

6:40PM—Budget Hearing—Knox Warren Special Education

Member Lindstrom opened the public hearing for Knox Warren Special Education Budget. No comments were made and the hearing was closed.

6:45PM—Budget Hearing—GAVC

Member Lindstrom opened the public hearing for the Galesburg Area Vocational Center Budget. No comments were made and the hearing was closed.

6:50PM—Budget Hearing—District #205

Member Lindstrom opened the public hearing for CUSD #205 Budget. No comments were made and the hearing was closed.

MINUTES

Community Unit School District #205

Board of Education

June 23, 2014

Regular Meeting

Call To Order/Roll Call

The Community Unit School District #205 Board of Education met in a regular meeting on Monday, June 23, 2014 at 7:00 PM at 932 Harrison Street, Galesburg, IL. The roll was read and the following Members responded: Lindstrom, Kessler, Gibb, Colclasure, Welty, Palmer (6) Absent: Panther (1) Roll Call #1

Moment of Silence/Pledge of Allegiance

A moment of silence was observed followed by the Pledge of Allegiance.

Recognition of Visitors

Ms. Jean Kilpatrick-Ruebner spoke thanking the board, Galesburg Public Schools Foundation, and the Galesburg Community Foundation for the support given to those who were able to attend the Ron Clark Academy.

Mr. Bart Arthur introduced Ms. Tammie Bolden who was hired as the District's Director of Curriculum/Instruction and PreK Services.

Approval of Minutes

It was moved by Member Welty and seconded by Member Kessler that the Minutes of the regular meeting of June 3, 2014 be approved without further

reading and without correction or addition. On roll call the following Members voted AYE: Lindstrom, Gibb, Kessler, Welty, Colclasure, Palmer (6) Motion carried. Roll Call #2

Approval of Payrolls and Claims

Upon presentation of payroll and claims filed in the Ledger Book as Exhibit #581 as of June 23, 2014, which exhibit is incorporated herein and by reference made a part hereof, it was moved by Member Kessler and seconded by Member Gibb that the same be approved and allowed for payment as presented. On roll call the following Members voted AYE: Gibb, Lindstrom, Welty, Colclasure, Palmer, Kessler (6) Motion carried. Roll Call #3

Approval of Consent Agenda

It was moved by Member Welty and seconded by Member Kessler that the following items be approved on the Consent Agenda as presented and recommended:

- A. Approve Hazardous Transportation Areas for 2014-2015
- B. Adopt Resolution on Prevailing Wages
- C. Approval of Agreement Between GAVC/Carl Sandburg College
- D. Approval of Agreement with Bridgeway
- E. Adopt Resolution Authorizing the Execution of a Lease for Three Activity Busses

On roll call the following Members voted AYE: Palmer, Lindstrom, Kessler, Gibb, Colclasure, Welty (6) Motion carried. Roll Call #4

Committee Reports

Budget

Member Palmer stated that the committee had not met and there was no report at this time.

Buildings and Grounds

Member Kessler reported that the Buildings and Grounds Committee had no report.

Insurance Committee

Member Lindstrom reported that the Insurance Committee met and many items are up for approval at tonight's meeting.

R.E.D

Ms. Diane VanHoote gem stated that

Member Colclasure asked her to report on RED. Ms. VanHootegem stated that so far for the upcoming school year, one minority administrator and two minority staff members had been hired.

Instructional Presentation

A. IIRC Academic Presentation

Mr. Bart Arthur discussed achievement levels in the District and displayed the IIRC website to show student achievement levels.

Old Business

A. Sale of Cooke Property

Mr. Bart Arthur, Superintendent, stated that any action on the sale of Cooke would take place after closed session.

New Business

A. Personnel Agenda

Mrs. Diane VanHootegem, Director for Human Resources, stated that the personnel agenda is recommended for approval as presented. It was moved by Member Colclasure and seconded by Member Welty to approve the Personnel Agenda as presented. On roll call the following Members voted AYE: Lindstrom, Welty, Colclasure, Palmer, Kessler, Gibb (6) Motion carried. Roll Call #5

B. Approval of Board Policy Updates as Updated by Illinois Association of School Boards:

Mr. Bart Arthur, Superintendent, stated that As part of our agreement with the Illinois Association of School Boards we receive continual policy updates to meet the requirements of the Illinois School Code and Illinois Law. These are the most recent updates as of April 3, 2014 and we recommend approval. It was moved by Member Kessler and seconded by Member Colclasure to approve the policies as presented. On roll call the following Members voted AYE: Welty, Colclasure, Kessler, Lindstrom, Palmer, Gibb (6) Motion carried. Roll Call #6

C. Approval of Code of Conduct for 2014-2015

Ms. Diane VanHootegem, Director for Human Resources, stated that a District-wide discipline committee was formed to review and consider revisions to our

present Codes of Conduct. The committee consisted of Board members, parents, teachers, school nurse, and school and district administrators. Mrs. VanHootegem, Director for Human Resources, has provided members of the Board with a draft of recommended revisions to the Code of Conduct. One major revision is the merging of the elementary and secondary codes into one Student Code of Conduct. The committee supported the change due to the need to have one Code of Conduct for the parents/guardians to access during the on-line registration process, as well as the committee saw the benefit of parents/guardians viewing the progression of code changes as students moved through the grade levels. It was moved by Members Welty and seconded by Member Colclasure to approve the code of conduct as presented. On roll call the following Members voted AYE: Kessler, Lindstrom, Palmer, Gibb, Welty, Colclasure (6) Motion carried. Roll Call #7

D. Adopt Amended Budget for FY 2013-2014

Mr. David Black, Assistant Superintendent for Finance and Operations stated District 205's budget shows a deficit in the operating funds (educational, operations & maintenance, transportation, and working cash) in the amount of \$3,605,172. The original budget showed an operating deficit of \$2,158,853 in the operating funds for a difference of \$1,446,319. Although the amended budget shows an increase from when it was adopted last fall, increase is not unexpected. The original budget included \$1 million in revenue from the Operation Rebuild Support Committee. The committee continues to actively work on securing significant donations. However, this money did not materialize in fiscal year 14 and, quite frankly, should not have been included in the budget as a revenue source. The balance of the difference is due mostly from the fact that the State of Illinois changed the proration rate of General State Aid (lowering it by 4%) after the original budget was adopted in the fall. The original budget deficit of \$2,158,853 can mostly be attributed to financing issues with Operation Rebuild. As you recall from our discussion in the fall, \$1 million of the bond money from the Phase 1 bond issues was obligated to the GHS roof project. However, the roof project and not begin. The money should have been set aside but was instead spent on Lombard and Steele. Then, early in 2013, the phase 1 multipurpose building project at GHS was expanded. Since the bond issue was for the original amount necessary to finance the GHS project, this left a funding deficit that had to be made up in FY14.

All in all, expenditures in the Education fund were well-controlled. The Ed fund discretionary expenditures were controlled in such a way that they came in on budget even though the costs of an Interim Superintendent and half of the 1:1 computing project was added on after the original budget was adopted. The KWSED and GAVC are amended due to the fact that their budgets directly reflect costs associated with participation. The budget changes are directly related to the number of students who are being served by their program. It was moved by Member Kessler and seconded by Member Welty to approve the amended budgets for district 205, GAVC and KWSED as presented. On roll call the following Members voted AYE: Kessler, Lindstrom, Palmer, Gibb, Welty, Colclasure (6) Motion carried. Roll Call #8

E. Adopt Resolution Authorizing the Execution of a Lease for Laptop Computers for the District 1:1 Program

Mr. David Black, Assistant Superintendent for Finance and Operations, stated that the Board approved the 1:1 Computing plan at the April meeting. We recently discovered that, as a part of the lease agreement for the 2475 Chromebooks, we are required to have a resolution authorizing the execution of the lease. It was moved by Member Colclasure and seconded by Member Kessler to Adopt the Resolution Authorizing the Execution of a Lease for Laptop Computers for the District 1:1 Program. On roll call the following Members voted AYE: Lindstrom, Palmer, Welty, Colclasure, Kessler, Gibb (6) Motion carried. Roll Call #9

F. Approval of Dairy Bid

Mr. David Black stated that the bid opening for District 205's 2014-2015 school year dairy product supplier was held on June 12, 2014. It was published in the Galesburg Register Mail on May 24, 2014 and bid notices were sent to directly to three vendors. Two companies submitted bids. We recommend approval of Prairie Farms for our dairy provider for the 2014-2015 school year. This company is the current supplier, their bid was the lowest, and all of their products continue to meet our specifications. The overall price will increase 6.25% for the contract period. It was moved by Member Welty and seconded by Member Kessler to approve the dairy bid as presented. On roll call the following Members voted AYE: Kessler, Lindstrom, Palmer, Welty, Gibb (5) NAY: Colclasure (1) Motion carried. Roll Call #10

G. Approval of Bread Bid

Mr. David Black stated that the bid opening for bread products was held on June 12, 2014. The bid notice was published in the Galesburg Register Mail on May 24, 2014. Bid notices were sent directly to three bakeries and bids were received from two of them. We are recommending Aunt Millie's to be our bread supplier for the 2014-2015 school year. Their bid met all of our specifications and guidelines and their prices represent a 2% decrease as compared to our current vendor. It was moved by Member Gibb to approve the bread bid as presented and seconded by Member Kessler. On roll call the following Members voted AYE: Lindstrom, Palmer, Welty, Colclasure, Gibb, Kessler (6) Motion carried. Roll Call #11

H. Approval of Copy Paper Bid

Mr. David Black stated that the bid opening for our 2014–2015 copy paper was held on May 22, 2014. The notice to bidders was posted in the Galesburg Register Mail on May 8, 2014. Bids were sent to four vendors. Paper 101 and Contract Paper tied for low bid; however, Paper 101's project was evaluated to be of slightly better quality. I am recommending that Paper 101 be awarded the bid for our 2014-2015 copy paper supply. The district is purchasing 16,800 reams. The price per ream is \$2.424 for a total of \$40,723.20. Last year we purchased 24,000 reams at \$2.294 per for a total of \$55,056. Mr. Black also compared the bid to the current State of Illinois joint purchasing contract and our bid is \$.4610 lower per ream. Their bid price is \$2.885 per ream. It was moved by Member Gibb and seconded by Member Welty to approve the copy paper bid. On roll call the following Members voted AYE: Palmer, Welty, Colclasure, Gibb, Kessler, Lindstrom (6) Motion carried. Roll Call #12

I. Approval of Maintaining Mutual Medical as our Third Party Administrator for an Additional Three (3) Year Period; August 1, 2014-July 31, 2017

Ms. Diane VanHootegeem, Director for Human Resources, stated that the Insurance Committee along with administration, recommend the extension of our Third Party Administrator (TPA) contract with Mutual Medical for a three (3) year period – August 1, 2014 through July 31, 2017, with a \$1.00 increase per month or \$13/employee per month over the three (3) years. It was moved by Member Welty and seconded by Member Kessler to approve as presented. On roll call the following Members voted AYE: Welty, Colclasure, Gibb, Kessler, Lindstrom, Palmer (6) Motion carried. Roll Call #13

J. Approval of a Two (2) Year Extension with our Life Insurance Carrier, Symetra

Mrs. Diane VanHootegem stated that the Insurance Committee along with the recommendation of Mutual Medical, our Third Party Administrator (TPA), recommend renewal of our life coverage with Symetra; retaining the same rate paid over the previous three (3) year period - \$.125/\$1,000 in coverage. It was moved by Member Kessler and seconded by Member Gibb to approve a Two (2) Year Extension with our Life Insurance Carrier, Symetra. On roll call the following Members voted AYE: Welty, Colclasure, Gibb, Kessler, Lindstrom, Palmer (6) Motion carried. Roll Call #14

K. Approval of a Three (3) Year Extension with Prairie State Insurance Cooperative (PSIC) July 1, 2014-June 30, 2017 for CUSD #205 and Knox-Warren Special Education's Workman's Compensation and Property and Casualty Insurance Coverage

Mrs. Diane VanHootegem, Director for Human Resources, stated that we are going into our seventh year with Prairie State Insurance Cooperative (PSIC), which has proven to be quite beneficial to the District's in that we have received good service while our overall costs have significantly reduced. As a result of our membership with the PSIC, we will receive additional benefits such as a package pricing for a pollution liability coverage along with additional excess liability, student accident coverage PreK-12, catastrophic student accident coverage PreK-12, school board legal liability (errors and omissions), and professional liability. It was moved by Member Welty and seconded by Member Kessler to approve the three year extension as presented. On roll call the following Members voted AYE: Colclasure, Gibb, Kessler, Lindstrom, Palmer, Welty (6) Motion carried. Roll Call #15

L. Approval of Increase to the Base in the Group Medical Insurance Premium

Mrs. Diane VanHootegem, Director for Human Resources, stated that the cost of medical insurance continues to increase every year. Along with the continued effect of the Health Care Reform on our Plan, the Insurance Committee has reviewed the possible maximum claim exposure for the 2014-15 school year; with much deliberation recommending a 5% increase to the current single base rate of \$493.74 or placement of the single base rate at \$518.43 for the 2014-15 school year. This will place our funding at approximately 98% of our Maximum Plan Exposure. The Board currently provides for participating full-time employees at 90.5 % of the single base rate \$446.83 or \$469.18 at the 5% increase. Employee rates are reflected below (currently 9.5% of base); please note the rates for the High Deductible Health Plan (HDHP) are included as well for comparison.

Rates reflect the monthly premium under the 12-month pay option

Monthly EE Rate	Current: Traditional	Traditional	<i>Change:</i>
Single	46.90	49.26	2.36
Single + Spouse	639.39	671.37	31.98
Single + Child	590.02	619.53	29.51
Single + Family	880.34	924.36	44.02
Single(Dual) + Family	433.50	455.18	21.68

Rates reflect the monthly premium under the 12-month pay option

Monthly EE Rate	Current: HDHP	HDHP	<i>Change:</i>
Single	10.00	10.00	<i>No change</i>
Single + Spouse	513.62	538.79	25.17
Single + Child	471.65	494.73	23.08
Single + Family	718.42	753.83	35.41
Single(Dual) + Family	271.59	284.65	13.06

It was moved by Member Kessler and seconded by member Welty to approve the increase as presented. Discussion ensued between the board. Member Colclasure commented that while the increase is unfortunate and it affects him, that the district is not alone in the rising costs. Member Gibb stated that he applauds the committee, and that he understands that a 5% increase is a real expensive to all of the employees, but that looking at the private plan through his employer that he has for his family compared to the plan that the district offers its employees, he had a 27% increase, and he feels that a 5% increase is to be credited to the committee's good work. and the Member Lindstrom stated that he was for the 6% increase but that committee decided on the lower percentage as a happy medium. On roll call the following Members voted AYE: Lindstrom, Gibb, Kessler, Palmer, Welty, Colclasure (6) Motion carried. Roll Call #16

M. Approval of Self-Insured Medical Plan Re-Insurance Specific and Aggregate Coverage

Mrs. Diane VanHootegem, Director for Human Resources, stated that the Insurance Committee along with the recommendation of Mutual Medical, our Third Party Administrator (TPA), recommend renewal of our re-insurance and aggregate coverage with Symetra. Specific rate (retain @ \$80,000/covered participant): results in a slight increase to our current rates paid during 2013-14: Single @ \$46.53 (\$43.49); Family @ \$118.87 (\$111.09); however adding a \$75,000 Individual Advantage Deductible (IAD). With the IAD, we will be taking on the risk up for the first \$75,000 after meeting our Specific rate; should we NOT exceed our Specific, The Plan will retain those dollars within our Medical Fund

Balance. Our aggregate rate remains the same as our previous year, \$2.50/covered employee. MEDCO/Express Scripts continues to provide excellent service as our Prescription Benefit Manager (PBM). It was moved by Member Welty and seconded by Member Kessler to approve as presented. On roll call the following Members voted AYE: Kessler, Lindstrom, Palmer, Welty, Colclasure, Gibb (6) Motion carried. Roll Call #17

N. Approval of GHS Baseball Trip Request

Mr. Bart Arthur, Superintendent, stated that Mr. Ralph Henning, Athletic Director and Mr. Arnold Gonzalez, Head Baseball Coach, are requesting permission from the Board for the varsity baseball team to travel to Florida during spring break 2015. Mr. Henning answered questions regarding the trip from the board. It was moved by Member Welty and seconded by Member Kessler to approve the GHS Baseball Trip Request as presented. On roll call the following Members voted AYE: Lindstrom, Palmer. Welty. Colclasure. Gibb. Kessler (6) Motion carried. Roll Call #18

O. Approval of Community Eligibility Provision for Lombard, Steele, King, and Nielson

Mr. David Black, Assistant Superintendent for Finance and Operations, stated that the program allows the school district to be reimbursed for the full “paid” amount for every student at Steele, King, Nielsen, and Lombard. To have every student eat free in the entire school under the Community Eligibility Provision, the poverty rate has to be at least 63% (verified through direct certification – NOT self-reported like on the free and reduced application). Steele, King, and Nielson all have greater than 63% of the students who qualify under direct certification. Because you are able to average among different schools, we examined multiple combinations of schools. The only combination that still averaged 63% or greater were the three previously mentioned schools with Lombard added in. Although students at these schools will not be required to fill out a free/reduced eligibility form, we will still be requiring them to fill out a similar form because we are still required to show the percentage of students existing under the traditional requirements for free and reduced lunch for our Title I grant and our e-rate reimbursement. This is a 4 year agreement. It was moved by Member Colclasure and seconded by Member Kessler to approve the Community Eligibility Provision for Lombard, Steele, King and Nielson as presented. Discussion between board members ensued. Member Gibb stated that he found it peculiar that the federal government would pay for school lunches regardless of whether or not a student

needed it to be paid for just because a school as a whole qualified. Member Lindstrom stated that he agreed and that if his kids were still in school, they would be able to afford to pay and should pay. Member Lindstrom stated that in addition to that it just isn't fair to think that its ok for four of the schools to eat for free and the other schools to not. On roll call the following Members voted AYE: Palmer, Colclasure, Kessler (3) NAY: Welty, Gibb, Lindstrom (3) Motion failed. Roll Call #19

Comments

Comments were made by Members Colclasure, Palmer and Lindstrom

Closed Session

It was moved by member Welty and seconded by Member Kessler to move to closed session for the purpose of Discussion on the Sale of School Real Estate. On roll call the following Members voted AYE: Welty, Colclasure, Gibb, Kessler, Lindstrom, Palmer (6) Motion carried. Roll Call #20

Following the closed session it was moved by Member Colclasure and seconded by Member Welty to move to open session. On roll call the following Members voted AYE: Welty, Colclasure, Gibb, Kessler, Lindstrom, Palmer (6) Motion carried. Roll Call #21

Old Business

A. Sale of Cooke Property

Mr. Bart Arthur, Superintendent, stated that the board will hold a special meeting on July 17, 2014 at 3:00 p.m., with a minimum bid requirement of \$280,000.00. It was moved by Member Kessler to agree to publish the sale and hold a special meeting for the sale of Cooke Elementary and seconded by Member Gibb. On roll call the following Members voted AYE: Colclasure, Gibb, Kessler, Lindstrom, Palmer, Welty (6) Motion carried. Roll Call #22

Adjournment

It was moved by Member Gibb and seconded by Member Kessler that the meeting be adjourned—8:24 PM. On roll call the following Members voted AYE: Gibb, Colclasure, Kessler, Palmer, Lindstrom, Welty (6) Motion carried. Roll Call #23

Michael Panther, President

ATTEST:

Joshua Gibb, Secretary