Board of Education Meeting Recap

The Township High School District 211 Board of Education met on Thursday, August 18, 2016, in the Anne Koller Board Meeting Room at the G.A. McElroy Administration Center.

establishes the foundation for the Board to develop bargaining goals and establish bargaining parameters. The Board has the chief responsibility of establishing bargaining parameters for the negotiations and the final collective bargaining agreement.

Resolution Authorizing Additional Employer Contributions to IMRF

The Board of Education approved the resolution authorizing an additional employer contribution to the Illinois Municipal Retirement Fund (IMRF), a multi-agent public pension fund for employees of local government in Illinois, in the amount of \$3,500,000 to be made before December 31, 2016. This additional payment will be applied toward the unfunded portion amount of the District's pension liability, and will decrease the unfunded rate portion of the total employer rate, thereby lowering the amount the District is required to pay to IMRF based upon its eligible salary amounts.

Currently, District 211 has approximately 1,300 active and inactive employees enrolled in the IMRF program, and another 1,000 receiving some form of benefits. By statute, all IMRF eligible employees pay 4.5% of gross salary to IMRF, and the District also contributes a percentage of eligible gross salaries to IMRF based upon an assigned employer rate, specific to each individual employer. Contributions from all participating government agencies and their employees are pooled and invested in order to achieve the highest return possible. All contributions made by District 211 and its employees are maintained in a separate trust reserve account at IMRF. As of December 31, 2015, District 211 total IMRF Actuarial Accrued Liability is \$104.6 million, of which \$81.7 million is funded. The Unfunded Accrued Actuarial Liability portion is currently \$22.9 million.

Additional information is available <u>here</u>.

2016-2017 Tentative Budget

The Board of Education approved the 2016-2017 Tentative Budget as presented. The Tentative Budget is available on the District 211 website for public inspection for a minimum of 30 days. Further, a public hearing will be held at the September 22, 2016

- Maintain a balanced budget in accordance with the School Code (105 ILCS 5/17-1)
- 1)Allocate costs associated with achieving District academic goals

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 2017, employees electing single plan coverage will receive a \$656 credit towards their premium; those with family coverage will receive a \$1770 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 for opt-out of coverage.

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. No cash incentive payments are made directly to employees. 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 10-12%. 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.

District 211 continues to offer options for applicable retirees (and their spouses) to participate in the health insurance program on a direct pay basis. For retirees who are 65 years or older, Medicare provides their primary insurance. For retirees under age 65, the District offers the three Preferred Provider Options (PPO) and Health Maintenance Organization (HMO) health insurance plan options available to active employees. All retires pay the full premium equivalent for the coverage selected and are not eligible for wellness incentives.

The Board approved the established premium equivalent rates, contribution percentages, and incentive structure for applicable employee groups, effective January 1, 2017, 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, 2017, as presented.

Additional information on health insurance rates for 2017 is available here.

Potential Topics for Future Discussion

The Board of Education agreed to include a discussion on video recordings of Board meetings on its agenda for the September 22, 2016 regular Board meeting.

Next Board of Education Meeting

The next scheduled regular Board of Education meeting will be held on Thursday, September 22, 2016, beginning at 7:30 p.m. in the Anne Koller Board Meeting Room at the G.A. McElroy Administration Center.