

NOTICE OF BOARD OF DIRECTORS MEETING
LIMRiCC
Meeting Minutes Tuesday, November 19, 2019
Meeting Location:
RAILS
125 Tower Drive, Burr Ridge, IL 60527
630-734-5000

1. Call to Order & Roll Call

Jennie Mills called the meeting to order at 1:05 PM.

PRESENT: Jennie Mills, Director of Shorewood-Troy Public Library/LIMRiCC President
Kevin Davis, Administrator of the Messenger Public Library/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
Carolyn Coulter, Director of PrairieCat /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 and Margie Tannehill. Assurance Agency
representatives: Maryann Mileto and Scott Remmenga.

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 September 17, 2019.
- c. Ratification of payments made from September 18 – October 14, 2019 (Exhibit B.1 – B.2)
Business Services \$21,178.16 and PHIP \$680,872.92.
- d. Approval of the payment of bills for October 15 through November 19, 2019 (Exhibit B.1
– B.3) Business Services \$21,498.16, PHIP \$817,299.18 and UCGA \$29,546.85.
- e. Approval of Balance Sheet and Detail of Expenditures for September and October 2019
(Exhibit C.1 – C.6).

Motion: A motion was made by Carolyn Coulter and seconded by Kevin Davis 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 – Approve the Board Meeting schedule for calendar year 2020.

The LIMRiCC Board Meeting schedule for calendar year 2020 will be similar to the schedule in 2019. The following are the scheduled meetings dates: January 21st, March 17th, May 19th, August 18th, September 15th and November 17th, 2020.

Motion: A motion was made by Jim Kregor and seconded by Kevin Davis to approve the calendar year 2020 LIMRiCC Board Meeting dates.

Roll call: All board members present voted to approve the LIMRiCC Board Meeting schedule for calendar year 2020.

Ayes = 4
Nays = 0
Absent = 1

5. Action Item #2 – Approve the Errors & Omissions Policy from AXIS.

The current E&O policy expires 11/29/19. The policy, also known as Professional Liability, covers LIMRiCC against actual or alleged negligent acts, errors, omission, misstatement, misleading statement or personal injury offense and wrongful employment practices. The cost for the policy through AXIS is \$8,499 for one year.

Motion: A motion was made by Kevin Davis and seconded by Jim Kregor to approve the Errors & Omissions Policy from AXIS for \$8,499.

Roll call: All board members present voted to approve the Errors & Omissions Policy from AXIS at the cost of \$8,499 for one year.

Ayes = 4
Nays = 0
Absent = 1

6. Action Item #3 – Approve Madison Consulting Group UCGA Actuarial Analysis.

Each year LIMRiCC goes through an actuarial report process for the UCGA and PHIP funds. These reports are done for audit reporting and compliance with the Department of Insurance and copies sent to the State. Madison Consulting Group was hired to perform the actuarial analysis for LIMRiCC's UCGA fund. As of June 30th, the actuarially determined unemployment liability or pending claims were \$346,762 with a probability of 90% and

discounted at 4.0%. Last year's number was \$364,862. The UCGA fund has been operating steadily.

Carol Kidd arrived at 1:10 PM.

Motion: A motion was made by Carolyn Coulter and seconded by Kevin Davis to approve the Madison Consulting UCGA Actuarial Analysis.

Roll call: All Board Members present voted to approve the UCGA Actuarial Analysis by Madison Consulting.

Ayes = 5

Nays = 0

Absent = 0

7. Action Item #4 – Approve the Wakely PHIP Actuarial Analysis.

The report is the actuary's estimate on claims incurred prior to June 30th, 2019 that are not paid until the current fiscal year. The estimated amount is reflected in the current months claims payment. It is necessary to identify what claims were incurred prior to this year's fiscal year. The subtotal for the actuarial analysis is \$360,727. Compared to last year's report, it is approximately \$2,000 less.

Motion: A motion was made by Jim Kregor and seconded by Carolyn Coulter to approve the Wakely Actuarial Analysis for the PHIP fund.

Roll call: All Board Members present voted to approve the PHIP Actuarial Analysis by Wakely.

Ayes = 5

Nays = 0

Absent = 0

8. Discussion/Possible Action Item #1 – Approve Eder Casella Annual Audit.

The annual audit by Eder Casella was recently received and is on the agenda for discussion purposes only. An important page to note details the revenue and expenses by fund. The change in net position reflects that Business Services operated at a deficit of (\$26,465), UCGA \$43,396 and PHIP at \$418,791. The Board should consider how Business Services will continue to be funded or whether it should be closed with expenses allocated proportionally to the UCGA and PHIP funds.

Unemployment insurance will have a dividend payout that is scheduled to be approved at the January board meeting. The dividend is based on money in excess of 1M. The dividend payout for fiscal 2019 will be approximately \$60,000.

9. Discussion Item #2 – Assurance: Financial and other updates.

Claims are higher. The \$750 PPO loss ratio ran at 128% in October and at 107% YTD while Rx was at 28% of claims paid. The \$1500 PPO loss ratio ran at 149% and 156% YTD while Rx was at 21.5% of claims paid. The HDHP PPO loss ratio ran high at 207% and 119% YTD and Rx at 21.15% of claims paid. All PPO's combined were at a loss ratio of 132% and Rx at 23.80% of claims paid. Specialty Rx were at 48.20% of total Rx claims paid. The HMO loss ratio was at 117% YTD and Rx at 52.14% of claims paid while specialty Rx were at 66.60% of total claims paid. There are 19 large claims exceeding \$50,000 with one being HMO. The large claims are 46.13% of the total paid claims YTD.

Looking ahead to open enrollment in 2020, Assurance plans to go out to market to HealthLink. Moving to HealthLink would open up the pool to new members. A report from BCBS would be requested relating to disruption of service. If employees are forced to pay out of network cost due to a lack of physicians within the plan and area, the move to HealthLink would not be a good option. HealthLink would review LIMRiCC's last 24 months of activity. Based on the actuarial report provided by Wakely, the claims activity in January and February were over 90%. 12 months previous to that, activity was over 100%. Should things remain the same, members could see a renewal increase in the high teens to low 20's. Some options to keep the renewal cost down would be to increase the deductible, out of pocket cost, ER and/or Rx. There have not been any plan changes to the medical plans for many years. The same co-pays have been in place since 2008. A Spring Meeting may be necessary to educate members about the potential increase in benefits cost.

Providence will be sending an invoice for the EE Navigator carrier feeds during our open enrollment period. Additionally, LIMRiCC should see a BCBS credit come through in January for approximately \$20,000.

10. Discussion Item #3 – Lauterbach & Amen: Updates.

The LIMRiCC Fall Meeting had 61 members registered to attend with 41 members in attendance. There was a problem with the sound for members that video-conferenced in. The problem was noted to avoid in future meetings.

The Open enrollment period ran during two weeks in November. Enrollment was passive with many changes requested by employees. 34 member libraries customized their EE Navigator site for the 2020 benefits that they offer.

There are 11 libraries delinquent in submitting their 3rd Quarter UCGA paperwork and payment.

New member libraries continue to show interest in joining LIMRiCC.

11. Business

No new business.

12. Closed Session (if required).

No closed session.

13. Next Board Meeting and location is scheduled for Tuesday, January 21, 2020 1:00 PM at RAILS located at 125 Tower Drive, Burr Ridge, IL 60527.

14. Adjournment

A motion was made by Kevin Davis to adjourn the meeting at 1:41 PM and seconded by Carol Kidd.

The meeting adjourned at 1:41 PM.

Minutes prepared by Margie Tannehill, Benefits Manager.

Approved



Carol Kidd, Secretary



Date