

NOTICE OF BOARD OF DIRECTORS MEETING
LIMRiCC
Meeting Minutes Tuesday, November 13, 2018
Meeting Location:
RAILS
125 Tower Drive, Burr Ridge, IL 60527
630-734-5000

1. Call to Order & Roll Call

Kevin Davis called the meeting to order at 2:02 pm.

PRESENT: Kevin Davis, Administrator of the Messenger Public Library/LIMRiCC President, Pierre Gregoire, Library Director of Frankfort Public Library/LIMRiCC Vice President; Jim Kregor, Director of Finance and Human Resources of RAILS Library System/LIMRiCC Treasurer; Carol Kidd, Human Resource Manager of Des Plaines Public Library/LIMRiCC Secretary.

Absent: Jennie Mills, Director of Shorewood-Troy Public Library/LIMRiCC Trustee.

2. Introduction of Visitors / Public Comments

The following people were present for the Board Meeting: From the accounting firm of Lauterbach & Amen, LLP: Wes Levy, Ernesta Ignotaite and Margie Tannehill. Assurance Agency representative: Maryann Mileto.

3. Consent Agenda

RESOLVED, THAT THE LIMRiCC BOARD OF DIRECTORS
APPROVE THE CONSENT AGENDA AS PRESENTED

- a. Approval of Agenda.
- b. Acceptance of the LIMRiCC Board Meeting Minutes from November 13, 2018.
- c. Ratification of payments made September 19 through October 16, 2018 (Exhibit B.1 – B.3) Business Services \$15,485.00, PHIP \$527,973.93 and UCGA \$8,825.73.
- d. Approval of the payment of bills for October 17 through November 12, 2018 (Exhibit B.4 – B.6) Business Services \$9,855.00, PHIP \$525,055.78 and UCGA \$54,098.40.
- e. Approval of Balance Sheet and Detail of Expenditures for September and October 2018 (Exhibit C.1 – C.6).

Motion: A motion was made by Carol Kidd and seconded by Pierre Gregoire to approve the Consent Agenda items a-e listed above.

Roll call: All Board Members present voted to approve the Consent Agenda.

Ayes = 4
Nays = 0
Absent = 1

4. Action Item #1 – Miscellaneous Professional Liability coverage.

Two quotes were received for LIMRiCC's Miscellaneous Professional Liability coverage also known as Errors & Omissions. The first quote came in high and is not a consideration. The second quote was from AXIS for 1M in coverage with a \$25,000 deductible at a cost of \$8,938 that includes a \$350 broker fee to Assurance. In comparison, last year's policy through ACE included 1M in coverage with a \$10,000 deductible at a cost of \$6,870. The accounting firm of Lauterbach & Amen, LLP covers LIMRiCC in the amount of \$3,000,000 with a 5M umbrella.

Motion: A motion was made by Pierre Gregoire and seconded by Jim Kregor to approve the Miscellaneous Professional Liability coverage from AXIS for 1M in coverage with a \$25,00 deductible at a cost of \$8,938.

Roll call: All Board Members present voted to approve the Miscellaneous Professional Liability coverage from AXIS for 1M in coverage at a cost of \$8,938.

Ayes = 4
Nays = 0
Absent = 1

5. Discussion Item #1 – Assurance: Financial and other updates.

The \$750 PPO had a loss ratio of 113%. The \$1500 PPO loss ratio was at 98% while the HDHP had a loss ratio of 95% through the end of October. All PPO's combined are at 103%. The HMO loss ratio is at 90%. There are 11 large claims totaling \$894,925 at 21.07% of total claims paid. Employee Navigator carrier feeds are in place and are successfully highlighting errors. Part time employees are not eligible for the benefit of voluntary life insurance. 6 people were enrolled and are being corrected.

A discussion regarding an administrator whose access in EE Navigator has had several adverse effects on member libraries was brought to the board's attention. The administrator on two separate occasions went into a restricted area in EE Navigator and changed the welcome letter to read "Welcome to Fremont Public Library" affecting 65 member libraries. Additionally, prior to open enrollment 2019 starting, the administrator reenrolled 118 employees that had the BCBS HDHP throughout all of the member libraries. The Board agreed that it is in the best interest of LIMRiCC to have administrator access denied to Susan Kruse of Fremont Public Library.

6. Discussion Item #2 – Lauterbach & Amen: Updates.

The draft audit from Eder, Casella & Co. was presented. The audit went well. An adjustment was proposed to book an additional liability in the amount of \$358,000 posted as a prior period adjustment so that not to affect the current year income statement.

Barrington Library is delinquent in submitting their UCGA 2nd Quarter paperwork and payment. Harvey Public Library remains delinquent for their 1st and 2nd Quarter 2018 UCGA payment. A call was received by Margie from Antonia McBride, the Library Director of Harvey Public Library, on 11/12. She advised that she would be sending in the 3rd Quarter UCGA paperwork tomorrow, 11/13, and payment for the 1st and 2nd Quarters within the next two weeks. Thus far in 2018, Harvey Public Library has had \$22,000 in unemployment claims. L&A estimates the cost of 2018 claims will come to approximately \$75,000 - \$80,000. The Inter-Governmental Agreement states “a default in payment by the Member shall be deemed termination by the Member and LIMRiCC shall not cover claims made after the default.” Harvey’s default in payment will continue to cost other member libraries money. The Board was in agreement to hold back a 3rd Quarter payment in the amount of \$10,527.00. To date, the 1st Quarter claims paid by LIMRiCC were \$3,900 and \$7,800 for the 2nd Quarter. Margie will reach out to Dennis Walsh, LIMRiCC’s attorney, to seek advisement on terminating the UCGA contract with Harvey Public Library.

Assurance recently informed Margie that part time employees are not eligible for voluntary life insurance but are eligible for basic life. LIMRiCC had six part time employees that had the voluntary life insurance benefit that will need to be refunded for a total of \$4,198.00. The affected libraries were Skokie, Glenwood/Lynwood, Huntley and Eureka. A question came from Skokie library whether an affected employee would be reimbursed the administrator fee if the only benefit that employee had was voluntary life insurance. There were two employees that only had the benefit of voluntary life insurance for a total administrative fee of \$126.00. The Board agreed to reimburse the administrative fee to those two individuals.

Open Enrollment is currently open to our libraries. This is a passive enrollment. Carbondale Library requested an extension of 2 days due to flooding in their library.

Emily Porter the Director for Byron Public Library District, reached out inquiring about joining LIMRiCC. Unfortunately, Byron Public Library District has only 14 employees and is not within BCBS’s guidelines to join LIMRiCC. Quincy Library, another small library, also inquired about joining. Information about LIMRiCC was sent in reply.

The 2019 LIMRiCC Board Meeting Calendar was presented with 6 meeting dates in 2019. The key agenda items were outlined for each meeting.

7. Business

No new business.

8. Closed Session (if required).
9. Next Board Meeting and location is scheduled for Tuesday, January 15th at 1:00 pm at RAILS located at 125 Tower Drive, Burr Ridge, IL 60527.
10. Adjournment

A motion was made by Carol Kidd to adjourn the meeting at 3:07 pm and seconded by Pierre Gregoire.

The meeting adjourned at 3:07 pm.

Minutes prepared by Margie Tannehill, Benefits Manager.

Approved



Carol Kidd, Secretary

1-16-2019

Date