

BROWN COUNTY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
Mt. Sterling, Illinois
September 23, 2015

The 2015-2016 budget hearing was held on Wednesday evening, September 23, 2015 at 5:48 pm in the Elementary School-Music Room/Board of Education Office at 503 NW Cross Street, Mt. Sterling, Illinois.

1. The 2015-2016 budget hearing is open.

2. The following comments were made:

Mrs. Phillips gave an overview of what is in the budget and reminded the board members that this budget was the result of calculations that are based on the intent of the state to fulfill their commitment of making the payments they have said they will make. Even with that, the payments that they say they will make are prorated at 92% due to the lack of full funding by the Illinois State Legislature. If the State were able to send us 100% of what we are due from them instead of 92%, we would see about a \$160,000 increase in our income that could be spent on the education of our children. As it is, this budget will allow us to continue all of our current programs and services and allow the district to maintain an appropriate fund balance in the education and transportation fund. However, the Maintenance and Operations Fund will be almost completely depleted at the end of this fiscal year. This is the fund that allows us to be able to update and fix our facilities as needed. Superintendent Phillips stated that it is vital that the district tap into an additional revenue source for the purposes of being capable of continuing to update and fix aspects of our buildings. Especially the elementary and high schools which are the older buildings and seem to be at that age where they are in need of repairs fairly often. The Transportation Fund should allow the district to trade in at least one old bus for a new one, which is needed.

3. The budget hearing closed at 5:58 pm.

The regular meeting of the Board of Education was held on Wednesday evening, September 23, 2015, at 6:00 p.m. in the Board of Education Office at 503 NW Cross Street, Mt. Sterling, Illinois. The meeting was called to order by President Philip Krupps. The minutes were recorded by Tracy Flowers, Board Secretary.

On roll call, the following members answered present: Blaesing, Fry, Krupps, McCaskill. Absent: Blakeley, Fullerton, Koch.

Public Comment : Mrs. Phillips introduced Dave Woodruff one of our middle school Special Ed teachers and Patrisha Clark one of our 7/8 Math teachers.

1. Motion by Blaesing, seconded by Fry, to approve the consent agenda.

Roll call: Blaesing, yea, Fry, yea; Krupps, yea; McCaskill, yea.
Motion carried.

Correspondence – Superintendent Phillips reviewed the Brown County High School ACT report recently received showing a positive trend in student scores.

Committee Reports: nothing

Mass Transit Issue: Superintendent Phillips shared that she had spoken with the Brown County Mass Transit organization and found that due to the lack of funding there will be no transportation options via Mass Transit until the Governor signs the Illinois State budget and can begin to distribute funds to local organizations. Therefore, she also shared that she has completed some calculations that showed it would cost the district \$250 a week to have a bus be able to transport children who attend the various day care centers throughout the city of Mt. Sterling. The parents would be responsible for paying for this option but depending on how many stops, it may be cost prohibitive. She shared an example of there being one or two stops possible. In the case of only one stop (one day care), parents of the children who stop at that location would need to split the full \$250 due to the school. If there is only one family who has children at that stop, they would be responsible for the entire \$250. If there were two families at that one stop, each family would have to split the \$250. Or if there were two stops, the \$250 fee would be split by the families at each stop to pay the district. The superintendent also explained that these costs do not show any profit for the district, but merely cover the cost of the driver, fuel, and wear and tear on the bus. It doesn't cover any extra liability insurance should the district need to add additional insurance coverage. The superintendent also noted that it must be determined if it is even allowable by the State of Illinois Secretary of State and Illinois State Board of Education, for a school to collect fees for transporting non-bus eligible students. Our district attorney is looking into this question and will get back to us within the week. The final issue to work out if it is allowable for the district to do this, is if we would have a substitute driver who would be willing to commit to this type of temporary route until the mass transit system is up and running again. The district is already experiencing insufficient numbers of substitute drivers, so this could make that problem even more noticeable. Should the school district find that it is allowable to put this type of program in place, it can be discussed further at the next board of education meeting in October.

6:15-6:41 Presentation By Stifel (Tom Crabtree) regarding SB318 (tax caps): The Illinois Legislature has passed Senate Bill 318 and House bill 4247 which will impose property tax caps to the entire state including Brown County. This bill has not yet been signed by the Governor, but is expected to be signed and go into

effect. The intent of this law is to limit the growth of property taxes by moving a county property tax being set by a school district or any other municipality that receives funding from property taxes away from a set percentage rate to a dollar amount. The dollar amount will only be able to be changed through a referendum after the first year. Future property taxes after the first year can only increase by CPI (or 5%, whichever is less) PLUS any new property added the tax rolls each year. Taxes for bond payments that are non-referendum bond payments are also capped. This law is written to date to only be in effective for two years, however, it is suspected to be renewed and continue to be in place beyond the sunset deadline that is posed in the current writing of the bill.

Mr. Crabtree of Stifel explained the potential impact on the school district as it will restrict the district's financial capacity to generate revenues by limiting the total dollar amount of the taxes extended by the district for education and operations as well as limit the district's ability to borrow funds under a non-voted debt service extension.

Mr. Crabtree advised the school board to consider our current Debt Service Extension and warned the district that the district would be in an unfortunate situation should this come to pass because we would be tied up for the next 17 years without being able to make any health/life safety repairs without a vote of the public. That would mean that if the district had a boiler or cooler go out and need to be fixed with life safety funds, it would not be allowed unless it was on the next possible election ballot to be approved by the public to make the repair using borrowed money. Obviously this would not be a good situation to have the district to be in, especially if the repair needed is needed immediately for the safety and daily needs of the children of the school, but the next election may be months away. Previous to this new bill being passed, Brown County School District's debt service structure was in line with recommended practices. But with this new bill, possibly law, it is no longer the recommended structure for debt. He also encouraged us to look at how we can structure our tax levy as it is submitted in December to best prepare the district's financial status for tax caps should the bill be signed by the governor.

2. Motion by Krupps, seconded by Blaesing, to approve the 2015-2016 Budget.

Roll call: Fry, yea; Krupps, yea; McCaskill, yea; Blaesing, yea.
Motion carried.

3. Motion by Fry, seconded by Krupps, to approve the application for Recognition of Schools.

Roll call: Krupps, yea; McCaskill, yea; Blaesing, yea, Fry, yea.
Motion carried.

4. Motion by Blaesing, seconded by McCaskill, to approve the ISBE Administrator and Teacher Salary and Benefits Compensation Report.

Roll call: McCaskill, yea; Blaesing, yea, Fry, yea; Krupps, yea.
Motion carried.

Second Reading and approval of PRESS Policies 2:160; 2:160E; 2:260; 4:50; 5:50; 5:170; 5:270; 5:290; 6:140; 7:10; 7:40; 7:310; 7:325; 8:10; 8:80.

5. Motion by Blaesing, seconded by Fry, to approve the PRESS Plus Policies 2:160; 2:160E; 2:260; 4:50; 5:50; 5:170; 5:270; 5:290; 6:140; 7:10; 7:40; 7:310; 7:325; 8:10; 8:80 as presented.

Roll call: Blaesing, yea, Fry, yea; Krupps, yea; McCaskill, yea.
Motion carried.

Discussion regarding 1% Facility Use Tax: Board members discussed the advantages of the 1% County Sales Tax. This is a tax that requires a passing vote of the county voters before it can be instituted. The proceeds from this tax can only be used for building and maintenance needs. It cannot be used for any other purpose. In many counties, schools have used these funds to upgrade their electrical, plumbing; HVAC, grounds, roofs, restrooms, or some even can use it to build on to their existing structures or build entirely new schools. Some of the items that Brown County Schools would plan to use this revenue for would be to do the following: Upgrade the lighting in the parking lot behind the high school and middle school; upgrade/update the electrical throughout the high school; Install motion sensors to automatically turn off/on the lights in rooms in all buildings to save money on electrical bills; upgrade high school restrooms to be ADA approved; replace flooring in high school and elementary school; new public announcement systems in all buildings so that they all work; security cameras in all schools; replace some windows at the elementary building; replace the large bank of doors on the north end of the front of the elementary school. Overall the district can use these funds to maintain our facilities without having to borrow money and tax local tax payers. Instead a good percentage of this tax is actually paid by people who are coming to Brown County and are not Brown County residents. This is because the tax is not placed on any food purchased at the grocery store, but it is on food from restaurants. No fuel/gas is taxed with this tax and neither are automobiles, tractors or any type of farm input or equipment including those items related to livestock management. Mobile homes, trailers, aircraft, watercraft, and medical supplies are also exempt from this tax.

The board voted 4-0 to approve to support Brown County School District to continue pursuing more information on this opportunity for the district and revisit this topic at future board meetings with the intent to eventually be ready to place the vote on the ballot of a county election.

6. Motion by Krupps, seconded by McCaskill, to proceed with pursuing the 1% Facility Use Tax.

Roll call: Fry, yea; Krupps, yea; McCaskill, yea; Blaesing, yea.
Motion carried.

Discussion regarding High School Track: Mr. Dave Phelps spoke regarding the interest that has recently been shown by high schools students to reopen the high school track program. There have been approximately 22 students who have shown interest in being involved in track. He also discussed that track is one of the lowest cost sports for a school to support and requested that it be reopened.

7. Motion by Krupps, seconded by Blaesing, to support the reopening of the high school track program.

Roll call: Krupps, yea; McCaskill, yea; Blaesing, yea, Fry, yea.
Motion carried.

Administrative Reports and Raising Expectations Speakers in Brown County:

Ms. Sullivan, Pre-K – 6th grade principal spoke that the recent lock down drill in the elementary school had gone well, but it also brought attention to the fact that it is important for the school to have a public address intercom system installed for the purposes of effective communication between the office and the school at large if there were a real emergency. This current intercom system has not worked for a number of years, and should be replaced. It was noted that this system could be financed through the 1% sales tax should it be passed. Mr. Gallaher also noted that the district may be able to utilize the phone system to connect to loud speakers in strategic parts of the building as well as each classroom that would serve in the same manner as an intercom system.

Superintendent Phillips also reported that the auditors had been in the board of education office for three days the past week performing the required yearly audit, and found all books and transactions to be orderly and accurately performed. They will be sending us a report that will be shared with the board in the next few weeks.

8. Motion by Krupps, seconded by Fry, to go into closed session to discuss items a) the appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the School District at 7:19 pm.

Roll call: McCaskill, yea; Blaesing, yea, Fry, yea; Krupps, yea.
Motion carried.

9. Motion by McCaskill, seconded by Fry, to return to open session at 8:17 pm.

Roll call: Blaesing, yea, Fry, yea; Krupps, yea; McCaskill, yea.
Motion carried.

10. Motion by McCaskill, seconded by Krupps, to approve the minutes of closed session.

Roll call: Fry, yea; Krupps, yea; McCaskill, yea; Blaesing, yea.
Motion carried.

11. Motion by Krupps, seconded by Blaesing, to approve the list below as presented regarding personnel issues.

Roll call: Krupps, yea; McCaskill, yea; Blaesing, yea, Fry, yea.
Motion carried.

- Hire Scott Woodward as Middle School Boys Basketball Coach
- Hire Mike Woodward as Assistant Middle School Boys Basketball Coach
- Approve Braxton Phelps as a volunteer Assistant for High School Girls Basketball
- Approve Todd Koch as a volunteer Assistant for Middle School Girls Basketball
- Hire Beth Boylen as Elementary School part-time cook
- Hire Julie Kallenbach as Middle School Speech Sponsor
- Authorization to advertise for a Network Administrator in the IT Department
- Approve a medical leave of absence for Joyce Cooley effective September 11, 2015 as needed.
- Approve raises for Ann Logan, Ray Driskell and Vicki Phillips, effective July 1, 2015 to mirror the certified contract
- Post HS track coach position

12. Motion by Fry, seconded by McCaskill, to adjourn at 8:19 pm.

Motion carried by acclamation.

PRESIDENT

SECRETARY