

BAINBRIDGE ISLAND SCHOOL DISTRICT

District Budget Advisory Committee

Tuesday, March 14, 2017

5:30-7:30 pm

District Board Meeting Room

A G E N D A

- Review and Approve February 28 Minutes
- Non-Resident Enrollment
- District Enrollment Report
- State Revenue by Grade Level
- Contract Language re: Class Size
- January Financial Report
- Four Year Summary Report
- HB 1059/ SB 5023 Levy Cliff Bill
- Demographic Report
- DBAC Process

DBAC Meetings:

March 21

March 28

April 11

BAINBRIDGE ISLAND SCHOOL DISTRICT NO. 303

District Budget Advisory Committee (DBAC)

Meeting Minutes

Date: February 28, 2017

Place: Board Room – Commodore Campus

Time: 5:30-7:30 p.m.

Attendees: Peter Bang-Knudsen, Sheryl Belt, Erin Murphy, Peggy Paige, Dave Shockley, Reese Ande, Larry Holland, Martha Wells, Sandy Van Eps, Mike McCloud, Tim Kinkead, Lynn Smith, Jenniefer Pells, Tamara Colagrossi Turner, Heather Palmer, Mairead Shutt, Marina Cofer-Wildsmith

The following minutes are an overview of the DBAC meeting. A complete audio recording is available for review in the Bainbridge Island School District Main Office. Contact Lani Chaffee 206-780-1052.

Superintendent Peter Bang-Knudsen thanked the membership for volunteering to participate in DBAC. Bang-Knudsen asked the membership to provide a brief introduction then reviewed the meeting agenda. The goal of the meeting was to provide the membership with big picture information about the budget and to provide a baseline of understanding for the group.

- DBAC Mission, Membership, Roles and Responsibilities
- District Improvement Plan
- Budget Development Guidelines and Assumptions
- District Financial Data and Enrollment Projections

DBAC Mission, Membership, Roles and Responsibilities

Superintendent Peter Bang-Knudsen reviewed the mission of DBAC:

To support and advise the Bainbridge Island School District Board of Directors, superintendent, and other district staff and committees in the development, review, and revision of both short and long-term financial management plans that support the mission and priorities of the district.

The committee reviewed the DBAC Mission, Membership, Roles and Responsibilities then shared comments and observations.

- The scope of the shortfall itself and the connection of enrollment with education funding.
- Clarity on DBAC communication. All DBAC information will be posted. The committee will be asked to attend community meetings and hear from the community as well as communicate out.
- The committee is an advisory capacity.
- District staff will provide the documents and materials to the committee.
- The committee will provide different scenarios to the board.
- The tie to the District Improvement Plan as a starting point.
- Students are the priority and looking through the lense of what is best for students.
- Deliberation will be open, honest and transparent.
- Analyze the demographics and financial trends.

- Communication and the need to reduce the confusion and misinformation.
- In what capacity is the committee making a recommendation to the board?
- The role of the union contract.
- An updated demographic report will be presented in March. The last study was performed in 2012.
- DBAC started in 2007/08.
- The committee is an advisory to the board. The board will make the final decision.

District Improvement Plan

The District Improvement Plan is a two-year document that is adopted by the school board.

The committee reviewed the District Improvement Plan then shared highlights of the plan.

- Starts with supporting all students. Resources, skills and tools are essential to provide academic growth.
- Using assessments as a tool to guide and support student learning.
- The balance of state requirements and student needs.
- The value of staff cannot be underestimated. The teacher/staff-student connection is directly linked to student learning. The district needs to retain and recruit high quality staff (certificated and classified).
- Supportive culture for every kid and connection with the community.

Budget Development Guidelines & Assumptions

Assistant Superintendent Erin Murphy presented an overview of the budget. The complete presentation is available on the district site: [BISD303.org/Superintendent's Office/DBAC Meetings 2016-2017/February 28, 2017 Meeting](http://BISD303.org/Superintendent's%20Office/DBAC%20Meetings%202016-2017/February%2028,%202017%20Meeting).

A committee member asked for clarification on state funding by grade. The district will provide a report at the March 14 meeting.

The district is working on the staffing process and balancing staff with the projected enrollment based on state allocation and the bargained agreements.

The levy dollars recently approved by the voters will be distributed half in 2017-2018 and half in 2018-2019.

The local dollar collection is computed by state funds plus federal dollars plus ghost dollars multiplied by 28.9%.

The committee requested more information on non-resident students. Bang-Knudsen stated that the district must have capacity at the requested grade level to accept an off island student.

Murphy reviewed Full Time Equivalent (FTE) and Headcount (HC). The district is funded based on FTE. Some students attend BISD schools only a portion of the day – for example half-day kindergarten is .5 FTE.

Additional information for next meeting: Enrollment information and trends. Additional funds per student (CTE). Class size numbers and how we compare to other districts. What is the recommended class size. Rules for recruiting off island students.

The meeting adjourned at 7:34 p.m.

Future DBAC meetings: March 21, March 28, April 11

	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Transfers In	90	102	117	136	144	144	146
Transfers Out	31	35	34	35	27	40	49

Grand Total	121	137	151	171	171	184	195
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School Year	Transfers In	Student Totals
2010-2011	Bremerton	8
	Hansville	4
	Indianola	2
	Kingston	10
	Port Ludlow	2
	Poulsbo	44
	Seabeck	2
	Seattle	1
	Silverdale	2
	Suquamish	14
	Tacoma	1
	Grand Total	90

School Year	Transfers In	Student Totals
2011-2012	Bremerton	6
	Hansville	6
	Indianola	7
	Kingston	13
	Lake Forest Park	1
	Port Ludlow	2
	Poulsbo	46
	Port Orchard	1
	Seabeck	2
	Seattle	3
	Silverdale	2
	Suquamish	13
	Grand Total	102

School Year	Transfers In	Student Totals
2012-2013	Bremerton	7
	Chelan	1
	Chimacum	1
	Hansville	4
	Indianola	5
	Kingston	14
	Port Gamble	5
	Port Ludlow	1
	Port Townsend	1
	Poulsbo	57
	Port Angeles	2
	Port Orchard	1
	Seattle	2
	Silverdale	2
	Suquamish	13
	Grand Total	116

School Year	Transfers In	Student Totals
2013-2014	Bremerton	8
	Hansville	4
	Indianola	6
	Kingston	9
	Port Gamble	4
	Port Orchard	1
	Port Townsend	1
	Poulsbo	79
	Rolling Bay/Poulsbo	2
	Seattle	3
	Silverdale	5
	Suquamish	14
	Grand Total	136

School Year	Transfers In	Student Totals
2014-2015	Bremerton	9
	Hansville	3
	Indianola	8
	Kingston	8
	Port Gamble	4
	Port Orchard	1
	Poulsbo	88
	Rolling Bay/Poulsbo	1
	Seattle	2
	Silverdale	2
	Suquamish	18
	Grand Total	144

School Year	Transfers In	Student Totals
2015-2016	Bremerton	5
	Edmonds	1
	Hansville	1
	Indianola	12
	Kingston	16
	Kirkland	1
	Nordland	1
	Port Orchard	1
	Poulsbo	82
	Seattle	3
	Silverdale	8
	Suquamish	13
	Grand Total	144

School Year	Transfers In	Student Totals
2016-2017	Bremerton	5
	Hansville	1
	Indianola	8
	Kingston	17
	Kirkland	2
	Port Gamble	2
	Port Orchard	2
	Port Townsend	1
	Poulsbo	88
	Silverdale	5
	Squamish	15
	Grand Total	146

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School Year	Transfers In	Student Totals
2010-2011	Blakely	3
	Wilkes	5
	Ordway	7
	Sakai	11
	Woodward	16
	BHS	36
	Odyssey	1
	Mosaic	1
	Eagle Harbor	10
	BISD SpEd School	0
	Grand Total	90

School Year	Transfers In	Student Totals
2011-2012	Blakely	7
	Wilkes	11
	Ordway	5
	Sakai	5
	Woodward	20
	BHS	37
	Odyssey	1
	Mosaic	9
	Eagle Harbor	7
	BISD SpEd School	0
	Grand Total	102

School Year	Transfers In	Student Totals
2012-2013	Blakely	4
	Wilkes	13
	Ordway	8
	Sakai	16
	Woodward	11
	BHS	47
	Odyssey	2
	Mosaic	5
	Eagle Harbor	10
	BISD SpEd School	0
	Grand Total	116

School Year	Transfers In	Student Totals
2013-2014	Blakely	8
	Wilkes	20
	Ordway	7
	Sakai	18
	Woodward	11
	BHS	52
	Odyssey	5
	Mosaic	7
	Eagle Harbor	8
	BISD SpEd School	0
	Grand Total	136

School Year	Transfers In	Student Totals
2014-2015	Blakely	2
	Wilkes	21
	Ordway	8
	Sakai	18
	Woodward	15
	BHS	53
	Odyssey	4
	Mosaic	10
	Eagle Harbor	13
	BISD SpEd School	0
	Grand Total	144

School Year	Transfers In	Student Totals
2015-2016	Blakely	2
	Wilkes	9
	Ordway	10
	Sakai	17
	Woodward	23
	BHS	51
	Odyssey	0
	Mosaic	20
	Eagle Harbor	12
	BISD SpEd School	0
	Grand Total	144

School Year	Transfers In	Student Totals
2016-2017	Blakely	2
	Wilkes	13
	Ordway	12
	Sakai	10
	Woodward	25
	BHS	56
	Odyssey	1
	Mosaic	13
	Eagle Harbor	13
	BISD SpEd School	1
	Grand Total	146

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DISTRICT ENROLLMENT BY GRADE																			
Date:	3/1/2017	2016-2017																	
Elementary																			
	Blakely			Wilkes			Ordway			Mosaic			Total						
	Head	FTE		Head	FTE		Head	FTE		Head	FTE								
K-full	66	66.00	66	66.00	66.00	70	69.53	70	69.53	0	0.50	0	0.00	209	207.57	201.00	KF		
1	62	62.00	73	73.00	73.00	79	79.00	79	79.00	3	3.00	10	10.00	229	227.07	235.00	1		
2	71	71.00	66	66.00	66.00	53	53.00	53	53.00	8	6.20	12	12.00	210	208.20	215.00	2		
3	72	72.00	98	98.00	98.00	83	83.00	83	83.00	8	7.40	11	11.00	273	272.40	283.00	3		
4	76	76.00	80	80.00	80.00	87	87.00	87	87.00	3	1.80	13	13.00	262	258.91	277.00	4		
Total K-4	347	347	383	383	383	372	371.53	372	371.53	28	24.9	46	46	1183	1174.15	1211.00			
Immediate & Middle																			
	WMS			Sakai			BHS			Mosaic			Odyssey			Student Svcs			Total
	Head	FTE		Head	FTE		Head	FTE		Head	FTE		Head	FTE		Head	FTE		
5				256	256.00					6	5.40	13	13.00	2	0.09	277	274.49	279.00	5
6	1	1.68		287	286.32					8	7.18	14	14.22	0	0.00	310	308.40	302.00	6
7	300	299.18								2	1.40	24	24.00	2	0.09	328	324.67	350.85	7
8	299	297.71				0	0.17			3	2.19	26	25.83	0	0.00	328	325.90	311.80	8
Total 5-8	600	598.57		543	542.32	0	0.17	0	0.00	19	16.17	77	77.05	4	0.18	1243	1234.46	1245.65	
High School																			
	BHS			Eagle Harbor			WMS			Student Svcs			Total						
	Head	FTE		Head	FTE		Head	FTE		Head	FTE		Head	FTE					
9	343	340.36		23	23.26								1	0.40	367	364.02	356.65	9	
10	305	313.10		30	19.69								1	0.70	336	333.49	323.25	10	
11	314	306.97		20	14.82								1	0.02	335	321.81	330.80	11	
12	282	283.95		30	15.96								0	0.00	312	299.91	303.65	12	
Total 9-12	1244.00	1244.38		103.00	73.73		0.00	0.00	0.00	0.00	0.00	0.00	3.00	1.12	1350	1319.23			
Budget																			
												H/C	FTE		1314.35				
												MARCH 17	3776	3727.84	3769.00				
* Subject to revision																			
**Please use OSP1 website for most current information.																			

Basic Ed. Funding by Grade Level

K - 3	\$7,881
4 - 6	\$6,894
7 - 8	\$6,103
9 - 12	\$6,463

Section J: Staffing

In order to increase teaching effectiveness and learning opportunities for the students of the employer, the following provisions of this section will serve as the basis for determining the daily individual classroom employee workload. The term "class size" as referred to in this provision means the ratio between the total number of FTE students in a class and the number of teachers in that class. Employees in their first or second year of teaching experience will not have students over class size limits unless a meeting has been held with the building administrator, an Association representative and the Superintendent's designee. Any teacher with a class in excess of the respective limit will be eligible for remedies as provided in this contract.

1. Elementary Grades Limits

Preschool	24
Grades K-1	24
Grades 2-3	26
Grades 4-6	27

2. Elementary Specialists Staffing ratios for elementary specialists will be the same as for elementary grades. No elementary specialist will serve more than seven (7) sections of classes per day. In determining the number of sections served, half-day kindergarten classes will count as 0.5 as computed on monthly building counts. No more than two (2) sections of kindergarten classes will be served on any given day unless mutually agreed upon with specialist staff and building administration.

3. Intermediate Specialists Limits

Art	27
Band	32
Music	32
Physical Education	32

4. Secondary Grades The class size limits for secondary grades will be at the levels listed below, except where historically larger or where limited facilities and/or equipment necessitate.

<u>Curriculum Areas</u>	<u>Limits</u>
Art (Not CTE)	29
CTE (Not Construction and Engineering)	28
CTE Construction and Engineering	25
World Language	29
English/Language Arts	28
Mathematics	29
Music	38
Physical Education	42
P.E. Weight Room (HS only)	32

Science	28
Social Studies	29
Photography	28

5. Mixed Grades: For any elementary grade classes composed of mixed grades, the staffing ratio will be eighty percent (80%) of the ratio for those particular grade levels and/or curriculum areas. This section will not apply to multi-age classrooms.
6. Librarians: The optimum number of librarians is one (1) per building.
7. Elementary Instructional Interventionist: The staff to student ratio will be 1:50.
8. Resource Room Caseload:
 - a. Teachers at the elementary level will have a case load of no more than twenty-six (26) students on IEPs. Elementary resource rooms will be staffed with at least fifteen (15) hours of paraeducator time per FTE. The fifteen (15) hours will not be considered as an overload remedy. Additional staffing will be considered for extraordinary student needs. If the number of students goes below 75% of FTE caseload, the amount of paraeducator time may be reduced.
 - b. Teachers at the intermediate school level will have a caseload of no more than twenty-seven (27) students on IEPs per FTE teacher assigned to the resource room program. Intermediate resource rooms will be staffed with at least twelve (12) hours of paraeducator time per FTE. The twelve (12) hours will not be considered as an overload remedy. Additional staffing will be considered for extraordinary student needs. If the number of students goes below 75% of FTE caseload, the amount of paraeducator time may be reduced.
 - c. Teachers at the middle school will have a caseload of no more than twenty-nine (29) students on IEPs per FTE teacher assigned to the resource room program. Middle school resource rooms will be staffed with at least nine (9) hours of paraeducator time per FTE. The nine (9) hours will not be considered as an overload remedy. Additional staffing will be considered for extraordinary student needs. If the number of students goes below 75% of FTE caseload, the amount of paraeducator time may be reduced.
 - d. Teachers at the high school will have a caseload of no more than twenty-nine (29) students on IEPs per FTE teacher assigned to the resource room program. High school resource rooms will be staffed with six (6) hours of paraeducator time per teacher FTE. The six (6) hours will not be considered as an overload remedy. Additional staffing will be considered for extraordinary student needs. If the number of students goes below 75% of FTE caseload, the amount of paraeducator time may be reduced.

9. Self-Contained Classroom Caseloads:

- a. Teachers at the elementary school level who serve students who have severe disabilities and little or no ability to function independently in the educational environment will have a caseload of no more than eight (8) students on IEPs per FTE teacher. Elementary school self-contained classrooms will be staffed with paraeducator support at three (3) hours per student. The three (3) hours per student will not be considered as an overload remedy. Additional staffing will be allocated for students who need supervision outside the student day (i. E. specialized transportation). Additional staffing will be considered for extraordinary student needs. If the number of students goes below 75% of FTE caseload, the amount of paraeducator time may be reduced.
- b. Teachers at the intermediate/middle level who serve students who have severe disabilities and little or no ability to function independently in the educational environment will have a caseload of no more than eight (8) students on IEPs per FTE teacher. Intermediate/middle school self-contained classrooms will be staffed with paraeducator support at two and one-half (2.5) hours per student. The two and one-half (2.5) hours per student will not be considered as an overload remedy. Additional staffing will be allocated for students who need supervision outside the student day (i.e. specialized transportation). Additional staffing will be considered for extraordinary student needs. If the number of students goes below 75% of FTE caseload, the amount of paraeducator time may be reduced.
- c. Teachers at high school level in Independent Learning Centers who serve students who have severe disabilities and little or no ability to function independently in the educational environment will have a caseload of no more than 10 students on IEPs per FTE teacher. High school self-contained classrooms will be staffed with paraeducator support at two (2) hours per student FTE. The two (2) hours per student will not be considered as an overload remedy. Additional staffing will be allocated for students who need supervision outside the student day (i.e. specialized transportation). Additional staffing will be considered for extraordinary student needs. If the number of students goes below 75% of FTE caseload, the amount of paraeducator time may be reduced.
- d. Teachers in the adult living program(ALP) will have a caseload of no more than twelve (12) students on IEPs for a four (4) day/week schedule. The ALP will be staffed with paraeducator support at two (2) hours per student. The two (2) hours will not be considered as an overload remedy.

10. Developmental Preschool Caseload:

Teachers at the preschool level will have a caseload of no more than ten (10) students on IEP's and four (4) typically developing peers per session. These classrooms will be staffed with six (6) hours of paraeducator time per half-day per FTE. These six (6) hours will not be considered as an overload remedy. Additional staffing will be

considered for extraordinary student needs. If the number of students goes below 75% of FTE caseload, the amount of paraeducator time may be reduced

11. Special Services Staff:

Counselor:	Elementary	1:450 students
	Intermediate School	1:425 students
	Middle School	1:400 students
	High School	1:400 students

Nurse:	1:2500 students
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Occupational Therapist/Physical Therapist: One therapist will maintain a caseload of more than twenty-five students (25 IEPs) per full time equivalent therapist.

Speech Language Pathologist: One therapist will maintain a caseload of no more than (40) students (40 IEPs) per full time equivalent SLP with remedies to begin with the 42nd case.

School Psychologist: The target ratio will be a caseload of no more than 1:1250 per FTE for the psychologist staff. The District reserves the right to assign staffing to meet student caseload ratios (i.e. multiple buildings, reassignment, etc.) To determine Early Childhood caseload multiply the Kindergarten head count by 3.5.

Speech and Language Pathologists, Occupational Therapists and Physical Therapists will be provided appropriate time during school hours to complete evaluations and related paperwork, obtained either through regular scheduling of time blocks or through the modification of therapy schedules on an as needed basis.

Section K: Overloads and Remedies

When a staff member reaches overload status, there are remedies available as described in this section. An effort will be made to balance class size for each teacher throughout the day and among teachers of the same class at the same period.

1. Determination of Overload

<u>Employee Type</u>	<u>Class size/Caseload limit</u>	<u>Remedy</u>
Pre-K through 1 st Grade general ed teacher	24	Para time, sub time, stipend (or combination) ½ day kindergarten receives ½ of the remedy
Grades 2-3	26	Para time, sub time, stipend (or combination)
Grades 4-6	27	Para time, sub time, stipend (or combination)
Elementary specialists	Same as for elementary staff	TBD in consultation with principal
Intermediate specialists	see list in section J: Staffing	Para time, sub time, stipend (or combination)
Secondary curriculum areas	see list in section J: Staffing *avg over the day	Para time, sub time, stipend (or combination)
Special education Resource Room	-Elementary-26 -Intermediate-27 -Middle-29 -High-29	Para time, sub time, stipend (or combination)
Special Education Self-Contained	-Elementary-8 -Intermediate-8 -Middle-8 -High-10	Para time, sub time, stipend (or combination)
SLP	40	Remedy begins at 42nd student; Para time, sub time, stipend (or combination)

OT/PT	25	Remedy begins at 26th student: Para time, sub time, stipend (or combination)
Psychologist	1250 students	For each 5% of overload Para time, sub time, stipend (or combination)
Nurse	2500 students	For each 5% of overload Para time, sub time, stipend (or combination)
Elementary counselor	450 students	For each 5% of overload Para time, sub time, stipend (or combination)
Intermediate counselor	425 students	For each 5% of overload Para time, sub time, stipend (or combination)
Middle/HS counselor	400 students	For each 5% of overload Para time, sub time, stipend (or combination)
K-6 Instructional Interventionist	50 students	Para time, sub time, stipend (or combination)

For the purpose of providing remedies at the secondary level, overloads will be determined on the basis of the average class size taught by a teacher. (Remedies to be applied only when whole numbers of students are reached:

- .1 through .9 over = no remedy;
- 1.0 through 1.9 over = remedy for one (1) student, etc.

2. Procedure

The employer will have ten (10) school days at the beginning of the school year and five (5) school days at the beginning of the second and third trimester/semester to make adjustments in class sizes.

When an overload situation cannot be adjusted the affected employee(s) will have the remedy of one of the following options or combination of options of his/her choice as outlined in the remedy section below. All options will be retroactive to the first day of the overload.

In order to ensure input from certificated employees directly affected by classes and/or caseloads larger than the maximum staffing guidelines/standards, these procedures will be followed:

BOARD OF DIRECTORS
Sheila Jakubik
Mev Hoberg
Lynn Smith
Mike Spence
Tim Kinkad



SUPERINTENDENT
Dr. Peter Bang-Knudsen

8489 Madison Avenue NE * Bainbridge Island, Washington 98110 * (206) 842-4714 * Fax: (206) 842-2928

MEMORANDUM

To: Peter Bang-Knudsen, Superintendent
From: Peggy Paige, Director of Business Services
RE: Monthly Financial Reports - January

Date: February 21, 2017

Attached are the financial reports for the month ending January 31, 2016

1. General Fund
 - a. Analysis
2. Summary of Fund Balances
 - a. Budget Status Reports

Analysis of General Fund

Revenue

General Fund revenues to January 31st total \$18.1 million and are at 41.1% of budget estimates. Local tax revenues are in line with the expected average. Local nontax revenues are below the 3 year average. Rental revenues and lunch sales are lower than prior year at this time. This month our state revenues were recalculated based on actual annual enrollment so the impact of the enrollment decline is beginning to impact revenues. Special Ed revenues will also be impacted as enrollment is below budget at this time. Transportation revenues are based on prior year's allocation until February. The allocation is then recalculated using ridership data from the prior year spring and current year fall and winter reports. Federal revenues are based on actual reimbursement claims filed for the current year.

Expenditure

General Fund expenditures to January 31st total \$18.8 million and are at 42% of budget estimates.

Total expense for Regular (Basic) Education at 41.6% is below the expected average. Salaries are in line with budget estimates but expenditures are down for curriculum materials, copier lease payments and travel compared to prior year. Extracurricular expense is above the average due to a change in payment of coaching contracts. Previously payments were spread out over the course of the year but we are now paying contracts during the active season of play.

Total special education costs are below the expected average. Purchased services are down compared to prior year but classified extra-time expense is up from original budget estimates. Some of this expense is offset with reduced spending in regular salaries.

CTE (Career and Technical Education) expense is up from last year and is running above the average at this time. Some of this overage is due to moving payment for some CTE equipment into this fiscal year and will be covered by state carryover. Overages in personnel costs are related to coding some CTE staff to Basic Ed. in the original budget. When classes are designated as CTE, teaching staff are correctly charged to CTE as costs are incurred but we do not revise our *budget* estimates during the year. Total expenditures will be monitored to stay in line with estimated revenues.

Compensatory Education is above the expected average and is under review to balance expenditures with anticipated grant revenues. Personnel costs in excess of known grant revenues will be recoded to Basic Ed.

Other Instruction reflects expenditures for the Highly Capable Program and a small grant. Expenditures should not exceed revenues.

Total Support Services is currently below the average. Transportation/Motor Pool is below the average at this time, primarily due to reduced expenditures for diesel. Operation, Buildings is above the average due to payments for leave payoffs and substitute costs. Utilities are below the expected average but there has been a delay in invoicing from PSE. Water/sewer costs are still running high compared to prior year but lower propane costs are offsetting some of this increase. Food Service is currently in line with the expected average. Maintenance is running slightly above the average at this time. A portion of this is due to the timing of payments but there have also been increased costs for some services (elevator maintenance, graffiti removal). Information Services is below the average at this time but there are some additional purchases (funded by Tech Levy) that are planned for later this year. Central Office is currently above the expected average, primarily due to increased costs in purchased services (legal fees, removal of surplus furniture/equipment, substitute coverage).

Cash Flow

Net cash outflow during January was \$827,625. As of January 31, 2017, the closing cash balance in the general fund was \$2,082,107.

GENERAL FUND
Summary of Revenues & Expenses
January 31, 2017

	Jan-17 Actual YTD \$	% Incr/Decr prior year	Jan-16 Actual YTD \$	Annual Budget Budget	% YTD	Avg %
Revenues - By Revenue Source						
Local Taxes	4,434,974	1.2%	4,381,715	9,653,043	45.9%	45.4%
Local Nontax	1,073,031	-24.5%	1,420,421	2,719,000	39.5%	44.1%
State, General Purpose						
Basic Education	10,052,092	8.2%	9,487,241	24,318,000	41.3%	41.5%
Special Education	216,791	2.2%	212,101	527,000	41.1%	40.9%
State, Special Purpose						
Special Education	1,205,929	-0.5%	1,212,524	3,307,200	36.5%	36.6%
Transportation	469,407	-1.3%	475,450	1,130,000	41.5%	39.1%
Other	293,024	0.4%	291,799	1,076,170	27.2%	40.1%
Federal, Special Purpose	390,521	12.4%	347,453	1,342,800	29.1%	30.1%
TOTAL	18,135,770	1.7%	17,828,705	44,073,213	41.1%	41.8%

	Actual YTD \$	% Incr/Decr prior year	Actual YTD \$	Budget	% YTD	Avg %
Expenses - By program code						
Regular Instruction*						
Teaching	7,571,505	1.7%	7,448,092	18,546,274	40.8%	42.7%
Principal	1,110,954	3.7%	1,071,347	2,770,185	40.1%	41.0%
Guidance/Counseling	574,359	7.9%	532,120	1,408,971	40.8%	40.0%
Learning Resources	379,610	11.7%	339,700	786,271	48.3%	47.6%
Extracurricular	478,417	7.2%	446,282	915,932	52.2%	46.1%
Other	540,897	8.5%	498,599	1,183,962	45.7%	40.0%
Total Regular (Basic) Ed.	10,655,742	3.1%	10,336,139	25,611,595	41.6%	42.5%
Special Education						
Teaching	2,034,660	-0.1%	2,037,465	5,038,841	40.4%	41.5%
Other	771,836	0.0%	771,672	1,951,143	39.6%	42.1%
Total Special Ed.	2,806,495	-0.1%	2,809,137	6,989,984	40.2%	41.7%
Vocational Education	915,832	39.0%	658,868	2,005,849	45.7%	35.4%
Compensatory Education	276,335	35.1%	204,516	790,087	35.0%	30.2%
Other Instruction	21,443	-88.1%	180,571	38,974	55.0%	40.5%
Support Services						
Transportation/Motor Pool	657,399	8.2%	607,298	1,606,266	40.9%	43.0%
Operation Buildings	688,595	3.0%	668,556	1,614,455	42.7%	41.4%
Utilities	420,736	6.9%	393,681	1,160,000	36.3%	37.8%
Food Services	414,350	3.6%	399,950	952,052	43.5%	43.9%
Maint/Grounds	573,768	35.7%	422,916	1,241,755	46.2%	45.9%
Information Services	439,586	12.0%	392,641	870,192	50.5%	56.8%
Central Office	686,970	0.9%	680,827	1,647,139	41.7%	40.9%
Other	253,897	-4.3%	265,223	285,000	89.1%	84.5%
Total Support Services	4,135,299	7.9%	3,831,092	9,376,859	44.1%	44.8%
TOTAL	18,811,146	4.4%	18,020,323	44,813,348	42.0%	42.4%

Excess (Deficiency) of Revenues over Expenditures	(675,376)	(191,618)	(740,135)
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10--General Fund-- FUND BALANCE -- AGENCY ACCOUNTS -- Revised -- BUDGET-STATUS-REPORT
Fiscal Year 2016 (September 1, 2016 - August 31, 2017)For the BAINBRIDGE ISLAND SD #303 School District for the Month of January, 2017

	ANNUAL BUDGET	ACTUAL FOR MONTH	ACTUAL FOR YEAR	ENCUMBRANCES	BALANCE	PERCENT
<u>A. REVENUES/OTHER FIN. SOURCES</u>						
1000 LOCAL TAXES	9,653,043	29,736.46	4,434,973.98		5,218,069.02	45.94
2000 LOCAL SUPPORT NONTAX	2,719,000	169,148.99	1,073,031.27		1,645,968.73	39.46
3000 STATE, GENERAL PURPOSE	24,845,000	2,195,692.67	10,268,883.07		14,576,116.93	41.33
4000 STATE, SPECIAL PURPOSE	4,885,870	348,410.30	1,789,375.98		3,096,494.02	36.62
5000 FEDERAL, GENERAL PURPOSE	0	.00	.00		.00	0.00
6000 FEDERAL, SPECIAL PURPOSE	1,342,800	95,698.14	390,520.82		952,279.18	29.08
7000 REVENUES FR OTH SCH DIST	0	.00	.00		.00	0.00
8000 OTHER AGENCIES AND ASSOCIATES	0	.00	.00		.00	0.00
9000 OTHER FINANCING SOURCES	627,500	287.76	178,984.44		448,515.56	28.52
<u>Total REVENUES/OTHER FIN. SOURCES</u>	44,073,213	2,838,974.32	18,135,769.56		25,937,443.44	41.15
<u>B. EXPENDITURES</u>						
00 Regular Instruction	25,646,534	2,114,921.96	10,655,742.42	13,025,911.76	1,964,879.82	92.34
10 Federal Stimulus	0	.00	.00	0.00	.00	0.00
20 Special Ed Instruction	6,988,477	572,749.14	2,806,495.17	3,760,557.78	421,424.05	93.97
30 Voc. Ed Instruction	2,005,851	175,080.87	915,831.85	1,075,140.77	14,878.38	99.26
40 Skills Center Instruction	0	.00	.00	0.00	.00	0.00
50+60 Compensatory Ed Instruct.	790,082	52,958.99	276,334.62	369,565.01	144,182.37	81.75
70 Other Instructional Pgms	38,973	436.56	21,442.58	0.00	17,530.42	55.02
80 Community Services	30,000	.00	.00	0.00	30,000.00	0.00
90 Support Services	9,313,400	751,204.48	4,135,299.32	4,847,554.55	330,546.13	96.45
<u>Total EXPENDITURES</u>	44,813,317	3,667,352.00	18,811,145.96	23,078,729.87	2,923,441.17	93.48
C. <u>OTHER FIN. USES TRANS. OUT (GL 536)</u>	0	.00	.00			
D. <u>OTHER FINANCING USES (GL 535)</u>	0	.00	.00			
<u>E. EXCESS OF REVENUES/OTHER FIN.SOURCES</u>						
<u>OVER(UNDER)EXP/OTH FIN USES(A-B-C-D)</u>	740,104-	828,377.68-	675,376.40-		64,727.60	8.75-
F. <u>TOTAL BEGINNING FUND BALANCE</u>	3,100,000		2,883,765.22			
G. <u>G/L 898 PRIOR YEAR ADJUSTMENTS (+OR-)</u>	XXXXXXXXXX		.00			
H. <u>TOTAL ENDING FUND BALANCE</u>	2,359,896		2,208,388.82			
<u>(E+F + OR - G)</u>						

I. ENDING FUND BALANCE ACCOUNTS:

G/L 810 Restricted For Other Items	0	.00
G/L 815 Restrict Unequalized Deduct Rev	0	.00
G/L 821 Restrictd for Carryover	0	68,798.90
G/L 825 Restricted for Skills Center	0	.00
G/L 828 Restricted for C/O of FS Rev	0	.00
G/L 830 Restricted for Debt Service	0	.00
G/L 835 Restrictd For Arbitrage Rebate	0	.00
G/L 840 Nonspnd FB - Invent/Prepd Itms	200,000	257,574.91
G/L 845 Restricted for Self-Insurance	0	.00
G/L 850 Restricted for Uninsured Risks	0	.00
G/L 870 Committed to Other Purposes	0	.00
G/L 872 Committd to Econmc Stabilizatn	0	.00
G/L 875 Assigned Contingencies	0	.00
G/L 884 Assigned to Other Cap Projects	0	.00
G/L 888 Assigned to Other Purposes	0	430,176.08
G/L 890 Unassigned Fund Balance	2,159,896	675,376.40-
G/L 891 Unassigned Min Fnd Bal Policy	0	2,127,215.33
<u>TOTAL</u>	2,359,896	2,208,388.82

Bainbridge Island School District

4-Year History of Budget Adjustments (2008/2012)

District Budget Advisory Committee

Updated December 13, 2011

2008 - 2009 General Fund Budget Adjustments

(Executive Status Report May 6, 2008)

Budget Reduction Strategies:

Central Administration

- Adjustment in executive level central administrative staffing \$ 62,800
- Scheduling and assigning the use of full-time classified employees vacations to reduce unused vacation reimbursements \$ 22,000

K-6 Educational Programs

- Reduce Sakai Associate Principal from .60 FTE to .50 FTE \$ 12,500
- Cover elementary recess with specialist flex time \$ 40,000
- Move from residential to day-trip outdoor education program – grade four \$ 27,850

7-12 Educational Programs

- Eliminate BHS class advisors, plus computer room coordinators and supervisor \$ 13,600
- Assign .20 FTE BHS nurse to relevant grant funds \$ 10,600

K-12 Educational Programs

- Reduce from 58 to 44 stipend extra or co-curricular activities \$ 19,310
- Reduction of 7.2 FTE certificated personnel to align with enrollment reductions at the average of \$83K per annum for salary and benefits \$ 604,800
- Replacement of the 183rd LID professional development day with equal opportunities under technology, math/science, and/or Title IIA funding sources \$ 100,000
- Convert classroom media to video streaming under the technology levy \$ 32,000
- Classified staffing reductions (primarily para ed) * \$ 315,000

Transportation

- Adjustment to school bus seat time and transportation route consolidations, or other systemic/operational efficiencies \$ 50,000

SUBTOTAL REDUCTIONS \$ 1,310,460

Additional Revenue Strategies:

- Adjusted Bainbridge High School parking fees \$ 26,000
- Food service in-direct costs \$ 45,000
- Home school FTE enrollment increase \$ 36,000
- Safety Net grant awards \$ 125,000
- Vocational education in-direct costs \$ 48,750

SUBTOTAL ADD'L REVENUE \$ 280,750

**TOTAL ADJUSTMENTS TO
REVENUE, EXPENDITURES & STAFFING**

\$ 1,591,210

* Items added after May 6, 2008

3/8/2011

Bainbridge Island School District
District Budget Advisory Committee
Updated December 13, 2011
2009 - 2010 General Fund Budget Adjustments
(DBAC Review – May 26, 2009)

Budget Reduction Strategies:

Central Administration

• Administration voluntary compensation reduction (2%)	\$ 40,000
• Eliminate Opening Day	\$ 16,000
• Reduce .5 FTE – Superintendent Emeritus/Asst. Sup.	\$ 70,000
• Reduce .4 FTE – Transportation Supervisor	\$ 46,000
• Defer curriculum review/adoption	\$ 110,162
• Eliminate district print shop	\$ 90,000
• Reduce additional .5 FTE – TOSA (implemented – 2009/10) *	\$ 47,000
• Reduce .5 FTE – TOSA	\$ 47,000
• Reduce technology capital outlay (General Fund)	\$ 10,000
• Eliminate district office emergency supplies	\$ 5,000

K-6 Educational Programs

• DIBELS assessment process (reduce sub time)	\$ 4,000
• Cut teacher stipends for clubs (charge fees to cover portion of teacher club stipends, as PTOs to fund club stipends)	\$ 28,000
• Stipend Model (allocation of stipends reviewed for grade level leaders, web master, etc.)	\$ 25,000
• Reduce frequency of meetings	\$ 5,000
• NERC reductions to buildings	\$ 8,500
• Ongoing curriculum costs (reduce purchase of workbooks/printing of redundant materials)	\$ 2,000

7-12 Educational Programs

• Eliminate field trips (not supported by fees)	\$ 5,000
• Eliminate high school WASL transportation	\$ 8,000
• Reduce high school campus security	\$ 16,000
• NERC reductions to buildings	\$ 8,500

K-12 Educational Programs

• Reduce health room model	\$ 78,000
• Reduce counseling to align with enrollment, bargaining agreement and attrition	\$ 98,000
• Reduce multicultural program funding	\$ 30,000
• Reduce classified staffing K-12	\$ 70,200
• Reduce K-12 certificated staffing to enrollment (6. FTE @ \$85K per FTE)	\$ 510,000

Instructional Support Services

• Reduce Child Find	\$ 4,000
• Reduce SEAS	\$ 5,500
• Reduce Assistive tech coordinators (split stipend)	\$ 3,600
• Reduce SEAT/SEPC	\$ 4,000
• Reduce Renaissance Coordinator Stipend	\$ 4,400
• Reduce ESY program delivery model	\$ 3,500

Budget Reduction Strategies (continued):Transportation

- Reduce Dispatcher/Driver Trainer .5 FTE \$ 25,000
- Eliminate sub bus wash \$ 3,000
- Move to two-bell system (eliminate 1 morning and 1 afternoon bus island-wide bus route) \$ 200,000

Maintenance, Grounds,Custodian, ResourceConservation

- Reduce .5 FTE Grounds \$ 27,500
- Reduce 1.0 FTE Custodian \$ 43,819
- Implement conservation strategies \$ 17,500

SUBTOTAL REDUCTIONS \$ 1,719,181**Additional Revenue Strategies:**

- Ask Foundation to allocate funding to retention of staff \$ 100,000
- Increase fees for middle/high school athletic programs (MS-\$45 increase = \$100K per sport, HS - \$85 increase = \$200K per sport) \$ 85,500
- Reduce costs of high school activities/clubs stipends (ASB or increase fees) \$ 24,000
- Lease/Utilities \$ 100,000

SUBTOTAL ADD'L REVENUE \$ 309,500**TOTAL ADJUSTMENTS TO
REVENUE, EXPENDITURES & STAFFING**

\$ 2,028,681

* Items added after May 26, 2009

Bainbridge Island School District
District Budget Advisory Committee
Updated December 13, 2011
2010 – 2011 General Fund Budget Adjustments
(DBAC Review – April 20, 2010)

Budget Reduction Strategies:

<u>Central Administration</u>	<ul style="list-style-type: none"> Defer curriculum review/adoption Reduce catering for district/building meetings Reduce district participation in local job fairs Reduce budget for consultants/contracted services Administrator voluntary compensation reduction (2%) * 	\$ 100,000 \$ 1,000 \$ 900 \$ 5,000 \$ 40,000
<u>K-6 Educational Programs</u>	<ul style="list-style-type: none"> Reduce science support (K-8) reduce additional days, stormwater support 	\$ 20,000
<u>7-12 Educational Programs</u>	<ul style="list-style-type: none"> Eliminate drug/alcohol intervention specialist (grant-funded position) 	\$ 17,000
<u>K-12 Educational Programs</u>	<ul style="list-style-type: none"> Reduce staffing: adjustments for enrollment and loss of state funding for class size, I-728 Student Achievement 	\$ 403,470
<u>Instructional Support Services</u>	<ul style="list-style-type: none"> Reduce 1 AT Coordinator stipend 	\$ 1,800
SUBTOTAL REDUCTIONS		\$ 589,170

Additional Revenue Strategies:

<ul style="list-style-type: none"> Anticipated increase in Safety Net Revenue Bainbridge Schools Foundation pledge for 2010-11 staffing 	\$ 200,000 \$ 250,000
SUBTOTAL ADD'L REVENUE	\$ 450,000

<u>TOTAL ADJUSTMENTS TO REVENUE & EXPENDITURES</u>	\$1,039,170
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* Items added after April 20, 2010

<u>TOTAL ADJUSTMENTS TO REVENUE & EXPENDITURES:</u>	2008 - 2011	\$4,659,061
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Bainbridge Island School District
District Budget Advisory Committee
Updated December 13, 2011
2011 – 2012 General Fund Budget Adjustments
(DBAC Review – April 20, 201 +
Revenue adjustments from BSF – Summer 2011)

Budget Reduction Strategies :

K-12 Educational Programs

- Reduce staffing: adjustments for enrollment and loss of state funding for class size, I-728 Student Achievement \$ 489,000

SUBTOTAL REDUCTIONS \$ 489,000

Additional Revenue Strategies:

- Local levy increase (Supplemental EP&O) \$ 600,000
- Enrollment increase in 2010-11 \$250,000
- Athletic fee increase \$15,000
- Bainbridge Schools Foundation pledge for 2011-12 staffing \$650,000

SUBTOTAL ADD'L REVENUE \$ 1,515,000

TOTAL ADJUSTMENTS TO
REVENUE & EXPENDITURES \$2,004,000

* Items added after April 20, 2010

TOTAL ADJUSTMENTS TO REVENUE & EXPENDITURES: **2008 - 2012** \$6,663,161



TWIO

This Week In Olympia

March 10, 2017

IN THIS ISSUE:

- This Week in Review
- Levy Cliff Update
- Education Funding Plans
- Budget Update
- Town Hall Days
- AEA
- Pensions/Health Benefits
- Committee Meeting Schedule
- Useful Links
- Bill Watch

Week 9 – March 6-10, 2017

This Week in Review

About TWIO

This Week in Olympia is emailed to active WASA and AEA members each Friday during the Legislative Session and is posted on WASA's website at <https://wasa-oly.org/TWIO>.

On Wednesday, the Legislature's house of origin cut-off arrived. Any House bill that failed to be adopted by the full House and any Senate bill that failed to be adopted by the full Senate by Wednesday night's deadline is technically dead. Budget bills and bills deemed as "Necessary to Implement the Budget" remain exempt from these early cut-off dates. With a week-and-a-half of floor action completed, most of the legislative action returns to House and Senate committees, as they begin to hear and act on bills from the opposite house. The Education Funding Plans and the Levy Cliff are major priorities in this legislative session and we have used these weekly newsletters to keep you up-to-date on the progress (or lack thereof) of these issues (with new updates on this week's happenings below); however, there are literally thousands (2,666 to be exact) of other bills moving through the Legislature. Of course, a massive amount of those bills are now dead (at least technically), having failed to move past one of the cut-off deadlines that have already occurred. Many, many bills remain alive and are moving, including numerous education-related bills. Following are some of the key education bills that remain alive. Please note that this is not a comprehensive list. For status of all the K-12 bills WASA is tracking, see the list at the end of this *TWIO* or [online](#). We also track a list of bills with broad titles that may eventually have impacts on education, especially if they are amended. This [Comprehensive Bill Watch](#) is also available online.

K-12 Bills of Interest—Alive

- **HB 1017 – School siting.** This bill would allow, under certain specific conditions, school districts to build school facilities outside of a county's Urban Growth Area under the Growth Management Act. Multiple versions of this bill have been introduced, most with little success, in the past decade. This year the issue appears to have some momentum, with key legislators in both houses committed to adopting a fix. Similar legislation, **SB 5651**, got hung up on the Senate Floor Calendar and is technically dead.
- **HB 1046 – Graduation requirements.** Would "decouple" high school graduation requirements from the Certificate of Academic Assessment (CAA). Both the CAA and the Certificate of Individual Achievement would be discontinued. To meet federal accountability provisions, a statewide assessment system for students would still be required in reading, writing, mathematics, and science. This is

This Week in Olympia:***Week 9,******March 6-10, 2017******continued***

another perennial issue that has caught some fire this year, passing the House with a vote of 92–6. The bill contains an emergency clause and, if adopted, would apply to the graduating class of 2017 and subsequent graduating classes.

- **HB 1060 – Medical marijuana for students.** Would require school districts to allow students to consume marijuana for medical purposes on school grounds, aboard a school bus, or while attending a school-sponsored event.
- **HB 1115 – Paraeducators.** A returning bill of concern would: require paraeducators to meet certain minimum employment standards; and require districts to provide paraeducators with access to a course of study on the state standards of practice. Unlike previous versions of this bill, amendments have made this training—and a number of other requirements—subject to funding by the Legislature. A companion bill adopted by the Senate, **SB 5070**, includes similar requirements; however, most would be required to be implemented regardless of whether state funding is provided or not. Similar language in this bill was tacked onto the Senate Republican's Education Funding Plan bill, **SB 5607**.
- **HB 1170 – Truancy.** This bill would make a series of changes to truancy provisions, both for school districts and courts. Most of the changes would somewhat loosen tight constraints implemented in the 2016 session. Similar legislation, **SB 5293**, has been adopted by the Senate.
- **HB 1235 – Physical education.** Would require all school districts to conduct an annual review of their physical education programs and submit the results of the review to OSPI for analysis and posting on the OSPI's website.
- **HB 1279 – School safety drills.** Would revise the current list of required annual safety-related drills, requiring the practice of three functional drills: shelter-in-place, lockdown, and evacuation. Additionally, the drills must incorporate an earthquake drill, a drill that makes use of school mapping information and an evacuation drill for schools in tsunami hazard zones.
- **HB 1319 – Educator evaluations.** Would reduce the frequency that classroom teachers with a Washington professional teacher certificate or a National Board Certificate, and principals with a Washington professional principal certificate, who previously received a comprehensive performance rating of level 3 or above must receive a comprehensive performance evaluation from every four years to every six years.
- **HB 1341 – Professional certification.** Would require the PESB to: provide teachers with a credit-based option to become professionally certified; and provide administrators with a similar professional development credit option for administrator certification. Would also establish a Professional Certification Collaborative to review the integration of, and smooth the transitions between, educator certificates, and to make recommendations on how to improve and strengthen the pathways that lead to highly effective educators at each level of the public school system.
- **HB 1444 – Facilitating graduation.** Would require school districts to help facilitate on-time grade level progression and graduation for homeless children, at-risk youth, and children in need of services; and require school districts to waive their local graduation requirements and ensure the receipt of a diploma for dependent children, homeless children, at-risk youth, and children in need of services if the student has enrolled in three or more districts as a high school student and has met state graduation requirements.

This Week in Olympia:***Week 9,******March 6-10, 2017******continued***

- **HB 1594 – Public Records Act.** The result of a series of stakeholder discussions during the interim, this bill would make several changes to assist agencies and local governments, including school districts, to comply with the Public Records Act, while also assisting them to manage costs.
- **HB 1595 – Public Records Act costs.** The result of a series of stakeholder discussions during the interim, this bill would update allowable charges for public records, including electronic records, and allow agencies and local governments, including school districts, to deny records requests in certain circumstances.
- **HB 1654 – Alternative routes to certification.** To assist in addressing the teacher shortage, this bill would provide the PESB with rulemaking authority with respect to the design of alternative route to teacher certification programs.
- **HB 1886 – OSPI and SBE.** Would have transferred numerous duties and responsibilities related to accountability, assessments, high school graduation requirements, basic education requirements, and other areas from the State Board of Education to OSPI. As adopted by the House, the bill would establish a Legislative Task Force on K–12 Governance and Responsibilities, charged with providing recommendations regarding the appropriate roles and responsibilities of OSPI and SBE by November 2017.
- **SB 5064 – Student press freedom.** This bill would expand free speech protections for students in public high schools and would prohibit the discipline or termination of student media advisors for failure to suppress school sponsored media.
- **SB 5236 – Civic Learning Partnership.** Would create a Civic Learning Public-Private Partnership, charged with establishing demonstration civic learning partnerships with local communities to assess and implement in-depth civic learning in K–12. Implementation of the bill would be contingent on funding in the Operating Budget.
- **SB 5325 – Nurse’s authority in schools.** Would prohibit school administrators from interfering with nursing care provided by a Registered Nurse or Advanced Registered Nurse Practitioner working in a school setting, but would allow administrators to supervise nurses in all other aspects of employment. Companion legislation, **HB 1346**, has been adopted by the full House.
- **SB 5453 – School construction grants.** Would establish a new school construction grant program to assist small, rural school districts.
- **SB 5639 – Alternative assessments.** Would permit students attending a technical high school on a technical college campus to use an approved alternative assessment to demonstrate that the student has met the state proficiency standard, without having to take the statewide assessment at least one time.
- **SB 5641 – School district nomenclature.** Throughout the RCW’s, this bill would rename First-Class and Second-Class school districts as Class-One and Class-Two school districts.
- **SB 5644 – Skills Center maintenance.** Would require the host district of a Skills Center cooperative to maintain a separate capital account for minor repair and maintenance costs of the Skills Centers.
- **SB 5664 – Forest revenue deduction.** An issue that continues to gain momentum, but has not yet been fully implemented, this bill would eliminate the current deduction of basic education allocations in school districts which receive federal forest revenue.

This Week in Olympia:**Week 9,****March 6-10, 2017*****continued***

- **SB 5702 – School construction funding.** This is a comprehensive update of the School Construction Assistance Program (SCAP) and is a follow-up to the interim activities of the School Construction Technical Work Group. The bill would expand the role and membership of the School Facilities Citizens Advisory Committee; establish five specific components of SCAP; positively amend and extend the K–3 Class Size Reduction Grant Program; and establish a Joint Legislative Task Force on Improving State Funding for School Construction to provide recommendations for further formula enhancements and funding of SCAP.

Senate Squabbles

As we noted in last week's *TWIO*, numerous bills in both chambers faced little opposition, with many of them being adopted unanimously or with token opposition by just a few legislators. On Tuesday, any thought that senators would hold hands and breakout in singing "Kumbaya" were set aside. Multiple bills were brought to the floor which provided a stark reminder of how divided the Senate has been this session. The Senate adopted nineteen bills on Tuesday. Of those nineteen bills, ten of them passed either unanimously or with just a few 'No' votes. The remaining nine bills were adopted by a straight party-line vote (six of them) or with a near party-line vote (four of them). In addition, a constitutional amendment received near party-line support, but was defeated lacking the necessary 33 votes to be adopted.

The constitutional amendment, **SJR 8204**, gobbled up almost an hour-and-a-half of precious debate time—and there was no one anywhere near the Capitol that would have taken a bet that the Resolution would be adopted. The Resolution, if approved by a two-thirds vote of the Senate and the House, and then adopted by a vote of the citizens, would amend the state constitution to prohibit the imposition of a tax on individual income. The Senate Majority Coalition Caucus brought this issue forward with the argument that they needed to ensure the Legislature respected the will of the voters, noting that the voters have rejected income tax proposals nine times since 1934. (This was following the voters' approval of a graduated income tax in 1932—a tax which was subsequently ruled unconstitutional by the Supreme Court.)

Minority Democrats argued the issue was a disruptive and unnecessary distraction. Senator Christine Rolfes (D-Bainbridge Island) stated in debate, "The biggest task we have in front of us today is funding our schools and balancing our budget and this Resolution is divisive and it's not moving us forward on either of those goals." She noted that debate on this issue "distracts from the \$6.0 billion property tax increase adopted by the Republicans" (in their Education Funding Plan). Democrats also argued that there are no income tax proposals on the table and as the Legislature has grappled with a *McCleary* fix, there has been no consideration of an income tax. Republicans countered that Governor Inslee has proposed a capital gains tax, which is really just a "capital gains income tax." Whether a capital gains tax is an income tax or not, that was irrelevant to the debate because the Senate Majority Coalition Caucus sees the income tax as a "monster lurking" in the darkness, and they have been making the case for months that *McCleary* "isn't about education. It's about the income tax." See the comments from **Senator Tim Sheldon** (D/R-Shelton) and **Senator Mark Schoesler** (R-Ritzville).

The debate did allow legislators to highlight K–12 funding, the Levy Cliff, and *McCleary* over and over. While it was technically off-subject, multiple comments were made about the need to fully fund education, which will take additional state revenues and many comments were made about the need to address the Levy Cliff. In one exchange, Sen. Schoesler noted how no one is talking about cutting education this session, saying K–12 will see an increase in funding. Sen. Rolfes retorted, absent a Levy Cliff fix, school districts WILL be cut, losing hundreds of millions of dollars. As frustrations rose, Democrats

This Week in Olympia:
Week 9,
March 6-10, 2017
continued

resorted to complaints that debate on SJR 8204 was just wasting time on a “political stunt,” a “ploy,” or a “game.” Lt. Governor Habib, presiding over the Senate, had to constantly admonish senators for “impugning the motives” of the other side.

When the debate finally closed, the Resolution received 27 “Yes” votes, with two moderate Democrats joining the Majority Coalition Caucus to support the issue. The remaining 22 Democrats voted “No.” Because this is a constitutional amendment, however, it needed 33 votes to pass—something that was clearly never going to happen.

Continuing the excitement (and divisive activities), immediately after Lt. Governor Habib declared that SJR 8204 had failed to be adopted, Senator John Braun, (R-Centralia), Chair of the Senate Ways & Means Committee, attempted to advance **SB 5111** to Third Reading. As we discussed last week, Senate Republicans moved a package of tax increase bills out of the Ways & Means Committee, without recommendation, and into the Senate Rules Committee, making them eligible for Floor action. The Rules Committee almost immediately moved the bills to the Senate Floor Calendar, where they sat since last Monday.

The three tax bills, SB 5111 (Capital Gains Tax), **SB 5113** (B&O Service Tax), and **SB 5127** (Carbon Tax) were requested by Governor Inslee to fund his proposed 2017–19 Operating Budget request. The bills were not moved to the Rules Committee because the Republicans support them, they were advanced in an effort to force their Democratic colleagues to vote on them. Democrats could either oppose the bills and Republicans would accuse them of not being serious about supporting revenue; or they could support the bills (with no possible way to reach the necessary 25 votes for passage) and give the Republicans an opportunity to use the vote against them in the next campaign.

Sen. Braun presented a simple (and standard) parliamentary motion to “bump” SB 5111 from Second Reading to Third Reading. Technically, the motion is to suspend the rules, which is commonplace. Every bill that moves through the Senate (and House) has to go through three readings: On First Reading, the bill is read and referred to a committee; on Second Reading, the bill moves to the Floor and is eligible for amendment; and on Third Reading the bill is debated and eligible for Final Passage. The motion to suspend the rules and move the bill from Second to Third Reading is just standard operating procedure and is as routine as pushing a button. In fact, it is rarely voted on. After the motion is made, the presiding officer repeats the motion and says, “Without objection... so ordered.” Suspending the rules, however, even if it is just a routine motion, requires a two-thirds vote of the body. When Braun made the motion, Senator Marko Liias (D-Lynnwood), Senate Democratic Floor Leader, objected. Sen. Liias clarified for his members, that he was asking for a “No vote” on the procedural motion to suspend the rules. This prompted Senator Joe Fain (R-Auburn), Senate Republican Floor Leader, to speak up. He said he was asking for a “Yes vote” on the motion, and (poking his colleagues across the aisle) noted that a “No vote would signal there is no desire to consider a capital gains tax.” The motion, needing a two-thirds majority, failed with a vote of 25–22. At that point, a motion was made to defer consideration of SB 5111 and have it retain its place on the Second Reading Calendar. This meant it could again be brought up at any time. It never returned.

Committee Action

Following Wednesday’s house of origin cut-off, legislative committees resumed meeting. On Thursday, both of the education committees met. In the morning, the House Education Committee held a work session on Alternative Education Options and Committee staff briefed the members on currently offered **non-traditional education programs**.

Continuing the discussion of educational options, the Committee also held a public hearing on two House bills: **HB 1215**, Innovation Schools; and **HB 1705**, Flexibility Schools. Both bills have been referred to as “charter-lite” because of the similarity with

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charter school legislation. HB 1215 would allow school boards to authorize one or more innovation schools or zones within their district. Plans to convert schools into innovation schools must be developed by teachers and parents of the potential innovation school. Additionally, a majority of the school's teachers and a majority of parents of students attending the school must approve of the plan. Innovation schools could request to be waived from a series of education rules and laws—similar to the rules and laws from which charter schools are exempt. HB 1705, very similar to HB 1215, would establish an application process for the designation and operation of flexibility schools and flexibility zones. Flexibility schools and schools in flexibility zones would be required to comply with specified laws and directives, but would be exempted from most statutes and rules applicable to other schools and districts. Both bills are technically dead and are unlikely to move, but could set up further discussions for the interim and/or next session.

On Thursday afternoon, the Senate Early Learning & K–12 Education Committee held a work session on K–12 School Funding. OSPI fiscal staff provided members with an [overview of Washington's K–12 funding system](#), providing a historical perspective and discussing the state's current funding model. A representative from the Massachusetts Department of Elementary and Secondary Education then briefed the Committee on the [Massachusetts School Funding Model](#). Senate Republicans continue to say they modelled their Education Funding Plan (SB 5607) on the Massachusetts Model, so it was interesting for legislators to actually see how Massachusetts funds its schools. The first slide of the presentation tells a huge tale, as it notes “Education is mostly a local enterprise in Massachusetts.” Fully 61 percent of education funding comes from local revenues, while only 34 percent comes from state resources. Massachusetts, of course, does not have a paramount duty clause in its constitution. In Washington, the state is responsible for funding the K–12 education “foundation” (what we refer to as “basic education”). Shifting this burden to local districts, through a 5607-type levy swap or some other mechanism may work in another state; however, it remains questionable whether it would work (or be constitutional) in Washington.

Levy Cliff Update

For about a week or so, while local school administrators were publicly agitating for the Legislature to address the Levy Cliff, a handful of senators were working behind the scenes to craft a deal to advance the issue through the Senate. Rumblings of potential compromises surfaced early this week, but it was unclear how much, if any, real progress was being made. Senate Republicans were using [HB 1059](#) as trade-bait, offering to adopt the bill, if Senate Democrats agreed to advance other, unrelated legislation. Offers and counter offers were passed back-and-forth until [SB 5023](#), the Senate companion bill to HB 1059, popped onto the Senate Floor on Wednesday night. It was made the “last order of business” just a few minutes before the 5:00 cut-off, prompting a whirlwind of activity. As a Senate clerk read the bill (the FULL bill) into the record, Republicans and Democrats retreated to their respective, private caucus rooms to be briefed on the new deal and to prepare for the coming debate. Often on cut-off night, debate on one controversial “last order of business” bill (usually referred to as the “5:00 bill”) spills over the 5:00 deadline, but seldom does debate on the final bill wait for 90 minutes of caucusing. (Note: rules allow debate to continue past 5:00, but no bill may be brought up after the deadline. Procedurally, the final bill is tagged as the “last order of business” and takes its place on the bar until debate on the last pre-5:00 bill is finalized and voted on.) Shortly after 6:30, senators returned to the Floor and debated SB 5023. First, a [striking amendment](#) was introduced and adopted. At this point it was fairly clear that the final deal between Republicans and Democrats was not a trade on other legislation, but simply the approval of additional language on the bill.

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The language contained in the striking amendment added accounting and accountability provisions that mirrored similar provisions contained in SB 5607, the Senate Republican Education Funding Plan. First, for levies collected in Calendar Year 2018 and beyond, levy collections will be required to be deposited into a local revenue subfund of the general fund to allow for a detailed accounting of the amount and object of expenditures from the levy collections (the Accounting provisions). OSPI and the State Auditor's Office must develop guidance for districts to carry out the requirement. Second, to ensure that M&O levy funds are not used for basic education programs, beginning with ballot propositions submitted to the voters in Calendar Year 2018, districts must provide a report to OSPI detailing the programs and activities to be funded through the M&O levy. Enrichment beyond the state-provided funding in the state Operating Budget for basic education program components is specifically allowed. Prior to the M&O election, OSPI must review the district's levy report and approve it (Accountability provisions). After the striking amendment was adopted, the bill was moved to Third Reading and Final Passage. Following a short debate, the amended bill was adopted with a 48–1 vote (Senator Michael Baumgartner (R-Spokane) was the lone “No” vote).

The bill was immediately transmitted to the House, which pulled the bill straight to the Floor on Thursday morning and promptly adopted the bill, with an 87–10 vote. It has now been sent to the governor for his action. He is expected to sign it quickly. Crisis averted.

Even though we are very pleased the bill has been adopted, make no mistake there are some concerns about both the Accounting and the Accountability provisions added to the bill. First, it is important to note, however, both of these provisions (or similar provisions) were very likely to be a part of any final Education Funding Plan, so we would have had to deal with them sooner or later. On the Accounting provisions, districts will likely have difficulty complying with the subfund requirement, at least initially. We don't want to flout the law; however, there are no specific penalties for noncompliance. To be sure, there WILL be penalties added if school districts simply ignore this requirement, but under the tight timeline to comply with the requirement, most districts will no doubt have difficulty.

Regarding the Accountability provisions, it is questionable if OSPI (or SAO) has the capacity to provide the necessary advice to districts or if they have the capacity to review and approve (or reject) all M&O levies. And even if they do, school districts will have difficulty knowing what OSPI will require for an M&O report to be approved. It is our understanding that OSPI will be issuing guidance to districts promptly, hopefully alleviating some concerns.

The governor could strip the new language from the bill; remember, he can sign a bill or veto it in full, but he also has authority to veto sections of bills. The new language added to SB 5023, however, is embedded in sections that delay the Levy Cliff by a year. Vetoing those sections would defeat the purpose of the bill. We have encouraged Governor Inslee to promptly sign the bill; he has said he intends to do that. The other way “around” the new provisions is to amend them in other legislation. We strongly encourage you (especially business managers) to review the new language and determine if the provisions really do need to be adjusted (simply eliminating the provisions seems highly unlikely). If so, attempts could be made to amend language in a final, compromise Education Funding Plan that must be adopted by the Legislature.

NOTE: For those of you interested, there have been some questions raised about why SB 5023 was adopted and not HB 1059. The agreed upon amendments added provisions beyond a delay of the levy revisions, which are technically beyond the scope of either bill's title. If the amendments were added to HB 1059, it was likely they would have been ruled out of order and the deal would have fallen apart. The amendments on SB 5023 were also beyond the scope of the bill's title (the identical companion bill had an identical title); however, Senate rules allow for title amendments, while they are prohibited in the

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House. Rather than risk a procedural battle over HB 1059, it was simply safer and easier to amend and adopt SB 5023. Either bill would have still been required to be sent to the House, so timing was not an issue, either.

Education Funding Plans

As we discussed last week, members of the Education Funding Task Force (EFTF) have begun regular meetings to begin the potentially long process of negotiating a final, compromise Education Funding Plan. Although they are meeting privately, some things about the group are beginning to come into focus. The composition of the group is somewhat different than the original EFTF. Continuing to represent the House Democrats are Pat Sullivan (D-Covington) and Kris Lytton (D-Anacortes). Andy Billig (D-Spokane) and Christine Rolfes (D-Bainbridge Island) continue to represent the Senate Democrats. Representing the Senate Republicans are original EFTF member Ann Rivers (R-La Center) and new representative Dino Rossi (R-Sammamish). Paul Harris (R-Vancouver), who took over for Chad Magendanz after the November election and participated in the last few EFTF meetings, and David Taylor (R-Moxee) are representing the House Republicans.

Having the four caucuses talking is certainly positive; however, it is unclear exactly how far negotiations can go because the two houses still have drastically different philosophies about the path to completion. Revenue continues to be one of the major differences. Senate Republicans are still pushing for a revenue package from the House to fund the plan they adopted. The House, while leadership says they will start moving revenue bills soon, still contends that agreeing on education funding policies is the first step, as agreed upon policy issues will determine the ultimate cost of any plan. The reformed EFTF will hopefully begin to hammer out policy items that can be agreed upon, while the overall funding/revenue question can be addressed elsewhere.

Now that discussions have begun about a final Education Funding Plan, we are starting to hear more about the House Republican's position. As anticipated, they have developed a plan; however, a specific bill is not anticipated to be released. And, they apparently are not prepared to unveil any specific details of their plan unless their ideas are needed to break any stalemate in negotiations. The foundation of the plan is a mixture of the Senate Republican package and the House Democrat package, along with a peppering of "new" ideas. House Republicans would love to ride into town, broker a deal and be the heroes. At the same time, they do not want to cross their colleagues in the Senate Republican caucus, so they are more than hesitant to wade into negotiations too far. (This prompts a reminder that often the nastiest battles in Olympia are not between Democrats and Republicans, but between the House and Senate.)

WASA and WASBO, along with other members of the Local Funding Workgroup, continue to meet in an effort to analyze the current Education Funding Plans and provide expert opinions to legislators about what a plan should look like—what it should include and what it should NOT include. As that input is developed, we will keep you apprised. At the same time, we continue to encourage you to familiarize yourself with the current plans and provide your input to us.

Budget Update

While most budget talk in Olympia has focused almost exclusively on potential costs of the Education Funding Plans, that discussion will quickly expand. Next Thursday, March 16, the Economic & Revenue Forecast Council will issue its quarterly update of the state Revenue Forecast. Early predictions are that revenue will again be up above the forecasted revenue in November; however, no one expects a major windfall. Once this forecast is released, available revenues will come more into focus—and the biennial budget battles will begin.

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By tradition, each biennium the House and Senate alternate as the body to release the first budget proposal. This year, the Senate will begin the budget process. While it has not yet been confirmed, it is expected Senate Republican budget-writers will unveil their two-year budget plan on Monday or Tuesday, March 20 or 21. If tradition holds, they will hold a public hearing on the proposal, with Committee approval the next day and adoption by the full Senate by the end of the week. Budget-writers in the House will follow a similar process with their budget, assumed to be released March 27 or 28.

It is unclear what either budget will look like; however, we continue to hear that Senate Republicans are likely to release an extremely draconian “all cuts” budget. Given their continued insistence that no new revenues are needed (to support their Education Funding Plan or any other priority), it would make sense that their only option is to reduce programs outside the K-12 budget.

Regardless of what is in or out of either budget, WASA will provide a review of each proposal as promptly as possible in Special Editions of *TWIO*. Stay tuned.

Town Hall Days

Many questions remain regarding the timing and rationale for the Senate Republicans finally acting on a Levy Cliff bill. Some believe the timing is no accident, with the Legislature’s annual Town Hall Days, set for this weekend, March 11. We strongly encourage you to attend your legislator’s Town Hall, if they will be hosting one. With talk of an Education Funding Plan heating up and with budget proposals about to be released, these meetings will be an excellent opportunity to positively influence your elected officials.

Updated lists of Town Halls have been posted on the House Democratic Caucus [webpage](#) and the Senate Democratic Caucus [webpage](#). Many Republican legislators will also be hosting Town Halls; however, Republicans have not provided a comprehensive listing of their meetings.

The [Paramount Duty Coalition](#) has also posted a Town Hall meeting schedule, listed below. We appreciate their assistance:

Legislative Town Halls**Legislative District: 1**

Date: Sunday, March 12

Time: 2:30–4:00 p.m.

Location: Cascadia College (Mobius Hall)

18345 Campus Way NE, Bothell, WA

Legislative District: 3

Date: Saturday, March 11

Time: 9:30–11:00 a.m.

Location: WA Cracker Building

304 W Pacific, Spokane, WA

Legislative District: 5*(Note: There are 3 Town Halls on the same day for LD 5)***1)** Date: Saturday, March 11

Time: 10:00–11:00 a.m.

Location: Maple Valley Community Center

22010 SE 248th Street, Maple Valley, WA

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2) Date: Saturday, March 11
Time: 1:00–2:00 p.m.
Location: Issaquah Police Station (Eagle Room 130)
 East Sunset Way, Issaquah, WA

3) Date: Saturday, March 11
Time: 3:00–4:00 p.m.
Location: Mt. Si Senior Center
 411 Main Avenue S, North Bend, WA

Legislative District: 8
Date: Saturday, March 11
Time: 10:00 a.m.–12:00 p.m.
Location: ARC of TriCities
 1455 Fowler Street, Richland, WA

Legislative District: 21
Date: Saturday, March 18
Time: 2:00–4:00 p.m.
Location: Meadowdale High School (Great Hall)
 6002 168th Street SW, Lynnwood, WA

Legislative District: 22
Date: Saturday, March 11
Time: 2:00–4:00 p.m.
Location: South Puget Sound Community College (Lacey Campus)
 Building 1, Room 194
 420 6th Avenue SE, Lacey, WA

Legislative District: 23
(Note: There are 2 Town Halls on the same day for LD 23)

1) Date: Saturday, March 11
Time: 9:30 a.m.–11:00 a.m.
Location: Eagle's Nest
 1195 Fairgrounds Road NW, Bremerton, WA

2) Date: Saturday, March 11
Time: 1:00–2:30 p.m.
Location: Council Chambers
 280 Madison Avenue N., Bainbridge Island, WA

Legislative District: 25
Date: Saturday, March 18
Time: 10:00–11:00 a.m.
Location: Franklin Pierce Early Learning Center
 12223 A Street S, Tacoma, WA

Legislative District: 26
(Note: There are 2 Town Halls on the same day for LD 26)

1) Date: Saturday, March 11
Time: 10 am–11:30 a.m.
Location: Chamber of Commerce
 3125 Judson Street, Gig Harbor, WA

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2) Date: Saturday, March 11
Time: 1:00–2:30 p.m.
Location: Chamber of Commerce
 1014 Bay Street, Port Orchard, WA

Legislative District: 27

Date: Saturday, March 11
Time: 10:00 a.m.–12:00 p.m.
Location: Evergreen State College (Tacoma Campus)
 1210 6th Avenue, Tacoma, WA

Legislative District: 28

Date: Sunday, March 12
Time: 4:00–6:00 p.m.
Location: Steilacoom Town Hall
 1717 Lafayette Street, Steilacoom, WA

Legislative District: 29

Date: Saturday, March 11
Time: 10:00 a.m.–12:00 p.m.
Location: Bates Technical College
 2201 S 78th Street, Tacoma, WA

Legislative District: 30

Date: Saturday, March 11
Time: 10:00 a.m.–12:00 p.m.
Location: FW Senior Center
 4016 S 352nd Street, Auburn, WA

Legislative District: 33

Date: Saturday, March 18
Time: 10:00 a.m.–12:00 p.m.
Location: Kent City Hall
 400 W Gowe Street, Kent, WA

Legislative District: 36

Date: Saturday, March 11
Time: 11:00 a.m.–12:30 p.m.
Location: Leif Erikson Lodge
 2245 NW 57th Street, Seattle, WA 98107

Legislative District: 37

Date: Saturday, March 11
Time: 10:00 a.m.–12:00 p.m.
Location: Rainier Beach Community Center
 8825 Rainier Avenue S, Seattle, WA

Legislative District: 41

Date: Saturday, March 18
Time: 10:00 a.m.–12:30 p.m.
Location: Somerset Elementary (Gym)
 14100 Somerset Boulevard SE, Bellevue, WA

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Date: Saturday, March 11

Time: 1:00–2:30 p.m.

Location: Seattle First Baptist Church

1111 Harvard Avenue, Seattle, WA

Legislative District: 44*(Note: There are 2 Town Halls on the same day for LD 44)***1)** Date: Saturday, March 11

Time: 9:30–11:00 a.m.

Location: Lake Stevens Fire Dist. Conference Center

10518 18th Street SE, Lake Stevens, WA

2) Date: Saturday, March 11

Time: 2:30–4:00 p.m.

Location: Mill Creek City Hall (S. Council Chambers)

15728 Main Street, Mill Creek, WA

Legislative District: 45

Date: Saturday, March 11

Time: 12:00–1:30 p.m.

Location: Lake Washington Institute of Technology

West Building, Room 305A

11605 132nd Avenue, Kirkland, WA

Legislative District: 47

Date: Saturday, March 18

Time: 10:30 a.m.–12:30 p.m.

Location: Golden Steer Restaurant

23826 104th Avenue SE, Kent, WA

Legislative District: 48

Date: Saturday, March 11

Time: 10:30 a.m.–12:00 p.m.

Location: Redmond City Hall, Council Chambers

15670 NE 85th Street, Redmond, WA

AEA

By Mitch Denning

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With the deadline for house of origin bills now passed, our *TWIO* article this week will focus on important AEA bills which have passed their respective houses of origin.

Both associations are directly affected by any reduction in the local levy. WAMOA's funding comes primarily from MSOC and the local levy, so the levy cliff bills are of prime significance. Child nutrition funding comes from federal, state and local sources, and, for those districts whose nutrition program doesn't break even, the levy provides necessary support, as it's not a basic education program.

So, we are pleased that **ESSB 5023**, now called Modifying Provisions Relating School Excess Levies, sponsored by Sen. Lisa Wellman (D-Mercer Island), passed both houses this week. In summary, this bill (1) delays for one calendar year (to 2019), the 4% levy lid reduction, elimination of the "ghost" monies, and the 2% reduction in LEA; (2) requires districts in CY 2018 to deposit their local levy revenues in a local revenue sub-fund of their general fund to track how those funds are spent, with OSPI and the State Auditor's Office setting up procedures; (3) requires districts in CY 2018 to provide a report to OSPI explaining which programs will be served by the local levy to ensure that basic education services are not included; also OSPI must approve the report before a ballot proposition can be submitted for voter approval; and (4) allows enrichment programs, which are beyond the state-funding for basic education in the 2017–19 operating budget for basic education, to be funded through the local levy.

Other AEA bills now in their opposite house include:

1. **SB 5664**, federal forest land basic education funding, which eliminates the reduction of a district's basic education allocation due to receipt of federal forest revenue, has a public hearing in House Appropriations on March 13;
2. **ESHB 1017**, school siting, which allows schools to be sited outside the urban growth area, is now in Senate Early Learning/K–12;
3. **SSB 5453**, School Construction Assistance Program (SCAP) modernization grants for small, rural districts, designed for districts that due to low assessed valuations or high indebtedness, aren't eligible for the regular SCAP program, would become eligible for the small, rural district SCAP, has a public hearing in House Capital Budget on March 14;
4. **ESSB 5702**, improving state funding for school construction, modernization, and asset preservation, which among other things would establish the Joint Legislative Task Force on Improving State Funding for School Construction, also is being heard in House Capital Budget on March 14;
5. **SSB 5644**, skill center facility maintenance, which provides for a separate account to be set up by the host district in skill center district cooperatives, where member districts would contribute funds for minor repair and maintenance, also is being heard in House Capital Budget on March 14;
6. **ESHB 1508**, WA Kids Ready to Learn Act of 2017, awaiting a public hearing in Senate Early Learning/K–12, which would (1) require a breakfast after the bell program in high need schools (over 70% free/reduced) in SY 2018–19; (2) allow districts implementing a breakfast in the classroom program to count instruction during the consumption of breakfast as "instructional hours" as long as the students are provided simultaneously with an instructional activity; and (3) expand the Farm-to-School program; and
7. **SHB 1551**, Apple-A-Day Program, also awaiting a public hearing in Senate Early Learning/K–12, would provide grant funding for kitchen equipment and repairs which when completed, would enhance school nutrition for districts which are part of the federal breakfast or lunch program.

This Week in Olympia:***Week 9,******March 6-10, 2017******continued*****Pensions/Health Benefits**

By Fred Yancey – The Nexus Group

“It’s like déjà vu all over again.”

Yogi Berra

The legislative cycle begins anew as committees in each house schedule and hold hearings on bills passed from the other chamber.

Numbers are not readily available, but it appears that this Session had fewer bills adopted by either chamber. That means that committee hearings and agendas on bills will be much shorter.

Attention now focuses on the release of the budget(s). Although, the final budget is unknown, of greater import may be what other bills/proposals will be held in hostage in order to get agreement and move to adjournment. This is where some bills presumed ‘dead’ may well come back to life. Stay tuned.

A summary of the ever-diminishing list of bills.

Pension Related Proposals

SB 5833 – Addressing the minimum retirement allowance under the teachers’ retirement system, Plan 1.

This bill provides a 4.5% increase to the TRS 1 Basic Minimum Benefit and 4.5% increase to the TRS 1 Alternative Minimum Benefit. It passed out of the Senate 49–0. Without this bill, TRS 1 and PERS 1 minimum benefits will increase by 3% automatically.

Status: The Senate passed SB 5833 (49–0) regarding TRS Plan 1 minimum benefits. It has been sent to the House Appropriations Committee and is waiting scheduling.

HB 1484 – Providing an enhanced retirement benefit for public employees’ and teachers’ retirement system plans 1.

This bill would provide a one-time enhanced retirement benefit for TRS/PERS 1 Plans members to his/her monthly benefit of \$2 per year of earned service credit. As an example, for a retiree with 30 years, the increase would be \$720 or \$60/month.

Status: This bill did not move, but legislators could take action if they desired since it is ‘Necessary to Implement the Budget’ (NTIB).

HB 1560 – Addressing plan membership default provisions in the public employees’ retirement system, the teachers’ retirement system, and the school employees’ retirement system.

If new employees make no pension plan choice, they are defaulted/enrolled in Plan 3 (a hybrid defined contribution/ defined benefit plan). This bill would make Plan 2 (a full defined benefit plan) the default plan if they make no selection.

Status: The bill was voted out of the House, 91–7, and has been passed to the Senate Ways & Means Committee. No hearing has yet to be scheduled.

Health Benefit Related Proposals

SB 5726 – Addressing public school employee benefits.

This bill’s intent is to provide public school employees with equitable access to quality and affordable health benefits through the state health care authority (HCA). The standard employee benefit plans would be only those available through the HCA/Public Employee Benefit Board (PEEB).

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This bill is NTIB and may be part of the final *McCleary* solution.

Status: This bill did not move beyond Rules, but is NTIB.

SB 5653 – Addressing the administration of the public employees' benefits program. This bill would transfer the administration of PEBB from the Health Care Authority to the Department of Retirement Systems.

Status: This bill is presumed 'dead'.

Family and Medical Leave

SHB 1116 – Implementing Family and Medical Leave Insurance.

This bill would grant new leaves from a newly established account funded by a charge paid by both employers and employees.

Status: This bill is presumed 'dead'.

SHB 1434 – The Washington state leave sharing program is modified to allow use by a fellow state employee who is sick or temporarily disabled because of pregnancy disability or for the purpose of parental leave.

Status: This bill passed the House, (68–30), and has been referred to the Senate State Government Committee. It has yet to be scheduled for a hearing.