

# SPEED S.E.J.A. #802

## SPECIAL OPERATING MEETING MINUTES

Special Meeting  
SPEED Special Operating Committee Meeting  
Zoom Teleconference  
9:00 A.M.

December 17, 2020

### CALL TO ORDER

Mr. Bean called the meeting to order at 9:02 a.m.

### ROLL CALL

On roll call the following members of the Operating Committee answered present: Dr. Mitchell; Dr. Smith, 161; Ms. Duskey, 162; Ms. Lindsay, 167; Dr. Leak, 168; Dr. Jackson, 169; Dr. Sutton, 172; Ms. Belotti, 201U; Dr. Navarre, 206; Dr. Harris, 227 (arrived at 9:08 a.m.); Mr. Bean.

Nay: Dr. Smith, 161

Absent: Dr. Patterson, 144; Dr. White, 163; Mr. Amadio, 170; Dr. Frusher, 194; and Dr. Mansfield, 233.

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

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 us for a fiscal year.

We currently have Workman's Compensation through Alliant Mesriow through June 30, 2021. Additionally we have school accident coverage with Savage through June 30, hence we did not seek quotes for these categories however CLIC's quote does include mandatory student accident coverage. Ms. Murillo presented a brief overview of each company's business portfolio/profile

Ms. Murillo informed the board that CLIC's proposed coverage is comparable to our current limits and their cost is very competitive for basic coverage however, CLIC is requiring SPEED to purchase additional standalone sexual abuse coverage that would amount to an additional

\$100k premium. Because this cost was so expensive, the second option being presented requires SPEED to have a very high deductible of \$600,000 per incident but does not have an additional premium. Additionally, Ms. Murillo stated that Hauser, Izzo is included on the panel for Property/Casualty 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. Lastly, CLIC is requiring SPEED to join the pool for a minimum of 3 years to prevent members from soliciting quotes every year.

Dr. Halliman further explained that the \$600k deductible per incident for sexual abuse could remain on the policy minimally for 2 years but could possibly review at that time. Dr. Halliman further restated that there were 5 companies that denied us due to our losses. We did settle but we have one pending right now. We are currently paying \$ 8,370 per month for all of our insurances. ISDA's quote is \$8,133 with comparable limits and CLIC's cost is \$5,550. While CLIC's monthly cost is much lower there is the \$600k deductible per incident concern.

Dr. Halliman indicated that her recommendation would to select ISDA because of the \$600k deductible clause that CLIC is requiring. She further stated that because we are a Special Education Cooperative for the students that we serve, we have students that display some behaviors such as self-gratification and things of this nature. This is an area that we cannot completely control but we do not want to put SPEED in a libelous position for something that could be misconstrued as sexual abuse.

We did request references from both entities. We received 4 from ISDA and 2 from CLIC. CLIC were a bit reserved in sharing that client list. They have 187 districts but I believe 8 or 9 of our member districts are with CLIC.

Mr. Bean concurred that the \$600k deductible is a killer for us and that spoils the recommendation from CLIC even though the premium is lower.

Dr. Smith stated that he was a little dismayed because he felt he has been asking about insurance for months and now we have to make a decision and we just got the documents this morning. Dr. Halliman clarified the quotes were made available however the presentation was uploaded that day. Dr. Smith shared that he has been talking about the insurance piece for months and to have it come up in new business is just challenging but stated he would yield to the Board.

Dr. Halliman indicated that she did not go into the full detail of how difficult the process was stating that she did not receive CLIC's proposal until Monday of the same week. We literally had to give a deadline because people were denying us back and forth. They had banked on us taking additional sexual abuse coverage but they were even shocked at the quote. They themselves thought the cost was unreasonable so they presented another option which we thought was viable enough to present to the Board.

Dr. Jackson stated that he had been pressing Dr. Halliman and she stated the difficulty in the process. Apparently our two claims have caused a lot of people to be shy about courting us.

Questions/Comments:

Dr. Leak stated that she wanted to acknowledge Dr. Smith's concerns. She further stated that it's difficult when you get to situations like this.

Dr. Halliman stated that nothing is precluding us from looking further in 18 months. We may be in a better position at that time.

Dr. Jackson moved, seconded by Dr. Leak that the Operating Committee approves the contract for insurance to begin January 1, 2021 as presented by the Superintendent.


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Dr. Halliman acknowledged and congratulated Dr. Leak on being named the Superintendent of the year!

The meeting was adjourned at 9:18 a.m.

  
Cassandra Giles, Recording Secretary  
Dr. Gregory Jackson, Secretary  
Operating Committee

Date: 9-15-2021

  
Mr. Bean, President  
SPEED Governing Board

