

HARNEY EDUCATION SERVICE DISTRICT

PO Box 460 | 25 Fairview Heights | Burns, Oregon
97720

Fillmore Building 541.573.2426 | Regional Service Center 541.573.2122 | Early Childhood Center
541.573.6461

Harney ESD BUDGET BOARD MEETING

May 13th, 2020

Present: Pat Sharp, Zone 1 (Burns/Hines)
Sandy Volle, Zone 2 (Burns/Hines)
Charles Dunten, Zone 3 (Crane/ Pine Creek/ Drewsey)
Doug Stott, Zone 4 (Diamond/South Harney)
Daniel Brown, Zone 5 (Suntex/Frenchglen/Double O)
Vern Brown Jr., Position 3 (Crane/PineCreek/Drewsey)
Rod Hoagland, Position 4 (Diamond/South Harney)
Loretta Payrollez, Position 6 (At Large)
Dan Otley, Positon 7 (At Large)

Also Present: Shannon Criss, Superintendent
Cori Wright, Business Manager
Hollie Held, Board Secretary

CALL TO ORDER

Vice Board Chair Doug Stott called the May Budget Board Meeting to order at 1:53 p.m. at the Harney ESD Regional Services Center located at 25 Fairview Height Loop.

PLEDGE OF ALLEFIANCE

VISITORS/STAFF

Staff: Donna Schnitker
Janet Caldwell

Visitors:

ELECTION OF PRESIDING OFFICER

Vice Board Chair Doug Stott asked for nominations for presiding officer. Dan Brown nominated Pat Sharp as the presiding officer. Vern Brown Jr. seconded. Motion passed unanimously.

PRESENTATION

BUDGET MESSAGE FY 2020-2021

Superintendent Criss presented the Annual Budget Message. The budget message said in part, *"This budget adheres closely to the enclosed 2020-2021 Local Service Plan developed and approved jointly by the HESD Board of Directors and the component school districts. The Local Service Plan serves as a guide to how ESD's should utilize their dollars to best serve the school districts. HESD and the component school districts met monthly this past fall to discuss individual as well as common needs."* *"Due to the COVID-19 Pandemic we are anticipating a decrease in State School Funding of approximately 15-25% in the coming year, possibly years, we have been conservative with spending and have built our Fund Balances. We have prepared this budget with the information from the February 25, 2020 estimates which is 100% funding, with the anticipation of possible adjustments/decreases after the May 20, 2020 forecasts."*

The 2020-2021 budget is based on the best information available at the time of this writing. This budget includes the following assumptions:

- Total Budget is \$6,600,068
- SSF total revenue is estimated at \$920,752 with pass through dollars to Harney County School District #3, due to their recent "Opt Out" in the approximate amount of \$498,000.
- Employer contribution for health insurance premiums went up to \$13,500 per month per full time employee. According to Oregon Association of Education Service Districts, in 2018-19 school year the state average for employer's contribution was \$1,308.14 (low-\$602 / high - @2,071.03).
- This budget uses a 5% indirect rate. HESD's approved indirect rate is 9.00%

- Public Employees Retirement System (PERS) employer rate for the 2019-21 biennium is 32.03% (previously 27.20%) for Tier I/II eligible employees and 26.58% (previously 21.87%) for OPSRP (Oregon Public Service Retirement Plan) employees.
- Mileage is reimbursed at IRS federal mileage rate. Current federal mileage rate is 57.5¢
- 2020 per diem is \$13 breakfast, \$14 lunch, \$23 dinner or \$55/day
- Head Start budget increased from \$940,114 to \$1,265,099, with the addition of Extended Day funding.
- Contingency of \$625,000

This budget identifies facility and vehicle costs by location:

- (1) Fillmore Bldg. (2) Early Childhood Center (3) Region Service Center

BUDGET DOCUMENT REVIEW

Business Manager Cori Wright presented the 2020-2021 budget. The All Funds Summary was as follows:

General Fund (100)	\$2,498,797
Special Programs Fund (200)	\$3,790,522
Capital Projects Fund (400)	\$310,749
Entrepreneurial Fund (500)	\$0
All Funds Total	\$6,600,068

QUESTIONS/COMMENTS

Business Manager Cori Wright presented the budget document page by page. Dan Otley asked if the budget cuts would affect staffing and if there is a backup plan to avoid that. Cori said they do not have a definite answer right now as to how much the budget cuts will be and where those cuts will need to come out of because of the budget financial unknowns due to the ongoing COVID-19 pandemic. She said we would know more after the new financial forecast on May 20, 2020. Vern Brown Jr. asked if the budget would need to be fully recreated or if it would just need to be amended in some areas after the new forecast comes out on the 20th. Vern also asked if the budget board would need to hold another meeting or if that was something she could foresee the regular board voting on. Cori said she just doesn't have an answer until the new forecasts come out and said she would be sure to let everyone know if there is a need to hold another budget meeting as soon as she has that information.

BUDGET BOARD ACTION

Vern Brown Jr. made a motion to approve the 2020-2021 proposed Harney ESD budget as presented. Rod Hoagland seconded, and the motion carried.

MEETING CLOSURE

With no further business, Presiding Officer Pat Sharp adjourned the meeting at 3:17 p.m.

Pat Sharp, Presiding Officer