

**NORTHWESTERN ILLINOIS ASSOCIATION  
EXECUTIVE BOARD MEETING 4, FY13 AGENDA**

**Open Meeting Minutes**

**I. CALL TO ORDER**

Date: Wednesday, January 23, 2013  
Time: 4:30 p.m.  
Location: Ogle County Special Education Office, Byron, IL  
Type of meeting: Regular  
Name of person taking the minutes: Jean Tritle, Board Secretary  
**Name of person(s) presiding: Sarah Willey, Chairperson**

**The meeting was called to order at 4:31 p.m.**

**II. ROLL CALL**

Members in attendance:

1. Kathy Countryman
2. Carla Cumblad
3. Dennis Daly
4. Drew Hoffman
5. Kimberly Moore
6. Mike Noble
7. Karen Sanders
8. Sarah Willey
9. Tom Zelten

Members Absent:

1. Lisa Wiet

Also present:

1. Laura Frankiewicz, Regional Director
2. Jean Tritle, Board Secretary

**III. CLOSED SESSION TO CONSIDER 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 A COMPLAINT LODGED AGAINST AN EMPLOYEE OF THE PUBLIC BODY OR AGAINST LEGAL COUNSEL FOR THE PUBLIC BODY TO DETERMINE ITS VALIDITY, AS MANDATED BY SECTION 2.06 [5 ILCS 120/2.06].**

**Motion made by: Zelten**  
**Motion: to move into Closed Session at 4:39 p.m.**  
**Motion seconded by: Sanders**

**The Chairperson asked for a voice vote.**

**Voice Vote:** "Ayes" – All "Nays" – None  
**Action: Pass**

**Motion made by: Daly**  
**Motion: to move return to Open Session at 5:15 p.m.**  
**Motion seconded by: Sanders**

**The Chairman asked for a roll call**

**Roll Call:**

“Ayes” – Cumblad, Daly, Hoffman, Moore, Noble, Sanders, Willey, Zelten; Countryman

“Nays” – None

**Action:** Approved

**IV. APPROVAL OF AGENDA**

Frankiewicz explained that the agenda needed to be amended as the Treasurer’s Reports for the months of October and November, 2012 were being presented as a part of the Consent Agenda – not November and December as noted on the agenda in their packets.

**Approval of amended agenda:**

**Motion made by:** Noble

**Motion:** to amend the Consent Agenda to read that the Treasurer’s Reports for the months of October and November, 2012 will be considered.

Motion seconded by: Cumblad

**The Chairperson asked for a voice vote.**

**Voice Vote:** “Ayes” – All “Nays” – None

**Action:** Passed

**V. PUBLIC PARTICIPATION**

**Reception of Guests & Visitors & Opportunity for Public Comment**

There were none.

**VI. CONSENT AGENDA**

- A. Approval of Minutes of FY13 Meeting #3 on November 14, 2012**
- B. Approval of Closed Session Meeting Minutes of Meeting #3 on November 14, 2012**
- B. Approval of Personnel Report**
- D. Approval of Accounts Payable for the Months of December 2012 and January 2013**
- E. Acknowledgement of Receipt of Treasurer’s Report for the Months of October and November, 2012**

**Motion made by:** Hoffman

**Motion:** to approve the Consent Agenda as presented.

Motion seconded by: Noble

**The Chairperson asked for a roll call:**

“Ayes” – Hoffman, Moore, Noble, Sanders, Willey, Zelten, Countryman, Cumblad, Daly

“Nays” – None

**Action:** Approved

**VII. REGIONAL DIRECTOR’S REPORT**

**A. HLERK – The Extra Mile – December 2012**

**B. Update on Region III Board Member Search**

Frankiewicz reported that she and Chairperson Willey were working on finding candidates in Region III. Willey spoke with Tim Sherman and with a School Board member in Dixon who is the parent of a child with disabilities. Both said they would think about serving on the NIA Board and get back to her. Willey added that variety would be good for the Board. Frankiewicz stated that it will be helpful to once again have a full Board.

**C. Update on Regional Director Annual Goals**

Frankiewicz reported that she only has one continuing goal for the year and that is to revamp the financial structure of the NIA; she is making slow and steady progress toward this goal. She explained that she attended a session at the Triple I meeting in which several special education co-ops reported on changes they had made to their financial structure; this gave her good information to use in designing the changes to the NIA. She has also reached out to Luke Glowiak, the Assistant Superintendent for Finance in the Sycamore School District, who has worked with coops in the past. He has agreed to assist Frankiewicz in structuring NIA’s finances in a way that will move the organization forward and make its finances more transparent to its member Districts. Once a new framework has been structured, Frankiewicz said she will invite the co-op Directors to a meeting to review her proposed framework. The Board members felt that this will help their Districts as well, since they all do things differently when it comes to their finances. Frankiewicz said that she hopes to have a new framework ready in March or April for Board review. Eventually, the NIA Articles of Agreement will need to be amended and voted on by the member Districts.

Frankiewicz noted that her goal to implement a Health Savings Account (HSA) plan as an option for medical benefits has proven to be successful. Thirteen employees signed up to participate in the new plan year. She added that she will continue to promote the HSA in hopes that more employees will switch to it next year.

**D. Discussion of Regional Director Evaluation Process**

Frankiewicz reported that Drew Hoffman had agreed to chair the Evaluation Committee again this year; Kim Moore and Lisa Wiet have also agreed to serve on the Committee. Hoffman explained that Frankiewicz will select several Board members, Local Directors, and Department Coordinators to complete an evaluation form concerning her performance this past year. The Evaluation Committee will compile the completed forms and develop a rating, which will be presented to the Board at their March meeting. Hoffman asked that the deadline for returning the completed evaluation forms be made clear to the participants, as he received several after the deadline last year.

**E. Statement of Economic Interest**

Frankiewicz informed the Board members that, sometime after February 1, 2013, they will receive an e-mail from the DeKalb County Clerk’s office that contains instructions on how to complete and submit the annual Statement of Economic Interest. The deadline for filing this form with the County Clerk’s office is May 1, 2013.

**VIII. ACTION ITEMS**

**A. Approval of Resolution to Dismiss Educational Support Personnel Employee for Reasons Other Than a Reduction-in-Force**

**Motion made by: Hoffman**  
**Motion: to approve the Resolution to Dismiss Educational Support Personnel Employee Durairajan Maheswari for Reasons other than a Reduction-in-Force**

Motion seconded by: Zelten

**The Chairman asked for a roll call**

**Roll Call:**

“Ayes” – Moore, Noble, Sanders, Willey, Zelten, Countryman, Cumblad, Daly, Hoffman

“Nays” – None

**Action: Approved**

## B. Approval of FY14 Teacher Salary Increase

Frankiewicz asked to discuss all of the salary increase matters before motions are made; the Board agreed.

Frankiewicz informed the Board that the Budget and Finance Committee had met on January 18, 2013 and had devised the FY14 Proposed Salary worksheet that was handed out to them at the start of the meeting. Frankiewicz stated that there are currently 22 certified staff members who participate in TRS. Last year the teachers received a 3.5% increase as a result of returning to using the Salary Schedule. Last year, teachers in the Burlington School District, where the Hearing Impaired Program is located, received a hard freeze and the year before that they receive a step increase. This year they will be receiving a 3.3% step increase and a step increase again next year. Frankiewicz said that she became aware of this after the Budget and Finance Committee had met. Countryman stated that Sycamore teachers would receive a 3.5 % increase this year as a part of the final year of their 3-year contract. They will begin contract negotiations later this year.

Frankiewicz explained that the Budget and Finance Committee discussed three options:

1. Stay with the salary schedule (3.5% increase)
  2. Give a 2% increase (the same amount that is proposed to be given to all staff members) in one of 2 ways:
    - 2% increase over each teacher's current salary, which would result in a \$50,000 expense over FY13
- OR
- Average the 2% increase for each teacher and give the teachers all a lump sum amount based upon the average, which calculates at \$1,320 for each teacher, resulting in a \$28,000 expense over FY13.
  3. Hard freeze

Wiley commented that the Salary Schedule is impossible to change until the higher-paid teachers drop off. Zelten suggested freezing the schedule and then increasing each step by 2%. For FY14, the teachers would then receive the new salary for the step on which they are at in FY13. This would generate a new schedule to use in FY15 when the teachers could move to the next step. Sanders pointed out that if 2% is added to each cell, it becomes a part of the base; if it is paid as a stipend, it does not become a part of the base. Frankiewicz said the Committee discussed giving a 2% raise that would not be added to the teachers' base salaries; this way they could retain the existing schedule. In FY15, the teachers would be at their FY13 base again. Countryman recommended a freeze and a stipend; if the increase is added to the base, it is compounded over time. Frankiewicz pointed out that there currently are four teachers at the B-15 step who would not receive an increase if the Salary Schedule is used but would receive an increase if the stipend proposal is used. Sanders stated she liked the idea of giving each teacher a flat amount; Wiley agreed, but wondered if the teachers would understand it. Frankiewicz added that the flat amount should be prorated, based upon the employees' FTE. Countryman commented that she has seen several districts move off of the schedule and give a flat amount this year, adding that a stipend is a way to show appreciation to the staff members in tough economic times. Frankiewicz added that the majority of the NIA staff are non-certified and participate in the IMRF. She will recommend that they receive a 2% increase due to the fact that our therapists bring the bulk of the revenue to NIA, so we must stay competitive in the marketplace with those positions. Also, the teachers did not receive the 2% decrease on January 1<sup>st</sup> that the non-certified staff did, due to the increase in the Social Security tax in 2013.

Frankiewicz stated that she would be comfortable with the 2% increase or a stipend, but would not be comfortable with a hard freeze this year, as this should have been done a few years back. Willey expressed concern that a hard freeze could generate talk of unionizing amongst the employees. Cumblad stated that teachers in other districts were striking because they will no longer accept cuts or freezes.

Cumblad asked if a one-time stipend was the consensus of the Board members. Willey stated that the Committee leaned toward this. Cumblad suggested that the stipend amount be a percentage of the average (\$1,320).

**Motion made by:** Willey  
**Motion:** to approve a hard freeze on the Teacher Salary Schedule and a \$1,200 stipend for each Teacher for FY14

Motion seconded by: Zelten

Countryman stated that they should delineate how this stipend will be paid, such as in two payments during the fiscal year. Willey pointed out that, if the stipend is paid over 24 paychecks, it will look like a raise. Countryman wondered about the tax implications for the employees. Willey answered that the stipend would be considered creditable earnings for TRS, but thought that the motion should address the fact that this is a one-time cash payment; Frankiewicz has the discretion to decide in what manner the stipend will be paid. Zelten agreed that a new motion was necessary in order to indicate that the stipend would not be added to the teachers' base salary.

**The Chairman asked for a roll call**

**Roll Call:**

“Ayes” – None

“Nays” – Moore, Noble, Sanders, Willey, Zelten, Countryman, Cumblad, Daly, Hoffman

**Action:** Failed

**Motion made by:** Zelten  
**Motion:** to approve the FY14 Teacher Salary Increase, which implements a hard freeze on the Teacher Salary Schedule for FY14 and offers a stipend of \$1,200 for every full-time FTE certified staff member and a prorated stipend for staff less than full-time.

Motion seconded by: Sanders

Countryman asked if the language concerning a hard freeze is necessary. Willey answered that it is, since a hard freeze means there is no movement on the Salary Schedule. Hoffman said that a soft freeze allows lane changes. Cumblad said a hard freeze keeps the salary schedule the same and does not allow step movement, only lateral movement. Zelten stated that the teachers should be allowed to make lane changes for education.

**The Chairman asked for a roll call**

**Roll Call:**

“Ayes” – None

“Nays” – Noble, Sanders, Willey, Zelten, Countryman, Cumblad, Daly, Hoffman, Noble

**Action:** Failed

**Motion made by:** Zelten  
**Motion:** to approve a hard freeze on the FY14 Teacher Salary Schedule with the exception for lateral educational movement and to offer a stipend

**of \$1,200 for every full-time FTE and prorated for less than full-time FTE.**

Motion seconded by: Sanders

**The Chairman asked for a roll call**

**Roll Call:**

“Ayes” – Sanders, Willey, Zelten, Countryman, Cumblad, Daly, Hoffman, Moore, Noble

“Nays” – None

**Action: Approved**

**C. Approval of the FY14 Staff Salary Increase**

Frankiewicz referred the Board members to the worksheet that was compiled for non-certified staff. Several options were explored by the Committee, which recommends a 2% increase, as this helps to offset the 2% decrease in income felt by these employees when the Social Security tax was increased January 1, 2013. Noble commented that these employees gained the 2% over the previous two years.

Zelten asked how the 25% increase for an IMRF employee who announces retirement can be eliminated. Willey answered that it would need to be done at a time when no one is close to retirement. Cumblad responded that her District is trying to negotiate a decrease in the retirement incentive. Zelten stated that his organization never put it into place.

Frankiewicz recommended that the Board approve the 2% increase. Cumblad responded that the salary increases are only two parts of the budget; she would like to look at the whole picture before deciding on the increase. Frankiewicz countered that you can't look at the big picture without first putting all of the pieces into place. Zelten noted that a 15% increase was budgeted for insurance and asked if this is what is expected. Frankiewicz answered that she had spoken with our broker, who believes that it will be less than 15%. Zelten stated that, with the teachers receiving less than a 2% increase and the insurance costs being lower than the proposed 15%, the 2% increase for the non-certified could be paid for.

**Motion made by: Hoffman**

**Motion: to approve the FY14 Non-certified Staff Salary Increase of 2%**

Motion seconded by: Noble

**The Chairman asked for a roll call**

**Roll Call:**

“Ayes” – Willey, Countryman, Cumblad, Daly, Hoffman, Moore, Noble, Sanders

“Nays” – Zelten

**Action: Approved**

**D. Approval of the Daily Rates for FY14 Baseline/Program Support**

Frankiewicz explained that the Budget and Finance Committee recommended selected increases to the daily rates rather than a 2% or 3% increase on the daily rate for each service provided by the NIA this year. Willey explained that this method is being proposed in order to revamp the fee structure for next year. Zelten remarked that, by implementing the selected increases instead of an overall 2% increase on the daily rates, we are not keeping up with the costs that the Board just voted in. Willey answered that the costs were built into the selected increases.

While the proposed budget shows a \$441,000 deficit, it is probably actually closer to \$250,000. Willey observed that we have come in under the proposed deficit amount for the past few years. Hoffman stated that the best case scenario would be 100% Personnel

Reimbursement and decreased expenses to help the deficit decrease drastically. Frankiewicz stated that the Committee has proposed very conservative budget estimates.

**Motion made by: Hoffman**

**Motion: to approve the Daily Rates for FY14 Baseline/Program Support**

Motion seconded by: Moore

**The Chairman asked for a roll call**

**Roll Call:**

“Ayes” – Zelten, Countryman, Cumblad, Daly, Hoffman, Moore, Noble, Sanders, Willey

“Nays” – None

**Action: Approved**

**E. Approval of the Budget Parameters for FY14**

Frankiewicz recommended that the budget parameters be approved, since the Board has just discussed all of the other pieces.

**Motion made by: Moore**

**Motion: to approve the Budget Parameters for FY14**

Motion seconded by: Zelten

Frankiewicz noted:

- Though we lost ILNET, STEP, Transvision, and IDPH appear to remain stable and will likely be funded at FY13 levels.
- The NIA Assessment Fee will remain at \$2.00/A.D.A.
- The only significant reduction in services received to date is the reduction of all speech and language services for District 300, and these were provided by contractual staff. The only loss in revenue this will create will be in the 7.5% service fee that was added last year.
- Insurance costs were budgeted at a 15% increase, with the staff continuing to contribute \$300.00 yearly toward the cost.
- A 5% increase was budgeted for IMRF employer rates for 2014.
- Medicaid Administrative Outreach revenues for FY14 are projected to be comparable to FY13.

**The Chairman asked for a roll call**

**Roll Call:**

“Ayes” – Zelten, Countryman, Cumblad, Daly, Hoffman, Moore, Noble, Sanders, Willey

“Nays” –

**Action: Approved**

**F. Acceptance of Final Notice of Reduction in Contractual Services for FY14**

**Motion made by: Moore**

**Motion: to accept the Final Notice of Reduction in Services for FY14 from District 300**

Motion seconded by: Daly

**The Chairman asked for a roll call**

**Roll Call:**

“Ayes” – Countryman, Cumblad, Daly, Hoffman, Moore, Noble, Sanders, Willey, Zelten

“Nays” – None

**Action:                    Approved**

**IX.     Chairperson’s Comments and Other Business**

Chairperson Willey thanked the Board members for their discussion on all of the agenda items.

**X.            ADJOURNMENT** – The Chairperson asked for a motion to adjourn the meeting.

**Motion made by:        Moore**

**Motion:                to Adjourn.**

Motion seconded by:   Daly

**The Chairperson asked for a voice vote.**

Voice Vote:     “Ayes” - All   “Nays” - None

**Action:                Passed**

**The meeting was adjourned at 7:36 p.m.**