

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

A special meeting of the Humboldt County Board of School Trustees was held March 18, 2009 at 5:10 p.m. in the Winnemucca Jr. High Auditorium.

Board members present were: President-Shelly Noble, Clerk-Kris Stewart, John Seeliger, Ann Miller, John Hill, Boyd Betteridge, and Andrew Hillyer.

Others in attendance were: Superintendent Mike Bumgartner, Asst. Superintendent Dave Jensen, Attorney John Doyle, Mary Keith-HCEA President, Heather Gula-Humboldt Sun, Kelly and Sabrina Novi, Rusty and Michelle Grow, Noel Morton, Jennifer Bergenheier, Amie Godinez, Frankie Peterson, Chelsea Mendiola, Jamie Billingsley, Kristen Flanders, Diane Seeliger, Janie Sampson, Doc Welter, Marian Tyree, Janet Kennedy, Michele Hartley, Vince and Joyce Mendiola, Teresa Lovato, Nicole Maher, Leslie Molina, Liz Lyon, Mayellen Bengochea, Dee Holzel, Darla Gooddell, Rick Norcutt, Bob Pace, Debi Alexander, Tim and Mayris Turner, Jennifer Brady, Paul Murphy, KC and Patricia Harrison, Jan Morris, Kitty Norcutt, Nathan Betteridge, Barbara Duncan, Ray Parks, Mike Dennis, Pilar Herrera, Jim Billingsley, Jonathan Gibson, Shelly Smith, Tim and Debbie Connors, Jackie Riggan, Jeanne Moline, Jackie Kingston, Letticia Prida, Sandra Matheny, Deena Moddrell, René Maestresjuan, Sandra Bengoa, Teresa Berish, Steve Swanson, Faith Hawley, René Hill, Rob Lindsay, Kyle and Dawn Swanson, Katrina Betes, Dawn Lucas, Virginia Parker, Stephanie Rhodes, Karen Hillyer, Kay Davidson, Dan and Debbie Watts, other interested persons and Secretary Paula Wright.

Vice President Seeliger opened the meeting with the Pledge of Allegiance.

Mr. Bumgartner thanked everyone for attending. He noted that no decisions would be made that evening. The meeting was to present proposed recommendations of budget reductions and to gather input from the Board, staff and the public to help guide District administration in preparing a final proposal to the Board. The final proposal will be brought before the Board at the March 24th meeting for approval.

Mr. Bumgartner asked that when speaking in public comment to please confine comments to the position and not the name of the person in that position. The public was given two opportunities to speak, at the beginning of the meeting and at the conclusion of the meeting.

Public Comment: Bob Pace noted three areas of importance to him. 1) The \$60,000 proposed reduction to athletics at Lowry High School. Could this be absorbed by not replacing Mr. Mendiola upon his retirement? 2) Consider bussing Orovada Elementary students to McDermitt Combined School. 3) With the understanding that the principal position at McDermitt Combined was for one year only, consider advertising the position, while the timing is right for administrators seeking job opportunities, and combine the McDermitt principal position with the rural school principal position.

Discussion Only – Overview of the FY2009-10 Budget

Mr. Bumgartner noted that some of the goals he and Mr. Jensen kept in mind while preparing the recommended budget reductions were; 1) as much as possible, minimize the impact on classroom learning, 2) as much as possible, preserve employment opportunities for employees and 3) make decisions based on what is best for students. The values of the staff and community, taken from surveys and the community forums, were also taken into consideration.

Themes gathered from the community forums included: 1) minimize impact on daily regular classroom instruction and learning, 2) preserve current class size, if possible and 3) preserve extra curricular activities.

Mr. Bumgartner's goals are: 1) minimize impact on daily classroom instruction, if possible 2) provide the best education possible for every student, 3) as much as possible, maintain our wide variety of programs for students, 4) preserve employment opportunities for staff, and 5) keep our District moving forward.

Mr. Bumgartner's thoughts on how students are educated can be put into four categories: 1) classroom experience, 2) unwritten curriculum (things that are not part of the regular curriculum), 3) extra curricular and 4) home life experiences.

Discussion Only – Discussion of Specific Areas for Possible Reduction in the FY2009-10 Budget

When presenting the state's tentative budget, Governor Gibbons, identified that the state has in excess of a \$2 billion dollar deficit for the upcoming biennium, as compared to the last biennium. This simply maintains services at the current rate.

There has been a decline in revenue coming from tourism, real estate and tax revenues. Under the Nevada Plan 2/3rds of the funding is "basic support guarantee" from the state the other 1/3 from local revenues. If local revenues generate more than the total guarantee, the state reduces the amount they provide. Since 2000, districts have reverted millions in additional revenues to help reduce the states obligation, however, there is no credit provided to districts for education, it is reverted back to the state's general fund and expended as deemed necessary. Nevada is currently ranked 49th for per pupil funding. If the budget reductions proposed go through Nevada will be ranked 50th in the nation.

In the beginning, the District was told to anticipate as high as 34% in budget cuts. In 2008, the District was told there would be a reduction in our revenue. After contracts had been established the District was asked to revert \$249,000 to the state. At the same time, the Nevada Department of Education reported they were going to levy an additional \$49,000 reduction to be applied to FY09. A tentative budget was prepared and submitted to the state on April 15th. After completion and submission of the budget, the District was notified on July 2nd of an additional budget reduction of \$879,481. Over the course of the biennium the District has seen a fiscal impact of \$1,177,481. In addition to the \$1.177 million, the District is being told to prepare for a reduction of 8% for FY10 or \$1.9 million. Over a three year period the potential impact to Humboldt County could equal up to \$3,077,481 or more.

The District's ending fund balance coming into FY09 was approximately \$3.5 million. This figure is deceptive because \$1.6 million is Net Proceeds of Minerals. Net Proceeds of Minerals funds must be held in arrears for one year; therefore, we have no access to it. It will be critical that the District maintains an ending fund balance.

Mr. Bumgartner noted that the plan for the budget reduction proposal examined areas for reduction that were not directly tied to the regular classrooms; program reduction/cost savings initiatives and reduction of personnel costs through attribution. The community, staff, administration and Board provided information relative to areas they felt were important to maintain and to reduce or eliminate. Maintain: pull-outs (music, art, PE etc.), athletics, teaching staff, instructional aides, class size. Reduce: athletics/freshman sports, administration, professional development, TAG, Specialists and the Curriculum Director. The budget reduction proposal was based on levels of reduction; 1) retirement/attrition, 2) support/other, 3) non-direct instructional and 4) classroom.

Mr. Jensen: The proposed budget reductions currently include: Attrition/Retirement: 1) one administrator, 2) WJHS PE position, 3) one District grounds position, 4) one district electrician, 5) one district accounting, 6) PASS instructional aide, 7) TBA bus driver and 8) 7 TBA instructional aides for a total of \$502,733. Support/Other: 1) reduce summer school, 2) leadership stipends, 3) accounting support (transition training), 4) athletics (reduced travel and participations), 5) professional development (reduction), 6) 10% reduction in school budgets, 7) early incentive, 8) 4-day rural school week (fuel), 9) clubs/extra curricular, 10) mentoring, 11) cell phones, 12) subs/professional development, 13) district vehicles (except maintenance and school resource officer), and 14) after school programs totaling \$506,677. Non-direct Instructional: 1) 1 LHS custodian, 2) WJHS Alternative Ed instructional aide, 3) one LHS attendance secretary, 4) WJHS rural secretary, 5) one rural and one in-town bus position, 6) reorganize food service, 7) McDermitt Combined counselor, 8) one GVE special education position, 9) transfer psychomotrist position funding to Local Plan, 10) transfer RTI position funding to Local Plan, 11) three Literacy Specialists positions (GVES, WGS, SHS), 12) WJHS alternative education, 13) Youth Risk Prevention Coordinator, 14) Athletic Director, 15) TAG, 16) Reading Recovery, and 17) FFMS elective class for a total of \$984,732. The grand total comes to \$1,994,142. Other areas being look at include; 1) one 1st grade position at GVE and an English position at Lowry High School.

Other factors that have to be taken into consideration while preparing the tentative budget include the Governor's proposal for a 6% salary reduction for state employees, to include educational staff. The Governor also submitted a budget with a freeze on step and lane changes. This costs the district approximately \$600,000 annually. The PERS rate will be increased by 1% effective July 1st at a cost of approximately \$250,000. We believe with the passing of the bond the District will be able to save on energy efficiency. The District is looking to place a hiring freeze on all classified positions. The transition from self-insured to a fully insured plan will cost the District approximately \$600,000 over the course of the one year claims run out.

The District is being cautious, in that, two years of past history shows the Governor returning to districts asking for additional budget cuts. Information that is being gathered indicates that Nevada has not "hit bottom" yet. The last figures received show a \$200 million deficit from the information used to create the Governor's proposal.

Mr. Bumgartner noted that the District is preparing a budget on the worst case scenario, an 8% budget reduction. We may not have a budget figure until June. It is hoped that, if things change in the interim (April 15-June 30), we will be able to restore positions.

Board Comments:

1. Mr. Hillyer noted that these are difficult times and tough decisions have to be made. Some of the areas Mr. Hillyer felt could be looked at to reduce or eliminate are; 1) eliminate the Curriculum Director-absorb duties with District administration and site administrators, 2) eliminate the ESL Director-absorb duties with District administration. Current personnel could assist along with assistance from site administrators, 3) eliminate Human Growth and Development Coordinator-other staff could absorb duties, 4) eliminate Athletic Director position-site administrators can absorb duties or return position to ½ AD, ½ teaching. Explore partnership with WCVA. 5) Current rural principal could be moved to McDermitt Combined or to Grass Valley Elementary. Another possibility would be to move one Lowry administrator to McDermitt or to Grass Valley. This would eliminate an administrative position at Lowry. 6) Combine the duties of the WJHS principal or vice principal or FFMS principal or Dean of Students or McDermitt principal position with the duties of the rural principal. 7) Begin looking at consolidating Orovida Elementary with McDermitt Combined (not necessarily this year), 8) rather than cutting freshman sports, consider other funding sources, pay to play etc.

2. Mrs. Miller expressed her appreciation for the administration. She believes that they have tried to spread the cuts in as many different areas as possible, so that no one area is feeling the impact more than another. They have been open to input.
3. Mrs. Stewart thanked Mr. Bumgartner and Mr. Jensen for taking a balanced, transparent, thoughtful approach to the budget reduction.
4. Mrs. Stewart asked if the Board was still going to revisit revising the early incentive plan.
5. Mrs. Stewart asked if there was any decision about eliminating the communication liaison position and using those grant funds elsewhere. Mr. Bumgartner feels that the position, for the minimal cost through grant funds, has been important in keeping employees and the community informed.
6. Mrs. Stewart again thanked Mr. Bumgartner and Mr. Jensen for the balanced approach to the budget reductions. She noted that the rural schools have traditionally been a target for reductions and noted that when talking about home life experiences, as Mr. Bumgartner mentioned, it is important that students not only be able to sleep in their communities, but go to school in their communities. "While I share the angst all of us have about overall budget cuts, I want us to remember, with respect to a point of view, that this is Humboldt County School District and not just the Winnemucca school district."
7. Mr. Betteridge also thanked the administration for taking a balanced approach in regards to the budget. He also thanked the community members for voting to pass the bond.
8. Mr. Seeliger thanked Mr. Bumgartner and Mr. Jensen for their time in preparing the recommendations for a budget reduction.
9. Mr. Seeliger had concerns about eliminating the alternative ed position at Winnemucca Jr. High and the after school programs. "These are the students we need to address." He asked if those areas could be reconsidered.
10. Mr. Seeliger noted that, since the last reduction in force, the Board added back four support and administrative positions and stated he would like to see a reduction of one more of those positions.
11. Mr. Seeliger asked about the possibility of using parents to transport teams to games to help cut athletic costs, especially, with the smaller sports teams.

Public Comment:

1. Jennifer Bergenheier: Mrs. Bergenheier spoke in support of the TAG program.
2. Robert Lindsay: Mr. Lindsay spoke in support of the Creative Thinking class position and the ESL instructional aide position. He also asked the Board not to eliminate the Dean of Students position if further budget reductions are necessary.
3. Vince Mendiola: Mr. Mendiola asked if positions will be replaced or eliminated if there are additional resignations during the summer months.
4. Barbara Duncan: Mrs. Duncan spoke in support of the TAG program, the Curricular Director position and asked the Board to possibly consider pay to play rather than asking parents to transport their children to games. Mrs. Duncan also noted that the food service department is an important part of the school district. Many state, federal and technology grants are based on the number of students participating in the free and/or reduced meals program.
5. Frankie Peterson: Mrs. Peterson spoke in support of the Curriculum/Testing Director.
6. Nicole Maher: Mrs. Maher spoke in support of the TAG program.
7. Kyle Swanson: Mr. Swanson spoke in support of the TAG program.
8. Jim Billingsley: Mr. Billingsley agreed with the recommended reductions and believes additional reductions can be made. He asked the Board and administration to look at reducing any other areas possible to try and save positions.
9. Mary Keith: Mrs. Keith spoke in support of the TAG program. Mrs. Keith also commended the efforts of Mr. Bumgartner and Mr. Jensen to be fair across the board when determining budget reductions.

10. KC Harrison: Mr. Harrison asked the Board to consider the feasibility of going to a four day school week to reduce costs. He also spoke in support of the Curriculum Director.
11. Jackie Kingston: Mrs. Kingston reported that the Technology Department has asked all employees to set their computers to go to "hibernate" or "safe mode" when not in use and to turn them off at night. NV Energy notified the District that if they followed through with this practice it could save approximately \$117,000 per year.
12. Steve Swanson: Mr. Swanson spoke in support of the TAG program.

Mr. Bumgartner spoke to the request made regarding keeping new teachers. Mr. Bumgartner and Mr. Jensen met with HCEA President, Mary Keith, regarding the process to restore positions, if that becomes possible. The District will not have definite budget figures until late June, early July. If budget reductions come in less than the 8%, the District will look to reinstate as many positions as possible.

Mr. Bumgartner asked the Board to consider working with the Association to provide a retirement incentive to those employees that are near retirement. Some possible suggestions would be to offer a bonus, possibly 10%, to consider retirement or possibly paying the retiree's insurance premiums for one year after retirement. This would save some positions.

Mr. Hillyer asked if there had been any consideration of reducing the school resource officer position back to a nine month position. Mr. Bumgartner stated that the Crisis Response Plan has not been completed for the District Office and that the school resource officer works on the plan during the summer months.

Adjourned 6:55 p.m.

Submitted by Secretary, Paula Wright

