

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

The regular meeting of the Humboldt County Board of School Trustees was held June 28, 2011 at 4:30 p.m. in the District Office Boardroom.

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

Others in attendance were: Superintendent Mike Bumgartner, Attorney John Doyle, Kitty Norcutt, Ed and Jennifer Partee, Stephen Romero-Wells Fargo Insurance, Dee Holzel-Silver Pinyon, Taua Cabatbat, Kristen Flanders, Quinn Norcutt, Chelsea Mendiola, Dan and Debbie Watts, Judge Mike Montero, Kathy Brumm, Chloe McClintick, Colette Hansen, Ronda Havens, Rudy Herndon-Humboldt Sun, other interested persons and Secretary Paula Wright.

President Noble opened the meeting with the Pledge of Allegiance.

Correspondence: President Noble read a thank you note from Heather Gula (formerly with the Humboldt Sun) thanking them for their devotion to the students of Humboldt County and for making her feel welcome. Ms. Gula has moved from Winnemucca.

Minutes: Mr. Seeliger moved to approve the May 24, 2011 minutes as written. Mr. Hill seconded, motion carried.

Public Comment: Rudy Herndon introduced himself as Heather Gula's replacement at the Humboldt Sun.

Sean Murgel thanked the Board for taking the time to read an email sent to each of them regarding the grievance hearing regarding extra duty compensation. He stated that he felt the entire process was handled improperly. He noted that he would appreciate better disclosure on things. He said that "deals" were made against the contract and that the outcome was not fair to all coaches and advisors. He thanked the Board for their time.

Superintendent's Report

A Superintendent's meeting was held the week of May 16th. The majority of the time was spent discussing the Legislative update. Mr. Bumgartner reviewed some of the significant bills related to education and how they will impact school districts.

Discussion and Possible Action – Approval of Warrants

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

Discussion and Possible Action – Approval for the Lowry High School FFA Organization to Travel to Twin Falls, Idaho for a Livestock Judging Camp, July 5-8, 2011 – Jennifer Partee, Kitty Norcutt, FFA Students

Lowry High School FFA students approached the Board for permission to travel to Twin Falls, Idaho to participate in a Livestock Judging Camp, July 5-8, 2011. The group asked for the use of a district

suburban. Currently, seven students and one chaperone will be attending the camp. All expenses will be paid by the group.

Mr. Hillyer moved to approve the FFA Organization's travel to Twin Falls, Idaho for a Livestock Judging Camp on July 5-8, 2011. Mr. Betteridge seconded, motion carried.

Discussion and Possible Action – Approval for the Lowry High School FFA Organization to Travel to Indianapolis for the National FFA Convention, October 17-22, 2011 – Jennifer Partee, Kitty Norcutt, FFA Students

Lowry High School FFA students approached the Board for permission to travel to Indianapolis for the National FFA Convention, October 17-22, 2011. They also asked for the use of two district suburbans for travel to the Reno Airport. Mrs. Partee noted that the team came in second place; however, the first team forfeited allowing the Lowry team to attend. Approximately 12-15 students and 2-3 chaperones will be attending. The group will be responsible for all expenses.

Mrs. Norcutt again extended an invitation for a board member to attend the conference. The Alumni Association is willing to pay all expenses for a board member to accompany the group on the trip.

Mr. Hillyer moved to approve the Lowry High School FFA Organization's travel to Indianapolis for the National FFA Convention on October 17-22, 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 – Acceptance of Renewal Proposal From Nevada Public Agency Insurance Pool (POOL) and Approval for Payment From Fiscal Year 2011-2012 Funds – Stephen Romero

The Public Agency Compensation Trust (PACT) provides the District's property, liability, auto and Worker's Compensation policy.

The District's premium increased 7.4% over last year's premium for a cost of \$405,744.49 for the 2011-12 school year. The maintenance deductible remains at \$2000 for each loss. There was an increase in the PACT rate to 2.40 and our experience modification factor increased from a .81 to .89. The modification factor increase was due to a Worker's Compensation loss that was reported. Rates increased approximately 9.6% on Worker's Compensation over the entire Pool system. The Pool currently has 109 members. Some of the services offered through membership in the PACT pool include; monitoring of electrical systems, vehicle maintenance programs, drivers safety programs, e-training and HR services. Members are also eligible to apply for grant funds for risk management.

Mr. Romero noted that he had a conversation with Dr. Jensen regarding the cost of insurance premiums and the possibility of looking outside the Pool for insurance and Worker's Comp coverage. The District will need to weigh the current services offered by the Pool and if the District wants to return to a large self-insurance program. The District would be responsible for costs associated with staffing or hiring out for those services. Mr. Doyle asked if Mr. Romero could provide a comparison of costs "paid out" in relation to premiums collected. Mr. Romero said he would compile the information as it pertains to the entire pool and return to the Board.

Mr. Seeliger moved to accept the renewal of the proposal from Nevada Public Agency Insurance Pool (POOL) for fiscal year 2011-12 as presented. Mr. Hillyer seconded, motion carried.

Discussion Only – Discussion Regarding Truancy Court – Judge Montero, Kathy Brumm, Collette Hansen, Chloe McClintick

Mr. Bumgartner opened by saying that discussions have taken place with administrators regarding truancy and school attendance. Administrators have been dealing with truancy issues for quite sometime. Several cases have ended with citations being issued to parents and then not much happens as far as the student is concerned. Judge Montero was contacted and has become proactive in trying to find a solution to the truancy problem.

Judge Montero provided the Board with the current NRS regarding the creation and duties of a truancy advisory board. Judge Montero, since his term in office, has seen how habitual truant citations are handled through the juvenile probation department. He has also heard some concerns with which the citations are issued and handled.

Currently, if a student is habitually truant they are issued a citation. The student then appears before the juvenile court master on the citation for a hearing and a determination of consequences is made. Some of the consequences include; work crew, a fine and license suspension for a brief period of time. Judge Montero noted the time frame involved from the time the citation is issued until the time a determination is handed down can be lengthy, in some cases in May or June, when school is coming to a close.

Judge Montero briefly went over some of the scenarios that could be used to deal with habitual truants. He hopes by keeping students in school it may prevent issues developing later in their lives. Mr. Betteridge asked who would provide the funding for the program. Judge Montero noted that he and Collette Hansen, with Juvenile Probation, would do their part as part of their job. He said that it may require volunteers and did not rule out the possibility of hiring a truant officer.

Mr. Doyle noted that in reviewing the NRS, it appears that the creation of an advisory board is mandatory. The District did have a Truancy Advisory Board at one time.

Judge Montero felt there needs to be further discussion and thought put into establishing a program. "If we want to have a program in place by next school year, we need to move quickly." He also proposed initiating a pilot program in one or two schools for the upcoming school year. This would require the advisory board and policies to be in place by the upcoming school year.

Mr. Bumgartner reported that Ray Parks has volunteered to head the committee and he is currently reviewing the District's policies to see how those policies will mesh with the process. Mr. Parks will be meeting with administrators the first part of August to review his findings. Administrators will then meet with Judge Montero to see how the policies mesh with his proposal and it will then be brought to the Board.

Judge Montero stated that he, his staff and the Juvenile Probation Department are very committed to the development of a program. Mr. Bumgartner thanked Judge Montero for his willingness to take on the issue.

Discussion Only – Lowry High School Parent Conference Pilot Report – Debbie Watts, Jennifer Partee

39 of 47 teachers were present on March 23 and 24th for the parent/student/teacher conferences. 318 parent conferences were held and most of the students did attend. Five teachers had no conferences and five teachers had conferences on March 23rd only. All three administrators attended 25

conferences and one counselor attended 15 conferences. The ESL teacher attended conferences to interpret as needed. Several parents called and cancelled conferences, several did not show for the scheduled conference and several parents dropped by for unscheduled conferences.

A parent evaluation was provided. Most were positive. Two parents stated that they would prefer the conferences to be allotted more time and many stated that the conferences should be held earlier in the year. A teacher evaluation was also provided. Some of the comments included; 1) conferences were very worthwhile and should be continued, 2) conferences would be more worthwhile earlier in the year and 3) conferences were a waste of time. Time could have been better used in the classroom teaching.

Mrs. Watts feels it is important to continue the conferences. She noted that she would like to expand the time to contact parents to schedule a conference and for parents to call and schedule a conference. She may also consider holding the conferences in the fall.

Mrs. Norcutt asked that Lowry administration consider holding the conferences on dates different than the elementary schools. She would have liked to attend for her son, but was holding conferences of her own at Grass Valley Elementary.

Discussion and Possible Action - GASB54 Policy Revision and Adoption – Ronda Havens

In accordance with GASB54, the Fund Balance Policy is intended to provide guidelines during the preparation and execution of the annual budget to ensure that sufficient reserves are maintained for unanticipated expenditures or revenue shortfalls. It is also intended to preserve flexibility throughout the fiscal budget. Ms. Havens said it is designed to better define the fund definitions and to establish what order our fund balances will be expended. She noted that the District has basically used this policy with Net Mine Proceeds for the last 2-3 years, because the District receives advanced Net Mine Proceeds two years in advance.

Dr. Jensen wrote the proposed District policy (Fund Balance-GASB54), using a sample provided by Kafoury, Armstrong. Ms. Havens asked the Board to approve the Fund Balance GASB54 policy, Resolution #4 to Establish a Fund Balance Policy as required by GASB54 and Resolution #5 to Commit Ending Fund Balance as required by GASB54.

Mr. Seeliger moved to adopt the 3175 policy as presented. There was some clarification. Mr. Seeliger withdrew his motion.

Mr. Hillyer moved to accept the GASB54 policy revision and adoption as presented, Resolution #4. Mrs. Miller seconded, motion carried.

Mr. Bumgartner read Resolution #4 into the record:

Resolution #4 RESOLUTION TO ESTABLISH FUND BALANCE POLICY AS REQUIRED BY GASB 54

At a regular meeting of the Humboldt County School District Board of Trustees held on June 28, 2011, on a motion made by Andrew Hillyer and seconded by Ann Miller, the Board adopts the following resolution:

WHEREAS, the Governmental Accounting Standards Board (GASB) has adopted Statement Number 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, that is effective in fiscal year 2010-2011, and

WHEREAS, the Humboldt County School District wishes to comply with GASB 54 as required beginning with the current July 1, 2010 – June 30, 2011 fiscal year;
NOW THEREFORE BE IT RESOLVED that the Board of Trustees hereby adopts Humboldt County School District Fund Balance Policy No.: *3175 Fund Balance Policy – GASB 54*. A full copy of the policy is attached to this Resolution and by reference is made a part hereof.

PASSED, ADOPTED, AND APPROVED this 28th day of June, 2011 by the following vote:

Mr. Hill moved to adopt Resolution #5, Resolution to Commit Ending Fund Balance as Required by GASB54. Mr. Betteridge seconded, motion carried.

Mr. Bumgartner read Resolution #5 into the record:

Resolution #5
**RESOLUTION TO COMMIT ENDING FUND BALANCE
AS REQUIRED BY GASB 54**

At a regular meeting of the Humboldt County School District Board of Trustees held on June 28, 2011, on a motion made by John Hill and seconded by Boyd Betteridge, the Board adopts the following resolution:

WHEREAS, the Governmental Accounting Standards Board (GASB) has adopted Statement Number 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, that is effective in fiscal year 2010-2011, and

WHEREAS, Committed Fund Balance under GASB Statement Number 54 consists of funds that are set aside for specific purposes by the Board of Trustees. These committed amounts cannot be used for any other purpose unless the Governing board removes or changes the specific uses through Resolution; and

WHEREAS, the Humboldt County School District wishes to comply with GASB 54 as required beginning with the current July 1, 2010 – June 30, 2011 fiscal year;

NOW THEREFORE BE IT RESOLVED that the Board of Trustees hereby commits the ending fund balances for the following funds:

1. The Board of Trustees of Humboldt County School District hereby commits the estimated current calendar year Advanced Net Proceeds of Minerals (Mines) revenue received in the current fiscal year (amount to be specified at a later date) in the General Fund for use in the fiscal year that it was originally intended for prior to the passing of legislation requiring the mines to pre-pay the current calendar year's estimated Net Proceeds. For example:
 - 1) Estimated CY10 NPM received in FY10 (normally would have been received in FY11) was reserved for use in FY12.
 - 2) Estimated CY11 NPM received in FY11 (normally would have been received in FY12) is committed for use in FY13.
 - 3) Estimated CY12 NPM received in FY12 (normally would have been received in FY13) will be committed for use in FY14.

PASSED, ADOPTED, AND APPROVED this 28th day of June, 2011 by the following vote:

Discussion and Possible Action – Resolution to Authorize Temporary Interfund Loan(s) to Comply With a Recent Amendment to the Nevada Administrative Code – Ronda Havens, Mike Bumgartner

The District was notified by Kafoury, Armstrong & Company of a recent amendment to the Nevada Administrative Code (NAC). The Committee on Local Government Finance recently amended Chapters 350 and 354 of the NAC. The new regulation affects interfund loans. The regulation added additional guidance when converting a temporary interfund loan into a medium-term obligation. The regulation defines a temporary interfund loan as, “a loan of money for a term of less than one year from a fund to meet an immediate obligation of another fund in advance of receipt by the borrowing fund of sufficient revenues from regular sources”.

Ms. Havens reported that, currently, the District does not have any fund balances that will be in the negative; therefore, no action is required. In a conversation with, Tom Gransbury (Department of

Taxation), he noted that he will be meeting with committee members on August 4th to revisit the fact that school district's are a bit different than other entities when it comes to the process used with grant funds. Normally, the general fund will "float" the funds until a request is made for reimbursement from the grant. If the policy is not changed, each time a transfer from one fund to another is needed, each item will be brought before the Board for approval of an interfund loan.

Discussion and Possible Action – Approval of FY11 Budget Augment – Ronda Havens, Mike Bumgartner

The main reasons for augmenting the FY11 is attributed to the solar bonds received, rebates from Nevada Energy and advanced Net Mine Proceeds. Ms. Havens went over the budget and presented the amendments to the FY11 Budget as follows: Resolution #1) an increase of the General Fund of \$1,440,186, Resolution #2) an increase in the Debt Service Fund of \$473,577 and Resolution #3) an increase in Special (Other) Funds of \$8,641,074.

Mr. Bumgartner read Resolution #1 into the record

Resolution #1

RESOLUTION TO AUGMENT AND/OR AMEND THE 2010-2011 Budget of the Humboldt County School District

WHEREAS, the revenues of the General Fund, Humboldt County School District were budgeted to be \$30,454,818 on December 14, 2010, and

WHEREAS, the revenues are now determined to be \$31,895,004 and

WHEREAS, said sources are as follows:

Local Sources	\$ 3,030,111
State Appropriations	\$ <u>(1,589,925)</u>
TOTAL	\$ 1,440,186

WHEREAS, there is a need to apply these excess proceeds in the General Fund. Now, therefore, it is hereby **RESOLVED**, that the Humboldt County School District shall augment and/or amend its 2010-2011 budget by appropriating \$1,440,186 for use in the General Fund, thereby increasing its appropriations from \$30,454,818 to \$31,895,004. A detailed schedule is attached to this Resolution and by reference is made a part hereof.

IT IS FURTHER RESOLVED, that the clerk shall forward the necessary documents to the Department of Taxation, State of Nevada.

PASSED, ADOPTED, AND APPROVED the 28th day of June, 2011 by the following vote:

Mr. Seeliger moved to approve Resolution #1, increasing the General Fund by \$1,440,186. Mr. Betteridge seconded, motion carried.

Mr. Bumgartner read Resolution #2 into the record.

Resolution #2

RESOLUTION TO AUGMENT AND/OR AMEND THE 2010-2011 Budget of the Humboldt County School District

WHEREAS, the revenues of the Debt Service, Humboldt County School District were budgeted to be \$2,541,684 on December 14, 2010, and

WHEREAS, the revenues are now determined to be \$3,015,261 and

WHEREAS, said sources are as follows:

Ad Valorem Revenue	\$ <u>473,577</u>
TOTAL	\$ 473,577

WHEREAS, there is a need to apply the increased proceeds in the Debt Service Fund. Now, therefore, it is hereby **RESOLVED**, that the Humboldt County School District shall augment and/or amend its 2010-2011 budget by increasing its appropriations from \$2,541,684 to \$3,015,261 in Debt Service. A detailed schedule is attached to this Resolution and by reference is made a part hereof.

IT IS FURTHER RESOLVED, that the clerk shall forward the necessary documents to the Department of Taxation, State of Nevada.

PASSED, ADOPTED, AND APPROVED the 28th day of June, 2011 by the following vote:

Mr. Hillyer moved to approve Resolution #2, increasing the Debt Service Fund by \$473,577. Mr. Betteridge seconded, motion carried.

Mr. Bumgartner read Resolution #3 into the record.

Resolution #3

RESOLUTION TO AUGMENT AND/OR AMEND THE 2010-2011 Budget of the Humboldt County School District

WHEREAS, the revenues of the Special (Other) Funds, Humboldt County School District were budgeted to be \$11,772,234 on December 14, 2010, and

WHEREAS, the revenues are now determined to be \$20,413,308 and

WHEREAS, said sources are as follows:

Local, State, and Federal Appropriations	\$ 8,641,074
TOTAL	\$ 8,641,074

WHEREAS, there is a need to apply these excess proceeds in the Special (Other) Funds. Now, therefore, it is hereby **RESOLVED**, that the Humboldt County School District shall augment and/or amend its 2010-2011 budget by appropriating \$ 8,641,074 for use in the Special (Other) Funds, thereby increasing its appropriations from \$11,772,234 to \$20,413,308. A detailed schedule is attached to this Resolution and by reference is made a part hereof.

IT IS FURTHER RESOLVED, that the clerk shall forward the necessary documents to the Department of Taxation, State of Nevada.

PASSED, ADOPTED, AND APPROVED the 28th day of June, 2011 by the following vote:

Mr. Hillyer moved to approve Resolution #3, increasing the Special Funds by \$8,641,074. Mr. Betteridge seconded, motion carried.

Discussion and Possible Action – Determination Regarding Grievance Hearing Regarding Extra Duty Compensation Pursuant to the HCEA Negotiated Agreement (Step III-Board of Trustees)
N/A, grievance settled

Board/Staff Comments:

1. Mr. Hill said he missed seeing Frankie Peterson in the audience. Mrs. Peterson retired this year.
2. Mr. Betteridge asked if the Board was going to discuss the closed hearing. Mr. Bumgartner said they could discuss it in a closed session or he could call them individually and let them know what happened.
3. Mr. Hillyer noted, although it was the Association's responsibility to notify teachers and the effective coaches that the grievance had been settled, he felt as a courtesy to them they should have been notified. Mr. Bumgartner said that he notified them at the beginning of the meeting and they acknowledged they knew it had been settled.

4. Mr. Hillyer said he had some questions regarding the closed grievance hearing and would like to discuss them. Mr. Doyle said that, because the item is listed on the agenda, the Board would be allowed to hold an informational discussion in closed session.

Discussion Only – Closed Session for Grievance Hearing Regarding Extra Duty Compensation Pursuant to the HCEA Negotiated Agreement (Step III-Board of Trustees) - Mike Bumgartner

7:23 p.m. Mr. Hillyer moved to go into a closed session to discuss the process of the grievance hearing regarding extra duty compensation. Mr. Hill seconded. Those in favor: Mr. Hillyer, Mr. Hill, Mrs. Miller and Mr. Betteridge. Those opposed: Mrs. Noble and Mr. Seeliger

7:54 p.m. Mr. Hillyer moved to return to open session. Mr. Betteridge seconded, motion carried.

Board/Staff Comments Continued

5. Mr. Hillyer asked if the Food Service Director position was going to be filled. Mr. Bumgartner said that we would be advertising that position once Dr. Jensen returned.
6. Mr. Hillyer asked if the Board could plan a retreat, board members only, for general discussion. It could also coincide with some board training.
7. Mr. Hillyer has heard that there will be no parking under the solar panels at Lowry High School. Mr. Bumgartner said he is not aware of that; he believes we will have 30-40 spaces that may be considered for senior parking on a quarterly basis.
8. Mr. Hillyer asked about the possibility of establishing a tradition. If Lowry High School participates in a championship game and happens to lose that game, he would like to see the game ball be signed and sent to the winning team.
9. Mr. Hillyer reported that there will be some upcoming clinics. There will also be a workshop on August 8th for secretarial staff to athletic directors, regarding rule changes and reporting. He felt it would be important to have Sylvia Covarrubias attend.
10. At a previous board meeting, revenues from school logo sales were discussed. Mr. Hillyer reported that the percentage a school is to receive from logo sales is 10%. He recommended that it be monitored at Lowry High School and Winnemucca Jr. High School.
11. Mr. Hillyer said he would provide a more complete report of the NIAA meeting at a later date.
12. Mr. Hillyer reported that a Nevada State Sports Medicine Advisory Council has been established.
13. Mr. Hillyer noted that there may be more realignment for NIAA sports, particularly in the south.
14. Mr. Bumgartner stated that there are no items for the July 12th agenda and proposed canceling the meeting.

Adjourned 8:09 p.m.

Submitted by Paula Wright, Secretary


Ann Miller, Clerk