

**SELPA FINANCE ADVISORY COMMITTEE
Standing Committee of the Consortium**

**January 23, 2023
3:00 pm – 5:00 pm**

**SELPA Conference Room
1524 Magnolia Avenue; Redding, CA 96001**

MINUTES

1. Call to Order at 3:00 pm

Christian Patz, SELPA Executive Director, called the meeting to order at 3:00 pm.

SELPA Finance Advisory Council members roll call:

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| ● David Flores, Shasta UHSD - Region1 | Present |
| ● Donell Evans, Anderson UHSD – Region 2 | Present |
| ● Robert Fellingner, Redding ESD – Region 3 | Present |
| ● TJ Hurley, Enterprise ESD – Region 4 | Present |
| ● Cathleen Serna, Columbia ESD – Region 5 | Present (via Zoom) |
| ● De’An Chambless, Shasta COE – Region 6 | Present |
| ● Teresea Spooner, Fall River JUSD – Region 7 | Present (via Zoom) |

Others present were:

- Christian Patz, SELPA Executive Director
- Calli Coleman, SELPA Accountant

2. Approval of the Agenda

Discussion: None

ACTION: David Flores motioned to approve the Agenda as presented. Robert Fellingner seconded the motion. The motion passed by majority vote 7-0, no opposition, no abstentions, no absentees.

3. Public Forum / Hearing of Person’s Wishing to Address the Finance Advisory Council

Discussion: None.

4. SELPA Director’s Report

4a. Enrollment Update

Discussion: Dr. Patz provided members a slide presentation reflecting an increase in enrollment from October to December for EESD and RESD, while AUHSD and SUHSD both declined. 3,200 in 2017, now 3,745. October numbers are from the census date.

5. SELPA Fiscal Update
5a. AB130 Update

Discussion: Calli Coleman, SELPA Accountant finished summarizing AB130 submissions received by the January 15th deadline. Learning Recovery (LR) funds are about 89% expended, with Dispute Prevention (DP) approximately 66% spent due to a settlement approval at last Board for an RTC placement until switches to OOH. Ms. Coleman informed members she has requests received after the January 15th deadline still being considered but on separate list for Ad hoc committee consideration. Total requests is estimated \$10k under LR max. About \$95k total not expended, plus another ADR grant of \$16k to spend by Sept 30. Dr. Patz stated that if funds remain in LR and DP, late requests should be granted without an ad hoc committee. If over, he will send an email to the Directors/Coordinators and FAC members for a meeting.

Dr. Patz has also contacted other SELPA Directors and found most are still not near spending all funds by the June 30th deadline. Those SELPAs who distributed all directly to districts are now having difficulty tracking purchases. Dr. Patz encouraged members to have teams submit requests, albeit late. Ms. Coleman reminded members that DP has a \$10k limit for capital equipment and will have an updated summary to all soon for second interim consideration. Dr. Patz stated districts would likely only say no if the proposed plan doesn't really qualify.

5b. 2022-23 Budget vs. Actual

Discussion: None.

5c. SELPA MTU Annual Budget

Discussion: None.

Ms. Coleman continued additional discussion regarding an update regarding Resource 3305 having \$11k to be spent on parentally placed private school students instead of all being used to offset the Dunamis contract per the CDE. In addition, Gateway can't absorb 3315 grant funds since they don't have enough preschoolers due to GREAT being dissolved, so EESD agreed to take the funds and will be reflected on the forthcoming Resource Allocation. 3308 grant funds MAY go to RESD. Mr. Fellingner will confirm if so and how much. Ms. Coleman offered to contact other districts for any remainder, as it expires September 30th.

6. Consent Items – *(These action items are of a routine nature or items for which no discussion is anticipated, and are acted upon by a single vote. Members may request that any item be removed and given individual consideration.)*

6a. Approval of Minutes for October 17, 2022

(No Minutes for December 12, 2022 – meeting canceled)

6b. Low Incidence Equipment Reimbursement Requests

6b1. LI Request #58 – Black Butte ESD – Black Butte Jr. High – HH Equipment	\$ 951.31
6b2. LI Request #59 – SCOE – North Cow Creek – HH Equipment	\$1,747.26
6b3. LI Request #60 – SCOE – Rother Elem. – HH Equipment	\$ 255.94
6b4. LI Request #61 – Enterprise ESD – Alta Mesa Elem. – HH Equipment	\$ 78.91
6b5. LI Request #62 – Happy Valley ESD – Junction Elem. VI Equipment	\$ 357.91
Total:	\$3,391.33

Discussion: Ms. Chambless requested a correction to the Action regarding Item #6. The Action in Item 6 of the Minutes for October 17, 2022 should be corrected to read “...to approve Consent item 6a as **revised**...” instead of “...to approve Consent item 6a as **reduced**...”.

ACTION: De’An Chambless motioned to approve Consent item 6a with Action Item 6 of the Minutes for October 17, 2022 corrected to read “...to approve Consent item 6a as **revised**...” instead of “...to approve Consent item 6a as **reduced**...”, and Consent item 6b as presented. Robert Fellingner seconded the motion with the change requested. The motion passed by majority vote 7-0, no opposition, no abstentions, no absentees.

7. Budget Review / Recommendations – Discussion / ACTION

Discussion: Dr. Patz continued his slide presentation, informing members that slides marked “for Board” are for FAC review before presentation to the SELPA Governing Board, and will go into detail about SELPA funding allocations, including projection (see “State Funding Projections” slide). OOH was estimated to be approximately \$2m in 2021-22, but is unknown for 2023-24. Base rate is anticipated to be \$820 for ADA with 8.13% COLA proposed by Gov. Newsom, though Dr. Patz anticipates a lower rate.

ADA will now be distributed directly to districts. No real change in Low Incidence. The Federal funds budget passed had an increase in education, but the total figures are still difficult to project. The Mental Health allocation has been unchanged the last 3 years or so, while the distributable base was up by \$6.8m the last 3 years. Extraordinary costs and legal fee subsidy requests were under the allocated amount the last 2 years with about \$43k unspent by districts.

Reserve figures are noted in the slide presentation that they reflect resource allocation figures from August 22, 2022 and do not include the purchase of the new SELPA building or Spectrum. Ms. Coleman indicated the reserve will likely be closer to \$8.5m than \$9.4m. Fall River subsidies total \$263,262 and include the Hill Country contract and Court school will be included on resource allocation this week also.

Dr. Patz inquired what members want taken to the Board for review and consideration. Mr. Fellingner suggested Bridges funding. Ms. Coleman added that preschool subsidies up by COLA annually, and ERICS/NPS funding of \$800k has not been fully spent the last few years.

8. ERMHS Funding Going Forward

Discussion: Dr. Patz continued financial discussions regarding ERMHS funding, going back to P2 - about \$2m. SELPA added a BCBA, paid Hill / Dunamis, SUHSD & EESD received direct funding. State and Federal funds will flow thru to LEAs next year. SELPA needs to decide how to handle this change.

“Recommended Option” slide) Dr. Patz continued his slide presentation with the “Recommended Option” slide and proposed members recommend the state funds flow thru to LEAs, but Federal funds stay with the SELPA. He stated PAC is against SELPA continuing to fund Bridges for \$139k. If FAC prefers to continued, Federal funds could be used IF distributed to the SELPA. Mr. Fellingner supports continuing Bridges funding, Mr. Flores does not. Dr. Patz stated that Annie Payne of EESD is NOT in support. It’s unclear if Bridges supports Fall River. Ms. Chambless stated FAC can’t support funding if PAC is divided and reasons are not clear. Ms. Spooner will speak with Brent Beyer regarding the value of Bridges or Community Connect in Fall River. Dr. Patz indicated that Mr. Beyer voted against continuing Bridges support. Mr. Fellingner emphasized they need more information before making a motion. Ms. Chambless suggested the SELPA has \$1m funds available to pay for Bridges in reserves for few years then evaluate the program IF PAC elects stating districts can still have their money AND fund the program thru reserves. Dr. Patz reminded members that funds in reserve also

belongs to districts and offered to bring the matter back for further consideration. Ms. Chambless voiced MOE concerns if there is no allowable exemption if reducing expenses by \$139k. Dr. Patz stated Bridges is NOT for IEP related services and it matters where funds go, not where it comes from. Continuing discussion, Dr. Patz referred to the "Fall River" slide and confirmed Fall River received a larger portion of funds than would under pass through of \$90k. PAC suggested they continue funds using alternate sources and Dr. Patz emphasized ERMHS funds allow continuation of SELPA BCBA @ \$155k, and could use \$60k of federal funds to keep the subsidy IF federal funds remain with the SELPA.

Discussion continued regarding alternate uses of the Fall River subsidy - open ERICS classroom and split subsidy? Helps offset mental health costs, continue 42k remote subsidy, then "add" ERMHS share fading subsidy to avoid MOE impact and ERICS. New total \$212k or eliminate ERMHS funding and leave others same. Members discussed "fading" \$60k for "soft landing" and MOE issue for county office. Dr. Patz stated that if the Governing Board allows SELPA to keep federal funds, he will go back to PAC for spending maps for best use of funds. Mr. Fellingner stated about \$76 in ADA per district for federal dollars, makes the biggest difference to keep it with the SELPA and has NO issue keeping federal funds at SELPA. Ms. Coleman stated that many SELPA accountants agreed to keep federal funds at the SELPA level due to level of paperwork avoided by districts with a larger impact county wide.

Dr. Patz reiterated FAC's "tepid" support for keeping federal funds with the SELPA and Ms. Evans emphasized we must be very careful of avoiding an MOE crisis if changed in a few years.

ACTION: Donell Evans motioned to keep federal funding with the SELPA. De'An Chambless seconded the motion. The motion passed by majority vote 7-0, no opposition, no abstentions, no absentees.

9. IEP School Payment – Discussion / ACTION

Discussion: Dr. Patz summarized the Complaint filed against IEP School where the CDE inspectors witnessed a ProACT restraint and inaccurate documentation. The SELPA office received a letter from IEP School owner that they wouldn't open after winter break, but later offered to stay open 11 additional days with retroactive payment from districts and agreed to bill districts directly for an estimated total of approximately \$40k - some billing at less rate, while January will be at a higher rate. Ms. Coleman suggested members pay IEP School directly then submit to SELPA for reimbursement. She will email instructions and confirmed districts should pay everything now and keep the difference out of P1.

ACTION: Robert Fellingner motioned to support payment to IEP School for retroactive maintenance at 100%, and to reimburse to districts 100% instead of the usual 25% on the increase. Donell Evans seconded the motion. The motion passed by majority vote 7-0, no opposition, no abstentions, no absentees.

10. Future Agenda Items

Discussion: Dr. Patz plans to bring the whole budget back to FAC after Board budget meeting on February 8, 2023. Mr. Fellingner requested an update on the new SELPA building and asked it be included in the budget, in addition to an update on Governor Newsom's budget.

11. Next meeting: Monday, February 27, 2023, 3:00 pm – 5:00 pm, SELPA Conference Room

12. Adjourned - Meeting adjourned at 4:25 pm.