

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 22, 2011 at 4:30 p.m. in the District Office Boardroom.

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

Others in attendance were: Superintendent Mike Bumgartner, Asst. Superintendent Dave Jensen, Paul Criddle, DaraLee Milikan, Frankie Peterson, Nicole Maher, Ali Lampshire, Heather Gula-Humboldt Sun, Dee Holzel-Silver Pinyon, other interested persons and Secretary Paula Wright. Absent: Attorney John Doyle

President Noble opened the meeting with the Pledge of Allegiance.

Correspondence: None

Minutes: Mrs. Miller moved to approve the March 8, 2011 minutes as presented. Mr. Hillyer and Mr. Betteridge seconded, motion carried.

Special Recognition: Lowry High School Boys Basketball Team:
Postponed

Public Comment – None

Superintendent's Report

- There was no Superintendent's meeting
- Mr. Bumgartner provided the Board with a copy of "Legislative Links", an NASB newsletter which comes out weekly. The March 11th copy includes significant information regarding educational reform.
- Mr. Bumgartner provided the Board with a copy of "iNVEST '11", a proposal from the Nevada Association of School Boards (NASB) and Nevada Association of School Superintendents (NASS) working together to create a long-range comprehensive plan for public education in Nevada.

Activity Report

- March 9th-represented the Superintendent Association at the "Grants Management Advisory Council"; these are grants that have to do with children and supporting juvenile services in the State of Nevada
- March 10-14th-continuing to meet with principals regarding evaluations
- March 14th -Leadership Team meeting: discussed legislative updates, Common Core Standards and "looping".
- March 15th - met with administrators regarding the Administrative Contract
- March 16th - visited school sites
- March 16th - attended the Lowry PTSA meeting
- March 17th - visited McDermitt Combined School
- March 18th - Administrators meeting

- March 18th – Special Services Director position interviews; a candidate was chosen
- March 24th – Carson City for the Senate Ways and Means Committee meeting on education
- Over spring break will be attending a Superintendent Summit in Phoenix, Arizona; all expenses are paid by a scholarship. They will be discussing ways to fund energy, student achievement and networking with other superintendents.

Discussion and Possible Action – Approval of Warrants

Mr. Hillyer moved to approve the warrants as presented. Mr. Betteridge seconded, motion carried.

Discussion and Possible Action – Approval of a Trip by the Lowry High School Key Club to Anaheim, California on April 15-17, 2011 for a District Convention – Darla Lee Milikan, Ali Lampshire

Mrs. Milikan and Key Club President, Ali Lampshire, approached the Board for approval for the Lowry High School Key Club to attend the 65th Annual District Convention in Anaheim, California on April 15-17, 2011. The group will consist of five students and one chaperone. The group requested the use of a suburban and all expenses for the trip will be paid by the Key Club.

Mr. Hillyer moved to approve the trip by the Lowry High School Key Club to Anaheim, California on April 15-17, 2011 with the usual caveat that the Superintendent has final approval of the trip depending on world conditions for the safety of students and chaperones. Mr. Betteridge seconded, motion carried.

Discussion and Possible Action – Approve of a Trip by the Lowry High School Band and Choir to San Francisco, California on April 28-May 1, 2011 – Paul Criddle

Mr. Criddle approached the board for approval of the Lowry High School Band and Choir to attend the “Music in the Parks Festival” in San Francisco on April 28-May 1, 2011. The group will consist of 60 students and eight chaperones. The group requested the use of two travel buses and all expenses for the trip will be paid by the group.

Mr. Hillyer moved to approve the trip by the Lowry High School Band and Choir to San Francisco on April 28-May 1, 2011 with the usual caveat that the Superintendent has final approval of the trip depending on world conditions for the safety of students and chaperones. Mr. Betteridge seconded, motion carried.

Discussion Only – Review of the Return on Investment Study by the Center for American Progress – Dr. Dave Jensen

Dr. Jensen provided the Board with a PowerPoint presentation of a broad based study done by the Center for American Progress, who conducted a national study comparing school districts and making a determination of “Return on Educational Investment”. Humboldt County is listed as the #1 district in the State of Nevada. The study was a culmination of a yearlong effort to study educational efficiency and to evaluate the productivity of almost every major school district in the state and the nation. The intent of the study was to; 1) start a national conversation on education productivity 2) identify districts generating higher than average achievement per dollar and 3) to encourage states and districts to embrace approaches to sustain educational efficiencies.

The study found that 30 states have reduced education spending as a result of declining state and local revenue and, nationally, educational funding is likely to worsen before improving. Districts will need to demonstrate that educational funding has a positive outcome. When districts seek to improve

performance and boost efficiencies, the focus centers on organizational change by using data to identify concerns, create short and long term goals and engage employees to sustain change and innovation. Educational agencies will need to change the way we do business by setting high goals and providing employees the ability to achieve them. This will require moving away from traditions and ineffective programs.

A summary of the findings of the evaluation included; 1) many school districts could boost student achievement without increasing spending, 2) low productivity costs the nation's school system as much as \$175 billion annually, 3) increased funding does not automatically improve student outcomes, 4) efficiency varies widely within states, 5) more than a million students are enrolled in highly inefficient districts, 6) high-spending school systems are often inefficient, 7) highly productive districts are focused on improving student outcomes, 8) states and districts fail to evaluate the productivity of schools and districts (only two states, Florida and Texas, provide school-level productivity evaluations), 9) the quality of state and local education data is often poor, 10) the nation's least productive districts spend more on administration and 11) some urban districts are far more productive than others. When all this data was combined they determined a "return on investment", based upon 2007-08 National Center for Education Statistics data. They used the current expenditures category which includes salaries, services and supplies, expenditures data from all revenue sources and averaged together proficient or above on state assessments in reading and math for 4th, 8th and high school proficiency. From this they came up with three levels of "return on investment"; basic, adjusted and predicted index. These levels of return on investment include measures to rate districts on a wide variety of categories. Basic return is based on academic achievement per dollar spent. Adjusted Return is based on costs associated with serving larger concentrations of low-income, non-English speaking and special education students and Predicted Index measures whether a district's achievement is higher or lower than would be predicted after accounting for its per-pupil spending and percentage of students in special programs.

Nevada's results reflect 15 of the 17 counties; excluding Eureka and Esmeralda. In the Basic Return on Investment, Humboldt ranked at the top in Nevada followed by Douglas, Lyon, Churchill and Lander. In the Adjusted Return on Investment, Humboldt ranked in the top four with Churchill, Lyon and Douglas. In the Predicated Index, Humboldt ranked in the top four with Churchill, Lyon and Pershing. This study supports the ongoing efforts of the Board, staff, administration and community in seeking to ensure that we obtain the highest return on the investment provided to Humboldt County. We continue to work towards maintaining our top performance as a District.

Discussion and Possible Action – Request by Malheur County School District to Re-evaluate the Tuition Agreement Between Humboldt County School District and Malheur County School District – Dr. Dave Jensen

Dr. Jensen was approached by the Superintendent and Financial Officer from Malheur County School District requesting reconsideration of the tuition agreement between the two districts. Currently, Malheur County has a funding level of \$5,685 per pupil and we are charging them \$7,913 for this school year. The tuition agreement is becoming problematic for Malheur as they also struggle with declining revenue. We also charge them 1 FTE for kindergarten students and they receive funding for one-half.

Dr. Jensen provided the Board with a copy of the formula we used to determine the per pupil funding level for Malheur County. The formula takes into account all general fund operating costs two years prior, excluding bond funds, ending fund balance and building and sites, which bring us to a figure of \$7913. Dr. Jensen refigured and based the formula on the expenses at McDermitt Combined only.

When considering all expenses, it equaled a cost of \$15,753 per student for the 141 students. Considering just general fund and special education it comes to \$12,645. When considering general fund and special education instruction, the per pupil cost was \$7,946 and considering general fund expenses only came to \$7,490.10.

Currently, there is a push to consolidate districts in Oregon and there is a possibility that, if funding in an issue, the students currently attending McDermitt Combined may be re-assigned to the Jordan Valley School District, a 100 mile trip for those students. Malheur County is requesting some curtailment of their current funding and a modification of the current formula that we use.

Dr. Jensen said it was his recommendation that the District offer some type of concession, but to what extent will be up to the Board. He suggested a figure between what we are currently receiving and what our current DSA per pupil amount is as we assume no transportation costs.

After some discussion, Mr. Hillyer moved to propose to Malheur County a cost of \$7,490.10 per student, approve a reduction of the kindergarten from FTE to .6, with the understanding that there would have to be some type of mechanism for an adjusted cost for special needs children. Mr. Seeliger seconded, motion carried.

Discussion Only – District Financing and Budget Projection Considerations – Dr. Dave Jensen

Dr. Jensen briefly went over the Nevada Plan and the DSA Equity Allocation Model. The plan was adopted in 1967 to ensure there was equity among the funding formula, not necessarily adequacy.

In October of 2005 superintendents supported a revision to the plan and a revised plan was finalized in 2006 and went into effect in 2008-09 school year. Dr. Jensen provided an explanation of how the DSA is calculated. Funds are limited and based upon legislative allocations. Nevada is only one of five states whose funding model has not been challenged in court.

Dr. Jensen provided a graph of DSA funding history from 2002-2011. We are being told to anticipate cuts for FY12 and FY13 in the range of approximately 9.2%. Funding levels in Nevada have been reduced and all indications are, over the next four years, we need to anticipate further reductions in our DSA. Our hold harmless figure for FY11 will be factored on a student enrollment figure of 3266.2. Projected staff roll-ups will total approximately \$600,000; the Governor's budget reflects a freeze. The Governor's budget proposal also includes a 5% salary reduction, step and lane changes are frozen and 25% of the PERS contribution will be shifted to the employee. The Governor may reflect these proposals in the amount of funding that is given the District, but these items fall under items that must be negotiated, unless there is a statute that eliminates collective bargaining. For the upcoming year PERS will have the single greatest increase that Nevada has ever had, in the amount of 2.25%.

Dr. Jensen briefly explained the significance of the LSST (Local School Support Tax), how it is determined and how it is tied to the Nevada Plan. He then briefly went over staffing trends and a ten year enrollment history.

We are required to submit a tentative budget to the State on or before April 15th, a public hearing is held on the third Wednesday in May and the final budget must be adopted on or before June 8th. Dr. Jensen contacted the DSA coordinator at the Department of Education and was told that a preliminary DSA figure will be released the last week in March or the first week in April. A staffing proposal and tentative budget will be brought to the Board at the April 12th meeting or, if need be, at a special meeting on Friday, April 15th.

Discussion Only –Closed Session to Discuss Pending Certified/Classified Negotiations and Administrative Negotiations Pursuant to NRS 288.220 – Mike Bumgartner and Dr. Dave Jensen

6:07 p.m. Mr. Hillyer moved to go into a closed session to discuss the pending certified/classified negotiations and administrative negotiations pursuant to NRS 288.220. Mr. Betteridge seconded, motion carried.

7:05 p.m. Mrs. Miller moved to return to open session. Mr. Hillyer seconded, motion carried.

Discussion and Possible Action – Review Administrative Negotiations and Possible Ratification – Dr. Dave Jensen

The Board was provided an Administrative proposal. The proposal included; 1) no increase to the base salary, with the understanding that should other bargaining groups receive an increase, administrators shall receive the same increase and if other bargaining groups are subject to a reduction, the administrators will take the same reduction, 2) freeze step and column movement for the 2011-12 fiscal year, with the understanding that if the other bargaining groups were to role forward with step and column movement they would receive step and column movement retro to their contract date of July 1, 2011, 3) for all future administrators hired within the District (effective July 1, 2011) the longevity component will be reduced to 2% from 3% for 5 years, 4% from 5% for 10 years and 6% from 10% for 15 years and year 20 will be completely eliminated, 4) under reduction in force for administrative personnel there will be four job classifications within the administrative department; principal, vice principal, administrative director (with the responsibility factor of .38 and a 220 day contract) and director (non-administrative, with a responsibility factor of .25 under a 210 day contract).

Resignation and retirement will be the first means of a reduction in force, but if that is not possible a specific process will be implemented using seniority and there will also be a specific recall process. Any administrative opening in the District will be noticed to all current administrators, providing five days to provide notification of intent. All current administrators will be interviewed for the vacancy. If no existing administrators are interested or it is deemed that the current administrators are not appropriate for the vacancy, the vacancy will be posted outside of the District. If a current vice principal is hired for the principal position, they would be subject to a one year probationary period as required by NRS.

Dr. Jensen noted that the negotiations went well. The District is happy with the outcome and recommended ratification of the proposal.

Mr. Seeliger, noting his wife is a District employee, abstained from the discussion.

Mr. Hillyer moved to accept and ratify the Administrative negotiations as set forth. Mr. Betteridge seconded, motion carried. Mr. Seeliger abstained.

Discussion and Possible Action – Include Assistant Superintendent Position in Administrative Salary Schedule – Mike Bumgartner

Mr. Bumgartner stated that this is a recommendation coming from him to the Board. The intent of the agenda item is to rectify, what he believes, is an inequitable situation. For the last several years, Dr. Jensen's salary has been less than a number of the current building administrators, while his contract requires 230 days annually as opposed to a 220 day Principal/210 Vice Principal Contract. In addition, his position includes oversight of administrative personnel.

Upon researching the practice of other districts, he found that some districts place the Assistant Superintendent on a salary schedule and some districts negotiate a separate contract. Mr. Bumgartner

proposed to include the Assistant Superintendent onto the administrative pay scale. He has met with administrators and they are strongly in support of the proposal. The Assistant Superintendent's responsibility factor will be negotiated with the Superintendent, making his salary a minimum of \$3000 higher than the highest paid building administrator. The proposal would go into effect for the 2011-12 school year. Placement of the Assistant Superintendent on the Administrative Pay scale will also allow for clear salary placement should the position become vacant in the future.

Mr. Hillyer asked, given the times we are in, if the other salaries (building administrators) could be lowered to below Dr. Jensen's current salary. Mr. Bumgartner said that the contracts have been negotiated and, therefore, cannot be changed. Mr. Hillyer also noted that Dr. Jensen is not an at will employee and is in the same protected class as other administrative personnel.

After a brief discussion, Mr. Seeliger moved to include the Assistant Superintendent position on the administrative salary schedule as proposed. Mr. Betteridge seconded, motion carried.

Discussion and Possible Action – Second Reading of the Draft Policy Regarding School Personnel Seeking Public Office under Section 1030 (Board of Trustees) of the Policy Manual – Dr. Dave Jensen

There were no changes recommended from the first reading.

Mr. Hillyer moved to adopt the draft policy regarding school personnel seeking public office under Section 1030 (Board of Trustees) of the policy manual. Mr. Hill seconded, motion carried.

Discussion and Possible Action – Board Goals 2010-11, Rural School Strategic Plan – Mike Bumgartner

Mr. Bumgartner provided the Board with a draft of a summary of input gathered from the rural communities and recommendations made by the Board of Trustees regarding a rural school strategic plan. He asked Board members to review the draft and be prepared to adopt it at the April 12th meeting. Mr. Bumgartner will craft an open letter to the rural communities, once the draft is adopted.

He also provided the Board with preliminary rural school enrollment projections for the 2011-12 school year.

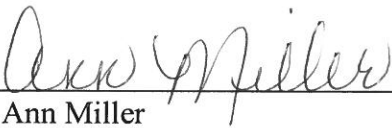
Board/Staff Comments:

1. Mr. Hill asked how the solar panel project was proceeding. Dr. Jensen noted that the District is currently signing off on Grass Valley and Paradise Valley and are waiting for NV Energy to finalize. Once finalized the power will be turned on and we will get our rebate. We suffered damage to the panels at Grass Valley through vandalism. We lost two panels. Fence bids are out and once a bid is accepted we will expedite fencing. A police report has been filed and we will prosecute fully when the person/s is apprehended.
We are still anticipating completion of all solar projects by July 20th.
2. Mr. Seeliger asked if a more detailed report on loss of enrollment at Lowry High School could be presented at the April 12th meeting.
3. Mrs. Deputy reminded everyone of a sub-committee meeting to be held in Fallon on March 24th at 5:30 p.m. to provide input about the impact of the proposed cuts in the Governor's budget. Mr. Bumgartner will be attending a meeting on that same day in Carson City at 7:30 a.m. and asked if a Board member could attend the 5:30 p.m. meeting.

4. Dr. Jensen reported that Director of Special Education interviews were held on Friday, March 18th. Three outstanding applicants from within the District interviewed. Mrs. Deanna Owens was offered and has accepted the position. The position will go into effect July 1, 2011. Congratulations Deanna!
5. Dr. Jensen and Mrs. Janet Kennedy attended the Indian Ed Conference on March 21-22, 2011. 167 participants were in attendance.
6. Dr. Jensen reported that Marty Johnson-JNA Consulting and Dottie Merrill-NASB Director will be meeting with Andrew Klinger, the Governor's Budget Director on Thursday, March 24th regarding the Governors proposal to sweep debt service funds. Each district was asked to submit information. Humboldt County provided a reflection of our aging facilities and the damage it would cause if we lost the bond funds and the impact on governmental services tax.
7. Mr. Betteridge asked if a conclusion has been reached in the incidents that happened earlier in the year. Mr. Bumgartner said he would be willing to discuss it with Board members individually if they wanted to meet. He noted that, as far as the school district is concerned, it is concluded, although the entire matter has not been concluded.

Adjourned 7:38 p.m.

Submitted by Secretary, Paula Wright


Clerk, Ann Miller