

SPEED S.E.J.A. #802

SPECIAL GOVERNING BOARD MEETING MINUTES

Special Meeting
SPEED Special Governing Board Meeting
Zoom Teleconference
7:00 p.m.

December 17, 2020

CALL TO ORDER

Mr. Bean called the meeting to order at 7:07 p.m.

ROLL CALL

On roll call the following answered present: Ms. Kathy Taylor, District 144 (arrived at 7:17 p.m.); Ms. Deborah Havighorst, District 153; Ms. Vlietstra, District 161; Mr. Ron Bean, District 162; Ms. Christina Dupee, District 163; Ms. Tammy Jones, District 168; Ms. Cheryl Roop, District 201U; Ms. Karen King, District 206; and Ms. Annette Bannon, District, 233.

Absent: Mr. John Dixon, District 167; Mr. Joe Sherman, District 169; Ms. Sanders, District 170; Mr. Sons, District 172; Ms. Susan Edwards, District 194 and Ms. Cheryl Coleman, District 227

Dr. Halliman, Superintendent was present as well as the following SPEED Staff: Ms. Brenda Murillo, Director of Business and Finance; Ms. Vanessa Duffin, Director of Human Resources; Dr. Maureen White, Director of District Services; Mr. Gregory Furgason, Director of Technology,

Also present: Mr. Ray Hauser, Attorney from Hauser, Izzo, Petrarca, Gleason & Stillman, LLC

INSURANCE COVERAGE

Dr. Halliman provided a brief overview to the Governing Board the reason for the need for a Special Governing Board meeting as well as the

Ms. Murillo reported that our current insurance holder, ISIC is disbanding at the end of December. SPEED asked for quotes from multiple carriers and the Illinois School District Agency (ISDA) and the Collective Liability Insurance Cooperative (CLIC) were the only two entities that submitted quotes.

Due to our recent losses on Sexual Abuse cases in 2016, there were 5 companies that declined coverage. The quotes we did receive are for 12 month coverage but can provide us with an 18 month coverage quote to match our school fiscal year.

We currently have Workman's Compensation with Alliant Mesriow through June 30, 2021. Additionally we have school accident coverage with Zevitz, through June 30, hence we did not seek quotes for these two insurance coverages because we already have them however, CLIC's quote does include mandatory student accident insurance coverage.

Ms. Murillo presented a brief overview of each company's business portfolio/profile.

- Illinois School District Agency (ISDA)

Has been in business since 1986 and is made up of 88 entities including ten special education cooperatives, one regional office of education and the Illinois Association of School Boards. Of these 88 entities, very few are from the South Cook region. Their proposed coverage is comparable to our current limits and costs. ISDA does not have a mandatory legal counsel which allows us to retain our own district legal counsel. They do however reserve the right to appoint an attorney but do not preclude districts from retaining their own attorney.

- Collective Liability Insurance Cooperative (CLIC)

Has been in business since 1983 and is made up of 187 member districts including special education districts and Intergovernmental units. Their proposed coverage is comparable to our current limits and their cost is very competitive for basic coverage however CLIC is requiring SPEED to purchase an additional standalone sexual abuse coverage that would amount to an additional \$100k in premiums. Since this was so expensive, a second option being presented today only requires SPEED to have a very high deductible of \$600k per incident but does not have an additional premium. Additionally, Hauser Izzo is included on the panel for Casualty/Property Liability which is generally alleged bodily injury or property damage claims. They are not however on the School Board Legal Liability Panel which is generally employment related matters. Finally, CLIC is requiring SPEED to join them for a minimum of three years to prevent members from soliciting quotes annually.

Dr. Halliman further shared a few points that were also shared with the Operating Committee earlier in the day along with her recommendation.

Dr. Halliman stated that for a long time we only had one quote which came from ISDA. They quoted us comparable quotes and coverages. What CLIC has said to us was that they would require us to have additional sexual abuse coverage due to our losses. She explained that she did not think they anticipated that the premium would come in at \$100k, but it did. They also thought the cost was so high that presented another option which we would require us to have a \$600k deductible per incident for sexual abuse.

Dr. Halliman indicated that her recommendation to the Operating Committee, which they have agreed to, is that this would really put the District in a liable position particularly because we are in special education cooperative; we have students that are cognitively low. As these students get older, this is a common practice that they engage in behaviors to explore their bodies, self-gratification. We have curriculum around this topic. We do not want to put SPEED in a libelous position for something that could be misconstrued as sexual abuse case and then we are on the hook for \$600k per incident. They did say they would review it in a couple of years and maybe consider dropping it. After speaking Alliant Mesriow, which holds our Workman's Comp Insurance, stated that this claim should fall off in a couple of years. Although they are giving us a lower premium amount than ISDA and definitely lower that what we were paying ISIC, we would definitely be on the hook for the \$600k per incident therefore, she recommended that we go with ISDA and the Operating Committee approved the recommendation this morning.

Dr. Halliman clarified that the quotes we did received are for 12 month coverage but also as for an 18 month quote so that we don't have any contracts that end mid-year. We would like the contracts to end with the school fiscal year. So we have a monthly quote provided so they will prorate those additional 6 months to get us to an 18 month coverage rate with the same monthly cost listed.

Ms. Havighorst, SD 153 moved, seconded by Ms. Jones, SD 168 that the Governing Board Governing Board ratifies the contract for insurance with ISDA to begin January 1, 2021 as approved by the Operating Committee at its December 17, 2020 meeting.

On a roll call vote:

Ayes: Ms. Kathy Taylor, District 144; Ms. Deborah Havighorst, District 153; Ms. Vlietstra, District 161; Mr. Ron Bean, District 162; Ms. Christina Dupee, District 163; Ms. Tammy Jones, District 168; Ms. Cheryl Roop, District 201U; Ms. Karen King, District 206; and Ms. Annette Bannon, District, 233.

Absent: Mr. John Dixon, District 167; Mr. Joe Sherman, District 169; Ms. Sanders, District 170; Mr. Sons, District 172; Ms. Susan Edwards, District 194 and Ms. Cheryl Coleman, District 227.

Nays: None

Motion carries.

Mr. Bean wished everyone a safe and enjoyable holiday season. Dr. Halliman acknowledged and congratulated School District #168 because the Superintendent, Dr. Donna Leak was named the Superintendent of the year! She further shared that she has been a wealth of knowledge at SPEED and has served as an advocate for all us. She stated that we as a District are very thankful to have them on our board.

The meeting was adjourned at 7:20 p.m.



Cassandra Giles, Recording Secretary
Ms. Deborah Havighorst, Secretary
Governing Board

Date: 2-15-2021



Mr. Bean, President
SPEED Governing Board

