobby/request additional monies be added to the Prototypical School Funding Model.

2022/2023 Changes in Revenue/Expenditures - Also impacting the 22/23 budget are the following expiring funding sources: ESSER (\$1.5 million), Enrollment Stabilization (\$1.3 million) and Regionalization (\$.5 million). Additionally, the amount of money needed to cover the 5.5% IPD (similar to a Cost of Living Adjustment) for positions not funded by the state via the Prototypical School Funding Model is \$1.35 million. (The annual IPD is typically around 2% resulting in a cost of approximately \$500,000 to cover locally funded positions.) Offsetting these three revenue losses, and the IPD expenditure increase, are additional Prototypical School Funding Model funds in the amount of \$844,000, resulting in a net decrease from 21/22 to 22/23 of \$3,806,000.

2022/2023 Position/Budget Adjustments - The following positions/budget adjustments are proposed for the 2022/2023 school year:

• District Administrative Positions	\$325,500
• District Office Staff	\$300,000
• Building Administration	\$215,000
• Ed Specs Program Elimination - Net Savings 25%	\$250,000
• SPED Para Reallocation - Net Savings up to 40%	\$0-\$640,000
• Maintenance Budget	\$360,500
• Wastewater Plant Changeover	\$70,000
• Transportation (Rt. Elimination/Subscriptions)	\$165,000
• Mead Virtual Program	\$200,000
• District Materials, Supplies & Operating Costs (MSOCs)	\$300,000
• Certificated Teaching positions	\$400,000
<i>Approximate Net Savings</i>	\$3,226,000

Regarding the Special Education Para Reallocation line item, Superintendent Woodward read the section of the Mead Education Association contract that allows for, in the event of a financial emergency, the authority to eliminate and/or reduce the amount of para educator support provided. Superintendent Woodward expressed support for the services provided by Special Education para educators and clearly stated the district's commitment to develop a program that includes the number of para educators necessary to meet student needs. This program will be developed by Assistant Superintendent Jared Hoadley in conjunction with the district's Special Education Director. The reason a reallocation range (\$0-\$640,000) was presented allows for flexibility. It could be 60% of the current Special Education para educator allocation will meet student needs or, based on program design, additional para educator staffing may need to be added. Superintendent Woodward stated the district is committed to making sure student needs are met.

The transportation line item represents a continuation of route adjustments made earlier in the 21/22 school year.

The Mead Virtual Program reduction represents a projected decrease in program enrollment for next year. The program will continue in the 2022/23 school year but will serve fewer students.

In conclusion, Superintendent Woodward shared the presented budget modifications were made with the goal of keeping the impact of reductions away from students as much as possible. He additionally shared further reductions may be necessary in 23/24 if enrollment does not rebound and/or the state does not make adjustments to the Prototypical School Funding Model. The district is also hopeful the state will consider going back to a state-wide teacher salary schedule that includes a staff mix factor. Currently, because Mead has a high percentage of experienced teachers, there is a short-fall in the amount received for state funded certificated staff members and the actual cost to the district.

In response to a question from Director Olson, Superintendent Woodward shared the 2022/23 budget assumes flat enrollment. The hope is that enrollment will increase resulting in a positive impact on the district's bottom line. Superintendent Woodward reminded if no cuts are made, and enrollment does not increase, the district will essentially end the 22/23 school year with an exhausted fund balance. Even with \$3 million in cuts the fund balance will be reduced by 50%.

Director Denholm inquired about employee attrition and out-of-district students. Superintendent Woodward assured the district will, whenever possible, move current employees into vacated positions. He additionally shared the district currently serves a substantial number of out-of-district students.

In response to a question from Director Olson regarding enrollment, Superintendent Woodward shared the district will, at an upcoming board meeting, provide an update on Kindergarten enrollment for 2022/2023. Kindergarten enrollment is a good indicator of overall fall enrollment.

In response to a question from Director Gray, Superintendent Woodward shared the proposed Special Education para educator adjustment will not be implemented until next year. In preparation for next year the district will proactively develop several para educator service models before eliminating any positions. Superintendent Woodward additionally stated if the Special Education para educator staffing plan in place at the start of the school year does not meet student needs adjustments will be made and staff rehired.

Director Cannon inquired about a potential board work session to talk through the current budget situation in more detail. Superintendent Woodward indicated he is happy to address concerns/questions at the next board meeting or, if warranted, at a work session.

In response to a question from President Burchard regarding the range of reductions set forth in the resolution (\$2 million to \$3.3 million), Superintendent Woodward shared the range provides some flexibility particularly with regard to Special Education para educators. He additionally shared the list of proposed reductions was a collaborative effort involving district level administration.

Director Cannon expressed confidence in the information presented and noted the importance of context when working with big budgets. He personally prefers looking at the presented line items as reprioritizations rather than cuts. In any business there are lots of variables to consider. Regarding the operational costs associated with opening new schools, he shared if he had been on the board, given the information available at the time, he would have been in favor of building these facilities. The current budget situation is something he considers to be a normal circumstance experienced by businesses from time to time.

Director Cannon additionally spoke of the need to think in terms of maintaining and maximizing value. In his conversations with members of the community a reoccurring theme is the strong desire that the district maintain the "Mead Experience" for all students.

President Burchard noted reductions need to be made to avoid a substantial hit to the fund balance and acknowledged this could be step one in a potential two-step process.

In response to a question from Director Olson, Chief Financial Officer Heather Ellingson shared the 22/23 budget the board approves in August will include broad expense categories. The overall budget amount will be higher than in 21/22 primarily because of the additional monies provided by the state for the 5.5% IPD.

Director Denholm made a motion to adopt Resolution 22-04, 2022-2023 Modified Educational Program, as presented. Director Cannon seconded the motion. The motion carried unanimously.

A copy of the resolution, as well as the PowerPoint shared by Superintendent Woodward, are attached.

VII. Reports

A. Financial Report for the Month of March 2022

Noting the substantial amount of financial information provided earlier in the meeting, Chief Financial Officer Heather Ellingson provided a brief financial report for the month of March 2022. Enrollment is down slightly. This is attributed to fewer Running Start students enrolled for spring quarter classes. Expenditures at the seven-month mark are 57.1% of budget with revenues at 55.4%. At this time Ms. Ellingson estimates district expenditures will come in right on budget. If that is not the case, she will bring forward a budget extension resolution. Regarding revenues, Ms. Ellingson expressed confidence they will be higher than budgeted.

B. Superintendent's Report

Superintendent Woodward, referencing the information previously shared in conjunction with the Modified Educational Program resolution, stated he had nothing further to report.

VIII. Adjourn

The meeting was adjourned at 7:20 pm.

President

Secretary



**RESOLUTION 22-04
2022-2023 Modified Educational Program**

WHEREAS, as a result of Board Resolution 22-02, the Superintendent was directed to develop and recommend to the Board a Modified Educational Program to address and resolve the District's financial emergency and general budget uncertainty.

WHEREAS, the Superintendent has developed and recommends the attached Modified Educational Program for the 2022-23 school year, representing reduced expenditures ranging from \$2 million to \$3.3 million, to address and resolve the District's financial emergency and general uncertainty. These reductions impact certificated and classified staff, as well other program costs.

NOW THEREFORE BE IT RESOLVED, by the Board of Directors, that the Superintendent's recommended Modified Educational Program is and shall be hereby accepted and adopted by the Board of Directors.


Adopted this 25th day of April 2022.


Attest:




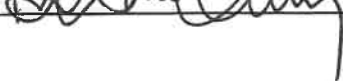
Secretary to the Board

**Mead School District No. 354
Board of Directors**









2022/2023 Position/Budget Adjustments

District Administrative Positions	\$325,500
District Office Staff	\$300,000
Building Administration	\$215,000
Educational Specialists Program Elimination – Net Savings 25%	\$250,000
Special Education Para Ed Reduction – Net Savings 40%	\$640,000
Maintenance/Custodial Budget	\$360,500
Wastewater Plant Changeover	\$70,000
Transportation (Route Elimination/Subscriptions)	\$165,000
Mead Virtual Program	\$200,000
District Materials, Supplies & Operating Costs (MSOCS)	\$300,000
Certificated Teaching Positions	\$400,000
Total	\$3,226,000

Note: The exact reduction in expenditures, estimated to be between \$2 million and \$3.3 million, will be finalized prior to the adoption of the 2022/2023 budget in August.

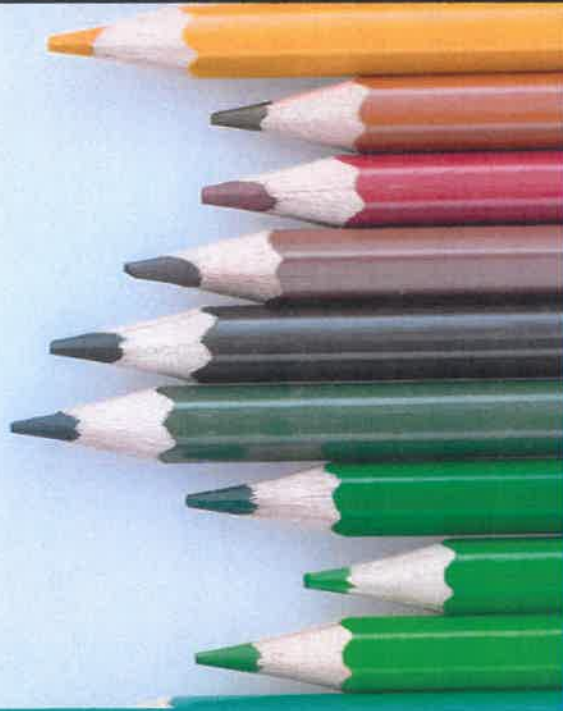
UNASSIGNED FUND BALANCE YEAR-BY-YEAR



Enrollment

	Head Count	FTE	*Predicted
2015	9,772	9,278.63	
2016	9,972	9,442.74	
2017	10,265	9,895.07	
2018	10,550	10,157.21	
2019	10,530	10,181.70	11,043
2020	10,081	9,722.86	11,497
2021	10,190	9,874.14	11,928

*According to the Student Population Projections Study performed by Davis Demographics in 2018.





New Facility Operational Costs

Creekside Elementary	\$770,517
Skyline Elementary	\$797,465
Highland Middle School	\$1,756,097
Union Stadium	<u>\$300,000</u>
Approx. annual operating cost	\$3,624,079





2023 Changes in Revenue/Expenditures

ESSER	-\$1,500,000
Enrollment Stabilization	-\$1,300,000
Regionalization	-\$500,000
IPD/COLA Increase	-\$1,350,000
Prototypical Model Increase	<u>+\$844,000</u>
Net change	-\$3,806,000





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