



2804 SW Sixth Street, Redmond, OR 97756 / P 541.693.5600 / www.hdesd.org

Budget Committee Minutes April 19, 2022

- Board Members** Peggy Kinkade Board Chair, Matt McGowan, Vice-Chair, Directors Seana Barry, Gwen Carr, Betsy Julian, Bob Moore, Carol Moorehead, Elizabeth Sanchez
- Budget Committee** Charan Cline, Redmond School District; Steve Cook, Bend-La Pine Schools; Carrie McPherson Douglass, Bend La-Pine Schools, Brad Henry, Bend-La Pine Schools; Karen Jordan, Redmond School District; Sherry Joseph, Sisters School District; Anna Logan, Crook County; Kathy Steinert, Redmond School District
- HDESD Staff** Paul Andrews, Superintendent; Jim Boen, Regional Director of Mental and Behavioral Health; Rochelle Friend, Chief Financial Officer; Jayel Hayden, Chief Human Resources Officer; Anna Higgins, Chief Strategy and Innovation Officer; Amy Joynt, Special Programs Executive Director; Angella La Fontaine, Business Analyst; Bryan Malone, Adaptive Equipment Specialist; Amber McGill, Culture of Care Lead Coach; Shay Mikalson, Chief Student Success Officer; Rachel Wenten-Chaney, Chief Information Officer and Shelley Knutz, Executive Assistant
- Call to Order** Peggy Kinkade called the Budget Committee to order with a quorum of 16 at 5:30 pm.

Election of Budget Committee Officers

- **Brad Henry made a motion to nominate Kathy Steinert as Chair of the HDESD Budget Committee for 2022-23. Peggy Kinkade seconded the motion. Motion carried unanimously.**
- **Matt McGowan made a motion to nominate Brad Henry as Vice-Chair of the HDESD Budget Committee for 2022-23. Charan Cline seconded the motion. Motion carried unanimously.**

Budget Message

Superintendent Paul Andrews began his Budget Message by noting that COVID-19 still has an influence on everything we do. While our schools and programs are back to in person instruction and masks are not currently required, fiscal, instruction and logistical decisions are strongly linked to the pandemic. The budget was prepared with cautious optimism as we look for a better understanding of what a “new normal” will be.

One way that the pandemic has influenced our budget outlook is through the influx of federal stimulus dollars. Education Service Districts have not received the same level of federal funds as our local districts, but we have benefitted from some of the earlier ESSER allocations that can still be spent through this next year. Additionally, some of our contract programs, such as Early Intervention/Early Childhood Special Education, have received targeted funds from the American Recovery Act (also referred to as ESSER III). It is important to realize that these are one-time funds that are not sustainable, so using them strategically to help those they were designed to help is paramount. This budget reflects a strategic use of those dollars.

The pandemic has also had an influence on staffing, salaries and equipment. The “Great Resignation” has not missed any Oregon education district, including High Desert ESD. We have worked hard to fill every open position, but we have not been successful on every front. In some cases, even though this is not a bargaining year, we have made agreements with our union to try to attract more workers to some of our hard-to-fill positions. This is on top of a 3% COLA that was negotiated last summer for both the 21-22 and 22-23 school years.

ESDs are seen as critical technical assistance and coaching partners in the Student Success Act (SSA) work to increase outcomes for all students, but especially those who have been historically not well served by our system, and to focus attention and services on those with mental and behavioral health needs. As we move into this next year, we will be using SSA funds to hire a new Executive Director for Equity, Diversity and Inclusion and a new Regional Director for School Improvement – both of which will help HDESD and our region move closer to the goals and outcomes of the Student Success Act.

While the general fund is central to our work, it represents less than a third of our overall budget. Most of our budget consists of state and federal grants and contracts. We know the state budget for our major state “grant-in-aid” contracts including Early Intervention/Early Childhood Special Education (EI/ECSE) and Central Oregon Regional Inclusive Services (formerly CORP) and they are budgeted accordingly.

With all of these changes and significant pivots and realignments, the High Desert ESD is still firmly grounded in its purpose, vision and direction. The strength of our incredible staff and the governance and leadership of our board have allowed us to keep the ship pointed toward our north star even while navigating these very tumultuous seas.

Program Highlights

Assistive Technology

Bryan Malone, Adaptive Equipment Specialist, has been a physical therapist for 29 years. His program specializes in providing assistive/adaptive technology ranging from electronic programs, applications, standard and specialized equipment. Students receive equipment on a long term basis. If the equipment they need does not exist, he will make it for them and instruct their therapists, assistants how to use it.

Bryan presented a sidelyer he has built for a student with scoliosis. The sidelyer will give the student a break from sitting in her wheelchair. He explained how every angle will meet the needs of the student. The angles also assist in feeding and with elimination. Bryan also brought a custom crawler he built for a child learning to crawl. He explained the safety features and demonstrated how it was built with the ability to be adjusted as the child grew. Not all of the creations are unique but he customizes about 1/3 of the equipment used by the students in the districts. Karen Jordan thanked Bryan for his great work with their students.

Student Success Act

Shay Mikalson, Chief Student Success Officer, provided an update on the Student Success Act (SSA) and noted the challenges faced for implementing it during the pandemic. He highlighted how those funds have been designated

- ✓ 50% - Student Investment Account
Reducing class size, addressing students' health and safety needs, increasing instructional time, expand students' access to well-rounded learning experiences
- ✓ 30% - Statewide Education Initiatives
High school success, school safety, equity initiatives, expand school nutrition programs, ESD support to school districts
- ✓ 20% - Early Learning
Fully funded EI/ECSE, increase preschool slots, early learning equity funding

In advance of the planning cycle for ODE's Integrated Guidance for the six aligned initiatives for student success, Better Together and the HDESD are proud to continue collaborating with the regional districts and schools to deepen authentic and consistent family and community engagement. The six ODE initiatives are: High school success, continuous improvement planning, career and technical education, every day matters, early indicators and intervention systems.

Shay reviewed the regional practices for authentic engagement and highlighted the 2022-23 planning and engagement cycles. He concluded his time by saying how very proud he is of the incredible work being done throughout the region in all of our districts.

Creating a Culture of Care in Central Oregon

Amber McGill, LCSW Lead Culture of Care Coach, provided the budget committee with some background into the Culture of Care program. Their mission is to impact educational cultures and outcomes with trauma-responsive, restorative and equitable practices that promote wellness, safety and community support for all. Amber also covered the timeline of Culture of Care from 2019 to now. They were awarded \$1.5M in 2019 and another \$900,000 from the Labor, Health and Human Services Education Bill from the US Congress.

Highlighting the Culture of Care impact in 2021-22, there were 1,006 individuals served. 75 professional development sessions offered with a satisfaction survey indicating a 4.51 average for confidence in implementation. Providing high quality training and professional learning to all school staff will lead to longer-term success and health outcomes moderating the negative effects of childhood trauma.

Presentation of the Budget Document

Rochelle thanked the Budget Committee for making the time to participate in this important process. The 2022-23 budget is being viewed through an equity lens; requiring that all systems and processes will allow us to keep educational equity at the forefront of all our financial decisions.

Rochelle provided a snapshot of the 2022-23 proposed budget assumptions

- State School Fund estimate based off the State's biennial budget of \$9.3B. Due to decreasing enrollment in our region, we are anticipating a decrease in State School Fund support of 1.8% as compared to our 2021-22 adopted budget. The total estimated State School Fund revenue for the 2022-23 budget is \$14.69M.
- State Grants are the ESD's second largest source of funding from the State of Oregon which include some of our largest programs that serve children in the region including Early Intervention/Early Childhood Special Education, Healthy Families of the High Desert, Regional Inclusive Services (formerly known as Central Oregon Regional Programs), Student Success Act funding and Regional Educator Network. These five programs comprise 69% of funds received from the state.
- The ESD houses fifteen programs that provide services to school districts that are not a part of the Local Service plan including Substitute Hire, Student Information Systems, Assistive Technology, Legal Services and Business Services. Substitute Hire is the largest, comprising 82% of the revenue received for this category.
- Over 80% of federal grant revenues go to fund five programs: Early Intervention/Early Childhood Special Education, Regional Inclusive Services, Career and Technical Education and Elementary and Secondary School Emergency Relief Funds (ESSER).
- Unappropriated ending fund balance is set aside to carry forward at 5% of total General Fund revenue per board policy.
- Average Daily Membership (weighted) estimates per superintendents.
- PERS Rates and Reserves are consistent with 2021-22 rates
- Staffing Costs include steps and lanes where eligible, 3.0% COLA, 3.25% for non-union and a \$70 increase to the health insurance cap bringing the monthly contribution to \$1,485.
- The state has not issued the 2022-23 indirect rate at this time. The budgeted rates vary by program funding source.

Questions Regarding Budget Document

Betsy asked Rochelle to explain why the resolution shows a general fund budget of \$18,355,822 and the proposed budget shows a general fund budget of \$19,235,617. Rochelle explained that in the resolution, the unappropriated funds are not included in general fund but are listed at the end before the total adopted budget. The unappropriated funds of \$879,795 added to the general fund budget of \$18,355,822, matches the amount presented in the proposed budget document.

Opportunity for Citizen Participation

There was no citizen participation.

Approval of the Proposed 2022-23 Budget

Kathy Steinert asked the budget committee members if they would like to move forward with a vote to adopt the budget as presented or schedule a second meeting.

Resolution 78-22 Approving the 2022-23 Budget

- **Anna Logan moved that the High Desert ESD Budget Committee approve the 2022-23 budget as presented in the amount of \$72,089,503 and property taxes at the rate of \$0.0964 per \$1,000 of assessed value for operating purposes. Charan Cline seconded the motion. Motion passed unanimously**

Brad complimented Rochelle on presenting a clear, detailed budget for 2022-23. Superintendent Andrews thanked Kathy and the Budget Committee on behalf of the High Desert ESD for taking their time to participate in the budget process. He appreciates how the committee includes representation from each of our districts. He believes this helps ensure the ESD is meeting the needs of each district.

Adjourn

The April 19, 2022 meeting of the High Desert ESD Budget Committee adjourned at 7:10 pm.

Kathy Steinert, HDESD Budget Committee Chair

Shelley Knutz, Executive Assistant



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Board of Directors Board Minutes April 19, 2022

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HDESD Staff Paul Andrews, Superintendent; Rochelle Friend, Chief Financial Officer; Jayel Hayden, Chief Human Resources Officer; Anna Higgins, Chief Strategy and Innovation Officer; Amy Joynt, Special Programs Executive Director; Angella La Fontaine, Business Analyst; Shay Mikalson, Chief Student Success Officer; Rachel Wenten-Chaney, Chief Information Officer and Shelley Knutz, Executive Assistant

Call to Order Board Chair Peggy Kinkade called the April 19, 2022 meeting to order at 7:15 pm

PRESENTATIONS

Board Member Recognition

Superintendent Andrews recognized Carol Moorehead for 15 years of service on the High Desert ESD Board of Directors. She is resigning after tonight's meeting. She has represented both Higher Education and the Sisters School District during her time as a board member. She was the first woman Board Chair for HDESD. Rachel thanked Carol for blazing the trail and setting an example for others to follow in her career, in her volunteer service and in her adventurous travels. Gwen acknowledged Carol for giving of her time to the High Desert ESD. Few people understand the time and attention it takes to be an affective board member. The entire board and staff wish Carol all the best.

Financial Report

Rochelle reported she has been working with a team on the components of hiring out of state employees. It is becoming more common to look at out of state hires in order to meet our programs' needs. There are a number of details that make out of state hiring challenging.

Rochelle mentioned there will be a supplemental budget in May to account for some additional construction costs.

DISCUSSION ITEMS

First Reading Board Policies

- **DH – Loss Coverage** – Update to reflect current language and practice.
- **GBL – Personnel Records** – Update to reflect current language and practice. Jayel will discuss this update at the next Labor Management meeting. He does not anticipate any changes but if so they will be presented at the May board meeting.

Superintendent Report

- **COVID/masks Update** - Masks are now optional but strongly encouraged for staff who work directly with children who are medically fragile as well as preK students who are unable to be vaccinated. If we move to red zone in a county, they will be required in these situations. Our 4 staff in Long Term Care and Treatment (LTCT) are required to wear masks because Trillium is considered a health care setting. We have received clarification from OHA that our ECSE classrooms are not health care settings.

- Announcements
 - ✓ Met with Senator Merkley's Chief of Staff about the \$900k grant
 - ✓ Fireside Chat 4/20
 - ✓ Attended PACE day last week
 - ✓ Gordon Price has accepted the position as Executive Director of Equity, Diversity and Inclusion.
- Upcoming events
 - ✓ New employee orientation 4/27 followed by Taking it Up equity training on 4/28-4/29
 - ✓ 5/11 – Board Leadership, Bend OPH, 8:15-9:15 – Peggy, Bob, Seana, Elizabeth
 - ✓ 5/17 – Budget/Board Meeting

Board Reports

- Superintendent Evaluation - Peggy plans to send out the superintendent evaluation survey in May.
- OAESD Board Governance chair-elect nominations and process – Superintendent Andrews announced there have been two nominations. The election for chair-elect will be on the May agenda as an action item.
- Edie Jones has been appointed by the Sisters School District to replace Carol as the Sisters School District Representative. Edie will begin in May and complete Carol's term ending 6-30-2024.
- Board Outreach – Bob will be resigning from his position of Social Services Representative effective 6-30-22. The committee is recommending that the Board appoint Elizabeth Sanchez to complete his term as the Social Services Representative through 6-30-2025. This will open the Business Representative position. The application period for the Business Representative position will be the month of May. Board members plan to appoint the new member at their June meeting.

Board Member Resignation

Bob Moore announced, after 15 years he will be resigning his position of Social Service Representative on the High Desert ESD Board of Directors effective 6-30-22.

- **Gwen Carr moved to accept Bob Moore's resignation effective 6-30-2022 and appoint Elizabeth Sanchez to the Social Services position for the rest of the term ending 6-30-2025. Carol Moorehead seconded the motion. The motion passed 4-0 (only the 4 present elected members can vote on this)**

Consent Agenda

- **Carol Moorehead moved to approve the Consent Agenda as presented. Matt McGowan seconded the motion. Motion passed unanimously.**
 - ✓ Personnel Report – April 2022
 - ✓ GBNAJ-JHFF - Suspected Sexual Conduct with Students and Reporting Requirements
 - ✓ GBNAJ-JHFE - Suspected Abuse of a Child Reporting Requirements
 - ✓ Board Minutes – March 15, 2022

Adjourn

The April 19, 2022, High Desert ESD Board of Directors Meeting adjourned at 7:50 pm.

Peggy Kinkade, Board Chair

Shelley Knutz, Executive Assistant