

**SELPA Governing Board  
Minutes  
February 8, 2023  
12:00 – 2:00 pm – Budget Study Session**

**Shasta County Office of Education  
Shasta County Office of Education – ASPEN Room  
1644 Magnolia Avenue; Redding, CA 96001**

**1. Call to Order, Roll call.**

Rob Adams (Region 3), Chairperson, called the public hearing to order at 12:00 p.m.  
Roll call:

- |   |                  |
|---|------------------|
| ● Jim Cloney, Shasta UHSD - Region1               | Present          |
| ● Victor Hopper, Anderson UHSD – Region 2         | Present          |
| ● Rob Adams - CHAIRPERSON, Redding ESD – Region 3 | Present          |
| ● Heather Armelino, Enterprise ESD – Region 4     | Present          |
| ● Doug Geren, Cottonwood UESD – Region 5          | Present          |
| ● Judy Flores, SCOE – Region 6                    | ABSENT (excused) |
| ● Merrill Grant, Fall River JUSD – Region 7       | Present          |

**2. Approval of Agenda**

Discussion: None.

**ACTION:** Jim Cloney motioned to approve the Agenda as presented. Heather Armelino seconded the motion. The motion passed by majority vote 6-0, no opposition, no abstentions, Judy Flores was absent.

**3. Public Comment**

Discussion: None.

**4. SELPA Budget Study Session - Discussion**

4.1 Funding Streams

4.2 Expenditures

4.3 Contingencies and Reserve Funds

Discussion: Dr. Patz provided a slide presentation and a binder for each member (and public in attendance) containing budget documents, and described AB602 as the primary funding source, currently at \$820 ADA per student. Low Incidence funds equal approximately \$3,300 per low incidence qualified student who is deaf, blind, OI, or deaf/blind. Mental health funding will be a big change. (*“State Funding Projections”* slide). The government estimates 8.13% COLA for 23-24, final figure is still pending. OOH is based on bed count and is pending a new count by the CDE. Dr. Patz projects about \$750k down in 2023-24 from \$2m in 2021-22 and stated the SELPA can use our healthy reserves if necessary.

**TAB A (binder)** - Fed funds pending about \$26m income to SELPA 23-24. ERMHS funds will be distributed directly to districts. Calli Coleman, SELPA Accountant, confirmed the “Distribution” slide estimating \$24m in 2023-24 includes ERMHS being directly distributed to districts.

**TAB G (binder) and “Fund Distribution Summary” slide** - NPS/ERICS/Preschool - NPS & regional placements total 800k. OOH funded 100% as different subsidy.

**TAB D (binder)** – SELPA operating budget increased this year to \$875k to reflect actual costs. Dr. Patz may return with new figures due to COLA this year, next year and large salary schedules.

**TAB E (binder)** – Low Incidence Itinerants - Binder is most recent resource allocation from January, different from those numbers on slides.

**“Pass Through vs TAB B” slide** - Total pass through \$21m. SELPA pays out \$36k for SEIS contract. BCBA added value with saving districts approximately \$40k in FBAs and \$15k in AT assessments - all of which are included in the \$875k SELPA operating budget (previously \$700k for several years). \$875k is less than 9% of total \$21m funds. New Trailer language must include what we pass through plus COLA.

**TAB G (binder) and “Other direction for Budgeting” slide** – Dr. Patz inquired if members want to consider changes to funding as listed on the slide, and/or add a low incidence subsidy for interpreters or other unique situations.

**TAB W (binder) and “Projected Reserve Summary Tab W” slide** – Dr. Patz emphasized his concerns regarding a substantial reduction in OOH funding and declining economy and recommended holding reserves until funding changes are confirmed. Once ERMHS and OOH numbers settle, more money to districts effects MOE. About 30% reserve.

**TAB N (binder) and “ERMHS Funding” and “ERMHS Expenses” slides** - Fall River total is \$188k. Trailer language didn't include mental health funds going to LEAs.

**“Recommended Option” slide** – Dr. Patz recommended to keep federal funds with the SELPA, which both the Program and Finance Advisory Councils (PAC and FAC) approved. This would eliminate excess GAN paperwork for districts, and allow the SELPA to keep the BCBA. Dr. Patz further suggested the SELPA maintain the Fall River remote subsidy and fade it to zero over three years. The remaining \$70k could be used to subsidize Bridges or other county wide programs.

Regarding Bridges, Dr. Patz indicated the PAC is against continuing the subsidy, and the FAC needed more information before making a decision.

Regarding the Fall River subsidy (“Fall River Subsidies Revisited” slide) – Dr. Patz indicated the PAC voted against the subsidy but wanted to alternate funding sources.

## **5. Mental Health Funds**

### 5.1 State Allocation

### 5.2 Federal Allocation

Discussion: Dr. Patz reiterated the decisions for Board consideration concerning state and federal mental health funds allocations. Mr. Cloney referred to the “Recommended Use of Federal ERMHS” slide regarding the \$70k of federal funds for Bridges. If SELPA retains the full \$280k in federal funds, we should ensure it benefits ALL of the

SELPA. Dr. Patz confirmed the funds would be divided out by ADA. Mr. Hopper reminded members that we need to first determine if SELPA is keeping the federal funds, THEN determine how those funds to be spent.

Dr. Grant referred to the “Fall River” subsidy slide and inquired if they could run an ERICS program to get the subsidy. Dr. Patz confirmed the funds are already allocated by the SELPA Governing Board, so he has discretion. The remote subsidy is from AB602 funds, while NPS and ERICS subsidies are from AB602 OTT funds. Last is ERMHS OTT. Dr. Patz suggested to keep at \$35k, \$60k subsidy, ERMHS \$75k plus remote sub of \$42k.

**ACTION:** Jim Cloney motioned that the SELPA retain federal ERMHS funds. Heather Armelino seconded the motion.

Discussion after motion: Mr. Cloney recognized a \$64k loss to Shasta UHSD and a loss of funds for grades 9-12. Mr. Geren stated that his Region 5 districts want their funding directly and opposed the motion. While Mr. Cloney stated the difference of federal and state funds versus state only funds is not great, Mr. Geren disagreed and believes as a collective, it DOES make a difference for his region as some schools are not seeing funds from SELPA/JPA flowing through to his districts. Mr. Adams inquired if the SELPA BCBA goes away if federal funding is not retained by the SELPA. Dr. Patz emphasized SELPA services provide a safety net for districts and would strive to find other funding sources.

The motion passed by majority vote 5-1, Doug Geren opposed, no abstentions, Judy Flores was absent.

### 5.3 Subsidies (Bridges, Fall River JUSD)

Discussion: Discussion continued regarding Bridges to Success when Mr. Hopper inquired how we track the Bridges program. Dr. Patz stated that Bridges serves kids well, although there are many other “baskets” that also serve kids well. Mr. Cloney recalled it was a grant funded program initially, and when grants ran out, the SELPA became one funding source. Joy Garcia, SCOE, stated that last year 209 students with IEPs were served. Ms. Armelino reminded members of the importance of early intervention. Mr. Adams voiced support as it does serve SpEd students. Mr. Cloney and Mr. Hopper emphasized the lack of supporting data. Mr. Cloney indicated the Bridges program is not a function of the student’s IEP, but they do serve kids w/ IEPs, ESL, foster, etc., and sees the program rather as a GenEd function, though it does not serve grades 9-12. Member discussion continued regarding GenEd and SpEd programs serving both grammar and high school students with IEPs and considered what funding source would be used if the Bridges subsidy continues. Members agreed the SELPA is not obligated to find funds, as the Bridges program will continue without SELPA funding.

**ACTION:** Rob Adams motioned to reduce funding for Bridges to half, with a three year reduction to zero. Victor Hopper seconded the motion. The motion passed by majority vote 6-0, no opposition, no abstentions, Judy Flores was absent.

**ACTION:** Victor Hopper motioned for SELPA to pay for the BCBA from federal funds. Motion died for lack of second.

**ACTION:** Merrill Grant motioned to keep Fall River JUSD funding as proposed:

- Remote Subsidy (includes transportation) \$ 42,000
  - State ERMHS (FR’s share) \$ 75,000
  - Add ERICS Class Funds \$ 35,000
  - Add a fading Federal ERMHS subsidy \$ 60,000
- New Total: \$212,000

Victor Hopper seconded the motion. Jim Cloney clarified the proposed \$60k fading federal ERMHS subsidy is ERMHS funds and doesn’t affect base distribution at all. The Fall River share will be funded by the full state amount

of approximately \$75k in prior years. The motion passed by majority vote 6-0, no opposition, no abstentions, Judy Flores was absent.

6. Next meeting date: February 28, 2023 – Budget and Regular meeting - 8:00 a.m., Shasta COE **BOARD ROOM**

Discussion: Mr. Cloney requested a future Agenda item regarding the Fall River JUSD \$42k remote subsidy.

7. Adjourn

**ACTION**: Victor Hopper motioned to adjourn. Heather Armelino seconded the motion.

Meeting adjourned at 1:12 pm