

**Mobile Elementary School District No. 86
42798 South 99th Ave
Maricopa AZ 85139**

**BOARD OF TRUSTEES REGULAR MEETING
MINUTES**

DATE: Thursday, April 10, 2014
TIME: 5:32 PM
LOCATION: Mobile Elementary School Multipurpose Room

CALL TO ORDER: Mrs. Brown called the meeting to order.
The Pledge of Allegiance was said by Bianca Schrader

ROLL CALL BY	Present	Mr. Derek Jacobson
	Present	Mrs. Delores Brown
	Present	Mrs. Bianca Schrader
	Present	Dr. Kit Wood

Agenda Items Discussed

- ❖ The call to the public was presented; Tanya Gabrick, Pat Blair, Teri Dominguez, Heather Miller, and Dori Bosley were present in the audience.
- ❖ Mrs. Brown moved the agenda be approved as presented. Mrs. Bianca Schrader seconded the motion, all in favor, motion carried.
- ❖ The call for public participation was made. The public wishes to comment on the topics once they are reached for discussion during the board meeting.
- ❖ Governing Board Reports: Nothing to report.
- ❖ Superintendent's report: The school started Stanford 10 and AIMS testing on Tuesday and grades 2-8 will continue testing next week Monday, Tuesday and Wednesday. Dr. Wood believes that the students are prepared for testing and they are encouraged to do their best. There are 8 more weeks of school left.
- ❖ Item 8 which is a motion by exception. Mrs. Brown moved the Governing Board approve the recommended actions of 8A through 8F as presented with attachments, and Mr. Derek Jacobson seconded the motion, it was moved and seconded, all in favor, motion carried. Dr. Wood stated that by approving item 8 they are accepting the \$3,800 donation from the Weinberger's for school uniforms for the 2014-2015 school year.
- ❖ Item 9A: Mrs. Brown brought forward the action item; approve General Statement of Assurance for 2014-2015. Dr. Wood stated The General Statement of Assurance is an annual obligation of all school districts who receive state and federal grant funds. The Statement of Assurance needs to be completed in order for the school to spend the grant funds. Mrs. Brown moved that the governing board approve the General Statement of Assurance for 2014-2015, as presented. Mr. Derek Jacobson seconded the motion, it was moved and seconded, all in favor, motion carried.

- ❖ Item 9B: Mrs. Brown brought forward the action item; approve Arizona School Boards Association Insurance Trust/Meritain Health Insurance Renewal for Staff for the 2014-2015 school year. Dr. Wood stated at the last meeting the health insurance was brought up as a discussion item. The benefits that are provided to staff members have always been a significant factor in attracting and retaining staff and it has been important to the governing board to provide employees with good health insurance coverage. Since the Affordable Care Act has been implemented, there are rising costs in health care expenses. We are currently paying \$385 per month, per full time employee for an annual total of \$4,624 per employee, per year for health insurance. For all 10 employees currently covered that is an annual cost of \$46,248 for the 2013-2014 school year. Included in the benefit package is health, dental and vision insurance as well as a \$20,000 life insurance policy. The governing board wanted more information than the 3 options that were presented at the last board meeting. A booklet was given to each board member detailing all the available plans to choose from. In previous years ASBAIT has offered the district 4-5 options for insurance coverage. This year more plans are being offered, approximately 9-10. At the last board meeting the Classic Silver was brought forward as the recommended plan. If we go with the top insurance plan for the next year the cost will be \$5,138 per employee, per year. This would be a \$5,000 annual increase to cover insurance for 10 employees for next year. The Classic Gold Plan is close in cost to what we are currently paying for employee insurance. The Classic Silver is \$4,598 per employee, per year, which is under what we are paying this year. This topic is being brought back to the board for further discussion. If the board does reach a decision then action can be taken on this item tonight. In the past we have always offered the top plan and did not offer employees any other options. The district can offer up to 3 insurance plans to its employees. The governing board would then choose which plan to fully fund. If any employee wishes to provide coverage for their dependents, the employee and the dependents must enroll in the same plan. Most districts do offer 3 different plan options. The district would fully fund the employee under one plan and the district does not provide funding for an employee's dependents. Mr. Jacobson stated that it did make sense to offer employees more options when it comes to insurance. Mr. Jacobson would like to do what is in the best interest of the employees. The governing board discussed the option to fully fund the Classic Gold Plan and also offer the Copay Gold and the Classic Silver as alternative options. Mrs. Brown moved that the governing board approve the Arizona School Boards Association Insurance Trust/Meritain Health Insurance Renewal for Staff and fully fund the Classic Gold Plan and offer Copay Gold and Classic Silver as options for the 2014-2015 school year, as presented. Mrs. Bianca Schrader seconded the motion, it was moved and seconded, all in favor, motion carried.

- ❖ Item 9C: Mrs. Brown brought forward the action item; approve Maricopa County Education Service Agency Intergovernmental Agreement for Engineering STEM Identity Grant Program. Dr. Wood stated that this is a grant that Mobile is participating in along with 10 or 11 other districts. The grant is specifically for rural schools and focuses on bringing science, math, engineering and technology into the classroom in order to help the students learn more and become more competitive in the work force. It is designed to improve student achievement and engagement in the areas of science, engineering, technology and math. The teachers would receive 3 weeks of training over the summer and the grant will be implemented during the next school year. This program is at no cost to the district. The students will also have access to the IVL interactive video Modeling Curriculum and video lab. Mrs. Brown moved that the governing board approve the Maricopa County Education Service Agency Intergovernmental Agreement for Engineering STEM Identity Grant

Program, as presented. Mrs. Bianca Schrader seconded the motion, it was moved and seconded, all in favor, motion carried.

- ❖ Discussion Items A: REIL-TNG Salary Structure Proposal for 2014-2019. Dr. Wood stated that Tanya Gabrick, who was at the last meeting, is here to present more information on the REIL-TNG Salary Structure proposal. Last meeting the proposed TIFF 4 Salary Structure Plan was presented and Mrs. Gabrick did a quick review of last month's presentation. The purpose behind the salary structure is to attract and retain highly effective teachers. The concern that was brought forward from the board was that after the grant is over, is this type of structure sustainable long term. Based on the proposal a teacher could go from earning \$41,520 to \$47,920 over 5 years and the concern was how could the district sustain the costs beyond 2019. What happens in 2019-2020 when there are no extra 301 funds to fund the increase in salary and we are back to a \$600,000-\$700,000 budget? Dr. Wood stated that the teachers were hearing about this proposed salary structure for the first time tonight. Dr. Wood would have liked to present this to the teachers prior to the meeting but it wasn't feasible and they didn't want to present the proposed salary structure to the teachers if they thought the proposal would not be approved. Enclosed with the information about the grant is the Arizona School Board salary comparison chart. This chart shows what the starting salaries and salary ranges are for teachers in districts throughout Arizona. In the 3 years that we have been participating in the REIL-TNG grant, colleagues of Dr. Wood are surprised at our \$40,100 starting base salary. Based on the concerns of the board, Mrs. Gabrick and Dr. Wood have come forward with 2 other options that might work better than the first proposed salary structure, which will still keep us in the grant and give our teachers all advantages of the grant, including professional development. Option 1 would be to lower the dollar amounts given out in each category in order to make it more sustainable. Rather than offering \$1,300 for the top level, reduce that to \$500, and then \$350 and \$200 for the other levels. In 4 years that would equate to a \$2,000 total raise per teacher vs the \$5,200 raise over 4 years based on the previous model. This would make the proposed salary structure more sustainable. Option 2 would be to develop salary ranges. The salary ranges would be determined by the effectiveness of the teacher; effective, highly effective etc. Since salaries would need to be approved each year, being in one salary range one year, would not guarantee that you would be in that same salary range the following year. The salary range would be re-evaluated and be determined based on their effectiveness as a teacher. Mrs. Brown stated she would love to give our teachers a big raise but understands that we need to be financially responsible. She doesn't see how we can give the higher dollar amounts. Mrs. Schrader and Mr. Jacobson both like the idea of a salary range. Mrs. Schrader also suggested giving a retention bonus even after the grant is over; the amount of which would be determined by the board. Mr. Jacobson asked if teachers were automatically rated "highly effective". Mrs. Dominguez stated that it is very difficult to attain the highly effective level and it is not automatic that any teacher is put into that category right away. Dr. Wood suggested that at the next board meeting the board members are shown how the REIL score is calculated. This will help the board to better understand the levels that the teachers can achieve. Dr. Wood also wanted to make it clear that this type of salary structure is not based on years of experience but rather based on the effectiveness of the teacher. It is to recognize high performance and highly effective teachers and those teachers are compensated accordingly. Board members and teachers are encouraged to contact Mrs. Gabrick and Dr. Wood if they have other ideas on the salary structure proposal.
- ❖ Discussion Items B: Budget Update 2013-2014. The school is operating within budget. At the next meeting with Jim Hippel, Dr. Wood and Mr. Hippel will be discussing the revised budget for this year. The staff has been supportive and has been keeping expenditures down.

We will end this school year within budget. Dr. Wood did want to let the board know that Veronica Fabella did get a job as a business manager with the Littleton School District. Mike Martinez at MCESA is assisting Dr. Wood with processing payroll and accounts payable and the county is not charging the school for these services from the time Veronica left through the end of the school year.

- ❖ Discussion Items C: Budget Planning 2014-2015. Dr. Wood provided a brief re-cap of items that have affected the operating budget of the school district. Prior to 2011-2012 we ended every year with \$50,000-\$100,000 in cash that was carried over to the next year. We have typically ended the school year with \$100,000 in the bank. Things have changed significantly over the past 2-3 years. We received \$40,000 last year in sudden growth funds and we do not have those funds this year. Last year our ADM was 32.94 and this year it is 24.15. In 2012-2013 the district lost \$25,000 in Title 1 and Title 2 funds. These funds paid a large part of our primary teacher's salary. Prior to 2009, \$26,000 was received each year for facility repairs from the Arizona School Facilities Board. As needs arose, we spent those monies for needed repairs, and we are now down to \$0 in the fund. Prior to 2011-2012, 3 full time teachers and 1 part-time SPED teacher were employed. Since then 3 full time teachers and 1 full time SPED teacher have been on staff. All staff were hired based on student needs. Since 2011 the school has employed 1 to 2 instructional aids depending on the needs of the students. All decisions to hire staff members were based on need and approved by the board. This was presented as background information to explain how we arrived at the position we are in today.
- ❖ Discussion Items D: Update on 2012-2013 USFR Compliance Review and Biennial Financial Audit. When the board agenda was written Dr. Wood did not have the documents in hand from Henry and Horne. January 31, was the close out meeting with Henry and Horne to review the audit findings. On April 2, 2014, Henry and Horne submitted the final close out report to the state and to the Auditor General's Office. Jim Hippel has also received a copy of the report. On Monday, April 21, Dr. Wood will be meeting with Jim Hippel, Mark Martinez, and Talise Berry to review the findings from the audit. Once they have reviewed the findings, they will report back to the board. Dr. Wood reported that we are doing nothing that was noticeably identified as incorrect. There are little things that we need to sharpen up. Many of the issues that were found were in the USFR Compliance Questionnaire, and most of the findings were related to student attendance and record keeping. There are certain reports that we should be keeping and we are working to resolve those issues. Each board member will be receiving a copy of the report from Henry and Horne tonight to review. The auditors look at the financial numbers much differently than someone who is in school finance. In 2012 it was noted that the total financial position of the school decreased by \$222,397 from the prior fiscal year. In 2013 it was noted that the total financial position of the school decreased by \$158,905 from the prior fiscal year. Although Dr. Wood and Mr. Hippel do not agree totally with these figures it does demonstrate the downward trend of lack of revenue and inability to spend money. Mr. Jacobson asked if other districts were also seeing this downward trend in finances. Dr. Wood confirmed that they were. This was not just isolated to Mobile. Dr. Wood will not go further into the report that this time but asks the board to review the documents and let her know if the board has any questions.
- ❖ Discussion Items E: First Reading of Policy Service Advisories 499-503. Tabled until the next board meeting.
- ❖ Next Governing Board Meeting Agenda items;

- First Reading of Policy Service Advisories 499-503
- Revised Budget
- Teacher contracts (or prior to the next meeting if possible)
- Other staff in May
- Audit
- Salary Structure Proposal

❖ Executive Session: Mrs. Brown called the executive session to order at 6:47 p.m. and Mrs. Bianca Schrader seconded the motion. The discussion of employee positions including contracts, benefits, salary and employment was conducted and Mrs. Brown returned from executive session at 7:30 p.m.

❖ Mrs. Brown made a motion to adjourn the meeting at 7:31 pm. Mrs. Bianca Schrader seconded the motion, all in favor, motion carried. Meeting adjourned.

Board President	Date
Board Member	Date
Board Member	Date
Superintendent	Date