

KANELAND COMMUNITY UNIT SCHOOL DISTRICT NO. 302
47W326 Keslinger Road
Maple Park, Illinois 60151

BOARD OF EDUCATION
SPECIAL MEETING
TUESDAY, FEBRUARY 16, 2010

Call to Order

The Board of Education of Kaneland Community Unit School District No. 302 met in Special Session at the Milnamow Administrative Center, Kaneland High School, on Tuesday, February 16, 2010 at 6:00 p.m.

Roll Call

President Lisa Wiet, Superintendent Charles McCormick, and members Kenneth Carter, Elmer Gramley, Cheryl Krauspe, Robert Myers and Diane Piazza were present. Deborah Grant arrived at 6:03 p.m. Also present were Jeff Schuler (Associate Superintendent) and Julie-Ann Fuchs (Assistant Superintendent for Business).

Establishment of Quorum

A quorum was established.

Approval of Agenda

Motion by Gramley, seconded by Myers, that the agenda be approved as presented.

Upon call of the roll, the following members voted Aye: Carter, Gramley, Krauspe, Myers, Piazza, Wiet. Aye - 6; Nay - 0. The motion was carried.

Executive Session

Motion by Myers, seconded by Piazza, that the Kaneland Board of Education adjourn to Executive Session at 6:02 p.m. to discuss:

1. 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 complaint lodged against an employee of the public body or against legal counsel for the public body to determine its validity. 5 ILCS 120/2(c)(1)
2. 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. 5 ILCS 120/2(c)(2)

Upon call of the roll, the following members voted Aye: Gramley, Krauspe, Myers, Piazza, Wiet, Carter. Aye - 6; Nay - 0. The motion was carried.

The Board of Education of Kaneland Community Unit School District #302 reconvened in Special Session at 6:59 p.m. on Tuesday, February 16, 2010 at the Learning Resource Center/Library Kaneland High School. President Wiet, Superintendent McCormick, and members Kenneth Carter, Elmer Gramley, Deborah Grant, Cheryl Krauspe, Robert Myers, and Diane Piazza were present. Also present were Jeff Schuler and Julie-Ann Fuchs.

Introduction of Guests

The guests were introduced.

Public Comments

None

New Business

Agenda Item I-1: Update Regarding State Funding

On Thursday morning, an article on state funding for 2010-2011 was published in the Fox Valley Sun. While the administration has anticipated that changes in state funding could happen, this is the first piece of information that has identified a realistic cut number. Based on the detail that the administration learned from PMA, the potential loss in General State Aid could range from \$1.4 million to \$2.4 million. The broad range is a result of the fact that a significant loss in state aid could shift Kaneland from the Foundation Formula of funding to the Alternate Formula. The potential loss if that were to happen could be as high as \$2.4 million, which represents all of the General State Aid we currently receive.

Up until this point in the Cost Reduction Process, the administration has suggested that the Board not cut deeper than the current \$2.6 million target number. This advice is based on that fact that it would not be prudent to take even more away from our community and our students when we had no definitive information to work from. Instead we have suggested that the Board be prepared to absorb an additional deficit with our modest cash reserve. Given the potential loss in state revenue referenced above combined with this year's delayed categorical payments, we are now concerned that the potential loss could exceed the cash reserve available to the Board. The administration believes that the Board consider three options that need to be explored immediately.

1. The first option would be to move forward with the \$2.6 million cost reduction process as planned. If state funding is reduced, the District would have to plan to absorb that loss through cash fund balance and would need to be prepared to make appropriate budget reductions for 2011-2012 to balance the additional structural deficit and potential loss of cash reserve. This option could also result in the need to issue Tax Anticipation Warrants if the deficit produces a cash flow problem next year.
2. Option two would be to address the potential loss of state revenue now through setting a new target number for reduction. Given the need to make decisions by March 8th, decisions would need to be made very quickly so all appropriate personnel action can be taken in the month of March. The new target established by the Board would still need to be an informed guess based on what we know at this time. The challenge with option two is that we will probably not have definitive information about state funding until late spring or early summer, after our budget reductions have been made.

3. Option three would be to view the cuts in phases. Phase one of our budget cuts would continue as planned with a \$2.6 million target. Phase two of the cuts would be enacted once definitive information is known from the state. In order to implement this option, which the administration recommends, the Board will need to preserve flexibility for phase two. This will necessitate a Reduction in Force larger than what we are currently planning to preserve the option of reducing certified positions in phase two of the budget reduction. Staff members released through the Reduction in Force could be called back for positions once all necessary budget cuts have been made.

Motion by Carter, seconded by Gramley, that the Kaneland Board of Education direct the administration to institute Option 3.

Upon call of the roll, the following members voted Aye: Grant, Krauspe, Myers, Piazza, Wiet, Carter, Gramley. Aye - 7; Nay - 0. The motion was carried.

Agenda Item I-2: Discussion of Feedback Regarding Possible Reductions

All comments gather from the community forum and those through the website were forwarded to the Board. The administration did not filter any of the 75 comments offered through the website as it is certainly important that the Board of Education hear directly from the community as we continue to work toward a final cost reduction plan. The administrative team reviewed and discussed the comments. Through conversations it appeared that several themes emerged from the comments including:

1. Community members are concerned about the loss of some of the high school activities (Chess Club and Model UN were directly referenced).
2. Community members are concerned about the loss of interscholastic sports at the middle school level.
3. Community members are concerned about the potential of increased class size, especially at the elementary level.
4. Community members have encouraged the District to consider increasing fees, especially those tied to activities and sports. Community members are also interested in seeing the breakdown of expenditures compared to revenues collected for these areas.
5. Community members asked about the potential of using volunteers for some activities.

Agenda Item I-3: Deferral of Technology Replacement Costs

Annually, the district replaces old computer equipment with new equipment. The number of computers that are replaced each year typically depends upon the financial ability of the District at the time of the budget preparation. In this year's budget, approximately \$230,000 was allocated for replacement computers and/or other technology equipment.

Tim Wolf (Director of Technology) presented five options:

Option 1 – Replace 264 computers – Cost \$230,000

Option 2 – Install District wireless and upgrade KST and KSS Networking – Cost \$227,650

Option 3 – Install District wireless with no network upgrades – Cost \$199,000

Option 4 – Install only wireless at KHS – Cost \$70,000

Option 5 – No upgrades – Cost \$0

Motion by Piazza, seconded by Grant, that the Kaneland Board of Education approve Option 5 for the 2010-2011 school year.

Upon call of the roll, the following members voted Aye: Carter, Gramley, Grant, Krauspe, Myers, Piazza, Wiet. Aye - 7; Nay - 0. The motion was carried.

Agenda Item I-4: Approval of School Fees for 2010-2011 School Year

Motion by Gramley, seconded by Piazza, that the Kaneland Board of Education approve the 2010-2011 textbook and curriculum-related fees at the same rate as the 2009-2010 school year for the 2010-2011 school year:

Textbook Fees

Early Childhood	\$ 60.00
Kindergarten	\$ 75.00
Grades 1-5	\$130.00
Grades 6-8	\$130.00
Grades 9-12	\$175.00

Curriculum-Related Fees

Technology	\$ 55.00
Driver Education	\$250.00

Upon call of the roll, the following members voted Aye: Krauspe, Myers, Piazza, Wiet, Carter, Gramley, Grant. Aye - 7; Nay - 0. The motion was carried.

Agenda Item I-5: Consideration of Revised Cost Reduction Plan

The Board continued its discussion regarding the cost reduction plan. Based on the feedback from the community forum, website, administrative team, and Board, the administration has started to put together options for modifications to the cost reduction plan. The administrative pay freeze will allow \$48,000 in cuts to be restored. Additional cuts restored in the initial cost reduction plan would need to be replaced through either an increase in revenue such as a fee increase, or a replacement cut added to the plan.

The administration developed three options based on feedback received through community and Board discussion.

Option A addresses concerns raised relative to middle school interscholastic sports through reinstating only 8th grade sports. It also reinstates three high school clubs (Chess, Global Cultures and Model UN). The net cost of reinstating the cuts included in this option would be \$37,000.

Option B addresses concerns raised relative to middle school interscholastic sports through reinstating all middle school athletics. This option would also reinstate the three high school clubs identified in Option A. The net cost of reinstating the cuts included in this option would be \$102,000.

Option C addresses concerns raised relative to middle school interscholastic sports through reinstating all middle school athletics, similar to Option B. The difference in Option C is the reinstatement of six high school clubs (Chess, Global Cultures, Model UN, Color Guard, WYSE, and Kolla Voice). The net cost of reinstating the cuts included in this option would be \$112,000.

Topics for Future Agenda

None

Public Comments

Sheila Albano had questions about State funding.

Mark Weintraub addressed the Board regarding proposed cuts.

Adjournment

Motion by Myers, seconded by Piazza, that the meeting be adjourned at 9:34 p.m.

Upon call of the roll, the following members voted Aye: Myers, Piazza, Wiet, Carter, Gramley, Grant, Krauspe. Aye - 7; Nay - 0. The motion was carried.

President, Kaneland #302

Secretary, Kaneland #302