

**Sweetened Beverage Tax Community Advisory Board (CAB)
Meeting Notes**

MEETING SUMMARY	<p>Date: April 15, 2022</p> <p>Time: 9am – 11am</p> <p>Location: Webex</p>
MEMBERS PRESENT:	Barbara Baquero, Jaimée Marsh, Jen Moss, Munira Mohamed, Barbara Rockey Kristin Sukys, Tanika Thompson, Christina Wong
MEMBERS ABSENT:	Bilan Aden, Rebecca Finkle, Dan Torres
GUESTS:	Office of Sustainability & Environment: Chris Iberle, Bridget Igoe, Suzy Knutson, Alyssa Patrick Department of Education & Early Learning: Monica Liang-Aguirre Human Services Department: Seán Walsh

Welcome, Introductions and Agenda

T. Bird Thompson welcomed everyone and asked CAB members and city staff to give introductions. The meeting will mostly consist of department presentations on the following topics :

- The 2021/2022 SBT budget,
- the Food Action Plan,
- Healthy Food in Schools,
- the Child Care Assistance Program, and
- a brief update on food banks and meal programs.

There is not time to hear in-depth presentations on all SBT-funded projects, so the CAB prioritized those they had most questions about. Descriptions of all programs were shared with the CAB as well for their awareness, and to ask any questions they may have.

2021/2022 SBT Budget Update

Presented on behalf of CBO by CAB Liaison, Alyssa Patrick

- CBO’s revenue projection for 2023 will be available by April 20, at which point we will share with the CAB.
- Below is the financial report shared during the meeting. The key takeaways from the 2021 final revenues and actual spending and 2022 adopted/projected budgets are:
 - Overall, the SBT Fund appears to be healthy in the short-term, pending the revenue forecast, and there is adequate fund balance to stabilize planned programmatic spending in the near term. At this point we are **not** anticipating cuts for SBT-funded programs. This is good news in an environment where several departments are facing budget reductions due to challenges with General Fund revenues.
 - However, as demonstrated in the table below, the projected spending (expenditures/actuals) exceed the projected revenues (roughly \$21 million versus \$24 million). This has not been an issue so far because of the SBT reserve fund and the fund

balance (money carried forward from one year to the next to continue work on a contract).

- As a result, if revenue projections come in lower than planned out-year expenditures, the 2022 projected fund balance (currently at \$4.3 million) could be used up quickly.
- Due to this, CBO's recommendation is **not** to propose new, ongoing programs with that unreserved funding. The fund balance is one-time in nature and in a scenario where ongoing expenditures are equal to ongoing revenues, fund balance would then be available to use on a one-time basis, but not for ongoing programming

Q&A

Answers provided by OSE staff

Q: Is there significant impact to anything we had previously talked about?

- **A:** No, everything we have funded in an ongoing way is protected now.

Q: Can you speak more to what it means that some funds may be available on a one-time basis?

- **A:** One-time funding are for projects that can be completed in a fixed amount of time, rather than ongoing programs. An example is past recommendations for installing water bottle filling stations in schools. In 2020, \$140,000 in one-time funding was allocated to install stations in schools, a discrete project that has a clear end point (stations installed).
- **A:** In 2022 there is an Unreserved Balance of \$4.3 million, which is basically the fund balance remaining at the end of the year. Those funds should not be considered for ongoing new projects/programs, however, because a portion of that "unreserved balance" is likely funding already promised through a contract that is not yet completed. We can ask CBO how much is carry forward and how much is truly unreserved.

2021 and 2022 Sweetened Beverage Tax Financial Report

Amounts in \$1,000s	2020	2021	2021	2021	2022	2022
	Actuals	Adopted	Revised Budget	Actual Spending ¹	Adopted ²	Projected ³ 4-11-22
<u>Beginning Budgetary Fund Balance</u>						
Beginning Balance Sheet Fund Balance	17,194	103	6,096	6,096	2,895	8,078
Budgetary Fund Balance Adjustment	81	0	0			
<i>Beginning Budgetary Fund Balance</i>	17,275	103	6,096	6,096	2,895	8,078
<u>Sources of Funds</u>						
Sweetened Beverage Tax	15,674	20,772	21,236	21,236	20,384	20,384
Transfer from General Fund					1,389	1,389
Transfer from Coronavirus Local Fiscal Recovery Fund					945	945
<i>Total Budgetary Revenues⁴</i>	15,674	20,772	21,236	21,236	22,718	22,718
<u>Expenditures</u>						
Office of City Auditor	450	500	1,000	200	0	500
Office of Sustainability and Environment	10,382	5,930	7,406	7,381	5,948	5,973
Department of Education and Early Learning	10,897	7,808	9,390	5,661	7,832	9,618
Human Services Department	5,058	4,743	4,743	4,700	4,935	4,942
Department of Parks and Recreation	65	303	425	65	303	303
Department of Neighborhoods	0	1,473	1,473	1,247	2,973	2,973
<i>Total Budgetary Expenditures⁵</i>	26,853	20,757	24,436	19,253	21,991	24,309
<i>Ending Budgetary Fund Balance</i>	6,096	118	2,895	8,078	3,622	6,488
<u>Planning Reserves</u>						
Revenue Stabilization Reserve	2,000	2,000	2,000	2,000	2,000	2,000
Worker Retraining	1,500	0	0	0	0	0
Planning Reserve	0	0	0	164	164	164
<i>Total Reserves</i>	3,500	2,000	2,000	2,164	2,164	2,164
<i>Ending Unreserved Budgetary Fund Balance⁶</i>	2,596	(1,882)	895	5,914	1,458	4,324

Notes:

1. 2021 “actual spending” is how much money has been invoiced for on contracts and/or allocated via grants
2. 2022 adopted is the budget as adopted by Council and signed by the Mayor in December 2021
3. 2022 projected is an updated version of the adopted budget, which takes into account any budget carryforward from the previous year, as well as other adjustments.
4. This row is expected revenue from SBT for each year. In 2022, the SBT revenues came in lower than the CAB and Mayor’s office budgeted for originally. The total for this year includes transfers from City general fund and federal funding noted in the rows above. No services had to be reduced as a result of the shortfall.
5. This row shows expenditures that are planned for or actually spent. The 2021 actual spending column is telling us how much was spent of the amount allocated. You’ll notice it is lower than projected, though some of the funding allocated for that year will roll forward into 2022 to continue work on projects and programs that may have been delayed/experienced different demand during the height of COVID.
6. These are funds that are unallocated or projected to be unallocated at the end of the year. The fund balance accumulates either when revenues are greater than expenditures, or when departments have carried over funding from the previous year. When it is carryforward, it is likely to be spent fulfilling a contract that may not have been completed in the previous year due to various factors that can delay projects.

Food Action Plan – [View Presentation](#)

Presented by City staff: Bridget Igoe (OSE), Chris Iberle (OSE), Seán Walsh (HSD)

Background:

- The first Food Action Plan (FAP) was developed in 2012 to increase access, expand opportunities, strengthen economy, and reduce food waste. In the SBT ordinance, the Food Action Plan is mentioned as a source of activities/programs/projects that would be eligible for SBT funding.
- We began some community engagement to update that plan in 2019 and then put on pause when the COVID-19 pandemic hit.
- Relaunched in 2021, convening an interdepartmental workgroup, connecting with the Environmental Justice Committee (EJC), and re-launching community engagement efforts. The EJC developed Food Justice Values that will also be the core values of the FAP. A deep dive Racial Equity Analysis is driving and informing this plan.
- Now have a working draft of the plan, and initial strategies and actions we are continuing to vet and refine with community.
- Overarching goals of plan: Increase access, prevent food waste, locally grown food, equitable development.

Community engagement:

- Phase 1 and 2 were focused on reaching targeted community members and stakeholders most impacted by food insecurity and/or involved in the food system. This has included interviews, focus groups, and surveys with farmers, mutual aid groups, folks who are or were unsheltered, food businesses, anti-hunger partners, and more.
- Phase 3 will be town hall style – a more finalized draft shared with the general public for input

Strategies/actions relevant to the CAB (1, 2, 3, 5, 6).

- Address climate pollution from the food system by tackling food waste.

- Culturally responsive food access: Continue and increase efforts of programs and services and ensure they are aligned with community priorities. Community has been repeatedly asking for more local FBx retailers, owned by BIPOC in community.
- Invest in community led solutions: What we are doing, we are doing well! Ensure experience applying for funds is consistent and that there is interpretation and translation and tech help across the board. Reduce barriers as much as possible.
- Increased land access for production: Farming and gardening and land access and stewardship ties into sovereignty and self-sufficiency.
- Improved sustainable and local supply chain: Public procurement and food service partners. BIPOC, local, sustainable investments.
- Equitable workforce: Expand and support local workforce. BIPOC owned restaurant keeping working and engaged to support community through COVID model. One example is Good Foods Kitchen – here is a [summary](#).

Next steps

- Continuing targeted community engagement – including opportunities for CAB to weigh in with questions and topics to probe on further
- CAB members are invited to engage more deeply on different aspects of the plan, be included in presentations on the plan before it is released, give input on upcoming community engagement.

Q&A

Q: Who are you talking to? Which sectors?

- **A:** See community engagement slide 6. BIPOC farmers – Clean Green Farm, Black Farmers Collective, Common Acre, and farmers in other parts of the county and state – Sky Island, etc. Food Access providers; Farm to Table, Fresh Bucks retailers, Solid Ground, Tilth Alliance.
- We are waiting to list specific names and affiliations until we report back to them and have agreement. Contracted with Lisa Chen and she led deep dive interviews with 19 food and justice leaders).
- The EJC will be included and welcoming the CAB is open too. Native and indigenous communities – BI working with key leaders to scope a focus group including Native Neighborhood Community Study and doing a series of local focus groups including one on local food systems. Moving at the speed of trust so it is useful for native community participants.
- Lived Experience Coalition focus groups – a group of folks that have experienced homelessness and have done a lot of training and engagement of their own. 40 or so folks in conversation and they shared powerful feedback about trying to access food while sheltered or unsheltered.
- We are compensating everyone, and we need to report back as it is an important step in the process.

Healthy Food in Schools – [View PowerPoint](#)

Presented by OSE staff, Chris Iberle

- Seattle Public Schools serves around 27,000 meals a day. Schools are a critical food access point – through engagement efforts and reports schools meals are cited nearly as often as SNAP and food banks as critical for food access.

- Goals of SPS Culinary Services: Provide more nutrition, more fresh food options, more participation among students, better and more local purchasing, better health and learning for students.
 - Challenges: Staff and kitchen capacity
 - 60 open positions to start and now down to 40 with about 20 posted. How do we build more awareness about those jobs that are available?
 - Opportunities:
 - New leadership bringing a new focus on fresh, local, culturally relevant foods.
 - See video of recent new menu item: [Taste of SPS video](#)
 - New state law requiring universal meals at all eligible CEP schools and provide them with support (increase current 6 schools to all 18 and maybe even more).
- With SBT funds, OSE has funded a city Fresh Fruit and Vegetables Program (FFVP) at SPS for the past several years. The purpose is to provide students with a supplemental fresh produce/food snack outside of lunch time. How the program is delivered has changed over the past couple of years due to COVID. [See powerpoint](#) for more information and participation #s)
 - Key learnings about FFVP:
 - Where it works it works really well, but other places have challenging logistics at play that make it less of a good fit.
 - Have pursued some opportunities to connect with and purchase from BIPOC farms, as well as outreach and promotion of food programs around SPS
 - There may be other needs/approaches in schools based on focus of new director and head chef.
- With SBT funds, OSE also installed 20 water bottle filling stations in 2021– 15 more will be installed by school district in next year (stations will include SBT acknowledgement stickers).
- In 2022, OSE launched a School Meals and Food Education working group – a cross-sector group of folks to mobilize and expand and support around what is already happening and for visions of how to continue improving school meals.

Q&A

Q: What is the long-term sustainability around quality, nutritional food access in SPS? Is there more investment on the horizon?

- **A:** It's a federal program that they are running so things like universal school meals are at the behest of federal and state policy. Sustainability of the program is based on piloting, testing, rolling out new approaches. Central Kitchen is one bottleneck, and the staffing capacity is also a significant need to establish and maintain a better meals program. For example, Central Kitchen is an 8-person staff compared to Portland where they have 18 staff for a smaller district.

Q: Where does privatization of school lunch programs come into any of this? What is the impact of these programs?

- **A:** Some districts are outsourcing food service to an outside company (Sodexo, Chartwell, etc). SPS is self-operated and does not outsource and we have not heard indication that they are looking at that direction. Scratch cooking takes more of everything so of course that is a challenge.

Q: King County Workforce Service said staffing resources are getting contacted by immigrant mothers that are interested in positions. Has this come up in listening sessions? What pathways can be built?

There are also concerns that school district is not answering/returning these calls because of language access issues.

- **A:** The work group we launched will consider workforce development and the pipeline – this is a good group to bring up as possible employment option.
- We can also raise this with the Office of Labor Standards community outreach partners. 60 open positions to start and now down to 40 with about 20 posted. How do we build more awareness about those jobs that are available? CW – concerns that schools are not returning calls due to language access issues.

Child Care Assistance Program – [View Presentation](#)

Presented by DEEL staff, Monica Liang-Aguirre and Raka Bhattacharya

- The Child Care Assistance Program was created in 1970s to help pay for child care.
 - The program serves income eligible families (those at 60% of SMI) in the city of Seattle with children 1 mo – 12 years.
 - It provides a reduced cost of child care to families at participating child care centers, is meant to supplement larger state subsidy program.
- There will soon be 3 subsidy programs City of Seattle residents can access:
 - Working Connections Child Care (state program; 0-60% SMI), Seattle CCAP (60-94% of SMI) and now a new county-wide program administered by Best Starts for Kids. It is meant to be the bridge between the state and the city programs and will impact eligibility on all sides.
 - BSK investment is \$200 million over 7 years
 - Families eligible if they fall below 85% SMI and do not qualify for state subsidy and there is no work or school requirement and will be focusing on prioritizing families with additional barriers.
 - SMI for a family of 4:
 - 100% SMI: ~ \$108,000/year
 - 60% SMI: ~\$64,800/year
- CCAP serves 725 children, mostly BIPOC (84%) and school-aged (84% are 3-12).
 - Since 2010, infants and toddlers are approx 10-20% of CCAP
- Childcare has been significantly impacted by COVID.
 - It impacted costs of operations, several had to close at beginning of pandemic.
 - Despite COVID, people still needed childcare as many of them did not have the ability to stay home.
- The majority of CCAP providers are child care centers and family child care providers. Primarily located in Council Districts 2 and 3, where we know priority populations live.
- Budget: SBT is 40% of CCAP budget – the other pools of funding for the program are general fund and FEPP Levy
 - 90% of overall funding goes towards vouchers for families.
 - A portion (less than half) of SBT funding supports professional development and incentives for providers in the beginning. Both are important to supporting providers participating in what can be a heavy administrative program.
- 2020 saw a lot of Council initiatives and had 2 budget actions related to child care; they are:
 - Increase infant and toddler strategies specific to CCAP and do local outreach
 - A birth to 3 study – exploring birth to three child care approaches and providing a national landscape analysis.

- A statement of intent around labor practices.
- DEEL has also received many recommendations through 2020/2021 reports that we have started implementing. This includes:
 - Expand CCAP family eligibility: This includes expansion of eligibility to extend the work and school requirement for parents (Masters and those looking for work)
 - CCAP voucher modification: paid based on enrollment rather than attendance
 - Expand CCAP provider eligibility: No longer w/in Seattle limits only; still only for Seattle resident families
 - Develop a costs of care framework – what does it cost to provide quality care?
 - COVID-19 response policies and supports:
 - Changes to enrollment vs attendance policy
 - Co-pay relief for families
 - Free PPE to providers
 - Stabilization funds
 - Given to 3,495 child care workers employed in Seattle
 - Given to 523 child care providers located in Seattle
- CCAP and new BSK Subsidy
 - DEEL and BSK (county program) will work together to streamline processes for families and providers and ensure no families fall through the cracks. Find alignment on eligibility, provider rates, service delivery.
 - Will also collaborate on Cost of Care study , to realign how public agencies fund providers that participate in subsidy programs.
- CCAP's main goals moving forward:
 - Strengthening financial supports for providers: Moving to a framework that establishes fair compensation to providers accepting subsidy that aligns with the cost of delivering quality and fairly compensated child care
 - Expanding the safety net for Seattle families: Leveraging State and County child care subsidy expansions to modify eligibility to CCAP, with the net result of more families qualifying for child care subsidy based on their income and life situation than at any time in our city's history.

Food Banks and Meal Programs

Ran out of time for this presentation – moving to May meeting agenda.

Close out/Adjourn

Tanika Bird Thompson

T. Bird Thompson thanked the departments for their presentations and CAB members for their questions. The CAB's next meeting is longer – 3.5 hours – and will include a few more presentations (including one on 2023 projected revenues and community engagement findings). The CAB will also begin developing our 2023 budget recommendations.