

**HUMBOLDT COUNTY SCHOOL DISTRICT**  
**310 East Fourth Street**  
**WINNEMUCCA, NEVADA 89445**

The regular meeting of the Humboldt County Board of School Trustees was held November 25, 2008 at 4:34 p.m. in the District Office Boardroom.

Board members present were: President-Jerry Pfarr, Clerk-Linda Schrempp, John Seeliger, John Hill, Kris Stewart and Andrew Hillyer. Absent: Shelly Noble

**Others in attendance were:** Superintendent Mike Bumgartner, Asst. Superintendent Dave Jensen, Attorney John Doyle, Mary Keith-HCEA President, Heather Gula-Humboldt Sun, John and Deena Moddrell, Kelly Novi, Ann Miller, Jeff Dawson, Sally Hall, Tara Stoker, Shelly Drake, Mary Lynn Hill, Rick Norcutt, Jaimi Wilkinson, Bud Vetter, Jonathan Gibson, Malinda Domire, Frankie Peterson, Gina Rackley, other interested persons and Secretary Paula Wright.

President Pfarr opened the meeting with the Pledge of Allegiance.

**Correspondence:** None

Mr. Seeliger asked that the November 10, 2008 minutes be corrected under agenda item "Approval of Comprehensive Life Skills (CLS) Program. Correct, 4<sup>th</sup> paragraph, ".....Local Plan would be able to fund most special education needs saving the General Fund an estimated \$250,000 per year" to read "**The CLS Committee's proposal stated** that the Special Education Local Plan would be able to fund most special education needs saving the General Fund an estimated \$250,000 per year."

Mr. Seeliger moved to approve the November 10, 2008 minutes with the noted correction. Mrs. Stewart seconded, motion carried. Mrs. Schrempp was not present.

Mrs. Stewart moved to approve the November 18, 2008 minutes. Mr. Seeliger seconded, motion carried. Mrs. Schrempp was not present.

Mr. Seeliger moved to approve the November 20, 2008 minutes. Mrs. Stewart seconded, motion carried. Mr. Pfarr abstained.

**Public Comment:** None

***Superintendent's Report***

Superintendent Meeting: November 13, 2008, Las Vegas

1. Nevadan's for Quality Education: The group consists of three moms who are upset with the lack of funding for education. Their main focus is no budget cuts for education.
2. Regional Professional Development in Southern Nevada-new website which provides materials for math and science teachers 6-12. Fantastic resources, all aligned to the state standards.
3. State Superintendent Report: He has been asked to supply scenarios for budget cuts for the current fiscal year 2008-09: 4%, 7%, and 11%. This equates to \$40 million, \$70 million and \$111 million respectively for the current fiscal year.
4. The Economic Forum will meet on December 1<sup>st</sup>. All indications are that a special session of the legislature will be called.

#### Activity Report:

1. November 18<sup>th</sup> Administrator's meeting: discussion regarding budget update and priority process
2. Leadership Team: discussion regarding budget update
3. November 20<sup>th</sup>, Winnemucca Grammar School "100 Book Challenge". 58 students received awards.
4. November 21<sup>st</sup>, rural school meeting regarding the budget update and the 4-day school week.
5. November 18<sup>th</sup> and 20<sup>th</sup>, public forums held
6. Two meetings with K-4 principals: discussion regarding aligning programs (common expectations) and standard based report cards
7. Northern Leadership Conference-Lowry High School, November 24, 2008
8. Crisis Response Drills-most schools have held drills. We have had considerable response and involvement from our local law enforcement.
9. November 15, 2008 Nevada Association of School Boards hosted a banquet. Awards were given that evening to four Humboldt County School District Board of Trustees: Linda Schrempp (Distinguished Service Award), Shelly Noble (Outstanding New Board Member), John Seeliger (Outstanding Leadership), and Linda Schrempp again for her years of service and being an outgoing board member. 29 board members throughout the state are leaving because of term limits.

#### Travel Update Report:

1. Superintendent Meeting and Conference in Las Vegas
2. Mr. Bumgartner and Mr. Jensen will be traveling to Reno on December 3<sup>rd</sup> and 4<sup>th</sup> for the Superintendent's Finance Committee meeting.

#### **Discussion and Possible Action – Step III Grievance Hearing Filed by Malinda Domire – Malinda Domire, Rose Brennan, HCEA UniServe Director**

Postponed until the December 9, 2008 meeting.

#### **Discussion and Possible Action – Approval of Warrants**

Mrs. Stewart moved to approve the warrants as presented. Mr. Hill seconded, motion carried.

#### **Discussion Only – School Safety Update – Jeff Dawson**

Officer Dawson presented the Board with a copy of Sonoma Heights' Safety Plan. Considerable headway has been made in the past several weeks in regards to the District's Crisis Response Plan. Several emergency drills have been completed at every school and faculty and students are discovering important things that need to be corrected.

Handbooks have been distributed, a safety committee has been formed at each school and parents are notified, by letter, prior to holding any drill practice. Sonoma Heights also includes the information in their school newsletter. Officer Dawson and School Nurse, Marian Tyree, attempt to attend every school meeting.

Each school has been supplied emergency "buckets". These buckets contain things a classroom will need in a lockdown situation. Officer Dawson thanked Ruth Fitzpatrick and Lupe Pulido for assembling the emergency "buckets".

Plans will now continue to complete the District Emergency Plan.

#### **Discussion Only – Together We Can Bond Committee Board Debriefing – Bud Vetter, Jonathan Gibson, Gina Rackley**

Mr. Vetter gave a brief overview of the bond committee members, the chronology of the bond process and where bond presentations were made. The group shared their thoughts on lessons learned through the

bond process. The initiative requested a “roll-over bond” which would provide for a continuation of the current tax rate of 13.5 cents per \$100 of assessed valuation. This is projected to provide total revenue of approximately \$8.5 million dollars. Should our assessed value increase, this amount could be higher, or if our assessed value decreases, this amount could be lower.

What’s next? 1) procure and sell the bonds (January 17<sup>th</sup>), 2) establish a bond oversight committee and 3) establish a project schedule.

**Discussion and Possible Action – FY08 Audit, Kafoury Armstrong – Shelly Drake, Tara Stoker**

Shelly Drake thanked the accounting department for their help in providing information for the audit and extended a special thank you to Sally Hall who has done a tremendous job for the District. Congratulations were extended to Ronda Havens who will be taking over the financial supervisor position.

Tara Stoker reviewed a comparison of revenues by source of general and special revenue funds, comparison of salaries and benefits, a comparison of expenditures by object and a comparison of the ending fund balance. There were no instances of noncompliance to financial statements and no significant deficiencies or material weaknesses relating to the audit of federal programs.

Shelly Drake went over the significant control deficiencies/weakness. There were three findings; one regarding our financial statement reporting and two findings against our self-insurance fund. During the course of the audit it was discovered that the self insurance fund was not going to be able to collect on an outstanding receivable (monies due to the plan from a prior year, approximately \$183,000). Recommendations are; 1) obtain complete financial information, including supporting documentation, from the third party administrator on a monthly basis 2) monitor claims paid and 4) review monthly entries to the self-insurance fund.

The finding regarding the financial statement reporting will remain as an audit exception until district personnel, responsible for accounting and reporting, obtain the skills and knowledge to apply generally accepted accounting principles when recording our financial transactions for preparing our financial statements.

Mrs. Schrempp thanked Mrs. Drake and the staff of Kafoury Armstrong for their excellent services over the past 20 years.

Mrs. Stewart moved to approve the FY08 audit as presented. Mr. Hill seconded, motion carried.

**6:05 p.m. Break**

**6:16 p.m. Back to regular meeting**

**Discussion and Possible Action – Approval to Go Out to Bid for Sonoma Heights Fire Suppression System – Rick Norcutt, Dave Jensen**

Mr. Norcutt asked the Board to allow the district to pursue a bid to replace the fire system at Sonoma Heights Elementary. A recent leak in the system led the district to identify significant concerns with the ability of the existing system to meet fire suppression needs in the event of a fire. Many of the sprinkler heads are completely clogged from sediment build up, rendering them useless. Initial projections outline replacement costs as high as \$300,000. Funding will be provided by building and sites. There is also a partial component in the bond initiative for the fire suppression system at Sonoma Heights in the amount of \$165,000.

Mr. Seeliger moved to approve going out to bid for Sonoma Heights' fire suppression system. Mrs. Stewart seconded, motion carried.

**Discussion and Possible Action – Approval of the District Improvement Plan – Kelly Novi**

The District Improvement Plan is required to be submitted to the State Department by December 15<sup>th</sup>. Mr. Novi briefly went over the plan. The District Improvement Team identified five priority need areas for 2008-09: 1) English Language Arts/Math, 2) professional development, 3) attendance 4) technology and 5) funding. The plan includes an action plan. For each goal there are specific action steps, timelines, resources required to move forward and a list of those responsible for carrying out the action steps. The plan also includes a monitoring plan, a summary of all funds required in order to meet the plan and a summary of the effectiveness of legislative appropriations.

Mr. Seeliger suggested including the iNVEST proposal as part of the summary of funds. Mr. Hillyer asked that the parent/community involvement be addressed in the action steps portion of the plan. Mr. Novi noted that parent and community involvement is listed as an important part of the priority need area of attendance expectations.

Mr. Seeliger moved to approve the District Improvement Plan with the addition of a statement regarding support of the iNVEST proposal. Mrs. Stewart seconded, motion carried.

**Discussion and Possible Action – Discussion of Rural School Four Day School Week/Formation of Four Day School Week Committee – Carolyn Dufurrena, John Moddrell**

At the November 10<sup>th</sup> board meeting, the Board asked Mrs. Dufurrena and Mr. Moddrell to return with some additional information regarding a four day school week.

Mrs. Dufurrena briefly went over a calendar comparison of schools currently on a four day school week; three of the schools are in Nevada (Lund K-12, Pahrnagat Valley-elementary, middle school, high school and Eureka K-12).

Mr. Moddrell researched several scenarios for Humboldt County. He reviewed the minimum standards for school minutes in session established by the Nevada Department of Education and compared those to the current number of minutes, by grade, which each rural school is in session. He then presented two school calendar models; a 152 day and 155 day calendar.

Recommendations are to: 1) keep the focus on what's best for children, 2) maintain communication between the district office and the rural schools, 3) collaborate with HCEA and HCSSO, 4) address concerns of the community with town hall meetings, 5) gather community input via survey, and 6) begin the state application process for an alternative schedule, if the Board approves the proposal.

A committee will be established to gather details for a proposal for a pilot program to be brought before the Board at their December 9<sup>th</sup> meeting. The committee will be composed of board members, district and site administrators, teachers, support staff, and parents. If the Board approves the proposal, the pilot program will begin the second semester of the current school year. Mr. Moddrell noted that, when implementing any program or change in structure, there is the potential for an implementation dip. This means that test scores may go down.

Mrs. Stewart moved to approve the formation of a committee to further study a four day school week for the rural schools. Mr. Hill seconded, motion carried.

On a different note, Mr. Moddrell updated the Board on the earthquake damage done to McDermitt Combine's gymnasium. The original cracks to the walls in the gym have been re-grouted; however, new

cracks have been discovered in the ceiling joists of both the girls and boys locker rooms. Structural engineers have been notified.

#### **Discussion and Action – Annual Budget and Staffing Review – Mike Bumgartner, Dave Jensen**

Mr. Bumgartner began with a review of the District's revenues and expenses over the past ten years. In 2008 the District experienced a 8.9% increase in expenses from the 2007-08 school and a total revenue increase of 7.8% over the same period of time. A portion of the increase in expenses for the 2007-08 school year are attributed to an increase in the PERS requirement. The District has been notified that there will be an additional 1% PERS increase, effective in July. This will bring the PERS requirement to 21.5%.

Mr. Jensen reviewed the Net Proceeds of Mines historical data for the past ten years. The anticipated Net Proceeds of Minerals for 2008, which will be rolled over to next year, is \$1.6 million. The assessed valuation for Humboldt County went from \$75 million to \$250 million. For every one million the assessed valuation goes up we lose \$1 in DSA funding. He also reviewed salary and benefits, retiree stipends, transfers to the early retirement incentive and food service program, as a percentage of the total general fund expenditures, and the staffing history for a nine year period. The staffing history included student/teacher ratios, instructional substitute costs, athletic and co-curricular salaries/benefits, after school program salaries/benefits and a history of enrollment by grade from 1996-2008.

#### **Discussion Only – Health Insurance Update – Dave Jensen**

The District saw an increase in pending claims of \$20,000 from September to October. Our pending claims are currently \$395,812. Our cash on hand is \$98,173. Mr. Jensen reported that the delayed payment of claims is beginning to affect our employees. Employees are being denied services, unless they pay up front and one employee has been referred to collection, which has impacted her credit score. These are some of the issues the Insurance Committee is currently reviewing.

Mr. Jensen noted that we have yet to see the impact of the plan changes. October is just beginning to give us an indication of any benefits of the increases to the plan. On a positive note, prescription costs decreased from \$60,853 in September to \$13,474 in October. The District is now monitoring large claims to stay on top of claims that may trigger the \$90,000 reimbursable rate (stop loss).

The Insurance Committee will be meeting the week of December 1<sup>st</sup> to put a plan into place in conjunction with approaching the Board at the December 9<sup>th</sup> board meeting to ask the Board to subsidize the health plan by \$400,000 or more.

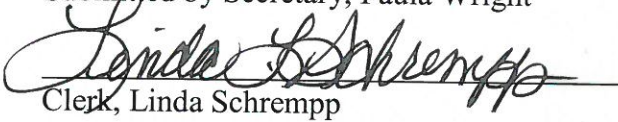
#### **Board/Staff Comments:**

1. Mrs. Schrempp asked for a list of the tests that are currently being given at the elementary level.
2. Mrs. Schrempp asked which schools are currently serving the pre-packaged hot lunch meals. Mr. Jensen stated that the pre-packaged meal service is being piloted at Sonoma Heights, Winnemucca Grammar School and French Ford Middle School. At an upcoming meeting, the Board will be allowed to try some of the pre-packaged meals.
3. Mrs. Schrempp asked if it is possible to use bond generated funds to enhance the building/maintenance budget. Mr. Bumgartner said that the bond funds cannot be used for the general fund (operating budget). Funds can only be used for capital improvements.
4. Mrs. Schrempp commented how invaluable it was to have Mr. Bumgartner and Mr. Jensen give the bond presentations. It not only helped in passing the bond, but allowed the public to meet them.

5. Mrs. Schrempp asked that the pubic comment section be deleted from the agenda. She believes it is redundant and that the chairman has the authority to intervene if a person begins to discuss a personnel issue or to discuss an individual.
6. Mr. Hillyer congratulated everyone who won awards at the NASB Conference.
7. Mr. Hillyer asked that the District be careful not to lose the parent involvement component of the District Improvement Plan.
8. Mr. Bumgartner congratulated award winners, Mrs. Schrempp, Mrs. Noble and Mr. Seeliger. Much deserved!!
9. Mr. Bumgartner distributed the new iNVEST Plan 2009.
10. Mr. Pfarr thanked everyone for their participation in facilitating the public forums.
11. Mr. Pfarr thanked Mrs. Stewart for being instrumental in the write ups for those Board members who received awards at the NASB Conference.

Adjourned 8:15 p.m.

Submitted by Secretary, Paula Wright

  
Clerk, Linda Schrempp

Correction made  
after mtg. re:  
SHE fire suppress.  
This was Linda's  
last mtg.

11/25/08