

CHURCHILL COUNTY SCHOOL DISTRICT BUDGET COMMITTEE MEETING

Fallon, Nevada
March 5, 2018

CALL TO ORDER

Phyllis Dowd called the budget committee meeting to order at 4:01 PM at the Churchill County School District Administration Office, 690 South Maine Street, Fallon, Nevada. Pledge of Allegiance was led by Phyllis.

MEMBERS IN ATTENDANCE

Keith Boone, CCAA Representative
Andrew Campbell, CCEA Representative
Phyllis Dowd, Director of Business Services
Gaylene Drinkut, NCSEA Representative
Clay Hendrix, Board Member
Ozzie Henke, Director of Maintenance
Jo Lamun, Director of Dining Services
Derild Parsons, Director of Special Services
Phil Pinder, Board Member
Steve Russell, Director of Transportation
Sandra Sheldon, Superintendent
Felicia Siyuja, Fallon Paiute Shoshone Tribe
Michele Taylor, Military Liaison
Amy Word, School Principal

OTHERS PRESENT

Walter Henderson
Sue Pruit (clerical support)

PUBLIC COMMENTS

There were no public comments.

APPROVAL OF MINUTES

Minutes from March 29, 2017 were presented as part of the meeting packet. There were no comments; consensus deemed them approved.

DISCUSSIONS

Phyllis presented a schedule for projected 2018-19 enrollment. Estimated increase of 1.1% is conservative. Our weighted enrollment for DSA per pupil funding is 3,244. The most recent estimated DSA amount is \$7,202 per student, for a gross of \$23,363,288. This is an increase of \$544,728 over current year. Phyllis explained the DSA is calculated statewide based on district expenses and teacher allocations. Our allocations have included OASIS teachers, which is incorrect. The State is working on a more fair calculation with a correction that will happen in 2019-20. This will change our per pupil rate.

CCSD is currently under the Class Size Reduction (CSR) alternate plan. Current understanding is that we will no longer be granted waivers if we go over the NRS class sizes. In order to keep ratios with projected enrollment, we need to hire five more teachers. Growth in student population during the year could definitely become a problem. Our current CSR funding is \$841,693. Anticipated for

next year is \$922,741 for a net increase of \$81,048. Current year award was cut by \$202,000. Thankfully we were able to absorb the costs in the general fund. Based on current year new hires, our new teacher costs average \$73,889. Five new teachers would be an estimated \$369,445. We currently have 22 positions open through retirements and resignations. The cost savings will depend on the experience of our new hires.

Phyllis presented projected funding changes. DSA and CSR were already presented. We are not aware of any substantial changes in Special Education. Property taxes and net mineral proceeds are projected to increase \$169,509 and government services taxes are projected to increase \$58,140. E-Rate is decreasing by \$44,165 this year, as planned due to equipment previously purchased and telephone funding is going away next year. Impact Aid is decreasing \$154,388 due to audit results delaying payment from a previous funding year. Our net projected funding change is an increase of \$654,872.

Projected expenditure changes include the CSR as presented. We don't have a cap on our insurance rate increases and our broker is currently estimating an 11% rate increase, which would be \$391,179. Through negotiations, everyone will receive step increases, which will be \$375,675.

Our current year budget shows an ending fund balance of \$1,486,257, which is 5.7% of expenditures. By law we have to maintain 4%. The projected changes discussed would decrease this fund balance by \$481,427 bringing the fund balance to \$1,004,830, which is 3.8% of expenditures. Last year we spent 97% of budget. We typically don't spend 100% of budgeted expenditures so there should be some carryover for next year.

Phyllis presented the list of budget requests included in the meeting packet. Gaylene Drinkut added the CTE department really needs a vocational aide in the shops at the high school. Phyllis noted many of the requests involve additional staff. Considering the discussion on DSA funding, if our funding decreases the following year, we don't want to be in the position of needing to decrease staff again. Dr. Sheldon noted we don't have a choice on the additional CSR positions. Right now we are working with estimates. In the fall when we have a definite student count we can do a budget revision with actual revenue and costs. We will have these requests priced out so we can prioritize additions. All these requests are reasonable, but we need to stay within our means.

Andrew Campbell asked about the insurance increases each year being so high. Phyllis noted the Affordable Care Act (ACA) really affected the insurance market. We've actually had retired teachers come back on our insurance because it is more affordable than what they can find elsewhere. DSA includes 2% for step increases, but it doesn't come close to the added insurance expenses. Phil Pinder noted the importance of remaining optimistic. The superintendents in the state are trying to educate the legislature of the effects state funding has on the Districts. Hopefully, someday we can write a budget knowing how much money we have to spend.

Phyllis presented proposed target dates. With very busy calendars and waiting for the revenue updates from taxation, the next time we can meet will be on April 11th. It is scheduled before the board meeting that night. Phyllis stated although there will be a budget in board book, she will print out all budget committee recommendations from the meeting and hand it to the board to make adjustments. We still want to have that meeting on April 11th and still take committee input. We can schedule additional meetings after that and have more discussions on topics. Dr. Sheldon noted we can also communicate via e-mail.

Keith Boone stated in looking at the April 11th meeting, he is unclear on what the purpose of this committee is. This was a great meeting and very informational, we are heading in the right direction, but asked for clarification of our role and job to advise the board as a committee. Dr. Sheldon said Phyllys will have a preliminary budget put together by statute, but changes can be made and suggestions can be taken for the board meeting that night. The committee will review the preliminary budget. If there are items that are more important than others, the budget can be tweaked until the final is due in May.

NEXT MEETING

April 11, 2018

PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

Meeting was adjourned at 4:47 PM.