

**MINUTES OF THE BOARD RETREAT OF THE
CARSON CITY SCHOOL DISTRICT
BOARD OF TRUSTEES**

Saturday, February 28, 2009

8:00 a.m.

CALL TO ORDER

A Board Retreat of the Carson City School District Board of Trustees was called to order at 8:00 a.m. by President Barbara Howe at the Board Room, Carson City School District, 1402 West King Street, Carson City, Nevada.

ROLL CALL: Members Present
Barbara Howe, President
Norm Scoggin, Vice President
Joanna Wilson, Clerk
Jim Lemaire, Member
Steve Reynolds, Member
Lynnette Conrad, Member
Joe Enge, Member
Richard Stokes, Superintendent
Mike Pavlakis, Legal Counsel

Members Absent
None

ACTION TO ADOPT THE AGENDA

It was moved by Mr. Norm Scoggin, seconded by Mr. Jim Lemaire **that the Carson City School District Board of Trustees adopt the agenda as posted.** Motion carried unanimously.

**ROUND TABLE DISCUSSION AMONG BOARD MEMBERS AND PRESENTATION BY STAFF
OUTLINING THOUGHTS AND IDEAS ON ANY COST SAVING MEASURES TO THE
DISTRICT FOR FY2010**

Mr. Stokes updated the Board with additional information and numbers presented without closing a school, Option B; School Organization with the largest cost saving measure being in the Reduction in Force (RIF); a reduction of approximately 6% of the employee base.

- Elimination of 8 Portables, lock the doors, turn off the power:
 - Empire Elementary – 2, Al Seeliger Elementary – 1, Eagle Valley Middle School – 3, Fritsch Elementary – 1, Educators Closet – 1, for an estimated savings of \$68,000
- Transportation Cost Savings estimated to be \$350,000:
 - Universal School Calendar
 - Staggered School Start Time
 - Increase Walk Zones; Elementary Schools to 1.5 miles and Middle School/High School to 3 miles; add additional crossing guards
- Purchasing one month of insurance for 45/15 staff would cost the District approximately \$50,000
- Utility savings if an elementary school closes during peak hours (5:00 p.m. – 10:30 p.m.) for an estimated savings of \$135,000
- Overtime, summer school and extra duty pay; work ongoing to limit the number of hours
- Eliminate buy-outs; suspend the purchase of retirement credit for an approximate savings of \$180,000
- Field Trips, limit them to walking for an estimated savings of \$36,000

- Activity Transportation Costs – athletics and co-curricular activities, pay a one time fee of \$150.00 to offset the costs for an estimated savings of \$144,000
- Suspend bus/vehicle plan for an approximate savings of \$200,000
- Limit after school activity; reading night, math night, etc. for a cost savings to be determined. Possibly use one location i.e., high school or community location.

Mr. Reynolds asked about coordinating with Parks and Recreation for a joint-use agreement.

Mr. Lemaire asked if the savings from closing a building from 5:00 p.m. to 10:30 p.m. was just electricity or other sources. He also suggested using other alternative sources in the future. Mr. Korinek explained that in addition to utility savings, there are also some maintenance savings with the majority of savings being electrical.

Mrs. Howe asked Mr. Mike Mitchell about Energy Service Companies (ESCO); provide savings in energy. Mr. Mitchell commented on the feasibility of such a project. The Carson City School District has completed this in-house, rather than contracting with an outside vendor.

Mr. Scoggin inquired about 4th and 5th grade students being removed from Empire Elementary and having Empire Elementary a K-3 school. Mr. Stokes explained that the least impact would be to leave Empire Elementary intact with eight portables and close two portables. The capacity at Empire Elementary is 640; however, if walk zones are increased, the capacity could potentially increase to 700.

Ms. Mindy Breeding suggested moving 9th grade students to the middle schools and keep the 6th grade students at the grade schools.

Mr. Delfin reminded the Board that Option B does not require rezoning any schools.

To continue with cost saving measures:

- Reduce optional staff development by 50% for an estimated savings of \$74,000
- Remove unauthorized electric appliances, i.e. microwaves, heaters, coffee pots
- Close Gleason Building for an estimated savings of \$17,000
- Reduce the amount of school supplies with the savings to be determined
- Reduction in Force of 56 employees (estimates to be 32 classified, 22 certified and 2 administrators) for an estimated savings of \$2.6 million dollars. The RIF will effect all work groups; Administration, Classified, Certified, excluding Nurses. The reduction would increase class sizes, with the following estimated student ratios; 1st grade 18:1, 2nd grade 18:1, 3rd grade 23:1, 4th and 5th grade 30:1. Classes that are currently team teaching would continue.

Mrs. Howe asked Board Members to share their thoughts and suggestions on ideas not yet heard.

Mr. Reynolds inquired as to the projected savings of a 4 day school week. Mr. Stokes explained that there is no real history of information for a 4-day school week. One item of concern is the amount of time not in school and reducing the schedule by one day a week or extending the day, curriculum may not be covered. Mrs. Keema explained that kindergarten students need 120 minutes in the class where 1st and 2nd grade students need 220 minutes. To extend the day, you would have to add an additional 1 ½ hours. Mrs. Keema also commented on other considerations; block schedule, curriculum, achievement in the class and activities in the afternoon. Mrs. Howe explained that four other school districts in rural Nevada are using the 4-day school schedule in order to assist with transportation costs. Mrs. Conrad explained that research she's seen shows the 5th day is used for professional development and athletic activities. She also asked about the possibility of using the 5th day for professional development in order to save on the cost of using subs during the week.

Mr. Enge asked if 2 or 3 days had been added to teacher contracts for the purpose of staff development. Mr. Stokes explained that the reduction of staff development is not associated with

the additional 2 days added to the teacher contracts. Mr. Enge inquired as to the cost savings if the 3 additional days were removed from the contract. Mr. Anderson explained that the savings would be 1.86%.

Mr. Reynolds for clarification commented on the maximum projected savings of \$637,000 by completing some of the suggestions in Option B. Mr. Reynolds has concerns with adding extra hours to students enrolled K-4.

Mr. Enge inquired as to the value of the Gleason Building and property. Mr. Mike Mitchell explained that some time ago, owners of the surrounding properties showed some interest in the Gleason Building. Mr. Enge asked if the District owned any other property. Mr. Stokes explained there is a piece of property on Highway 50 East. Mrs. Wilson believes these are one time solutions and things need to be looked at for long term resolutions.

Mrs. Howe wanted to know what percentage of the budget is staff. Mr. Anderson explained that salaries are made up from many different funds, on average 77%.

Mr. Scoggin suggested using a portion of the ending fund balance in making up the difference in the budget shortfall.

Mr. Enge commented on the utilization of elementary schools; have 6th grade students go to elementary schools and 9th grade students attend at the middle schools. Mr. Anderson doesn't believe the schools are currently ready to make this change. Mr. Delfin commented on the effect this change would have on transportation. Mr. Scoggin commented that by taking 9th grade students out of the high school, the building would not be full, therefore not as efficient as a full building.

Mr. Lemaire asked about transportation cost savings of \$350,000; if the universal calendar is removed, what is the break down for savings. Mr. Curnes explained there would be approximately \$45,000 lost in savings. Mrs. Keema explained that additional savings for a staggered schedule would include; operating costs and efficiencies along with academics. Mr. Lemaire inquired about the original projections for a year-round schedule and by increasing the walk zones and staggering the schedule, does the \$165,000 savings increase or decrease. Mr. Anderson reminded everyone that the year-round budget for Special Education has been cut by the Department of Education and if necessary money would have to be transferred from the General Fund. Mr. Stokes explained that if a student has an IEP, the District is required to fulfill the IEP.

Mrs. Howe would like to look at the multi-track scheduling. Mr. Scoggin explained that it would cost money for the District to implement a multi-track schedule. Multi-track scheduling works best when used in an overcrowding situation. Mr. Mitchell explained, by scheduling multi-track, there is a savings to a district, with an increase in one time operational costs.

Mrs. Howe asked about the possibility of a reduction in testing. Mrs. Keema explained that the Department of Education suspended the Norm Reference Test (NRT) this year.

Mr. Lemaire commented on the possibility of on-line education and additional ways to deliver education. Mr. Stokes commented that the District is looking into something like that.

Mr. Enge spoke about the availability of the federal stimulus money and suggested taking into account the amount of \$324, 404,728 million dollars designated to the State of Nevada for education. One item of concern; restore levels to 2006 for K-12 and university system. Mr. Enge would like to incorporate this money into the budget before any major actions are taken. Budget amendments can be made 30 days after the legislative session. Mr. Enge proposed the following; wait for additional information from Dr. Keith Rheault's office on the approximate amount the District may receive and incorporate that into the budget. Mr. Enge commented that not all employees will be issued letters of intent. He suggested if and when money becomes available, the District should hire employees back.

Mr. Scoggin explained that cuts are necessary and have to be done this year, without a choice. He also suggested making the necessary cuts now and supplementing the budget with the ending fund balance. If funds become available from the State, use the funds and reduce the amount expected to be used from the ending fund balance.

Mr. Anderson explained the per pupil basic support for the Carson City School District provided by the Nevada Department of Education. The Carson City School District is expected to receive approximately is \$5,854 in per pupil basic support. By using \$5,854 as the baseline, the general fund basic support is projected to be \$4.7 million dollars; with approximately another \$3 million dollars as a loss in revenue and reductions in other DSA. The loss of \$7.2 million dollars is a combination of the loss in per pupil basic support and the loss of revenue in all other revenue sources. Mr. Anderson commented on the federal stimulus bill; funding on the levels from 2008. The amount for 2008 was \$6,037 dollars, more than is currently being budgeted. The amount for 2006 was \$5,203 for a difference of \$834 dollars. If the federal stimulus package formula is used, the money would go to the University System, reducing the DSA to \$5,200 dollars.

Mr. Enge inquired as to the gap of the 2008 level of DSA; \$6037 dollars. Mr. Anderson explained that if the 2008 level were used, there would be no gap. The levels vary from 2006 to 2008. The 2006 levels were before the new DSA formula was implemented. The District was impacted due to the formulary; \$5200 vs. \$6000, \$800 dollars per pupil equals \$6.4 million dollars. Mr. Enge commented on meeting the figure for 2006. Mr. Anderson explained that if the analysis is used, all that would be required for funding is \$5,200 for basic pupil support. The formulary; Nevada Plan (DSA per pupil basic support) suggested placing the schools back to the 2006 levels, transfer general fund dollars not budgeted for the University System, place their budgets back to 2006 creating an increase for the University System and a reduction to K-12 education.

Ms. Monique Giron proposed the following suggestions:

- Charge groups to use facilities after 5:00 p.m.
- Eliminate crossing guards and organize parent volunteers
- Partnership with the City of Carson; encourage families to move to Carson City
- Eliminate special programs, allow teachers to teach their class
- Retain the GATE program
- Place the entire District on a year-round schedule

Mr. Paul Brugger commented on the possibility of students participating as crossing guards. He also inquired as to the cost savings of running a building year round and suggested having all schools on the same schedule; year-round.

Mr. Chet Alexander suggested as a cost saving measure that each site have only one Administrator.

Mrs. Lynnette Conrad believes that parents would be willing to help as crossing guards; organize with PTA to have everyone scheduled for a different a week. Mr. Stokes explained that crossing guards are paid \$24.00 per day.

Mr. Norm Scoggin commented that the idea of a walking school bus had been introduced with little or no interest.

Ms. Erin Lehman pointed out that Fremont Elementary School was previously an option school; parents provided their own transportation. She suggested selling a portion of the property and keeping the Gleason building for use by the District.

Ms. Shannon Seymour suggested looking at another form of transportation; utilize the public transportation system. She also suggested leasing a portion of the Gleason building, creating an asset.

Mr. Jerry Apolito, OCEA representative commented on retaining students at the high school level. Mr. Scoggin commented that the Carson High School has had only 3 dropouts this year.

Ms. Maria Vega asked if closing Pioneer High School had been considered; place the PHS students at Carson High School. Mr. Korniek explained there would not be a lot of operational cost savings by doing that.

Ms. Lisa Jones commented on the shortfall of pay and benefits for staff at Fremont Elementary if the schedule is changed to a traditional calendar.

Ms. LeAnn Saarem commented on the current enrollment numbers at the elementary schools over the last few years. She suggested taking tours of the sites and listening to ideas from staff. Ms. Saarem shared a comment received from a teacher; extend the school day by 15 to 20 minutes which would provide an additional week at Christmas with the possibility of completing school at the end of May.

Ms. Lori Browning clarified information on a 4 day schedule; test scores seemed to stay the same, graduation rates increased with a decrease in drop-outs. Research shows that those on a 4 day schedule adjust.

Mr. Joe Enge commented on staggering start times; research has shown an increase in attendance for high school students.

Mrs. Sue Keema reminded everyone that during the month of February, parent surveys were sent out. She shared some of the suggestions from the survey: landscape using less grass, use the internet more and use less paper. One positive comment; Carson City School District is the most cost effective. Other suggestions: work with Jump around Carson City (JAC), Partner with the City (joint use facilities), CCOY (truancy/attendance officer) and establish a way for the community to make donations on the website (PayPal).

Mrs. Lynnette Conrad inquired as to the amount spent on school supplies and are textbooks included in the amount. Mr. Anderson explained that \$2.6 million dollars is spent on instructional supplies, textbooks, computer hardware, etc. The textbook adoption money; \$560,000 was eliminated this year. The District is not obligated to purchase anything for students; however, in 2008, \$321.00 was spent per student for supplies. In FY2010, the District is planning on spending \$156.00 per student for supplies. Mrs. Conrad suggested getting the community and PTA involved for those who can't afford supplies.

Mrs. Barbara Howe called for a ten minute recess at 10:00 a.m. The meeting reconvened at 10:15 a.m.

Mrs. Barbara Howe explained her intent for the remainder of the meeting; to have an understanding from Board Members on how much of the ending fund balance should be used for FY2010. Mr. Bob Anderson provided a brief explanation on the Distributive School Account (DSA). The formulary is, per pupil basic support, times the "Hold Harmless" weighted enrollment. At this time, using the Nevada Plan formulary, approximately \$45 million dollars is in the Governor's recommended budget for the Carson City School District. This does not include any stimulus money, etc. In creating this number, the District is able to use last year's enrollment numbers multiplied by the amount for each student. The \$45 million dollars is Nevada Plan money, not discretionary money. In addition to the \$45 million dollars there will be approximately \$7 million dollars of discretionary money; property tax, government service tax, interest income and other sources of revenue. The total revenue projection using the analysis is approximately \$7 million dollars from what would have been expended this year. With the anticipation of a decline of revenue, expenditures for the District have already been reduced. Mr. Anderson explained, enrollment is down in the District by 170 students and in order to receive additional money, 170 students would need to move into the District. The decrease in the number of students, not accepting variances and using the staffing standards models, the District doesn't need the additional 56 staff members.

Mr. Bob Anderson projected a decline in enrollment of 250 fewer students. Mr. Anderson recommended taking necessary corrective steps to address the budget issue or the District will

be out of money. He believes the District should address the long term problem. Mrs. Howe wanted to know how many months do the \$11 million dollars makes up. Mr. Anderson explained that is 3 months of operating costs.

Mrs. Wilson asked for honest recommendations from Administration. Mr. Stokes believes the District can meet the expectations of the community by reducing staff, operational costs and use a portion of the ending fund balance. Mr. Stokes would like input from the Master Plan Committee along with input from the community to focus on the long term plans for the District. Mrs. Wilson asked about the possibility of using both options. Mr. Stokes suggested holding off and looking at the numbers for next year, allowing for additional information. Mr. Anderson anticipates enrollment to decline from the 2003 levels, 980 students. Mr. Anderson commented that there is more square footage now than in 2003. Mrs. Wilson commented on the same amount of square footage with fewer students; is that the most efficient way to operate a school in the District.

Mr. Mike Mitchell believes the District needs to make adjustments in order to achieve the most efficiency. He suggested eliminating portable classrooms. Mr. Mitchell commented on the status of facilities based on several questions; bricks/mortar vs. portables, publicize the numbers for a clear understanding. The Master Plan is currently based on an old plan and should be updated.

Mr. Enge commented on the elimination of portables and the possibility of rezoning to maximize the savings. Mrs. Wilson reminded everyone that Empire Elementary School is a neighborhood school.

Mrs. Conrad commented on the number of students attending classes at Empire Elementary School. Mrs. Keema explained that programs have changed over the years and Administrators have been reviewing things at their sites in the event portables were removed.

Mr. Anderson commented that the cost of portables should not be the biggest effect when making decisions. The portables at Empire Elementary School are more expensive than bricks and mortar. Empire Elementary School is a Title I School and because of that, the Title I money received exceeds the value of keeping the portables. Mr. Anderson suggested having more portables at Empire Elementary, increase the walk zones, therefore reducing the amount spent on transportation, creating greater savings. The portables at Eagle Valley Middle School need to be removed. Mr. Enge suggested building on an addition at Empire Elementary School during the next bond proposal.

Mrs. Wilson suggested using a portion of the ending fund balance to cover salary costs and insurance expenses for the staff at Fremont Elementary School. Mr. Stokes asked for clarification on salary; employees will have already worked the contract year. Mr. Stokes suggested taking the remaining amount owed through the summer, stretch the pay periods over 26 pay periods instead of 24, allowing the staff to start their new contract year at the same time as the other employees.

Mr. Scoggin suggested the District find a way for teachers at Fremont Elementary School to repay the cost of the insurance. He would also like to see the District cover the expense for their insurance.

Mr. Enge made the following suggestions regarding Option B:

- Reduce Staff Development Days
- Have one Vice Principal instead of two at the elementary schools
- Remove "Pay to Play" of \$150.00 for students

Mr. Lemaire commented on the beginning stages of negotiations with staff. He asked Mr. Anderson if money were left in the ending fund balance, can the bargaining units go after the money. Mr. Lemaire is in favor of using a portion of the ending fund balance. Mr. Anderson explained that a portion of the ending fund balance will be used if other suggestions made are not done. If the decision is, not to close a school, the district will be operating inefficiently.

Mr. Enge suggested establishing limits on the amount of ending fund balance to use; 40% each year, saving 20%. Mr. Anderson commented on the possibility of the continued decline in enrollment in the district and believes the discussion should be; preparing for the future; capacity, square footage, staffing, etc.

Mr. Anderson spoke briefly about the unemployment rate in Carson City and the nation. The national average is currently 7.2%, Nevada is 9.4%. There has been a 40% decline in sales tax in Carson City over the last couple of years. There has also been a 36.7% decline in car registrations.

Mr. Ricky Medina, Carson City School District Statistician, commented on the process used to determine his projections of students for FY2010. Mr. Medina believes there will be a decline in enrollment for several years to come. Mr. Stokes commented on the Master Plan Committee; members of the community come together to provide future direction for the District. The District also has a District Improvement Committee. Mr. Stokes believes the two committees can come together and work on plans for the District.

Mr. Scoggin would like to adopt plan B and supplement the option with the ending fund balance. He would like to see the Master Plan Committee begin working on the long term plan.

Mr. Stokes commented on combining the Master Plan Committee along with the District Improvement Committee; discussions need to take place regarding how the committees will join together.

Mrs. Howe asked Board Members to comment on what portion of the ending fund balance they would suggest using. Mr. Anderson reminded the Board that a public hearing will take place on the third Wednesday in May and the Tentative Budget is due on April 15, 2009.

Mr. Steve Reynolds commented on per pupil basic support and the federal stimulus money. Mr. Anderson believes Legislation is working on a plan; raising taxes, cutting expenditures and using as much of the budget stimulus money. Mr. Reynolds asked about Title I money. Mr. Anderson explained that a portion of the federal stimulus package is based on Title I allocations. Title I money may increase. If enrollment at Empire Elementary School were to increase, they could take advantage of Title I money. Mr. Reynolds believes that time is the main variable. He suggested not closing a school this year; however, a plan needs to be in place for the coming four to five years. He also suggested using 20% of the ending fund balance for the coming year.

Mr. Lemaire agreed with Mr. Reynolds; however, if necessary he would use 1/3 of the ending fund balance.

Mrs. Wilson is not opposed to using Option A and B.

Mrs. Conrad would like to use Plan B, prevent a school closing and hold on to as much of the ending fund balance as possible. She would like to use a portion of the ending fund balance to cover insurance costs for the staff at Fremont Elementary School.

Mrs. Keema provided information on student achievement, quality education and expectations for the Carson City School District. *No Child Left Behind* (NCLB); a report card for the District on how schools have done. The sanctions are different for Title I schools; however the expectations for student achievement in the District is the same for all schools. If schools have to go into restructuring, NCLB provides options. Empire Elementary School is currently in the restructuring phase; new administration, new reading coach and support from the District Office. There are three schools that are currently designated "In Need of Improvement"; they all have a state support team. If a school doesn't make AYP for 5 years, there are several options for the District.

Ms. Monique Giron commented on class sizes and the impact on younger students. Mrs. Keema commented on student teacher ratios, they don't want large class sizes.

Mr. Anderson followed up the discussion on unit cost; if money were a factor, compared to the other sixteen districts, CCSD should be achieving at the highest level. The District has the lowest staffing ratio, spent the most money in the classroom and has the most efficient use of common space (square footage). The statewide average is 11:1 vs. 9:1 for students in Carson City.

Mr. Reynolds briefly summarized the workshop; form a larger Master Plan Committee to address savings costs and if the District chooses to close an elementary school, which one would that be. He believes that not all variables have been presented in order to determine, if necessary, which school to close.

Mrs. Keema provided additional information on items to look at with regards to Option A.

- Closing a school; keeping within capacity at the other schools
- Change of school set-up; redistribute Title I funding
- Look at the school community
- Transportation Costs; students living within the walk zone
- Operating/Efficiency costs

Mrs. Wilson asked Mr. Curnes if there would be an increase or decrease to transportation costs. Mr. Curnes explained that the costs would be more, no matter which school was eliminated. Mr. Stokes explained that a computer program, *On-Pass* was used to help assist in the development of bus routes. The district receives no money for students attending schools on a variance. There are additional costs the District incurs by accepting student variances and employing extra teachers.

Mr. Enge inquired about the costs for some of the programs used; Stetson, SFA, consulting, etc. Mrs. Keema explained that grant money is used to pay for those programs.

Mr. Paul Brugger asked if substitutes are paid using grant money. Mrs. Keema commented that some of the grant money is; however, if a school did not receive the grant, sometimes the expense may be paid for by using general fund money.

Mr. Anderson suggested ways of looking at some long-term solutions for the district:

- Using capital dollars to save on operating expenses; solar rays
- Add another wing or story on Empire Elementary school; increasing the students at the Title I school
- Eliminate portables at Empire Elementary School to reduce operating costs
- Build more bricks and mortar using bond money

Mr. Mike Mitchell mentioned that the last update given by the Master Plan Committee suggested pursuing the idea of a bond for 2010.

Mr. Jose Delfin publicly thanked the staff for their efforts and help in gathering information for this meeting.

PUBLIC COMMENT

Ms. Monique Giron suggested:

- Partnering with the Carson City on the possibility of leasing a building
- Forming a committee to promote another Bond

She also had a question regarding variances in Plan B. Mr. Stokes explained that fewer staff members would be needed if out of county variances were eliminating, therefore becoming more efficient. Out of county variance would be approved for staff members. Ms. Giron commented on the perception the community has of Empire Elementary School.

Mr. Paul Brugger explained he is hopeful that the Board will not make “knee-jerk” decisions. He commented on Option A; closing a school. Mr. Brugger suggested taking time to look at the necessity of closing a school. He also suggested the possibility of having the elementary schools

on a multi-track schedule and let Fremont Elementary School serve as the guinea pig for a multi-track school.

Mr. Reynolds commented on the vast differences between a year-round schedule and multi-track schedule.

Ms. Mindy Breeding commented on spending less than the amount taken in; eliminate administrative positions, have each Principal cut \$600,000 from their budget and have a workshop forum for additional community input.

Ms. Dee McGibbon loves the schedule at Fremont Elementary School. She reviewed figures for each classroom at Fremont Elementary School. Ms. McGibbon asked if the computer room, library and music room are included in determining the number of students per class. Mrs. Keema explained that homerooms were looked at in determining the count.

Ms. Erin Lehman publicly thanked the Board for looking at Option B and taking time to listen to public input.

Ms. Tucker commented on the year-round schedule at Fremont Elementary School and believes that parents may want to pay for transportation to the school. Mr. Anderson explained that an NRS prohibits charging students for transportation.

Mr. Anderson encouraged everyone to look at schools in other districts.

REQUEST FOR FUTURE TOPICS

At this time, no requests for future topics were made.

ADJOURNMENT

There will be no further business to come before the members of the Board during the Board Retreat; President Barbara Howe declared the meeting adjourned at 12:07 p.m.

Joanna Wilson, Clerk

Date