

Minutes of the budget hearing of the Indian Creek School District held on Monday, September 20, 2010. The hearing was called to order by the president at 7:00 p.m.

The recording secretary called the roll. Present were: Conley, Hicks, Boehne, Ottengheime, Palombo, Konen, Foster. Absent: None

Ms. Rockwood gave a powerpoint presentation on the 2010-11 budget. Building the 2010-11 budget has been very challenging at best, as events have occurred since the presentation of the tentative budget in August, that include the receipt of FY10 ARRA dollars still owed us, and the passage of the federal jobs bills. Also since then, the state has paid the general state aid payments in full and on time. For the 2010-2011 budget the estimated state aid has been increased to be at 90% in lieu of the 80% that was included in the tentative budget.

Ms. Rockwood spoke about the prior three year cumulative fund balance history and a history of the 2009-2010 school year as of June 30, 2010. She reviewed the revenue and expenditure assumptions that were used in planning for the 2010-2011 budget, noting any adjustments from those that were presented in August.

Revenue assumptions in planning for the 2010-11 budget are as follows:

- Our estimated general state aid is based on 90% of our claim in case the state begins to prorate them.
- It now includes FY10 ARRA dollars received in FY 11 and dollars from the new ARRA education jobs bill.
- Our revenue includes early tax receipts of 45% (as is normal) or our current level of property taxes received in May/June, 2010
- Corporate personal property replacement tax is projected at the same level as last year.
- It assumes the state will pay for the last 2-3 quarters of FY 10 state grants and reimbursements and it assumes full pay for all federal grants at \$11,000 less than the 2009-2010 school year.
- Other revenues for 2010-11 have been estimated at 100%

Expenditure assumptions in planning for the 2010-11 budget are as follows:

- Continued with zero-based budgeting (asking for staff input regarding their needs) adhered to a purchase order process
- Assumes an increase in O & M of 20% for gas, natural gas, diesel, and electricity
- Budget does not include the purchase of athletic and music uniforms, a bus, or new computers that were on cycle to be purchased
- Assumption of actual costs + 5% increase in special education costs, plus one more outside tuition placement.
- Assumes the lease of a bus at \$11,275
- Assumes an increase in health insurance costs of 15% (January-June, 2011)
- All supply budgets were reduced by 15%
- All year three life safety expenses (\$100,000) are included with the exception of the entire high school roof replacement

Budget Hearing Minutes

Page two

September 20, 2010

Other 2010-11 budget facts are the overall tax rate extended from DeKalb County is 4.7222. We are capped at 5% and our total extension is \$6,615,418. The notice about the budget being on display was in the August 9, 2010 Daily Chronicle.

The percentage of revenues for each fund provided by property taxes for 2010-11 (as per levy) is as follows:

- Education = 66% (less than before due to the increase in state aid projection and ARRA dollars, was 68%.)
- O & M = 98%
- Debt service = 93%
- Transportation = 57%
- IMRF/Social Security = 93%
- Working Cash = 0%
- Tort = 0%
- Fire/Life Safety = 99%

The 2010-11 budget with 2010-11 dollars only is as follows:

Fund Name	2010-11 Proposed Revenues	2010-11 Proposed Expenditures	Effect on this fund during the 2010-11 year
Educational	6,663,597	6,787,209	(123,612)
O & M	1,073,300	789,888	283,412
Bond & Interest – “debt service”	539,220	532,643	6,577
Transportation	424,100	420,519	3,581
IMRF & Social Security	270,100	246,816	23,284
Site & Construction – “Capitol Projects”	0	0	0
Working Cash	12,000	0	12,000
Tort	0	20,058	(20,058)
Fire Prevention & Safety	141,200	150,000	(8,800)

2010-11 dollars only effects: 9,123,517 8,947,133 176,384

The \$197,097 increase in revenue to the education fund consists of:

- \$71,500 – an additional 10% of general state aid being budgeted (projection up from 80% to 90%)
- \$60,097 – ARRA dollars received from FY10 ARRA money received in FY11

Budget Hearing Minutes
Page three
September 20, 2010

- \$65,600 – ARRA Education Jobs legislation
- Total of \$197,097

The proposed 2010-11 budget expenditures in the education fund show salaries at 66%, benefits at 14%, outside services at 6%, capital outlay at 0%, other (includes tuition) at 9%, and supplies at 5%.

The proposed 2010-11 budget expenditures in the O & M Fund show salaries at 30%, benefits at 5%, services at 25%, supplies at 37%, and capital outlay at 3%.

The proposed 2010-11 budget expenditures in the Transportation Fund show salaries at 47%, benefits at 4%, services at 30%, equipment at 0%, and supplies at 19%.

The proposed 2010-11 budget effects and projected cumulative fund balances as of June 30, 2011 were discussed. The total of all funds for the 2010-11 proposed revenues minus 2010-11 proposed expenditures are 176,384. The projected cumulative fund balance as of June 30, 2011 is 10,381,276 (includes June, 2011 tax receipts, which are to be used as a revenue source in the 2011-2010 budget.)

This budget is a conservative estimate of where the 2010-11 school year will end and it includes contingencies such as:

- Gas, electric, and fuel realizing a 20% increase
- An unforeseen major building repair (\$20,000)
- Additional special education student outplacement costs
- 10% of our state aid not being received
- All expenditures come in at full budget amounts
- Homeless and special education transportation costs increase
- Scheduled life safety work is completed (with the exception of the high school roof)
- An additional aide is hired

Ms. Rockwood closed by saying that considering our state's fiscal situation, prioritizing finances without knowing for certain how much state funding will be provided to our district was and is not easy. It is essential to take a conservative approach in planning for this year's budget, and that is what has been presented here this evening.

Respectfully submitted,

Pamela Ottengheime, Secretary

Minutes of the regular Board of Education meeting held on Monday, September 20, 2010. The president called the meeting to order at 7:16 p.m. The recording secretary called the roll. Present were: Conley, Hicks, Boehne, Ottengheime, Palombo, Konen, Foster. Absent: None

It was moved by Palombo, seconded by Konen to approve the minutes of the August 16, 2010 board of education meeting. On a voice vote, all members voted yes. The motion carried.

COMMUNICATIONS

Mrs. Kennedy gave a presentation on the 8th grade Washington, D.C. trip in the absence of Mr. Malm. The board had received a copy of the trip proposal in their board packet. The costs are pretty much the same. If the economic situation continues and there are less than twenty students who would like to go, Mr. Malm would like to combine the freshman and eighth grade classes. There will be fundraisers to help with the cost of the trip. Ms. Palombo asked when the deadline for the trip is. Mrs. Kennedy replied in March. Mrs. Ottengheime asked if there were sixty-nine 8th graders, why did only twenty go on the trip? Mrs. Kennedy thought it was because of the cost of the trip. Ms. Palombo asked when the sign-up for the trip opens up. Mrs. Kennedy said around October and there is a lot of time to prepare.

Mr. Marquardt gave the middle school activities report about the scholastic bowl. It is held after school and student teams are quizzed from January through March. There is a core group of five to eight students but there can be as many as twenty students. It is very competitive, enthusiastic, and inclusive of all three grades. The benefits are that it fosters teamwork, active listening, and self discipline. The quiz materials are generously provided by a grant from the education foundation.

Mrs. Kennedy had no additions to the middle school principal's report.

Mr. Mantzke complimented the high school staff and Mrs. Montgomery on doing a fantastic job of having everything in place while she was on leave and while he was acting as high school principal. He is proud of the students and that they are respectful. He was also proud of the staff.

Mrs. Montgomery gave the high school principal's report. Mrs. Zwinak's creative writing class has been invited to open for a poetry jam in Naperville on October 3.

Mr. Hicks asked what universal screeners were. Mrs. Montgomery said that the same screeners were used for all students. AIMS web is used as the universal screener for reading.

Mr. Boehne thanked Ms. Novotney and the F.F.A. members for helping at the corn plot and parking cars. They did a great job.

Board of Education Minutes
Page two
September 20, 2010

Mr. Mantzke spoke about the homecoming parade. The high school was basically asked to take over the parade since there would be no Waterman Harvest Day. Mr. Mantzke complimented Mrs. Tyler and Mrs. Snider who took on this large project. Mr. Mantzke handed out a letter that was received from Mayor Ekle that included a strong recommendation that politicians be allowed to participate in the parade. It had previously been determined that the parade was a homecoming parade only, and that it is for the students.

Mrs. Montgomery also thanked Mr. Mantzke, Mrs. Snider, and Mrs. Tyler. It is a huge undertaking.

Mrs. Montgomery handed out a copy of the high school schedule and number of students in each class. She clarified p.e. classes numbers and that a student had to drop 2A Art 200 (lowering that class size) because after the schedule was finished, the student needed to add other academic classes for graduation requirements.

Mr. Foster thanked everyone for helping at each building and the effort and cooperation in getting the school year started.

Mr. Simpson gave the Waterman Elementary principal's report. There was an issue with insulation around the skylight. The roofers were called and it was fastened down to the satisfaction of Mr. Ham and Mrs. Cox.

Mr. Mantzke thanked Mrs. Darlinger for covering two positions and Mr. Simpson for helping to cover the high school when he wasn't available. It was a good team effort. Mr. Simpson echoed Mr. Mantzke's comments.

Mr. Simpson spoke on Patriot Day and the good community presence that attended.

Mrs. Darlinger had no additions to her report. Three parapros will be recommended for hire at tonight's meeting.

The president asked if anyone in the audience had anything that they wished to present to the board.

Mrs. Cheryl Simpson handed out flyers on the Waterman Elementary Parent Club pork chop dinner to be held on October 15 to raise money for new playground equipment.

BUSINESS

It was moved by Conley, seconded by Palombo to approve the bills for the month of September accounts payable checks numbers 61740 to 61884 in the amount of

\$251,336.46; payroll checks numbers 456022 to 45148 and 4407d to 4609d in the amount of \$499,156.02; the treasurer's report, imprest fund report, community school fund report, and the yearly salary report. Roll call vote: Conley, yes; Hicks, yes; Boehne, yes; Ottengheime, yes; Palombo, yes; Konen, yes; Foster, yes. 7 yes, 0 no. The motion carried.

It was moved by Konen, seconded by Palombo that the meeting adjourn into executive session regarding the appointment, employment, compensation, discipline, performance, or dismissal of specific employees, collective negotiating matters, and the placement of individual students in special education programs and other matters relating to individual students. On a voice vote, all members voted yes. The motion carried. The meeting adjourned into executive session at 7:45 p.m.

It was moved by Palombo, seconded by Boehne that the meeting reconvene into regular session. On a voice vote, all members voted yes. The motion carried. The meeting reconvened into regular session at 8:40 p.m.

It was moved by Konen, seconded by Boehne that the executive session minutes be approved as reviewed. On a voice vote, all members voted yes. The motion carried.

It was moved by Palombo, seconded by Boehne to accept the resignation of Stephanie Crutcher as freshman volleyball coach effective immediately. Roll call vote: Conley, yes; Hicks, yes; Boehne, yes; Ottengheime, yes; Palombo, yes; Konen, yes; Foster, yes. 7 yes, 0 no. The motion carried.

It was moved by Conley, seconded by Konen to accept the resignation of Jody Olive as 7th grade boys basketball coach. Roll call vote: Hicks, yes; Boehne, yes; Ottengheime, yes; Palombo, yes; Konen, yes; Conley, yes; Foster, yes. 7 yes, 0 no. The motion carried.

It was moved by Boehne, seconded by Konen to accept the resignation of Dan Anderson as 8th grade girls basketball coach. Roll call vote: Boehne, yes; Ottengheime, yes; Palombo, yes; Konen, yes; Conley, yes; Hicks, yes; Foster, yes. 7 yes, 0 no. The motion carried.

It was moved by Palombo, seconded by Conley to hire Benay Larson as freshman volleyball coach effective immediately. Roll call vote: Ottengheime, yes; Palombo, yes; Konen, yes; Conley, yes; Hicks, yes; Boehne, yes; Foster, yes. 7 yes, 0 no. The motion carried.

It was moved by Boehne, seconded by Palombo to hire Joanne Burton and Carol Smith as middle school spelling bee sponsors with the stipend to be split. Roll call vote: Palombo,

yes; Konen, yes; Conley, yes; Hicks, yes; Boehne, yes; Ottengheime, yes; Foster, yes. 7 yes, 0 no. The motion carried.

It was moved by Palombo, seconded by Konen to hire Molly Punke and Robyn Sturk as junior class advisors with the stipend to be split. Roll call vote: Konen, yes; Conley, yes; Hicks, yes; Boehne, yes; Ottengheime, yes; Palombo, yes; Foster, yes. 7 yes, 0 no. The motion carried.

It was moved by Konen, seconded by Conley to hire Shawn Allen as sophomore class advisor. Roll call vote: Conley, yes; Hicks, yes; Boehne, yes; Ottengheime, yes; Palombo, yes; Konen, yes; Foster, yes. 7 yes, 0 no. The motion carried.

It was moved by Boehne, seconded by Ottengheime to hire Jeniffer Barker as paraprofessional. Roll call vote: Hicks, yes; Boehne, yes; Ottengheime, yes; Palombo, yes; Konen, yes; Conley, yes; Foster, yes. 7 yes, 0 no. The motion carried.

It was moved by Konen, seconded by Palombo to hire Laura Viland as paraprofessional. Roll call vote: Boehne, yes; Ottengheime, yes; Palombo, yes; Konen, yes; Conley, yes; Hicks, yes; Foster, yes. 7 yes, 0 no. The motion carried.

It was moved by Boehne, seconded by Palombo to hire Christina Miller as paraprofessional. Roll call vote: Ottengheime, yes; Palombo, yes; Konen, yes; Conley, yes; Hicks, yes; Boehne, yes; Foster, yes. 7 yes, 0 no. The motion carried.

It was moved by Konen, seconded by Palombo to hire Luke Anderson as 7th grade boys basketball coach. Roll call vote: Palombo, yes; Konen, yes; Conley, yes; Hicks, yes; Boehne, yes; Ottengheime, yes; Foster, yes. 7 yes, 0 no. The motion carried.

It was moved by Boehne, seconded by Konen to hire Simone Johnson as high school cheerleading sponsor. Roll call vote: Konen, yes; Conley, yes; Hicks, yes; Boehne, yes; Ottengheime, yes; Palombo, yes; Foster, yes. 7 yes, 0 no. The motion carried.

It was moved by Palombo, seconded by Konen to approve the FMLA request of Sue Jacobson. Roll call vote: Conley, yes; Hicks, yes; Boehne, yes; Ottengheime, yes; Palombo, yes; Konen, yes; Foster, yes. 7 yes, 0 no. The motion carried.

It was moved by Boehne, seconded by Konen to approve the FMLA request of Dawn Kimpflin. Roll call vote: Hicks, yes; Boehne, yes; Ottengheime, yes; Palombo, yes; Konen, yes; Conley, yes; Foster, yes. 7 yes, 0 no. The motion carried.

Board of Education Minutes

Page five

September 20, 2010

It was moved by Palombo, seconded by Konen to approve the 2010-11 budget. Roll call vote: Boehne, yes; Ottengheime, yes; Palombo, yes; Konen, yes; Conley, yes; Hicks, yes; Foster, yes. 7 yes, 0 no. The motion carried.

It was moved by Conley, seconded by Boehne to approve the 2010 school district homecoming parade. Roll call vote: Ottengheime, yes; Palombo, yes; Konen, yes; Conley, yes; Hicks, yes; Boehne, yes; Foster, yes. 7 yes, 0 no. The motion carried.

It was moved by Konen, seconded by Palombo to approve the applications for recognition of schools. Roll call vote: Palombo, yes; Konen, yes; Conley, yes; Hicks, yes; Boehne, yes; Ottengheime, yes; Foster, yes. 7 yes, 0 no. The motion carried.

It was moved by Konen, seconded by Palombo to approve the resolution to adopt and approve the amended N.I.A. articles of agreement. On a voice vote, all members voted yes. The motion carried.

It was moved by Hicks, seconded by Ottengheime to approve the disposal of equipment consisting of a broken refrigerator at the middle school and preschool chairs at Shabbona Elementary. Roll call vote: Konen, yes; Conley, yes; Hicks, yes; Boehne, yes; Ottengheime, yes; Palombo, yes; Foster, yes. 7 yes, 0 no. The motion carried.

It was moved by Konen, seconded by Palombo to approve the ballot for the NIA executive board member. Ms. Rockwood said that a name needs to be voted on. Mrs. Konen withdrew the motion. It was moved by Hicks, seconded by Palombo to vote for Carla Cumblad for the N.I.A. executive board member. On a voice vote, all members voted yes. The motion carried.

It was moved by Boehne, seconded by Palombo to approve the final payment to the Glenbrook Group for roof repair. Roll call vote: Conley, yes; Hicks, yes; Boehne, yes; Ottengheime, yes; Palombo, yes; Konen, yes; Foster, yes. 7 yes, 0 no. The motion carried.

REPORTS AND DISCUSSION

Ms. Rockwood gave the superintendent's report. The state of Illinois did not receive a the Race to the Top grant, but the ensuing paperwork and changes still need to be done due to the associated legislation that was passed. Professional development funds will be used at the teacher's institutes for differentiated instructional strategies, and suicide prevention training. The common core of standards were adopted by the state of Illinois and they need to be integrated by 2014. There was a question asked about field trips regarding if a parent donates all the money for the trip, can a class still take another one.

The Finance Committee had talked about this previously. They agreed on one field trip per class and to keep things even, they said no to donations and grants for field trips. They thanked the parents for their offer but respectfully declined it. In the interest of fairness, grants to teachers will not be considered for field trips either. Ms. Rockwood reaffirmed with the board that there would be no computer purchase this year, a bus would be leased instead of purchased, and the uniform purchase rotation is frozen (fundraisers can be done for warm-ups but not for uniforms) for this year. There was also a telephone call received about beginning a football program. The administrative team talked about it and shared that they felt that it was not the right time to begin an expensive sport such as this. Mr. Hicks said there needs to be youth tackle football as a starting point and the only school around that has started that is Somonauk.

Ms. Rockwood spoke about receiving money from the new federal jobs legislation. The Title I grant has paid for the teacher's salary and part of TRS. It is suggested to move Title I into ARRA dollars using Title I dollars to add an aide so there would be one in each building for two years. By using the dollars in this manner, less money would be spent on TRS.

Calltele has been drafting a proposal for a new phone system which would cost no more dollars than the normal monthly expenses. They hope to make a presentation to the board of education in October or November.

The policy committee will be meeting before the next board meeting.

Tentative reservations have been made at Shula's for the school board convention.

Ms. Rockwood said that the October board meeting will start with a building tour of the middle school and end up at Waterman Elementary. The elementary school improvement plans and the middle school improvement plan will be presented. The November board meeting will start at Shabbona Elementary with a building tour and end up at the high school. The high school school improvement plan will be presented. Tours on both evenings will start at 6:30 p.m.

The Finance Committee report was covered previously during the board meeting. Ms. Palombo said that the committee had discussed conducting a building feasibility study which will be discussed later in the meeting. Mr. Foster said that the committee is recommending holding tight to the purse strings and that we are taking a conservative approach. There is still uncertainty with the economic situation. This doesn't mean that if things turn around that other things can't be brought back. With the state's financial situation, it is recommended that we hold the line until the certainty is brought back.

Board of Education Minutes

Page seven

September 20, 2010

The school construction entitlement grant was discussed. Ms. Rockwood received a phone call from the state asking if our plans were ready. There are two areas of new legislation being proposed. One area is proposing authorization for resale of more construction bonds. The other area is to sell bonds to reimburse districts who built, somewhat like a tax abatement. Both are a gamble as they have not yet been approved. The current bonds fall under the Build America Bonds. Ms. Palombo said that the Finance Committee discussed doing a building feasibility study. Ms. Rockwood handed out a chart showing the estimated operating costs per building. The middle school has seen the most dollars spent in capital improvement. The question was asked in the past as to how long the district will continue to put money into an older building, with our enrollment going down. There is ground available at Waterman Elementary that was donated by Kennedy Homes. There are many factors that should be considered for our future. There has been $\frac{3}{4}$ of a million dollars invested in the middle school thus far. A straw poll was taken of the board. All members thought a feasibility study should be done. It was felt that we have been putting bandaids on the middle school and this is not a new discussion, but it has been talked about for years.

Not only is our enrollment declining (which impacts our state aid), when our local e.a.v. goes up (which it has), our state aid goes down, (which is the current case). Ms. Rockwood will contact the Illinois State Board of Education and look into other options. Community engagement is also very important in this process.

Mr. Foster said that there was a person interested in reactivating the Sports Hall of Fame. Mr. Hicks (who is on that committee) will be in contact with Mr. Foster regarding the request.

It was moved by Palombo, seconded by Boehne that the meeting be adjourned. On a voice vote, all members voted yes. The motion carried.

The meeting was adjourned at 9:25 p.m.

Respectfully submitted,

Pamela Ottengheime, Secretary