



**Minutes from the Regular Meeting of the Board of Directors
Monday, April 24, 2023**

The Board of Directors held a Regular Board Meeting on Monday, April 24, 2023. The meeting began at 6 pm and was held in-person at Union Event Center and virtually via a Zoom link posted on the Mead School District website. Directors Burchard, Olson and Gray were present. Director Denholm and Director Cannon were excused. 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 Vice-President Burchard asking all to rise for the Pledge of Allegiance.

II. Approval of Agenda

Director Gray 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 Board Work Session of March 23, 2023, and Regular Board Meeting of March 27, 2023, as presented. Director Gray seconded the motion. The motion carried unanimously.

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

Noting there were three community members/individuals present who signed-up to speak on the budget/levy agenda topics, Vice-President Burchard first opened the floor for a representative from the Mt. Spokane High School ASB class to speak. This was followed by comments from the three community members. *Remarks for the Good of the Schools* concluded with board/staff comments.

Mt. Spokane High School Update

Stetson Gilbert, 2023/24 ASB President, who first shared that he and the other 2023/24 officers have now officially taken over for outgoing 2022/23 officers, provided a brief review of the academic, athletic, leadership and music events recently completed and upcoming at Mt. Spokane. The ASB sponsored *Midnight Madness Volleyball* event, that didn't actually take place at midnight, was a very fun, well-attended activity. The ASB class is also working on the *End-of-the-Year Assembly* and will be providing treats for students taking AP tests that start the first week in May. Athletic teams are doing very well. Baseball is 12-4, both boys and girls track teams are 4-0 and softball is 11-5. Soccer (boys) has had a rough start losing several matches by just one goal. Nine DECA students are currently competing at Nationals in Orlando, Florida, and the *Senior Prom* is April 29th.

Community Member/Individual Comments

Lindsay Kondo, parent of four children who are Mead School District students, indicated it was her desire, as the board considers next year's budget and the upcoming levy renewal, to start an ongoing safety and security conversation. In particular she noted that, while there are security cameras monitoring some school exteriors (that is the case at Midway Elementary where two of her children attend school), no one watches these video feeds in real time. She would like the

district to consider hiring sufficient staff to watch these outdoor cameras. This could save lives as every second matters in an active shooter situation.

Like the previous speaker, Jenn Boomer, parent, Evergreen Elementary PTO officer and para-educator substitute, spoke on the subject of safety and security as they relate to next year's budget and the upcoming levy renewal. As an older school Evergreen doesn't have all of the safety and security upgrades that Midway, as a recently renovated school, does. To illustrate this point, she shared that the school's PTO storage shed was recently broken into. When she asked about reviewing the video footage from the camera located on the shed she was told the camera is non-functional. It was shared that even though it does not work the hope is its presence will serve as a deterrent. She asked when Evergreen will be modernized and, referencing the amount of money the district receives for each student, wondered how much of that allocation goes toward student safety.

Marnie Hansen, a parent and district resident, on the subject of the mental health of students as it relates to next year's budget and the upcoming levy renewal, advocated that mental health professionals be hired/added at the high school level. She noted that 9 out of 12 area high schools have mental health professionals on staff - Mead High School does not. She asked that the district align mental health staffing levels with its core belief of helping each student be future ready . . . able to dream, believe and achieve. She has talked with Mead High School counselors and they have shared they could, right now, fill the schedule of a full-time mental health professional. Noting her son's recent death was related to mental health issues, she implored the board to use the monies designated by the state to address student mental health by adding mental health professionals.

Board/Staff Comments

Director Olson congratulated the Mt. Spokane High School Choir on their recent 2nd place finish, out of a field of 30, at the Heritage Festival in Anaheim, California.

Director Gray, noting April 16-22 was National Volunteers Week, thanked the many parents and community members who volunteer throughout the Mead School District. On the subject of volunteers, Director Olson noted that approximately 60 individuals have indicated they would like to volunteer and serve on the district's Technology Committee.

V. Continuing Business - none

VI. New Business

A. Consent Agenda

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

Consent Agenda

1. Hired Certificated Personnel:

Matthew Walter	Northwood	Cert	1.0 FTE Continuing Assistant Principal effective 7/1/23
Andrew (AJ) Blumel	Northwood	Cert	1.0 FTE Continuing Assistant Principal effective 7/1/23 (no longer at Highland Middle School)
Ray Picicci	Highland	Cert	1.0 FTE Continuing Assistant Principal effective 7/1/12 (no longer at Mead High School)
Heather Mackey	Meadow Ridge	Cert	1.0 FTE Leave Replacement 5 th Grade teacher 22/23 school year effective 4/1/23

2. Hired Classified Personnel:

Kimber Bertelli	Brentwood	Class	4.5 hrs/day Para Educator effective 3/9/23
Danika Enfield	Transportation	Class	4.0 hrs/day Bus Driver effective 3/8/23
Amber Fox	Prairie View	Class	6.05 hrs/day Para Educator effective 3/21/23
Duane Glende	Child Nutrition Services	Class	8.0 hrs/day Cook Manager II effective 3/27/23
Joan Curbow	Child Nutrition Services	Class	8.0 hrs/day Cook Manager II effective 3/23/23

Kyler Kanzler	Shiloh Hills	Class	5.5 hrs/day Para effective 3/16/23
Jacob Harris	Transportation	Class	4.0 hrs/day Bus Driver effective 4/11/23
Sherilyn Redmon	Mead High	Class	6.15 hrs/day Para effective 4/13/23

3. Hired Certificated Substitutes:

Rachel Anderson	Nicole Donaldson	Jaclynn Skok	Ben Valley
Kimberly Brewer	Carol Ishihara	Madison Patterson	Noelle Ousley
Hope Johnson	Jainee Weidmann	Madelaine Walton	Madison McDermott

4. Hired Classified Substitutes:

Julie Becker	Danielle Howard	Sheri LaBissoniere	Sandra Morden
Detlef Arronge	Diana Skachkov	Katie Golden	Andrea Rabe
Kassie Costello	Jennifer Taylor	Annie Bell	Jessica Lusk
Nicole Newman			

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 24, 2023**, the Board, by a unanimous vote does approve for payment the vouchers included in the above referenced list and further described as **Warrant Numbers 110750 to 111164** in the following amounts:

<u>Fund</u>	<u>Amount</u>
General Fund - AP	\$ 1,453,561.22
General Fund - PR	11,374,036.88
ASB Fund	189,622.56
Capital Projects Fund	158,082.36

6. Approved Extra-Curricular and Supplemental Contracts.

7. Declared Items/Buses as Surplus.

8. Approved Requests for Unpaid Leave (i.e., parenting, medical, Good of the District, etc.):

Nichole Proszek	Mead HS	Class	4/21/23
Shelby Andrews	Meadow Ridge	Class	5/26/23 & 5/27/23
Kathy Morgan	Creekside	Class	5/17/23 - 6/20/23
Behka Corker	Highland	Cert	23/24 school year
Marcella Lybbert	Mead Learning Options	Cert	.4 FTE 1 st Semester 23/24 school year
Courtney Bock	Colbert	Cert	.2 FTE 23/24 school year
Micah Erdman	Highland	Class	4/28/23, 5/25/23 & 5/26/23
Jessica Gustafuson	Skyline	Class	4/24/23, 4/25/23 and May 1-3, 2023
Greg Conley	Mt. Spokane	Cert	23/24 school year

9. Approved Requests for Retirement/Resignation:

Tony Bowe	Mt. Spokane	Cert	Resignation effective 3/29/23 (on leave 22/23 school year) (teacher)
Susan Slaton	Skyline	Cert	Retirement effective 6/30/23 (teacher/LIT)
Paula Nelson	Highland	Cert	Resignation effective 8/31/23 (teacher)
Kristen Countryman	Colbert	Class	Resignation effective 4/7/23 (para)
Kerrie Garinger	Meadow Ridge	Class	Resignation effective 10/28/22 (on leave since 10/28/22)
Kristin Busch	Prairie View	Cert	Retirement effective 6/30/23 (teacher)
Linda Johnson	Brentwood	Class	Retirement effective 8/31/23 (para)
Bradley Butterfield	Transportation	Class	Resignation effective 4/11/23 (bus driver)
Debra Morrill	Northwood	Cert	Retirement effective 6/30/23 (teacher)
Tammy Hubble	Mead High	Cert	Retirement effective 8/31/23 (teacher)
Denise McCormack	Mead Learning Options	Class	Retirement effective 6/30/23 (admin asst)
Olinda Martin	Mead High	Cert	Retirement effective 8/31/23 (teacher)
John Blair	Transportation	Class	Resignation effective 3/28/23 (bus driver)
Randall Plischke	Transportation	Class	Resignation effective 4/17/23 (bus driver)
Alicia Noble	Transportation	Class	Resignation effective 5/5/23 (admin asst)

**B. Resolution 23-02
2023-2024 Modified Educational Program**

Superintendent Shawn Woodward presented Resolution 23-02, 2023-2024 Modified Educational Program, for first reading, non-action, board consideration.

The Mead School District Board of Directors on March 27, 2023, adopted Resolution 23-01, 2023-2024 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 23-02 includes the following items representing reduced expenditures of approximately \$5 million to address and resolve the district's financial emergency and general uncertainty for the 2023-2024 school year. The presented reductions impact certificated and classified staff, as well as programs.

Item/Category	Savings/Reduction
• Utilize Grant Dollars to Offset District General Fund Spending	\$804,308
• District Office Administrator	\$230,000
• Shift General Fund Purchases to Capital Projects	\$500,000
• District Level Classified Positions	\$471,000
• 8.0 FTE Secondary Certificated Positions	\$800,000
• 2.0 FTE Elementary (4 th & 5 th grade) Certificated Positions	\$200,000
• RA Lease Expiration Savings	\$50,000
• Year 1 JUUL Litigation Settlement	\$112,000
• MEA Concession (1.5 Principal Days)	\$577,440
• Principal Group & DO Admin Concession (1% reduction)	\$99,571
• Admin Subs Covered In-House	\$50,000
• Five Mile Prairie Lease/Utilities	\$116,000
• 2.0 FTE Itinerant Custodial Staff	\$120,000
• Elementary Virtual Program Elimination (2.0 FTE)	\$200,000
• 35% Reduction in Chromebooks (primarily Elementary level)	\$560,000

The *District Level Classified Positions* reduction is in the transportation and technology department areas. The *Principal Group & DO Admin Concession* means those individuals will, for 23/24, receive a 2.7% IPD rather than the state approved 3.7%. The *Secondary Staffing* reduction will align staffing with enrollment and the elimination of the *Elementary Virtual Program* is based on decreased demand for the program. While moving the Five Mile Prairie program to the old Northwood location was not done for financial reasons, that relocation will result in financial savings.

Superintendent Woodward noted adoption of this resolution will be brought forward as an action item at the next board meeting. If board members have questions he indicated he will be happy to meet with them 1-on-1 or 2-on-1.

C. February 2024 Levy Rate

Chief Financial Officer Heather Ellingson, before presenting information on the February 2024 Levy Rate, noted the data being shared is a summary of what has been shared at two recent Board Work Sessions. Aided by a PowerPoint presentation (attached), information presented to help the board determine a levy rate for the February 2024 ballot measure included the following:

- A review of what the levy funds that included the following percentage information:
 - 20% Principal's Office
 - 22% Technology
 - 52% Multi-Language Learners
 - 8% Special Education
 - 46% Custodial
 - 25% Maintenance/Grounds
 - 39% Nurses/Health Services
 - 12.5% Teaching . . . This includes teachers, para-educators & co-curricular stipends (band, choir, orchestra, drama, debate, ASB, yearbook, etc.)
 - 100% Extracurricular
 - 19% Transportation

- A review of the district's current financial position. Despite reductions made in the current 22/23 school year, that will be maintained and added to in the 23/24 school year, the district's fund balance is projected to be reduced by \$5.7 million in 22/23 and another \$5.4 million in 23/24. This will result in a zero balance in the district's unassigned fund balance at the end of the 23/24 school year.
- A review of monthly cashflow that peaks in October and April. Cashflow projections show the possibility of the district needing to borrow money in June/July 2024 to meet payroll obligations. A graph illustrating cashflow in 24/25 with a \$1.63, \$2.00, \$2.25 and \$2.50 levy rate was reviewed. Only with a \$2.50 levy rate does the district end the year in positive cashflow territory.
- A review of annual fund balance including graphs that illustrate projected fund balance at the following levy rates: \$1.63, \$2.00, \$2.25 and \$2.50 and how these projections align with the board's Fund Balance policy. Only with a \$2.50 levy rate does the district, by the 26/27 school year, approach the unassigned fund balance target set by the board.
- A review of the factors that have resulted in this "perfect storm" financial situation including the impacts of the McCleary fix, loss of regionalization, increased assessed valuation, loss of LEA funding, enrollment losses and the opening of new schools and Union Stadium.
- A review of where school taxes for Mead, assuming a \$2.50 levy rate, would fall when compared with other area school districts. While at this time Ms. Ellingson is not sure what rate other school districts will be asking voters to consider, she does know that other districts are also experiencing similar financial struggles.

In conclusion, as she did at the March 23rd Board Work Session, Ms. Ellingson, for the reasons shared during this presentation, and to maintain solvency, made the very strong administrative recommendation that a \$2.50 levy rate receive board approval. The board will be asked to take action on the levy rate at the upcoming May 8th board meeting.

In response to a question from Vice-President Burchard, Ms. Ellingson shared the 23/24 budget will be presented for board adoption at the second meeting in August.

Superintendent Woodward noted this is the fifth year of significant budget reductions and, therefore, the district is running out of things to cut. He additionally noted messaging the WHY for a \$2.50 levy will be very important. Prior to the McCleary fix the district's levy rate was \$4.01. The state then restricted the levy rate to \$1.50 and, very soon thereafter, raised the limit to \$2.50 in recognition that \$1.50 was inadequate. If there were no levy monies the district would need to reduce expenditures by approximately \$20 million.

Per Vice-President Burchard's request, Ms. Ellingson will present information on the impact to homeowners at each levy rate at the upcoming May 8th board meeting.

D. Student Travel Proposal Mead High School Debate Nationals

Filling in for Darren Nelson, Director of Secondary Education, Assistant Superintendent Jared Hoadley presented for board consideration a travel proposal from one member of the Mead High School Debate Team and advisor/teacher Michael Stovern to travel to Louisville, Kentucky, May 25-29, 2023, to participate in Debate Nationals.

The estimated student costs is \$600 (a \$500 scholarship was received to help offset trip costs). ASB funds will cover the travel costs for Mr. Stovern. Two days of school will be missed (May 25-26) and Mr. Stovern will need a substitute teacher for these same two days. Sub costs will be covered by the Mead High School Building Budget.

Director Olson made a motion to approve the travel request from the Mead High School Debate Team to travel to Louisville, Kentucky, May 25-29, 2023, to compete at Debate Nationals, as presented. Director Gray seconded the motion. The motion carried unanimously.

E. Student Travel Proposal

Mt. Spokane High School National FCCLA Competition

Filling in for Darren Nelson, Director of Secondary Education, Assistant Superintendent Jared Hoadley presented for board consideration a travel proposal from three Mt. Spokane High School FCCLA students and two adults, including FCCLA advisor/teacher Maureen Collins, to travel to Denver, Colorado, July 1-7, 2023, to participate in the FCCLA National Leadership Competition. No school will be missed as the competition takes place after school is out for the summer.

The estimated per student cost to attend the competition is \$1025 (airfare, hotel & meals) with multiple fundraising opportunities provided throughout the school year to help defray costs. ASB funds will cover registration fees. District CTE monies will cover chaperon expenses.

Director Gray made a motion to approve the travel request from Mt. Spokane High School FCCLA to travel to Denver, Colorado, July 1-7, 2023, to participate in the FCCLA National Leadership Competition, as presented. Director Olson seconded the motion. The motion carried unanimously.

VII. Reports

A. Financial Report for the Month of March 2023

Chief Financial Officer Heather Ellingson presented a brief financial report for the month of March 2023. This report covered enrollment numbers, General Fund balance, Special Education funding and projections for future financial considerations. Regarding Special Education this is one area where enrollment is steadily increasing. It was 12.88% in June 2022, 13.38% in September 2022 and in March 2023 was up to 14.12%. For 23/24 the legislature increased the Special Education funding cap from 13.5% to 15% which, considering enrollment growth in this area, will be financially beneficial for the district and make the program closer to being fully funded by the state.

The IPD for 23/24 will be 3.7%. This is lower than this year's 5.5% but still higher than historic averages. The IPD for 24/25 is projected to be 3.9%. Changes in how IPD is calculated have recently been approved which means the district will know the percentage sooner. This will help with budgeting.

In response to a question from Director Gray, Ms. Ellingson shared that 80% of Special Education students are considered Tier I and qualify for pull-out type services. The other 20% qualify for more comprehensive services. This 20% includes 90 Pre-K students. As a rule, the district does not accept choice/out-of-district Special Education students.

B. Superintendent's Report

Superintendent Woodward publicly recognized two stellar Teaching and Learning Department leaders who, beginning July 1st, will embark on new opportunities in the field of education. Darren Nelson, the district's Director of Secondary Education, will be leaving to become the Assistant Superintendent at ESD 101 and Rob Haugen, Director of Elementary Education, will become Assistant Superintendent in the Medical Lake School District. Both are longtime leaders in Mead. Not only have they been great district leaders, they were also both exemplary principals (Darren at Mt. Spokane High School and Rob at Colbert Elementary School). They will both be greatly missed.

VIII. Adjourn

The meeting was adjourned at 7:15 pm.

President

Secretary

FEBRUARY 2024 LEVY RATE

April 24, 2023



WHAT DOES THE LEVY FUND?



2021-22 Local Expenditures (in thousands)	
Basic Ed/ALE/Support Services	
Superintendent's Office	67.3
Business Services	62.2
Human Resources	33.8
Communications	1.6
Instructional Supervision (L&T)	160.1
Learning Resources (Library)	130.0
Principal's Office	1,727.2
Counseling/Social Work	351.1
Safety & Security	10.1
Nurses/Health	821.6
Teaching	7,791.2
Extracurricular	3,216.2
Professional Development (not State PD)	143.3
Maintenance Supervision	225.9
Grounds	188.3
Custodial	1,741.1
Maintenance	465.0
Safety & Security	54.1
Technology	376.5
Print Shop	.2
Total Basic Ed/ALE/Support Services	17,566.3

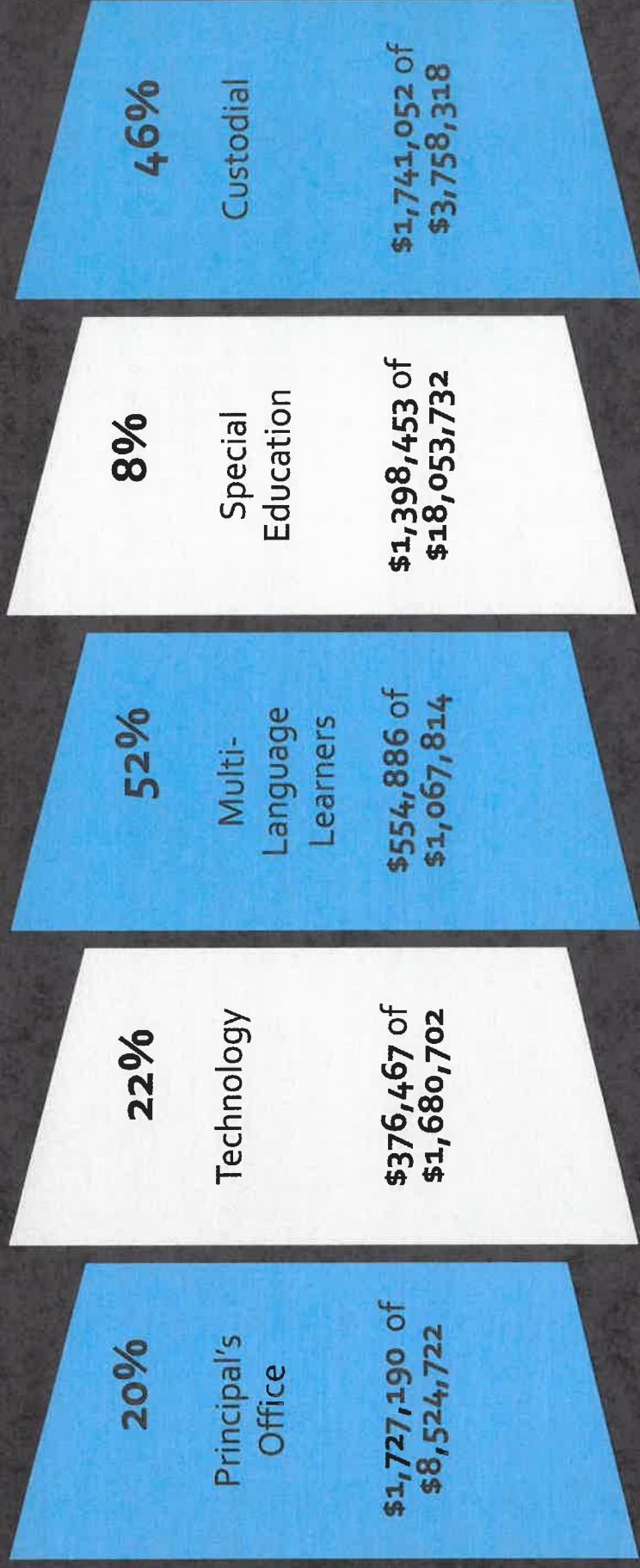
2021-22 Expenditures (in thousands)	
Other Programs	
Multi-Lingual Learners	554.9
Special Ed*	306.2
Transportation	1,274.3
Other Local Funding Sources (Summer School, Etc.)	541.3
Total Other Programs	2,676.7

Grand total expenditures: \$20,243,068

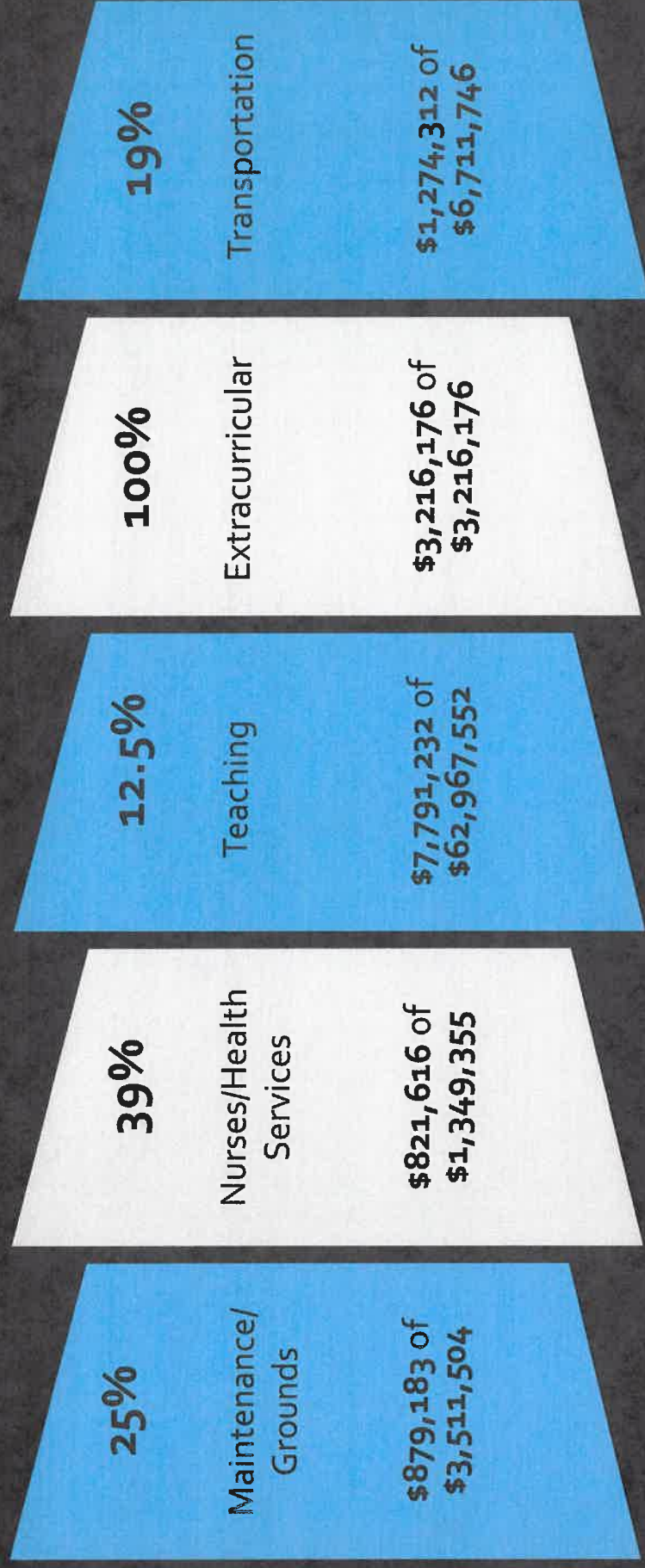
2021-22 Local Revenues (in thousands)	
LEA	4,683.1
Local Levy	13,759.3
Other Local Sources (fines, fees, donations, etc.)	1,981.8
Total Revenues	20,424.2

* Special Education was underfunded by the State by \$1,298,453. Due to MOE concerns, amounts were allocated from other programs to local funding

The Levy Funds what portion of these activities/programs?



The Levy Funds what portion of these activities/programs?





WHAT IS OUR CURRENT
FINANCIAL POSITION?



Current Financial Position

General Fund

	2022-23 Adopted Budget (in Millions)	2022-23 Forecast (in Millions)	2023-24 Preliminary (in Millions)
Revenue	\$153.4	\$152.0	\$158.1
Expenditures	158.6	157.7	163.5
Net change to fund balance	(5.2)	(5.7)	(5.4)
Beginning Fund Balance	11.1	13.5	7.8
Ending Fund Balance	5.9	7.8	2.4
Nonspendable	0.6	0.4	0.4
Restricted	0.7	1.3	0.8
Assigned	3.4	3.5	1.2
Unassigned	1.2	2.6	-0-
Total	\$5.9	\$7.8	\$2.4

Using Fund Balance

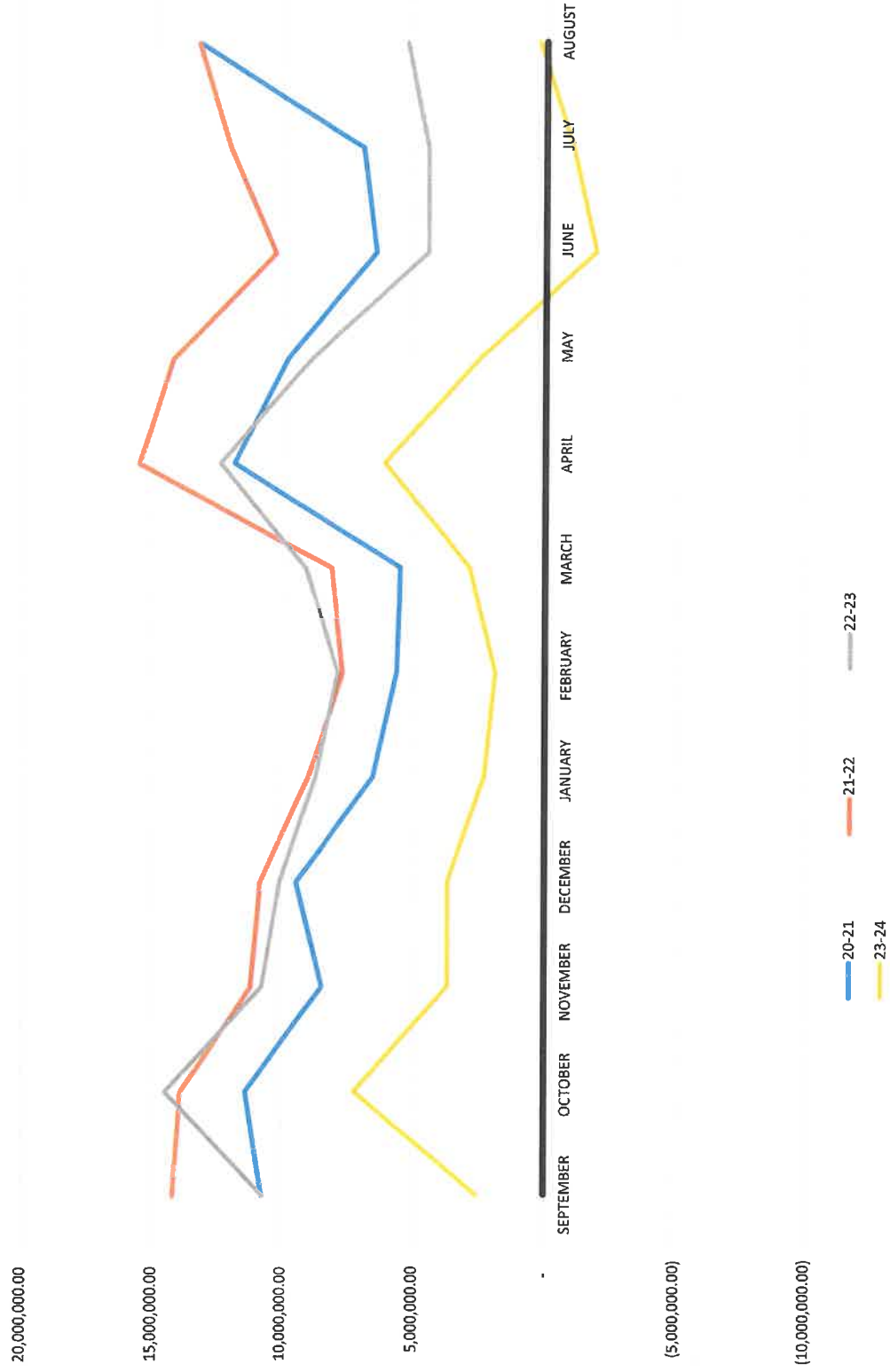
Reduced Assigned FB
No Unassigned FB



CASHFLOW



Cashflow Projections through 2023-24

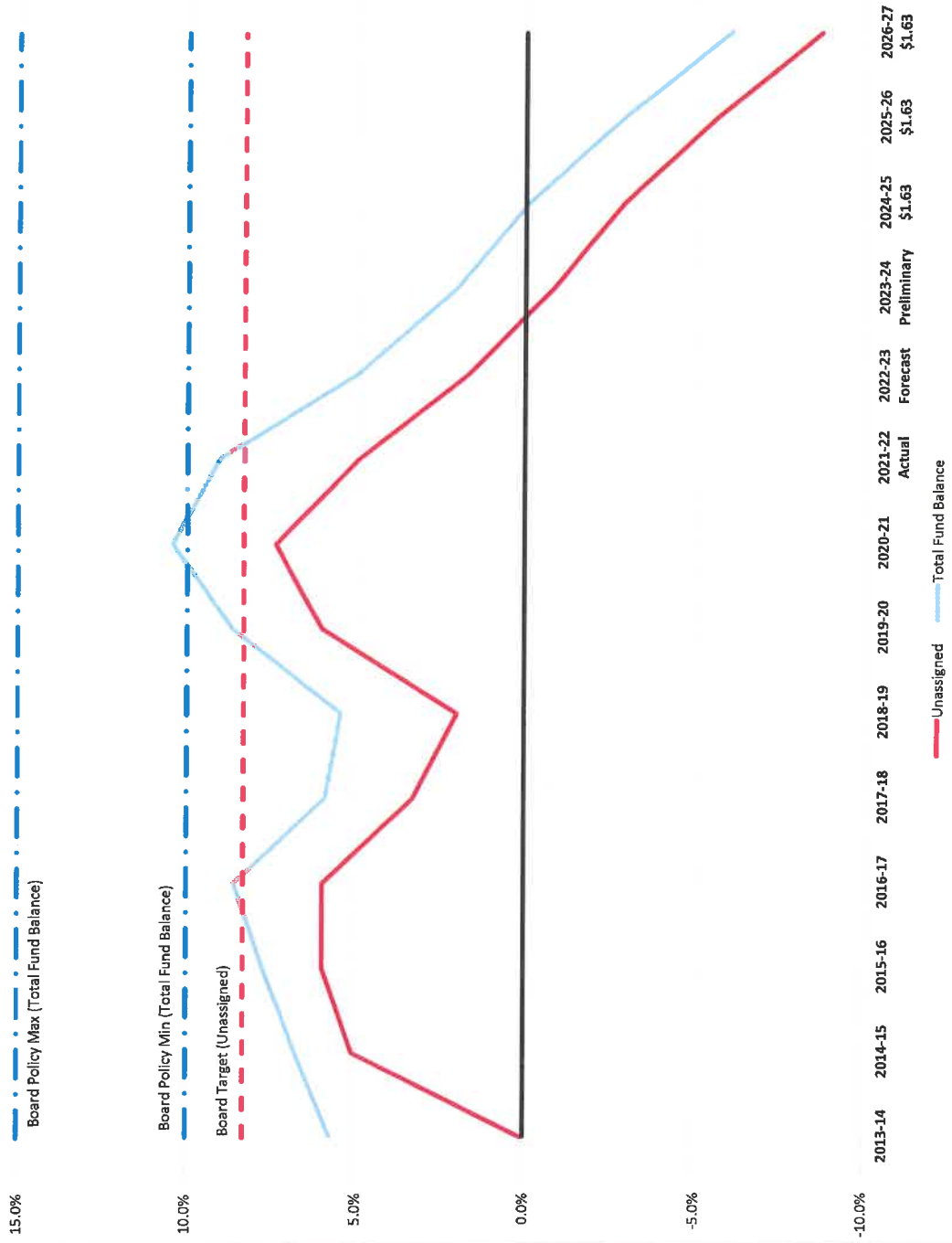




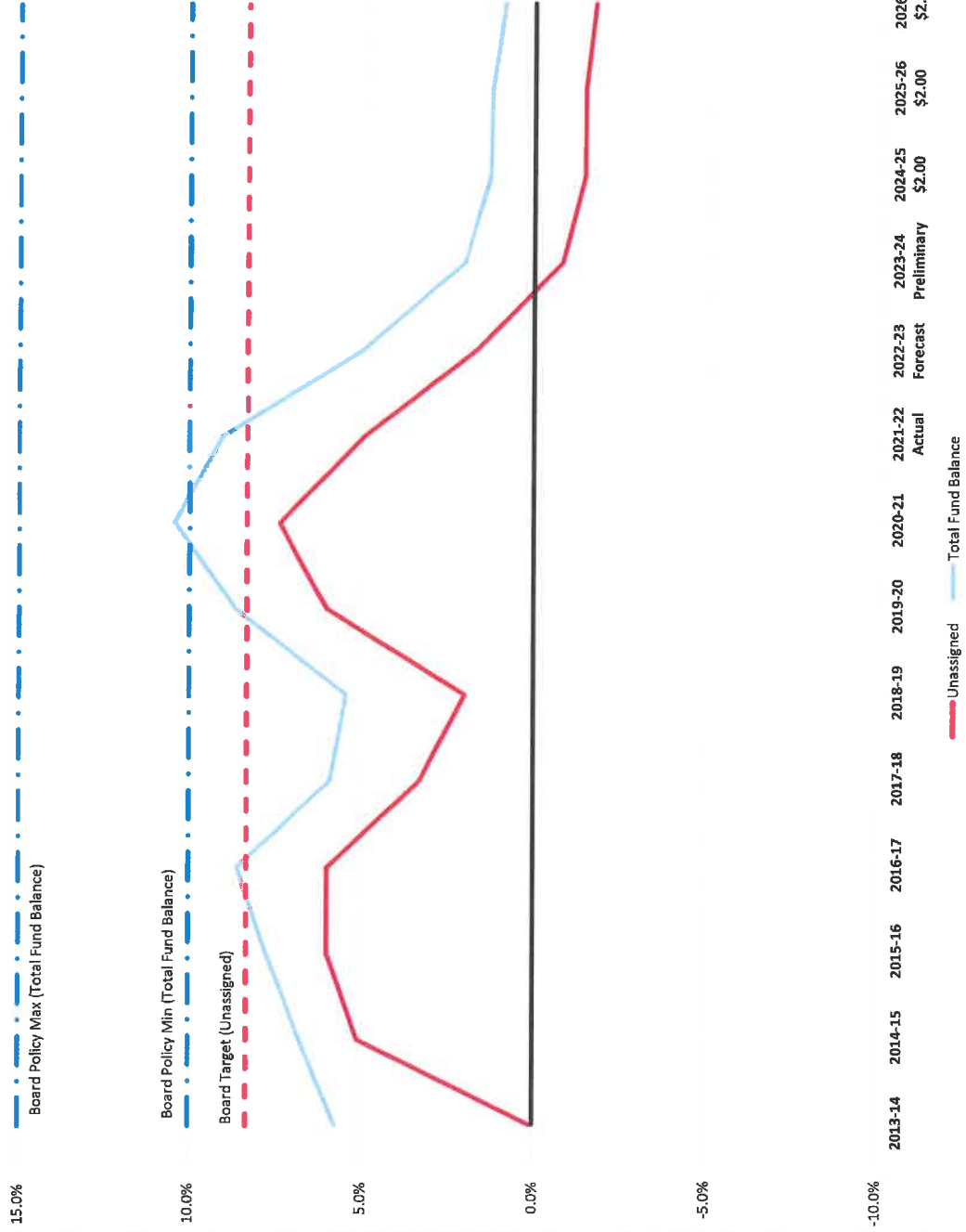
FUND BALANCE



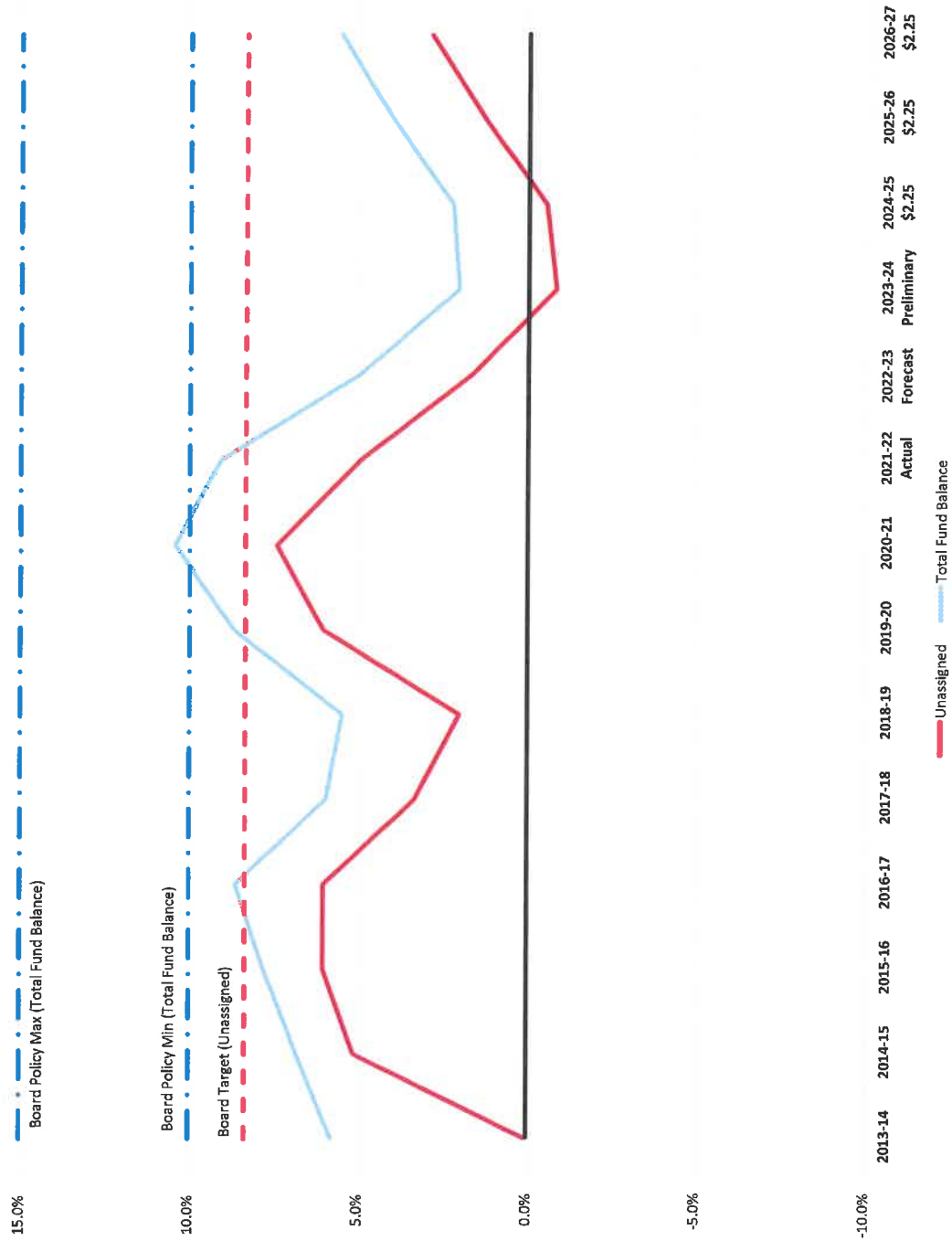
Actual & Projected Fund Balance at \$1.63



Actual & Projected Fund Balance at \$2.00



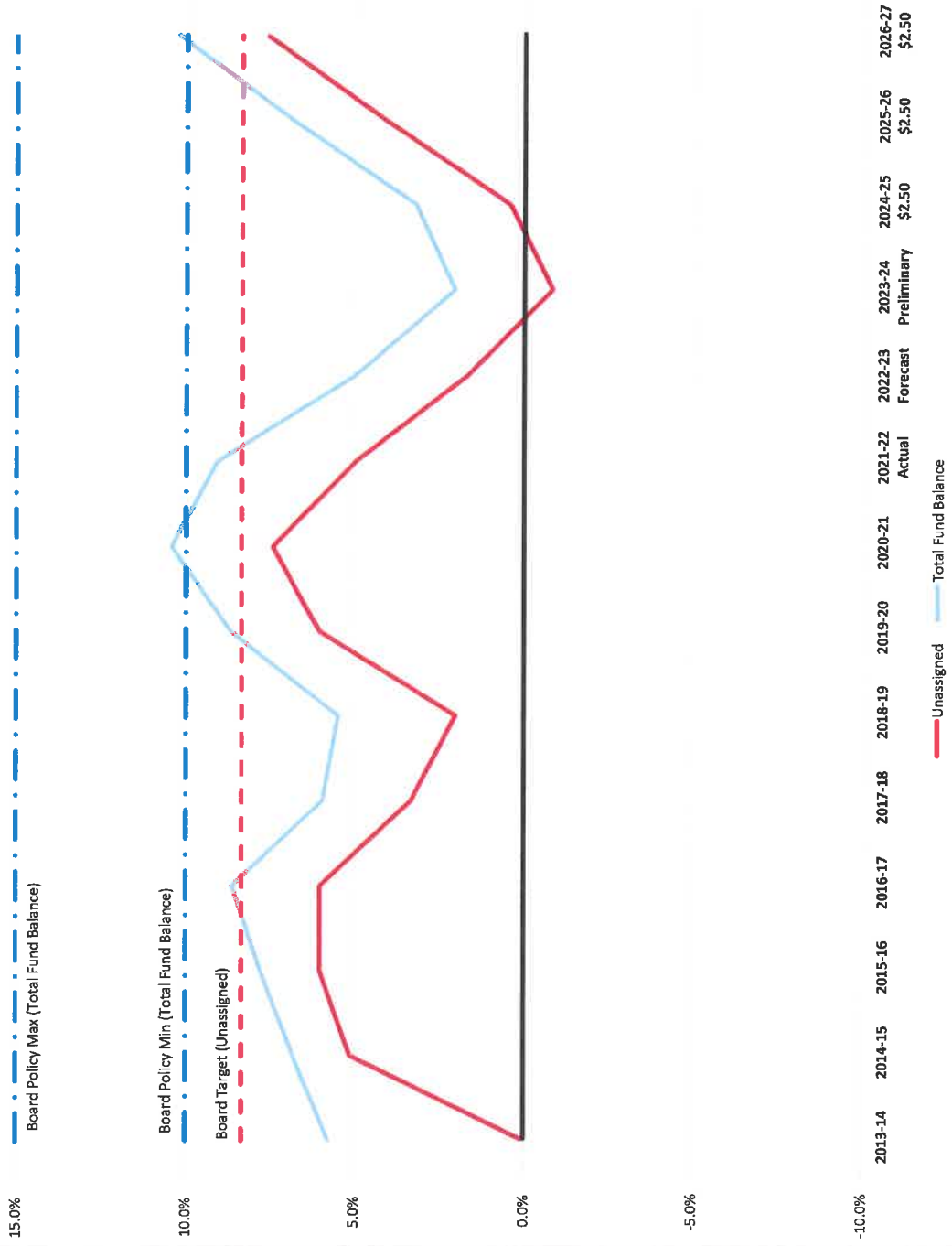
Actual & Projected Fund Balance at \$2.25



2013-14 2014-15 2015-16 2016-17 2017-18 2018-19 2019-20 2020-21 2021-22 Actual 2022-23 Forecast 2023-24 Preliminary 2024-25 2025-26 2026-27 \$2.25

Unassigned Total Fund Balance

Actual & Projected Fund Balance at \$2.50





HOW DID WE GET HERE?



Perfect Storm



Financial Impact since 2020

	Annual Impact	Estimated Rate needed to offset (based on 2025 AV)
Regionalization (6% in 19-20 3% currently)	\$1.8 million	\$0.15
Regionalization (expected to decrease to 0% by 24-25)	\$1.8 million	\$0.15
Loss in enrollment (10,500 to 10,200)	\$2.4 million	\$0.20
LEA Loss (State Funding)	\$2.7 million	\$0.22
Cost of opening new buildings (Skyline, Creekside, Highland, Union Stadium)	\$3.6 million	\$0.29
Above average IPD increases	\$1.0 million	\$0.08

RECOMMENDATION

IT IS OUR RECOMMENDATION TO ASK
VOTERS TO APPROVE THE MAXIMUM
LEVY AMOUNT OF \$2.50/\$1,000AV

District	EP&O	Bond	Capital	Total
Spokane	2.09940	1.70110	0.00000	3.80050
Freeman	1.24210	1.48360	0.95970	3.68540
Mead (projected 2025)	2.50000	1.13000	0.00000	3.63000
West Valley	2.23520	0.00000	1.22200	3.45720
Deer Park	1.33820	1.69820	0.00000	3.03640
Mead	1.63800	1.35330	0.00000	2.99130
Central Valley	1.90620	1.08180	0.00000	2.98800
Cheney	1.30500	1.42190	0.07510	2.80200
Medical Lake	1.23590	1.22590	0.25170	2.71350
East Valley	1.98910	0.00000	0.71640	2.70550
Nine Mile	2.08600	0.38290	0.00000	2.46890
Riverside	1.20060	0.00000	0.49160	1.69220
Newport	1.23150	0.42360	0.00000	1.65510