



DEER VALLEY
Unified School District

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SUPERINTENDENT
Dr. James R. Veitenheimer

GOVERNING BOARD
Ron Bayer
Kimberly K. Fisher, MAFM
Michael Gregoire
Ann O'Brien
Ann Elizabeth Ordway

MINUTES FOR THE PUBLIC HEARING OF THE GOVERNING BOARD Tuesday, July 12, 2016 - 6:45 P.M.

District Office Governing Board Room 20402 N. 15th Avenue Phoenix, Arizona

1. Call to Order

Mr. Gregoire, President, called the meeting to order at 6:45 p.m.

2. Roll Call

Mrs. Ordway, Mr. Gregoire and Mrs. Fisher were present. Mrs. O'Brien participated telephonically. Mr. Bayer was absent. Others in attendance: Superintendent Dr. Veitenheimer, Deputy Superintendents Dr. Galligan and Mr. Migliorino, and Board Secretary Ms. Redding.

3. Adoption of the Agenda

Mrs. Ordway motioned to adopt the agenda. Mrs. Fisher seconded the motion. The motion carried (4-0).

***Mr. Bayer arrived at 6:48 p.m.

***Mr. Bayer exited at 6:54 p.m.

***Mr. Bayer returned at 6:55 p.m.

4. Public Hearing

A. Public Hearing on the Proposed 2016-17 Expenditure Budget

Mr. Migliorino, Deputy Superintendent of Fiscal and Business Services, stated that in accordance with A.R.S. §15-905 the Board is required to have a Public Hearing prior to adoption of the budget. Mr. Migliorino presented the district's proposed 2016-2017 Maintenance and Operations (M&O) Budget stating that there had been no changes since the Governing Board preview on June 28, 2016. He reviewed proposed and adopted budget factors highlighting that the proposal addresses DVUSD financial priorities of a salary increase for all employees: \$5.2 million in Maintenance and Operation (M&O) Override and \$4.6 million of Proposition 123 for an average increase of certified 6.7%, classified 7.9%, administrator/exempt 2.7%; restores Capital funding: \$3 million continuing and \$3.1 million from FY16 Proposition 123; and addresses the structural deficit. M&O carryforward is projected to be \$8 million, \$1.3 million from FY16 M&O and \$6.7 million from FY16 Proposition 123 funds. The net result is the General Budget Limit will increase from \$185 million in FY16 to \$201.7 million. Mr. Migliorino reviewed the Administrative recommendations for FY17 reclassifications and additions that will have a total M&O projected cost of \$153,245. Projected tax rate changes include a 2.8% primary rate decrease and a 26.0% secondary rate increase.

President Gregoire opened the floor to Public Comment.

There was no Public Comment.

Mrs. Fisher expressed concern with proposed reclassifications stating that she believes a large portion of the referenced positions had already been addressed with the district reorganization in FY15. She stated that although she understands the logic for some reclassifications, she takes issue with certain recommendations. She reported that according to the DV Employee Handbook and Administrative Management Guidelines, the reclassified positions should be posted and applied for and she would like to see a formal process established for the apprenticeship programs. She also reported that the reclassifications have an additional impact to the budget of \$142,000 that are not M&O funds.

Superintendent Veitenheimer stated that the results of an external efficiency review reported that DVUSD is operating with 28% fewer district office administrators than the peer average.

President Gregoire reopened the floor to Public Comment.

Linda Slavick, certified Negotiation Solution Team (NST) member, shared her concern with the district office employee reclassifications and doesn't believe the NST process was followed.

Jerry Dobbs, community member, commended the IS&T Department for the quality services they provide for low compensation.

B. Public Hearing on the Truth in Taxation Statement per A.R.S. 15-905.01 B.4

Mr. Migliorino explained that Statute requires a Truth in Taxation Notice be filed when levying \$500,000 in Adjacent Ways for the next modernization project. The amount proposed will cause DVUSD's primary property taxes on a \$100,000 home to increase to \$2.17.

President Gregoire opened the floor to Public Comment.

There was no Public Comment.

Graduating lifelong learners who will successfully compete, lead, and positively impact the world.

C. Public Hearing on the Use of Insurance Proceeds for Fiscal Year 2016-17

Mr. Migliorino explained that this is a fund set up to allow the district to use any insurance proceeds received during the year for losses, without affecting the budgeted funds. He projects an expenditure of approximately \$100,000 in FY17. In accordance with A.R.S. §15-1103, the Board is required to have a Public Hearing on the Use of Insurance Proceeds.

President Gregoire opened the floor to Public Comment.

There was no Public Comment.

5. Adjournment

Mr. Bayer motioned to adjourn the meeting at 7:32 p.m. Mrs. Fisher seconded the motion. The motion carried (5-0).

*To listen to the Board Meeting in its entirety, go to
www.dvusd.org/boardaudio*