

**School Commission (SC) Meeting
October 24, 2019
6:08 PM**

Present: Karin Hansen, Elena Gruner, Barbara Spiering, Karl Mowat, Sara Volta, Michele Zinski, Mary Ann Fessler, Alison Morton, Jennifer Wong, Ben Gauyan, Beth Martin, Anna Horton, Jennifer Kokkonis, Martina Phelps, Jackie Bryan, Jason Kadushin, Dino Annest,

Absent: Fr. Oakland, Molly Ward, Tara Martin, Rebecca Lawrence,

Opening Prayer and Welcome

Anna Horton led the School Commission in the opening prayer.

Approval of Minutes

The September minutes were deemed approved.

Pastor's Report

No Pastor's report this week, Fr. Oakland is traveling.

Principal's Report

We are in the initial processes of planning for next year and gearing up to start re-enrollment at the end of January. There are several upcoming enrollment events, including an Open House on Nov 2nd.

Alison Morton will become primary School Commission member leading GatorAid since Libby Pickthorn has moved on. GatorAid started last year as a "Community Chest" fund to ensure all families could participate in activities regardless of financial limitations. If you know of someone in need or are in need, you can submit a request via the online form. There are opportunities to contribute by adding a donation as part of some event registrations (i.e. pizza lunch sign-up).

The city will zone the street in front of the school between Genesee and Dakota during the first two weeks of November as two-hour parking.

Next Friday is All Saints day. Mass will move from Wednesday to Friday.

10/25 was the first faith family of the year.

1 to 1 collection for Uganda is the first Friday of every month.

The "Big Toy" contractors are working on the final updates to the playground, including final revisions to the concrete work. They hope to complete that work soon, but weather is a factor.

New turf will be installed near the end of November on both sides of the concrete stairs where grass won't grow.

Conferences are coming up soon. The schedule will be released in the November 7th EFC. Please schedule conferences during the actual week of conferences as much as possible in consideration of teacher's time.

Development Report

The Magazine Drive is over and exceeded our goal of \$120K with almost \$35k coming in during the last week. Holy Rosary keep 51% of the sales and the \$10k that came in as donations. Our net earned for comes is around \$70k, which is about the same as last year. As we consider alternative fund-raising activities to replace the Magazine Drive, we will need to find an event that can replace this level of earnings.

The Annual Report is being sent to the printer tomorrow for distribution mid-November.

The Christmas tree lot will open the day after Thanksgiving and closes Dec 16th. Due to how late Thanksgiving is this year, we will have a one-week shorter window for sales. This may impact our budget number especially considering the increase in tree prices last year. Buy trees early! Last year the tree lot made approximately \$45k.

March 14 is the date for the School Auction. There will be a theme this year and what that theme will be is still in discussion.

Enrollment/Marketing Report

Already planning for 2021. Nov 2nd is the open house, and Preschool Trick or Treat will be open to the public on Halloween.

Middle School night will be held for all local schools on Tuesday Nov 12. The only school not participating will be Denny Middle School.

Applications are looking great for next year. We already have enough applications to fill both kindergarten classes even without considering transitions from Preschool.

Current enrollment is at 501 students (including Preschool).

Financial Report

No Financial Report this month to allow open discussion on the school budget.

Parents' Club Report

The very first Parent's Club meeting was held on Oct 9, with 40 people attending. The topic of extracurricular clubs was presented by Chris Collins. A survey was sent out inquiring about

topics for future Parent's Club meetings, with 16 responses. The main topic people are interested in is the "State of the School".

Parent's Club officers will meet the first week of November to finalize agendas for the rest of the year. January 15 is the next Parent's Club meeting. Anna will be presenting the "State of the School" at the March Parent's Club meeting.

Open Discussion

The Finance committee met last week to begin discussions on the tuition recommendations for next year. School Commission Finance committee will meet between now and end of November to finalize the recommendation, which will be presented at the December SC meeting with the tuition numbers released in January.

School Commission wants to get feedback from the general parent community on recommendations since we have increased tuition by 6% for the last 3 years. The month's School Commission meeting was open to the school community to do that.

Principal Anna Horton presented on how we establish a school budget and tuition recommendation.

The following long-term goals are used as guardrails while forming a recommendation:

- Maintain \$1 million in savings; currently have \$1,005,099 in general reserves (additional restricted funds)
- Continue to increase teacher salaries (and continue to increase all staff salaries 2-3%).
- Continue to update curriculum and address ongoing capital project needs as outlined in Strategic Plan
- Maintain the ability to provide financial aid to families who need it (primarily unfunded)
- Stable use of endowment earnings (We cannot touch the corpus, which is \$1mm with \$300k in interest for emergency needs. We are currently drawing out \$25k per year.)

While there have been many updates to our facilities over the past four years (list at end of the minutes), we are in a position right now where there are some high cost deferred maintenance items based on past financial constraints.

- Tuckpointing on the school building and parish center (shared cost with Parish)
- New roof on Lanigan gym (shared cost with Parish)
- Update remaining SMART boards
- Little toy on playground (replace woodchips with turf)
- Turf of playground near concrete steps
- Exterior painting (e.g. Lanigan)

All of these will require ongoing saving separate from reserves and need to be factored into tuition/fee and fundraising revenue. We are in the process of gathering estimates for these items. The Holy Rosary Parish Finance Council has recommended that we factor in ongoing depreciation expenses as a way to plan for long term capital projects, approximately \$159k per year to create a fund for future facilities expenses and help to spread the impact of any significant issues to current and future families.

Most of our budget is staff costs and, as we look to set a tuition number for next year, we need to take into consideration the estimated increased staff costs (total additional salary costs for '19-20 were \$337k). Holy Rosary School currently has 25 instructional staff with 43 staff in all.

How we compare against public school districts, as well as other private schools, is especially important in the next 5-7 years as we expect to see teachers retire (approximately 70% of our staff has been here for more than 20 years). We have provided significant increases over the last two years to address base salaries but still lag:

HRS Base Salary as a percentage of Highline and Seattle Public Schools (percentage of fully loaded salary costs including extra optional days as part of public-school contracts):

- | | | |
|-------------|----------|----------|
| - Highline: | 80% (BA) | 68% (MA) |
| - Seattle: | 77% (BA) | 67% (MA) |

In addition, HRS does not have a horizontal schedule that accounts for education. Many of our Catholic counterparts have a horizontal schedule.

The School Commission goal when developing a school budget centers around wise planning through stewardship. Goals tied to a new strategic plan (to be released in January, '20) will fortify our financial stability through thoughtful communication, collaboration, fundraising, and alumni outreach and include the following:

- Close monitoring and transparency of the school budget to ensure needs are met, reserves are continuing to grow, and that we are competitive with staff compensation.
- Communicate tuition increases early and effectively to all families and monitor tuition in context of other Catholic schools in the area and increasing costs.
- Annual analysis of the school's financial aid capacity as part of annual budget development.
- Strive to maintain the budgetary balance: revenue from tuition and fees = expenses from salaries and benefits.
- Plan for budget needs to support long range facilities planning, as outlined in the Parish Reserve Study.
- Promotion and growth of the Fr. Mallahan Endowment to ensure long-term financial stability.

Open discussion centered around three questions for Input:

1. What are your priorities in terms of the instructional program and extra offerings? Would you be willing to sacrifice something in order to keep tuition increases more minimal? What would that be?
2. We have some significant facilities needs to plan for in the coming years- to include a new roof on Lanigan gym and tuckpointing of the school building. Beyond these, what are your long-term facility wishes, knowing that we will need to raise money to cover the cost of each?
3. The school has made gains in the past two years increasing salaries and updating the facility while at the same time growing the reserves in case of emergency. We also fundraise heavily and raise almost \$750K/year. Would you be willing to continue to accept larger tuition increases if it meant less fundraising effort on the part of families? Or do you see fundraising as a way of keeping tuition accessible to more families?

Conversation was active around topic #1. After School Programs are deficient at HRS but finding parent volunteers is a difficulty. Another limitation we have is locations since after school the Parish Center, school hall and Lanigan gym are being used. Options around shared resources across other schools in the Diocese and finding "For Pay" classes like Coding for Kids were discussed.

Topic #2- Facilities included the following wishes: bathrooms, especially in Lanigan gym since it is not up to commercial spec; a kitchen update in Lanigan gym; boiler; replacing doors to increase security in addition to security cameras.

Topic #3 - Fundraising is seen as a way to keep our tuition more affordable and also increases the sense of community. For those that don't want to participate, can we have other options such as opting out by paying extra? The risk is that this may affect our marketability if it becomes part of our tuition make up / expectation.

Closing Prayer

Mary Ann Fessler led the School Commission in the closing prayer.

The meeting was adjourned at 8:05.

Facilities: Past Accomplishments- Thank you!

- Within the last four years we have:
 - Updated the fire alarm system in the school and gym

- Retrofitted all lighting in the school to LED
- Installed new LED can lights in the school hall
- Replaced carpet in 3 classrooms and the library
- Installed new Marmolium floors in the school hall entry, the office, and 3 classrooms
- Replaced 6 SMART boards and added a video system in the Parish Center reception room
- Replaced faucets in the school building and gym
- Updated teaching staff computers
- Installed lighting on the back/sides of the school and along 42nd Ave. SW
- Updated the building alarm system
- Completed a massive campus-wide cleanout
- Installed a new wireless network and new access points in the school and parish enter
- Completed numerous repairs on the boiler
- Updated the playground and installed a new big toy
- Tile repairs and re-sealing in main school bathrooms
- Completed numerous cosmetic updates (e.g. painting)