

**Financial Oversight Panel
For North Chicago District 187
MINUTES OF MEETING
Thursday, September 27, 2012,
1717 17th Street, North Chicago, Illinois
6:30 p.m. or
Immediately following the Independent Authority meeting**

CALL TO ORDER:

Mr. Agazzi called the meeting to order at 7:10 p.m.

ROLL CALL:

Present: Chair Mr. David Agazzi; Members; Ms. Cheryl Crates, Mr. Hornsby Kneeland, Ms. Adriane Riley, and Ms. Shaunese Teamer; Navy Representatives, Master Chief Walter Evans, Senior Chief Ryan Curylo.

APPROVE AGENDA

The Chair indicated that item 9 - O. on the Amended Agenda will be moved to just after Executive Session so the Independent Authority members can leave right after the PMA presentation. Ms. Crates moved to approve the agenda as amended and Ms. Riley seconded the motion. The motion passed 5-0.

COMMENTS FROM PUBLIC:

Joseph Barnes introduced himself as a motivational speaker that lives in Lake County and works with school districts in the area.

EXECUTIVE SESSION [In accordance with 5 ILCS 120/2(c)(1)(2)(11)]:

In accordance with 5 ILCS 120/2(c)(1)(2)(11) the Chair called for a motion to enter into Executive Session for the purpose of discussing personnel and employment, collective negotiating matters, and litigation. Ms. Crates moved to convene executive session at 7:15 p.m. and Ms. Riley seconded the motion. The motion carried 5-0.

CALL TO RESUME OPEN SESSION:

Ms. Riley moved to reconvene open session at 8:08 p.m. and Mr. Kneeland seconded. The motion carried 5-0.

DISCUSSION:

9. New Business Discussion – Item O: PMA Presentation

PMA Financial Network made a presentation using their Financial Planning Program to show recent history and to project what North Chicago District 187 financial condition could look like through FY 2018. For the last five years the district has been deficit spending between 1.5 and 4.3 million dollars. The new charter school is included in the FY2013 budget. The budget has the deficit growing to 7.9 million. The PMA program projects the deficit will grow to 9.8 million by FY 2018. The impact that increasing deficit spending has on the district fund balances was reviewed. PMA presented two scenarios. The first indicated that all district funds would be exhausted by the end of FY 2016. Due to the possibility that the district may not qualify for “Heavy Impact Aid” after FY2014 a second scenario was also presented. If North Chicago 187 were to lose 4 million dollars annually of federal “Heavy Impact Aid” the district will deplete all fund balances by the end of FY 2015.

The lack of local resources and the inability to increase district revenue was discussed. The CEO shared that the administration is developing ideas on how to reduce the structural deficit. It was noted that the magnitude of the deficits threatens the financial viability of the district and that major changes in how educational services are to be provided will be necessary if the district is to continue to exist as an educational entity.

APPROVAL OF MINUTES

Ms. Crates moved to approve the minutes of the August 8, 2012 Open & Closed sessions of the Financial Oversight Panel meeting and the minutes of the August 23, 2012 Open & Closed sessions of the meeting of the Financial Oversight Panel. Ms. Teamer seconded the motion. The motion carried 5-0.

APPROVAL OF CONSENT AGENDA ITEMS

Ms. Teamer moved to approve the consent items and Mr. Kneeland seconded. The motion carried 5-0

OLD BUSINESS - ACTION:

A. Approve Title I, Title II, and Title III Expenditures Approvals

Mr. Kneeland moved to approve and Ms. Crates seconded the motion. The motion carried 5-0.

B. Adoption of the K-2 Origo Math Curriculum

Mr. Kneeland moved to adopt the curriculum and Ms. Teamer seconded. The motion carried 5-0.

C. Approve North School Principal Candidate

Ms. Crates moved to approve and Mr. Kneeland seconded. The motion carried 5-0.

D. Approve the Recalling of 3.5 FTE Paraprofessional Positions

The administration indicated that after assessing the needs of enrolled students the number of paraprofessional positions required needs to be adjusted. Ms. Crates moved to approve the recalling of staff and Mr. Kneeland seconded. The motion carried 5-0.

E. Approve the Human Resource Report

Ms. Crates moved to approve and Mr. Kneeland seconded. The motion carried 5-0.

F. Approve the Cambridge EPAS Program

Mr. Kneeland moved to approve and Ms. Crates seconded. The motion carried 5-0.

G. Approve the 2012-2013 Budget

Ms. Crates moved to approve and Ms. Teamer seconded. The motion carried 5-0.

NEW BUSINESS – DISCUSSION/ACTION:

A. Discussion/Action – Approve Redeployment of District Security Cameras

The administration recommended that some security cameras be redeployed to be more effective. Ms. Crates moved to approve the redeployment and Ms. Teamer seconded. The motion carried 5-0.

B. Discussion/Action – Approve Managed Internet Service Provider

The Director of Technology reported on the need to upgrade the internet services provided the district. E-Rate consultant Gerry Zeller explained the e-rate program that will be utilized to fund most of the cost of the upgrade. Mr. Kneeland moved to approve and Ms. Teamer seconded. The motion carried 5-0.

C. Discussion/Action – Approve Boiler Controls for Neal and the High School

The Chief Financial Officer shared that installing new boiler controls will reduce utility costs at the two facilities and that the payback period for the project is less than one year. Ms. Teamer moved to approve and Ms. Riley seconded. The motion carried 5-0.

D. Discussion/Action – Approve acquiring Read 180/System 44 Materials, Technology and Training for North Chicago High School using Title I Carry Over funds.

The Administration recommended that the systems for student reading intervention for pupils up to 2 grade levels below their High School peers be updated (Read 180) along with acquiring an intervention system (System 44) for High School students who are 2 years or more behind their peers. Mr. Kneeland moved to approve and Ms. Riley seconded. The motion carried 5-0.

E. Discussion – Post/Hire FTE 1.0 Certified School Nurse

The staffing level providing nursing services was reviewed. No action was taken.

F. Discussion/Action – Special Education Supervisor/Temporary Contract Service

The administration shared that due to health issues a Special Education Supervisor has gone on FMLA leave. It was recommended to contract with two people to share the position responsibilities for the remainder of the year or until a replacement can be hired. Ms. Crates moved to approve and Mr. Kneeland seconded. The motion carried 5-0.

G. Discussion – 2012-2013 Calendar Change

The administration shared that the school calendar was being amended to provide for the professional development of staff on a School Improvement Day on a day earlier than the next SIP day on the initial calendar.

H. Discussion – Update on Regional Office of Education Certification Audit

The administration shared the audit findings and the PENDING Recognition Status for 2010-2011 school year the district recently received from the Lake County ROE. It was reported that the deficiencies of the past have been addressed and the next audit is expected to go very well.

I. Discussion – Financial Oversight Panel E-Mail accounts.

It was shared that members of the FOP will receive district E-mail accounts that will be used to conduct Financial Oversight Panel business and correspondence.

J. Discussion – Intergovernmental Agreement with the City of North Chicago to provide Police Services for the District

The CEO shared that the City of North Chicago has agreed to provide Police Services for the Charter School as well as for district facilities.

K. Discussion – Change of Independent Authority Meeting Dates

The CEO shared that the IA was changing their meeting date from Monday to Tuesday so as to not conflict with monthly municipal meetings.

L. Discussion – Board Training Through Illinois Association of School Boards

The CEO shared that the Illinois Association of School Boards can provide training on the responsibilities of board/panel members. The usefulness of such training was discussed. The FOP directed the administration to look into the possibility of setting up an IASB training session jointly with the Independent Authority.

M. Discussion – FOP Attendance of IASB Fall Dinner Meeting

The CEO shared that Financial Oversight members can attend the IASB Fall Dinner Meeting.

N. Discussion/Action – Board Policy: 4:60 – Purchases and Contracts

The CEO shared that given the timing between when some bills come in and when the IA meets and then when the FOP meets some bills are being paid late and being assessed late fees. The administration is recommending that the Purchases and Contracts policy be modified to give the administration some flexibility or latitude on paying bills timely to avoid late fees. The administration would then bring a list of bills paid under the policy to the next IA and FOP meeting. Limiting the dollar amount of the bills being paid under the new policy was discussed. Ms. Crates moved to approve the change in policy stipulating that the policy would apply to bills that are less than \$25,000. Ms. Teamer seconded the motion. The motion carried 5-0.

O. Discussion – PMA Presentation to the FOP and Independent Authority

This item was moved up on the agenda and discussed earlier.

ADJOURNMENT

Ms. Crates moved to adjourn and Mr. Kneeland seconded the motion at 9:45 p.m. The motion carried.

Minutes respectfully submitted by Mark Anderson