

CHURCHILL COUNTY BOARD OF SCHOOL TRUSTEES

Fallon, Nevada

REGULAR MEETING

February 5, 2015

CALL TO ORDER (5:45 PM)

President Evans called to order the regular meeting of the Churchill County School District Board of Trustees at 5:45 p.m. at the Churchill County School District Administration Office, 690 South Maine Street, Fallon, Nevada.

PLEDGE OF ALLEGIANCE

President Evans led the pledge of allegiance.

VERIFICATION OF POSTING OF AGENDA

President Evans confirmed the posting of the agenda.

ROLL CALL

Trustees Present

President Ron Evans
Vice President Clay Hendrix
Trustee Matt Hyde
Trustee Rich Gent
Trustee Carmen Schank
Trustee Greg Koenig
Trustee Steve Nunn

Others Present

Dr. Sandra Sheldon
Phyllis Dowd, Director of Business Services
Sharla Hales, Legal Counsel

Debra Shyne, Secretary
(Interested Staff/Community Members per Attached List)

GRIEVANCE HEARING

- A. For Discussion and Possible Action: The Board of Trustees will hear a Level 4 grievance filed by the Churchill County Education Association based upon denial of three teacher transfer requests into a vacant kindergarten position at Northside Early Learning Center. The Association alleges violations of paragraphs 18-2, 20-2 and 20-3 of the negotiated agreement. The board will hold a grievance hearing and may take action to uphold or deny the grievance.**

President Evans explained the format for the grievance hearing. Ms. Hales recommended that the Board wait until all board members were present to begin the hearing, as Trustee Schank and Trustee Nunn were en route. The Board took a break and resumed the meeting at 6:02 p.m.

Mrs. Lori Kaiser, Teachers' Rights Chair for the Churchill County Education Association (CCEA), presented CCEA's position. Dr. Sheldon, Superintendent, presented the District's position. Each presented rebuttals and final arguments.

Trustee Hendrix made a motion to go into closed litigation session. The Board met in a closed litigation meeting from 7:08 to 7:16 p.m.

The Board deliberated and asked questions of Mrs. Kaiser, Dr. Sheldon and Principal Malkovich.

Trustee Hendrix made a motion, seconded by Trustee Hyde, *to deny the grievance*.

Public comment: Lori Kaiser further clarified how employees have been transferred in the past. Wilma Mora, currently a PE teacher licensed for special education K-8 with early childhood experience, stated that she pulled her application for transfer because she was looking at the possibility of retirement. If she wasn't hired because another teacher had a master's degree she would understand that, but if it was because of her disability or personality, she would be concerned. Mr. Malkovich stated that he and the committee were looking for the best person for the job and did not base their decision on personality.

The motion passed 5:2, with Trustees Gent and Koenig opposed.

REVIEW AND ADOPTION OF AGENDA

There were no changes to the agenda.

PUBLIC COMMENT

Jim Falk made comments regarding common core.

SUPERINTENDENT'S UPDATE

A. Update regarding District related matters.

Dr. Sheldon reported on her attendance at the Nevada Association of School Superintendents' meeting in Carson City, where they met with Superintendent Erquiaga who talked about the governor's initiatives for the biennium. Dr. Sheldon spoke about some of those initiatives: voluntary pre-K development grant; kindergarten expansion to full-day; read by grade three; special education, English language learners and gifted and talented program initiatives; and the Nevada Ready 21 Technology Grant Program for the 2017 school year.

Dr. Sheldon reported that the Technology, Media and Resources Committee is looking at possibilities - what kinds of curriculum, materials and resources are available if the District chooses to go to one-to-one devices for students. The committee will provide a presentation to the Board in May.

Dr. Sheldon stated that the Distributive School Account allocation is being reduced by \$7.00. If the sunset taxes are not renewed, then it will have a direct correlation reducing DSA.

UPCOMING BOARD EVENTS

- A. March 21-23, Sunday-Tuesday, National School Boards Association Annual Conference, Nashville, TN.
- B. April 10-11, Friday-Saturday, Nevada Association of School Boards School Board Member Orientation, Part II (location to be determined).

CONSENT AGENDA

- A. Approval of Recommended Personnel Action (Attachment A).
- B. Approval of Vouchers.
- C. Approval of January, 2015, Payroll.
- D. Approval of January 8, 2015, Regular Board Meeting Minutes.
- E. Approval of January 22, 2015, Regular Board Meeting Minutes.
- F. Approval of January 29, 2015, Special Board Meeting Minutes.
- G. Approval of Leave of Absence Report by Shelly Hubbard pursuant to paragraph 14-3 of the Churchill County School District and the Nevada Classified School Employees Association Negotiated Agreement.

Trustee Hendrix made a motion, seconded by Trustee Schank, **to approve Items A-G.** The motion passed unanimously.

REPORTS BY BOARD MEMBERS

Trustee Schank reported on her attendance at the Nevada Association of School Boards training and stated that one of the emphases was a focus on literacy and the idea was brought up to read forty books. Dr. Sheldon updated the Board on the Read Across Nevada program currently at all three of our elementary schools. Students get a ticket for each book they read each week and a ticket is drawn at the end of the week - the winning student gets a book. At the end of the program the school with the highest percentage of books read based on population of the school will get a special assembly and every student in the school will receive a book.

NEW BUSINESS

A. For Discussion and Possible Action: Approval of recommendation by the Calendar Committee for the 2015-2016 School Year Calendar.

Ms. Kerri Angel, Calendar Committee Chair, provided information to the Board regarding the proposed calendar and thanked members of the calendar committee. She commented that the committee would like to form a two year calendar and that they have several four day calendars ready to go, if needed.

Trustee Schank made a motion, seconded by Trustee Gent, **to approve the recommendation of the calendar committee for the 2015-16 school year.** Trustee Hendrix commented that the start date is too early. Ms. Angel stated that the purpose for the early start is to complete semester one prior to winter break. The motion passed 6:1, with Trustee Hendrix opposed.

B. For Discussion and Possible Action: Regarding the Jump Start Tuition Costs.

Dr. Sheldon stated that the District has contacted Western Nevada Community College regarding the cost of registration; \$93.50 per credit. This year students took 12 credits, but the program has evolved. There is a one-time application fee and lab fees.

Mr. Lords provided an update regarding the first year of the Jump Start program. In order to graduate with an AA Degree, the students need to take 15 credits each semester, which

is an additional cost. The Board discussed the impact on the AP classes, discussed the program, and asked additional questions.

Dr. Sheldon stated that the District has started the conversation with WNC to allow WNC to buy teacher's prep periods and allow college classes to be taught at the high school. Nothing has been solidified for next year as yet.

Ms. Barb Hickox asked what happens to students who go into the program and do not complete the classes. Do they have to pay money back? Principal Lords stated that students have to be part of the cohort to get the district's help. If they drop a class, then they are no longer part of the cohort, and they are considered dually enrolled and they cover the costs of the classes. But, if the student fails, the high school is not asking for the money back. Principal Lords would like to see the program on campus, as much as possible.

Trustee Koenig made a motion, seconded by Trustee Schank, ***to cover the cost of the credits (tuition) \$1402.50, one-time application fee, lab fees, and to pay for books.***

President Evans reported that he and Trustee Koenig met with Oasis Academy representatives regarding using District's facilities for extracurricular activities. This will be a decision that will likely come before the Board the end of March. President Evans stated that Oasis Academy is interested in sports and clubs.

Principal Lords stated that he would recommend that the District purchase one set of books for each class and then have the students check them out.

Elena Marsh, high school Pre-Calculus and Algebra I teacher, commented that the Jump Start Program and the AP classes attract different populations of students.

The motion passed unanimously.

Trustee Koenig made a motion, seconded by Trustee Schank, ***that the district purchase a library for students to use and return books at the end the semester.*** The motion passed unanimously.

C. For Discussion and Possible Action: To approve current period budget adjustments per NRS 354.598005.

Ms. Phyllys Dowd stated that while she endeavors to handle changes to the fiscal budget periodically as they happen during the fiscal year instead of waiting until the end of year adjustment, she became ill and did not get this accomplished. An example of a budget adjustment would be the transportation department that recently learned that their server was failing. Mr. Russell is paying less on diesel fuel and has a savings in his fuel budget. When purchasing a piece of equipment he cannot transfer out of the 600 fuel budget to the 700 equipment purchase budget without Board approval. Eventually, Ms. Dowd would like to move this type of approval to the consent agenda. Ms. Dowd will bring this item back.

D. For Discussion and Possible Action: Presentation regarding 4811 Early Retirement Incentive program and review and possible approval of applications for early retirement.

Ms. Dowd explained the Early Retirement Incentive Program handout included in BoardBook. Karen Goings contacted Ms. Dowd and stated that she would pay for 8/10ths of a year, instead of what was in BoardBook. Joan Hiibel has more years of service with the school district as she had a break in service (probably 28 or 29 years), so Ms. Dowd will

research that issue. Dave Morgan is aware that he would need to purchase 1/10th of a year if the District buys him out. Carol Amos had a lot of options on her application. Ms. Dowd made the assumption it was one year plus insurance and stated that she made the same assumption for Phil Pinder. Nine applicants asked for more than what the policy allowed. The last couple of years the Board followed policy. Ms. Dowd explained how she grouped the employees requesting buyouts. She did not provide projected savings as the District is in the budgeting process and is working towards identifying positions that could be eliminated. The amount in the right column is the employee's current wage and benefits including the PERS increase, but not the rollup amount. As far as funding, Ms. Dowd stated that the District received approximately \$63,000 in FY12 Impact Aid and the vacant position in the business office has not been refilled which equals approximately \$22,000. There are always variances, but Ms. Dowd can't guarantee that there will be several hundred thousand dollars remaining for buyouts at the end of the year.

Dr. Sheldon stated that she would like to perform an analysis on what positions could be eliminated, pending decisions that the Board makes as the budget process continues.

Trustee Nunn suggested this item be tabled to be fair to everyone.

Public Comment: Mr. Don Mello commented that the county does this differently. If eligible to retire, you don't get a buyout if you have the maximum time in. Why give a person 2.5% when they are already eligible to retire.

E. For Discussion Only: Regarding the potential for the District to self-insure for Workers' Compensation.

[The Board took a break at 8:45 and reconvened at 8:55.]

Ms. Phyllis Dowd stated that she, along with Steve Russell, Dr. Sheldon and her account technician who works with workers' compensation claims, met with a third party administrator to begin exploring the possibility for the District to self insure for workers' compensation. The District is initiating research and wanted to apprise the Board and get input from the Board. There will not be an instant savings and it has potential risks. Ms. Dowd stated that Gary Cordes (City of Fallon) saw the agenda item and called her to ask questions. He stated that the City is transition from a self-insured plan (POOL PACT) and going to more traditional insurance.

Ms. Dowd stated that the District would purchase a reinsurance policy at roughly a \$28,000 to \$30,000 annual premium. That policy would cap the District's liability at \$375,000 per occurrence. If there were four staff members in a district vehicle and were unfortunate enough to get into a car accident, that accident would be considered one occurrence.

The District would also need to have a bond from the State of Nevada in case the District was to ever go out of business and couldn't honor workers' compensation coverage. The bond is there to protect the employees if they could no longer reach the District because it was disbanded for some reason. The cost of the bond is approximately \$3,000 to \$4,000 per year. The application process takes approximately 90 days to complete. The third party administrator would walk the District through this process. If the District started the process and decided to remain with the traditional insurance, the District could abandon the self-insurance process.

The District currently pays roughly \$340,000 for workers' compensation insurance each year. If self-insured the District would pay the third party administrator approximately \$25,000 a year to administer the claims. The third party administrator would make the decision if an employee has a valid work injury and they would be in contact with the employees.

The District would pay \$20,000 to \$30,000 for the third party administrator, \$30,000 for the reinsurance policy, and \$3,000 to \$4,000 for the bond, so the District would spend approximately \$60,000 to \$70,000 per year.

The District would pay out of pocket every claim up to the \$375,000 cap per occurrence. Ms. Dowd reported that in the last three years the District paid out \$23,000, \$81,000, and \$209,000 in claims. Ms. Dowd didn't go further back than that but she wanted to get a history of the District's current claims amounts, though this does not predict the future. Devastating claims can have a long term effect to the District and money could be paid to family members for a long period of time. The District would pay until \$375,000 is reached, which would be funded over time, not in one lump sum. After that, the reinsurance policy kicks in and takes over the claim.

Dr. Sheldon stated that the money spent on workers' compensation insurance could be placed in a fund and allowed to accumulate. Each year \$340,000 would go into the fund, minus claims. Churchill County is the only school district in the state that is not self-insured. Dr. Sheldon reported that Nye County had \$1.4 million accumulate over a six year period. Ms. Dowd stated that the money would go into a separate fund and the Board would control that fund.

Mr. Russell stated that it would be beneficial to hear from representatives from both types of insurance.

Trustee Nunn asked if the reinsurance policy has an umbrella policy and a limit. What happens, whether reinsurance or umbrella, after limits have been reached? If a catastrophic event, it could be millions. One event as pointed out or several events could be a half million dollars and a catastrophic event involves perpetuity or annuities. What if it is a single parent and it is a small child? Now you are talking about an untold amount. We need to make sure these things are brought to the attention of the Board.

Dr. Sheldon stated that staff brought the topic of self-insurance to the Board but have not looked into the situation any further than sitting down with the insurance representative to discuss the self-insurance. They did bring up the exact issue regarding umbrella insurance versus reinsurance. They said to be very careful and they would assist the District, as what has happened is that some have obtained umbrella insurance where there was a cap of maybe \$3 million and anything beyond that goes back on the District. Dr. Sheldon stated that her intent was to inform the Board that this is something staff was looking into and to get feedback as to whether the Board might want the District to move towards self-insurance.

Trustee Hendrix stated that he has been a proponent of modifying workers' compensation for some time and understands that our workers' compensation company handles employer/employee training to reduce the amount of claims. If we self-insure, who takes care of this training, or is it an added expense?

The consensus of the Board was to get presentations from both types of insurance to learn more. Trustee Schank requested history from counties that are self-insured. Trustee Nunn stated that when you put money aside, it is tempting to use it and the District needs to guard against using the money.

F. For Discussion and Possible Action: The Board previously approved approximately \$6.2 million for construction of the Auxiliary Gym. The Board will review increased estimated construction costs and may take action to approve a design with reduced costs or take action to increase the amount approved by the Auxiliary Gym.

Mr. Evans stated that the committee will be meeting with the architects on February 6th. The architects previously indicated there has been a considerable increase in material costs. The committee asked that the architect list items and associated costs separately so the committee and Board could determine what to eliminate. President Evans asked if there was interest in increasing the total cost of the gym. Some of the items likely to be reduced would be: second story weight room, transition between the current gym and the new building (no covered walking space), parking lot in front of the gym, area for people coming in from activities, lighting, and the concession stand. The architects talked about different types of construction as well. President Evans asked for direction from the Board.

Trustee Koenig suggested waiting until more information is obtained from the architects. It was noted that the latest figure to maintain the gym is \$38,000. Trustee Hendrix suggested the District move forward to get concrete figures for the cost of the new gym. If we push it down the road six months construction costs could increase.

Trustee Hyde inquired as to where the estimated numbers come from. Mr. Paul Eskeldson stated that the "Construction Manager at Risk" process is where the District hires a general contractor during the design to help with pre construction services. Once the project is designed they formally bid it out to subcontractors and get competitive quotes from different trades (electrical plumbing, etc), and then have bid openings. They present the packet of bids back to the school board for approval. At that point the school board could decide not to move forward and just pay for pre construction services (estimated \$20,000 in this case), or the Board can award the contracts.

Trustee Nunn stated that he was disappointed as the architects presented to the Board and if they made an error it is on them. The Board was adamant, if anything changes, we are sticking with \$6.2 million and if something goes awry the Board would start cutting things. Trustee Nunn stated that he was willing to listen, but wanted the rest of Board and public to know that he was keenly disappointed as that is a lot more money.

Trustee Hyde stated that he was all for the gym. We don't want to cut it back and then have people be disappointed, and he'd rather it be something to be proud of. There is a safety concern with so many kids in the weight room.

The Board and staff discussed various aspects of the gym and decided to defer this item until more information is obtained from the architects.

G. For Discussion and Possible Action: Schedule Special Board Meeting regarding Budget at 6:30 on February 17, 2015.

The Board scheduled a Special Board Meeting on February 17th to take a look at reconfiguring schools and other budget considerations.

Trustee Nunn made a motion, seconded by Trustee Gent, ***to schedule a special board meeting regarding the budget at 6:30 on February 17, 2015.*** The budget workshop was in the paper and on the web site. Dr. Sheldon also asked Christine Kuklica from Lahontan Valley News to make sure the budget meeting is in the paper for February 10th and February 17th. She confirmed that she would. It was recommended that a parent and staff survey be conducted through a survey monkey. The motion passed unanimously.

H. For Discussion and Possible Action: Evaluation of Superintendent.

President Evans reported on the eighteen different categories involved with Dr. Sheldon's evaluation. In totaling the responses by six of the board members there were no unsatisfactory responses, 11 needs improvement, 43 satisfactory, 51 excellent, which averages to 3.38; a satisfactory evaluation.

Trustee Hyde didn't fill out an evaluation form as he is a new board member and didn't feel it was fair to him or Dr. Sheldon to fill out an evaluation. Ms. Hales stated that Trustee Hyde has an obligation to vote as a board member unless he has an ethical conflict, even though he hasn't had as much opportunity to base his evaluation; it is still up to him to make a vote.

Trustee Koenig made a motion ***to approve the evaluation as satisfactory.*** Trustee Hendrix seconded the motion. There was no further discussion and no public comment. The motion passed unanimously.

Public Comment: Ms. Kelly Frost asked if NRS 391 includes the possible deduction in pay or number of days as well. Ms. Hales stated that NRS states a decrease in positions due to decreased enrollment or district reorganization; it does not say hours or days. Ms. Frost recommended that if the new contract is approved, that the contract renewal date be moved to April 30th, to put them in the same category as certified staff, so board budget decisions can be made.

Mr. Don Mello asked if the contract could be a month to month rolling contract. Ms. Hales stated that these two positions are filled by licensed employees so they are protected by 391 rights the same as teachers. They are given full contracts. If it turns out there is a need for district reorganization along the way, the Board can make the change.

Ms. Becky Dodd, as a representative of teachers, made it clear to the Board that this is one of the issues that concerns teachers: the request to bargain PERS, bargain insurance, bargain days that teachers work, which impact the teachers' paychecks.

CLOSED SESSION

President Evans stated that before the Board goes into closed session he asked Ms. Hales to make a couple of comments.

Ms. Hales stated that as licensed educators, Mr. Jensen and Ms. Melendy fit within a category of chapter 391 of NRS and 391.31297 lists reasons that a teacher or administrator can be dismissed among other things. The reason Ms. Hales is approaching this is because the Board is looking at what can possibly be cut. Ms. Hales understands that it has been suggested by some members of the public to consider cutting one or both of these positions. NRS 391.31297 has language that an administrator may be dismissed if there is a justifiable decrease in the number of positions due to decreased enrollment or district reorganization, if the District was reorganizing such that it eliminated one or both of these positions for a reason that it would be a justifiable reason to terminate a contract. So, even if the Board approves their contracts tonight, if they were to reorganize the District a couple of months later, the Board would still have the option to terminate their contracts if there were a justifiable decrease in enrollment or justifiable district reorganization. Ms. Hales stated that she is not suggesting the Board wants to do this, but she was asked to provide the Board with options should they decide to approve these contracts. The Board has to notify these employees on or before February 15, whether they are to be re-employed.

At approximately 9:32 p.m., Trustee Nunn made a motion ***that the Board meet in closed session to discuss negotiations with Ms. Kimi Melendy, Director of Educational Services, pursuant to NRS 288.220 and also meet in closed session to discuss negotiations with Mr. Will Jensen, Director of Special Services, pursuant to NRS 288.220.*** Trustee Koenig seconded the motion. The motion passed unanimously.

RECONVENE OPEN SESSION

The Board reconvened open session at approximately 9:52 p.m.

ADDITIONAL NEW BUSINESS

A. The Board will meet in closed session to discuss negotiations with Ms. Kimi Melendy, Director of Educational Services, pursuant to NRS 288.220.

Dr. Sheldon recommended approval of the contract and let the public know that the District is cutting a position at the district office level. Ms. Sue Chambers is retiring as Federal Programs Director. Last year the Human Resources (HR) Director position was also cut. The HR position has been absorbed and the Director of Federal Programs will be absorbed this year. Ms. Melendy will be taking Title I and Title II of our migrant and homeless grants, the Career and Technical Education grant programs and Mr. Jensen will work with Indian Education, has taken over as the District's hearing officer and is looking at student placement. The District Office has also cut a classified position this year in the Business Office and cut a classified secretary in the Educational Services Department last year. Ms. Chambers is a valuable employee and she will be missed. Ms. Melendy and Mr. Jensen will pick up those duties and Dr. Sheldon has confidence that they will do a good job.

Trustee Schank stated that the District needs good job descriptions so this can be clarified.

Trustee Hendrix made a motion, seconded by Trustee Koenig, **to approve the contract of Ms. Kimi Melendy as found in BoardBook, Director of Educational Services.** The motion passed unanimously.

B. The Board will meet in closed session to discuss negotiations with Mr. Will Jensen, Director of Special Services, pursuant to NRS 288.220.

Dr. Sheldon stated that Mr. Jensen's evaluation is satisfactory and he will be picking up additional duties as described previously.

Trustee Hendrix made a motion, seconded by Trustee Gent, to approve the contract f=with Mr. Will Jensen as found in BoardBook. The motion passed unanimously.

PUBLIC COMMENT

Becky Dodd clarified that she was aware that employees regarding the grievance did receive emails; she doesn't consider an email a letter.

Dr. Sheldon thanked the Board for her evaluation, their confidence and support. Dr. Sheldon stated that she is asking for a negotiation session on March 14th to bring some adjustments to her contract, which is not financial.

DISCUSSION AND POSSIBLE ACTION REGARDING FUTURE AGENDA ITEMS AS REQUESTED BY THE BOARD OF TRUSTEES AND CLARIFICATION OF REQUESTED AGENDA ITEMS

Trustee Gent requested information regarding training, grant processing, and how the evaluation of grants will work.

Trustee Schank stated that one of the Board's meetings is scheduled over spring break and suggested it be moved.

ADJOURNMENT

Trustee Nunn made a motion, seconded by Trustee Gent, to adjourn the meeting at approximately 10:00 p.m. The motion passed unanimously.

Carmen, Schank, Clerk of the Board

Prepared by Debra Shyne