

**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 24, 2009 at 4:30 p.m. in the District Office Boardroom.

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

Others in attendance were: Superintendent Mike Bumgartner, Asst. Superintendent Dave Jensen, Attorney John Doyle, Heather Gula-Humboldt Sun, Kelly and Sabrina Novi, Nicole Maher, Jennifer Bergenheier, Janet Kennedy, Patricia Harrison, Nathan Betteridge, Paul Criddle, Mike Dennis, Jim Billingsley, Leslie Molina, Boyd Lords, Dan and Debbie Watts, Darla Gooddell, Audra Young, René Maestrejuan, Dee Holzel, Chelsea Mendiola, Jamie Billingsley, Frankie Peterson, Katrina Betes, Jonathan Gibson, Kristen Flanders, Ray Parks, Doc and Rospi Welter, Teresa Lovato, Bob Pace, Rob Lindsay, Jackie Riggan, Liz Lyon, Maria Huante, Tim Connors, Dawn Lucas, other interested persons and Secretary Paula Wright.

President Noble opened the meeting with the Pledge of Allegiance.

**Correspondence:** None

Mr. Seeliger moved to approve the March 9, 2009 minutes as written. Mrs. Stewart seconded, motion carried.

Mr. Seeliger moved to approve the March 18, 2008 minutes as written. Mr. Hillyer seconded, motion carried.

**Discussion and Possible Action - Approval of Lowry High School Swing Choir Tour to Crescent City, California – Paul Criddle**

Paul Criddle, on behalf of the Swing Choir, requested permission to go on tour to Crescent City, California April 1-5, 2009. Eight students and three chaperones will be making the trip. The group will be responsible for all costs associated with the trip of approximately \$2600. Mr. Criddle requested the use of a travel bus. The group will be responsible for the cost of the driver and fuel.

Mrs. Stewart moved to approve the Swing Choir trip to Crescent City, California as presented. Mr. Hill and Mrs. Miller seconded, motion carried.

**Public Comment:** None

**Superintendent's Report**

Mr. Bumgartner read a letter from Marlene Killion expressing her appreciation for the support she received from the District Office that allowed her Child Development I and II students to complete the Bloodborne Pathogen Exposure Prevention Training. She believes it was valuable training for the students.

March 17<sup>th</sup>: Carson City- Senate Finance Committee on Education

1. The Senate Finance Committee is comprised of three Senators and seven members. Senator Horsford and Speaker Buckley serve on the Committee and are very supportive of education.
2. Heard testimony from students and teachers about education support
3. Testimony from Paul Dugan, Superintendent Association President
  - i. Keep Innovation Monies
  - ii. Keep Regional Professional Development Program
4. State Superintendent- Keith Rheault
  - i. Stimulus monies
    1. The Committee is working on waivers (the stimulus plan proposes that states are required to bring educational funding back to 2006 levels). The waiver process allows states to say there is no way to meet that requirement.
    2. It is likely that the District won't see the benefit of these funds until the next fiscal year.
    3. Stimulus monies will clearly impact educational funding
5. Spoke with education lobbyists Randy Robison, Lonnie Shields and State Supt. Keith Rheault
  - i. Two questions:
    1. What is your best guess about education and this legislative session?  
Answer: This Legislative session is different than prior years. There is more of an appetite on the part of the Democrats to listen to educational needs.
    2. What is your best guess about a timeline for an education budget?  
Answer: May not have a timeline until the end of the session.
6. Made appointments for March 26<sup>th</sup> to visit with Senator Rhoads and Assemblyman Goicoechea
7. 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 26<sup>th</sup> from 5-7:00 p.m. Mr. Bumgartner will be attending.
8. Spoke with other superintendents regarding budget reductions in their districts.
9. Observed Senate and Assembly sessions

#### Activity Report

1. On March 11<sup>th</sup> met with High Rossolo NNRDPD regarding the partnership for next year.
2. March 11<sup>th</sup> - KWNA interview regarding budget reductions
3. March 10-13<sup>th</sup> met with individual staff members who may be impacted by budget reductions
4. Met with Jackie Kearns regarding the Senior Choice Awards
5. March 18<sup>th</sup> - Met with HCEA President, Mary Keith and formed a committee. Discussed contract language regarding reduction in force and transfers. Meeting again on March 25<sup>th</sup>.
6. Meeting with Administrators on March 20<sup>th</sup> and again on Friday, March 27<sup>th</sup>.
7. Met with Dave regarding budget adjustments for Board presentation.

#### Upcoming

1. Meeting with Jeff Dawson, Chief of Police, Bob Davidson and Sheriff, Ed Kilgore regarding the District portion of the crisis response plan. It is hoped to have the plan complete by June 1<sup>st</sup>.
2. Superintendent meeting- Reno April 2<sup>nd</sup>.

#### **Discussion and Possible Action – Approval of Sonoma Heights Fire Suppression System Bid – Rick Norcutt**

Postponed

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

Mrs. Stewart moved to approve the warrants for payment. Mr. Hill seconded, motion carried.

#### **Discussion Only – Bond Update: Review of Current Process – Mike Mitchell**

Postponed

### **Discussion and Action –Update and Status on Transition of District Health Care Plan –Dave Jensen**

Each staff member has received an enrollment form for the new insurance plan due back to the District no later than Friday, March 27<sup>th</sup> so we can begin the transition to St. Mary's. New to the District with the insurance from St. Mary's is the opportunity for an "ala carte" type of insurance choice for dependents. The transition will become effective on May 1<sup>st</sup>. Employees have been notified that if they opt to exclude dependents from the health care coverage they currently have, they must notify the District by April 10<sup>th</sup> so an adjustment can be made.

The District has notified abd Insurance Services regarding our termination with their services, effective May 1<sup>st</sup>. We will, however, be entering into a contract agreement with them for the claims run out, which will be for a period of approximately one year. The contract equates to a fee of \$55 per staff member for the claims "run out" service. We have also notified abd Insurance Services of our intent to cancel the \$39,000 per month stop loss insurance effective May 1<sup>st</sup>. The \$39,000 per month savings will be used to absorb the cost increase to transition to the St. Mary's plan and the fiscal impact of any rate increases.

The District has also contacted Sun Life Insurance to cancel our agreement for employee life insurance benefits.

### **Discussion Only – FY2009-10 Budget – Dave Jensen**

Mr. Betteridge joined the meeting by phone.

Mr. Jensen (Review of past meeting discussions): 1) ending fund balance vs expenditures, 2) augmented general fund expenditures FY09, 3) ten year enrollment history, 4) administration staffing by year 1998-2009, 5) certified staffing by year 1998-2009, 6) classified staffing by year 1998-2009, 7) total salary and benefits, 8) basic support guarantee, 9) funding comparisons, 10) FY10 funding scenarios, 11) other factors: final figures increase or decrease, Net Proceeds of Minerals, 1% PERS increase, health insurance transition, past history of additional reductions asked for by the Governor, cost associated with step and lane changes, negotiations, early incentive, and a proposal by the Governor to return to full requirement for text book expenditures, 12) political considerations, 13) stimulus funding and 14) certified and classified survey results.

### **Discussion and Possible Action – Recommended Reductions Based on a 7.8% Budget Reduction – Mike Bumgartner, Dave Jensen**

Mr. Jensen reviewed Board feedback from the March 18<sup>th</sup> meeting: 1) Curriculum Director duties assumed by District and site administrators, 2) ESL coordinator, 3) reallocation of the Athletic Director duties, 4) fill the McDermitt principal position through the rural principal or Lowry Vice Principal, 5) closure of the Orovada School and combine with McDermitt Combined, 6) support to keep freshman sports, 7) recommendation to revisit summer school and credit remediation programs, 8) factor unemployment cost into the analysis, 9) reallocate the Title V funds currently used for the parent coordinator, 10) recommendation to retain the rural schools, 11) look at alternative workman's comp services for cost savings and 12) support to keep the alternative education program at Winnemucca Jr. High.

Community feedback from twelve staff and community members from the March 18<sup>th</sup> meeting: 1) five in support of the TAG program, 2) three in support of the Curriculum Director position, 3) support for the exploratory class at French Ford, 4) support for the Dean of Students position at French Ford, 5) questions regarding how the process for recalling positions will work, 6) maintain new teachers as possible, 7) viability for a four-day school week for in-town schools, and 8) energy saving through computer management.

A concern is that current reductions, as outlined, may not be sufficient if budget figures come in worse than an 8% reduction. Is there a need to consider Tier II reductions?

Mr. Bumgartner reviewed the process used to determine the recommendations made in the budget reduction proposal. After consideration of Board, community and staff comments a few adjustments were made, however, the proposal is similar to the initial proposal.

Mr. Jensen briefly reviewed the proposal. The only changes made were; 1) rural 4-day school week-gas/salaries (adjustments will be made to bus driver contracts) \$30,242, 2) Parent Newsletter (move to electronic version saving \$5400 and 3) ESL Coordinator stipend (transfer from general fund to Title III grant). The combined total for budget reductions in the proposal equals \$2,119,387.

Other considerations, some impacting the budget in a negative way, include: 1) a freeze on step and lane changes (\$600,000 annually) is a negotiated item and a potential liability, 2) 6% cost of living (\$1.2 million) is a negotiated item, 3) a 1% PERS payment increase (\$250,000), 4) energy efficiency (\$100-150k, a potential savings, 5) classified hiring freeze and reduction through attrition, 6) health insurance-claims run out for the next 12 months (approx. \$600,000), 7) unemployment benefits (\$264,096), and 8) the possibility of further reductions being asked for by the Governor.

Mr. Jensen asked the Board's direction on their desire to establish a Tier II reduction. It is hoped that the District will not need to reduce that deeply. A suggestion District administration received was to over notify employees, rather than under notify employees, pending the final determination of the Legislature.

Mr. Bumgartner stated it was the best proposal that District administration could come up with and recommended the Board approve the proposal as presented.

#### **Board Comments:**

1. Mr. Hillyer asked about the principal position at McDermitt Combined. Mr. Bumgartner reported that there is currently a bill before the Legislature that will impact the current contract the District has with Mr. Moddrell. A meeting will be held with Mr. Moddrell and he will need to make a decision to stay or not.
2. Mr. Hillyer asked if some of the funds that have been held out (professional development, etc.) could be eliminated and added back as the District is able to. Mr. Bumgartner noted that some employees need help and support (most provided through grant funds) and there may be unforeseen expenses, such as, trainings required by the state.
3. Mr. Hillyer asked for clarification on the amount of savings per year reported by Mrs. Kingston at the March 18<sup>th</sup> meeting. He asked if the \$117,000 per year savings he had written down was the figure she reported.
4. Mr. Hillyer wanted the public to understand that there is a possibility that the worst case scenario will not take place and that other employees may decide to leave or retire, allowing some of the new teachers to remain employed. He also noted that, on the other hand, the worst-case scenario might be worse than what the District anticipated.
5. Mr. Hillyer asked if he was correct in saying that the School Resource Officer could not be reverted to a nine month position, because the Crisis Response Plan has yet to be completed and that the summer months have been used to work on the plan.
6. Mr. Hillyer asked what the District would do if Mr. Moddrell decided not to return for the 2009-10 school year and we received no interested applicants.
7. Mrs. Miller asked if the Board was being asked to make two decisions that night; 1) approving the proposal presented and 2) approving Tier II reductions. Mr. Jensen said the Board was asked to



make a decision on the budget reduction proposal only. Tier II reductions will be discussed at a later meeting.

8. Mr. Seeliger believes the budget reduction proposal is being too conservative and less should be taken out of the proposed budget. "We may have Tier II reductions coming but, on the other hand, we may not." He believes if the District doesn't have a plan in the works; students will suffer when the upcoming school year begins. The District is seeing a 4% reduction in the number of students at Lowry just this year, which seems to be a continuous decrease. He believes the problem is not at Lowry, but at the early grades and sees nothing in the proposal to address that. He feels the Board and District administration should revisit the proposal.
9. Mrs. Stewart noted her appreciation for Mr. Bumgartner and Mr. Jensen's thoughtfulness with which they approached the budget reduction proposal. Mrs. Stewart stated that she was prepared to support the proposal provided 1) a definite time frame is established, with a rehire schedule being developed. "If the District has been too conservative we will have a game plan in place that doesn't have to come back before the Board. If budgets don't look as bad or monies do come in we know exactly what our game plan is for rehiring during the summer or prior to the beginning of the upcoming school year". 2) If the proposal is too optimistic, Mrs. Stewart recommends broadly giving warnings to employees of Tier II reductions.

#### **Public Comments:**

1. Dawn Lucas asked why there is now discussion about Tier II reductions. Mr. Jensen noted that the concern comes from the additional \$200 million deficit that the state has identified since they created the Governor's tentative budget. The tax revenue base is still in decline and the concern is that the Governor may say that the 8% budget reduction is not sufficient.
2. Mr. Billingsley asked the number of staff that is being reduced. Answer: Seventeen certified staff, three of those positions through attrition and the number for classified has not been determined. Almost all of the fourteen will be transferred to other positions.
3. Dee Holzel asked if the District was tracking the number of homeschool and charter school students.
4. Bob Pace felt consolidating Orovada Elementary with McDermitt Combined would see a savings.
5. Mr. Hill said the District could also consider consolidating Kings River Elementary with Orovada Elementary. Mr. Jensen said the rural schools are truly community schools and the thought was not to impact entire communities. Numbers in the rurals have not declined and have remained flat.
6. Jim Billingsley asked, since the RTI position funding was being reverted to special education funding, if that position could be eliminated and the funds used to keep a special education teacher. Mr. Jensen noted that the District has seen a positive impact with the RTI position, with a decline in special education caseloads. It is a positive impact on students.
7. Bob Pace asked for clarification of the Local Plan funds.
8. Mr. Hillyer asked for clarification of the psychomotrist duties and if those duties could be reverted back to the Special Ed Director. Mr. Jensen stated that there was discussion regarding that proposal, but the role of the Special Education Director would be impacted.
9. Dawn Lucas asked the number of employees currently close to retirement that may take advantage of an early retirement incentive and if there was any thought to approaching those employees for possible additional savings. Mr. Bumgartner stated that District administration had come up with a possible early retirement incentive, but found that PERS would not allow it. The District has some other options they are working on and will present those incentives to the Association.
10. Jim Billingsley felt that District administration and the Board could look deeper within the budget for alternative cuts and save positions.

Mrs. Stewart moved to approve the budget reductions package as provided, provided that the administrative team provides the Board with a proposed rehire schedule at the second meeting in April, as well as, a Tier II notification schedule. Mr. Hill seconded, motion carried.

**Discussion and Possible Action – Rescheduling of April 14, 2009 Board Meeting – Mike Bumgartner**

The regular board meeting falls on April 14<sup>th</sup>, which is over spring break. The Tentative Budget is due to the Department of Education April 15<sup>th</sup>; therefore, Mr. Bumgartner requested the meeting be rescheduled to Thursday, April 9<sup>th</sup>.

Mrs. Stewart moved to reschedule the April 14<sup>th</sup> meeting to Thursday, April 9, 2009 at 6:00 p.m. in the District Office boardroom. Mr. Hill seconded, motion carried.

**Board Comments**

1. John Seeliger reiterated that he believes the budget reductions are conservative, but feels the Board should be ready to move forward in June so as not to disrupt classrooms at the beginning of the school year.
2. Mrs. Miller asked to receive a copy of the Board goals.
3. Mr. Hillyer thanked District administration for handling a very difficult task and keeping the process very transparent.
4. Mr. Hill stated he did not envy the job of District administration and agreed on the importance of having a plan in place to rehire if the situation changes.
5. Mrs. Stewart also thanked Mr. Bumgartner and Mr. Jensen for doing a good job in a very difficult situation.
6. Mr. Jensen reported that the District submitted an application for the RUSS Grant in the amount of \$700,000 to be used to upgrade technology throughout the District.
7. Mr. Jensen reported that a settlement agreement has been reached in the Level III Grievance that was scheduled for arbitration.
8. Mrs. Noble said she appreciated the efforts of District administration for keeping the Board, staff and community informed.

Adjourned 6:30 p.m.

Submitted by Secretary, Paula Wright

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