

BREMEN TOWNSHIP TRUSTEES OF SCHOOLS
REGULAR QUARTERLY MEETING

July 11, 2016

5:30 P.M.

A Regular Quarterly Meeting of the Trustees of Schools, Township 36 North, Range 13 East, Cook County, Illinois was held at 5:30 p.m. on July 11, 2016 at Tinley Park High School, Room 109, 6111 West 175th Street, Tinley Park, Illinois.

1. Call Meeting to Order

Ms. Stearns called the meeting to order at 5:30 p.m.

2. Pledge of Allegiance

Ms. Stearns asked everyone to stand for the Pledge of Allegiance.

3. Roll Call

On roll call the following Officers and Members responded present:

Deborah A. Stearns	President and Member
J. Kay Giles	Vice President and Member
Joanne Keilman	Secretary and Member
Tina M. Moslander	Member
Kathy Novak	Member
Joseph J. McDonnell	Treasurer and Ex-Officio Clerk

Absent: Ms. Nancy Hullinger (Arrived 5:32 p.m.), Dr. Gregory Jackson

4. Approval of Minutes

Ms. Novak made a motion to approve the minutes of April 6, 2016 – Regular Quarterly Meeting, seconded by Ms. Giles. Members voted as follows:

AYES: Stearns, Giles, Keilman, Moslander, Novak

NAYES: None

ABSENT: Hullinger, Jackson

Motion carried 5-0

5. Recognition of Public

Ms. Stearns asked if there were any members of the public that would like to address the

Board. After receiving no response, Ms. Stearns proceeded with the agenda.

6. Approval of Adoption Agreement for Amendment and Reinstatement of Section 125 Premium Only Plan effective July 1, 2016

Mr. McDonnell explained that a Section 125 Plan allows employees to contribute to health insurance premiums on a pre-tax basis. Mr. McDonnell mentioned that this agreement amends and reinstates the Section 125 Plan document effective July 1, 2016. Ms. Novak made a motion to approve the Adoption Agreement for Amendment and Reinstatement of Section 125 Premium Only Plan effective July 1, 2016, seconded by Ms. Giles. Members voted as follows:

AYES: Stearns, Giles, Keilman, Hullinger, Moslander, Novak

NAYES: None

ABSENT: Jackson

Motion carried 6-0

7. Treasurer's Report

Mr. McDonnell presented to the Board for approval the monthly bank cash balances, investment details by type of investment and a detailed listing of all investments in the portfolio for the periods ending March 31, 2016, April 30, 2016 and May 31, 2016. Mr. McDonnell also presented to the Board for approval the Treasurer's Office Statement of Expenditures for the periods ending March 31, 2016, April 30, 2016, May 31, 2016 and June 30, 2016 – Preliminary.

Mr. McDonnell explained the various cash balance levels over the past months presented and noted that the majority of Spring property tax collections have been collected as of May 31, 2016. Mr. McDonnell also pointed out a new investment type on the detailed listing of all investments in the portfolio. The May 2016 detailed report reflects several municipal securities that were purchased in March and April 2016. Mr. McDonnell stated that there is an interest rate benefit in investing in these short-term securities, which were issued by school districts, as they tend to provide higher rates of interest and provide security in the form of property tax revenues. Mr. McDonnell also mentioned that he has coordinated with other Township School Treasurer's Offices to bid on some of the larger bond issues. Mr. McDonnell noted that interest earnings as of May 31, 2016 have surpassed total interest earnings in each of the past three fiscal years.

Mr. McDonnell also discussed the Statement of Expenditures as presented and noted the inclusion of the preliminary fiscal year ended June 30, 2016. Mr. McDonnell mentioned that estimated expenditures for the fiscal year ended June 30, 2016 should be about \$42,000 below budget, which will be returned to the school districts when invoicing for the fiscal year 2016/2017 estimated costs of the Treasurer's Office. Mr. McDonnell also mentioned that, in the month of June 2016, expenditures include costs associated with the remodeling of the Treasurer's Office, which includes new carpeting, floor tile and paint. The office entrance will be tiled, instead of carpeted, due to water seepage from the roof area. Ms. Hullinger asked if the roof problem will be fixed. Mr. McDonnell stated that the water problem only occurs during heavy rains, and will hopefully be addressed when the high school undergoes remodeling over the next couple years.

Ms. Hullinger made a motion to accept the Treasurer's reports as presented, seconded by Ms. Giles. Members voted as follows:

AYES: Stearns, Giles, Keilman, Hullinger, Moslander, Novak

NAYES: None

ABSENT: Jackson

Motion carried 6-0

Under other items, Mr. McDonnell discussed the Allocation of Interest Earnings for July 1, 2015 thru December 31, 2015. Mr. McDonnell also discussed the Annual Billing for Infinite Visions Financial and HR Software for 2016/2017.

8. New Business – Board Member Comments

There were no further comments from the Board members. Mr. McDonnell mentioned that the next Regular Quarterly Meeting is scheduled for Monday, October 3, 2016.

9. Adjournment

There being no further business before the Board, a motion to adjourn was made by Ms. Giles, seconded by Ms. Keilman. Members voted as follows:

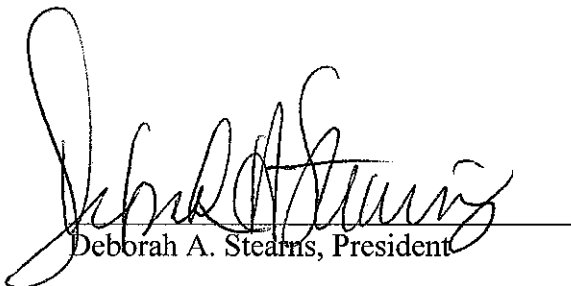
AYES: Stearns, Giles, Keilman, Hullinger, Moslander, Novak

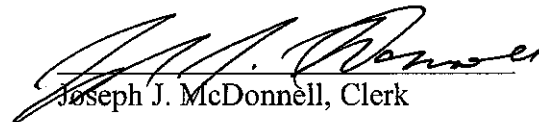
NAYES: None

ABSENT: Jackson

Motion carried 6-0

Ms. Stearns declared the meeting adjourned at 5:45 p.m.


Deborah A. Stearns, President


Joseph J. McDonnell, Clerk

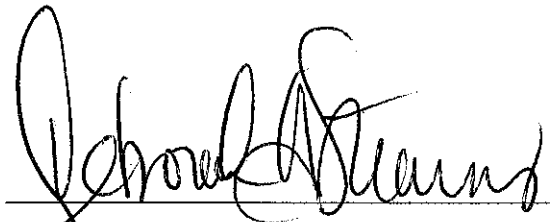
CERTIFICATE OF RESOLUTION

The undersigned Secretary of the **Bremen Township Trustees of Schools, Township 36 North, Range 13 East** does hereby certify to the adoption of the following resolution by the Board of Trustees of the Bremen Township Trustees of Schools on July 11, 2016.

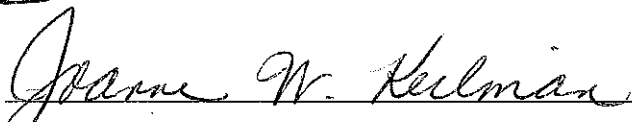
RESOLVED, that the Bremen Township Trustees of Schools established a Premium Only Plan, qualified under Section 125 of the Internal Revenue Code, to be known as the **Bremen Township Trustees of Schools, Township 36 North, Range 13 East Section 125 Premium Only Plan** (The Plan) and that the provisions of the Plan shall read, and they hereby are adopted to read, as set forth in the form examined by each of the undersigned;

FURTHER RESOLVED, that the President and the Secretary of the Bremen Township Trustees of Schools be and they hereby are authorized and directed to execute, in the name and on behalf of the Bremen Township Trustees of Schools, the Plan in the form examined by each of the undersigned;

FURTHER RESOLVED, that the officers of the Bremen Township Trustees of Schools be and they hereby are authorized and directed to execute and deliver all such contracts, agreements, certificates, documents, and other instructions, and to do such other acts or things, as may be necessary or advisable, to give effect to the foregoing resolution and the matters provided for therein.



President



Secretary

ADOPTION AGREEMENT

SECTION 125 PREMIUM ONLY PLAN

BREMEN TOWNSHIP TRUSTEES OF SCHOOLS

The undersigned employer adopts the Section 125 Premium Only Plan (the Plan) named below for those employees who qualify as Participants under the terms of this Plan. This Plan will become effective on the date specified below.

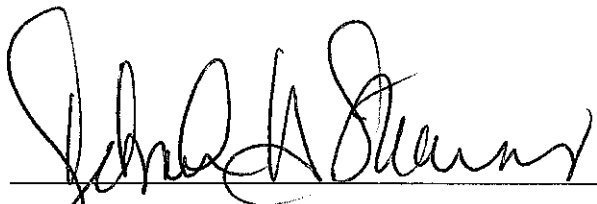
Name of Employer: Bremen Township Trustees of Schools, Township 36 North, Range 13 East

Effective Date: This section 125 Premium Only Plan will be:

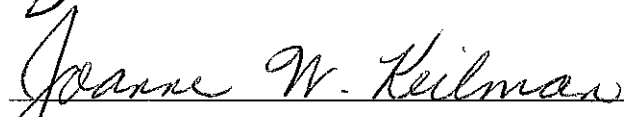
- a. _____ A new Plan effective as of _____
- b. An amendment and reinstatement in its entirety of a previously established Cafeteria Plan of the Employer. This amendment and reinstatement is effective as of July 1, 2016.

Plan Year. The Plan Year will be the twelve consecutive month periods beginning on July 1, 2016.

Employer's Principal Office. The laws of the State of Illinois will govern this Section 125 Premium Only Plan.



President



Secretary

BREMEN TOWNSHIP
TRUSTEES OF SCHOOLS
TOWNSHIP 36 NORTH, RANGE 13 EAST
SECTION 125 PREMIUM ONLY PLAN

Amendment and reinstatement effective July 1, 2016

BREMEN TOWNSHIP TRUSTEES OF SCHOOLS

INTRODUCTION

The Employer has established this Plan for the benefit of those Employees, who shall qualify hereunder, and their dependents and beneficiaries. It is the intention of the employer that the Plan qualifies as a "cafeteria plan" within the meaning of Section 125 of the Internal Revenue Code of 1986, as amended from time to time.

ARTICLE I

DEFINITIONS

- 1.1 "Administrator" means the individual(s) or corporation designated by the employer to supervise the administration of the Plan. The Employer shall be deemed to be the Administrator in the event the Administrator has not been appointed or resigns from prior appointment.
- 1.2 "Anniversary Date" means the first day of each Plan Year.
- 1.3 "Beneficiary" means a spouse or dependent of any eligible employee.
- 1.4 "Benefit" means any of the optional benefit choices available to a Participant, as outlined in Section 3.1.
- 1.5 "Code" means the Internal Revenue Code of 1986, as amended or replaced from time to time.
- 1.6 "Compensation" means the total wages and salary, including overtime and bonus payments, which the Employer pays the Employee during the Plan Year.
- 1.7 "Dependent" means any individual who qualified as a dependent under an insurance Contract or under Code Section 152 (as modified by Code Section 105 (b)).
- 1.8 "Effective Date" means the effective date as specified in Item 2 of the Adoption Agreement.
- 1.9 "Employer" means the Corporation or any such entity specified in Item 1 of the Adoption Agreement.
- 1.10 "Employee" means any person employed by the Employer on a permanent, full-time basis.
- 1.11 "ERISA" means the Employment Retirement Income Security Act of 1974, as amended from time to time.

- 1.12 “Highly Compensated Employee” means an Employee defined in Code Section 414 (q) and the Treasury regulations thereunder.
- 1.13 “Insurance contract” means any contract issued by an Insurer underwriting a Benefit.
- 1.14 “Insurer” means any insurance company that underwrites a Benefit under this Plan.
- 1.15 “Key Employee” means an employee defined in Code Section 416 (i) 1 and the Treasury regulations thereunder.
- 1.16 “Participant” means any Employee who participates in the Plan in accordance with Article II.
- 1.17 “Plan” means the cafeteria plan to which this document refers and any amendments thereto.
- 1.18 “Plan year” means the twelve consecutive months beginning and ending on the date specified in Item 3 of the Adoption Agreement.
- 1.19 “Spouse” means the legally married husband or wife of a participant, unless legally separated by court decree.

The masculine gender, where appearing in this Plan, shall be deemed to include the feminine gender, unless the context clearly indicated to the contrary.

ARTICLE II

PARTICIPATION

2.1 ELIGIBILITY

Employees are eligible for participation in this Plan on the same day that they are eligible for any of the benefits outlined in Section 3.1.

Any former Participants who are rehired during the same Plan Year in which termination of employment occurs shall be prohibited from making new Benefit elections for the remaining portion of the Plan Year.

2.2 EFFECTIVE DATE OF PARTICIPATION

Each Employee of the Employer on the Effective Date shall become a Participant on the Effective Date.

Employees who become eligible, or are employed, after this Plan’s Effective Date, become participants on the same day that they are eligible for any of the benefits outlined

in Section 3.1, which is immediately upon the date of hire and when they become eligible for health insurance.

2.3 TERMINATION OF PARTICIPATION

Participation terminates on the earlier of:

- a. The date of the Plan is terminated; or
- b. The date the Participant is no longer a Participant in one of the Employer's benefit plans providing benefits described in Section 3.1

ARTICLE III

PLAN BENEFITS

3.1 BENEFIT OPTIONS

- a. Each Participant may choose to receive his full Compensation for any Plan Year in cash or have the Employer apply a part of such Compensation to the cost of the following optional Benefit:
 - Group Health Insurance
 - Group Dental Insurance
 - Life, Accidental Death and Dismemberment, and Disability Insurance
- b. Each Participant may elect Individual, Spouse or Family health insurance coverage, a portion to be received as an Employer paid benefit, under the Employer's Group Health Insurance contract.
- c. Each Participant may elect Individual, Spouse or Family dental insurance coverage, a portion to be received as an Employer paid benefit, under the Employer's Group Dental Insurance contract.
- d. Each Participant may elect Individual Life, Accidental Death and Dismemberment, and Disability insurance coverage, a portion to be received as an Employer paid benefit, under the Employer's Group Life, Accidental Death and Dismemberment, and Disability Insurance contract.

3.2 BENEFIT SOURCES

This Plan provides the mechanism for administering a Section 125 salary reduction program. Benefits will be provided separately under plans designed to offer such benefits.

- a. For self-funded Benefit plans, the applicable benefit plan, as amended from time to time, will govern the terms and conditions of coverage and benefits available. The Employer's Benefit plans, as amended from time to time, are hereby incorporated by reference into this Plan.
- b. For Benefit plans funded either partially or fully by Insurance contract, the applicable Insurance contract, as amended from time to time, will govern the terms and conditions of coverage and benefits available. Any such Insurance contracts, as amended from time to time, are hereby incorporated by reference into this Plan.

3.3 BENEFIT LIMITATIONS

If the Administrator determines at any time that the Plan fails to satisfy and nondiscrimination requirement imposed by the Code or any limitation on benefits provided to highly compensated Participants or key Employees, the Administrator will take appropriate action, under rules uniformly applicable to similarly situated Participants, to assure compliance with such requirement or limitation. Such action may include modification of elections by Key Employees or highly compensated Participants, with or without their consent.

ARTICLE IV

COMPENSATION REDUCTION

4.1 BENEFIT ELECTION

A Participant may elect under this Plan to receive one or more of the optional Benefits described in Section 3.1 in accordance with the procedure described in Section 4.2. The Participants' cash Compensation will be reduced by the amount necessary to pay for his share of the cost of the Benefits. The Employer will contribute an amount equal to this reduction under the appropriate Benefit plan to cover the Participant's share of the cost of the Benefits. The employer will pay the balance of the cost of each such Benefit.

4.2 ELECTION PROCEDURE

The Administrator will provide, approximately 30 days before the plan Year begins, a written Election Form (which will include a Compensation reduction agreement) to each participant and to each other Employee who is expected to become a participant at the beginning of the Plan Year. The Election Form will be effective as of the first day of the Plan Year. Each Participant who desired to receive one or more optional Benefit coverages described in Section 3.1 will so specify of the Election and will agree to a reduction in his or her Compensation. The amount of the reduction in the Participant's Compensation for the Plan year will equal the Participant's share of the cost of each adjusted automatically in the event of a change in any such Administrator on or before the date specified by the Administrator, which will be no later than the first day of the pay period for which the Participant's Compensation reduction agreement will apply.

4.3 FAILURE TO ELECT

If a participant does not return a completed Election Form to the Administrator for subsequent Plan Years on or before the due date specified by the Administrator, the Participant's election for the prior year remains in force.

4.4 IRREVOCABILITY OF PLAN ELECTIONS

Elections made under the Plan (or deemed to be made under Section 4.3) will be irrevocable by the Participant during the Plan year. Exceptions will be made due to a change in family status. A participant may revoke a benefit elections for the balance of a Plan year and file a new election only if such changes are due to marriage, death of a spouse of child, birth, adoption, spouse's termination of employment, or other event that the Administrator determines will permit a change or revocation of an election during a Plan Year under the rules regulations of the Internal Revenue Service. Any new election allowed under this Section 4.4 will be effective on the date specified by the Administrator, but not before the first pay period beginning after the Election Form is completed and returned to the Administrator.

4.5 AUTOMATIC TERMINATION OF ELECTION

Elections made under this Plan (or deemed to be made under Section 4.3) will automatically terminate when the Participant ceases to be an eligible Participant.

ARTICLE V

ADMINISTRATION

5.1 This Plan will be administered by the Administrator in accordance with its terms, without discriminating among the Participants. The Administrator will have full power to

applicable legal requirements. In addition to the powers provided by this Plan and the law, the Administrator's powers include, but will not be limited to:

- a. To make and enforce the necessary and proper rules and regulations for administration of the Plan;
 - b. To interpret the Plan in good faith, the Administrator's interpretations to be final and conclusive on all persons claiming benefits under the Plan;
 - c. To make decisions regarding the Plan and the eligibility of any person to participate in the Plan;
 - d. To allocate and delegate, in writing, administrative responsibilities and activities under the Plan and to designate other persons to carry out such activities under the plan.
- 5.2 The Administrator will make such Plan records, as pertain to the Participant, available for review by Participants at reasonable times during normal business hours.
- 5.3 Whenever any disciplinary action is required by the Administrator in the administration of the Plan, the Administrator shall exercise its authority in a nondiscriminatory manner, so that all person similarly situated will receive the same treatment.
- 5.4 The Employer agrees to indemnify and defend to the fullest extent permitted by law any current or former Employee serving as Administrator, against all liabilities, damages, costs and expenses (including attorneys' fees and amounts paid in settlement of any claims approved by the Employer) arising from any act or omission to act in connection with the Plan as long as the act or omission was in good faith.

ARTICLE VI

CLAIMS PROCEDURE

Claims for Benefits under any of the Benefit options described in Section 3.1 that are provided by an Insurance Contract must be submitted to the Insurer. If the insurer denies the claim, the Participant or Beneficiary must follow the Insurer's claims review process. The Administrator has no authority to review or change the decision of an Insurer.

ARTICLE VII

AMENDMENTS AND TERMINATION OF THE PLAN

7.1 AMENDMENTS

The Employer may amend this Plan at any time. Any Plan amendment will be filed with the Plan documents.

7.2 TERMINATION

The Employer intends this plan to be permanent, but reserves the right to terminate the Plan at any time. In the event of a Plan termination, salary reductions will cease.

Thereafter, neither the Employer nor any of its Employees have any further financial obligations under this Plan except those that have accrued up to the date of termination and have not been satisfied.

ARTICLE VIII

MISCELLANEOUS

8.1 PLAN INTERPRETATION

All provisions of this Plan shall be interpreted and applied in a uniform, nondiscriminatory manner. This Plan shall be read in its entirety and not severed, except as provided in Section 8.5.

8.2 NO GUARANTEE OF EMPLOYMENT

The adoption and maintenance of the Plan shall not be deemed to constitute a contract of employment between the Employer and any Employee. Nothing contained herein shall give any Employee the right to be retained in the service of the Employer or to interfere with the Employer's right to discharge any Employee at any time, nor shall it give the Employer the right to interfere with the Employee's right to terminate his or her employment at any time.

8.3 NON-ALIENATION

To the extent permitted by law, no benefit payable at any time under this plan shall be subject in any manner to alienation, sale, transfer, assignment, pledge, attachment or encumbrance of any kind.

8.4 GOVERNING LAW

This Plan and all rights hereunder, shall be governed by the Code and the Treasury regulations issued thereunder (as they might be amended from time to time). The provisions of this Plan shall be construed, enforced and administered according to the laws of the state specified in the Adoption agreement, except to the extent such laws are preempted by federal law.

8.5 SEVERABILITY

If any provision of the Plan is held invalid or unenforceable, it shall not affect any other provisions of the Plan. The Plan shall be construed and enforced as if such provision had not been included herein.

8.6 INSURANCE CONTRACTS

If there is a conflict between the terms of this Plan and the terms of the Insurance Contract (s) which provided any of the Benefits described in Section 3.1, the terms of the Insurance Contract shall control as to those Participants and their Spouses and Dependents covered under the contract.

8.7 CONTINUATION OF COVERAGE

Notwithstanding anything in the Plan to the contrary, in the event that any benefit under this Plan, subject to the COBRA continuation coverage requirement of the IRS Code Section 4980B becomes unavailable, each Participant will be entitled to continuation coverage as prescribed in the IRS Code Section 4980B.

**BREMEN TOWNSHIP TRUSTEES OF SCHOOLS
SECTION 125 PREMIUM ONLY PLAN
EMPLOYEE ELECTION FORM**

Employee Name: _____

Employee Address: _____

Employee Social Security Number: _____

Hire Date: _____

Date of Birth: _____

Marital Status: _____

Sex: M F

Plan Year: _____ **through** _____.

Effective Date: _____

On the appropriate benefit enrollment form(s), I have enrolled for certain benefits as detailed below. I elect to receive the following coverage under the Employer's Section 125 Premium Only Plan. As an eligible employee in the Plan, I acknowledge that I have received and read the summary sheet provided to me and I understand the benefits available to me.

I hereby authorize my employer to reduce my compensation for my share of the cost of the benefits chosen below for each pay period during the plan year, or during such portion of the year as remains after the date of this agreement, in accordance with the terms of the Plan.

This election will go into effect on the Plan effective date. If the Plan effective date has already occurred, this election will go into effect on the first Plan anniversary date coincident with, or next following election, or on the same day that the employee is eligible for any of the benefits outlined below, which is immediately upon the date of hire.

I elect the following benefits and authorize the reduction of my compensation for my share of the cost of the benefits chosen below: (please check all that apply)

- Group Health Insurance
 - Employee Only
 - Employee and Spouse
 - Employee and Family

- Group Dental Insurance
 - Employee Only
 - Employee and Spouse
 - Employee and Family

- Life, Accidental Death and Dismemberment, and Disability Insurance

I understand that if my required premium contributions are increased or decreased while this agreement remains in effect, my salary reduction will automatically be adjusted to reflect that increase or decrease. I also understand that I may not change elections during the Plan Year, unless there is a change in my family status (e.g., marriage, divorce, death of my spouse or dependent, adoption or birth of my child, or termination of employment of my spouse.)

Employee Signature: X _____ Date: _____

Employee Name (please print): _____

WAIVER

For the period _____ through _____, I have been offered the opportunity to participate in the Employer's Section 125 Premium Only Plan and **I DECLINE** to participate. I understand that if I should later desire to participate, I will have to wait until the next Plan Year, unless I experience an official change in family status.

Employee Signature: X _____ Date: _____

Employee Name (please print): _____