

## Board of Directors Board Minutes March 20, 2012

**Board Members** Chair Terry Rahmsdorff, Vice Chair Bob Moore, Directors Jerry Crafton, Ron Gallinat, Cathy Miller, Carol Moorehead, Scott Pillar, Scott Reynolds and John Sundell

**HDESD Staff** Dr. Dennis Dempsey, Superintendent, Paul Andrews, Executive Director of Special Services, Martha Hinman, Regional Executive Director of Special Programs, Greg Munn, Director of Fiscal Services and Shelley Knutz, Executive Assistant

**Guests** Jim Golden, Shay Mikalson and John Rexford

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### REGULAR SESSION

Regular Session was called to order at 5:35 pm.

### PRESENTATION AND REPORTS

#### EI/ECSE Report

Martha Hinman highlighted the Headstart partnership and celebrated how successful of a community partnership it is. John Sundell asked why there are multiple agencies providing similar services. Martha said that is what the Early Learning Council (ELC) is looking into and so services being provided in 2013-14 could look very different. Carol Moorehead asked if there was an explanation for our success in this area. Martha said that east of the mountains there are limited resources so it is very important that everyone works well together.

How do we move forward? Teachers and assistants are completing a time and effort study for teachers and assistants to determine how they are spending their day. Martha, Dennis, Paul and Diane are planning to visit other EI/ECSE programs after spring break to see what is happening in other regions and make sure we are comparing like programs. They are also looking at ways to reduce facility costs by using available space within districts as well as determining what the best practices are for early intervention programs. At this time, the priority is to get back to the 183 contract with 175 student contact days.

The program that we would like to provide the children is a far cry from what we are currently able to provide. We may be able to build back the days with the adjustments being considered. Cathy's concern is that we are looking at a one year solution. There is a difference between efficiency and effectiveness so we must be aware of the impact these cuts are having on our ability to provide the services to students. Martha said we are easily meeting the federal requirements but we will need to find out what the ELC recommends going forward. Cathy noted the governor's mandate of full day kindergarten by 2015. This will have a large impact on space needs in local school districts in the future.

Terry asked when the Board could expect another update. Martha said they should be able to provide an update in April who would include the time study data and information gathered during district visits.



### Fiscal Report

Greg Munn presented the Finance Report as of February 29, 2012

- General Fund – Operations, Fund Balance/ Reserves, Revenue and Expenditures
- Reviewed revenue and expenditures as a percent of budget
- Special Revenue Fund – Scott Reynolds asked for clarification on the actual % of budget

Cathy Miller asked if there were opportunities to make adjustments this current year that will help with the budgeting shortfall for next year. Greg said that these opportunities will be topics for consideration during the budgeting process.

### Finance Committee Report

Greg Munn reviewed budget assumptions he presented at the last Finance Committee meeting

- **PERS Update** – Greg distributed a graph showing the impact of potential 2013-15 PERS rate increases. We hope for changes in the upcoming legislative session to the PERS dilemma. Advisory rates are based on the market's performance for the previous 18 months so it does depend upon market performance. Cathy Miller said this was a conservative plan especially without knowing where the rates will go. The committee would recommend continuing with the \$325,000 offset for the next few years.
- **Bank of the Cascades Loan Refinance** –Highlighted the details of refinancing the Manzanita Building Remodel. This will free up \$500,000 in collateral and save \$55,396 over the term of the loan.

### Shared Services Update

Dr. Dempsey said two of the three superintendents participating in shared services asked to join him for the presentation. Jim Golden said he believes the savings to for Sisters is higher than \$94K and the service being provided is much improved. Jayel Hayden has an exceptional ability to provide services and handle personnel issues because of his expertise. Martha Hinman is able to provide preventive services so Sisters risk management has improved.

Shay Mikalson said they are operating with 114 fewer adults in the Redmond School District than they had three years ago. In K-12 it is critical that every dollar saved is pushed into the classroom. He would like to be reporting dollars saved as well as the performance or a service provided. No need to replicate services between districts and the ESD. We should think creatively and make changes where we can because some things are out of our control such as PERS.

Jim Golden said ESDs were originally created to leverage resources and create economies of scale. High Desert is really working hard to help the school districts. He said that this is allowing districts to cut the cost of doing business and improve services for students. Ron Gallinat asked about the amount of time Greg Munn spends supporting Crook County. Greg said he is there approximately 2 days a week and Mark Murray is there 3 days a week. Crook County is reimbursing us for Greg's time. Mike Schofield provided the ESD with best practices in business services and each agency is completing a gap analysis based on this report. Once the gap analysis is completed Mike will work to help each agency implemented best practices where needed going forward. This will help provide common practices across the region.

Scott Reynolds said the directors mentioned to the board members that we need a clear vision for shared services. The gap analysis and efficiency study won't provide a clear vision. It feels like a moving target. Dr. Dempsey said the clear vision is to provide the same amount/quality of services with a lower cost. We can measure the amount of services we provide but we need to figure a way to measure effectiveness. Dr. Dempsey said that he met with business office staff to discuss this. They are busier but they know it is important work and the right thing to do, although it is not easy.

Greg Munn said that we use the same software as Crook County but the processes are very different. This is what will be identified in a GAP analysis. If everyone is using the same process, it will work well. Terry Rahmsdorff is concerned about the human cost. He wants to make sure that our staff members are not sacrificing their health. Terry said there is a point when you must admit enough is enough. Ron Gallinat confirmed that we are not taking on or expanding any additional services in shared services this year and Dr. Dempsey stated that is correct.



Cathy Miller confirmed that the GAP analysis will be for current programs under the shared services. Shay Mikalson agreed that people have been doing more with less. The analysis will show where it is possible to do less so that they are making those decisions with their eyes wide open. Superintendents are bringing other options to the table to be considered or studied. Bob Moore noted that JR is bringing some expertise in areas such as transportation, nutrition and business. Shay said that some areas are not big enough to consider but anywhere there is a dollar to be saved, we need to pursue those savings.

**EBS License Report**

Dennis showed a map highlighting the areas we are using our EBS license. We currently have a link at Westside elementary in Madras for data, Internet and VOIP. There is a link at Rosie Bareis for data and Internet and a test link at the Manzanita building in Redmond. We are the only ones with the lease using it for programs and it is going well. This report should be updated on a yearly basis.

**EXECUTIVE SESSION**

The Board met in executive session from 7:15 pm-7:50 pm to consult with those designated by the Board to conduct labor negotiations pursuant to ORS 192.660(2)(d) and to review information or records exempt from public disclosure pursuant to ORS 192.660(2)(f).

**DISCUSSION ITEMS**

**First Reading of Board Policy BBB – Board Elections**

- **Scott Pillar moved and Jerry Crafton approved the first reading of Board Policy BBB.**  
Terry Rahmsdorff questioned the appointed member’s inability to vote. Dr. Dempsey will get the opinion of legal staff at the next meeting. **Motion passed unanimously**

**Review Draft of 2012-2013 Board Meeting Schedule**

- **Bob Moore moved and Cathy Miller seconded a motion to approve the 2012-2013 Board Meeting Schedule. Motion passed unanimously**

**ACTION ITEMS**

**Approve Budget Committee**

- **Carol Moorehead moved and John Sundell seconded a motion to approve the Budget Committee as presented. Motion carried unanimously.**

**Consent Agenda**

Shelley noted the need to revise the minutes stating Jerry Crafton was in attendance at the meeting.

- **Bob Moore moved and Scott Reynolds seconded a motion to approve the consent agenda as revised. Motion carried unanimously.**

**Adjourn**

The March 20, 2012, High Desert Education Service District Board of Directors Meeting adjourned at 8:10 pm.

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Terry Rahmsdorff, Board Chair

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Shelley Knutz, Executive Assistant

