

MINUTES
Community Unit School District #205
Board of Education
July 11, 2011

Call To Order/Roll Call

The Community Unit School District #205 Board of Education met in a regular meeting on Monday, July 11, 2011 at 7:00 PM at 932 Harrison St., Galesburg, IL. The meeting was called to order by President Welty. The roll was read and the following Members responded: Lindstrom, Welty, Panther, Kessler, Palmer, Swanson (via phone) (6) Absent: Colclasure (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—None

Approval of Minutes

It was moved by Member Panther and seconded by Member Kessler that the minutes of the regular meeting of June 13, 2011 and minutes of the special meeting of June 23, 2011 be approved without further reading and without correction or addition. On roll call the following Members voted AYE: Lindstrom, Welty, Palmer, Panther, Swanson, Kessler (6) Motion carried. Roll Call #2

Approval of Payrolls and Claims

Upon presentation of payrolls and claims by Member Kessler filed in the Ledger Book as Exhibit #558 as of July 11, 2011, which exhibit is incorporated herein and by reference made a part hereof, it was moved by Member Lindstrom and seconded by Member Panther that the same be approved and allowed for payment as presented. On roll call the following Members voted AYE: Welty, Lindstrom, Panther, Swanson, Kessler, Palmer (6) Motion carried. Roll Call #3

Approval of Consent Agenda—None

Correspondence—None

Committee Reports

Budget

Member Panther reported that the Budget Committee last met in June to review the investment portfolio, proposed amended budget, heard a report on the District's QZAB application and the latest from Springfield on the state budget. The committee will next meet in late July or August to review the proposed fiscal 2011-2012 budget scheduled for final adoption in September.

Building & Grounds

Member Kessler reported that the committee met Thursday, June 23 to review the work of the architects from the Charrette process

and forward a recommendation to the board. The committee endorsed the recommendations of the architect with respect to the Lombard and GHS pre design work and the overall schedule for Phase 1 work.

Insurance

Member Lindstrom reported that the Committee last met on June 1, 2011, reporting the fund balance at \$1,217,085.66. The Committee reviewed the following changes due to healthcare reform and the potential impact to the self funded plan: removal of lifetime maximum under major medical benefits, chiropractic dollar limitation removed and exchanged with annual visit maximum, WRAP Around Plan goes away-those currently under WRAP convert to MRP (Medical Reimbursement Plan), MRP dollar maximum limitations are removed and exchanged with (following co-insurance) alternate wording requiring following of primary plan PPO, under limitations and exclusions: wording changes plus removal of dollar limitations. Include change made to kidney dialysis limited to 150% of Medicare, when a dependent has coverage available through an entity other than parent or step parent, that coverage will be primary. Include wording adjustments to clarify spouse as defined under federal guidelines, removal of evident of insurability with entry through HIPAA event and dependents under 19-no pre-existing. The committee recommendations are reflected in the agenda for approval. The next meeting will be scheduled during the month of July or August.

R.E.D.

Mrs. Diane VanHootegem reported for Member Colclasure, stating that the Recruitment for Educational Diversity Committee has not met since the last meeting but that as a direct result of that meeting the committee has had great success in recruiting minority candidates. The next meeting of the Committee has been scheduled for Tuesday, August 2, 2011.

Old Business

A. Approve Revisions to Board Policy 415.07 "Contracts"

Mr. Guy Cahill, Assistant Superintendent for Finance and Operations stated that effective January 1, 2010 and July 2, 2010 several and varied changes were made to the School Code pertaining to the award of contracts (105 ILCS 5/10-20.21). Included among the changes was increasing the "bid" threshold requiring separate Board of Education approval from \$10,000 to \$25,000 on most contracts for goods and services (and from \$25,000 to \$50,000 for maintenance, repair and related construction contracts). No other changes were made except to highlight one of the "exceptions" to the bidding requirements contained in Statute to which the District Policy otherwise defers too.

The District will soon begin awarding contracts for construction projects. Because the District has chosen a construction manager delivery model, it is expected a number of projects will be awarded in amounts less than the \$50,000 threshold of the current State statute. With an eye toward being most efficient in the bidding and awarding of projects for construction purposes and to update our policy to comport with changes in State Statute, administration seeks the flexibility provided for in the attached policy recommendation increasing the bid thresholds noted. It was moved by Member Kessler and seconded by Member Lindstrom to approve the changes to Board Policy 415.07 "Contracts". On roll call the following Members votes AYE: Palmer, Panther, Lindstrom, Kessler, Welty, Swanson (6) Motion carried. Roll Call #4

New Business

A. Personnel Agenda

Mrs. Diane VanHootegem, Director for Human Resources, stated that the personnel agenda would be reserved for approval until after closed session.

B. Approval of Health Insurance—Re-Insurance/Aggregate Provider and Life Insurance Provider Adding a Supplemental Life Election and Prescription Benefit Manager Continuation

Mrs. Diane VanHootegem, Director for Human Resources, stated that the insurance committee along with the recommendation of Mutual Medical, our Third Party Administrator (TPA), recommends renewal of our re-insurance and aggregate coverage with Symetra. It was moved by Member Lindstrom and seconded by Member Swanson to approve the Health Insurance Re-Insurance/Aggregate Provider and Life Insurance Provider Adding a Supplemental Life Election and Prescription Benefit Manager Continuation. On roll call the following Members voted AYE: Swanson, Lindstrom, Welty, Kessler, Palmer, Panther (6) Motion Carried. Roll Call #5

C. 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 unknown effect of the Health Care Reform on our Plan, the Insurance Committee has reviewed the possible maximum claim exposure for the 2011-12 school year and is recommending a 9% increase to the current single base rate of \$429.07 or placement of the single base rate at \$467.69 for the 2011-12 school year. This will fund our Plan at 95% of its maximum exposure. The Board currently provides for participating full-time employees at 90.5 % of the single base rate - \$423.26. Employee rates are reflected below (currently 9.5% of base); please note the rates for the High Deductible Health Plan 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	40.76	44.44	3.68
Single + Spouse	555.66	605.66	50.00
Single + Child	512.74	558.90	46.16
Single + Family	765.04	833.90	68.86
Single(Dual) + Family	376.72	410.64	33.92

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

Monthly EE Rate	Current: HDHP	HDHP	Change:
Single	10.00	10.00	<i>No change</i>
Single + Spouse	447.66	487.06	<i>39.40</i>
Single + Child	411.20	447.30	<i>36.10</i>
Single + Family	625.64	681.06	<i>55.42</i>
Single(Dual) + Family	237.34	257.80	<i>20.46</i>

It was moved by Member Lindstrom and seconded by Member Swanson to approve the Increase to the Base in the Group Medical Insurance Premium. On roll call the following Members voted AYE: Swanson, Welty, Kessler, Lindstrom, Palmer, Panther (6) Motion carried. Roll Call #6

D. Appoint Delegate and Alternate to the Illinois Association of School Boards Joint Annual Conference

The Board needs to select a delegate and alternate for the IASB convention in November. Last year, Member Harrison served as the delegate and Member Swanson was the alternate. Mr. Rick Welty, Board President appointed Member Swanson as the representative and Member Palmer as the alternate.

E. Discussion and Recommendation on Adoption of Resolutions of Tentative Budgets for 2011-2012

Mr. Guy Cahill, Assistant Superintendent for Finance and Operations, shared with the Board an overview of the Fiscal Year 2011-2012 Tentative Budget. Passing these resolutions will put the Tentative Budget on public display, as required by law. Mr. Cahill will convene the Budget Committee to review the tentative budget later this month. The final budget will be presented for adoption at the regular Board meeting in September. Attorney Thomas West then reviewed and presented separately to the Board the three Resolutions for approval.

Resolution of Tentative Budget for 2011-2012-Knox-Warren Special Education

It was moved by Member Panther and seconded by Member Kessler that the Board of Education adopt the Resolution of Tentative Budget and Appropriation Ordinance for the Knox-Warren Special Education District for the year beginning July 1, 2011 and ending June 30, 2012. (Insert Resolution) On roll call the following Members voted AYE: Lindstrom, Welty, Strauch, Swanson, Harrison, Panther (6) Motion carried. Roll Call #7

Resolution of Tentative Budget for 2011-2012-Galesburg Area Vocational Center

It was moved by Member Panther and seconded by Member Kessler that the Board of Education adopt the Resolution of Tentative Budget and Appropriation Ordinance for the Galesburg Area Vocational Center for the year beginning July 1, 2011 and ending June 30, 2012. (Insert Resolution) On roll call the following Members voted AYE: Lindstrom, Welty, Panther, Swanson, Palmer, Kessler (6) Motion carried. Roll Call #8

Resolution of Tentative Budget for 2011-2012 – Community Unit School District No. 205

It was moved by Member Panther and seconded by Member Kessler that the Board of Education adopt the Resolution of Tentative Budget and Appropriation Ordinance for

Community Unit School District No. 205 for the year beginning July 1, 2011 and ending June 30, 2012. (Insert Resolution) On roll call the following Members voted AYE: Lindstrom, Welty, Panther, Swanson, Palmer, Kessler (6) Motion carried. Roll Call #9

F. Approval of Agreement Between Galesburg Area Vocational Center and Carl Sandburg College Involving GAVC Students Enrolled in CSC Classes During the 2011-2012 School Year

Mr. Joel Estes, Assistant Superintendent for Curriculum and Instruction, stated that this is an agreement between the Galesburg Area Vocational Center (GAVC) and Carl Sandburg College (CSC) that is approved annually. It outlines the procedures and charges for GAVC students taking courses at CSC. It was moved by Member Kessler and seconded by Member Panther to approve the Agreement Between Galesburg Area Vocational Center and Carl Sandburg College Involving GAVC Students Enrolled in CSC Classes During the 2011-2012 School Year. (Insert Agreement) On roll call the following Members voted AYE: Lindstrom, Panther, Swanson, Welty, Palmer, Kessler (6) Motion carried. Roll Call #10

G. Adopt Resolution Providing for the Issuance of \$5,000,000 Taxable General Obligation School Bonds, Series 2011C (Qualified Zone Academy Bonds), of Community Unit School District Number 205, Knox and Warren Counties, Illinois, and for the Levy of a District Annual Tax Sufficient to Pay the Principal and Interest on said Bonds

Mr. Guy Cahill, Assistant Superintendent for Finance and Operations, stated that in April the district closed on the first two of a planned three bond issues totaling just over thirty million dollars to support phase one of Operation Rebuild – Achievement. With the proposed Series 2011C bond, the district will take advantage of its recently award Qualified Zone Academy Bond designation providing for a federal tax credit to the bond holder and effectively subsidizing in large part the interest payment to be made by the district. Accordingly, the district will pay roughly 1% on its Series 2011C bonds. By way of comparison, the district will pay on average 5.4% for its Series 2011A & B bonds. The proceeds from the Series 2011C bonds will be applied to the \$16MM in fire prevention and safety work authorized by the State Board of Education as part of the Phase I and more specifically to projects at Lombard and Steele school. (Insert Resolution) The “blanks” in the document will be filled-in upon completion of the sale scheduled to be completed Friday, July 8. A completed document will be posted upon receipt from the District’s underwriter Stifel Nicolaus. Member Kessler made a motion to Adopt the Resolution Providing for the Issue of \$5,000,000 Taxable General Obligation School Bonds, Series 2011C (Qualified Zone Academy Bonds), of Community Unit School District Number 205, Knox and Warren Counties, Illinois, and for the Levy of a Direct Annual Tax Sufficient to Pay the Principal and Interest on said Bonds. It was seconded by Member Panther. On roll call the following Members voted AYE: Panther, Lindstrom, Swanson, Palmer, Kessler, Welty (6) Motion carried. Roll Call #11

H. Approval of Lombard Pre Design Recommendation

Mr. Guy Cahill, Assistant Superintendent for Finance and Operations presented the architect’s proposed pre-design scope, sequence and budget for the repair, replacement, retrofit and remodeling work to be completed at Lombard school, all as part of Phase I of Operation Rebuild

– Achievement, the district’s twenty year master facility plan. The pre-design details at a “10,000 ft.” view the scope of work to be completed by a date certain within a given budget. The proposal is subject to further modification with each subsequent phase of the architectural process, the “design development” phase being the next in a series of four such reviews ultimately leading to a bid award. (With each phase of work, the architect will refine its schedule and budget for subsequent Board review and approval.) At this time the Board is asked to approve the scope of work, schedule and budget for the Lombard repair, replacement, retrofit and remodeling work as provided for in the attached PSA Dewberry pre-design book. Member Panther motioned to table the approval. Discussion ensued. Member Panther rescinded his motion to table the Approval of the Lombard Pre Design Recommendation. It was moved by Member Swanson and seconded by Member Panther to Approve the Lombard Pre Design Recommendation. On roll call the following Members voted AYE: Palmer, Welty, Swanson, Lindstrom, Panther, Kessler (6) Motion carried. Roll Call #12

I. Approval of Galesburg High School Phase 1 Pre Design Recommendation

Mr. Guy Cahill, Assistant Superintendent for Finance and Operations, presented the architect’s proposed pre-design scope, sequence and budget for the repair, replacement, retrofit, remodeling and new construction work to be completed at Galesburg High School, all as part of Phase I of Operation Rebuild – Achievement, the district’s twenty year master facility plan. The pre-design details at a “10,000 ft.” view the scope of work to be completed by a date certain within a given budget. The proposal is subject to further modification with each subsequent phase of the architectural process, the “design development” phase being the next in a series of four such reviews ultimately leading to a bid award. (With each phase of work, the architect will refine its schedule and budget for subsequent Board review and approval.) The proposal is specific to work to be completed on the grounds of the campus and Wicall Gym, all as called for in Phase I of Operation Rebuild-Achievement. Improvements to GHS proper are already scheduled for or proposed to occur in subsequent phases (II through IV). At this time the Board is asked to approve the Phase I scope of work, schedule and budget for the Galesburg High School repair, replacement, retrofit, remodeling and new construction as provided for in the attached PSA Dewberry pre-design book. Discussion ensued. It was moved by Member Kessler and seconded by Member Swanson to Approve the Galesburg High School Phase 1 Pre Design Recommendation. On roll call the following Members voted AYE: Welty, Kessler, Palmer, Swanson (4) NAY: Lindstrom, Panther (2) Motion carried. Roll Call #13

J. Approval of Operation Rebuild-Achievement Phase 1 Schedule Recommendation

Mr. Guy Cahill, Assistant Superintendent for Finance and Operations, stated that with completion of certain pre-design or Charrette process work involving the Lombard and Galesburg High School campuses, the architect’s have recommended a schedule of work to coincide with the scope for each project. The schedule was developed in consultation with the Lombard and GHS “Core” Committees and the District’s Implementation Committee. It was detailed to and subsequently endorsed by the Board’s Building Committee at its June 2011 meeting. In general, the schedule calls for work to commence now and be completed on Lombard school by the summer of 2013, the work at Steele school be commenced and completed

in calendar year 2013 and the work at Galesburg High School be commenced and completed in calendar year 2014. Mr. Cahill presented the Architect's time line of work to be completed with respect to Phase I projects. Action on the part of the Board will set forth a budget (of time) by which to measure progress on the completion of Phase I construction. Discussion ensued. It was moved by Member Kessler and seconded by Member Swanson to Approve Operation Rebuild – Achievement Phase 1 Schedule Recommendation. On roll call the following Members voted AYE: Kessler, Palmer, Swanson, Welty (4) NAY: Panther, Lindstrom (2) Motion carried. Roll Call #14

K. Approve Addition to Authorized Depositories

Mr. Guy Cahill stated that Regions Bank is expected to purchase the district's Series 2011C \$5,000,000 (QZAB) bond. They have expressed interest that consideration be given them as the depository of the bond proceeds or other district investments. In order to give such consideration, the bank would need to be added to the district's list of approved depositories. This action would amend the depository list by adding Regions Bank as an approved depository of district funds. It was moved by Member Kessler and seconded by Member Palmer to approve the addition to the Authorized Depositories. On roll call the following Members voted AYE: Kessler, Lindstrom, Panther, Palmer, Welty, Swanson (6) Motion carried. Roll Call #15

L. Approve Resolution Regarding Notice of Remediable Warning

Dr. Denisar stated that the Resolution Regarding Notice of Remediable Warning will be reserved until after closed session.

Administrative Reports

None

Comments by Board Of Education

None

Closed Session—It was moved by Member Panther and seconded by Member Kessler that the meeting move to a closed session for the purpose of personnel and negotiations. Action will be taken in open session—8:55 p.m. On roll call the following Members voted AYE: Lindstrom, Panther, Swanson, Welty, Palmer, Kessler (6) Motion carried. Roll Call #16

Member Swanson (via phone) ended his attendance.

Following the closed session it was moved by Member Kessler and seconded by Member Panther to return to open session. On roll call the following Members voted AYE: Lindstrom, Welty, Panther, Palmer, Kessler (5) Motion carried. Roll Call #17

Personnel Agenda

Mrs. Diane VanHootegem, Director for Human Resources, stated that the Personnel Agenda stands as presented for approval. (Insert Personnel Agenda) It was moved by Member Panther and seconded by Member Kessler to Approve the Personnel Agenda as presented. On roll call

the following Members voted AYE: Lindstrom, Panther, Kessler, Palmer, Welty (5) Motion carried. Roll Call #18

Approve Resolution Regarding Notice of Remediable Warning

Mrs. Diane VanHootegem, Director for Human Resources, stated that the Resolution Regarding Notice of Remediable Warning is presented for approval. The resolution sets forth steps to remedy actions of Mrs. Rona Gutzky. It was moved by Member Kessler and seconded by Member Lindstrom to Approve the Resolution Regarding Notice of Remediable Warning (Insert Resolution) On roll call the following Members voted AYE: Welty, Lindstrom, Kessler, Palmer, Panther (5) Motion carried. Roll Call #19

Adjournment

It was moved by Member Lindstrom and seconded by Member Panther that the meeting be adjourned—10:23 PM. On roll call the following members voted AYE: Lindstrom, Welty, Panther, Kessler, Palmer (5) Motion carried. Roll Call #20

Rick Welty, President

ATTEST:

Barry Swanson, Secretary