

Spotlight on the Board

Notes from the District 15 School Board Meetings

February 13th, 2008

This was a Regular Board of Education meeting. Board member Wendy Rowden was absent.

Recommended 2008-2009 Transportation Plan

D15 Superintendent Dr. Robert McKanna – This has been a complex process. Transportation director Don Skinner knows ten times more about transportation now than a year ago when he got into this. Skinner is still on a part-time basis with the district, the district still needs a full-time person for transportation director. The district has been down almost since the start of the year with inadequate capacity to manage the department.

Two tiers works fairly well now with the ten additional buses which is an additional cost. The district could continue with that if there wasn't a concern about money. There will be a presentation later tonight on the budget and there are concerns about our budget for the future. We are trying to maintain our fund balances and in order to do that we have to make a number of reductions now. If we don't and continue, we may be making larger reductions two to three years in the future.

By going to three tiers, we would be saving well over a \$1 million – that is one reason for taking a look at it. The district has learned a number of things from a tough transportation year. One is that we need to have enough time between routes so children aren't late to school. Also schools like St. Theresa and CLA (Conyers Learning Academy) have district-wide boundaries and longer routes.

One of our challenges this year was the longer private school runs on the first tier and then it was physically impossible to get those buses back to pick up children at CLA. We had to add more buses to make that work. There are built-in time frames in the three tier plan that we cannot adjust.

The district has received a number of emails today from parents. One of the concerns was that Winston Campus Elementary children were starting earlier so we moved them to the second tier. We have now received emails about safety.

There are some concerns again with Virginia Lake Elementary in terms of their times in reference to Palatine HS. There are also some issues with Pleasant Hill in reference to Fremd HS. All of these things can be tweaked and adjustments made. But if we want a plan that is going to work in August, then we cannot give up on some of these items such as the time between routes. The district does not want to give the Board a plan to make everyone happy that is not going to work.

Further, in addition to some of the obvious things such as start time adjustments, we need to consolidate pickups and eliminate the "trumpet" runs as McKanna calls it. Right now, if a child forgets the "trumpet", the call comes in to transportation, transportation calls the driver and the bus driver goes back to that stop to pick it up. The district cannot afford to do that and get children to school on time.

We also need to take a look at getting a GPS system for our buses. Cannot afford for all buses, it costs about \$2,500 per bus. There have been situations where parents tell us the route of the bus isn't efficient. There was also one driver this year that did her own creative routing instead of what was assigned by the transportation department. A GPS could help accountability all the way around. Would like to get started on those right away.

This is complex, it is not easy. There isn't a lot of flexibility to make it work. Asked George Lingel and Don Skinner to present their recommendation. The Board can raise questions and then open it up to anyone in the audience who would like to make commentary. McKanna thinks some work needs to be done between now and the next Board meeting – hopefully come up with a refined plan for Board approval.

George Lingel, Co-Interim Business Manager – Wanted to compliment the transportation staff for their work and time. Regarding transportation, the number one goal is to maintain student safety. That means that sometimes we have to add a stop or go that extra little bit to make sure students are picked up in a very safe environment. We do want to improve the efficiency of our program. We want to reduce the route times, reduce student loads. Want to consolidate pickups but keep in mind we

want them to be safe. We want to reduce and eliminate the returns for late students. Would like to reduce the size of our fleet. Currently the district has 162 buses. If we stay at that particular level, we have to look at places to locate/safely park the buses.

Don Skinner, Interim Transportation Manager – Per Board instruction, he ran simulated routes (software) and provided the Board charts on those routes and also the three tier bell schedules. Talking about the bell schedules – said that the district has to be alert to the fact that we are in close proximity to three high schools (Palatine, Fremd, Rolling Meadows). So we made adjustments to the start and stop times. Historically, all of the schools within a tier started at the same time. In making these adjustments, it became apparent to him that flexibility was needed within each tier. For instance, we could move Virginia Lake (VL) 10 minutes off the Palatine HS bell schedule. Same concern with Fremd and Hunting Ridge and giving equal consideration to Pleasant Hill (PH). Now there are more bell schedules within each tier while still maintaining 40 minutes between tiers which gives flexibility within each tier and considerations for schools can be made.

There were changes made in the groups, as McKanna mentioned. With Winston Campus Elementary (WCE) in tier 1, transportation didn't realize that there was only one elementary in the first tier. There are programs in the district that require pairings of schools – like music. We either had to move another elementary school to tier 1 or put WCE in the second tier. It was easier for transportation to move WCE to the second tier. So now Winston Campus JH is in tier 1; WCE in tier 2. Transportation has not run the routes for WCE because they don't have routes for WCE right now.

In the second tier, PH is out 10 minutes before Fremd; VL is out before Palatine; CLA is moved 5 minutes later in order to buy a little time to get buses back to CLA.

Referring to the Chart on Route averages – Skinner split the regular and special needs routes to show averages/times. All averages are under 30 minutes. Said that the software simulation ran well. This is data using this year's enrollments. It will change for next year but won't change much.

Reference: **2008-09 Tiers and Bell Schedule Proposal**

www.fcwpta.org/pdf/d15_FY09_bell_schedule_proposal.pdf

2008-09 Projected Bus Routes/Averages (Using 2007-08 Enrollments) – Chart

www.fcwpta.org/pdf/d15_FY09_projected_route_average.pdf

FY09 Junior High and Parochial Routes – each school

www.fcwpta.org/pdf/d15_FY09_JH_route_report.pdf

FY09 Elementary routes – each school including CLA and EC/ECDEC

www.fcwpta.org/pdf/d15_FY09_Elem_route_report.pdf

Current year – Junior High and Parochial routes – by school for comparison

www.fcwpta.org/pdf/d15_FY08_JH_comparison_report.pdf

Current year – Elementary routes – by school for comparison, also CLA and EC/ECDEC

www.fcwpta.org/pdf/d15_FY08_Elem_comparison_report.pdf

Board member questions/comments/discussion -

Board member Nancy Lee Carlson – asked about the splitting up of WCE and Winston Campus JH (proposed different start times) and what affect that would have on families with children of different ages?

Skinner – Said that because of the proximity/density of the Winston Campus population, there are roughly 147 bus riders this year broken into several groups: regular education, special needs, bilingual. Some buses will be added to the second tier for WCE. Families with children in 4th grade and 7th grade would have different bell schedules.

Board member Kelly Keenan – Asked why the Board wasn't voting on the transportation plan tonight?

McKanna – Thought that since this was a new proposal, the Board hasn't had a lot of chance to look at it yet and there is some tweaking that is going to be done on some routes. Thought the Board might want more time to really make sure that it is all going to work. A lot has been done; just want the Board to be comfortable with it. The only urgency to do this (now) would be for parents to get daycare for next year. But the plan is to go along this line and if the majority of the Board is comfortable with

the three tier concept with some tweaking, then it would not change a lot between now and the next meeting. That is up to the Board – if it wants to vote tonight, it can.

Board President Tim Millar – We only have information on the proposed morning routes, not the afternoon where 90% of our problems occurred this year across the district. Some of the routes proposed are over 30 minutes. Asked how they could make the 40 minute timetable. Buses don't leave right at dismissal time. Personally, Millar needs to see the p.m. routes and how this all lays out as well as some of the costs. Wants to see how many buses the district is actually adding. Would like more data of where schools and programs such as gifted & special ed fit in the schedule. Doesn't want to go back where we were last year and redoing this. Wants to get a handle on the costs and cost/benefits of the two tier and three tier plans and what the district is trying to accomplish.

Board member Sue Quinn – Made a motion to table the vote/it was seconded.

Discussion – thinks there are a lot of kinks that need to be worked out with the two tier system. Would rather see the district reduce our costs/route times with the two tiers we have. Had a question about the time between the routes. This year there is 50 minutes between routes and there was a hard time getting kids to schools. The proposal is to put the longer routes on tiers 1 and 3. Quinn is concerned that there is not enough time between tiers 1 and 2 (40 minutes). She also had a question about costs. Doesn't understand why there is \$1 million in bus costs because last month, the Board voted to lease 14 buses to carry through this year and into next year. Why are we proposing to purchase buses? **Lingel** – Only proposing to purchase two wheelchair buses for next year. The fleet would actually be reduced by approximately 20 buses (if going to three tiers).

Board member James Ekeberg – Asked Quinn where the \$1 million in purchases is listed?

Quinn – Answered it is listed on the costs for two tiers. Leased buses go into next year.

Lingel – The cost would be incurred to keep the two tier system. The district would have to maintain the current fleet. By January of next year (1/2009) when the lease is up, the district would have to make a decision to continue to extend the lease or purchase those 14 buses that are being leased now.

Quinn – Understands the purchase. Said that if the district was to indefinitely keep the two tiers, the implication of the cost analysis is that it is a \$1million savings every year.

Lingel – No, not a \$1million every year, it is just the initial year. If the district extends the lease, then the cost would be the lease amount – and that amount would be constant within the budget.

Board member Gerald Chapman – Wanted to clarify with Lingel that the five year financial projections indicate the \$1million initial savings, not every year. **Lingel** - yes

Carlson – Wants to "Call the Question" (stop debate and vote)

Quinn – Called "Point of Order" in response. Explained the process for "Calling the Question"

References: Call the Question – <http://www.robertsrules.com/faq.html#11>

Vote to End debate on Motion – Approved 4:2

(Yes: Carlson, Chapman, Ekeberg, Keenan; No: Millar, Quinn; Rowden absent)

Motion to Table - Vote for the Recommended 2008-2009 Transportation Plan – Approved: 5:1

(Yes: Millar, Quinn, Carlson, Chapman, Ekeberg; No: Keenan; Rowden absent)

Millar – Further discussion will take place at the next Board meeting.

Citizens Address the Board

Sharman Galezewski – Jane Adams Elementary music teacher, D15 Music Coordinator

Wanted to speak about the impact of the (proposed) start times on music education in the district. Currently, the junior high schools begin at 7:55 a.m. and students in Orchestra, Chorus, Jazz Band and Chamber Strings begin rehearsal at 7 a.m. Is aware of plans to add Orchestra to the junior high day and applauds that decision. However, wanted to share concerns of the repercussions of an earlier start time for next year. If the junior highs start 15 minutes earlier (7:40 a.m.), some of the impact on students would be: 1) rehearsals could possibly be pushed back to begin at 6:45 a.m. or 2) rehearsals could possibly be after school thus putting students in the position of choosing between a music ensemble or a sport. Or morning rehearsal could begin at 7 a.m. shortening them to 35 minutes rather

than 50 minutes. Believes that all of these options would negatively affect students. Asking the Board to reconsider the earlier start time and if an earlier start is unavoidable, would ask them to consider adding Chorus to the junior high school day like Band and Orchestra. That would still leave Ensemble, Jazz Band and Chamber Strings with the above mentioned options. However, it could alleviate some of the stress on students.

Karen Schutz – Parent of children in Pleasant Hill and Plum Grove Junior High

Wanted to comment on the start times. It has been said that the number one goal is student safety. Unfortunately the change in start/end times for Pleasant Hill shows her that it is not a priority. Said that yesterday, Fremd HS had a late start time which was a 5 minute difference from PH's start time. There was a huge traffic problem at Cedar and Illinois streets. The PH Principal had to call the police to see if they could help but it was too late by the time they arrived. Really thinks that the 10 minute difference (proposed between PH and Fremd) is not going to work. Said that Virginia Lake is in the same position as well (with Palatine HS). Referring to the chart of proposed times – asked why PH could not stay at 8:45 a.m. Looked at the number of buses the district has and what is being offered in the tier 3 proposal. Thinks that there would be enough even if VL and PH went to tier 3. Also asked about the proposed times in Tier 1 and why Plum Grove could not be moved to 7:45 a.m. That would still give 40 minutes between Tier 1D and Tier 2D (8:25 a.m.) Also explained that there are a lot of walking students at PH. Doesn't think 10 minutes is going to be enough time. When the weather is nice out, a lot of kids tend to take a little longer getting across the street; they like to stay at the playground for a few more minutes. Cedar Street and Illinois have just become really bad. Would hate to see D15 setting themselves up for an accident.

Orrin Wolf – St. Theresa School Board President

Thanks for the Board for going through the discussion and overview. St. Theresa's choice would be to stay with the two tier system. It seems to work well with the schools and the community. One reason to stay with the system – he doesn't think it has been fully explored with all the possibilities of making it work. We are in year one. Another reason is consistency – we are changing every year. Wolf really wants to focus on solving problems so has a couple of suggestions. First, let's try to make the two tier system work. Second – safety is our first goal. If we go to a three tier system, the school times start at 7:30 a.m. What do the bus times start at? The average time (on the charts) for St. Theresa's looks around 30 minutes – that is the average. What is the median? Last year his children got on the bus at 6:35 a.m. (with a start time of 7:20 a.m.) – it is pitch black then. This morning, they got on the bus at 7:05 a.m. (with a start time of 7:55 a.m.) – it was sunny. Referred to the story earlier in the meeting about the D15 bus aide that was killed last year crossing the street (to the transportation department) in the dark. This plan has a tier 1 starting time of 7:30 a.m. with buses starting at 6:45 a.m. on average. We will be putting hundreds of kids out there in the dark – some with sidewalks, some without. We are putting them at risk for the same thing that happened last year (with the bus aide).

Erin Nicholas – St. Thomas of Villanova parent

Spoke to the Board last month expressing concerns for St. Thomas but is also here as a member of the community as well. Wants to address that the Board last time recognized that there is a beneficial start time for children. They don't function as well if they have to get up earlier than if they start school around 8 a.m. In this transportation plan, the beneficial start times in the neighborhood of 8 a.m. and 9 a.m. would benefit only the public schools. That is an issue that has to be considered. The cost savings (of the three tier plan) would be borne by the junior high students and the parochial schools. The other thing that she noticed is that members of the Board supported finding other ways to increase efficiency. Also asked if there was a way to offer the rolling start times? Could the kids that have the better start times, maybe have little longer bus routes to even things out? Has that been considered? Maybe a couple of extra buses on some routes for smaller loads, smaller ride times for earlier start schools? Finally, wanted to say that St. Thomas, St. Theresa, Immanuel and St. Collette are good neighbors in the Palatine community. We are Blue Ribbon schools. St. Thomas is in good company and surrounded by Winston, Jane Addams, Lake Louise, Virginia Lake and Lincoln – we are in the middle. D15 gives us good competition. Thinks they provide some competition too.

Ed Walsh – St. Thomas of Villanova parent

A lot has been said already; glad the Board isn't voting tonight. He has four children at St. Thomas – 3 of them less than 10 years old. If his calculations (from the charts) are correct, we are looking at 30 minute bus rides with kids on the bus at 6:45 a.m. Thinks the Board has to ask themselves if they are comfortable with that decision? That is just way too early for 6 year olds. St. Thomas also has a music program and appreciated the comments made by the D15 music director. Our issues are the same. Said that specifically if the district goes to a three tier system, he is asking that the parochial schools – because they have grade school students – that they go to the last bell schedule which is 7:45 a.m. (in tier 1). That is an option he would suggest. He is all for staying with a two tier system. Asks the Board to dig deep inside themselves and try to come up with some good solutions to stay with it. St. Thomas also provides preschool education and knows that preschoolers take the bus. Agrees that the #1 goal should be safety and thinks that putting 6 year children on the streets at 6:45 a.m. when it is still dark out is not a safety goal in his eyes.

Jola Oliver – St. Thomas of Villanova parent

Has a kindergartener at St. Thomas and next year will have a preschooler there. She is very concerned that her kids will be waiting in the dark without a whole lot of sleep. She is a working parent, tends to get home around 6 or 6:30 p.m. Likes to spend time with her kids and with a shift to the early schedule that means less time to spend with her kids in the morning and less time in the evening. There will spend more of their time with a caretaker that she needs to find. Knows the Board is concerned about saving money but then we (families) have to take on that cost. With the additional costs, it is disruptive not only to our own family finances but the kids are taking the brunt of it.

Lori Agent – Paddock School parent

Two things she would like to point out that she is noticing that is happening at Paddock, maybe at other schools too. Sometimes her children take the bus home from school and sometimes she picks them up. On the days she does pick up, she notes that school is supposed to end at 2:25 p.m. and the kids are coming out at 2:20/2:22 p.m. Someone said that last week the first graders were getting on the bus at about 2:20 p.m. Children are losing instructional time when school is supposed to end at 2:25 p.m. When her children take the bus, they get home at 2:35 p.m. They are the second bus stop but that is still pretty early. She isn't sure if this is happening at other schools. It is something for the Board to consider. She has also tried to get answers about another question but hasn't been able to. Sometimes her children are doubled up on a bus with another route. When that happens, they are riding 3 to 4 children in a seat. Doesn't see how that meets safety expectations.

Board Discussion and Reports

Discussion of Appropriate Fund Balances

Reference: www.fcwpta.org/pdf/d15_policy_4_10_fiscal_bus_mgmt.pdf

Quinn – Wanted to give some explanation for fund balances referred to in proposed Policy 4:10 which states 25% to 33% of revenues. The 25% of revenues is based on a target set by the Illinois State Board of Education (ISBE) in their Financial Profile. Essentially the ISBE says if you dip below 25%, they start taking points off your financial profile. That is the credit score of the financial health of a school district. It is a target that the ISBE has set. You can think of it as three months of salary in the bank. It is a reserve for contingencies that might happen. The 33% is akin to having 4 months of salary in the bank. That is to give you an upper limit. In thinking of the function of a school district - we are not operating as an endowment. Our mandate is to take the revenue collected and spend it on education. D15 is not in danger of creating an endowment. It is actually in danger of going below our 25% reserve level which would trigger some financial profile demerits.

The reason for the district to have reserves is that sometimes there are delayed payments from the State, some times there is a delay in collecting property taxes, sometimes there is lower than expected revenues from earned income – for instance, all of a sudden the feds may cut interest rates and then the district will start to lose some of its revenue. The district does collect interest on the money that it has in its savings account. If there isn't a cushion to weather those small storms, then the district has to start doing tax anticipation warrants which will cost the district money to do for short-term

borrowing. There are also emergency expenses that come up like buses or other things where the district needs to have funds ready.

This plot (chart of info given to the Board) shows that it is not a static number. If the district wants to be above that 25% number, it needs to continue to grow its reserves. It can't just keep it at the same dollar figure. It is a bit of a moving target. That is one reason to look at it in a five-year span and see where the district is headed, is it staying within the reserve? And the Board will talk about that again when it gets to the financial report. That was the basis for the policy.

Chapman – Thinks these are worthy statements but doesn't think there needs to be a policy to reference that. He is more concerned on the other end because he thinks – because the nature of capping the district's total amount of revenue – it does not take into account that there may be some long-term issues that the district needs to look at. For example, there are facilities issues that have not been taken care of for a number of years. The Board may want revenue reserves to accumulate over time if there is a plan to use those at some reasonable point in time. It doesn't make sense to him to say that the Board is going to cap the reserves at 33% of revenue. Although that isn't an issue that the Board has to worry about.

Chapman referred to earnings on revenue. Said that the district does need to have money in the bank for the issues that Quinn mentioned to have a cushion. Said that if the district is prudent – it can allow revenues to grow. If the CPI remains at its current level, then that revenue will grow by itself.

Keenan – Stated that different environments need different reserves. If the district didn't have any bonds, if it didn't have borrowing – then these types of reserves aren't needed. The district is pretty much bonded out right now and doesn't have the option to borrow. Other things not taken into consideration are the district's assets. Don't only look at reserve for cash assets, can also look at other assets. There are a lot of different variables from year to year. Keenan thinks it is a variable that each different Board has to decide for themselves on how that Board wants to go forward.

Carlson – Agrees with Keenan and Chapman. The State's policy is the policy for a reason. In the course of time, there are so many different economic situations that can occur that the Board doesn't necessarily foresee. Carlson doesn't see the need for any policy to go in the policy manual. Each Board in itself is accountable for finances. Carlson can say that the district is above 25% but even that can change – thinks the Board needs to look at it each year. The State of IL has allowed broad interpretation. The Board can't afford to put this in our policy. Looked at what the Finance Committee charter was to do – it was to "generate ideas to improve financial condition of district". We (Board) have to look at that as "what is the current financial state of the district?" not for the next year or two.

Millar – Has no preference for the number (of reserves) as a guideline. General policies regarding the Board do not really have any "teeth". Any Board could do whatever they wanted with this policy. It is more of a philosophy than policy, other than directing the staff.

Quinn – That is how she was thinking of this – not a firm policy thinks of it as more of a guideline to guide the Board's budget making. Said Chapman makes an excellent point of building funds over time for capital projects which is certainly foreseeable in the district's future. As this policy is written, there is no trigger for exceeding 33%, no consequence. There is a general philosophy to stay within this range (25% to 33%) to give the Board some idea if it is on target. There are no penalties; the only implication is that if the district goes below 25%, the superintendent is directed to tell the Board what it has to do to correct that. A lot of Board policies have started as directions, not directives.

Wants to mention one thing that Chapman said about our 25% of revenue maintaining itself. The problem with that is that the district spends the interest that comes off its reserves every year. It is a budget revenue item that is spent every year. It is not sitting in the bank accumulating. The district does use those funds for education.

Chapman – Said that the amount of money that the district earns in reserves is included again in the revenue section of the budget. There is also a contingency available in the budget which can be accounted towards reserves. The district has to keep track of that as revenue in the budget but what it does with that can be expenditures or reserves. His point is that if the district keeps track of that

amount it has in terms of reserves, it can generally accumulate that 25% up provided there is a balanced budget. **Quinn** – Believes that the district has been spending that money.

Chapman – Referred to chart provided by Quinn on reserves (not handed out to audience) and discussion took place about percentages shown over time.

Keenan – Said that this (fund balances) should be the directive of the Board – for capital improvements that they want to make, whatever the Board decides to do. That should be a directive of the Board to the Budget committee. Each Board should say “we want 25% of reserves; we want to save it for capital improvements for this building, etc.” That should be each Board’s directive to the Finance committee to perform for that year. There needs to be that discussion every year.

Chapman – Wanted to make a motion to send this issue back to the Policy Committee to rewrite.

Millar – This is not an action item on the agenda.

Quinn – This was a proposed policy (presented January 9th) for the Board to consider. If the Board wanted to never consider it again, then that is the direction of the Board.

Millar – Consensus of the Board seems to be “let it lie”.

Committee Reports

Finance Committee

Millar – There will be a budget presentation later. The staff presented five options for the Finance Committee to review the options for clarity and presentation to make sure it is understandable.

Communications Committee

Quinn – At the last Board meeting, Board consensus was to have a meeting to talk with the public about the budget forecasting process that was gone through and open up the opportunity to receive questions from the public. Quinn tentatively set up the meeting for February 27th, 7th at Sundling. The preliminary agenda would be a mini-tutorial on school finance from Bob Strande, Interim Business Manager, to educate the public and also talk about our budget for next year and the process. Then have a Q&A. It would basically follow the format of the last Communications meeting – informal setting for people to ask questions. Quinn hopes to do a flyer like last time to let people know about the meeting.

Chapman – Concerned that there is an IASB meeting that day he was planning to attend.

Keenan – Asked Quinn if she had a rough agenda, a syllabus of what the Communications committee is doing the rest of the year?

Quinn – Said that there wasn’t. She had made a suggestion at the last meeting about this particular Communications meeting.

Keenan – Her thinking was that we should discuss it as a Board on what to do because of the whole charge (committee charter) thing. Keenan had no idea that it was February 27th. It goes back to the charge issue.

Quinn – The charge issue is that last month, our charge for the committee was to set up this meeting. Just this last week Quinn came up with the tentative date which as Chapman points out conflicts with another meeting. But the meeting was a charge of the Board.

Carlson – Her concern about the meeting is that school finance is a very complex issue. It might behoove the Communications committee if it wants to delve into this (subject) to spend some time and maybe have the IASB provide information on how to understand the complexities of school finance and how it fits together. It could be a great interest to a lot of people because a lot of people don’t understand it.

Quinn – That’s why Strande would do a mini-tutorial. She could also ask those that come to the meeting, the people most interested in the subject, if they are interested in a series of workshops presented by Board or IASB.

Facility/Architectural/Real Estate Committee

Chapman – Mentioned that the Board approved the contract for the architectural representatives. The committee reviewed the contract and the charge this morning. Wanted to clarify the focus of the

charge – one is to ensure quality facilities for all students and staff and two is the quantity issue is to review the available space per student at our schools vs. projected enrollments. Thinks they have an understanding with the architects on the direction they will go.

Keenan – The committee also approved the contracts for the park districts and will bring them to next meeting for full Board approval. With the contracts, there should be some cost revenue. An idea that came up in committee is that it would like to look at using grants, cooperating with other government entities to make some paths available for walkers. A couple of schools have kids that are literally being bused two or three blocks. The Facilities committee would like to look at making sure the district has all the paths available that can be available to get as many walkers as it can.

Quinn – Appreciates new ideas, that is what committee work is all about. Has a question regarding the audit. Back in December, there was a timeline given of September for the audit to be completed. Asked if that was still on target. **Chapman** – replied yes.

Millar – Referred to projected enrollments, there are stories of a baby boom happening right now. That is not what is currently being projected. Wants to make sure the committee is looking at that.

Chapman – Said that the architects will be using experts in that area to do that part of the projection.

Action Items

Authorize Finance Committee to Review and Suggest Cost Saving Measures - Including Health Care/Wellness Options

Quinn – Referred to the Finance Committee charge which was given to the Board (in a handout). It has two goals 1) generate ideas to financially improve the state of the district and 2) to develop those ideas to the point where they are to be brought to the Board for consideration. Although these Finance Committee meetings are open to the public, no Board business is being conducted as this is only a committee meeting. Ideas can be brought by any source – from the committee, district staff, etc. Agendas are posted in advance. Stated that Millar suggested tasking the committee to look at healthcare options.

Millar – Said that healthcare is the district's biggest challenge. It increases much more than any of the district's contracts or any expenditures. It is a very large sum. The district's options could be to invest in a wellness program because it is self-insured – the savings would be right to the bottom line. The other option is looking at different healthcare options for new hires compared to current staff.

Carlson – Doesn't like this as an Action Item because to her this creates an Executive Committee. Said that the Board is charged at looking at this all together. Thinks this creates, especially since it is an Action Item, a sub-committee for a Super Executive Committee. Doesn't think it is a proper place. Thinks it goes too far.

Millar – There is no voting, there is no authority in committees. It is to bring options. It is almost impossible to do this work in a Board meeting and have a productive discussion. The committee is to facilitate to do what is best for the district and bringing those options. There is no action taken until the Board has a chance to look through this. To him, that is the purpose of a committee it is to help the Board come up with suggestions that the Board can look at and delve into deeper. Millar doesn't have a problem if someone else (on the Board) wants to be on the committee to do these things. Said it is not a personal quest of his at all. He is just trying to find ways to provide the best education the district can and maximize its dollars.

Keenan – From the position of someone not on the committee, she says a lot of the assumptions have already been made when she is looking at the budget. There were some assumptions made at the committee level that the whole Board would have benefited from taking a look at. Not saying that the district shouldn't have a Finance Committee, just not sure it should be doing the work it is doing now. For example, what she would like to see is at the beginning of the budget, the whole Board gets together and comes up with the assumptions for the administration. The full Board figures out what buildings it wants to fix this year, what its reserve levels should be - all the assumptions that need to be made. Then give that to the administration and have them prepare the budget. And then come back to the full Board. The finance committee could be assigned the charge of specific tasks - for example, looking into cost saving measures for healthcare.

Referring to the charge: the first goal is 1) generate ideas to improve the state of the district. Keenan says generate ideas in the finance committee, bring them to the Board, then the Board says this is a great idea, go look into this or Board says it is not interested at this time. Doesn't think the Finance committee's charge is the budget, or preparing the budget or making assumptions for the budget. That's the whole Board. And that's where she thinks the difference is. The assumptions should be from the full Board to the administration.

Millar – The staff took the direction of the Board from last year, took the assumptions from what the Board directed as far as staffing. There was no discussion on staffing. The committee discussed if the numbers were realistic? Is the CPI realistic? Are the interest rate numbers realistic? Also going through the contract and taking into account all of the things that are in the contract.

Keenan – The administration's job is to prepare the budget, the Board gives the assumptions. The Board didn't discuss classroom levels. She is not saying that the committee did this or didn't do this. Keenan is saying that this is an idea the Board should do in the future. Discuss at the beginning what the assumptions this Board wants to make; what direction it wants to go with that year; what staffing levels it wants; what building improvements, etc. Then the administration prepares the budget, brings it to the full Board. Then if a Board member has questions about the CPI, then it can be discussed then. The committee should not be charged with the budget, the committee should be charged with generating ideas instead of developing those ideas where they are ready to come to the Board.

McKanna – Would suggest that be put in for adoption in August. The administration has a budget to put forward to the Board tonight. What you are talking about is not going to happen for another six months.

Chapman – Referred to the Facilities Committee. Every item for the committee came from the Board first – for example: creating paths. This charter (Finance Committee) is so general. What it says essentially is that the Finance Committee can look at any financial idea that the committee receives. It puts the committee in the power of an Executive Committee over the most important decision the Board makes at this table other than hiring a superintendent. Chapman agrees with Keenan.

Carlson – Wants to call the question, end discussion and vote.

Quinn – Wanted to say something. **Chapman** – Stated that the question has been called, must vote.

Motion to end discussion – Failed 3:3 Tie falls to the negative.

(Yes: Carlson, Chapman, Ekeberg; No: Quinn, Keenan, Millar)

Discussion continued:

Quinn – What she wanted to say is that she understands Keenan and Chapman. Thinks she can see how the Board can come to a resolution. In between #1 and #2 (on the finance committee charge) – there can be another step that the committee needs to bring these ideas to the Board for shifting; yes this one or no, not that one. There needs to be a 1A: Get approval from the Board. Second thing – under the category of the budget: when it comes to that one time of year of doing the budget. What was done in finance committee this year was actually what the committee was tasked by the Board to do - come up with ideas on how to do budgeting. And the committee did do that. It came up with the forecasting; it talked about different methods and got it all together. Thinks there is a really good process now. The Board will see the outcome of it during the presentation later (this evening). When it comes back to do it again next year, it won't have to do all of that again. As Keenan described, it would be - which of our assumptions have changed by the full Board – depending upon what facilities are being repaired, etc. Do that as a full Board, it wouldn't be endless meetings that the finance committee has been doing already in committee. It could be one or two full Board discussions or special sessions specifically focusing on budget issues. And then the finance committee could work on the details if necessary.

Carlson – Still thinks it is an Executive Committee.

Keenan – Still has to come from the Board on how it wants the administration to prepare the budget. What is happening is the finance committee is deciding the budgeting process and put it into action this year. What some Board members are saying is that we are uncomfortable with that. The Finance

committee is not the budget committee. One of the main functions of the Board is the budget. Keenan thinks executive decisions were made without other Board members being able to see what those decisions were.

Millar – Said that if he made the decisions, it wouldn't be what is being presented later tonight.

Authorize Finance Committee to Review and Suggest Cost Savings Measures – Including Health Care/Wellness Options – Failed 4:2

(No: Ekeberg, Keenan, Carlson, Chapman; Yes: Millar, Quinn; Rowden absent)

FY 2008-2009 Tentative Budget – Version V

Lingel – Wanted to make a comment going back in history. When he was D15 Superintendent for Business, one of the first things that was done with the Board before the budget process was started was that it actually adopted budget guidelines. Staffing was talked about; percentage of increase in supplies, what was happening with capital needs, etc. A guideline sheet was together and that's what the business department worked with to adopt a budget. Thought it worked pretty well.

Lingel wanted to compliment the Finance Committee, Bob Strande and Mary Werling because he knows they spent considerable time in going through the budget and coming up with a balanced budget that still meets the needs of the educational/instructional program. There are five different versions of the tentative budget that have been prepared for the district. Each version was reviewed not only on how does it impact the school district for FY09 but how does it impact the finances of the school district in its long range goals for the next five years.

Reference: **Tentative Budget Summary 2008-09** – Presentation
www.fcwpta.org/pdf/d15_tentative_budget_summary_FY09.pdf

Lingel – Went through each page of the presentation (link above).
Some comments regarding assumptions – page 5 and 6:

CPI – Some good news was received. At the end of 2007, the CPI was 4.1% - that will impact the tax levy for 2008. When the administration does the December levy, that 4.1% will have a large impact on some of our future revenue.

TIF Revenue – The district needs to meet with the other taxing bodies in Palatine (D211, park districts) because the Dundee/Rand Road TIF is expected to be paid off. The district could actually collect revenue from that in the year 2010. In order to do that, the taxing bodies need to meet with the Village of Palatine to determine what they want to do. It would probably be to the advantage of the taxing bodies to leave it (TIF) in existence and the money come to the village. Have the village distribute the portions to the various taxing bodies. If the TIF is paid off, as it has been indicated and closed out, then D15 gets that increased revenue in one year and the next year, it goes under the tax cap. If it stays with the village, it is not under the tax cap. It is something that needs to be discussed with the other taxing bodies by the end of this year. That will come into play in 2010.

Student Fee Increase – It was suggested in Version V as a one time increase (that would continue). It doesn't mean that you can't come back in future years and ask for additional fees.

Fund Balance Projections – The Business department did not come to the Board this year to ask to sell tax warrants. Got through the late payments this year. 33% in the fund balance was okay. Could have gotten through December if the district had to. It is a good indication of the fiscal condition of the school district at this particular time. It was in a good cash flow position. What hurt is our interest earnings in terms of cash revenue. In 2012, the district is still projecting that fund balance to be close to \$42million. There are positive things happening on the revenue side – increase in CPI and also getting the money from the village on the TIF in 2010/11.

Lingel – The administration's recommendation is that the Board go with Version V. It doesn't matter which version the Board goes with, the tax revenue does not change over the five versions. Only change in revenue is in Version V with the \$200K increase in student fees. It is a balanced operating

budget. There are some concerns in there. One concern is that the district does not have money set aside for capital improvements. Keep in mind that if the assumptions change, there will be changes. Major factors are that the district knows the tax revenues and CPI – that is set.

Board discussion/comments/questions –

Chapman – Had question about the reduction for FICA/IMFR for reduction in transportation salaries.

Keenan – Asked about assumption of 21 teaching positions being eliminated. Asked about classroom size averages across the district. Is there a maximum size?

Jim Garwood, Asst. Superintendent for Administrative Services - There is no maximum. Primary class average size for next year is 24.3 across the district which is a little higher than 24. Intermediate is 25.6 for next year, a little under the 26 average. Each building is held to the same targets. Student assignment information for this year was provided in the Board packet last year.

Keenan – Asked if money could be transferred from the transportation fund into the educational fund.

Lingel – The district does not want to drop the tax levy below 6 cents in transportation otherwise it would get penalized with state funding. Law does still provide transfer through the end of this year.

Millar – Expressed concern about projected Interest Earnings. Interest rates are dropping, thinks 3% is on the high end. **Lingel** – Said longer term CDs would not get that amount.

Millar – The difference is big. One percent is about \$500K a year.

McKanna – Regarding student fees. D15 is lower compared to other districts. IT is still below Schaumburg. Thought the increase would be appropriate to put as a technology fee.

Millar – Mentioned capital expenditures that were touched upon and not forecasted in the budget – no roof replacements, carpeting, curtain walls, etc. He keeps hearing that the district has to do these things but it doesn't show up (in budget). **Lingel** – the district does need money for capital.

Millar – Thinks it should be in the budget. **Keenan** – Agrees, it should build into assumptions for next year. The Board will have more info when it gets the facilities study.

Millar – The Board knows there will be expenditures in that area no matter what happens. Out of 20 facilities, there are three curtain walls that are a priority now. The district is doing budget projections. If plans are made year to year, that gets it in trouble. **Keenan** – Next year, the Board can plan for 20 years (for facilities).

Millar – Doesn't feel comfortable projecting nothing for capital expenditures. Said it is nice to see a five year forecast, the Board didn't have that before.

Keenan – Asked if Version V included assumption of a three-tier transportation system. **Lingel** – Yes

Motion to approve the FY 2008-2009 Tentative Budget – Approved 5:1

(Yes: Keenan, Quinn, Carlson, Chapman, Ekeberg; No: Millar; Rowden absent)

Consent Calendar

Quinn – Wanted to remove Item G, Policies 2:125 and 2.260 (before voting on the Consent Calendar). Said that Policy 2:125 had been pulled from the Second Reading at the last meeting for further discussion at this meeting. **Millar** – Also thought that Policy was pulled last time.

McKanna – Said that Chapman talked to him and said that “you guys” had talked and that part had been resolved. That is what McKanna thought he heard.

Quinn – The last she heard at the Board meeting was that it (policy) was going to come back as a First Reading.

Item G: Second Reading – Board of Education Policies

Policy 2:125 Board of Education: Board Member Expenses

Reference: **Policy 2:125 with changes presented for 2nd Reading/approval** on January 9th, 2008
www.fcwpta.org/pdf/d15_policy_2_125_board_member_expenses.pdf

Policy 2:125 as presented for 2nd Reading/approval on February 13th, 2008

www.fcwpta.org/pdf/d15_policy_2_125_feb_13_08_board_member_expenses.pdf

District 15 Official Minutes for Regular meeting January 9th, 2008

www.ccsd15.net/AboutDistrict15/BoardofEducation/Minutes/2007-08/2008-01-09_Regular.doc

Consent Calendar unanimously approved without Policies 2:125 and 2.260

Motion to bring back Policy 2:125 as a First Reading at the next meeting - Unanimous

Motion to approve Policy 2:160 Board of Education: Uniform Complaint Procedure

After some Board discussion about the deletion of wording concerning collective bargaining agreements, there was Board consensus to strike that portion of the policy. Unanimously approved.

Correspondence

Freedom of Information Act Requests (3) – Ref: [www.fcwpta.org/pdf/d15 FOIA feb 13 08.pdf](http://www.fcwpta.org/pdf/d15%20FOIA%20feb%2013%2008.pdf)

Executive Session

The Board went into Executive Session shortly after 11 p.m. to discuss A) Collective Negotiating Matters, B) Appointment, employment, compensation of Employees and D) Student Discipline. The Board was expected to vote on the Personnel Report after Executive Session concluded.

For information on agenda items not covered in these notes, check the "Summary of Board Actions" for this meeting at www.ccsd15.net/AboutDistrict15/BoardofEducation/HTML/BOEMeetingDates.html

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