

**MINUTES
OF THE REGULAR MEETING OF THE
BOARD OF EDUCATION
OF O'FALLON COMMUNITY CONSOLIDATED SCHOOL DISTRICT 90
TUESDAY, DECEMBER 16, 2014
7 P.M.
118 E. WASHINGTON STREET
O'FALLON, IL 62269**

President Hellin called the meeting to order sat 7 p.m. and asked for a Roll call.

PRESENT: Mary Baskett, Becky Drury, Todd Roach, John Wagnon and Steven Hellin

ABSENT: Chris Pulcher and Steve Springer

OTHERS IN ATTENDANCE: Becky Williams, Dan Foehrkolb Annette Neighbors, Karen Munie, Rob Stoelzle, Kristie Belobrajdic, Dan Rudy, Leslie Corrett, Teresa Goodhue, Grady Niles, Janet Schuyler, Laurin McWhorter, Melinda Hartmann, Matt Weld, Stefanie Roy, Mary McGraw, Ellen Hays , Charles Pitts, Rob Bohnenstiehl, Kayla Schiefer, Amanda Mellenthin, Mindi Kunz, Ann neighbors and Jackie Deters.

President Hellin led the group in the Pledge of Allegiance.

Dr. Wood asked Mrs. Goodhue to come forward to be recognized for receiving the Emerson in Excellence Award.

Moved by Drury, seconded by Wagnon, to approve the Minutes of the Regular Meeting of November 18, and the special Meetings of December 8 and 9th as written. All voted aye. Motion carried.

Moved by Baskett, seconded by Drury, to pay all bills for December as presented. Roll call. All voted aye. Motion carried.

FINANCIAL REPORTS

Superintendent Wood introduced Steve Adams from Bernardi Securities, to explain the District's bond issues.

Mr. Adams stated that there are currently ten outstanding bond issues totaling \$46,876,400 which includes principal and interest. The available legal debt margin is \$15,776,757. In figuring the available legal debt margin, only principal figures are used.

Current Debt Service Requirements

(as of December 15, 2014)

Tax Year	Rate Setting EAV	Existing 2004		Existing 2006		Existing 2006A		Existing 2006B		Existing 2007		Existing 2008		Existing 2008A		Existing 2009		Existing 2013A		Existing 2013B		Approximate Calculated Bond Tax Rate ⁽¹⁾
		Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	
2013	603,727,310	\$ 111,660	\$ 282,150	\$ 528,455	\$ 182,650	\$ -	\$ 595,715	\$ 422,832	\$ 229,058	\$ 259,500	\$ 846,650	\$ 3,458,670	0.5729									
2014	603,727,310	113,430	279,075	546,250	182,650	200,000	669,090	430,285	230,685	254,700	588,000	3,494,165	0.5788									
2015	603,727,310	115,010	280,763	527,500	182,650	350,000	670,135	427,106	231,835	254,900	532,250	3,572,149	0.5917									
2016	603,727,310	426,400	281,975	-	182,650	450,000	669,500	472,428	232,555	255,000	611,050	3,581,558	0.5932									
2017	603,727,310	-	284,370	-	932,463	800,000	667,120	1,480,568	227,905	-	-	4,392,426	0.7276									
2018	603,727,310	-	276,375	-	1,525,475	1,275,000	692,448	912,671	227,793	-	-	4,909,761	0.8132									
2019	603,727,310	-	278,175	-	614,338	4,070,000	685,563	267,138	227,280	-	-	6,142,493	1.0174									
2020	603,727,310	-	279,575	-	-	3,200,000	510,875	2,006,550	231,250	-	-	6,228,250	1.0316									
2021	603,727,310	-	278,888	-	-	4,050,000	-	-	229,695	-	-	4,558,583	0.7551									
2022	603,727,310	-	277,725	-	-	4,305,000	-	-	227,770	-	-	4,810,495	0.7968									
2023	603,727,310	-	277,313	-	-	-	-	-	230,370	-	-	5,07,683	0.0841									
2024	603,727,310	-	281,475	-	-	-	-	-	232,370	-	-	5,13,844	0.0851									
2025	603,727,310	-	-	-	-	-	-	-	233,760	-	-	2,33,760	0.0387									
2026	603,727,310	-	-	-	-	-	-	-	234,620	-	-	234,620	0.0389									
2027	603,727,310	-	-	-	-	-	-	-	234,945	-	-	234,945	0.0389									
Total Remaining Debt Service:		\$ 766,500	\$ 3,357,858	\$ 1,602,205	\$ 3,802,875	\$ 18,700,000	\$ 5,160,445	\$ 6,419,578	\$ 3,461,890	\$ 1,024,100	\$ 2,577,950	\$ 46,873,400										
Net Interest Cost:		3.94%	4.18%	3.93%	4.65%	6.22%	4.06%	4.33%	3.84%	1.84%	1.75%											
Call Date:		2/1/2015	2/1/2015	2/1/2016	12/1/2016	Non-Callable	12/1/2017	12/1/2018	12/1/2018	Non-Callable	Non-Callable	Non-Callable										

(1) Approximate calculated bond tax rate uses the current levy year 2013 rate setting EAV.

There is a bubble in the debt service payment beginning in 2019, then drops off after 2020. The tax rate at that time will jump to 1.0174 in 2019 and 1.0316 in 2020. The current rate is 0.5729. The Board will need to begin strategically planning to reduce the bubble.

Existing 2007 Bond Issue is Non-Callable because Capital Appreciation Bonds are Non-Callable. Existing 2013A and Existing 2013B are Non-Callable also.

Two bonds, Existing 2004 and Existing 2006 bonds have a call date of February 1, 2015 with maturity dates of February 1, 2018 and February 1, 2026 respectively.

Mr. Crouse from PMA Financial Planning spoke about revenue projections for District 90. Mr. Crouse stated that the EAV has decreased by 1.32% for Levy Year 13. The projection is an increase of 1.7% in levy year 14, then 1.5% for levy years 15-20. The CPPRT (Corporate Personal Property Replacement Tax) is flat at FY15 level (approximately \$140,000).

The General State Aid (GSA) Foundation Level is at \$6,119. The Foundation level is set by the legislation. GSA is funded at 89% proration in FY15 which is a loss of approximately \$600,000. The GSA has been prorated for the last four years. For the last three years it has been at 89%. Mr. Crouse stated that schools south of I-80 are in serious trouble, especially if the proration drops below 89%. The higher the local sources of revenue, real estate taxes, the lower the foundation level is.

District 90 has not received any categorical payments this year. Categoricals include special education and transportation reimbursements.

Mr. Crouse had assumptions for expenditures for purchased services, supplies & materials, capital outlay and other objects. Mr. Crouse believes that most expenditures will increase 2% per year. Transportation Fund purchased services will increase 2% per year through FY17, then 3%.

Enrollment is projected to decrease over the next five years. In FY15 there are five teachers retiring so far, in FY16, three teachers have turned in letters of retirement to date, and FY18, one teacher is retiring so far. New teachers will be hired for replacement at an average of BA+24 with 1 year experience. Staffing will decrease as enrollment decreases.

Mr. Al Scharf gave the District's monthly financial report. The Education Fund received \$960,474 which is the last of the real estate taxes coming in. Actual expenses for Nov in the Ed Fund were \$1,564,872. The District has spent 41.26% of the anticipated expenditures to date. At the end of December the ideal place for the District to be is at 42%. So the Ed Fund is on target. The Operations and Maintenance Fund (O&M) for November had revenue of \$23 which was interest. The actual expenses were \$207,089. The O&M Fund is at 60.69% of its budget at the end of November. Debt Service had interest revenue of \$154 for November. The expenses were \$2,029,135. We are at 61.89% of the

budget spent. Bond payments are due December 1 and July 1. The December 1 payment was written at the end of November to allow for mail time. The Transportation Fund had Revenue of \$4,050 and actual expenses of \$180,775. The Transportation Fund is at 32.24% of the budget spent. IMRF/Social Security Fund had \$9 in interest revenue and spent \$78,705. The IMRF Fund is at 43.13% at the end of November. The Tort Fund had revenue of \$7,215 and expenses of \$255,796 which put the expenses at 45.25%. Health Life Safety Fund had \$12 in interest revenue and spent \$39,655 which put the Health Life Safety Fund at 103.6%. There were Life Safety projects going on over the summer which were paid for in FY15.

Moved by Roach, seconded by Wagnon, to approve the Financial Reports for November as presented. Roll call. All voted aye. Motion carried.

PUBLIC COMMENT

Charlie Pitts stated he liked what the Board did regarding TIFS in saying we are not against a TIF, but we want our share of the tax money.

COMMITTEE REPORTS

There wasn't a Building Committee or Finance Committee meeting since the last Board meeting.

Chairman Roach said the Policy Committee is meeting Wednesday evening.

Drury reported that the next BEST Committee meeting will be January 6 at Central 104.

Baskett stated there wasn't a BASSC meeting.

SUPERINTENDENT'S REPORT

The enrollment at the end of November was 3534 students.

Moved by Wagnon, seconded by Drury, to hire Tracey Cleveland as an Individual Care Aide at Schaefer beginning 12/1/14 and Shayn Graddy as a Program Aide at Carriel beginning 12/8/14. Roll Call. All voted aye. Motion carried.

Moved by Drury, seconded by Wagnon, to hire Substitute List No. 5 for the 2014-2015 school year as presented. Roll call. All voted aye. Motion carried.

OLD BUSINESS

Moved by Baskett, seconded by Wagnon, to adopt the Tax Levy as presented. Roll call. All voted aye. Motion carried.

The second reading of the Mid-Year Elementary Handbook changes was held.

Moved by Drury, seconded by Wagnon, to approve the mid-year handbook changes for the elementary grades. Roll call. All voted aye. Motion carried.

NEW BUSINESS

An extra-curricular accounting was included in the Board packet.

Moved by Wagnon, seconded by Drury, to approve hiring Bryan Welser as the Carriel Scholastic Bowl Sponsor and Victoria Taylor as the Fulton Scholastic Bowl Sponsor. Roll call. All voted aye. Motion carried.

PUBLIC COMMENT none

Moved by Wagnon, seconded by Roach to enter into Executive Session for the Purpose of Discussed Issues Relative to Personnel, Collective Negotiating Matters, and Semi-annual Review of the Minutes as Mandated by Section 2.06 According to Section 2, subsection c #1, #2 and #21 of the Open Meetings Act. Roll Call. All voted aye. Motion carried. (8:55 p.m.)

Moved by Wagnon, seconded by Baskett, to come out of Executive Session. All voted aye. Motion carried. (9:50 .m.)

Moved by Roach, seconded by Wagnon, to open the Executive Session Minutes of June 19, June 27, June 28, July 28, December 8, and December 9, 2014. Roll call. Wagnon, Roach, Drury, and Hellin voted aye. Baskett voted nay. Motion carried 4-1.

Moved by Wagnon, seconded by Roach, to adjourn the meeting. All voted aye. Motion carried. Adjournment time was 9:51 p.m.

Steven Hellin, President

Becky Drury, Secretary

June Wilkey Isselhardt
Recording Secretary