

**SANTA CRUZ VALLEY UNION HIGH SCHOOL DISTRICT #840  
GOVERNING BOARD MEETING MINUTES – FEBRUARY 7, 2017**

**DATE/TIME/PLACE**

The Santa Cruz Valley Union High School District Governing Board of Education held a Regular Board Meeting at 6:00 PM on Tuesday, February 7, 2017 in the Santa Cruz Library, Community Room, which is located at 1000 N. Main Street in Eloy, Arizona.

**CALL TO ORDER**

Ms. Flores called the regular meeting to order at 6:03 pm and led the audience in the Pledge of Allegiance.

**THOSE PRESENT**

Liz Flores, President, Anna Bell Saucedo, Vice-President, Richard Reyes, Member (via phone) Orlenda Roberts, Superintendent, Debi Tabeling, Business Manager, Oranté Jenkins and Sherry Eisler, District Administrative Assistant. Thomas Gil, Member, and Rita Walker, Member were absent.

**REGULAR MEETING**

**RECOGNITIONS**

There were no recognitions presented to the board members.

**CALL TO THE PUBLIC**

There were no requests from the Public to address the Governing Board.

**MONTHLY REPORTS**

Ms. Tabeling reported that the sewer project was not on the School Facilities Board agenda as she had anticipated and was hoping it would be on the March agenda. She also reported that the auditors from Heinfeld and Meech gave her a good report and she would be receiving the report at a later date.

**BUSINESS**

1. Discussion/Approval/Disapproval to consider and, if deemed advisable, to adopt a Resolution authorizing the Issuance and Sale of School Improvement Bonds of the

District and adopting certain Issuance and Post-Issuance Compliance Procedures and Continuing Disclosure Compliance Procedures.

Ms. Tabeling introduced Mr. Dustin Cammack from Gust Rosenthal and Michael LaVallee from Stifel, Nicolaurs & Company, Inc. to present the role each entity will provide in the process of the bonds. Mr. LaVallee explained to the board what their role will be as the “Underwriter” of the bond. He submitted to the board an information packet about the role and process Stifel will perform as the underwriter for the bond. Mr. LaVallee explained the following:

- ✚ Voters approved a \$ 7 million bond on November 8, 2016.
- ✚ Bonds will be sold in two series. A series will be the first to be sold and will not exceed \$5 million. The 2<sup>nd</sup> series will not exceed \$2 million.
- ✚ List of proposed capital improvements
- ✚ Current tax rate for the old bond is \$1.04
- ✚ Tax rate for the new bond is estimated to be .75¢ when the bonds are sold
- ✚ Repaying the bonds in 10 years
- ✚ In 2 to 3 years, selling of the 2<sup>nd</sup> series of the bond

Mr. LaVallee shared with the board members, a tentative financial calendar which was included in the informational packet.

- ✚ Week of February 13<sup>th</sup> – county would submit assessed valuations to Stifel
- ✚ Weeks of March 6<sup>th</sup> or March 13<sup>th</sup> – secure credit ratings, receive insurance quotes, select insurance company, if necessary
- ✚ District’s 2016 audited financial statement completed
- ✚ Finalize POS and distribute electronically
- ✚ Week of March 20<sup>th</sup> – Stifel markets and underwrites bonds, and executes bond purchase agreement
- ✚ Week of March 27<sup>th</sup> – prepare final official statement and distribute to Bond investors and financing team; prepare all closing documents; secure needed signatures from Governing Board and Administration and issue closing letter.
- ✚ Week of April 17 – Close the Bond issue.

Ms. Flores asked if the Resolution was created by Stifel and Gust Rosenthal and Mr. LaVallee answered that Stifel provided the financial numbers to Gust Rosenthal. Ms. Flores asked if there was a possibility the tax rate could go above the .75 Cents. Mr. LaVallee stated the tax rate could increase if the assessed valuation of the district decreased but that they could extend the debt repayment to more than 10 years to keep the taxes low.

Mr. Cammack commented to the board that in Section 19 of the Resolution, there would be two federal agencies that would be interested in the bond – the Internal Revenue Service (IRS) and the Securities and Exchange Commission (SEC). IRS requires that all tax exempted rules are being followed and the district would need to make sure that all Post-Issuance procedures are in compliance. If there were major changes, the district would have to consult with the bond council. SEC will monitor the continuing disclosure compliance procedures and this assures that the people who purchase the bonds are aware of the status of the district. These procedures will be disclosed on-line.

Ms. Flores asked for an example that would be classified as a major change. Mr. LaVallee stated that there are 14 items listed in Exhibit C under Section 5.

Mr. LaVallee explained to the board the option and possible importance of purchasing bond insurance due to the insurance company will usually have a higher credit rating than the district. The district will pay a premium for bond insurance which will result in a benefit when selling bonds as the district will then qualify to get a lower interest on the bonds.

Mrs. Saucedo MOVED to approve to adopt a Resolution authorizing the Issuance and Sale of School Improvement Bonds of the District and adopting certain Issuance and Post-Issuance Compliance Procedures and Continuing Disclosure Compliance Procedures, with a SECOND by Mr. Reyes.

MOTION CARRIED 3-0

2. Discussion/Approval/Disapproval of the Declaration of Official Intent under Treasury Regulations section 1.150-2 to reimburse an expenditure with proceeds of Tax-Exempt Bonds.

Ms. Tabeling explained she had paid the architect from the 610 account along with the renovations in the welding area completed during the winter break. She went on to say that once the first bonds are sold that she will make a journal entry from the bond account to the 610 account.

Mrs. Saucedo MOVED to approve of the Declaration of Official Intent under Treasury Regulations section 1.150-2 to reimburse an expenditure with proceeds of Tax-Exempt Bonds, with a SECOND by Mr. Reyes.

MOTION CARRIED 3-0

### **SUPERINTENDENTS ITEMS**

1. Monthly Report

Mrs. Roberts stated she will be sending out a monthly report later this month and she apologized for not having prepared a written report for the board.

Mrs. Roberts also explained to the board that wrestler's who qualified for the regional championship round and will need to stay an extra night. The championship round and final presentations will probably go into late evening on Friday. Therefore the wrestler's will need to spend Friday night in Prescott Valley and come home on Saturday morning. The board already approved participation by our team in this event. This is simply an update to inform the board of the extra night's hotel stay.

### **PERSONNEL ITEMS**

1. Discussion/Approval/Disapproval to accept James Amaro's letter of resignation.

Mrs. Saucedo MOVED to approve, to accept James Amaro's letter of resignation, with a SECOND by Mr. Reyes.

MOTION CARRIED 3-0

2. Discussion/Approval/Disapproval to hire Tiffany Ibarra as a substitute teacher for FY 16/17.

Mrs. Saucedo MOVED to approve to hire Tiffany Ibarra as a substitute teacher for FY 16/17, with a SECOND by Mr. Reyes.

MOTION CARRIED 3-0

3. Discussion/Approval/Disapproval to hire Linda Jones as a part-time food service worker/substitute for FY 16/17.

Mrs. Saucedo MOVED to approve to hire Linda Jones as a part-time food service worker/substitute for FY 16/17, with a SECOND by Mr. Reyes.

MOTION CARRIED 3-0

4. Discussion/Approval/Disapproval to hire Jose Manuel Salcido, Jr. as a full-time facilities assistant for FY 16/17.

Mrs. Saucedo MOVED to approve to hire Jose Manuel Salcido, Jr. as a full-time facilities assistant for FY 16/17, with a SECOND by Mr. Reyes.

MOTION CARRIED 3-0

5. Discussion/Approval/Disapproval to have Edward Perez and Omar Porras as volunteers during baseball season for school year FY 16/17.

Mrs. Saucedo MOVED to approve to have Edward Perez and Omar Porras as volunteers during baseball season for school year FY 16/17, with a SECOND by Mr. Reyes.

MOTION CARRIED 3-0

6. Discussion/Approval/Disapproval to hire Timothy J. Murphy as a substitute teacher for school year FY 16/17.

Mrs. Saucedo MOVED to approve to have Edward Perez and Omar Porras as volunteers during baseball season for school year FY 16/17, with a SECOND by Mr. Reyes.

MOTION CARRIED 3-0

7. Discussion/Approval/Disapproval to hire Elsa Belloc as a food service worker for school year FY 16/17.

Mrs. Saucedo MOVED to approve to hire Elsa Belloc as a food service worker for the school year FY 16/17, with a SECOND by Mr. Reyes.

MOTION CARRIED 3-0

8. Discussion/Approval/Disapproval to hire Jillian Messina as a long-term substitute Culinary Arts teacher for school year FY 16/17.

Mr. Reyes asked about Ms. Messina's teacher certification. Mrs. Roberts explained that she is currently working on obtaining her CTE certification at this time and, as a substitute, she is not required to have a CTE certificate. Once she has her CTE certification, Ms. Messina will be placed on an upcoming agenda to be hired as the culinary arts teacher. Mrs. Roberts also shared with the board the fact that Ms. Messina is a professional chef and that she has even owned her own restaurant. She does have the necessary skills to teach the culinary arts classes.

Ms. Flores asked how long it will take for Ms. Messina to get her certification. Mrs. Roberts stated that it should be completed in 3 to 4 weeks.

Mrs. Saucedo MOVED to approve to hire Jillian Messina as a long-term substitute Culinary Arts teacher for the school year FY 16/17, with a SECOND by Mr. Reyes.

MOTION CARRIED 3-0

9. Discussion/Approval/Disapproval to hire Elsa Belloc as a part-time van driver for school year FY 16/17.

Mrs. Saucedo MOVED to approve, to hire Elsa Belloc as a part-time van driver for school year FY16/17, with a SECOND by Mr. Reyes.

MOTION CARRIED 3-0

10. Discussion/Approval/Disapproval of other certified, classified or volunteer personnel items as presented.

Mrs. Roberts submitted a list of current certified staff names to renew their contracts for FY17/18 for board approval.

Mrs. Saucedo MOVED to approve the recommendation for the 2017-2018 certified staff contracts, with a SECOND by Mr. Reyes.

MOTION CARRIED 3-0

**CONSENT ITEMS**

1. Approval of overnight travel for the softball team on Friday, May 5, 2017.
2. Ratification of the expenditures identified in the Auxiliary Operations Fund Report for January, 2017.
3. Approval of Student Activities Account Report for January, 2017.
4. Approval for Ratification of payroll and expense vouchers for January, 2017.

Payroll	Amount	Expenses	Amount
# 19	\$ 94,861.45	# 1736	\$ 87,553.93
# 20	\$ 108,853.37	# 1737	\$ 314.73
		# 1738	\$ 12,878.47
		# 1739	\$ 40,829.26
		# 1740	\$ 297.31
		# 1741	\$ 110,704.34
		# 1742	\$ 15,000.00
		# 1743	\$ 23,097.71
		# 1744	\$ 297.34
<b>Total Payroll:</b>	<b>\$ 203,714.82</b>	<b>Total Expenses:</b>	<b>\$ 290,973.09</b>
<b>Grand Total: \$ 494,687.91</b>			

5. Discussion/Approval/Disapproval of the Regular Governing Board Meeting Minutes and Executive Session Minutes from January 12, 2017.

Mrs. Saucedo MOVED to approve Consent items # H1-H5, with a SECOND by Mr. Reyes.

MOTION CARRIED 3-0

**ANNOUNCEMENTS**

Mrs. Roberts asked if the board members would need to change the date of the next meeting which is March 9<sup>th</sup>. Members would be present.

**BOARD MEMBER ITEMS**

There were no board member items presented.

**ADJOURNMENT**

Mrs. Saucedo MOVED to approve to adjourn the meeting at 6:44 pm; with Mr. Reyes  
SECONDING the motion.

MOTION CARRIED 3-0

**GOVERNING BOARD MEMBERS:**

\_\_\_\_\_  
**Liz Flores**

\_\_\_\_\_  
**Richard Reyes**

\_\_\_\_\_  
**Thomas Gil**

\_\_\_\_\_  
Anna Bell Saucedo

\_\_\_\_\_  
**Rita Walker**

**Date Approved:** \_\_\_\_\_