

# **Spotlight on the Board**

## **Notes from the District 15 School Board Meetings**

### **November 14th, 2007**

This was a Regular Board of Education meeting. Board members in attendance were: Tim Millar, Gerald Chapman, James Ekeberg, Kelly Keenan, Sue Quinn and Wendy Rowden. Board member Nancy Lee Carlson was absent.

## **Superintendent's Reports**

### **Report on Use of Ten New Bus Routes**

**Dr. McKanna, D15 Superintendent** – At the last BOE meeting, the Board authorized the district to contract for up to ten buses for up to a 90 day period – the 90 days is what the law allows, there was no attempt to go over 90 days. In August, there was a new law that requires school districts to set up bid specifications to allow private bus companies to bid to provide bus services. Our intent is to have a public hearing at the December BOE meeting. At that time, the Board will have an opportunity to continue with ten buses, or go to 12 or 15 buses – the bid is flexible so that the District can add whatever number of buses might be needed at that particular time. The District could even look at doing our own buses, a variety of things. That is for the December BOE meeting.

Transportation will report tonight on what has actually been done with those 10 additional routes, how that has helped us accomplish what we want to do in terms of getting children to/from school.

At the January BOE meeting, we will come to the Board with a proposal for the next school year to look at two tiers, three tiers, it could be some private busing, and it could be a variety of options. Options will be presented for the Board with what we thought were the pros/cons and the actual costs. That will give us enough time to get ourselves in place to have our busing set up and actually ready to go in August.

**George Lingel, Co-Interim Business Manager** – Would like to apologize to the community and the Board for the frustrations that we have all had in the last three months. We are probably now at the point today where we really should have been at about two weeks into the school year at most. Too many delays have caused hardships on the community and teaching staff.

Knows that the ten additional buses have had a very positive impact. Still doesn't have 100% on-time; not even 95%, but it is getting closer. Some adjustments were made at the end of last week after they took a survey. The goal of the department is to be on-time.

The district is currently operating 148 buses; has 135 full-time drivers, 31 bus aides and 10 substitute bus drivers – we are using our buses to the max at this particular time. Also have an additional 12 drivers in training.

What we actually accomplished with the ten contract routes was that we were able to create 27 new routes and adjust 51 routes with the intent of getting students to/from school on-time. We still have some long routes; we know that – some are 40 to 45 minutes.

(Referred to a chart given to the Board prior to the meeting) – Said that the Board will see some blanks in there. We say we have two tiers but in reality we have four tiers. If someone is operating a full route, you will see that they have two in the a.m./two in the p.m. After we contracted for the ten buses, there are still some voids – those are needed on a daily basis to fill in for accidents, train delays, other emergencies that may come up. That is why we need our substitute drivers. Also, we still have some band and orchestra buses running late, corrections have to be made.

**Don Skinner, Co-Interim Transportation Manager** – When we started, we had a great number of longer routes and conflicts in getting our buses to school on time. They took the additional ten drivers from Laidlaw and assigned them to ten routes that were running well. Then took district bus drivers and put them into more difficult routes. The additional buses gave the department flexibility to have some openings for when emergencies come up. Still shaking out the routes with time.

Said that Board Member Quinn had questions regarding the longer routes. Right now, we are down to 23 routes over 45 minutes – out of 580 routes – that is 4% - pretty pleased about that number. Two-thirds (2/3rds) of those routes come from three schools – Sundling, Sandburg and St. Theresa. Sundling and Sandburg have to travel West to pick up students to bring back to those junior highs. The St. Theresa routes have no boundaries; those buses go to all four corners of the district essentially that makes for longer routes.

Down to about 7 or 8 routes for all of our other schools that are over 45 minutes – pleased about that. Still have some conflicts in our 3<sup>rd</sup> and 4<sup>th</sup> tiers (p.m. routes) with late buses. There are about 6 or 7 consistently late buses that principals have told him about.

**Bob Strande, Co-Interim Business Manager** – Wanted to comment on something McKanna alluded to that would be happening between now and the December BOE meeting. There is a pre-bid, informational meeting Friday, November 16<sup>th</sup> for potential bidders. At that time, they will be given the ten routes that are established now and five additional routes, if we would go up to an additional five routes. He expects some dialogue with the bidders; they will get information for them to complete their bid. For the December BOE meeting, there will be a hearing, which is required prior to any award of a bid. Wanted to provide some clarification – under this new statute, there are many different aspects and this is the first time through for any school district, we are really the pioneers.

It took a lot of time to write the specs, have the attorneys review it, have the attorneys add in language that needed to be added because of the statute. Found out that the bids had to take place at a regularly scheduled BOE meeting, not a special meeting.

In the meantime, a lot of work had to be done in terms of costing out what our operation costs - according to the statute – to compare what the costs of the bids are. It is the first time through this for any school district in the state of Illinois – we are forging new ground.

**Lingel** – As Strande said, we have to look at exactly what all of our costs are because they had to be listed in the bid specifications for the contractors. By all, he means not only the bus drivers salary, but had to list the benefits provided to the drivers. If you do down the list, it is medical, dental, life insurance, pay for the driver's license, provide training, IMRF, social security, etc. The contractors had to know these costs in order to bid.

Said that when you see our costs in comparison to the bids that come in, we will probably get some things out there that some of you (Board) have already been asking for that we haven't totally provided. Lingel said that we have to get all of our costs whether it is charged to the transportation fund or another district fund. The workers compensation costs go to the Tort/Liability Fund. There are some costs that you don't think about sometimes that we actually spend on transportation.

**Strande** – Wanted to touch on that subject. Said that when we look at long range financial projections, those are all valid points – they are all part of the costs (of transportation).

Ref: Student Bus Transportation Bid [www.fcwpta.org/pdf/Student\\_Bus\\_Trans\\_Bid.pdf](http://www.fcwpta.org/pdf/Student_Bus_Trans_Bid.pdf)  
Addendum – November 20<sup>th</sup> [www.fcwpta.org/pdf/Student\\_Bus\\_Trans\\_Bid\\_Addendum.pdf](http://www.fcwpta.org/pdf/Student_Bus_Trans_Bid_Addendum.pdf)

#### **Board questions/comments –**

**Board member Sue Quinn** – Wanted to make a note about what was said earlier about getting our longer routes down to lower numbers – about 23 buses now. Have to keep in

mind too that last year, about 5% of the district's scheduled routes were about 45 minutes – according to the report given to the Board.

Asked if the business department knows if there will be a sufficient number of bidders at the pre-bid meeting on Friday?

**Strande** – There has been a lot of interest, curiosity. The bidders have to be big enough to have 10 or 15 buses/drivers available. This is a unique situation because it is not 3 months before the start of school; now it is almost halfway through the school year. Suspects there will be number of potential bidders, thinks it will be more than one but not a dozen.

**Skinner** – Our drivers have done an outstanding job this year, driving is tough; they are around a lot of kids, a lot of germs. We needed them to be here this year, every day. Drivers have been outstanding in terms of the job that they have done for us; proud of them, knows the community is proud of them too.

## **Board Discussion and Reports**

### **First Reading – Board of Education Policy**

Fifteen (15) Board of Education policies were presented for a first reading and Board members were informed of any changes made to the policies by Dr. Jean Sophie, Assistant Superintendent. There was some Board discussion involving the following policies:

2.125 – Board Member Expenses

5.130 – Responsibilities concerning internal communication

6.40 – Curriculum Development

6.60 – Curriculum Content

6.150 – Home & Hospital Instruction

6.250 – Community Resource Persons and Volunteers

7.190 – Student Discipline

Board policies are brought back for a second reading before a vote is taken.

### **Audit Report** (moved up in the agenda to accommodate the auditor – approx. 8:20 p.m.)

Auditor reviewed the report, new procedures, and standards with Board members – copies were not available to the audience. The audit will be posted on the District's web site. Mention was made that the District has switched over to accrual accounting instead of working on a cash basis. Appreciation was given to the new (7/1/08) Director of Business Services, Mary Werling for making that transition very quickly. It was also noted that the district is going to account for liabilities in the future. The new standards are not expected to delay future audits. Bob Strande indicated that he expects the business office will be ready for the audit more next year than this year because of what is taking place during the course of this year.

The audit should be available soon at the following link:

[www.ccsd15.net/AboutDistrict15/DistrictOffices/BusinessAndAuxiliaryServices/HTML/FinancialInfo.html](http://www.ccsd15.net/AboutDistrict15/DistrictOffices/BusinessAndAuxiliaryServices/HTML/FinancialInfo.html)

## **Committee Reports**

### **Finance Committee – Long Range Financial Projections**

**Strande** – Commented before the presentation - Believes that this is the first time the district has prepared financial projections with the help and assistance of Board members. This report has been an integral part of the Finance Committee of which Millar and Quinn serve on. They were instrumental as assumptions were looked at and the document was prepared for the meeting tonight.

Commented that long range financial projections are meant to be a gauge, a view of the future – not meant to be the budget for next year/years after that. It is meant to give some trend data to look at, know what could possibly happen in the future using these assumptions. Assumptions looked at were: enrollments, staffing levels, CPI, tax levy, trends of state and federal aid, interest rates, what do we foresee as salary increases and the benefit increases that are tied into that.

The Finance Committee reviewed those assumptions, looked at long range plans in place for technology, demographics report, staffing projections, etc. Other district staff members were integral in the projections. Strande wanted everyone to keep in mind that “a small change early has a large affect later.” So if you see that your expenditures are exceeding revenues, you can make an adjustment to that early in the process in the first year, or second year and it has major implications as you get to the last years of these projections.

*Reference:* Five-Year Financial Projections presentation  
[www.fcwpta.org/pdf/five\\_year\\_financial\\_project.pdf](http://www.fcwpta.org/pdf/five_year_financial_project.pdf)

**Strande** – Demographic report says that our enrollment is on the decline. It doesn’t mean that these numbers are exact but it is the best information that we have to go with.

One of the major factors of financial projections is staffing levels – the teaching/certified staff is one of the largest components of any school budget. Graph shows a reduction of 21 staff from this year to next year, followed by smaller reductions in subsequent years. Says to keep in mind that these are projections – it is easier to add staff than it is to subtract. This is what the forecast is predicated on to get the numbers that we are looking at.

**Board President Tim Millar** – Wanted to mention that the district should be able to get to these numbers without any layoffs. Looking at this through the natural retirements, attrition. **Strande** – Confirmed that, said that just in retirements alone – the district has sufficient numbers in reduction.

**Strande** – (continued with presentation) Total Fund Balance is without Bond and Interest. That is kept out because there is limited flexibility with what you can do with Bond & Interest balances. Trend is that our expenditures exceed our revenues through the course of these five years coming up. Goes from a fund balance of \$46M down to a projected fund balance of \$14M. Strande doesn’t want to alarm anyone because as he said earlier, he cannot believe that the district will continue along the path of which these particular projections are going. Again, adjustments made early are going to have a bigger affect on what the final results are. But it does show that out of the valid parameters that have been established, this will be the result. Doesn’t think it is the result that any of them wanted to see but it is the result based upon the assumptions/parameters that have been established.

**Following Board member questions** – Strande added that revenue is going up but not at the pace of our expenditures. The technology plan is part of the projections; there are substantial projections for fiscal year 2009 in terms of replacing the student information system, etc. If the budget is to be balanced, something will have to be looked at. The template for projecting salaries, especially future salaries was fairly sophisticated – they knew who the retirees were, etc. It wasn’t a matter of taking a flat dollar amount and increasing it a certain percentage. Parameters included class sizes that were established. A lot of time and effort went into these projections from both the Finance Committee and the business office but it is not meant to be a budget, out of this is going to come parameters for what next year’s budget will be.

**Strande** – (continued with presentation) Educational Fund sees a pretty substantial decline especially in the last years (2010/11 and 2011/12) – again this is all based on these assumptions and staffing levels.

Operations & Maintenance Fund – Commented that in 2008/09 - \$2m for capital expenditures and life/safety work that has to be approved. \$2m of that projection is out of the O&M fund – that is why you see it going over a \$2m drop in 07/08 to 08/09. It is a one time expenditure for the potential life/safety expenditures which will be discussed later in the agenda.

Transportation Fund – Is unique for several reasons, we have not amended our budget this year but will most likely have to by June 30<sup>th</sup> because we added approximately \$950K worth of expenditures (for the entire year) from the time the budget passed in September to this point in time. Additions were: 10 drivers, contracted services from Laidlaw which is close to \$100K, overtime for mechanics, staff, including drivers, etc. If you look at the main report, the fund balance for the end of 2008 is adjusted by approximately \$948K.

What is spent this year is projected into our revenues for the following year. Expenditures one year are reimbursed the next year.

Keep in mind that the transportation fund is for transportation expenses. There is an additional 30% of a driver's salary that is not included in the transportation fund. That is because IMRF, Medicare, FICA and workmen's compensation come out of the Tort Fund. IMRF is a little over 10%, workmen's comp is a little over 10%, FICA/Medicare is 7.65% - adds up to not quite 30%

When the district adds a bus driver at a \$30K salary, the true cost to the district is closer to \$40K because none of the other costs (other than salary) are included in the reimbursement.

**Millar** – Commented that he has gotten quite an education on transportation costs. As Strande said, the transportation fund only has certain expenses and doesn't show us the total cost of all the staff. Said he was incorrect on the reimbursement rates as well as far as what he was considering. It is actually much less because the transportation fund doesn't include workmen's comp (which is over \$400K), IMRF and FICA for 160 transportation employees which is significant. In the past, he thought the district was getting more in reimbursement but it is actually below 50% of the district's actual costs.

**Board member Gerald Chapman** – There is a real disparity. Because of how we run our entire transportation system, there are costs that have to go to other funds. However if we contracted, all of those costs/expenses would come out of transportation and the district would be eligible for the reimbursement. So D15 and any other school system that owns its own buses, actually gets a raw deal because those 30% additional costs are not subject to reimbursement. There has been work for years to try to get that changed because it is totally unfair.

**Lingel** – Indicated that he has gone to Springfield and talked to state representatives about this issue because it is unfair. In reality, the district is penalized for operating its own transportation system because you cannot claim some of the expenses that a district that contracts for transportation can claim.

**Chapman** – Said that as an example of how you can't get that done politically is that there are so many school systems in the state that contract, that they overwhelm us vote-wise. We can't get enough votes to make it happen.

**Millar** – Referred to projections. Said that even on the salaries numbers that were plugged in - the actual contracts were looked at, retirements, looked at the most realistic numbers as far as increases. They were modest with the increases so there wasn't any intent to

make it good bad or good. Wanted actual numbers, found out what permits were being pulled to get a real number on new construction, income, looked at CPI, interest rates, etc.

**Lingel** – Mentioned a Palatine TIF that is supposedly going to be paid off in about two years. When that is paid off, the TIF will either be retired or the taxing bodies (D15, D211, park district, library) will be reimbursed for their share of those tax revenues.

**Strande** – That wasn't put into the forecast, premature now. As he said before, these projections could change in a day. There is a good chance of this TIF situation but doesn't know. If it did happen, these projections would change.

**Quinn** – Commented that she appreciates the work that has been done with these projections and bringing it to the Board early in the process. The Board does have some things that it needs to deal with budget-wise. Having these projections early in the process will allow the Board to have the tools to understand what we need in going forward with next year's budgeting.

**Strande** – Made a last comment that the tentative budget will be presented in January and the final budget in March. Said that is earlier than has ever been done before. This report is step one in that process.

## **Citizens Address the Board**

(Moved up in the agenda due to length of the meeting – approximately 9:10 p.m.)

**Tracey Wrobel** – Conyers Learning Academy (CLA) teacher

Here again tonight representing the entire staff at Conyers Learning Academy and many are in the audience this evening. At the last Board of Education meeting, you approved to contract 10 buses for a period of up to three months. Since several of these buses have been added to our routes, there have been drastic improvements to our arrival and departure times. We have seen an increase in staff morale, better student behavior and positive reactions from our parents. The reason why I am speaking to the Board tonight is to thank you on behalf of our staff, students and parents. We truly appreciate the time and effort you put forth to help alleviate our transportation issues. We would also like to recognize and thank the transportation department for all of their hard work and extra hours to reconfigure our bus routes to get our students to and from school in a timely manner. Again thank you, CLA is very grateful.

## **Committee Reports** (resumed)

### **Communications Committee**

**Quinn** – First meeting was held October 24<sup>th</sup> with 60 attendees comprised of community members, parents, and teachers – mostly parents. Two surveys were taken and the results were given to the Board to review. One survey was about the Financial Report Card (FRC) – which will be discussed later in the agenda. The second survey was about communications in general; how people get information from the district now and how they would like to receive information from the district.

Thought attendees responded very positively toward the informal format of the meeting. There were some contentious questions during the Q&A section but in general, thought the meeting went fairly well. Even those that were contentiously enthusiastic about their questions were very positive at the end of the meeting. They said they liked the format and to please do it again.

She had a request from one person to ask the Board if they would do a Town Hall type meeting with the full BOE. Quinn's original idea for the Communications Committee was to have four meetings, one in each geographic area of the district. The first one was at

Winston Campus. Thought the next one would be after the first of the year. The topics for the first meeting really helped focus the Q&A section.

The FRC survey results were actually used to modify the Financial Report Card. Quinn would like to share the Communications survey results at a subsequent meeting to show how the results were used to improve communications in the district.

## **Facilities/Architectural/Real Estate Committee**

**Chapman** – The committee is dealing with several issues. One is dealing with our park district contracts. The target is to bring those contracts back to the BOE in February. Current contracts were approved for one year, looking for a longer term park district contract.

**Board Member Kelly Keenan** – Referred to a proposed 20 year Building Efficiency Audit – information was given in the Board packet. Would look at our current 21 facilities and land; create a plan for the future based on different scenarios such as full-time kindergarten, 6 through 8 middle school, or dual-language buildings. Evaluate our current facilities infrastructure, electrical, etc. Not trying to implement anything now, not trying to drive any one scenario, just trying to be forward thinking. For example, if this particular scenario happened – how would it affect the district?

**Craig Philips, Maintenance** – Explained further. This analysis would be to give the Board members and community the understanding of what we have, the problems that are projected now and in the future.

## **Action Items**

**Personnel Report – Approved 5:0** (Keenan abstained, Carlson absent)

### **Adoption of the Financial Report Card**

*Reference:* Financial Report Card (FRC) drafts for District 15's Web site and mailer

Web site version: [www.fcwpta.org/pdf/FRC\\_draft\\_web.pdf](http://www.fcwpta.org/pdf/FRC_draft_web.pdf)

Mailer version: [www.fcwpta.org/pdf/FRC\\_draft\\_mailer.pdf](http://www.fcwpta.org/pdf/FRC_draft_mailer.pdf)

### **Board comments prior to vote:**

**Quinn** – Presented costs for the FRC to be mailed – cost would be \$6,600 that includes printing and postage to approximately 50,000 District 15 township residents.

**Millar** – Due to our current deficit spending position, does not want to spend this amount at this time.

**Chapman** – Thought the Financial Report Card gave the Board good tools, was in favor of it.

**Keenan** – Positive about the FRC as a whole, did not want to spend the money at this time.

### **Vote to approve to post the Financial Report Card on District 15's Web site**

**Approved 6:0** (Carlson absent)

### **Vote to approve to mail the Financial Report Card**

**Failed 3:3** (Carlson absent) In the event of a tie, the motion/vote fails.

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

## **Bid – Electrical for CLA for Bus Parking Lot Block Heater Circuits**

Unanimously approved.

**Bid – Copiers** – Unanimously approved

## **Health/Life Safety Amendments – Lake Louise, Winston Campus, Hunting Ridge**

### **Board comments prior to vote:**

**Quinn** – Paperwork given to the Board indicated that these were “B” items. Didn’t understand how they are now “A” items, wanted clarification. The dollar amounts for these items are different than the original amounts given in the first Life Safety Study.

**Keenan** – Asked if the architects are going to oversee these items, will there be roughly an 8% fee for them?

**Chapman** – If this is mislabeled and incorrect, it needs to be corrected. Thinks it should be tabled and brought back at the next BOE meeting.

*Reference:* [www.fcwpta.org/pdf/d15\\_life\\_safety\\_survey.pdf](http://www.fcwpta.org/pdf/d15_life_safety_survey.pdf)

A motion was made to postpone the vote on this action item until additional information can be obtained. The total cost of the amendments is \$2,879,280.

The breakdown by school/amendment is:

Hunting Ridge \$154,980; Winston Campus \$928,800 and Lake Louise \$1,795,500

**Motion to postpone - Approved: 6:0** (Carlson absent)

*Reference:* Hunting Ridge Life Safety Report [www.fcwpta.org/pdf/HR\\_life\\_safety.pdf](http://www.fcwpta.org/pdf/HR_life_safety.pdf)

Winston Campus Life Safety Report [www.fcwpta.org/pdf/WC\\_life\\_safety.pdf](http://www.fcwpta.org/pdf/WC_life_safety.pdf)

Lake Louise Life Safety Report [www.fcwpta.org/pdf/LL\\_life\\_safety.pdf](http://www.fcwpta.org/pdf/LL_life_safety.pdf)

Each report is three pages and includes: Certification of Need for Fire Prevention and Safety Funds, Schedule of Violations and Schedule of Work Items and Estimated Costs.

**Approval of FY 2007 (06-07) Annual Audit** – Unanimously approved

**Letter of Understanding – BWP & Associates, LLC** – Unanimously approved

**Consent Calendar (8 items)** – Unanimously approved

- A. Investment Report
- B. Treasurer’s Report
- C. Report of Payroll Vouchers and Invoices
- D. Activities Fund Report
- E. October Budget Report
- F. Adoption 2008-09 School Calendar
- G. District Improvement Plan for Indicator 12: Timely Transition from Early Intervention to Early Childhood Special Education Services
- H. Destruction of Executive Session Audio Recording – May 2006

## **Adjournment**

The Board meeting adjourned shortly after 10 p.m.

Written by: *Jennifer Mondy*  
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Action Item votes/comments provided by:

*Lisa Neal, Hunting Ridge PTA VP of Legislation and NWSC PTA VP of Legislation*

Posted: November 18th, 2007