

**MINUTES OF THE APRIL 26, 2022
WORK SESSION OF THE
WASHOE COUNTY SCHOOL DISTRICT
BOARD OF TRUSTEES**

April 26, 2022

1. Opening Items

1.01 CALL TO ORDER

The work session of the Board of Trustees was called to order at 11:02 a.m. in the Board Room of the Central Administration Building, located at 425 East Ninth Street in Reno, Nevada.

1.02 ROLL CALL

President Angela Taylor and Board Members Jeff Church, Adam Mayberry, Ellen Minetto, Diane Nicolet, and Joe Rodriguez were present. Board Member Beth Smith was not present at the time of roll call. Superintendent Kristen McNeill and staff were also present.

1.03 PLEDGE OF ALLEGIANCE

Mark Mathers, Chief Financial Officer, led the meeting in the Pledge of Allegiance.

1.04 ACTION TO ADOPT THE AGENDA

It was moved by Trustee Minetto and seconded by Trustee Rodriguez that **the Board of Trustees approves the agenda as presented.** The result of the vote was Unanimous: (Yea: Jeff Church, Adam Mayberry, Ellen Minetto, Diane Nicolet, Joe Rodriguez, and Angela Taylor.) Final Resolution: Motion Carries.

2. Items for Presentation, Discussion, Information and/or Action

2.01 PRESENTATION BY STAFF AND DISCUSSION BY THE BOARD REGARDING THE DISTRICT'S FISCAL YEAR 2022-23 BUDGET FOR ALL DISTRICT FUNDS; PROCESS AND STATUS; AND POSSIBLE ACTION TO DIRECT THE SUPERINTENDENT TO ANALYZE AND REPORT BACK TO THE BOARD SPECIFIC BUDGET ISSUES, ITEMS, OR OTHER CHANGES TO THE DISTRICT'S FISCAL YEAR 2022-23 BUDGET PROCESS

Mark Mathers, Chief Financial Officer, and Jeff Bozzo, Budget Director, provided an update on the development of the General Fund Budget for Fiscal Year 2023 (FY23).

The actions taken by the Board at the April 12, 2022 meeting related to compensation, service level, and staffing reductions in areas facing critical labor shortages were the first priority and would drive any changes staff would consider to the budget. The service level reductions would partially offset the compensation adjustments. The total cost would be dependent on the results of collective bargaining efforts, but the District was estimating the net cost to the budget as \$1.5 - \$2 million. Additional recommendations related to the General Fund Budget, some with net-zero costs and some critical needs with costs, were presented. The District was also able to address several requests from Trustees in the FY23 budget, such as additional support for English Learners, Early Childhood Education Programming, Special Education Supports, and others.

Trustee Church asked what would happen if the District were able to fill all the vacant positions. Mr. Bozzo reminded the Trustees part of the action on April 12 included a reduction in the number of currently vacant positions in different areas. If the District were to receive additional interest, staff would return to the Board to make changes to the number of positions and/or service levels.

Trustee Mayberry requested clarification that the social worker change would reduce the number of contracted positions by two and add two District-employed social worker positions. Mr. Bozzo responded in the affirmative.

Trustee Church expressed concern over the District hiring recruits and putting people through the police academy. He believed the District was able to recruit enough Police Officer Standards and Training (POST) certified lateral transfers that School Police did not need to put anyone through an academy.

Trustee Rodriguez stated he had conversations with School Police and knew they were having difficulty finding lateral hires at the present time. He wondered if the District had looked at hiring retirees to fill positions. Emily Ellison, Chief Human Resources Officer, noted the Board had approved School Police as a critical labor shortage at the beginning of the calendar year for both officers and dispatchers. The District was excited at the prospect of having recruit positions because it would allow for opportunities for other positions within the District to consider joining School Police, such as truancy officers.

Jason Trevino, Chief of School Police, explained the District had seen a decline in the number of lateral applicants over the past few years, as had other law enforcement agencies in the area. The District had not pursued recruits in the past due to higher costs since lateral transfers already had the qualifications they needed. He had also worked with the Office of General Counsel to develop a contract for new recruits in which they would be required to reimburse the District for the costs of the academy if they were to leave within a certain period of time after graduation.

Trustee Rodriguez asked if there were advantages for internal employees interested in the recruit positions. Ms. Ellison noted current employees would retain any sick and vacation day accruals they already had. Salary placement would be dependent on which bargaining unit their current position was associated with.

Trustee Nicolet inquired if the Board requests were funded from savings. Mr. Bozzo indicated many of the requests were able to be fulfilled through changes to program models and changes to staffing guidelines. He used the example of the new English Learning Development (ELD) model and the number of new schools that would transition from the pull-out model to the new ELD model.

Trustee Mayberry requested clarification on the Special Education supports. Mr. Bozzo explained the supports would come through both the compensation changes for aides and assistants, as well as staffing guidelines that would allow the positions to have additional hours to provide services in the schools. The additional hours would then allow the positions to be eligible for benefits as well.

Mr. Bozzo reviewed the anticipated savings to the General Fund from identified reductions from various departments, delayed implementation of stormwater utility fees, and reduced health insurance costs for new hires. The items resulted in an identified savings of over \$680,000. The identified savings should offset the final costs of the critical labor compensation adjustments. Based on all current information, the District anticipated a structurally balanced budget for the fourth year in a row, which included an Ending Fund Balanced of 10.1% and one-time uses for textbooks and a COVID differential agreed upon with the Washoe Education Association (WEA).

Superintendent McNeill requested additional information on the COVID differential. Mr. Bozzo mentioned the total cost of the COVID differential was \$6.3 million, but because of the one-time savings related to textbooks being funded through federal stimulus funds, the net impact was \$3.1 million, which would be paid for out of the Ending Fund Balance.

Trustee Nicolet recalled the state would sweep any Ending Fund Balance over 16%. She wondered what the process would be for the state to come in and sweep the funds if the District were to reach 16%. Mr. Mathers commented that the state was still developing their processes. He believed any sweep would come after an agency's annual financial report so the state was aware of exactly where an agency ended their fiscal year.

Trustee Rodriguez asked if there were additional tasks bus drivers could complete during their off hours that were not associated with one of the "combo" positions. Ms. Ellison noted there were some tasks the Transportation Department had available for

drivers during the summer months and drivers were also able to pick up additional hours through field trips. She felt the best opportunities would be the combo positions because they would provide more options. Additional details on the status of combo positions could be included as part of the Superintendent Highlights.

Trustee Mayberry wondered how service level reductions equated to a cost savings. Adam Searcy explained that reducing the amount of shift work required allowed for fewer positions.

Staff presented information on the status of other funds within the District, such as Special Revenue Funds. The District did have recommendations related to both the Internal Service Fund and the Capital Projects Fund to increase the number of staff positions paid out of the funds. The positions would assist with the increased workloads that had occurred within the two funds. The positions were primarily in accounting, purchasing, and construction management. The next steps in the process were the public hearing on the Tentative Budget was scheduled for May 24, 2022. The Board would be asked to approve that Final Budget at that time as well since it was due to the state on June 8, 2022.

Trustee Nicolet asked if staff believed the increased workload for Capital Projects would continue through at least the next fiscal year to warrant the new positions. She felt the current estimates were not projected to be the same as the few years. Mr. Mathers mentioned the District was anticipating over 300 projects during the next fiscal year that the new positions would have a hand in.

Trustee Beth Smith arrived at the meeting at 11:50 a.m.

Trustee Nicolet understood the need and wondered if any of the positions would be able to be funded through WC1 revenue. Mr. Mathers provided information on how the positions would be funded. The time a project manager or coordinator position spent on a specific project was funded out of that project, so if the project was funded from rollover bonds the position would be paid for by rollover bonds and the same with WC1 funds. The positions from Business and Purchasing were traditionally funded out of the program administration budget.

Trustee Church agreed new staff was needed but concerned some of the positions were now being funded under WC1. He wondered if the District would be able to continue to issue bonds. Mr. Mathers stated staff would be bringing additional information regarding the issuance of future bonds to the May 10 scheduled Board meeting. The District did have the ability to issue more bonds, but would have to go to the Washoe County Debt Commission first.

Trustee Church asked if the positions would still be needed in the future when growth slowed. Mr. Mathers highlighted that the expectation when WC1 was passed was that the District would work through the primary projects to relieve overcrowding and then the number of projects would begin to slow; however, the District had not seen any slowing yet. The intent of the modernization study would be to provide comprehensive information on what those additional needs would be in the future.

Trustee Rodriguez inquired if any projects had been delayed due to current staffing levels. Mr. Mathers noted nothing had been delayed yet, but the Purchasing Department was seeing an extreme strain with their workload. He was concerned if the additional positions were not added, then future projects would be delayed.

Trustee Church requested clarification on if the Final Budget could be changed after the Board approved it. Mr. Bozzo indicated the District would only be able to change the budget after approval if a significant amount of additional revenues were discovered. The Final Budget would need to be adjusted based on final enrollment numbers, which usually occurred in December of each year.

It was moved by Trustee Mayberry and seconded by Trustee Rodriguez that **the Board of Trustees provides direction to the Superintendent to analyze and report back to the Board specific budget issues, items, or other changes to the District's Fiscal Year 2022-23 budget process.** The result of the vote was Unanimous: (Yea: Jeff Church, Adam Mayberry, Ellen Minetto, Diane Nicolet, Joe Rodriguez, Beth Smith, and Angela Taylor.) Final Resolution: Motion Carries.

3. Closing Items

3.01 PUBLIC COMMENT

Jeff Church provided a sheet of his requests for future agenda items. He hoped other Trustees would be interested in some of the items and would let the Board President know so they could be scheduled.

3.02 ADJOURN MEETING

There being no further business to come before the members of the Board, President Taylor declared the meeting adjourned at 12:07 p.m.

Angela D. Taylor, President

Ellen Minetto, Clerk