

WASHINGTON ELEMENTARY SCHOOL DISTRICT
GOVERNING BOARD MINUTES: REGULAR MEETING

2014-2015

June 25, 2015

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

Mrs. Lambert called the meeting to order at 7:00 p.m. Governing Board members constituting a quorum were present: Mrs. Tee Lambert, Mr. Bill Adams, Ms. Clorinda Graziano, Mr. Larry Herrera, and Mr. Aaron Jahneke.

B. Moment of Silence and Meditation

Mrs. Lambert called for a moment of silence and meditation.

C. Pledge of Allegiance

Mrs. Lambert led the Pledge of Allegiance.

D. Adoption of the Regular Meeting Agenda

A motion was made by Mr. Jahneke that the Governing Board adopt the Regular Meeting Agenda. The motion was seconded by Ms. Graziano. The motion carried.

UNANIMOUS

E. Approval of the Minutes

A motion was made by Mr. Herrera that the Governing Board approve the Minutes of the June 11, 2015 Regular Meeting. The motion was seconded by Mr. Jahneke. The motion carried. Mr. Adams abstained from the vote.

UNANIMOUS

F. Current Events and Acknowledgments: Governing Board and Superintendent

Ms. Graziano thanked the Board for allowing herself, Mrs. Lambert, and Mr. Herrera to attend the Arizona School Boards Association (ASBA) Leadership Conference in Flagstaff. Ms. Graziano felt the overall conference was very good and had great speakers.

Ms. Lambert shared the following:

- During the Arizona School Boards Association Leadership Conference, attendees had the opportunity to hear Arizona Superintendent of Public Instruction, Diane Douglas, speak about her statewide Listening Tour.
- A representative from Governor Ducey's office spoke at the ASBA Leadership Conference regarding the Governor's proposal to utilize Trust Land monies for school districts.
- Was able to hear Governor Ducey explain his proposal to Trust Land monies at the Arizona Department of Education Leading Change Conference in Tucson.

Mrs. Lambert acknowledged that this was Ms. Shiota's last Board meeting. Mrs. Lambert thanked Ms. Shiota for all of her hard work and for taking such good care of Governing Board members these past years. Ms. Lambert wished Ms. Shiota the best of luck with all of her future endeavors.

All of the Governing Board members acknowledged and thanked both Ms. Joyce Shiota and Dr. Susan Cook on the wonderful service to WESD and the Board and wished them well.

G. Public Participation

There was no public participation.

H. Approval of the Consent Agenda

A motion was made by Mr. Adams that the Governing board approve the Consent Agenda items as presented. The motion was seconded by Ms. Graziano. The motion carried.

UNANIMOUS

II. CONSENT AGENDA

***A. Approval/Ratification of Vouchers**

Approved and ratified the vouchers as presented.

UNANIMOUS

***B. Personnel Items**

Approved the personnel items as presented.

UNANIMOUS

***C. Public Gifts and Donations (The Value of Donated Items is Determined by the Donor)**

Approved the public gifts and donations as presented.

UNANIMOUS

1. ICF International donated a check in the amount of \$300.00 to be used to benefit the students and staff at Sunnyslope School.
2. Ironwood PTO donated a check in the amount of \$817.35 to be used to benefit the students at Ironwood Elementary School.
3. Lesley B. Setzler, TTEE, donated a check in the amount of \$500.00 to be used for the benefit of students at Royal Palm Middle School.
4. Verizon Foundation donated a check in the amount of &1,000.00 (for volunteer efforts of Stacy Alyse Wieser) to purchase items for the Orangewood School sports programs, e.g., uniforms, referees, equipment, banquets/celebrations, and trophies.

***D. Award of Contract - Bid No. 15-017, Art Supplies**

UNANIMOUS

***E. Extension and Renewal of Annual Contracts for Specified Goods and Services**

UNANIMOUS

***F. Annual Intergovernmental Cooperative Purchase Agreement with the Greater Phoenix Purchasing Consortium for Schools (GPPCS), Strategic Alliance for Volume Expenditures (SAVE), The Cooperative Purchasing Network (TCPN), National Intergovernmental Purchasing Alliance (NIPA), and 1 Governmental Purchasing Alliance (IGPA)**

UNANIMOUS

***G. Continuation of Services Provided by Sole Source Vendors**

UNANIMOUS

***H. Services Agreement with the Act One Foundation**

UNANIMOUS

***I. Renewal of Lease Agreement with Faith United Methodist Church for 2015-2017**

UNANIMOUS

***J. Renewal of Lease with the Roman Catholic Church for Private School Consortium Facilities at Bourgade High School (Modular Building Site and Parking Area)**

UNANIMOUS

***K. Acceptance of the Virginia Piper Grant in the amount of \$5,800.00 and the City of Phoenix Block Watch Grants in the amount of \$38,537.00**

UNANIMOUS

- *L. **Approval of Second Reading and Adoption of Proposed Amended Board Policies AC – Non-Discrimination/Equal Opportunity, GBA – Equal Employment Opportunity, GCF/GDF – Staff Hiring, JB – Equal Educational Opportunities, JICK – Student Violence/Harassment/ Intimidation/Bullying, JII – Student Concerns, Complaints and Grievances, JK – Student Discipline, and KHC – Distribution/Posting of Promotional Materials**

UNANIMOUS

III. RECESSING OF REGULAR MEETING FOR PUBLIC MEETING

IV. PUBLIC MEETING

A. District Additional Assistance Reductions and Budgeted Classroom Spending

Dr. Cook advised the Board that this year some of the rules and regulations regarding the proposed budget were different. Dr. Cook introduced Ms. Cathy Thompson, Director of Business Services, who spoke to the Board regarding how WESD made reductions in the District's Additional Assistance Reductions.

Ms. Thompson explained that since this is the first time districts were being required to hold a public meeting to present the school district's plan for proposed District Additional Assistance Reductions, she was going to explain all of the reductions, not just the ones targeted for next year.

Ms. Thompson presented information on the impact to the budget as a result of the additional District Additional Assistance Reductions and compared fiscal year 2015 and 2016. Ms. Thompson also compared expenditures for classroom spending between fiscal year 2015 and 2016, including functions for instruction, student support, and instructional staff support. Ms. Thompson informed the Board that WESD should receive \$10,783,315.00 next year in District Additional Assistance (DAA). The total based reduction for fiscal year 2016 is \$9,111,901.00, leaving \$1,671,413.00 in new DAA budget.

Ms. Thompson emphasized that all of the numbers presented were based upon the proposed expenditure budget that the Board would be considering for approval later in the evening.

There were no questions from the public.

Mrs. Lambert asked for clarification regarding the allocations and reductions. Mrs. Lambert noted that based upon the calculations WESD was given, approximately ten million dollars for 2015 – 2016, but was required to reduce the budget by approximately nine million dollars leaving just over one million dollars. Ms. Thompson confirmed Ms. Lambert's calculations.

V. RECESSING OF PUBLIC MEETING FOR REGULAR MEETING

VI. ACTION / DISCUSSION ITEMS

A. To Consider and, if Deemed Advisable, Adopt a Resolution Authorizing the Issuance and Sale of Tax Anticipation Notes by the District

UNANIMOUS

Dr. Cook informed the Board that for the last several years, the District had to utilize the Tax Anticipation Note Program (TANS) due to cash flow shortages occurring because of the differences in timing between the receipt of State funds and District expenditure patterns, and this year was no different. Dr. Cook asked Ms. Thompson to introduce Mr. Bill Davis from Piper, Jaffray and Company to present the TANS information.

Ms. Thompson introduced Mr. Davis and he explained that the TANS program was

a financing tool that allows WESD to sell notes early in the year, invest the proceeds, and generate interest income on the notes and note issuance cost. With the direct purchase, note program costs will be reduced significantly with the elimination of ratings fees, printing costs, and a reduction in legal and underwriting expenses. Mr. Davis explained that because the Treasurer will be purchasing the notes on a taxable basis, it eliminates most, if not all, of the Federal tax law requirements relating to spend down and arbitrage rebate. The interest rate, if priced today, would be .2%. Mr. Davis explained they hoped to have the rate set by July 14, 2015 with closing by July 22, 2015. The alternative to the TANS program would be a line of credit from the Treasurer's office which currently was just above 2%.

Mr. Herrera asked Mr. Davis whether the District would be subject to a penalty for borrowing the money. Mr. Davis responded no, there would not be any penalties associated with borrowing the money through TANS.

Ms. Thompson explained to the Board that in the last few years, WESD had been receiving partial payments every month, thus allowing WESD to keep those funds in an account earning interest because of the TANS program.

A motion was made by Mr. Jahneke that the Governing Board authorize the sale of tax anticipation notes by the District not to exceed \$12,000,000.00 and the execution of all documents related to the sale. The motion was seconded by Mr. Adams. The motion carried.

B. Proposed Expenditure Budget for Fiscal Year 2015-2016

UNANIMOUS

Dr. Cook introduced Mr. David Velazquez, Director of Finance, to present the 2015-2016 Proposed Expenditure Budget that will be presented for approval at the July 9, 2015 Board meeting.

Mr. Velazquez presented to the Board the 2015–2016 proposed expenditure budget. Mr. Velazquez informed the Board that there was a slight increase in the M&O budget due to the annual inflation factor. This year, there was an additional inflation factor due to a Legislative agreement regarding districts not receiving the correct inflation factor in prior years.

Mr. Velazquez also informed the Board that the Classroom Site Fund was based on an estimate of revenue of the State's Land Trust Fund. There was a significant decrease in the District's Additional Assistance Reductions due to Legislative balancing of the State budget. Overall, WESD will be able to cover all expected expenditures for the coming year.

A motion was made by Ms. Graziano that the Governing Board approve the Proposed Expenditure Budget for 2015-2016 and authorize publication of the summary and the notice of public hearing. The motion was seconded by Mr. Jahneke. The motion carried.

C. Conversion of District Sponsored Charter Schools to Traditional District Schools

UNANIMOUS

Dr. Cook advised the Board that the Legislature prohibited the ability of districts to sponsor district-sponsored charter schools. The law now required the Board to convert the district-sponsored charter schools to traditional District schools, and the Board minutes must reflect such action. WESD has already accounted for the conversions within our proposed budget.

A motion was made by Mr. Jahneke that the Governing Board approve the resolution converting all WESD district-sponsored charter schools into District

schools effective June 30, 2015. The motion was seconded by Mr. Herrera. The motion carried.

D. Approval to (i) Temporarily Suspend Certain Provisions of Policy EIC – Self-Insurance Programs (Trust Board) and the Revised Declaration of Employee Benefit Trust, Effective February 14, 1996, Regarding Qualifications to Serve as a Trust Board Member; and (ii) Appoint an Additional Community Member to Serve on the Trust Board

UNANIMOUS

Dr. Cook introduced Mr. Rex Shumway, Legal Counsel, to speak to the Board regarding the provision and policy that prohibits a Governing Board member from serving after the expiration of term of office. Mr. Shumway informed the Board that they were being asked to temporarily suspend a portion of certain provisions of the policy and a portion of Trust Board documents in order to allow Mr. Chris Maza to continue on the Trust Board as a Community Member until June 30, 2016.

Ms. Graziano indicated that the Board would need to implement a training program to prepare Governing Board and/or Community members to serve on the Trust Board in the future.

Mr. Jahneke voiced his support for Ms. Graziano's idea of a training program to prepare others to serve on the Trust Board.

Mrs. Lambert thanked Mr. Maza for agreeing to continue to serve on the Trust Board for WESD.

A motion was made by Mrs. Lambert that the Governing Board (i) temporarily suspend the provision of Policy EIC – Self-Insurance Programs (Trust Board) and the Revised Declaration of Employee Benefit Trust, Effective February 14, 1996, that prohibits a Governing board member from serving after the expiration of term of office; and (ii) appoint Chris Maza to serve as a Community Member on the Trust Boards until June 30, 2016. The motion was seconded by Ms. Graziano. The motion passed.

VII. FUTURE AGENDA ITEMS

There were no future agenda items.

VIII. ADJOURNMENT

A motion was made by Mr. Adams to adjourn the meeting at 7:37 p.m. The motion was seconded by Mr. Herrera. The motion carried.

SIGNING OF DOCUMENTS

Documents were signed as tendered by the Governing Board Secretary

BOARD SECRETARY

DATE

BOARD OFFICIAL

DATE