

**MINUTES OF THE REGULAR MEETING
OF THE SCHOOL FINANCE AUTHORITY OF ROUND LAKE
COMMUNITY UNIT SCHOOL DISTRICT 116
HELD FEBRUARY 23, 2006 AT 7:00 P.M. AT THE
ROUND LAKE HIGH SCHOOL
LIBRARY MEDIA CENTER
800 HIGH SCHOOL DRIVE, ROUND LAKE, ILLINOIS**

1. CALL TO ORDER

Chair E. Kula called the meeting to order at 7:05 p.m.

2. ROLL CALL

Answering present were Chair Ed Kula, Vice-Chair George Lingel, Secretary Robert Traxler and Members Bish Krywko and Rosa Reyes-Prosen.

Also present were Chief Executive Officer Dennis Stonewall (arrived 7:55 p.m.), Chief Fiscal Officer Walter Korpan, Chief Educational Officer Dr. Janet Elenbogen, ISBE Division Administrator for School Business and Support Services Debbie Vespa (via telephone), ISBE Auditor Jay Grimes, SFA Legal Counsel Heidi Katz, District Legal Counsel Jerri Ryan and Secretary to CExO Heather Bennett.

3. INTRODUCTION OF VISITORS

Visitors included Director of Elementary Learning Mary Dudek, Director of Upper Grade Learning Lana Soldat, Assistant Superintendent for Curriculum and Instruction Dr. Jeff Schreff, Board of Education President Ann Welk, Mike Gilfillan of Gilfillan Callahan Architects, and Daily Herald reporter Jason King.

4. PLEDGE OF ALLEGIANCE

Attendees recited the Pledge of Allegiance.

5. CHANGES OR ADDITIONS TO AGENDA

Chair Kula requested that items 13.d. Approve RLAS Board Resolution for Transportation Grievances Settlement Agreement with Education Association of Round Lake and 13.i. Approve Resolution for Show Choir Proposal be moved to after closed session. He also requested that Mike Gilfillan of Gilfillan Callahan Architects be added to the Information section of the agenda. G. Lingel moved and R. Traxler seconded the motion to amend the agenda. On roll call members voted as follows: Yes – E. Kula, G. Lingel, R. Traxler, B. Krywko and R. Reyes-Prosen. No – None. **Motion carried.**

6. PUBLIC COMMENT

There was no public comment.

7. OTHER BUSINESS/INFORMATION

a. Mike Gilfillan – Mobile Units Update

Mike Gilfillan of Gilfillan Callahan Architects updated the SFA on the proposed mobile units at Indian Hill. The plan includes an 8-classroom self-contained modular unit that has separate restrooms for boys, girls and teachers. A water line for the unit will be connected to the existing Indian Hill building. A connecting canopy will be linked from the building to the unit.

A pre-bid meeting was held on February 22, 2006. The bid opening is scheduled for March 1. The construction of the project is on schedule and is expected to be complete for the 06-07 school year.

b. SFA Annual Report

In reviewing the draft Annual Report with the SFA, W. Korpan reviewed assumptions used in making financial projections for FYs 2007-2011, while Dr. Elenbogen highlighted parts of the draft report with focus on educational assessments.

The SFA requested that additional information be provided explaining expenditures, EAV projections, population growth projections, and anticipated levels of State aid.

D. Vespa indicated that she believed it would be acceptable if the finalized Annual Report is dated March 1 and sent to Illinois State Board of Education in the month of March.

c. Show Choir

Dr. Elenbogen discussed the agenda item for the Show Choir proposal submitted by high school Choir Director Kristin Moroni, indicating that it was listed on the February 16 Board of Education agenda as an information item rather than (as intended) an action item. The proposed Show Choir program would be paid out of the District budget and not that of the high school.

d. 2006-07 Proposed School Calendar

Dr. Elenbogen presented the proposed School Calendar for 2006-07. The Board of Education will vote on the calendar at its March 2, 2006 meeting.

8. SFA DISCUSSION AND REPORTS

a. Chief Executive Officer Report

D. Stonewall reported that the Chamber of Commerce breakfast was a successful event. He has received positive feedback from many people who were in attendance.

Bodine will be installing a stop and go light at Rosedale and Cedar Lake roads after the close of school.

D. Stonewall distributed information on proposed Senate Bill 2670 which, if enacted, could exacerbate student residency issues facing our schools.

b. Chief Fiscal Officer Report

W. Korpan reported that monthly maintenance service and repairs for elevators at the high school, middle school and Village Elementary has been very expensive. Three elevator companies submitted quotations for a maintenance agreement for the elevators. It was recommended that the District approve the maintenance contract with Great Lakes Elevator Service, Inc. at an annual cost of \$4,680.00

The District went out for bid for audit services last month. The current auditor, Eder Casella & Co has been performing the District's audits for over 10 years. The District received three bids from companies with Eder, Casella being the lowest bidder at \$17,000. Mr. Korpan noted that it is good practice to change auditors after that time period, but recommended that the contract be awarded to Eder, Casella due to the substantial difference in the bids.

SFA Administrators have been reviewing the current impact fee schedule. With SFA and Board of Education approval, Mr. Korpan would like to propose an updated impact fee schedule to Round Lake Area villages, setting fees at the levels they would now be at if they had been increased by six percent every year, beginning in 1998. On February 16, the Board of Education approved the proposed new impact fee schedule, after changing the 1998 base impact fee figures for two- and three-bedroom condominiums and townhomes (for purposes of computing 2006 fees based on six per annual increases in each intervening year) from \$1,000 to \$2,000, and from \$1,500 to \$3,000, respectively.

W. Korpan reported that the District has received 99.98% of 2004 property taxes to date.

He distributed a table showing how 2005-06 budgeted property tax revenue figures are affected by the District's changeover to modified accrual basis accounting.

To improve cleanliness and appearance of buildings, another full-time custodian is needed. Currently, the District has hired a temporary custodian to fill in at Indian Hill and to assist in cleaning the area used by both the Park District and School District. The Park District will be assessed a fee for the custodian since the Park District is currently using the gym area, kitchen area and washroom at Indian Hill, Mr. Korpan noted.

Registration for school year 2006-07 begins on March 9 with selected dates through August 2. After that date, registration is by appointment only at the Registrar's office.

Mr. Korpan reported that the truancy program is currently running at a deficit of \$43,579. In addition, the ADA Safety Block grant that supports the Cops in Schools Program is exhausted at the end of each fiscal year. The District anticipates the cost of an officer at

the high school. Consequently, expenditures in this fund will shift from purchasing equipment to paying salaries for a police officer.

c. Chief Educational Officer Report

Dr. Elenbogen reported that the Bilingual audit took place last week and that she expects feedback from the State by mid-March.

The District was rewarded the Annual Measurement of Achievement for the bilingual program.

The Teachers Institute Day on February 15 focused on differentiated instruction and special education law. The School Improvement Day had an ISAT focus with training in Science and Reading.

Dr. Elenbogen indicated that the high school is working with a consultant to complete scheduling for next school year.

A total 36 students are participating in the Supplemental Educational Services (SES) tutoring program being offered at Ellis Elementary School to comply with No Child Left Behind Act requirements.

9. READING AND ACCEPTANCE OF MINUTES

a. January 26, 2006 Special Meeting Minutes

B. Krywko moved and R. Reyes-Prosen seconded to approve the minutes as presented. On roll call, members voted as follows: Yes – E. Kula, R. Traxler, B. Krywko, and R. Reyes-Prosen. No - None. Abstained – G. Lingel. **Motion carried.**

b. January 26, 2006 Regular Meeting and Closed Session Minutes

R. Traxler moved and B. Krywko seconded to approve the minutes as presented. On roll call, members voted as follows: Yes – E. Kula, R. Traxler, B. Krywko, and R. Reyes-Prosen. No - None. Abstained – G. Lingel. **Motion carried.**

10. CONSENT AGENDA; EMPLOYMENT OF STAFF, PAYMENT OF BILLS

On a motion by R. Traxler and seconded by R. Reyes-Prosen, the SFA approved prior Board action on Consent Agenda items 10.a (Employment of Staff) and 10.b (Payment of Bills: The Larson Co. (\$10,543.74); Metalmasters Inc (\$9,491.47); Stafford Smith (\$5,439.76); SEDOL \$145,420.78; Metalmasters Inc \$18,640.83; The Larson Co \$10,463.13). On roll call, members voted as follows: Yes – E. Kula, G. Lingel, R. Traxler, B. Krywko, and R. Reyes-Prosen. No - None. **Motion carried.**

11. PAYROLL

R. Reyes-Prosen moved and G. Lingel seconded to approve Board action approving the January 31, 2006 payroll in the amount of \$731,906.49 and the February 15, 2006 payroll

in the amount of \$776,600.90. On roll call, members voted as follows: Yes – E. Kula, G. Lingel, R. Traxler, B. Krywko, and R. Reyes-Prosen. No - None. **Motion carried.**

12. ACCOUNTS PAYABLE

R. Traxler moved and B. Krywko seconded to approve Board action on the January 2006 Previous Motion in the amount of \$250,139.80 and February 2006 Accounts Payable in the amount of \$823,931.62. On roll call, members voted as follows: Yes – E. Kula, G. Lingel, R. Traxler, B. Krywko, and R. Reyes-Prosen. No - None. **Motion carried.**

13.a. APPROVE RLAS BOARD RESOLUTION FOR TREASURER’S REPORT

R. Traxler moved and R. Reyes-Prosen seconded the motion to approve the treasurer’s report for the month ending January 31, 2006. On roll call, members voted as follows: Yes – E. Kula, G. Lingel, R. Traxler, B. Krywko, and R. Reyes-Prosen. No - None. **Motion carried.**

13.b. APPROVE RLAS BOARD RESOLUTION REPAYMENT & ISSUANCE OF INTERFUND LOANS

R. Reyes-Prosen moved and B. Krywko seconded the motion to approve Board of Education action approving repayment to the Working Cash Fund of loans made during FY 2004-05 to the Educational Fund (\$1,350,000.00), Operations and Maintenance Fund (\$700,000.00), and Bond and Interest Fund (\$2,937,071.00) and to approve issuance of interfund loans from Working Cash to the Education Fund (\$1,350,000.00), Operations and Maintenance Fund (\$700,000.00), and Bond and Interest Fund (\$2,812,000.00). On roll call, members voted as follows: Yes – E. Kula, G. Lingel, R. Traxler, B. Krywko, and R. Reyes-Prosen. No - None. **Motion carried.**

13.c. APPROVE RLAS BOARD RESOLUTION FOR ABATEMENT OF BOND AND INTEREST LOAN

The approval of this resolution will enable the District to notify the County Clerk’s office that Round Lake taxpayers should not be assessed the taxes relating to an investment in an energy savings program made years ago. Payments due under the energy savings contract will be paid out of the Operations and Maintenance fund. R. Traxler moved and R. Reyes-Prosen seconded the motion to approve the Board action approving the abatement of taxes levied for bond and interest for the year 2005 pursuant to section 14 of the Board of Education’s resolution adopted on December 9, 1997 authorizing the issue of \$4,850,000 General Obligation School Bonds (Alternative Revenue Source), Series 1998. On roll call, members voted as follows: Yes – E. Kula, G. Lingel, R. Traxler, B. Krywko, and R. Reyes-Prosen. No - None. **Motion carried.**

13.e. APPROVE RLAS BOARD RESOLUTION FOR ELEVATOR MAINTENANCE AGREEMENT

G. Lingel moved and B. Krywko seconded to approve Board of Education action to award the elevator maintenance contract discussed earlier in the meeting to Great Lakes

Elevator at an annual expense of \$4,680.00. The agreement covers elevators at Round Lake High School, Round Lake Middle School, and Village Elementary. On roll call, members voted as follows: Yes – E. Kula, G. Lingel, R. Traxler, B. Krywko, and R. Reyes-Prosen. No - None. **Motion carried.**

13.f. APPROVE RLAS BOARD RESOLUTION FOR SES CONTRACT

R. Traxler moved and R. Reyes-Prosen seconded to award the SES tutoring contract to Club Z in the amount of \$36,486.36. The SES program is required at Ellis Elementary and is funded by Title grants. On roll call, members voted as follows: Yes – E. Kula, G. Lingel, R. Traxler, B. Krywko, and R. Reyes-Prosen. No - None. **Motion carried.**

13.g. APPROVE RLAS BOARD RESOLUTION FOR FY2005-06 ADMINISTRATIVE SALARIES

R. Reyes-Prosen moved and R. Traxler seconded to approve the Board action approving FY2005-06 administrative salaries. On roll call, members voted as follows: Yes – E. Kula, G. Lingel, R. Traxler, B. Krywko, and R. Reyes-Prosen. No - None. **Motion carried.**

13.h. APPROVE RESOLUTION FOR AUDIT BID

R. Traxler moved and B. Krywko seconded to approve the selection of Eder, Casella as auditor for FY 2005-06. On roll call, members voted as follows: Yes – None. No - E. Kula, G. Lingel, R. Traxler, B. Krywko, and R. Reyes-Prosen. **Motion failed.**

13.i. APPROVE RLAS BOARD RESOLUTION FOR AUDIT BID

R. Traxler moved and B. Krywko seconded to approve Board action to retain Knutte & Associates to perform the District's FY2005-06 audit at a cost of \$22,500. On roll call, members voted as follows: Yes – E. Kula, G. Lingel, R. Traxler, B. Krywko, and R. Reyes-Prosen. No – None. **Motion carried.**

13.j. APPROVE RESOLUTION FOR SFA ANNUAL REPORT

R. Traxler moved and R. Reyes-Prosen seconded his motion to table approval of the SFA Annual Report until the March 23, 2006 regular SFA meeting, noting that the SFA requested additional financial information such as explanation of expenditures, EAV projections, population growth projections, and State aid clarification. On roll call, members voted as follows: Yes – E. Kula, G. Lingel, R. Traxler, B. Krywko, and R. Reyes-Prosen. No – None. **Motion carried.**

14. CONVENING OF CLOSED SESSION

R. Traxler moved and B. Krywko seconded the motion to convene in closed session under sections 2(c)(2), 2(c)(1) and 2(c)(11) of the Open Meetings Act to discuss collective bargaining matters; appointment, employment, or dismissal of District employees; and pending litigation. On roll call vote, all members voted yes. **Motion carried.**

The SFA convened in closed session at 8:50 p.m.

15. RESUMPTION OF OPEN SESSION

The SFA reconvened in open session at 8:51 p.m. to clarify the Open Meetings Act exceptions pursuant to which it was holding the closed session.

16. CONVENING OF CLOSED SESSION

G. Lingel moved and R. Traxler seconded to convene in closed session under sections 2(c)(2), 2(c)(1), 2(c)(11) and 2(c)(6) of the Open Meetings Act to discuss collective bargaining matters; appointment, employment, or dismissal of District employees; pending litigation; and the setting of a price for sale or lease of property owned by the public body. On roll call vote, all members voted yes. **Motion carried.**

17. RESUMPTION OF OPEN SESSION

The SFA reconvened in open session at 9:52 p.m.

18. APPROVAL OF RLAS BOARD RESOLUTION FOR TRANSPORTATION GRIEVANCES SETTLEMENT AGREEMENT WITH EDUCATION ASSOCIATION OF ROUND LAKE

G. Lingel moved and B. Krywko seconded to approve the transportation grievances settlement agreement with the Education Association of Round Lake for grievances B1-B9, B11-B15 and B20. On roll call, members voted as follows: Yes – E. Kula, G. Lingel, R. Traxler, B. Krywko and R. Reyes-Prosen. No – None. **Motion carried.**

19. APPROVE RESOLUTION FOR SHOW CHOIR PROPOSAL

The SFA unanimously agreed that the proposal to fund a high school Show Choir should initially be brought to the Board of Education for a vote. R. Reyes-Prosen expressed concern that community input be obtained regarding what extracurricular activities should be offered..

20. PUBLIC COMMENT

There was no public comment.

21. ADJOURNMENT

On a motion by R. Traxler, seconded by B. Krywko and adopted unanimously by voice vote, the meeting adjourned at 10:17 p.m.

Respectfully Submitted,

Robert Traxler, Secretary
School Finance Authority