

**CONFIRMED**  
**MINUTES OF THE SPECIAL MEETING OF THE GOVERNING BOARD OF**  
**COLORADO CITY UNIFIED SCHOOL DISTRICT #14**  
**HELD IN THE DISTANT LEARNING ROOM**  
**325 NORTH COTTONWOOD STREET**  
**COLORADO CITY, ARIZONA**

Held: 6:00 P.M. June 16, 2008 Daylight Savings Time

GOVERNING BOARD MEMBERS PRESENT: Jared Hammon, President  
Sam Zitting, Clerk  
Daniel Dutson, Member (Telephonically)  
Charlette Chatwin, Member

OTHERS PRESENT: Carol Timpson, Superintendent  
Fawneta Carroll, Principal  
Mary Timpson, Business Manager  
Betty Lou Barlow, Administrative Assistant

AGENDA

1. Call to Order

Jared Hammon called the meeting to order at 6:24 p.m. (Jared Hammon and Sam Zitting were present, Daniel Dutson was present telephonically)

2. Approval of Agenda

3. Consent Agenda

A. Approval of Minutes

(Charlette Chatwin arrived at the meeting and Daniel Dutson discontinued the meeting).

Regular Session Minutes, May 22, 2008

Jared Hammon asked that a wording be changed on page 5, second paragraph, where it mentions that Jared Hammon commented that a degree does not make a teacher, he asked that to be amended to say that Jared Hammon commented that a degree does not necessarily make a teacher.

Charlette Chatwin mentioned that she found several typos when she proofed the minutes, Jared Hammon asked the secretary to proof the minutes again for these.

Executive Session, May 22, 2008

**MOTION:** Jared Hammon motioned and Sam Zitting seconded the motion that the Governing Board approve the Minutes of the Regular Session, May 22, 2008 as amended and the minutes of the Executive Session held on May 22, 2008. Vote: All in favor. Motion Carried.

B. Ratification of Vouchers Signed Between Meetings  
Voucher 8035  
Voucher 8036

Charlette Chatwin asked about the Use Sale Tax. Carol Timpson stated that when the District purchases from out of state companies, then the District is required to file a use tax and pay the State of Arizona.

**MOTION:** Sam Zitting motioned and Charlette Chatwin seconded the motion that the Governing Board approve Vouchers 8035 and 8036. Vote: All in favor. Motion Carried.

4. Call to Public  
No Response

5. Business Items

A. Consideration and Action Approving the District to Enter Into a Lease Agreement with Blue Bird Financial

Jared Hammon stated that the Governing Board has previously discussed and approved the District to buy new buses. Carol Timpson replied that the Governing Board has already approved the purchase order for the buses. This document is the lease agreement. The finance company requires the Governing Board to approve the lease as written. The District must then submit a complete copy of the minutes approving the lease agreement.

Charlette Chatwin asked where the money is coming from to buy the buses. Carol Timpson replied that soft capital will be used.

**MOTION:** Charlette Chatwin motioned and Sam Zitting seconded the motion that the Governing Board allow the District to enter into the Lease Agreement with Blue Bird Financial. Vote: All in favor. Motion Carried.

B. Consideration and Action Regarding the Arizona State Retirement Replacement Certification and Retirement Plan Resolution

Carol Timpson stated that the Governing Board has already approved this resolution, but the State has lost the originals and they need it signed again.

Sam Zitting asked if anything is being changed, Carol Timpson replied that nothing has changed. It is a replacement certificate for the certificate that the Governing Board previously adopted.

Charlette Chatwin asked how the Retirement program works. Carol Timpson stated that 9.7% of each certified employee's pay is placed into a retirement fund and then District matches that amount.

**MOTION:** Jared Hammon motioned and Sam Zitting seconded the motion that the Governing Board approve Arizona State Retirement Replacement Certification and Retirement Plan Resolution. Vote: All in favor. Motion Carried.

C. Consideration and Action Regarding Arizona Risk Retention Trust Renewal

Item 3-C Tabled until next Board Meeting.

D. Consideration and Action Regarding Blue Cross Blue Shield Insurance Renewal

Carol Timpson stated that items D and E are items regarding insurance renewal. The District has changed the renewal from October to July 1, so that it can renew in the summer and be put into the new budget if the rates change.

Sam Zitting asked if the rates have gone up. Carol Timpson responded that the Blue Cross Blue Shield rates have stayed the same. The premium for the health insurance is **355.31** which is the rate that the District pays for its employees. This plan carries a \$2,600 deductible. The District also pays for each full-time employee to have \$20,000 in life insurance, but all other benefits quoted in the package are voluntary coverage paid by the employee.

**MOTION:** Jared Hammon motioned and Charlette Chatwin seconded the motion that the Governing Board approve the Blue Cross Blue Shield Insurance Renewal. Vote: All in favor. Motion Carried.

E. Consideration and Action Regarding CSA Voluntary Benefit Coverage

The CSA offers Dental, Vision, Voluntary Life, and Voluntary Disability that the employees can choose. The District has a cafeteria plan which allows these deductions to be tax free.

**MOTION:** Charlette Chatwin motioned and Jared Hammon seconded the motion that the Governing Board approve the renewal of CSA Voluntary Benefit Coverage. Vote: All in favor. Motion Carried.

F. Approve Proposed Budget for the 2008-09 Fiscal Year

Charlette Chatwin asked concerning the rapid decline formulas. Carol Timpson stated that for several years the District has been approved for rapid decline monies because of the drastic reduction in enrollment when everyone pulled out of the school system. The formula allows the District to receive some additional monies because the student count went down. Carol Timpson remarked that this year's budget was projected without using the rapid decline formula.

Sam Zitting asked if the District predicts 500 students. Carol Timpson asked the Governing Board to look at the ADM (Average Daily Membership) which is the student count minus the absenteeism. The State gives the District different weights for Preschool, K-8, & 9-12. The 493.335 is the weighted count. The following page details the

additional weights given for the ESS students and K-3 students. These bring the count up to 562.231.

The 562.231 times \$3,332.56 creates the District's base funding. The Teacher Experience Index adds an increment if the District has teachers that have a many years of experience. This helps offset the cost of the higher pay and benefits.

The District is allowed to take a portion of the audit fees and use them in the total funding formula. The District receives federal and state grants for audit services, the 31,500 is the nonfederal amount, and the federal amount is 10,500.

The Transportation Support Level is determined through a formula involving the daily route miles and number of students being transported. The bottom lines compare this year to last year. \$269,754.74 is the amount used last year and this year's budgeted amount for transportation is the same.

Jared Hammon asked if the increasing fuel prices are considered in the budget. Carol Timpson stated that the State has not increased the support level for gas prices; but they did increase the overall funding formula by two percent this year.

Page 7 is the capital outlay for students. There is a higher amount for grades 9-12 because the District has less than a hundred students in those grades. In grades K-8, the enrollment is between 100 and 500, so they fall in a different bracket. The student enrollment did not grow between 06-07 and 07-08. Charlette Chatwin mentioned that she thought the enrollment had been growing. Carol Timpson stated that in the three years prior to 07-08, the enrollment had doubled, but last year the enrollment flattened out.

Page 8 details the soft capital formula. Since the buses are coming out of this category, some unrestricted capital will be used to help buy new textbooks. Charlette Chatwin asked if the District is required to buy new textbooks every year. Carol Timpson replied that the District is required to buy textbooks if the class sizes grow, or if books are damaged and lost, and they need to be replaced. Every year there are workbooks for different subjects that need to be purchased in the classroom. This year the District is trying to adopt a math textbook for the elementary grades. New adoptions will occur regularly as textbook are outdated.

Every district in Arizona is required to assess a minimum property tax. Some districts have high assessed values and this minimum assessment overfunds their budgets. The additional monies are returned to the state which in turn distributes them to districts like ours that have a low assessed valuation. This formula is what creates the State Equalization monies. Our qualifying tax rate raises about \$300,000 for the District. Because this is not sufficient to fund our budget, the state will give us additional monies. The District has a portion that they must cover from local property taxes.

Carol Timpson stated that the District has the discretion of allocating monies between the maintenance and operation funds and unrestricted capital each year. It is to the District's advantage to place as much capacity as possible into capital each year because the capital monies will roll over to the new year. Excess Maintenance and Operations funds are

forfeited for the most part at year end. This year the District has had to put more into M&O because of increased expenses

Preschool Tuition brings in around \$4,000, and the \$24,000 listed is tuition from other Schools such as Arizona School for the Deaf and Blind. Washington County pays \$200,000 for out of state tuition. The maximum amount of M&O Budget Balance that the District can carry forward is \$85,230. These amounts create a total of \$2,663,230 for the general fund of M&O. That leaves \$294,704 for capital.

This year's Unrestricted Capital Budget Balance carry forward is \$445,326. The District only spent \$187,232 in 2007-08. This creates a total amount available to budget for capital of \$740,130.00.

Sam Zitting asked if the Maintenance and Operations budget was 2.4 million last year. Carol Timpson replied that it was 2.5 million last year and this year it is 2.6 million. Some of the major categories for spending is the \$170,000 in supplies in the 2600 line primarily for utilities. \$60,000 has been budgeted for Simon Consulting (receiver) and \$47,000 for Heinfeld and Meech in the 2500 6300 category. The \$157,000 in line 2700 6300 includes the \$65,000 liability payment for the Arizona School Risk Retention Trust. Carol Timpson remarked that in projecting their budget, they estimated employee benefits at 30%. This could be a consideration in offering the staff a retirement plan.

Page 2 are estimates of the dollar amounts used in the Special Education categories. A larger amount was put into the Gifted Education so that program could be set up. Jared Hammon asked if it was for students. Carol Timpson stated that the money can be used to buy software programs or to pay an aid to work with some gifted students. Charlette Chatwin asked why the amount for Mild, Moderate, or Severe Mental Retardation has been raised. Carol Timpson stated that it's based on a percentage-these students require one-on-one Aides.

There is substantial capacity in Capital but the District has not fully funded it due to property tax shortfalls. It hopes to completely fund it within the next few budget years. The \$109,000 payment listed in Unrestricted Capital is the final land payment for the land east and north of the campus. The Soft Capital funds will be used primarily for the buses but \$40,418 will be used for textbooks. Also \$60,130 of the Unrestricted Capital has been budgeted for textbooks if needed. \$100,000 has been budgeted to complete the Kindergarten remodel.

The District has been getting a small amount of money from Building Renewal Fund, but does not anticipate any money coming in this year. Page 6 shows the District's estimates of the 08-09 grant allocations. The amounts are being carried over from last year. Sam Zitting asked why the food service budget was brought down. Carol Timpson stated that the amount used to be \$200,000 when the District offered the breakfast program, but since that has gone, the District generated less than \$150,000. Jared Hammon asked concerning the debt service. Carol Timpson stated that it is the bond payment. The county assessor sets the property tax rate, collects the monies, and pays the payment.

Carol Timpson presented a two tax rate proposals one using additional state aid and one without. Jared Hammon asked if the taxes are going to be higher if there has to be a meeting to inform the public. Carol Timpson confirmed that if the tax rates go up then the District is required to have a Truth in Taxation Hearing, but the District is trying to lower taxes this year, not increase them. Carol Timpson said that the District might be able to leave with a positive cash position this year.

Jared Hammon and Sam Zitting expressed positive remarks about the budget and how the District has been able to overcome its obstacles the last several years, they contributed its success to Carol Timpson and her Administrative Team.

**MOTION:** Sam Zitting motioned and Charlette Chatwin seconded the motion that the Governing Board approve the Proposed Budget for the 2008-09 Fiscal Year. Vote: All in favor. Motion Carried.

#### G. Approve Career & Technical Education Grant Applications

Carol Timpson stated that the Grants have to be presented to the Governing Board because they dictate how the District is going to be spending funds. By approving the grant, the Governing Board gives the District permission to spend the grant as it has been written. The Career & Technical Education Grant is managed by Linda Earl. She has written the grant to fit the needs of her specific programs

Sam Zitting asked how this grant compares to last year. Mary Timpson replied that the grant is very similar. It has increased \$7,000. A certain percentage will be used for training and conferences. It will also be use to purchase professional services such as BJ Knudson, who imaged all of Linda Earl's laptops last year.

A percentage will also be use by Fawneta Caroll for a teacher cadet program. This grant is specifically for career programs such as Woodworking, Auto body, or Home Economics. The District has not been able to obtain instructors yet, so the grant is only used for the Business Management and Administrative Services program and the Teacher Cadet program.

Sam Zitting asked if this money could buy sports equipment. Carol Timpson replied that this Grant cannot cover any sports related programs. Sam Zitting asked if the instructor has to be teacher certified. Carol Timpson stated that a person can be CTE certified without a bachelors degree but with 2,000 hours work experience in that specific area.

**MOTION:** Charlette Chatwin motioned and Jared Hammon seconded the motion that the Governing Board approve the Career & Technical Education Grant Applications. Vote: All in favor. Motion Carried.

#### H. Consideration & Action on Math Textbook Adoptions for 2008-09

Jared Hammon asked if the textbooks have been displayed for the required amount of time. Carol Timpson replied that they have been displayed in the Business Office for three months.

The teachers are recommending that the Governing Board adopt Houghlin Mifflin math program. Charlette Chatwin asked why Craig Chatwin liked the Saxon over Houghlin. Carol Timpson responded that Craig liked the Saxon because that is what the highschool uses and it includes a spiral curriculum. Upon researching it, he agreed that it would transfer well into the Saxon Math program. Grades 5 & 6 will be using Houghlin Mifflin. Grades 7 through 12 will use Saxon. A textbook and a workbook will be bought by the District..

**MOTION:** Jared Hammon motioned and Charlette Chatwin seconded the motion that the Governing Board approve the Houflin Mifflin math program for 2008-09. Vote: All in favor. Motion Carried.

I. Consideration & Action on Policy Advisory 301 GCCC Professional/Support Staff Leaves of Absence

Carol Timpson stated the state has increased the Family & Medical Leave Act to include Veterans for National Guard & Armed Forces. It allows spouse, son, daughter, or next of kin to stay home for up to 26 weeks to care for a member of their family that is a veteran and needs medical attention.

**MOTION:** Charlette Chatwin motioned and Sam Zitting seconded the motion that the Governing Board approve the Policy Advisory 301 GCCC Professional/Support Staff Leaves of Absence. Vote: All in favor. Motion Carried.

J. Consideration and Action on Out of State Travel

- a. All About Literacy – Las Vegas, NV -- July 9 – 12, 2008 – 2 attendees
- b. ABT International Conference – Heber City, UT – July 24-26, 2008 – 2 attendees
- c. Differentiated Instruction – Orlando, FL – June 23-27, 2008 – 1 attendee
- d. Teacher Expectations & Student Achievement – Las Vegas, NV -- June 26-27, 2008 — 6 attendees
- e. The Center for Effective Learning –  
Seattle, WA -- June 18 – 20, 2008 – 3 attendees  
Tahoe, CA – June 23-25, 2008 – 2 attendees
- f. Nat'l Conf. Differentiated Instruction – Las Vegas, NV – July 20-23, 2008 – 4 attendees
- g. I Teach K – Las Vegas, NV – July 14-17, 2008 – 2 attendees

Sam Zitting asked if these have previously been discussed and approved. Carol Timpson replied that the previous out of state travel has been for the Professional Development Plan proposed at the beginning of the school year. This is new travel that will take place this summer. This travel uses monies from the Title II grant that are specifically reserved for professional development for teachers.

Sam Zitting asked if the money is coming out of this year's budget. Carol Timpson stated that the travel in June is coming out of 2007-08 and the travel in July will come out of 2008-09. Sam Zitting asked if there is any motivation to try to reduce the spending in Title I and Title II. Carol Timpson replied that the state only allows the District to carry over a small percentage and if the money is not used, it will be returned to the state.

Jared Hammon asked if these training sessions go to the continued education for the teachers. Carol Timpson stated that every teacher must receive 180 hours professional development in order to renew their teaching certificates. This training goes toward that requirement. Because these Title grants are required to offer services to private schools, this travel also includes the Academy.

Sam Zitting asked if the \$59 per day was the per diem. Carol Timpson replied that the per diem amount is different depending on where the conference is being held. Sam Zitting asked what the transportation costs are. Carol Timpson replied that if a personal vehicle is taken then the owner will be reimbursed 0.445 per mile. If a district vehicle is taken, then the District will pay the gas. If a teacher travels, they are required to pay their expenses then submit a claim to the District for reimbursement.

Travel policy states that a person can stay at the conference hotel regardless if it's a higher rate. If an employee chooses alternate hotels, they are subject to the state per diem for hotels.

**MOTION:** Jared Hammon motioned and Charlette Chatwin seconded the motion that the Governing Board approve the Out of State Travel as listed in agenda items J: a - g. Vote: Jared Hammon and Charlette Chatwin in favor. Sam Zitting abstained from voting due to a conflict of interest in one of the conference properties. Motion Carried.

K. Consideration and Action Allowing Superintendent and/or Building Principals to Set Rental Pricing on Miscellaneous Items.

The Board has approved a rental schedule that includes basic rental items such as dishes, tables, chairs, etc. Administration often receives requests for other items to rent which do not fall on the list. Carol Timpson asked if the Governing Board would allow her to put wording at the bottom of the Fee Schedule that states "Rental fees for items not shown on this schedule can be set at the discretion of the superintendent and building principals. Items not for rent include high cost highly sensitive equipment such as video projectors, AV equipment, computers, etc. "

Jared Hammon asked if there would be different costs associated with each item. Carol Timpson confirmed that statement. She would like permission for the building principal and herself to set the prices because they would know how much it would cost to replace items. Carol Timpson stated that the fees would be reasonable.

Sam Zitting asked who the building principals are. Carol Timpson replied that Fawneta Carroll is the Elementary building principal and Craig Chatwin is the Highschool building principal. Jared Hammon asked if the rental fee will be consistent for every person. Carol Timpson confirmed that whatever price is set then that price will be established for that item. Carol Timpson told the Governing Board that she would be willing to bring a list of the rentals and prices set to the board at the end of each year for their approval and comment.

Sam Zitting asked if a list could be brought to the next meeting of items that could be rented for certain prices. Jared Hammon said they need to keep in mind the assets of the District and to protect them.

Carol Timpson stated that if there was a policy in place that allowed the District to rent out items then there would be less likely for items to be taken. The Governing Board agreed to have Carol Timpson draw up a list of items that are being requested for rental.

Item number 5-K tabled until next meeting.

- L. Executive Session to Discuss an Employee Related Salaries and Benefits  
Executive session canceled due to lack of information to be presented.

- 6. Financial Reports
  - A. Cash Flow Analysis
  - B. Fund Balance Report
  - C. Expenditure Budget
  - D. Grants Status
  - E. Student Activities Reports

- 7. Adjournment

Jared Hammon adjourned the meeting at 8:35 p.m.