

**MINUTES OF REGULAR MEETING,
BOARD OF EDUCATION, SCHOOL
DISTRICT #225, COOK COUNTY,
ILLINOIS, JULY 30, 2012**

A regular meeting of the Board of Education, School District No. 225 was held on Monday, July 30, 2012, at approximately 7:02 p.m. at Glenbrook South High School Student Center, pursuant to due notice of all members and the public.

The president called the meeting to order. Upon calling of the roll, the following members answered present:

Boron, Hammer, Martin, Regalbuto (via telephone), Shein, Taub

Absent: Wolfson

Also present: Caliendo, Geddeis, Pryma, Riggle, Siena, Pearson, Wegley, Williamson

Mr. Shein asked Dr. Williamson to read the resignation letter submitted that evening by Board Member Wolfson:

Due to the fact that I am no longer a resident of School District 225, it is with much sadness that I must submit my resignation from the school board effective immediately. I have enjoyed serving the district over the last 3 years and I wish the board, the superintendent, Dr. Riggle, and the entire staff all the best in the future.

District 225 is extremely fortunate to have a dedicated and talented group of elected, employed, and volunteer officials with whom I have had the pleasure to serve. I am confident that they will continue to assure the success of the district. If I may be of any service in the future please do not hesitate to contact me.

Best Regards,

Jeffrey Wolfson

APPROVAL OF AGENDA FOR THIS MEETING

Motion by Mr. Boron, seconded by Mr. Taub to approve the agenda for this meeting.

Upon calling of the roll:

aye: Boron, Hammer, Martin, Regalbuto, Shein, Taub

nay: none

Motion carried 6-0.

RECOGNITION OF COMMUNITY VISITORS

None.

BOARD AND SUPERINTENDENT REPORTS

Dr. Riggle stated that summer school just ended and the administration is getting ready for the start of the school year.

Dr. Riggle mentioned the serious health condition of retired GBN student activities director, Blaine Royer. Dr. Riggle asked that Mr. Royer and his wife be in everyone's thoughts and prayers. Mr. Royer retired from the district in 2005. He served as the Assistant Principal for Student Activities at GBN for 24 years. He will be on the minds of many people.

MOTION TO APPROVE CONSENT AGENDA

Motion by Mr. Boron, seconded by Mr. Martin to approve the following items on the consent agenda with item 5.7c, minutes from the Finance Committee, removed from the consent agenda for revision.

APPOINTMENTS

- 1.) a. no appointments

Personnel - Resignations/Terminations

- 2.) a. no resignations/termination of certificated staff
b. the resignation/termination of the following educational support staff contained in the memorandum dated July 30, 2012.

<u>NAME</u>	<u>POSITION</u>	<u>EFFECTIVE</u>	<u>SCHOOL</u>
Campagna, Antonette	IA	06/29/12	GBN
Levit, Julia	SPED IA	06/29/12	GBN

3. the Board of Education review of the FOIA request contained in consent agenda item #5.3.

4. the issuance of Vendor Checks Nos. 53772 through 53943 in the amount of \$954,053.59 as listed on the attached checks register dated July 24 and July 25, 2012.

5. no payroll

6. no imprest

7. Open and Closed Session Minutes from the July 16, 2012 Regular Board Meeting

8. Board Policy and Procedure 3030, 6432 & 8050 as contained in consent agenda 5.8

9. Academic Attainment as contained in consent agenda item # 5.9.

10. Computer Lease as contained in consent agenda item # 5.10.

Upon calling of the roll:

aye: Boron, Hammer, Martin, Regalbuto, Shein, Taub

nay: none

Motion carried 6-0.

DISCUSSION/ACTION: NSSED BUDGET

Dr. Riggle indicated that NSSED has used the last year to make adjustments in payments for service. Mr. Hammer has been part of the NSSED Board and has kept the district abreast of potential changes. Dr. Riggle stated that the current NSSED budget is more equitable for member districts.

Dr. Riggle stated that the preliminary NSSED budget does require approval and has been included as part of the tentative budget prepared by Mrs. Siena. This item will be on the consent agenda for the next meeting.

Ms. Pearson, Director of Special Education, stated that there is a 3.32% increase from last year's budget. The most significant change that affected this increase was student enrollment. She stated that it was anticipated two years ago that there would be

a large number of students coming from District 34. Ms. Pearson described enrollment trends in some NSSSED programs.

Ms. Pearson stated that tuition costs have fluctuated substantially. She referenced a chart showing the change in tuition. This resulted from a shift of IDEA dollars into membership.

Ms. Pearson stated that recommendations for FY14 are being discussed, but have not been incorporated into the FY13 budget.

Mr. Hammer referenced a shift in dollars of \$40k.

Mr. Shein asked if this shift depended on the number of students.

Ms. Pearson stated that this does not include changes in enrollment for 2012-2013. The NSSSED board has worked well to balance the needs of the 18 member districts.

Mrs. Siena stated that the budget number depends on enrollment.

Mr. Boron asked how close to capacity the Off Campus program was.

Ms. Pearson stated that the numbers are starting high, but expects that there will be some bridging back to the regular buildings. Off Campus will be able to support new referrals.

Mr. Boron asked if Off Campus would be an appropriate placement for some students rather than NSA.

Ms. Pearson stated that all incoming freshmen students who were at NSA transitioned to Off Campus.

Mr. Boron asked for clarification that the district is not sending students to NSA because there is no room at Off Campus.

Ms. Pearson stated that this was not the case.

Mr. Taub asked if the districts that were thinking about leaving NSSSED withdrew from the consortium.

Ms. Pearson indicated that those districts are planning to stay.

Mr. Taub asked if changes in billing had been positive in terms of those districts staying.

Ms. Pearson stated that districts that were considering leaving were satisfied with the billing study and changes.

Dr. Riggle stated that Lake Forest and Lake Bluff both have new superintendents. These districts will need to track the changes that were made and see how they feel going forward.

Ms. Pearson stated that the two biggest factors were establishing more transparency related to costs and shifting dollars to membership. These were changes that benefitted all of the member districts.

Mr. Hammer stated that the NSSSED brick and mortar campus is less important than the services provided. This has been a recent shift for NSSSED.

Mr. Shein asked about the risk of not obtaining IDEA dollars in the future.

Mrs. Siena stated that this funding is secure, but has been slow in coming.

Dr. Riggle stated that even if there were cuts, these would not be until July of 2013.

Ms. Pearson stated that IDEA flow-through dollars accumulate over time and can be used if funds are cut, but these funds have to be for a specific purpose. She stated that Medicaid dollars may be a source of increased revenue for the district.

Mr. Martin asked about the percentage of the NSSSED budget that comprises benefits and salaries.

Ms. Pearson stated that typically this has been over 80%.

Mr. Martin referenced the budget increases for the NSSSED staff and asked how these were determined.

Ms. Pearson stated that the NSSSED board typically meets to discuss and uses their teachers' contract as a point of reference for increases on non-union employees. This is part of a board discussion with the 18-member districts.

Mr. Martin asked how many years are left on the NSSSED teachers' contract.

Ms. Pearson stated that perhaps two years are left on the contract, but she could verify this and follow-up with the Board.

Mr. Martin stated that in order to understand if this is a fair budget more information would be helpful.

Ms. Pearson stated that NSSSED administrators are on a year-to-year contract, some support staff are also in this category and

some support staff are unionized. NSSED did reduce and make cuts in programs regardless of previous 5% increases in teacher salaries. Staff was reduced to save member districts' funding.

Mr. Martin asked Ms. Pearson how confident she was that this is a reasonable budget given that staff is such a large part of the budget.

Mr. Hammer stated that NSSED has two boards, a governing board and an executive board. Mr. Hammer stated that he is on the governing board.

Ms. Pearson stated that there are three phases of the budget process, one of which included feedback from member districts.

Ms. Pearson stated that she believes that the NSSED budget is reasonable in light of recent cuts.

Mr. Hammer stated that there are federal guidelines that NSSED must meet in terms of ratios of staff to students that impacts the budget.

Ms. Pearson stated that there has been a reduction in administrative staff through attrition and provided an example. The number of administrators has been reduced.

Mr. Shein referenced salaries in comparison to changes from last year.

Ms. Pearson stated that she can provide a trend over time with regard to NSSED salaries.

Mr. Martin stated that this would be helpful.

Mr. Martin stated that the Board is relying on people that they don't know to try and understand what is going on. It would be helpful to get a memo that outlines the major ways NSSED has saved money in the last year or two.

Dr. Riggle stated that this information is likely available. He suggested that NSSED superintendent, Tim Thomas, present to the District 225 Board regarding how NSSED continues to meet student needs while cutting costs.

Mr. Martin stated that the executive summary from Seth Chapman, NSSED business manager, paints a very positive picture. He questioned where District 225 is potentially not getting what they used to get. He asked what the criticism of the budget would be in this context.

Ms. Pearson stated that NSSED is putting things back in that they have lost in the past. For example, literacy coaches and behavioral consultants were reduced. Class sizes have increased, but student needs are still being met through different staffing patterns.

Mr. Martin stated that it sounds like a great budget that Mr. Hammer and Ms. Pearson support, but he suggested a need to know the down side of the budget.

Dr. Riggle stated that NSSED had to do a gut-check because there was increased pressure from member districts regarding costs. This caused NSSED to look internally to see that they could do a better job. The district is always asking if this is a program that we can take over and do a better job with rather than use NSSED. For example, Off Campus has recently expanded.

Mrs. Siena stated that one of the best things that NSSED did was hire Seth Chapman as business manager. He has kept the other business managers in the loop and keeps the special education directors in the loop. Mr. Chapman brings excellent communication and collaboration skills.

Dr. Riggle stated that NSSED is sensitive to the fact that they do not want member districts to think their board is into lock-step approval of their budget.

Ms. Pearson stated that there will be some additional changes coming for 2014 and NSSED is looking to get perspective from member districts.

Dr. Riggle asked Mr. Martin if he would like to see a copy of the NSSED teachers' contract.

Mr. Martin stated that a simple summary would be good.

The NSSED budget will be on consent for the next meeting.

DISCUSSION/ACTION: ADOPTION OF TENTATIVE BUDGET

Mrs. Siena presented the tentative budget and referenced the cover memo contained in the binder.

She stated that there was \$5.5M operating surplus from 2011-2012. She explained the reasons for the surplus.

Mrs. Siena stated that 103% of budget revenues were received.

Mrs. Siena stated that salary and benefits came in lower than projected. The only expense that came in over-budget was in the area of special education.

Mrs. Siena reviewed historical data regarding real estate taxes collected. Interest earning is very low for the district at this time.

Mrs. Siena stated that General State Aid is in the budget at an 89% funding rate. This has been confirmed by the governor.

Mrs. Siena stated that overall the district's fund balance slightly increased.

Mrs. Siena explained that she used the assumption for non-certificated raises at a 2.3% increase.

Mr. Martin stated that the end result of that is \$483k in savings from full formula.

Mrs. Siena stated that there will be an IMRF increase. She stated that the district should expect a spike in 2013-14.

Mr. Martin asked Mrs. Siena about her assumptions with regard to IMRF over the next five years.

Mrs. Siena stated that she is assuming 10% per year for five years.

Mr. Shein stated that given there is no cap on IMRF, it sounds like Mrs. Siena believes that it could go up more than that.

Mrs. Siena stated that the IMRF budget is \$1.5M.

Mr. Taub asked if there were more savings in pension costs or from benefits.

Mrs. Siena stated that there were more reductions from benefits, not pension.

Mrs. Siena reviewed health insurance costs.

Mr. Martin referenced a comparison of anticipated health insurance costs to the previous year.

Mrs. Siena referenced the Finance Committee memo percentage increases.

Mr. Martin asked how firm these increases would be for the future.

Mrs. Siena stated that these are not firm because of healthcare reform. She stated that she will have a better estimate when

healthcare reform kicks-in. The district negotiated a wall-to-wall structure on benefits.

Mr. Martin asked if there was any possibility of redefining health benefits from year-to-year.

Dr. Riggle stated that the MOU calling for a Cost Containment Committee regarding health benefits is a venue that does address this from year-to-year. He stated that it has been up to the administration to keep costs under control. All of this is open to negotiation.

Mrs. Siena referenced page two of her memo that outlined a deeper level of revenue and expenditure assumptions.

Mr. Martin asked about property tax revenue from Astellas.

Mrs. Siena stated that the Astellas property will come on the tax rolls over a period of time.

Mr. Boron asked if there has been any impact on revenue given the foreclosure on the commercial portion of the Glen.

Mrs. Siena stated that the make-whole payments are still firm.

In reviewing revenue, Mrs. Siena referenced the biggest shift being loss in interest income given that interest rates are so low.

Mr. Shein asked about the revenue increase of \$500k in make-whole payments.

Mrs. Siena explained that make-whole payments are driven by enrollment and average daily attendance.

Mrs. Siena reviewed the assumptions on salary increases.

Mr. Martin asked about the 12% rise in supplies.

Mrs. Siena stated that the district has not yet reclassified items for audit adjustments, so this could shift slightly once the final budget is prepared.

Mr. Martin asked why there was an increase in the cost of purchased services.

Mrs. Siena stated that this was in the area of technology, including the finance system conversion.

Mr. Shein asked if Mrs. Siena had a dollar amount for conversion of the finance system.

Mrs. Siena stated that this was included in the budget, but anticipates that this will come in under contingency.

Mr. Martin suggested that it would be helpful if Mrs. Siena provided a comparison to the previous year's percentages.

Mrs. Siena stated that she intends to provide a three-year trend of purchased service changes. At this point in time this is an estimate.

Mr. Martin asked when documents relative to the final budget would be provided.

Mrs. Siena stated that these would be provided in September.

Mr. Martin stated that one of the questions is regarding the variance in comparison to the past and requested that Mrs. Siena provide this information.

Mrs. Siena stated that the goal is a balanced budget with reconciliation for the Board.

Mr. Martin stated that those are good goals, but along the way it is good to show what are we doing differently with consultants.

Mrs. Siena stated that she will provide a detailed snapshot of changes in September.

Mr. Martin asked Mrs. Siena what should be said in response to the statement that a \$65M fund balance is too much.

Mrs. Siena stated that this is not too much if the fund balance helps in sustaining the Board required percentage over a period of ten years. This allows the district to maintain the same level of quality service to students that we did 15 years ago.

Dr. Riggle referenced a Chicago Tribune editorial about a healthy fund balance that recommended a fund balance of \$65M.

Mr. Shein stated that this fund balance is justifiable because of the unknowns.

Mrs. Siena confirmed that this was the case.

Dr. Riggle stated that enrollment increases are known and will have an impact on the budget in the future which is a concern.

Mrs. Siena stated that there is no funding source for capital projects so reserves have to sustain capital projects.

Mr. Martin asked if the teachers understand that rationale regarding the \$65M fund balance.

Dr. Riggle stated that this has been communicated to staff, but the teaching and support staff have to be constantly educated regarding district finances.

Mr. Boron asked if the budget surplus moved the budget projection curve out a little.

Mrs. Siena confirmed that the budget surplus did help with this a little bit, but it will be important to finalize salaries so that they can be built into the final budget.

Mr. Boron asked if there some place in the building budgets where the contribution for turf fields has been reduced.

Mrs. Siena stated that this is in the five-year facility plan.

Mr. Shein asked where this was indicated in the tentative budget.

Mrs. Siena stated that there are no operating transfers for capital in the tentative budget.

Mr. Martin asked if the budget assumes that the booster clubs and corporate sponsorship will come along for turf fields.

Mrs. Siena stated that this is being funded by the operating fund. The district will be reimbursed by fundraising money deposited in a different fund.

Mr. Boron stated that salaries are down over \$1.2M. Mr. Boron stated that this is a positive in that as individuals retire the principals have been cognizant of personnel costs.

Mrs. Siena reviewed the chart showing where the district came in under budget in the major categories.

Mr. Shein asked about the property tax percentage shift.

Mrs. Siena stated that the budget matches the collection cycle.

Mr. Shein asked how low the reserves actually get during the course of the year.

Mrs. Siena stated that this never drops below payroll, vendor or capital fund needs so that there will be cash on hand for any emergency.

Mr. Shein re-stated his question several times in order to clarify what he was asking as Mrs. Siena attempted to respond to the question.

Mr. Boron asked if there was any point at which the fund balance gets below the Board required 33%.

Mrs. Siena stated that the fund balance never gets below 33% during the course of the year.

Mr. Shein suggested determining the fund balance each month at the first of the month. He referenced the importance of a strong fund balance for future unknowns such as pension reform, healthcare reform and an increasing number of students.

Mrs. Siena stated when look at long-range projections the need is clear for a strong fund balance.

Dr. Riggle stated that he recently attended a conference where it was reported that the credibility regarding district finances is greater coming from teachers and parents rather than the superintendent or Board members.

Mr. Martin stated that he hopes the Board is not viewed as one not trying to clarify and ask questions about finances. He stated that this district does not fit the national survey. The Board pushes the administration to work harder.

Dr. Riggle congratulated the Board for growing a fund balance in a poor economy.

MOTION FOR THE ADOPTION OF TENTATIVE BUDGET

Motion by Mr. Boron, seconded by Mr. Taub to adopt the tentative budget.

Upon calling of the roll:

aye: Boron, Hammer, Martin, Regalbuto, Shein, Taub

nay: none

Motion carried 6-0.

DISCUSSION/ACTION:APPROVAL OF RESOLUTION AUTHORIZING PERMANENT INTER-FUND TRANSFERS FOR DEBT SERVICE AND CAPTIAL PROJECTS PURPOSES

Mrs. Siena explained that a resolution is required every year to transfer operating funds into non-operating funds.

Mrs. Siena introduced Vicky Tarver the new Director of Business Affairs who assisted in developing the tentative budget and is leading the effort in the conversion of Skyward.

Mr. Taub asked about a recent FOIA request related to past resolutions.

Mrs. Siena explained that documents were provided that were responsive to the FOIA request.

MOTION TO APPROVE THE RESOLUTION AUTHORIZING PERMANENT INTER-FUND TRANSFERS FOR DEBT SERVICE AND CAPITAL PROJECTS PURPOSES

Motion by Mr. Hammer, seconded by Mr. Taub to approve the resolution authorizing permanent inter-fund transfers for debt service and capital project purposes.

Upon calling of the roll:

aye: Boron, Hammer, Martin, Regalbuto, Shein, Taub

nay: none

Motion carried 6-0.

DISCUSSION/ACTION: ADMINISTRATOR APPRAISAL PROCESS

Dr. Caliendo and Dr. Williamson reviewed the Glenbrook Administrator Appraisal Process document.

Dr. Williamson stated that the new model has been reviewed by attorney, Mr. Petrarca, to verify that it is compliance with the Performance Evaluation Reform Act (PERA) of 2010. Mr. Petrarca indicated that the document is in compliance with PERA and is one of the better models he had seen.

The Board discussed the time-consuming nature of the new evaluation model and questioned the impact of the process on student achievement.

Mr. Boron asked how an observation of an administrator would be conducted.

Dr. Williamson provided some examples of possible contexts for observations such as faculty or department meetings. She stated that for formal observations the objective for the observation would need to be identified.

Mr. Boron asked if the observations were required.

Dr. Williamson confirmed that observations are a required component under PERA.

Mr. Shein asked for an explanation of the chart on page 9 that serves to incorporate a calculation of performance based upon student growth and standards. Mr. Shein asked about the student growth aspects of the plan.

Dr. Williamson explained that student growth must account for 30% of the administrator's evaluation. She explained how this is combined with a score on each of the six standards which collectively account for 70% of the evaluation.

Mr. Shein asked if there was standardization of how the numerical ratings are arrived at for all districts in the state.

Dr. Williamson stated that other districts' models may vary.

Dr. Wegley explained how the overall final rating would be determined.

Mr. Shein stated that in terms of test scores the district's test scores are at the point of diminishing returns and it would be difficult to continue to show significant growth.

Dr. Wegley explained how student growth would be measured comparing an overall score gain from one assessment to the next for the same cohort of students rather than looking at the same assessment for different groups of students over time. Dr. Wegley stated that this has been more consistent with the work being done in the schools.

Dr. Williamson explained how a cohort of students would be followed over time.

Mr. Shein asked if this new model would be explained to administrators being evaluated under it.

Dr. Wegley stated that this would be shared with his leadership team next week.

Dr. Williamson stated that professional development would be provided to all administrators.

Mr. Shein stated that the new model seems incredibly complex and time consuming. He asked how many evaluations of other administrators would have to be done by any one person.

Dr. Riggle counted the number of meetings and observations required of an associate principal who evaluates Instructional Supervisors.

Mr. Shein asked if all of the items Dr. Riggle mentioned are prescriptive from the State.

Dr. Williamson indicated that all of the items are required.

Mr. Shein asked if there was a way to shorten the process and if this was a complete roll-out for all administrators.

Dr. Williamson stated that this would be a complete roll-out for all administrators.

Dr. Riggle described the evaluation training that is also required by the state.

Mr. Martin asked if this was one-time training.

Dr. Williamson stated that the training would have to be repeated every five years.

Mr. Martin asked if there was any lobbying against this model.

Dr. Riggle described the process by which this model was developed.

Mr. Boron suggested contracting-out the evaluation of administrators such as through a retired assistant superintendent.

Dr. Riggle stated that this can be done and is allowed under the law, but he is not aware of any contracted source to go to at this time.

MISCELLANEOUS TOPICS

None.

FUTURE MEETING DATES

President Shein stated that the next board meeting is August 13.

Book sale begins on August 9th.

August 23rd is the first day of school for students

Mr. Shein asked how the new bookstore vendor, Beck's, was doing.

Dr. Riggle stated that the transition has gone smoothly so far and parents have received refunds more promptly than in the past.

MOTION TO MOVE INTO CLOSED SESSION

Motion by Mr. Boron, seconded by Mr. Hammer to move into closed session at approximately 9:17 p.m. to consider the appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body or legal counsel for the public body, including hearing testimony on a complaint lodged against an employee of the public body or against legal counsel for the public body to determine its validity; collective negotiating matters between the public body and its employees or their representatives, or deliberations concerning salary schedules for one or more classes of employees (Section 2(c) (1), (2) of the Open Meetings Act).

Upon calling of the roll:

aye: Boron, Hammer, Martin, Regalbuto, Shein, Taub

Nay: none

Motion carried 6-0.

The Board returned to open session at 10:53 p.m.

Mr. Taub asked about water detention related to the GBN turf field.

Dr. Riggle provided an update. By Friday the district should have a proposed agreement from the Village of Northbrook for our attorney to review.

The Board discussed the need to determine the process for the replacement of Board member Wolfson as part of an open session agenda item in the near future.

Dr. Riggle reviewed the required time-lines for filling a vacancy on the Board.

Dr. Riggle suggested that Board members review their calendars for a special board meeting next week for this purpose. Dr. Riggle will follow-up to determine if there is a quorum for a meeting.

ADJOURNMENT

Motion by Mr. Boron, seconded by Mr. Taub to adjourn the meeting at approximately 10:58 p.m.

Upon call for a vote on the motion, all present voted aye.*

Motion carried 6-0.

* Boron, Hammer, Martin, Regalbuto, Shein, Taub

CERTIFIED TO BE CORRECT:

PRESIDENT - BOARD OF EDUCATION

SECRETARY - BOARD OF EDUCATION

UPCOMING BOARD MEETINGS:

Upcoming meetings will be held at
Glenbrook South High School
Student Center
4000 West Lake Avenue
Glenview, IL 60026

Monday, August 13, 2012	7:00 p.m.	Regular Board Meeting
Monday, August 27, 2012	7:00 p.m.	Regular Board Meeting