

August 17, 2017 5:00 p.m. Special Board Meeting

CALL MEETING TO ORDER/PLEDGE OF ALLEGIANCE (REF. POLICY 1400; 1420)

Brian Kuh, Board Vice President and Director at Large called the Special Board Meeting to order at 5:00 p.m. Meeting guidelines were given to everyone in attendance; public comments are not received during a Special Board Meeting. The Pledge of Allegiance was conducted.

PRESENT –

Brian Kuh, Vice-President
James Stoffer, Director
Robin Henrikson, Director
Michael Howe, Director
Gary Neal, Superintendent
Heidi Hietpas, Finance and Operations
Paul Wieneke, Human Resources
Valorie Knieper, Human Resources

Budget Work Session

2017-2018 Budget PowerPoint presented to Board by Executive Director Heidi Hietpas. Review of enrollment trend showing school years 2010-2011 through 2016-2017 with Actual enrollment numbers. The 2017-2018 school year projections are a reduction in student FTE. Discussion was held regarding the difference in Student FTE, with and without Running Start Enrollment.

Discussion of District Funds with general descriptions: General Fund; Associated Student Body Fund (ASB); Debt Service Fund; Capital Projects Fund; and, Transportation Vehicle Fund. Questions asked about General Fund Balance being under-budgeted for the 2016-2017 School Year. Delay in State Budget discussed. District would like to keep balance to cover salaries and benefits (over \$2,000,000/30 days). There is less than \$2,000,000 in the General Fund Ending Balance. District has requested vendors to put hold on invoices so salaries are covered. Vendors have graciously complied. Discussion on building General Fund and Revenue sources.

Revenue Sources for 2017-18 include: Local Taxes (20.5%); Local Nontax Support (2.1%); State General Purpose (56.2%); State Special Purpose (11.9%); Federal General Purpose (.2%); Federal Special Purpose (8.8%); and Other (.3%). These Sources total \$35,099,771. Review of Revenue History from 2012/2013 School Year through 2017-2018 School Year. Discussion on property taxes being lowered during economy troubles of 2008. If property taxes are not being paid, less funding for school districts. It takes more funding to keep old buildings running. District cannot use EP&O dollars for salaries. Mrs. Hietpas explained the trend is the gradual increase of resources, but also an increase in benefits (health and retirement). Funding formulas do not see increase in funding with increase in costs. Federal Grants usually pay for salaries and benefits of employees working in Federal Programs connected to the Grants. Property Tax rates are different depending on industry of area. Discussion.

Expenditures of Sequim School District: Salaries and Benefits for Certified and Classified Staff; Other Operating Costs for Supplies, Purchased Services, Travel, and Capital Outlay. There has been an increase for all salary contracts. Explanation of Expenditures by Object Codes given by Mrs. Hietpas, including: Employee Benefits and Payroll Taxes (21.4%); Supplies and Materials (6.5%); Purchased Services (11.1%); Travel (.2%); Capital Outlay (.8%); Certificated Salaries (43.1%); Classified Salaries (16.9%). Discussion.

Presentation of Expenditures by Program comparing 2015-2016 Actual Budget to 2016-2017 Original Budget, and 2017-2018 Proposed Budget. Programs include: Basic Education; Alternative Learning;

