

We have now endured 10 months of restrictions in all walks of life due to the COVID-19 pandemic. Our schools have been closed most of that time. While we do have a limited number of students on campus, most of our students are learning remotely. Meantime, the closure of so much of the economy due to COVID-19 has had its own negative effect on all of us in some way. Just like you, our school district has been dramatically affected by the pandemic.

While many businesses have had to close during the pandemic, our schools have had to reorganize as we have transitioned to remote learning. There have been cancellations of most extra-curricular activities, no field trips, no sports, no clubs, and the like. One would think that without children attending in person the school district would see a big reduction in costs to operate, but in fact the reverse is true—the cost of operating school during the pandemic has actually gone up in more ways than it has gone down. Were the schools simply not open and totally shuttered, then we would see real cost reductions, but since school is operating, albeit very differently than before, the balance sheet for operating the school district has changed greatly.

At North Mason School District, we have seen costs increase around \$1.3 million dollars due to COVID-19. This includes the cost of extra custodians, PPE supplies, IT software and IT hardware—including buying computers for students to use at their homes—additional contracts with IT support people, curriculum materials and support. Our school buildings have not been closed but are still used by school district staff and teachers, so the utility costs have not been reduced. The buildings, because they have been in use have had to be cleaned much more often to keep them COVID-19 safe, and this has necessitated extra custodial staff to do so. Our schools have provided meals and delivered materials to students at home and are now also transporting some of our neediest learners to school and home. Our buses may not be filled with kids as before, but the cost of driving the routes has remained the same. Indeed, our per pupil cost for transportation has gone up nearly 10 times, from \$70.62 per pupil, to \$675.80 per pupil—though some of that increase is simple math—dividing the costs of doing the transportation by many fewer kids than can be transported as before.

Another big increase due to the pandemic is that the school's liability insurance costs went up by \$100,000 to close to \$350,000 total for the year. Electricity at the school district is nearly \$280,000; security, internet fees, cell and land line phone costs and postage add up together to over \$160,000; other utilities such as water, sewer, pest control, garbage and recycling add up to more than \$100,000. These and a few other necessary fixed operational costs total over \$1 million dollars.

There have been a few savings. These include lower costs for substitute teachers as they are much less often needed with online instruction, and some moderate reduction in the cost of para-educators when they are not needed in classrooms that are not yet in-person.

Then, the funding that the State of Washington pays the school district is based on the number of children enrolled and is significantly reduced due to the drop in enrollment as parents decide to home school or otherwise not enroll in the school online programs.

So, with the few savings versus the many increased costs as well as state funding reductions, our school district is facing a much tighter budget than before. This budget crunch is happening to all the school districts throughout Washington State more or less, and as we reopen our schools more fully costs will rise even further, and budgets will get even tighter. I suspect most of us in the community want to see the schools fully re-opened, and so do I once it is safe enough to do so. The State Legislature will be looking at this state of affairs for our schools over the next weeks and months, and they will have to determine priorities within the state budget to deal with the costs of schooling, as it is their primary duty as written into the state constitution. I cannot predict what will come of it, but you as a citizen of our school district should know that the pandemic has had a negative impact on our school district budget.

Board Director Art Wightman