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Board of Education Meeting Recap

The Township High School District 211 Board of Education met on Thursday, June 20, 2019, in the Anne Koller Board Meeting Room at the G.A. McElroy Administration Center. The following is a recap of items that were acted upon at the meeting.

Recognitions

The Board of Education recognized state award-winners in boys gymnastics from Schaumburg High School, and boys and girls track & field from Palatine, William Fremd, and Hoffman Estates High Schools. The complete list of state award-winners is available [here](#).

Students named to the 2018-2019 *Daily Herald* Academic Team were recognized by the Board. This honor recognizes high school students who have consistently excelled in their studies, as well as made a contribution to their schools through academic activities. High School District 211 had three students selected to the 10-member team: **Maegan Jong** from Fremd High School, **Saurav Sumughan** from James B. Conant High School, and **John Wang** from Palatine High School.

The Board also recognized Conant High School Boys Water Polo Coach **Timothy Daniel** for being named the 2017-2018 Illinois Coach of the Year by the National Federation of State High School Associations. This award recognizes his leadership, in addition to serving as a role model at the interscholastic level.

Public Hearing: Interfund Transfers

Following a public hearing, the Board of Education approved resolutions providing for interfund transfers of \$2 million from the Educational Fund to the Operations & Maintenance Fund, and then from the Operations & Maintenance Fund to the Capital Projects Fund, effective after July 1, 2019; the transfer of \$3 million from the Operations & Maintenance Fund to the Capital Projects Fund, effective after July 1, 2019; and the transfer of \$3 million from the Working Cash Fund to the Life Safety Fund, effective after July 1, 2019.

Additional information is available [here](#).

Approval of Minutes

The Board of Education approved the minutes from its regular meeting on [May 23, 2019](#).

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.

Since 2007, District 211 has benefited from the SSCRMP workers' compensation structure by accessing comprehensive claims administration and loss control services, with a self-insured retention (SIR or deductible) per occurrence of \$350,000 per claim. This structure allows SSCRMP member districts access to an additional pool layer of workers' compensation coverage of \$250,000, and SSCRMP excess insurance provides for specific stop-loss coverage for claims in excess of \$600,000 (\$350,000 SIR + \$250,000 SSCRMP layer).

The SSCRMP workers' compensation structure has provided comprehensive program services in a cost-effective manner. For 2019-2020, District 211's cost allocation for workers' compensation insurance under SSCRMP will decrease from \$295,688 to \$287,473, or a decrease of 2.78%. The decrease in cost allocation is primarily due to a decrease in funding for the SSCRMP layer of reinsurance services that was required to replenish the layer during the 2018-2019 school year.

Losses continue to be assessed by the pool administrator, safety director, and workman compensation adjuster to continue identifying means of loss avoidance in the future. Overall, losses continue to be lower than amounts incurred prior to the pool's effective risk management system. The renewal allocation will be included in the 2019-2020 budget.

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

2019-2020 Tentative Budget: Transportation and Municipal Retirement/Social Security Funds

The Board of Education received information on the Transportation Fund and Municipal Retirement/Social Security Fund for the Fiscal Year 2019-2020 tentative budget.

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 decrease 3% from 2019 estimated actual revenues. Staffing levels are expected to remain consistent between fiscal years 2019 and 2020, and salary and benefit costs are budgeted to increase in accordance with previous Board approved salary schedules and historical benefit cost trends. Supplies include the cost of fuel, as well as other consumables. The majority of the capital budget is for the purchase of 15 propane buses, awarded by the Board in January 2019. Overall, expenditures are budgeted to decrease 3% from 2019 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 associated IMRF expense is budgeted to decrease by \$500,000. Overall, revenues in this fund are budgeted to be 5% lower than 2019 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. The District is again budgeting an additional liability payment to IMRF, as additional payments reduce outstanding unfunded liability, thus reducing interest expense charged at 7.25%. A lower outstanding liability balance translates to a lower member rate and lower annual operating costs. The District is budgeting for a \$5 million liability payment to be made to IMRF in December 2019, with further information on this provided to the Board at a later date. Overall, expenditures in this fund are budgeted to decrease 4% from the 2019 estimated actual expenditures.

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.

Illinois High School Association Letter of Appreciation Recognition

Illinois High School Association Assistant Executive Director Susan Knoblauch [expressed thanks](#) to principals, athletic departments, and tennis coaches at Palatine, Fremd, Conant, and Hoffman Estates High Schools for the use of the tennis courts during the recent boys state tennis tournament. The contributions of District 211 schools provided for outstanding experiences for all student-athletes who participated in the state tennis tournament, as well as those spectators who attended.

Superintendent Search Process

With the pending retirement of the current District 211 superintendent, effective June 2020, the Board of Education at its May 23, 2019 meeting agreed to review and consider information from two superintendent search firms at the June 20, 2019 meeting. Following presentations from Hazard Young Attea Associates and School Exec Connect, the Board directed the superintendent to work with School Exec Connect to develop a contract for their superintendent search services to be presented for Board approval and to commence actions associated with the search.

Board of Education Protocols

In May 2016, the Board of Education, in conjunction with the superintendent and a representative from the Illinois Association of School Boards (IASB), compiled a list of protocols by which to agree to work together in order to conduct the work of the District 211 community.

On May 23, 2019, the current Board, in conjunction with the superintendent and IASB representative Dr. Dee Molinare, reviewed the current Board protocols as well as the IASB Foundation Principles of a School Board, and recommended some minor revisions to the protocols.

The Board approved the revised [High School District 211 Board of Education](#)

[Protocols](#) as presented.

Health & Dental Program Claims Administration

The Board of Education approved the continuation of its self-insurance program for health and dental benefits for 2019-2020 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.

The renewal recommendation for 2019-2020 reflects a decrease in the administrative monthly rates for PPO or HMO medical of \$48.20 (-4%) per employee per month; a decrease in the HMO managed care fee from \$14.26 per employee per month to \$14.19 per employee per month (-0.5%); an increase in the HMO physician service fees from \$327.36 to \$355.99 (+8.7%) per plan participant per month; no change in the network access fees at 0.63% of PPO discounts; and dental rates will remain the same at \$2.58 per employee per month. Applicable prescription drug utilization rebates increase from \$26.06 to \$40.17 (+54.1%) per employee per month, and will be applied as a credit to monthly billing statements. Individual stop-loss insurance will remain at \$350,000 with premium costs increasing from \$44.14 to \$49.21 (+11.5%) per employee per month for PPO participants and from \$29.09 to \$31.46 (+7.3%) for HMO plan participants.

Employee premium rates and fee structure are renewed on a calendar year basis, with the most recent plan rate changes taking effect January 1, 2019. 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 2019.

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

Treasurer Bond Renewal

On April 26, 2018, the Board of Education appointed **Barbara Peterson** as school treasurer and **Lauren Hummel** as assistant school treasurer for a two-year term from July 1, 2018 through June 30, 2020. Illinois School Code provides that the school treasurer be bonded, securing an annual surety bond.

The Board approved securing treasurer bonds for the school treasurer and assistant school treasurer in the amount of \$15,248 per bond, for a total of \$30,496. Additional information is available [here](#).

Student Yearbook Vendor Recommendation

A selection committee of activity directors and yearbook sponsors, under the direction of Director of Athletics & Activities **Eric Wenckowski**, reviewed proposals and attended presentations from companies interested in producing school yearbooks. Samples were reviewed and proposals were evaluated for compliance with specifications developed by the District.

Vendors were required to offer proposals for the production of full-color yearbooks based on a minimum number of pages and on various finishing criteria and order quantities by school. Proposals were received and evaluated from four vendors.

The Board of Education approved the recommendation from the selection committee for Palatine, Fremd, Conant, Schaumburg, and Hoffman Estates High Schools to select Jostens as the yearbook vendor. Further, the approved contract period is three years. Since the cost of the yearbook is offset by yearbook sales, there is no anticipated residual cost of these agreements to District 211.

Sale of Surplus School Property

The Board authorized the sale of used, surplus lawn mowers and floor cleaning equipment by use of public sealed bid, public auction site, or company trade-in. Additional information is available [here](#).

Proposed Resolution: Illinois Association of School Boards Resolution

The Board of Education endorsed the proposed resolution, [Trauma-Responsive Schools](#), and will submit the resolution to the Illinois Association of School Boards Delegate Assembly for consideration of its adoption into the Illinois

Association of School Boards' Position Statement Handbook. Additional information is available [here](#).

Acceptance of the Sale of Student Building Construction Houses

The Board of Education accepted bids for the sale of two Building Construction Program houses: the property at 155 E. Glade Road in Palatine for the amount of \$687,000; and the property at 12N475 Berner Drive in Elgin for the amount of \$455,000. Further, the Board authorized the superintendent to sign any documents for or on behalf of the Board to complete these sales.

Ratification of Master Contract with Operations & Maintenance Union

At last night's meeting, the Board of Education approved the [Master Contract](#) between the Board of Education and the Operations & Maintenance Union, effective July 1, 2019 through June 30, 2023.

Next Board of Education Meeting

The next scheduled regular Board of Education meeting will be held on Thursday, July 18, 2019, beginning at 7:30 p.m. in the Anne Koller Board Meeting Room at the G.A. McElroy Administration Center.

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