

**BAINBRIDGE ISLAND SCHOOL DISTRICT NO. 303**  
**District Budget Advisory Committee**  
Meeting Minutes

**Date:** March 11, 2014  
**Place:** Board Room – Commodore Commons  
**Time:** 5:30 – 7:30 PM

Superintendent Faith Chapel welcomed the committee members and explained with the state legislative session ending in a few days, it was important for the committee to meet to review proposals for the 2014/15 school year. Ms. Chapel reviewed the agenda for the evening that included district financial data and enrollment projections, legislative budget proposals, preliminary estimates for the 2014/15 General Fund revenues and expenditures, and a proposed list of positions for reinstatement. It was noted the agenda items, while considered very preliminary, will set the ground work for the components and structure of the 2014/15 district budget.

District Financial Data & Enrollment Projection

Director of Business Services Peggy Paige provided a summary and analysis of the district's monthly financial reports through the end of January. Ms. Paige explained the summary of revenues & expenses page contained in the report reflected revenues were lower than expected and expenditures were higher. Ms. Paige reminded the committee the district enrollment increased this year, and the related increase in state revenues would be paid out from January through the end of the fiscal year. The expenditures related to the costs incurred by the increase in enrollment (additional staffing, etc.) had been paid out since the start of the school year. These revenues and expenditures related to the increased enrollment should balance out by the end of the fiscal year. At the conclusion of her brief presentation, Ms. Paige noted the estimated closing cash balance in the general fund was \$2 million or approximately 5%. Ms. Chapel added when the budget was established for 2013/14, and through conservative budgeting over the past few years, there was intentional deficit spending of the reserves, with expenditures that were \$1.1 million higher by design. Making a final point, Ms. Paige stated that, with the additional expenditures not included in the capacity for the 2013/14 budget (increased enrollment costs), the district would likely need to do a budget extension.

Director of Personnel and Transportation Cami Dombkowski provided information about the preliminary enrollment projections for 2014/15. It was estimated the district would have a decrease in enrollment of 50 students, with high school registration numbers just being gathered. These high school numbers had not been analyzed as yet regarding their impact on the enrollment projections for next year. Ms. Dombkowski noted kindergarten registration counts were way down from the same time last year. The high school registration numbers and the kindergarten numbers may balance each other out related to overall enrollment. Ms. Chapel added her review of the March enrollment count reflected very little change in the numbers, which is unusual at this time of year. Traditionally there is a drop in enrollment, especially at the high school level. Currently, the district's enrollment is 3700 FTE, with a budgeted enrollment of

3585 FTE – an increase of 115 FTE for 2013/14. For next year, the preliminary budgeted enrollment was estimated at 3650 until registration for next year was analyzed.

### Legislative Budget Proposals

Ms. Chapel distributed the most recent pivot table that estimated impacts of 2014 proposed supplemental budgets on state revenues based on school districts' January 2014 data. There was a brief discussion regarding whether the legislature would conclude their session this week. The committee reviewed the pivot table that compared the proposed budgets from Governor Inslee, the Senate, and the House. There was little discrepancy between the Senate and the House, with both including the postponement of the additional instructional time (1080 hours – 24-credit graduation) requirement to 2015/2016, the requirement now only applies to grades 9-12 and gives school districts flexibility in the use of the \$97 million earmarked for support of the new requirement. The difference between the House and Senate versions of the budget is how those dollars are distributed amongst the allocation areas. Ms. Chapel also noted the House budget included an allocation for COLA, with the Senate being vehemently opposed to the proposal. Committee members engaged in a discussion regarding the various political aspects surrounding the legislative budget negotiations and the implications for the district.

### Preliminary Estimates of 2014/15 General Fund Revenues & Expenditures

Ms. Chapel distributed copies of the 5-Year History of Budget Adjustments (2008/2013) reflecting the budget gaps impacting the district. Each year, a budget adjustment document is developed reflecting changes in revenue, expenditures and staffing. It was noted that data related to budget adjustments for 2014/2015, such as personnel costs, estimates for salary changes related to steps and experience, and increases in benefits, pensions and Labor and Industry, was still being compiled. The committee reviewed preliminary estimated revenues that include a conservative allocation for the additional hours of instruction requirement of \$350K for grades 9-12 - \$60K less than is estimated on the legislative pivot table. Reviewing preliminary estimated expenditures for 2014/15, it was underscored that the district can't continue to deficit spend at the same level as in the past few years. Adjustments to staffing related to enrollment changes will also be considered. Another area of consideration will be changes made to staffing needs based on new legislative requirements such as in the area of Highly Capable programs. Associate Superintendent Julie Goldsmith briefly spoke to expenditures related to additional staffing to support this program area. She also noted the Bainbridge Schools Foundation funded some of the Teacher On Special Assignment (TOSA) positions (differentiation, mathematics, literacy).

Ms. Chapel noted the district received additional funding from the state to support family involvement, which basically now funds the Community Relations Coordinator position. She explained with all the things that have to happen with the volunteer program, and with the changes made to the volunteer policies and procedures, that position's time will be well used. It was therefore proposed the funds previously used to support the coordinator position now be used for communications and public records needs. In addition, consideration was given to whether there was capacity in the budget to reinstate other positions that were previously reduced. One of the last position reductions made was the Athletic Director at Bainbridge High School, and with the additional requirements of the Teacher Principal Evaluation Project, it was proposed that it be reinstated to a .6 FTE. Other positions proposed for reinstatement included a custodian, the Transportation Supervisor, Associate Principal at Sakai, and the assessment

coordinator. There was a brief discussion about the sustainability of the positions, how the custodial position would be distributed, and if any of the positions would be a “TOSA.” It was also suggested that a review of the reductions over the last five years be conducted. Several previous budget reductions were noted including the change in Transportation bus runs from three to two, the increase in athletic fees, and elimination of club stipends. Ms. Chapel explained that discussions regarding reinstatements related to staffing had ongoing program and instructional needs had risen to the top. It was noted that some of the reductions over the last few years had been related to efficiencies. As the group continued the conversation, it was suggested that any items to be restored should be in the areas of greatest need, which may have changed since the time of the original reduction. In addition, it was underscored that with the implementation of the Teacher Principal Evaluation Project and the new state assessment Smarter Balance, the related requirements of staff time had grown tremendously.

Committee member Dave Layton raised the question about the need for the District Budget Advisory Committee as it had functioned over the past several years. When the district faced the deep budget reductions from the state and decreasing student enrollment, the committee “led the charge” of a full program evaluation. It made sense at that time to gather public input and advise the school board with recommendations about budget reductions. Mr. Layton suggested the need for an advisory committee may not be as great under current conditions. Ms. Chapel noted there had been discussion at the district level along the same lines. She noted the future structure, goals and purpose of a budget committee might be different. Committee members noted some of the benefits of the group included communication to other district staff and community members, and providing an avenue to gather input. As committee members discussed and summarized the information and proposals shared at during the meeting, it was suggested that a narrative be a part of the next proposed reinstatement document for clarification.

**Next Meeting:**

March 25

April 15

May 20

June 3