

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

The regular meeting of the Humboldt County Board of School Trustees was held March 10, 2009 at 4:30 p.m. in the District Office Boardroom.

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

Others in attendance were: Superintendent Mike Bumgartner, Asst. Superintendent Dave Jensen, Attorney John Doyle, Heather Gula-Humboldt Sun, Shelly Drake, Tara Stoker, Nicole Maher, Max Hershenow, Mike Mitchell, Linda Felton, Frankie Peterson, Janie Sampson, Maggie Loyan, Skip Hammargren and Secretary Paula Wright.

President Noble opened the meeting with the Pledge of Allegiance.

Correspondence: None

Lowry Principal, Debbie Watts, asked that the February 24, 2009 minutes be corrected. Under Lowry High School Update, 5th paragraph beginning Mrs. Knight, should read: Joyce Knight provides afterschool classes for students to help prepare for the proficiency testing. Marcel Johnson helps those in in-school detention for discipline to work on assignments from their classes. Jodi Neary occasionally helps a student who has a question about math. It is a group effort. Everybody helps. Great job!!

Mrs. Stewart moved to approve the February 24, 2009 minutes with the corrections noted. Mr. Hillyer seconded, motion carried.

Superintendent's Report

Mr. Bumgartner asked Mr. Jensen to attend the Superintendent meeting in Carson City on Thursday, March 5th because he was out of town. Here is a list of items discussed:

- The Stimulus Package: Districts were told to expect Special Education and Title I funds by July 1st. It is two year funding. The General Stimulus funds of approximately \$324 million are being argued between K-12 and post secondary education systems. The Legislature will need to act to incorporate the funding sources.
- There will be a change of how we collect and report race and ethnicity. The reporting is dropping the selection from seven categories to five. The problem this causes the District is that we will have to redo PowerSchool.
- There is discussion about changing the formula to determine graduation rates.
- The NIAA is looking to rezone districts (conferences) to save on travel costs.
- Nevada Association of School Boards Executive Director, Ralph Cadwallader, is proposing school districts band together to discuss a proposed health insurance pool.
- NASB Director, Dotty Merrill, provided information on the board retreat that was held last month.
- A discussion was held regarding some of the upcoming legislation; 1) truth in taxation, 2) funding designation to charter schools (currently, there is no accountability).

Activity Report- Mr. Bumgartner

- Met with Mr. Jensen and principals regarding budget reductions
- Leadership Team meeting the week of the 2nd.
- Negotiations regarding finalizing health care language
- March 2-8th in Denver helping his mother with some business
- Met with Mr. Jensen to clarify budget reductions
- Met with Association presidents regarding budget reductions
- Meeting with individual staff members who may be impacted by budget reductions
- Senator Dean Rhodes- SB150 is a bill in the legislative process to create a stabilization fund ("rainy day fund"). The bill originated from Humboldt County.

Travel Report - Mr. Bumgartner

- March 25th-MAPS training for administrators in Yerington, no charge to district
- The Nevada Public Education Foundation: Principal, John Moddrell, has been chosen as "Educator of the Year". An awards reception will be held at the Legislative Building in Carson City on March 26th from 5-7:00 p.m. Everyone is invited to attend.

Discussion and Possible Action – Approval of Warrants

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

Discussion and Possible Action – Approval of Contract From Kafoury, Armstrong for Auditing Services – Dave Jensen, Shelly Drake, Tara Stoker

The District's auditing services contract with Kafoury, Armstrong & Co. expired July 1, 2008. Kafoury Armstrong & Co. provided the Board with a one year, three year and five year proposal; \$87,600 for one year, \$205,300 for a three year contract and \$345,100 for a five year contract. Mr. Jensen recommended that the District retain Kafoury, Armstrong & Co. on a long term contract.

Mrs. Drake noted that the firm will audit the basic financial statements of the District consistent with prior years. The fee for performing the financial and compliance audit will include the testing of one major program for the compliant audit. If additional program testing is required the fee will be discussed prior to performing any additional work. Fees will be based on the amount of assistance the district staff will provide and upon the assumption that the quality of the District's financial records remains constant. If an event occurs which causes additional work by the firm, fees will be discussed prior to the work being done.

Mrs. Stewart moved to approve a five year extension of Kafoury, Armstrong & Co.'s services. Mr. Hillyer seconded, motion carried.

Discussion Only – Discussion Regarding the FY2009-10 Budget – Dave Jensen

Mr. Jensen asked if the Board had any thoughts or questions after reviewing the information presented at the March 9th meeting regarding possible budget reductions.

Mr. Hillyer asked where the proposed \$60,000 cut to athletics would be coming from. Mr. Bumgartner stated that Mr. Mendiola was asked to try and reduce athletics by that amount and is currently working on that.

Mr. Seeliger asked for an explanation of general fund vs local plan. It was mentioned at the March 9th meeting that the funding source for several positions would be moved from general fund to local plan. Mr. Bumgartner noted that the positions would not be changing, just the funding source.

Discussion Only – Bond Update – Mike Mitchell

Mr. Mitchell gave an update on 1) the projects being considered, 2) the prioritization of those projects, 3) the budget by site, 4) program scheduling, 5) overall budget and 6) selection of the architect.

The prioritization of the projects will be determined by 1) health, safety and welfare issues 2) accessibility (code compliant/ADA) and 3) operational efficiency/systems upgrade. Commitments made to the public during the bond campaign will be honored when prioritizing projects.

Mr. Mitchell briefly discussed projects to address asbestos flooring, telecommunication systems, power actuated doors (ADA compliance), restrooms (ADA compliance), energy savings (windows, doors, insulation) and a fire suppression system. He also presented a list of projects specific to each school site and the costs associated with the projects at a total cost of \$2.177 million (construction dollars). The bond totals \$2.95 million. When costs for permit fees, design fees, management fees and contingency line items are included the total is \$3,092,090, leaving a shortfall of \$142,000. Mr. Mitchell is very comfortable that the \$142,000 can be totally reduced through some “value engineering”, by packaging bids separately and absorbing the management fees by doing the management of some projects in-house.

The maintenance department has completed many bond related jobs in-house through the general fund, which will allow the District to re-allocate some of the Pay-As-You-Go funds to other needs that will develop over the course of the next several years.

Project timeline: February 23-March 18th - projects will be defined and budgeted
March 23-May 25th – design consultant, architect, bids, awarding of contracts
June 5 – August 21st – construction

Mr. Mitchell noted that the district will need to hire architectural services to draw up all bond projects. He recommended the District consider the services of Hershenow and Klippenstein. They have an existing knowledge of district facilities, experience with similar projects, experience with K-12 education needs and the ability to meet the bond program schedule.

Discussion and Action – Recommendation to Retain Hershenow and Klippenstein as the District’s Architect – Mike Bumgartner

Mr. Bumgartner noted that given the short time frame, their positive past working relationship with the District and their familiarity with the needs of the district, he recommended retaining the services of Hershenow and Klippenstein as the District architect.

Mr. Hershenow made a brief statement, thanking the District for consideration of their firm. The firm has been doing business with the District since 1995. Projects include the Lowry PE facility, involvement in the initiative study for the bond and the initial master plan for the District.

Mr. Jensen noted that the Oversight Committee had a discussion regarding proceeding with an architectural firm and the committee unanimously recommended the District enter into an agreement with Hershenow and Klippenstein.

Mr. Hillyer moved to retain Hershenow and Klippenstein as the District’s architect. Mr. Hill seconded, motion carried.

Discussion and Possible Action – Ratification of Fully Insured Health Insurance – Dave Jensen

Mr. Jensen stated that the District is not in a position to sustain a self-insurance pool. From 1993 to the present the District has subsidized our self insurance plan \$1.7 million. The rate increases we have implemented have not kept up with national trends.

Maggie Loyan, an insurance broker, gathered several bids from St. Mary's and Anthem Blue Cross. The Insurance Committee reviewed the plans and was most comfortable with the St. Mary's Beyond 500 plan.

A negotiations meeting was held with the HCEA and HCSSO. A tentative agreement was reached and language was rewritten for Articles 12 (Insurance) and 15 (Health Insurance).

Mr. Jensen asked the Board to ratify the agreement. The ratification is three fold:

- 1) The District commits that any cost associated with the current self-insured fund, up to the day of transition, will be the responsibility of the District.
- 2) With the transition the insurance premium will go from \$476 to \$513.18, an approximate 8% rate increase. For the remainder of the year the District will assume those costs (\$32,000) for the employees and will assume the rate increase for the upcoming school year.
- 3) The District will budget for an annual rate increase, of the fully insured plan, up to 6%.

It is hoped to transition to the fully insured plan on May 1st.

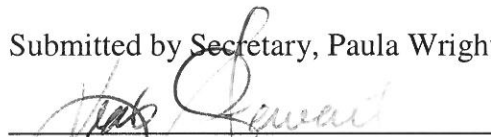
Mrs. Stewart moved to approve the ratification of the fully insured health insurance plan. Mr. Betteridge seconded, motion carried.

Board/Staff Comments:

1. Mr. Hillyer feels that the athletic director is an important position, not only for the District but for the community. At one time, Mr. Hillyer had a conversation with some of the WCVA members who were interested in possibly sharing the cost of that position. Mr. Bumgartner asked Mr. Hillyer to meet with him.
2. Mr. Seeliger gave a brief report on a teleconference with NASB. Some of the items discussed were: 1) the new board member training, 2) more training was requested on overall accounting in districts and on how to conduct superintendent evaluations in a public meeting, (3) regarding another board orientation training is scheduled for August, 3) preparations are being made for the annual conference in November, 4) dues for the association are being reduced because of economic times, and 5) Legislative issues-SB154, which will change the way school boards establish policy for prohibiting activities of criminal gangs on school property. AB211, which will require school boards to take action on items brought up during public comment.
3. Mr. Seeliger reported that the next Senate Finance Committee meeting will be held on March 17th.
4. Mr. Seeliger reported that the association (NASB) will be getting information out by the end of March regarding all the bills currently before the legislature and the impact they will have.
5. Mr. Seeliger reported that the NASB mid-year meeting will be held in Ely in August.
6. Mr. Seeliger informed the Board of an enrollment form board members can complete which will allow them to be placed into UNR's extended studies program to become "certified public officials". Credit will be give to participants if any NASB meetings or functions are attended.
7. Mrs. Stewart will be attending the second annual Indian Ed Summit on March 16-17th. Mrs. Stewart will be meeting with Don Gustavson while there.

8. Mrs. Stewart invited everyone to Paradise Valley Elementary School's Spring Fling on Friday, March 27th at 5:00 p.m. There will be a spaghetti dinner and a family dance from 6-8:00 p.m.
9. Mr. Jensen will be in Denver beginning Wednesday, March 11th.
10. Mr. Bumgartner congratulated the Health Insurance Committee for a job well done.
11. Mrs. Noble reminded everyone that Lowry's Stagecraft and Drama club will be putting on a play. There will be daytime, as well as, evening performances.
12. Mr. Betteridge informed everyone that Lowry's Band and Choir will be having a dinner and performance on March 20th. Tickets are available.

Submitted by Secretary, Paula Wright


Kris Stewart, Clerk