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Board of Education Meeting Recap

The Township High School District 211 Board of Education met on Thursday, June 18, 2020, via online video-conference in order to protect public health and to be in compliance with state directives to avoid large public gatherings. The following is a recap of items that were acted upon at the meeting.

Presentation: 2020-2021 Five-Year Financial Projection Update

In order to sustain and uphold the educational excellence and extraordinary learning opportunities that District 211 has delivered for many years, the District utilizes a yearly operating budget of more than \$250 million. The District's commitment to developing college and career readiness skills in today's world demand that we provide quality instruction from highly qualified professionals within a rigorous curriculum that integrates the use of technology within effective learning environments and facilities. District 211 prepares students with the skills and talents so that they can continue their full involvement in the local economy, local businesses, and the communities we serve.

Accomplishing these goals requires excellent financial planning and strategy integrating the current financial position into a projected financial forecast that accounts for numerous influences, both within the organization and outside the District's control. Chief Operating Officer **Lauren Hummel** and Controller & Treasurer **Barbara Peterson** presented the Board of Education with a summary of the District's current year's financial standing, including declaration of a number of potential future budgeting variables, and provided a projected financial forecast using these budget assumptions. A copy of the report is available [here](#).

Based upon the information presented, District 211's five-year financial projection for the period FY20 through FY24 points towards continued overall financial stability with fund balances that remain in compliance with the District's fund balance policy. While it remains uncertain what financial impact current economic conditions and the pandemic will have on District 211 financially and operationally, it is critical to the financial future of the District to assess and consider all key areas as it moves forward with financial planning and decisions. Continuous monitoring of economic and legislative changes will be included in the District's financial planning and will allow for consideration of alternative capital funding sources, if necessary. Advanced forecasting provides the District with the opportunity to make financial changes to produce balanced budgets into the future in order to ensure continued support of academic programs.

A copy of the presentation is available [here](#).

Approval of Minutes

The Board of Education approved the minutes from its regular meeting on [May 21, 2020](#).

Graduation Dates for the Class of 2021 and Class of 2022

In order to allow parents and families time to plan, graduation dates for the Class of 2021 and Class of 2022 were presented to the Board.

Class of 2021

Hoffman Estates High School..... *Thursday, May 20, 2021*
6:00 p.m., at Willow Creek Auditorium (tentative date awaiting confirmation)

Combined Ceremonies *Thursday, May 20, 2021*
7:00 p.m., at Hoffman Estates High School
(Alternative High School, District 211 Academy-South, District 211 North Campus)

Palatine High School..... *Sunday, May 23, 2021*
2:00 p.m., at Palatine High School

Schaumburg High School..... *Monday, May 24, 2021*
7:30 p.m., at Sears Centre

James B. Conant High School..... *Tuesday, May 25, 2021*
7:30 p.m., at Sears Centre

William Fremd High School *Wednesday, May 26, 2021*
7:30 p.m., at Sears Centre

Class of 2022

Hoffman Estates High School..... *Thursday, May 19, 2022*
6:00 p.m., at Willow Creek Auditorium (tentative date until confirmed in 2021)

Combined Ceremonies *Thursday, May 19, 2022*
7:00 p.m., at Hoffman Estates High School
(Alternative High School, District 211 Academy-South, District 211 North Campus)

Palatine High School..... *Sunday, May 22, 2022*
2:00 p.m., at Palatine High School

William Fremd High School *Monday, May 23, 2022*
7:30 p.m., at Sears Centre

Schaumburg High School..... *Tuesday, May 24, 2022*
7:30 p.m., at Sears Centre

James B. Conant High School..... *Wednesday, May 25, 2022*
7:30 p.m., at Sears Centre

Workers’ Compensation Insurance Program

The Board of Education received information on the District’s workers’ compensation insurance program. State law requires employers to provide workers’ compensation insurance for all employees. Workers’ compensation insurance provides salary and medical benefits to employees who become sick or injured in the course of their employment. The Board provides employees with workers’ compensation benefits through a modified self-insured program structure with the Secondary School Cooperative Risk Management Program (SSCRMP), comprised of member high school districts 207, 211, 214, and 225.

The Board typically reviews information about SSCRMP’s property and liability renewal in January and worker’s compensation insurance renewal in June. However, for the 2020-2021 worker’s compensation renewal, the period of renewal for worker’s compensation will now align with that of the property and liability coverage with an effective date of January 1. For the current year, worker’s compensation rates will be extended for the remaining six months of the calendar year at the current 2019-2020 rates.

The SSCRMP Board approved the term change for worker’s compensation coverage and will review the renewal at its member meeting this November or December. The 2021 rates will be billed at 50% in January and 50% in July to ensure that no more than 12 months of costs are included in one fiscal year for any member district. The detailed renewal is anticipated to be provided to the District 211 Board in December 2020.

Additional information on the workers’ compensation insurance program is available [here](#).

2020-2021 Tentative Budget: Transportation, Municipal Retirement/Social Security Funds, and Working Cash Funds

The Board of Education received information on the Transportation Fund and Municipal Retirement/Social Security Fund for the Fiscal Year 2020-2021 tentative budget.

The following budget parameters were established and incorporated into the 2020-2021 budget development process as they relate to the funds presented:

- Allocate costs associated with achieving District academic goals and Strategic Plan
- Maintain a balanced budget in accordance with School Code (105 ILCS 5/17-1)
- Allocate staffing costs based on enrollment, instructional programs, and negotiated contracts – current tentative budget assumes regular operations
- Safeguard a minimum 33.3% fund balance within the Educational Fund and combined operating funds
- Allocate benefit and insurance costs based on projections developed in coordination with the District's consultant, HUB, International
- Allocate an estimated \$4 million in the Operations and Maintenance Fund for approved Life Safety projects through an interfund transfer from the Working Cash Fund
- Revenue projections based upon approved 2019 levy

The main source of revenue in the Transportation Fund is property taxes. Transportation fees are paid by families with students living within 1.5 miles of the school who choose to have students ride the bus. Total revenues are budgeted to increase 4% from 2020 estimated actual revenues, mainly due to the change in state aid. Staffing levels are expected to remain consistent between fiscal years 2020 and 2021 for the regular school year. However, due to online learning during the current summer session, overall salary expense is projected to decrease slightly as summer transportation is not provided. Benefit costs are budgeted to increase in accordance with historical benefit costs. Purchased services include the cost of providing taxi cab services to homeless and special needs students as determined necessary, maintenance and repairs on the District's fleet of buses and vans, software licensing fees, liability insurance and travel costs. Supplies include the cost of fuel, as well as other consumables. The majority of the capital budget is for the purchase of 15 alternative-fuel buses, awarded by the Board in January 2020. Overall, expenditures are budgeted to increase 1% from 2020 estimate actuals.

The Municipal Retirement/Social Security Fund has three sources of revenue: property taxes, Corporate Personal Property Replacement Taxes (CPPRT), and interest earnings. The District allocates property taxes from two separate levies into this fund. The levy for the employer's share of Social Security/Medicare taxes will increase slightly in accordance with increases in the associated eligible wages. The levy for the employer's share of IMRF expense will decrease, as the District will not make an additional payment to IMRF next year to reduce the

outstanding pension liability. There is a mandated minimum amount of CPPRT which must be allocated to this fund annually, equal to 4.27% of the levy into this fund, or approximately \$400,000 for 2021. Interest rates have declined and are expected to be unfavorable next year. Overall, revenues in this fund are budgeted to be 11% lower than 2020 estimated actual revenues. There are three types of expenditures paid out of the Municipal Retirement/Social Security Fund: employer IMRF expense, employer FICA tax, and employer Medicare tax. Overall, expenditures in this fund are budgeted to be consistent with the 2020 estimated actual expenditures.

Revenue for the Working Cash Fund will consist of local property tax revenue and interest earnings, and by definition, the fund has no expenditures. The fund will transfer \$4 million to the Operations and Maintenance Fund to fund the summer 2020 Life Safety projects. The ending fund balance of the Working Cash Fund shall be retained at a rate of 0.05% of the prior year Equalized Assessed Valuation (EAV) in compliance with the minimum balance requirements as outlined in statute (105 ILCS 5/20), which currently equates to \$4.3 million.

Additional information is available [here](#).

Post Bond Issuance Compliance Report

In December 2012 and January 2013, the District closed on the sale of General Obligation Life Safety Bonds. As part of the new bond covenants, the District is required to monitor certain tax compliance obligations related to the tax-exempt status of the bonds.

The Internal Revenue Service (IRS) regularly audits tax-exempt bond issues. As part of these audits, the IRS generally demands extensive records concerning post issuance use of the bond proceeds and all bond documents. Adopting, maintaining and complying with bond record keeping policies will ensure that District 211's bonds are in compliance with federal tax and securities laws.

The Board of Education received a [report](#) with a summary demonstrating the District's compliance with all bond covenants and expectations to date.

Amendment to the Terms and Conditions of Sale of Real Property Located West of Plum Grove Road and North of Wise Road, Schaumburg, Illinois Between Nitti Development, LLC and Board of Education of Township High School District 211

The Board of Education approved the Amendment to the Terms and Conditions of Sale of Real Property Located West of Plum Grove Road and North of Wise

Road, Schaumburg, Illinois, as presented. In the amendment to the original terms and conditions of sale document, the approval period is extended from June 15, 2020 to September 22, 2020. Additionally, a mandatory closing date of October 15, 2020 has been added to the amended terms and conditions document. In addition to the extended approval and closing dates, 20% of the earnest money is non-refundable. All other terms and conditions of the sale, including the sale price, remain in effect for the duration of the agreement.

Additional information is available [here](#), as well as a copy of the amendment [here](#).

Resolutions Directing Interfund Transfers for Life Safety Projects

At its meeting on March 12, 2020, the Board of Education reviewed the approved life safety projects being completed this summer and the budget information for the projects which will be included in the 2020-2021 Operations and Maintenance Fund. Interfund transfers of budget reserves in the Working Cash Fund will serve as the funding source for life safety projects paid out of the Operations and Maintenance Fund, consistent with the Board's Strategic Plan and commitment to pay for facility improvement projects through continued use of both its yearly operating budget and existing budget reserves without need to issue debt.

The Board approved the [resolution](#) providing for interfund transfers of \$4 million from the Working Cash Fund to the Operations and Maintenance Fund, effective after July 1, 2020.

Resolution: Appointment of School Treasurer and Assistant School Treasurer

In accordance with the Illinois School Code, the Board of Education of the school districts affected by the abolition of Township School Treasurer are required to appoint their own school treasurer for a two-year term beginning and ending on the first day of July. District 211 Controller and Treasurer **Barbara Peterson** was appointed school treasurer and Chief Operating Officer **Lauren Hummel** was appointed assistant school treasurer for a two-year term, effective July 1, 2018.

The Board adopted a resolution to reappoint Mrs. Peterson as school treasurer and Mrs. Hummel as assistant school treasurer for High School District 211, effective July 1, 2020; and further, secure treasurer bonds as presented for a combined total of \$30,496.

Additional information, as well as a copy of the approved resolution, is available [here](#).

Proposed Policy Revision: Prevention of and Response to Student Bullying

As part of its ongoing Policy Manual review, the Board of Education reviews proposed policy revisions, proposed policy deletions, and proposed new policies from the Administrative Board Policy Group. The Group is comprised of Board President **Robert LeFevre**, Board Vice President **Anna Klimkowicz**, Assistant Superintendent for Instruction **Joshua Schumacher**, Director of Administrative Services **Matthew Hildebrand**, and Assistant to the Superintendent **Kathe Lingl**. Proposed policy revisions also are reviewed by legal counsel.

The Illinois State Board of Education requires all public schools to formally adopt a policy on bullying that is to be reviewed and reevaluated every two years and updated when deemed appropriate. The current policy was adopted by the Board on December 11, 2014, and last reviewed by the Board on May 24, 2018.

The Board initially reviewed proposed revisions to Board policy: [JFCH Prevention of and Response to Student Bullying](#). No action on this policy was taken at the meeting.

Health & Dental Program Claims Administration

The Board of Education approved the continuation of its self-insurance program for health and dental benefits for 2020-2021 and retained Blue Cross and Blue Shield to provide claims administration services for medical, dental, and utilization review. Further, the Board authorized the purchase of aggregate and specific stop-loss insurance from Blue Cross and Blue Shield at a level of \$350,000, as presented.

District 211 provides employees and eligible retirees with health and dental benefits through a modified self-insurance program. Under the program, costs are based on claim experience, administrative fees per program participant, and stop-loss insurance. The District's multi-plan health design structure supports four Preferred Provider Options (PPO) plan variants and two Health Maintenance Organization (HMO) plans. The current multi-plan structure integrates varied cost control factors for deductibles, coinsurance, prescription drugs, health savings accounts, and varied levels of premiums based on plan benefits. Through the modified self-insurance program, the District continues to benefit from improved cash flow and access to PPO and HMO discounted claim costs.

Claims administration service fees and stop-loss insurance are fixed costs to the District. Administration fees are based on program enrollment. The projected health and dental fixed administration cost for 2020-2021 is \$4.1 million. This is projected to produce an overall net increase of 2% from the prior year

administration costs of \$4 million. The 2020-2021 renewal is based on 1,232 participants in one of four Preferred Provider Options (PPO); 612 participants in the Health Maintenance Option (HMO) plans; and 2,274 participants in the dental program.

Employee premium rates and fee structure are renewed on a calendar year basis, with the most recent plan rate changes taking effect January 1, 2020. As more data becomes available to assess claims costs associated with each individual health insurance plan, employee premium rates will be analyzed, and a recommendation will be brought to the Board in the fall of 2020.

Additional information on District 211's health and dental program claims administration is available [here](#).

Athletic Training Services Agreement Extension

District 211 provides comprehensive athletic training services at each of its high schools. All athletic trainers are both certified by the National Athletic Trainers Association and licensed in the state of Illinois. Each school is staffed with the equivalent of one head trainer and two assistant trainers to cover all athletic seasons. Athletic trainers provide assistance to all levels of the District's 29 sports, including practices, contests, summer camps, and special events. Head trainers are responsible for managing the training room and setting the schedule for the assistant trainers, including coordination and communication with the school's athletic director and nurse to maintain student records for all injured student-athletes and the care received. Assistant trainers assist in the management of the training room and are assigned to cover practices and contests. District 211 currently employs a head athletic trainer at four of its high schools and has a stipend position for the head training responsibilities at Conant High School. Head trainers are full-time staff members and will be retained in their current positions for the next school year. To support the remaining athletic training needs at each school, the District has contracted with area athletic training service providers on an annual basis.

The District's current contract for athletic trainer services is with Athletico Physical Therapy, and was awarded by the Board of Education in June 2017 following completion of a Request for Proposal. The agreement included a three-year contract with the option for a two-year extension. The current, three-year agreement expires June 30, 2020.

The Board approved the two-year contract agreement amendment with Athletico Physical Therapy to provide assistant training services at a cost of \$25 per hour for school year athletic trainers and \$30 per hour for summer camp athletic trainers for each of the years ending June 30, 2021 and June 30, 2022 with total costs not to exceed \$277,200 annually.

Additional information on the athletic training services contract extension is available [here](#).

Sale of Surplus School Property

The Board authorized the sale of used, surplus lawn mowers and a 2006 Ford E-350 eight-passenger van by use of public sealed bid, public auction site, or company trade-in. Additional information is available [here](#).

Next Board of Education Meeting

The next scheduled regular Board of Education meeting will be held on Thursday, July 16, 2020, with closed session beginning at 6:30 p.m. and open session beginning at 7:30 p.m. in the Anne Koller Board Meeting Room at the G.A. McElroy Administration Center.

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