

Board of Education Meeting Recap

The Township High School District 211 Board of Education met on Thursday, September 17, 2015, in the Anne Koller Board Meeting Room at the G.A. McElroy Administration Center. The following is a recap of important items that were acted upon at the meeting.

Highest Possible Composite Score on ACT Examination

The Board of Education recognized three District 211 students who achieved a score of 36 on the American College Test (ACT) exam, the highest possible composite score: **Shriram Chennakesavalu** from James B. Conant High School, and **Jiamin Huang** and **Jessica Lu** from William Fremd High School. On average, less than one percent of all test-takers earn the top score. Since 1998, District 211 has had 82 students record a score of 36 on the ACT exam, including Jiamin Huang who has done it twice. The complete list is available [here](#).

Public Hearing and Adoption of 2015-2016 Budget

Following a public hearing to listen to comments on the tentative 2015-2016 budget, the Board of Education formally adopted the budget as presented. This included utilizing \$2.0 million of existing Working Cash reserves to reduce the levy in the Debt Service Fund as a planned abatement.

A copy of the 2015-2016 Budget is available [here](#). Additional information on the 2015-2016 Budget can be found [here](#).

Approval of Minutes

The Board of Education approved the minutes from its regular meeting on [August 13, 2015](#), and a special meeting on [September 1, 2015](#).

Report on New Professional Staff

The Board of Education received a report on professional staff new to District 211 for the 2015-2016 school year. There were 48 new professional staff hired this year; 21 full-time and 27 part-time employees. The new staff includes 28 women and 20 men, with 25 holding bachelor's degrees and 23 holding master's degrees. Thirty of the 48 new staff members are beginners, and overall, new hires average 1.08 years of experience. Below is a listing of new staff by school:

New Staff by School

Fremd High School – 12
Palatine High School – 11
Schaumburg High School – 10
Conant High School – 7
Hoffman Estates High School – 5
Higgins Education Center – 2
Academy-North – 1

The total certificated staff for the 2015-2016 school year numbers 965, with 883 full-time positions, 37 part-time teachers, and 45 reduced-load teachers. Of the 965 staff members, 828 are teachers, 86 are social workers/psychologists/interns, and 51 are administrators.

Additional information on new professional staff is available [here](#).

Sixth-Day Enrollment

The official enrollment on the sixth day (September 3) of the 2015-2016 school year was 11,751 at the District's five high schools. Enrollment including District 211 Academy-North and Higgins Education Center, and off-campus special education placement was 11,994.

Below is a breakdown of each school's enrollment on the sixth day of classes this year:

6th-Day Enrollment Figures

Fremd High School – 2,706
Palatine High School – 2,645
Conant High School – 2,335
Schaumburg High School – 2,216
Hoffman Estates High School – 1,849
Higgins Education Center – 103
District 211 Academy-North – 24
NSSEO Kirk – 53
NSSEO Miner – 13
Hersey – 7
Private Facilities – 43
North Cook* – 19*
Ombudsman* – 0*
District 211 Total – 11,994

**- accounted for in individual high school enrollments*

Salary Compensation Report

Illinois School Code requires the annual reporting and posting of administrator and teacher salaries. School districts also are required to report administrator and teacher salaries and benefits to the Illinois State Board of Education (ISBE). This information includes: name, position, salary, full-time equivalency, vacation days, sick days, personal days, bonuses, annuities, retirement enhancements, and other benefits. Salary information reported includes all payments for duties performed during the school year, including additional payments for summer school, coaching, activities, alternative high school, and other extra-duty assignments.

In accordance with Public Act 97-0256, this information must be reported to ISBE by October 1 each year, complementing other financial deadlines and allowing for the reporting of actual previous-year salary and benefit information. The salary and benefit data that must be reported to the ISBE reflects the actual salary and benefits provided to all certificated staff for the period of July 1, 2014-June 30, 2015.

The District 211 Salary Compensation Report will be sent to ISBE and posted on the District website by October 1, 2015.

Energy Conservation Update

In 2004, High School District 211 implemented a comprehensive energy management program with the goal to reduce energy consumption and lower utility costs for electricity, natural gas, and water. Since 2004, District 211 has reduced energy consumption by 26.9% and achieved more than \$12 million in cost savings, while securing over \$930,000 in energy grants and incentives. District 211 continues to track and monitor energy use utilizing the EnergyCap Professional tracking tool, a free software platform provided under the District's continuing partnership with Cenergistic, formerly Energy Education, Inc.

District 211 has been able to reduce its electrical usage by 3.8%, its natural gas consumption by 7.0%, and water and sewer usage by 8.2% over a five-year segment analysis period spanning 10 years between July 2005 and May 2015. These efficiencies are a direct result of employee conservation efforts throughout the District.

Each year, the United States Environmental Protection Agency (EPA) and the United States Department of Energy (DOE) recognize organizations that have made outstanding contributions to protecting the environment through energy efficiency. Palatine, Fremd, Conant, and Schaumburg High Schools have received Energy Star recognition multiple times in recent years. Hoffman Estates

High School faces structural and design challenges that have inhibited it from receiving the award, and as mechanical equipment is replaced at the school in the future, the building will continue to make improvements in its conservation efforts. Energy Star applications will be prepared for all five high schools in the coming months.

Additional information on District 211's energy conservation is available [here](#).

Purchase of the Higgins Education Center

The Board of Education approved the purchase of the Higgins Education Center property located at 1030 W. Higgins Road in Hoffman Estates for the amount of \$1,510,000, plus closing costs. Over the past 12 months, the 26,350-square foot building has been fully renovated and opened for the start of the 2015-2016 school year as the home of multiple special education programs: Adult Transition Program-South, Academy-South alternative school, and the New Endeavors Program. Once the school day ends, the facility will continue to serve a range of needs through a "community school" model. The Board entered into an agreement to lease the building in July 2014, with the option to purchase.

At its August 13, 2015 meeting, the Board reviewed the purchase terms, including the estimated financial payback period. The structure of the lease allowed the District to purchase the property at any point during the 20-year lease, and purchasing the property at this time would provide the District with a six- to seven-year payback period.

Additional information on the purchase of the Higgins Education Center is available [here](#).

Community Engagement and Strategic Plan Proposal

At its July 16, 2015 meeting, the Board of Education authorized the Superintendent to issue a Request for Proposal to identify firms capable of facilitating a community engagement and strategic planning initiative. The District received proposals from four firms. One of the proposals received was from Unicom-Arc, a St. Louis-based company with extensive experience and success beyond that of other firms submitting proposals. The firm has worked with similar large suburban school districts, both in the past and at present. Once a community engagement and strategic planning process is completed, District 211 could utilize the approach to address future topics that might arise. Other districts have demonstrated this capacity following an engagement wherein Unicom-Arc provided them with the necessary foundational skills and had established the community partnerships and two-way exchanges.

A planned presentation by Unicom-Arc was cancelled due to an illness of the presenter and inability to attend the meeting.

However, the Board received a report with the intent to provide clarity about both key components of the envisioned initiative: 1) community engagement, and 2) strategic planning. In addition, the report provided clarity and definition as to the suggested sequence of steps, processes and responsible parties throughout the entire initiative.

The challenges that the District 211 community faces now and into the future will require partnerships, communication, and understanding. In order to more fully understand the input, experiences, and ideas of the community's constituents, a comprehensive community engagement initiative would provide the Board and District 211 administration with the most current and complete information to help identify priorities, direction, and action steps for the next five years.

The community engagement and five-year strategic plan initiative will be placed on the Board agenda for the October 15, 2015 regularly scheduled meeting. Additional information is available [here](#).

2015 Tax Levy Introduction

The Board of Education received tax levy information, as well as the 2015 Tax Levy Calendar. For the 2015-2016 school year, property tax revenues will comprise over 86% of District 211's total revenue.

Each year, Cook County taxing agencies, including District 211, prepare a tax levy for the current calendar year. Tax revenues from the current year levy will be receipted over two school years, with the first installment receipted in the spring of the current 2015-2016 budget year (early taxes) and the second installment receipted in the fall of the following 2016-2017 budget year (current taxes).

Multiple county departments play a role in the real estate tax cycle. The Cook County Assessor values properties, administers exemptions, and reviews property assessment appeals. The Cook County Treasurer issues tax bills, collects taxes, and administers tax refunds. The Cook County Clerk is responsible for the extension of taxes levied by taxing bodies, certifies tax rates for the levying bodies, and administers levies under the Property Tax Extension Limitation Law (PTELL), or tax cap. The tax cap limits taxing bodies to a levy increase of the aggregate levy extension for the operating funds by the increase in the Consumer Price Index (CPI-U) from the previous calendar year plus any increases in new property growth for the current calendar year.

Cook County has a triennial reassessment cycle that reassesses property values every third year. Re-assessments for commercial, residential, and industrial properties include the appraisal and re-determined market values for properties. The last triennial reassessment year for the North Cook County area was 2013. Property values are applied a percentage based upon their property classification (i.e. commercial, residential, industrial) to produce the assessed valuation of property. This amount is then multiplied by the county equalization factor to determine the Equalized Assessed Valuation (EAV) of a property. The EAV process provides for properties to be equalized to 33.3% of market value per Illinois state statute.

Over the past several years, numerous trends have emerged which have impacted levy extensions for taxing Districts in Cook County. In 2014, EAV levels increased by 1.2% over the prior year, which was the first time since 2009 that an increase between years was recorded. Despite the slight increase in 2014, District 211 has seen a cumulative decline in EAV levels of approximately \$3.4 billion within the taxing District boundaries since 2010. When property values decline and the Consumer Price Index (CPI-U) increases, the result is increased tax rates.

Despite varying levels of change in property owners' tax obligations, District 211 will continue to be limited to a total levy extension and tax revenue that does not exceed the sum of CPI-U, plus new property growth for its funds subject to the tax cap. New property growth is calculated based upon new growth and development that has been added to the tax base through property additions and development, property improvements, and the expiration of Tax Increment Financing (TIF) Districts.

Overall, the tax cap law limited the levy extension to an increase equal to the CPI-U of 1.5%, plus the increase of new property growth of 0.2%. Therefore, the tax cap levy increase for 2014 was approximately 1.7% in those levies for the operating funds that are subject to the limitations. While the tax levy extension and its associated revenue were limited to 1.7% in the operating funds, District 211's final extension, including the debt service fund, could have been 2.6%. The total aggregate levy was decreased from 2.6% to an overall increase of 1.7% due to continued reduction in the debt service levy with an abatement of \$2 million funded through District 211's existing reserves.

For the first time since 2009, District 211 saw an increase in EAV. While tax rates have historically increased at much greater rates than total levy collections with the decreases in EAV observed since 2010, the increase in 2014 EAV produced a tax rate that increased by 0.5% compared to the total levy increase of 1.7%. The District's tax abatement payments, which total \$28 million since 2007, have directly lowered tax rates below the allowable increase each year that the District reduced the final levy extension for taxpayers.

For District 211's underlying townships, the EAV increased by 1.2%. In addition to individual property assessments, further influences in EAV changes include individual assessment reductions due to the appeal process, and changes in the homeowner and senior citizen exemption minimums.

Despite the overall increase in 2014 EAV, taxpayers experienced varied increases or decreases in the District 211 portion of their second installment tax bill. If all property owners were assessed at levels that remained consistent throughout the county, tax increases for each property would mirror the levy increase of 1.7%. However, due to varied assessment changes, tax bill changes may fluctuate from one property to another. With the cumulative decrease in EAV over the past five years, a disproportionate shift of tax burden has occurred from one property to another. Tax relief provided to one property owner must be paid for by all other owners because both the total EAV upon which the tax rate is based and the proportion of total EAV ascribed to each property has been redistributed.

The Property Tax Extension Limitation Act (Tax Cap) limits the increase in levy extension to 5% or the percentage increase in the Consumer Price Index for the previous calendar year, whichever is lower. The CPI-U for 2015 was 0.8%. The following restrictions will be in place for the 2015 levy:

- 0.8% limit on the 2015 tax extension over the 2014 amount (tax cap);
- the prior year EAV; and
- statutory rate limits of certain individual levies

The tax cap law will allow the EAV of new construction in the current year (2015) to be added to the District's prior year (2014) EAV.

Since the implementation of the Tax Cap in 1994, District 211 has levied based upon considerations of the financial need of instructional programs, operational costs, and change in legislative funding in order to generate sufficient revenues to meet increasing operating costs and support instructional programming. Over the past five years, the CPI-U average increase has been 2.1% with new property growth averaging 0.3% for an allowable increase of 2.4% under the Tax Cap law. As a comparison, District 211's total levy extension increase has averaged a 2.3% increase. The difference reflects the positive Debt Service levy reduction plan implemented in 2007 that allowed the District to maintain levy increases in the operating funds equal to CPI-U, plus new property growth, but reduce the overall levy by applying a portion of the District's existing Working Cash funds to reduce the Debt Service levy to taxpayers. The net result from this strategy has been a consistent lower tax rate for local taxpayers that would have not otherwise occurred.

At the next District Budget and Finance Committee meeting on October 7, 2015, and the Board of Education meeting on October 15, 2015, additional 2015 levy information will be presented for discussion and consideration. Should the

committee seek further information, an additional budget and finance committee meeting will be held on November 4, 2015, to further review the 2015 levy. The Board will be presented with a proposed levy amount at its November 12, 2015 meeting. Several important factors will be reviewed to substantiate a recommendation for District 211's aggregate tax levy extension amount, including operational costs to support instructional programs, five-year financial projections, financial trends of growing real estate tax refunds, considerations for the potential of lost revenue through state funding sources, and consideration for the issuance of Phase 2 of Life Safety Bonds for the 2010 Life Safety survey.

Additional tax levy information, including the 2015 Tax Levy Calendar, is available [here](#).

Health/Dental Insurance Premium Rates for 2016

At its meeting on April 9, 2015, the Board of Education approved the 2015-2016 renewal of health/dental claims administration services with Blue Cross and Blue Shield.

Beginning in January 2015, District 211 implemented a new health plan design that included six plan options; four PPO plans and two HMO plans, one of which is only available to employees that were enrolled in the HMO-Illinois plan during the 2014 plan year. Plans include PPO-300, PPO-500, PPO-750, HSA-1500, HMO-Illinois, and HMO-Blue Advantage options. The plan design change implemented a design structure to help facilitate movement to less expensive health insurance plans, while also adjusting employee premium contribution rates and modifying plan design benefits to align with the requirements of the Affordable Care Act (ACA). The new plans were designed to facilitate migration of employees to plans that are less expensive for the District to provide by encouraging greater healthcare cost management by employees through higher deductibles.

At its November 14, 2013 meeting, the Board approved a wellness program contract with Interactive Health Solutions. As part of the multi-plan health insurance design structure, the District has included a wellness plan that allows employees and their spouse/domestic partner (for those electing family coverage) to receive a comprehensive health screening through Interactive Health Solutions providing access to a preventative health report for employees. Employees participating in the wellness screening will receive applicable credits allocated towards their insurance plan premium cost. For 2016, employees electing single plan coverage will receive a \$624 credit towards their premium; those with family coverage will receive a \$1685 credit towards their premium costs. Employees who are eligible for health insurance benefits and elect not to be covered by the District's health insurance plans will receive \$1,000 annually.

The HSA-1500 plan allows employees to independently manage their healthcare costs with lower overall claims costs to the District. Because the HSA plan is the most cost-effective plan for the District to offer, those electing this plan will receive an employer paid contribution to their HSA account. Employees choosing single plan coverage will receive \$1,500 deposited to their health savings account; those electing family coverage will receive \$3000 deposited to their account. Funds deposited in a health savings account may only be used for health-related services.

The insurance plan design eliminates cash incentive payments made directly to employees. Each covered employee contributes a percentage of the premium equivalent cost for each health insurance plan option. Contribution percentages have been applied uniformly for all union and non-union employee groups eligible for health insurance.

District 211 continues to surpass healthcare trends with cost increases that are significantly less than the national average of 9-10%. Lower cost increases are directly the result of plan design, the addition of the HMO-Blue Advantage network in place of the HMO-Illinois network for non-grandfathered participants, high deductible healthcare plan options, and the District's wellness program. Dental rates will remain unchanged as projections continue to show that the District's rate structure has been adequate for its claims history.

The Board approved the established premium equivalent rates, contribution percentages, and incentive structure for applicable employee groups, effective January 1, 2016, as presented. Further, the Board established premium equivalent rates for the over age 65 Medicare supplement plan options through Blue Cross and Blue Shield, effective January 1, 2016, as presented.

Additional information on health insurance rates for 2016 is available [here](#).

Administrative Appointment

The Board of Education approved the appointment of **John Woods** as building and grounds manager at Schaumburg High School, effective January 1, 2016. Mr. Woods began his High School District 211 career in 1988, being hired as a custodian. Since that time, he has held virtually every custodial maintenance position in District 211. Mr. Woods was a warehouseman for two years, and spent 13 years in various maintenance positions and eight years working in a grounds man position. Since 2011, Mr. Woods has been the night foreman at Conant High School.

Next Board of Education Meeting

The next scheduled regular Board of Education meeting will be held on Thursday, October 15, 2015, beginning at 7:30 p.m. in the Anne Koller Board Meeting Room at the G.A. McElroy Administration Center.