CALL TO ORDER
President Whitaker called to order the regular meeting of the Churchill County School District
Board of Trustees at 6:03 p.m. at the Churchill County School District Administration Office, 690
South Maine Street, Fallon, Nevada.

PLEDGE OF ALLEGIANCE AND CHARACTER COUNTS WORD “TRUSTWORTHINESS”
Cambria Dixon, E.C. Best student, led the Pledge of Allegiance and said a few words about the
character counts word “Trustworthiness.”

VERIFICATION OF POSTING OF AGENDA
President Whitaker confirmed the posting of the agenda pursuant to NRS 241.

ROLL CALL
<table>
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<tr>
<th>Trustees Present</th>
<th>Others Present</th>
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<tr>
<td>Trustee Kathryn Whitaker, President</td>
<td>Dr. Summer Stephens, Superintendent</td>
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<td>Trustee Carmen Schank, Clerk</td>
<td>Sharla Hales, Legal Counsel</td>
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<td>Trustee Phil Pinder, Acting Clerk</td>
<td>Phyllys Dowd, Director of Business Services</td>
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<td>Trustee Tricia Strasdin</td>
<td>Debra Shyne, Executive Assistant</td>
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<td>Trustee Amber Getto</td>
<td>(Interested Staff/Community Members</td>
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<td>per Attached List)</td>
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<td>Trustee Matt Hyde, Vice President</td>
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<td>Trustee Fred Buckmaster</td>
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Trustees Absent
Trustee Matt Hyde, Vice President
Trustee Fred Buckmaster

REVIEW AND ADOPTION OF AGENDA
Trustee Schank moved to adopt the agenda, seconded by Trustee Strasdin. There were no
public comments. The motion passed unanimously. President Whitaker requested New
Business Item C, Strategic Plan Update, pulled. Trustee Schank amended her motion to approve
the agenda with Item C pulled, seconded by Trustee Strasdin. There were no public comments.
The motion passed unanimously; Trustees Hyde and Buckmaster were absent.

PUBLIC COMMENT
Keith Boone thanked the Board for the upgrade of the sound panels at E.C. Best utilizing capital
improvement funds. E.C. Best recently held a Difference Makers assembly and a Fire assembly,
and the sound was great. Mr. Boone invited the Board to attend E.C. Best’s Whiffle Ball
Tournament and be their guest pitcher.
SUPERINTENDENT UPDATE

A. Update regarding District-related matters

[The Board took a break from approximately 6:09 to 6:15.]

Dr. Stephens updated the Board on the busing issue from the previous meeting. She will continue to work through the policy, the regulation, and the route itself, to be able to get a response and solution that makes the most sense for all parties involved. Dr. Stephens will bring information back to the Board regarding her decision, probably as a memo.

Dr. Stephens will provide a draft timeline related to filling the position of Director of Business Services, pending resignation. Between January and April of 2020, staff will review and update the job description and review the needs of the District based on input from the Board, Leadership Team, building level staff, selected city and county finance representatives, and the Budget Advisory Committee. Dr. Stephens will also elicit input from surrounding counties, which have recently hired similar positions. Ms. Dowd has provided Dr. Stephens with suggestions for places to advertise this position. Dr. Stephens will bring a recommendation to the Board no later than the first meeting in April. The new Director of Business Services would start between June 1 and June 30. Ms. Dowd may stay on a little bit longer, if needed, to ensure that the Department has a successful transition.

Trustee Strasdin inquired whether the District would offer Ms. Dowd a consulting contract for the transition. Dr. Stephens stated that if Ms. Dowd remained with the District for the transition, she would put a consulting contract in place.

BUSINESS SERVICES UPDATE

A. Budget to Actual Report (written report provided)
B. Quarterly Workers’ Compensation Report (written report provided)
C. Quarterly Student Funds Report (written report provided)
D. Quarterly Board Budget Report (written report provided)
E. Quarterly Board Travel Reports (written reports provided)
F. Update on other business items

Phyllys Dowd reported that, once again, she volunteered Churchill to host the Infinite Visions User Group Meeting, October 23 and 24. Tyler Technology provides trainers and meals, while the District provides the meeting space. This is a tremendous learning experience.

Ms. Dowd and Dr. Stephens are having discussions regarding the new budget policy, including how to implement it over the next six months.

EDUCATIONAL SERVICES UPDATE

A. The latest Student Enrollment Data will be provided to the Board of Trustees (written report provided)
B. Violent Acts Report, August 19, 2019 through September 30, 2019 (written report provided)
UPCOMING BOARD EVENTS
A. Friday-Saturday, November 22-23, 2019, NASB Annual Conference, Atlantis Casino Resort Spa, Reno
B. Wednesday, November 20, Visit from State Superintendent Jhone Ebert
C. Wednesday, December 11, 4-5 p.m., Board Meeting at Northside Early Learning Center

CONSENT AGENDA
A. Approval of Recommended Personnel Action (Attachment A)
B. Approval of Vouchers
C. Approval of October 9, 2019, Regular Board Meeting Minutes
D. Approval of Class Size Reduction Report, Quarter 1
E. Approval of Modifications to Policy 4136.0 – Use of District Property and Premises by Employees (Renamed from Regulation to Policy)
F. Approval of Modifications to Policy 4218.0 – Use of Personal Property for District Business (Changed from Regulation to Policy)

Trustee Strasdin reported a potential conflict of interest for the Recommended Personnel Action agenda item. She has a potential conflict due to her personal relationship with Michelle Dalager and concluded that the independence of judgement of a reasonable person in her situation would be materially affected by this relationship, and because this is a clear case of a disqualifying interest, she will abstain from voting in this matter.

Additionally, Trustee Strasdin has a personal relationship with Dawn Clark and concluded that a person in her situation would not be materially affected, and because this is not a clear case of disqualifying conflict of interest, she will vote on this item.

Sharla Hales, legal counsel, requested one addition to page six of the October 9 minutes. It reads, “Trustee Buckmaster inquired whether an employee’s personal vehicle could be searched if it is on District property.” Ms. Hales clarified that while District officials would not search an employee’s personal vehicle while on District property, law enforcement could search according to their own constitutional constraints.

Trustee Pinder moved to approve consent agenda items A-F, with Item A, Chelle Dalager pulled, and an amendment as suggested by Sharla Hales for the minutes. Trustee Getto seconded the motion. There were no public comments. The motion passed unanimously; Trustees Buckmaster and Hyde were absent.

Trustee Pinder moved to approve consent agenda item A, to add Chelle Dalager for Boys Basketball, seconded by Trustee Schank. There were no public comments. The motion passed unanimously; Trustees Buckmaster and Hyde were absent and Trustee Strasdin abstained.

REPORTS BY BOARD MEMBERS
Trustee Pinder reported on his recent trip to Boulder City and Las Vegas, for a State Golf Tournament where a CCHS student tied for 18th place. Trustee Pinder reported being humbled by his recent induction into the Churchill County Hall of Fame.

Trustee Schank reported on her attendance at a recent Policy Committee meeting.
President Whitaker reported on her meeting with the Nevada Association of School Boards’ Legislative Committee. They created talking points to help inform legislators and to assist when talking with the public about the purpose and focus of a school board. Jessica Crowley, Public Affairs Specialist, and one of her employees will present that information at the NASB state convention. President Whitaker reported that letters would be sent to the two Churchill County NASB award recipients. They will be recognized at the NASB state conference. Our Board will recognize them at a Board meeting in December.

**NEW BUSINESS**

A. **For Discussion and Possible Action: Approval of the Audited Financial Statements for year-end June 30, 2019.**

Phyllys Dowd introduced Chad Atkinson from Hinton Burdick. Mr. Atkinson’s team spent time with staff from the business office, Churchill County High School, and E.C. Best Elementary School.

Ms. Dowd explained that the Comprehensive Annual Financial Report has different sections. Management writes a letter to the reader and has a discussion and analysis regarding the financial position of the District. In Management Discussion on page 27 of the audit, Ms. Dowd acknowledges this fiscal year that the District spent some of the fund balance, as the Board is aware.

Mr. Atkinson thanked Ms. Dowd and her team for providing them with the information they needed for the audit process. Mr. Atkinson reviewed the audited financial statements. Mr. Atkinson reported that Ms. Dowd and her team are very organized and do a great job. There were no findings in the audit. Mr. Atkinson reviewed the financial statement and audit report (slides attached). The audit has an unmodified opinion, the best possible result. There were no material misstatements. Mr. Atkinson sees strong controls and improvements in the processes.

Mr. Atkinson reported that there were no findings on compliance with statutes and administrative codes for the two Federal programs audited, Title I and Impact Aid.

Mr. Atkinson reviewed the financial highlights of the audit. The fund balances decreased during fiscal year 2019 by $528,006. Ms. Dowd stated that Dr. Stephens initiated a stop spending requirement early on for the current year budget, which limited the over expenditure of fund balance, as it could have been higher. Mr. Atkinson commented that the fund balances are trending down a little bit, so the District should watch those balances. He reviewed the revenue and expenditure trends over the past five years. The programs that increased were primarily due to the increase in wages and benefits. Ms. Dowd reevaluated the District’s estimated use of assets and classifications, cleaned up information in the database from previous years, and recalculated the net value of capital assets, which increased the net assets of the District by a little more than $4 million (see Note 16 of the audit).

Regarding long-term liability activity, the District refinanced debt in 2019, so the economic gain was $538,000, which improved the financial position of the District. Several liabilities
fluctuate from year to year. The net pension liability increased by 1.8 million (PERS) and the post-employment benefits decreased by $175,000. Those are some of the high-level changes with the debt.

Mr. Atkinson reviewed the graphs. There is a downward trend from 2017 to 2019 on unassigned fund balance, ending at $1.6 million. These are unassigned resources on hand, which is less than one month’s operating expenses for the District. The Government Finance Officers Association, widely known in the governmental industry, recommend that the District have two months of operating expenses. The District is trending down, so the Board needs to be cautious with budgeting moving forward.

Trustee Schank inquired about the Board’s contingency fund. Ms. Dowd commented that the part of the ending fund balance that is expendable has not been obligated. The contingency fund from last year closed out, but the District did use some of that money to set up the contingency fund for 2020. President Whitaker commented that the Board has hard decisions to make in the budgeting process and the Board has a new policy that focuses on student learning and student support. Those are hard conversations and will continue to be hard conversations. We want to pay attention to the policy and have discussions around budget and decisions by the Board of what is important moving forward.

Mr. Atkinson thanked his audit team. Ms. Dowd commented that the cover page of the audit is the Blended Learning Community. Last year, the cover highlighted the performing arts program. Ms. Dowd thanked Mr. Atkinson and his team, and her team in the Business Office, Terri Laca, Sue Pruit, and Debbie Lund. Ms. Dowd will submit the audit to the State well before the deadline.

Trustee Strasdin thanked Ms. Dowd for her continued dedication, commitment to transparency, and proven professionalism and trustworthiness that allows the Board to make decisions and conduct oversight with confidence. She commented that it was not long ago that the District was faced with gut wrenching decisions and year after year of reduction in force. The pie graph on page 27 of the financial audit shows salaries at 58% and benefits at 30%. PERS has increased. The the Board needs to be mindful of its responsibility to remain solvent. Trustee Schank commented that President Whitaker referenced upcoming hard conversations, but commented that those hard conversations are more comfortable than reductions in force or eliminating preschool.

Trustee Schank thanked Ms. Dowd for her work and inquired whether it was a good investment year, referring to page 40 of the Audit. Ms. Dowd commented that she took the opportunity to negotiate a higher interest rate on the cash account at First Independent Bank (FIB). The District has strategically aligned the needs of our banking program for treasury management purposes. We want to prevent fraud with our positive pay and we want to pay most vendors electronically, but that has a cost. The District worked with FIB to ensure the District keeps the minimum amount in the checking account to cover the earnings and cost of programs and invested everything else in a CD. Ms. Dowd previously went before the Board for approval to place funds in the CD with a 2.3% interest rate. The interest accrued is almost double the previous year.

Trustee Pinder commented that he has learned from Trustee Hyde and conversations with Ms. Dowd, which have been helpful, especially for new Board members. As President
Whitaker stated, the Board does have hard decisions to make. We do not always agree how the money is spent, but we have to come back to the advice given tonight. We have to stay within the budget, and that is the bottom line.

Trustee Schank thanked Hinton Burdick for their expertise and services.

Trustee Schank moved to approve the Audited Financial Statements for year-end June 30, 2019, seconded by Trustee Strasdin. There were no public comments. The motion passed unanimously; Trustees Hyde and Buckmaster were absent.

B. **For Discussion and Possible Action: Approval of the Student Activity Agreed Upon Procedures (Audit) Report.**

Phyllis Dowd reported that E.C. Best and Churchill County High School agreed with the written report and will move forward with making improvements.

Ms. Dowd stated that there was a revision of the purchasing policy and some of the existing forms are no longer needed. The Business Office will work on this over the course of the next year.

Trustee Pinder moved to approve the Student Activity Agreed Upon Procedures Report, seconded by Trustee Strasdin. There were no public comments. The motion passed unanimously; Trustees Hyde and Buckmaster were absent.

C. **For Presentation and Discussion: Strategic Plan Update.**

This agenda item was deferred.

**PUBLIC COMMENT**

There were no public comments.

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

Trustee Schank inquired about progress of the photos of school sites for the Board Conference room.

**SET DATE AND TIME FOR NEXT BOARD “AGENDA SETTING” MEETING**

Trustees Whitaker, Hyde, and Schank intend to meet on November 12. Trustee Schank will check her schedule and Debra Shyne will schedule the meeting.

**CLOSED SESSION**

A. **Discussion of negotiations and strategies regarding Churchill County Administrators’ Association, Churchill County Education Association, and the Nevada Classified School Employees Association pursuant to NRS 288.220.**

There was no need for a closed session.
ADJOURNMENT

The meeting adjourned at approximately 7:16 p.m.

Prepared by Debra Shyne

Carmen Schank, Clerk of the Board