

PROSPECT HEIGHTS SCHOOL DISTRICT 23
FINANCE COMMITTEE MEETING
MONDAY, JANUARY 8, 2024
GRODSKY ADMINISTRATION BUILDING
700 N SCHOENBECK RD
PROSPECT HEIGHTS, IL 60070 at 6:00 PM

Engage ALL students in experiences that inspire EACH to grow as learners, individuals, and community members.

AGENDA

I. Call to Order

II. Discussion Items

A. Audit Discussion & Review - Nick Cavaliere, Baker Tilly

Nick will be joining the Finance Committee meeting to update the Committee on the FY23 audit, including the District's transition to a modified accrual basis of accounting.

B. Resolution to Authorize FY2025 Budget Development & Parameters 2

The Board of Education is required to appoint an individual to prepare the budget in accordance with the legal requirements outlined in the Illinois School Code. Traditionally, the District has appointed the Assistant Superintendent for Finance & Operations to prepare the tentative and final budget for the 2025 fiscal year.

C. 2024-25 Student Fee Recommendation - DISCUSSION 5

Administration has prepared a brief overview of the annual student fees and discussed with the Finance Committee. At this time, the administration is not recommending an increase in fees for the 2024-25 school year.

D. 2024-25 Extended Day Program Participation Fees - DISCUSSION 7

Administration has prepared a brief overview of the participation fees for the Extended Day Program. At this time, the administration is recommending an increase in fees for the 2024-25 school year based on a survey of our neighboring districts.

E. SSCIP Annual Insurance Coverage Renewal (Property, Liability and Cyber) - ACTION 8

Annually, the Board is asked to approve the payment of the premiums for property and liability as well as cyber liability insurance offered through the Suburban School Cooperative Insurance Pool (SSCIP).

F. Financial Reporting to the Committee

Amy will provide an update on revenues and expenditures through 12/31/2023.

III. Adjournment

DISTRICT ORGANIZATIONAL GOALS

- **Student Success:** Ensure ALL students are well rounded and emotionally and academically prepared for success in high school.
- **Teaching, Learning, and Innovation:** Encourage a learning environment that emphasizes excellence and retains high quality staff.
- **Family and Community Partnership:** Actively engage and communicate with all families to foster collaborative relationships that benefit student learning and understanding of district priorities.
- **Facilities & Financial Planning:** Advance effective use of resources to support safe, learner ready facilities and to maximize student learning.

**RESOLUTION
AUTHORIZING APPOINTMENT OF INDIVIDUAL
TO
PREPARE TENTATIVE BUDGET**

Board of Education
Prospect Heights School District 23
Cook County, Illinois

WHEREAS, the Board of Education for Prospect Heights School District 23, Cook County, Illinois is required to appoint an individual to prepare a tentative budget in accordance with Section 17-1 of the Illinois School Code;

WHEREAS, the Board of Education for Prospect Heights School District 23, Cook County, Illinois is required to establish a fiscal year for the preparation of the tentative budget in accordance with Section 17-1 of the Illinois School Code;

WHEREAS, the Board of Education for Prospect Heights School District 23, Cook County, Illinois is required to approve the tentative budget prepared in accordance with Section 17-1 of the Illinois School Code

NOW THEREFORE, BE IT RESOLVED by the Board of Education for Prospect Heights School District 23, Cook County, Illinois as follows:

SECTION 1: The recitals above are incorporated herein by reference.

SECTION 2: A tentative budget is to be prepared for Prospect Heights School District 23 for the fiscal year beginning July 1, 2024, and ending June 30, 2025.

SECTION 3: Amy McPartlin, Assistant Superintendent for Finance & Operations is hereby appointed to prepare a tentative budget for Prospect Heights School District 23 for the fiscal year beginning July 1, 2024, and ending June 30, 2025.

SECTION 4: The tentative budget that is to be prepared by Amy McPartlin for the fiscal year beginning July 1, 2024, and ending June 30, 2025, and that is prepared pursuant to this Resolution shall be filed with the Secretary of the Board of Education.

SECTION 5: This resolution shall be in full force from and after its passage and approval.

ADOPTED this 11th day of January, 2024 upon receiving a motion from Member _____, and a second of the motion by Member _____ followed by a roll call vote recorded as follows:

AYES:

NAYS:

ABSENT/ABSTAIN:

President, Board of Education

ATTEST:

Secretary, Board of Education



**Prospect Heights School District 23
Board of Education
Information Item**

Date: January 11, 2024

Subject: Recommendation for Student Fees for the 2024-25 School Year

Contact: Amy McPartlin, Assistant Superintendent for Finance & Operations

BACKGROUND:

On an annual basis, the Administration reviews the current fee structure and its alignment with District expenditures. For the coming 2024-25 school year, Administration recommends that all student fees remain the same, with no additional increase.

PROPOSED 2024-25 STUDENT FEES:

Proposed Student Registration Fees

GRADE(S)	REGISTRATION FEE + MANDATORY TECHNOLOGY FEE	PROPOSED REGISTRATION FEE
Kindergarten	\$75 + \$35	\$110
Grades 1 - 3	\$150 + \$35	\$185
Grades 4 - 5	\$195 + \$35	\$230
Grades 6 - 8	\$250 + \$35	\$285

Student 1:1 Device Technology Fees

The 1:1 Device Protection Plan Fee proposed for the 2024-25 school year will remain \$35 per student. As all students are now fully 1:1, the fee will be assessed to all students (K-8) that are issued devices and will allow for a level of coverage in the event of any unintentional damage. Administration recommends including the \$35 fee in the total cost of registration.

Student Lunch Fees

An increase in the current breakfast and lunch fees may be requested following the annual renewal of the contract with Organic Life, review of costs for services and supplies, and the Federal Government’s Paid Lunch Equity Determination. Once completed, Administration will bring forth a formal recommendation for student lunch fees.

Fee Payment Incentive

Fee collection shall be July 1st - July 31st with no increase. Beginning August 15th, the District will charge a 20% fee for late payment. For families who register new to the District beyond the July 31st window, no late charge will be applied if fees are paid within 30 days of registration.

As has been the case, the Business Office will continue to offer a payment plan for all families. They will also maintain the available fee waiver process and continue to create an automatic waiver of school fees for those students who have been directly certified through the State or have qualified for a fee waiver based on the waiver application process.

CONCLUSION

The Administration recommends the approval of the fees proposed above for approval for the 2024-25 school year.



**PROSPECT HEIGHTS DISTRICT 23
BOARD OF EDUCATION
INFORMATION ITEM**

Date: January 11, 2024
Subject: Recommendation of Extended Day Program Fees for the 2024-25 School Year
Contact: Amy McPartlin, Assistant Superintendent for Finance and Operations

BACKGROUND:

Annually, the Board of Education reviews the current fees charged for the Extended Day Program (EDP) and considers whether to maintain the current fee structure, increase fees or decrease fees for the following year.

The last fee increase was in 2018-19 and was the first in many years. During that time, EDP Director, Kris Lebrecht, and the Business Office have continued to ensure that a financially stable, quality program remains a priority. They have worked to maintain the offerings and opportunities of the Program while providing a safe and harmonious environment for our students.

Programmatically, the start of the 2023-24 school year has gone well and our participatory numbers have returned to pre-pandemic levels. However, staffing has continued to be a bit more challenging to navigate. Current AM numbers are close to approximately 50 students and afternoon numbers are approximately 130 students at Ross/Sullivan with an additional 40 at MacArthur. While Kris has continued to work within her budget to purchase games, supplies and in-house field trips and presentations, the limited availability of the current staff has been more problematic.

In reviewing these programmatic costs, Administration surveyed neighboring districts to gain an understanding of comparable costs. In doing so, it became apparent that the increases in costs now justify a tuition increase to bring our monthly fees more in alignment with our neighbors. Currently District 23 charges \$121/week for AM only and \$186/week for PM only. While among the 214 feeder districts, the monthly average for AM only is \$182.61 and the area average for PM only is \$249.45.

As we look towards the 2024-25 school year, Kris will continue to look for innovative ways to enhance the program and remains optimistic about the program's operations. Staffing and capacity will be reviewed and any potential programmatic changes will be shared with the Board in advance of the 2024-25 school year.

RECOMMENDATION

Based on the comparative study with neighboring districts, the Business Office and Director of EDP recommend increasing the monthly fee to a rate of \$175/week for AM Only and \$225/week for PM Only for the 2024-25 school year for the Extended Day Program.



**PROSPECT HEIGHTS DISTRICT 23
BOARD OF EDUCATION
ACTION ITEM**

Date: January 11, 2024

Subject: Recommendation for Renewal of Cybersecurity, Property and Liability Insurance Coverages

Contact: Amy McPartlin, Assistant Superintendent for Finance and Operations

BACKGROUND:

The District is required to purchase liability insurance coverage to insure against any loss or liability of the District including civil rights damage claims and suits, constitutional rights damage claims and suits, and death and bodily injury and property damage claims and suits. Such coverage is to include defense costs, when damages are sought for negligent or wrongful acts allegedly committed in the scope of employment or under the Board's direction or related to services provided to specific individuals who work or serve the District.

In addition, the District is required to purchase comprehensive property insurance covering a broad range of causes of loss involving building and personal property. The coverage amount is for the replacement cost or the insurable value of such property.

The District belongs to SSCIP, the Suburban School Cooperative Insurance Pool, which consists of over 100 suburban and downstate school districts. The membership in SSCIP provides benefits on insurance pricing due to the resources, liabilities and experience history being pooled with the other member school districts.

This year the premium for the District's property and liability coverage has been set at \$91,242. A pool contribution, in the amount of \$7,832., has reduced the renewal premium to \$83,410, an increase of 8.6% over last year's premium of \$76,820.

Under SSCIP, the District is also able to take advantage of purchasing cyber liability coverage. As discussed with the Board, once optional, cyber liability is viewed as a primary coverage with a significant opportunity for loss for school districts, especially due to the increase in exposure that comes with the shift to remote learning and 1:1 implementations.

As we come into our renewal period, it's important to note that nationwide, school districts have become the single largest public target for cyber crime. Due to the rapidly deteriorating cyber insurance market, last year, the SSCIP Executive Committee voted unanimously to invest in a

pool-wide “Cyber Toolkit” focused specifically on cyber loss control. These ongoing services include:

- Cybersecurity consulting, including risk assessments
- Phishing awareness exercises and training
- External vulnerability scans
- Multi-factor authentication (MFA) services

The District’s commitment to this program and the dedication to ongoing staff training and network monitoring has resulted in a premium decrease for the 2023-24 school year of approximately -6.9%, from \$19,976 to \$18,598. Because of our commitment to cybersecurity, the District has been able to exercise its option to increase our cyber aggregate limit to \$3,000,000 which would increase the total cyber premium by approximately \$4,752.

Also new this year is a program being rolled out to all members, providing additional support to school districts in the event of a crisis. The “Crisis Protect” Program includes tools and resources pre-crisis (global alerts, quarterly webinars, one on one consulting), mid-crisis (24/7/365 emergency guidance & support, live incident and legal support for key decisions) and post-crisis (legal support, crisis incurred expenses, professional counseling services for staff and students and professional public relations consultation and guidance). This program is recommended by SSCIP for all districts at an additional annual cost of \$1,618.

The Business Office has investigated the cost effectiveness of the property and liability insurance program, including the cyber liability coverages. The District continues to benefit from its participation in the pool from both a cost perspective and breadth of available coverages and while on the higher end, the renewal rates do not appear to be at a disproportionate level.

RECOMMENDATION

The Business Office recommends approval of the 2023-24 insurance renewals with SSCIP for property and liability, expanded cyber liability and the Crisis Protect Program for a combined total cost of \$108,378.

**Suburban School Cooperative Insurance Pool Invoice
PROSPECT HGTS SD #23**

SUMMARY OF 12/31/2023-24 PREMIUMS AND COVERAGES

Invoice Date: 12/31/23

<u>COVERAGE</u>	<u>LIMIT OF LIABILITY</u>	<u>EFFECTIVE DATE</u>	<u>INSURANCE COMPANY</u>	<u>PREMIUM</u>	
Property/Crime	\$1,000,000 - Ded (\$2,500 Prop, \$10,000 Crime)	31-Dec-23	Great American	\$21,621	
General Liability	\$11,000,000	31-Dec-23	Great American/Old Republic/Markel	\$24,189	
Auto Liability	\$11,000,000	31-Dec-23	Great American/Old Republic/Markel	\$599	
Auto Physical Damage	ACV - \$2,500 Ded.	31-Dec-23	Great American	\$100	
School Board Legal	\$11,000,000	31-Dec-23	Great American/Old Republic/Markel	\$12,440	
Total Package Policy*				\$58,948	
Boiler & Machinery	\$250,000,000	31-Dec-23	Travelers Property Casualty Co. of America	\$1,523	
Excess Property	\$300,000,000	31-Dec-23	The Travelers Indemnity Co.	\$23,707	
Excess Liability	\$15,000,000 w/ \$25M Aggregate in \$5M xs \$11M Layer & \$25M Aggregate in \$5M xs \$21M Layer	31-Dec-23	Everest/Great American/Midvale	\$5,142	
Pollution Legal Liability	\$1,000,000 Each Incident \$10,000,000 Aggregate Policy Term Limit	31-Dec-23	Ironshore	\$1,922	
Preliminary 2023-24 Insurance Premium				\$91,242	
Surplus Reduction (Excl. Cyber Toolkit Offset)				(\$7,832)	
2023-24 Insurance Premium (Excl. Cyber)				\$83,410	A
Total 2022-23 Insurance Premium (incl. surplus reduction, excl. Cyber)				\$76,820	
% Change in Premium (Excl. Cyber)				8.6%	
2023-24 Cyber Premium	Cyber Liability Deductible: \$25,000 Aggregate Limit: \$2,000,000 Ransomware Liability Deductible: \$25,000 Ransomware Liability Sublimit: \$2,000,000	31-Dec-23 31-Dec-23 31-Dec-23 31-Dec-23	Cowbell + \$2,500 Cyber Toolkit (\$5,000 - \$2,500 Offset)	\$18,598	B
2022-23 Cyber Premium				\$19,976	
% Change in Cyber Premium				-6.9%	
2023-24 Insurance Premium - Prior Coverages Only				\$102,008	A + B
Total 2022-23 Insurance Premium (incl. surplus reduction and Cyber)				\$96,796	
% Change in Total Premium - Prior Coverages Only				5.4%	
2023-24 Crisis Protect		31-Dec-23	Gallagher	\$1,618	C
Total 2023-24 Insurance Premium - Please pay this amount if declining optional coverage:				\$103,625	A + B + C
Total 2022-23 Insurance Premium (incl. surplus reduction and Cyber)				\$96,796	
% Change in Total Premium - Including New Coverage				7.1%	
2023-24 Cyber Premium Optional Coverage - \$3,000,000 Aggregate Limit			Cowbell	\$4,752	D
Total 2023-24 Insurance Premium - Please pay this amount if adding optional coverage:				\$108,378	A + B + C + D
Total 2022-23 Insurance Premium (incl. surplus reduction and Cyber)				\$96,796	
% Change in Total Premium - Including Optional Coverage				12.0%	

Premiums are due and payable upon receipt of invoice.
Please make your check payable to Suburban School Cooperative Ins. Pool
Please send your remittance with a copy of this invoice by January 1, 2024 to:
Suburban School Cooperative Insurance Pool
39206 Treasury Center
Chicago, IL 60694-9200

<u>RATING VARIABLES:</u>	<u>PRIOR</u>	<u>CURRENT</u>	<u>% CHANGE</u>
Exposure (5 Year Avg.)			
Property Value	\$60,710,571	\$63,319,802	4.3%
Student Count	1,576	1,544	-2.1%
Vehicle Value	\$40,000	\$40,000	0.0%
Loss Base (5 Year Avg. Capped at \$75k per year per coverage)	\$0	\$0	N/A

<u>VEHICLE COST (FOR STATE REPORTING PURPOSES):</u>	
PACKAGE POLICY	\$ 706
EXCESS LIABILITY	\$ 103
TOTAL COST PER VEHICLE	\$ 809

*Package includes claims fees, administrative fees, crime coverage, and loss fund contribution.