

WASHINGTON ELEMENTARY SCHOOL DISTRICT

GOVERNING BOARD MINUTES: REGULAR MEETING

2011-2012

July 14, 2011

Administrative Center  
Governing Board Room  
4650 West Sweetwater Avenue  
Glendale, AZ 85304-1505

**I. REGULAR MEETING – GENERAL FUNCTION**

**A. Call to Order and Roll Call**

Mr. Maza called the meeting to order at 7:01 p.m. Governing Board members constituting a quorum were present: Mr. Chris Maza, Mr. Bill Adams, Mr. Aaron Jahneke, and Mrs. Tee Lambert. Ms. Clorinda Graziano joined the meeting at 7:08 p.m.

**B. Moment of Silence and Meditation**

Mr. Maza called for a moment of silence and meditation.

**C. Pledge of Allegiance**

Mr. Maza led the Pledge of Allegiance.

**D. Adoption of the Regular Meeting Agenda**

A motion was made by Mrs. Lambert that the Governing Board adopt the Regular Meeting Agenda. The motion was seconded by Mr. Adams. The motion carried.

**UNANIMOUS**

**E. Approval of the Minutes**

A motion was made by Mr. Jahneke that the Governing Board approve the Minutes of the June 23, 2011 Regular Meeting and Executive Session. The motion was seconded by Mrs. Lambert. The motion carried. Mr. Adams abstained from the vote.

**3-0 AYE**

**F. Current Events: Governing Board and Superintendent**

Mr. Adams thanked the Glendale Union High School Project S.H.A.R.P. coordinators, teachers, and students for the letters he received. Mr. Adams thanked everyone involved in the worthwhile program.

Mr. Jahneke shared that he enjoyed reading the letters from the Project S.H.A.R.P. coordinators, teachers, and students.

Dr. Bailey advised that summer school had ended and over 5,000 students had participated in various programs. She stated that four school sites remained open for childcare.

**G. Public Participation**

There was no public participation.

**H. Approval of the Consent Agenda**

Mr. Adams recused himself from Consent Agenda item \*II.K. – Renewal of Contract with First Things First for the Washington Resource Information Center.

**UNANIMOUS**

A motion was made by Mrs. Lambert that the Governing Board approve the remaining Consent Agenda items. The motion was seconded by Mr. Adams. The motion carried.

## II. CONSENT AGENDA

- \*A. Approval/Ratification of Vouchers** UNANIMOUS  
Approved and ratified the vouchers as presented.
- \*B. Personnel Items** UNANIMOUS  
Approved the personnel items as presented.
- \*C. Award of Contract – Bid No. 11.007, Window Treatments** UNANIMOUS
- \*D. Annual Intergovernmental Cooperative Purchase Agreements with the Mohave Educational Services Cooperative, Inc. (MESC)** UNANIMOUS
- \*E. Extension and Renewal of Annual Contracts for Specified Goods and Services** UNANIMOUS
- \*F. Addendum to the Food Program Permanent Service Agreement for the Fresh Fruit and Vegetable Program** UNANIMOUS
- \*G. Affiliation Agreement to Provide Meals to ACCEL School** UNANIMOUS
- \*H. Affiliation Agreement to Provide Meals to Gompers Special Education Day School** UNANIMOUS
- \*I. Agreement with *Interlingua* to Provide Spanish Classes to MAP Center Students at Sahuaro Elementary School** UNANIMOUS
- \*J. Renewal of Federal Work-Study Program Agreement with The Bryman School of Arizona** UNANIMOUS
- \*K. Renewal of Contract with First Things First for the Washington Resource Information Center** 3-0 AYE  
A motion was made by Mrs. Lambert that the Governing Board approve the renewal contract with First Things First for the 2011-2012 school year and authorize the Superintendent to execute all necessary documents. The motion was seconded by Mr. Jahneke. The motion carried. Mr. Adams recused himself from the vote.
- \*L. Reappointment of Employee Representative to the Trust Boards** UNANIMOUS

## III. RECESSING OF REGULAR MEETING FOR PUBLIC HEARING

## IV. PUBLIC HEARING

### A. Expenditure Budget for 2011-2012

Dr. Bailey introduced Ms. Cathy Thompson who gave a presentation regarding the 2011-2012 proposed expenditure budget and proposed tax rates. Ms. Thompson stated that the proposed expenditure budget for 2011-2012 was prepared within the limits provided by the State of Arizona and that the tax rates were estimates.

Ms. Thompson pointed out that the total for student instruction/support was over 70% represented on the M&O/Classroom Site Fund Expense by Function graph. Mrs. Lambert asked if the breakdown on the graph was the same as what the State Auditor General uses. Ms. Thompson replied that it is not the same, however, the categories are similar.

Mr. Jahneke asked if the District's figure (9%) for Student Support Services was higher than other districts. Ms. Thompson advised that our District spends more on Student Support Services than other districts.

Mr. Maza thanked Ms. Thompson for the presentation and pointed out that if the District had not received the M&O Override and K-3 Override funding, the District would have had a \$15-\$16 million budget cut.

Ms. Thompson advised that the tax rate is comparable to the 2004-2006 tax rates. She stated that although the tax rates are slightly higher than anticipated, the impact to the voters will be minimal because of the decrease in assessed home values.

There were no questions from the public.

**V. RECESSING OF PUBLIC HEARING FOR REGULAR MEETING**

**VI. RECONVENING OF REGULAR MEETING**

**VII. ACTION / DISCUSSION ITEMS**

**A. Expenditure Budget for 2011-2012**

**UNANIMOUS**

A motion was made by Mr. Adams that the Governing Board adopt the 2011-2012 Expenditure Budget, and approve and verify the Desegregation Budget Supplement and Verification Report. The motion was seconded by Ms. Graziano. The motion carried.

**B. To Consider and, if Deemed Advisable, Adopt a Resolution to Authorize the Sale of Tax Anticipation Notes by the District**

**UNANIMOUS**

Dr. Bailey advised the Board that the District experienced cash flow shortages due to differences in timing between the receipt of State funds and District expenditure patterns. Dr. Bailey introduced Ms. Cathy Thompson who advised the Board that the District had been greatly impacted the last few years by the rollovers by the State regarding the District's funding. Ms. Thompson stated that each year, the District had to utilize a line of credit in order to meet expenditures. Ms. Thompson explained that Tax Anticipation Notes (TANS) were a short-term debt that would be paid before the end of the school year at an interest rate well below the line of credit interest cost. Ms. Thompson stated that the District's recommendation was to purchase \$10 million in TANS which would allow the District to have cash on hand to cover expenditures.

Ms. Thompson introduced Mr. Bill Davis from Piper Jaffray and Company who gave a presentation regarding TANS. Mr. Davis advised that the Treasurer would be purchasing the notes on a taxable basis which eliminated most of the federal tax law requirements relating to spend down and arbitrage rebate. Mr. Davis stated that there was currently a unique situation in that short-term government rates were at taxable rates at or below short-term tax exempt rates which would provide direct benefits to the District. On a percentage basis, it appeared that the District's expenses for the program would be 40% lower this year than last year. Mr. Davis stated that overall borrowing cost was going to be lower and any interest earnings differential was going to be greater and more cost effective this year.

Mrs. Lambert asked how TANS would help the District if the State withholds funds in May. Mr. Davis replied that TANS would not help the District in the second half of May through the end of the fiscal year. Mr. Davis stated that the District would receive enough property tax revenue to pay back the TANS, however, might have to draw on a line of credit to meet expenditures at the end of the fiscal year.

Mrs. Lambert asked when the District would receive funds from the TANS if approved. Mr. Davis said he anticipated that the funds would be delivered on or around July 26, 2011.

Mr. Adams thanked Mr. Davis for his presentation and expressed his support of TANS because it would be advantageous for the District.

Ms. Graziano asked whether principle or interest would be used to pay expenditures if TANS was approved. Mr. Davis replied that the principle would be utilized, however, when property tax revenue or State aid was received, those monies would be deposited and draw interest. Mr. Maza stated that TANS was not meant to be a money making effort, but would allow the District to meet its expenditures without having to draw on a line of credit.

A motion was made by Mr. Adams that the Governing Board authorize the sale of tax anticipation notes by the District and the execution of all documents related to the sale. The motion was seconded by Mrs. Lambert. The motion carried.

**VIII. FUTURE AGENDA ITEMS**

There were no future agenda items.

**IX. GOVERNING BOARD AND SUPERINTENDENT ACKNOWLEDGMENTS**

Mr. Adams acknowledged and thanked Mr. Rex Shumway, Legal Counsel, for being available when needed.

Ms. Graziano acknowledged and thanked the students and teachers of the S.H.A.R.P. Program for their letters. She congratulated the students who participated in the program.

**X. ADJOURNMENT**

A motion was made by Mr. Adams to adjourn the Regular Meeting at 7:44 p.m. The motion **UNANIMOUS** was seconded by Ms. Graziano. The motion carried.

**SIGNING OF DOCUMENTS**

Documents were signed as tendered by the Governing Board Secretary

Joyce Shiota  
BOARD SECRETARY

8/25/11  
DATE

Sam Jabrel  
BOARD OFFICIAL

08/25/11  
DATE