



2804 SW Sixth Street, Redmond, Oregon 97756 / p 541.693.5600 f 541.693.5601 / www.hdesd.org

Budget Committee Minutes April 18, 2017

Board Members Carol Moorehead, Board Chair, Bob Moore, Vice-Chair, Directors Seana Barry, Kathy Biles, John Lang, Mike McGowan, Doug Nelson and Terry Rahmsdorff (arrived at 5:40)

Budget Committee Scott Cooper, Crook County School District, Julie Craig, Bend-La Pine Schools, Brad Henry, Bend-La Pine Schools, Martha Hinman, Redmond School District, Shay Mikalson, Bend-La Pine Schools, Kathy Steinert, Redmond School District, Sherry Joseph, Sisters School District and Duane Yecha, Crook County School District

HDESD Staff John Rexford, Superintendent, Paul Andrews, Deputy Superintendent, Shawna Bell, Business Analyst, George Cocores, Evaluation Specialist, Catherine Halliwell-Templin, School Improvement Coordinator, Jayel Hayden, Director of Human Resources, Greg Munn, Financial Services Director, Brook Rich, CTE and STEM Director, Whitney Swander, STEM Executive Director, Diane Tipton Early Childhood Director and Shelley Knutz, Executive Assistant

Guests Dave Burke, Director of Secondary Education, Redmond School District

Call to Order Board Chair Carol Moorehead called the meeting to order with a quorum of 15 at 5:32 pm and asked for introductions.

Election of Budget Committee Officers

- Doug Nelson moved and Scott Cooper seconded a motion to nominate Brad Henry as Chair of the HDESD Budget Committee for 2017-2018. Motion carried 15-0.
- Scott Cooper moved and Shay Mikalson seconded a motion to nominate Julie Craig as Vice-Chair of the HDESD Budget Committee for 2017-2018. Motion carried 15-0.

Budget Message

Superintendent Rexford delivered his budget message for 2017-18. The budget development process is focused on implementing our mission of improving student outcomes, as well as meeting the needs of our constituent school districts and other partners.

"The 2017-18 budget is based on the best information available at this time. Our general fund budget is constructed around the Oregon Department of Education estimates based on the 2017-19 state appropriations for K-12 education as outlined in the 2017 Legislature's Joint Ways and Means Committee Co-Chair's initial budget framework. As always, our primary cost drivers are related to employing a quality staff to service our customers. We have included a modest increase in employee costs, incorporating PERS rate increases and potential impacts from collective bargaining.

We have worked with each of our four constituent school districts to develop a budget for the local service plan within the general fund that meets their needs to the greatest extent possible. There may be further adjustments prior to budget adoption based on District requests. The proposed general fund budget totals just under \$15.6 million, and the entire budget totals \$48.4 million.

We have a team that rates second to none in this state and beyond. Whether it is in our veteran staff serving the special education needs of children, or the incredible cadre of young leaders we have developed in our capacity-building phase over the past few years, our number one asset is clearly our human resource. They are, and will continue to be, the heart and soul of this organization

Tonight, we present our budget plan for the upcoming year, and I will say it one more time. It is always important to remember why we all work or volunteer in this profession: the children. Improving student outcomes will remain our focus and priority as we move through this budget process, and embark on another year serving the region."

Program Highlights

Brook Rich highlighted the Career and Technical Education (CTE) programs on the High Desert. In addition to Crook and Deschutes Counties, they cover the entire central region of Oregon from the Columbia River to the California border. The graduation rates for students who have taken at least 1 CTE credit, are 15% higher than the state average of all students. CTE Concentrators graduated above 74% in every racial/ethnic population measured.

Whitney Swander explained the role the STEM Hub in Education and in the Community. To create partnerships between K-12 education, higher education, community organizations, and business and industry to align, enhance, and catalyze new opportunities and exploration in science, technology, engineering, and math (STEM).

Brook reviewed the funding received by CTE and Whitney reviewed the STEM funding. The total CTE-STEM Department Budget is \$1,579,478, which is 3% of the total ESD budget. They both covered What's New and What's Next in their programs.

Catherine Halliwell-Templin, Coordinator of School Improvement, announced High Desert ESD will be hosting the first Advanced Placement (AP) Institute in Oregon since 2006. This will be a four day course for high school teachers to prepare them to teach AP courses in their high school. We are very excited to host this event in Central Oregon. It provides a much more affordable option for districts who want to send their staff. We began this work through Cascades Commitment to increase the number of dual credit courses offered in the districts. To date we have trained 77 teachers, and provide all students with a variety of accelerated college credit options. We continue to build collaborative, innovative, and flexible ways to foster a college-going culture across the region. We will continue to offer accelerated college credit options through the AP Institute of the Cascades.

George Cocores introduced the Early Intervention/Early Childhood Special Education (EI/ECSE) Evaluation Team. They evaluate special education eligibility for EI, children birth through 2 years of age, and ECSE Children 3 to 5 years of age in Deschutes and Crook counties. There are seven team members who provide intake, screening, evaluation and documentation for the referrals. They have not increased their FTE since the team was founded in 2002. For 2015-16, there were 539 evaluations and 263 screenings. Over 86% of children who were screened went on to qualify for services so far in 2016-17. There has been a 17% increase in referrals over the past two years, along with an increase in the severity of those referrals. The evaluation team has used an i4 innovation grant to improve efficiency by being able to text parents/ guardians. Hopeful this will decrease the number of "no shows" and cancellations.

Presentation of Budget Document

Greg Munn reviewed the 2017-18 proposed budget.

- Proposed 2017-18 budget = \$48,400,479 an increase of \$13M since 2012-13
- Revenue Split and Revenue Categories
- Budget Assumptions
- PERS Rates and Reserves
- Budget Summaries – General Fund Support Services
- General Fund Local Service Plan
- Brad Henry asked for a snapshot of the programs having the greatest change on the budget. It was agreed the Early Learning Hub and the AP Institute are the biggest changes in the budget.

Brad thanked Greg and Shawna for their great work on this balanced budget. He noted the Budget Committee has the opportunity to continue review of the document and return in May for a second meeting, or to approve the budget at this time. Shay mentioned how much he appreciated the proposed budget as well as the program presentations.

Resolution 48-17 Approving the 2017-18 Budget

- Doug Nelson moved and Julie Craig seconded a motion that the High Desert ESD Budget Committee approve the 2017-18 fiscal year budget as presented in the amount of \$48,400,079 and property taxes at the rate of \$0.0964 per \$1,000 of assessed value for operating purposes. Motion carried 16-0

Opportunity for Citizen Participation

There was no citizen participation.

Adjourn

The April 18, 2017 meeting of the High Desert ESD Budget Committee adjourned at 6:50 pm.

Brad Henry, HDESD Budget Committee Chair

Shelley Knutz, Executive Assistant



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Board of Directors Board Minutes April 18, 2017

- Board Members** Carol Moorehead, Board Chair, Bob Moore, Vice-Chair, Directors Seana Barry, Kathy Biles, John Lang, Mike McGowan, Doug Nelson, Terry Rahmsdorff
- HDES Staff** John Rexford, Superintendent, Paul Andrews, Deputy Superintendent, Shawna Bell, Business Analyst, Jayel Hayden, Director of Human Resources, Greg Munn, Director of Fiscal Services and Shelley Knutz, Executive Assistant
- Guests** Dave Burke, Director of Secondary Education, Redmond School District
- Call to Order** Carol Moorehead called the April 18, 2017 meeting to order at 7:05 pm
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REPORTS

Fiscal/Facilities Report

- Revenue is projected to be up \$35,000 more than budgeted due to the State School Fund increase and an increase in interest earnings and property taxes.
- Budgets are being presented to Spray School District and Powell Butte Community Charter School.
- Will present a recommendation for an audit firm later in the meeting.
- There were no questions regarding the April 2017 Facilities Report.

ACTION ITEMS

Approve Early Learning Hub By-Laws

As part of the transition of the Early Learning Hub to the High Desert ESD from WEBCO we must have bylaws in place. This is to ensure that all of the current structure will stay in place after the transition. The Early Learning Leadership Council (ELLC) approved the presented by-laws at their meeting on April 5. Paul reviewed the Roles and Responsibilities of High Desert ESD regarding conflict of interest and line authority for grants received by ESD programs. Jefferson County will also have a representative on the ELLC. All funds will be governed by the Early Learning Division. There is a 120-day opt out clause in the state contract. The EL Hub has been monitored and audited. The language has been reviewed and approved by our legal department. Staff Attorney Lauren Lester did have a significant hand in the rewrite of the bylaws. Terry confirmed Lauren recommended these bylaws be taken to the Board for approval.

- **Doug Nelson moved and Mike McGowan seconded a motion to approve the Early Learning Hub By-Laws as presented. Motion carried 8-0.**

OAESD Officer Council Election

Superintendent Rexford introduced the OAESD ballot. This is an opportunity to cast our vote for a candidate for chair and a candidate for chair-elect on the 2017 OAESD Officer Council. He said this is a way for the HDES board to stay involved in the OAESD.

- **Seana Barry moved and Kathy Biles seconded a motion to cast a vote for Paul Zastrow as Chair and Robert Moore as Chair-Elect. Motion carried 7-0. Bob Moore abstained from voting.**

Appointment of Auditor

Greg Munn reported the audit proposal review committee met to review and score the proposals. The committee, considering the proposals and direct feedback received from ten different school district or ESD references, recommends awarding the contracts to Pauly, Rogers and Co., P.C. The proposed cost is \$24,000. John Lang asked if there was a concern logistically with them being located in the valley. Greg believes we have the technology for them to attend meetings even if not in person. Terry feels this is a beneficial change considering the upcoming change in superintendents.

- **Bob Moore moved and John Lang seconded a motion to approve Pauly, Rogers and Co., P.C. as the High Desert ESD's auditor of record beginning with the 2016-17 fiscal year and authorized the Superintendent or Director of Business Services to enter into a contract with said firm on behalf of the High Desert ESD. Motion carried 8-0.**

Consent Agenda

- **Matt McGowan moved and Seana Barry seconded a motion to approve the Consent Agenda as presented. Motion carried 8-0.**
 - Personnel Changes – April 2017
 - Board Minutes – March 21, 2017

DISCUSSION ITEMS

Superintendent Report

- ✓ Superintendent Rexford attended OAESD Legislative Committee meeting this morning. Co-Chairs have just released a refined budget framework based on \$7.8B for K-12. It is a low starting point, and he is hopeful we will end at \$8.1B.
- ✓ SB182 – Educator Advancement Council, implementing a new educator network. The new network would not be in place until 2019. We hope to sustain the current grants until then.
- ✓ Ballot Measure 98 – will have a little bit of flexibility. Co-Chairs are recommending 2/3 funding.
- ✓ Oregon State has rejected some college credits earned in Regional Promise programs, like Cascades Commitment.
- ✓ SB559 and 560 – PERS Reform has moved out of committee including 5 year annual salary calculation and redirection of the 6% contribution to the IAP to another account that would be created to offset the costs. It also contains a \$100,000 cap on final average salary. This would be effective 1/1/18.
- ✓ Positive Behavior Support conference will host over 300 attendees on April 24, 2017.
- ✓ Deputy Superintendent Andrews was recently appointed to the Central Oregon Health Council Board.
- ✓ He will be in Minnesota from May 4-7 for the annual gathering of Courage to Lead facilitators.
- ✓ Deputy Superintendent Andrews introduced Dave Burke, and he said we are thrilled to have Dave joining us on July 1 as Assistant Superintendent.

Board Chair Report

- ✓ Bob, Shawna and Terry met to talk about board self-evaluation. Discussed the goals, the why and the expected outcomes. They like the South Coast ESD assessment sample which included an open ended question to set individual board member goals. Would be a good tool to include in the board packet for new board members to help them understand their roles better. Terry noted that there will be new board members coming on, and we need to do a better job educating those new board members. Maybe this will be a good way to allow board members to provide input into setting goals. John Rexford suggested the board has consensus on what information they are wanting to measure before implementing an evaluation. Mike cautioned them not to make it more work than they need to. John Lang feels the board members do not need to micromanage, that's what gets most boards in trouble. If board members want to get more involved, then get involved in a committee. The Board really needs to establish a baseline of what they want to evaluate.

Adjourn

The April 18, 2017, High Desert ESD Board of Directors Meeting adjourned at 8:25 pm.

Carol Moorehead, Board Chair

Shelley Knutz, Executive Assistant