



The Library Insurance Management and Risk Control Combination

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NOTICE OF BOARD OF DIRECTORS MEETING

LIMRiCC

Meeting Minutes Tuesday, May 21st, 2019

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 1:00 pm.

PRESENT: Kevin Davis, Administrator of the Messenger Public Library/LIMRiCC President, 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, Jennie Mills, Director of Shorewood-Troy Public Library/LIMRiCC Trustee.

ABSENT: Carolyn Coulter, Director at 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: Nathan Gaskill 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 March 19, 2019.
- c. Ratification of payments made March 19 through April 16, 2019 (Exhibit B.1 – B.2) Business Services \$10,049.16, PHIP \$542,840.75.
- d. Approval of the payment of bills for April 17 through May 21, 2019 (Exhibit B.3 – B.5) Business Services \$10,049.16 PHIP \$637,135.29 and UCGA \$46,002.27.
- e. Approval of Balance Sheet and Detail of Expenditures for March and April and 2019 (Exhibit C.1 – C.6).

Motion: A motion was made by Carol Kidd and seconded by Jim Kregor 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 – Certify the Board Election results.

3 seats on the Board of Directors expired April 31st, 2019. A Call for Candidates was put out March 1 – March 31, 2019 with an answer from 4 candidates: Carolyn Coulter, Pierre Gregoire, Carol Kidd and Jennie Mills. Electronic voting was effective April 1st – April 22nd, 2019. All ballots were opened and tallied at Lauterbach & Amen, LLP on May 1st, 2019 with a total of 51 ballots counted. Jennie Mills received 44 votes, followed by Carolyn Coulter at 38 votes, Carol Kidd at 36 votes and Pierre Gregoire at 33 votes. Pierre Gregoire's term ceased on 4/30/19.

Motion: A motion was made by Jennie Mills and seconded by Jim Kregor to certify the Board of Elections.

Roll call: All Board Members present voted to approve the Board Election results.

Ayes = 4
Nays = 0
Absent = 1

5. Action Item #2 – Approve the engagement letter from Madison Consulting for the FY19 UCGA actuarial valuation.

An engagement letter was received by Madison Consulting for actuarial analysis of the Self Insurance Pool (UCGA) for June 2019 in the amount of \$6,000. Madison Consulting performed the same analysis in 2018 at the same cost.

Motion: A motion was made by Jim Kregor and seconded by Carol Kidd to approve the engagement letter using Madison Consulting for the UCGA Actuarial Analysis.

Roll call: All Board Members present voted to approve the engagement letter from Madison Consulting for the June 30, 2019 UCGA Actuarial Analysis.

Ayes = 4
Nays = 0
Absent = 1

6. Action Item #3 – Approve the engagement letter from Wakely Consulting for the FY19 PHIP actuarial valuation.

An engagement letter was received by Wakely Consulting for actuarial services for the Claims Liabilities (PHIP) as of June 2019 with a maximum amount of \$4,500. Wakely Consulting provided the same service in 2018 for a cost of \$4,000.

Motion: A motion was made by Jennie Mills and seconded by Carol Kidd to approve Wakely Consulting for 2019 PHIP Actuarial Service.

Roll call: All Board Members present voted to approve Wakely Consulting for the June 30, 2019 PHIP Actuarial Service.

Ayes = 4
Nays = 0
Absent = 1

7. Action Item #4 – Approve the engagement letter with Eder, Casella & Co for the FY19 Audit.

An engagement letter was received by Eder, Casella & Co for an audit of financial statements ending June 30, 2019 in the amount of \$5,700.00. The cost for the same service by Eder, Casella & Co in 2018 was \$5,500.00

Motion: A motion was made by Jennie Mills and seconded by Jim Kregor to approve Eder, Casella & Co for the FY19 Audit.

Roll call: All Board Members present voted to approve Eder, Casella & Co for the FY19 Audit.

Ayes = 4
Nays = 0
Absent = 1

8. Action Item #5 – Fiscal Year 2020 budget discussion and possible action item.

There was one change from the preliminary budget presented at the previous board meeting with an increase to the budgeted (potential) PHIP dividend in FY 20. The potential amount was increased from \$300,000 to \$750,000. This would be the first year that LIMRiCC could potentially issue a PHIP dividend. As of this meeting date, there are several unknown factors that will go into the Board's decision of whether or not to issue PHIP dividends and how much. Everything else remains status quo with the FY 2020 budget. With total revenue (all funds) of \$8,520,500 and total expenses of \$8,393,500.00.

Motion: A motion was made by Jennie Mills and seconded by Jim Kregor to approve the Fiscal Year 2020 Budget.

Roll Call: All Board Members present voted to approve the Fiscal Year 2020 Budget.

Ayes = 4

Nays = 0

Absent = 1

9. Discussion Item #3 - Assurance: Financial and other updates.

The 750 PPO plan was very high at 140% loss ratio in April up from 108%. The good news is that many people have left this plan. The larger portion of the population is in the 1500 PPO. Specialty drugs continue to be high.

Renewal projections based on claims through April 2018 are estimated at 10.6% for PPO and a 2.6% increase for HMO. There are 3 months of claims remaining prior to receiving new premiums for 2020. On the book of business for BCBS, their stop loss is increasing and rebates are increasing which drives down administrative cost. LIMRiCC has a healthy reserve balance. Recommendations for an increase in premiums will be discussed at the next meeting.

Assurance will go out to market for medical coverage to Aetna. Delta Dental will remain as LIMRiCC's provider for dental. Additionally, VSP for vision and Unicare for life insurance will remain as LIMRiCC's carriers due to their rate guarantee.

Renewals will be presented at the next board meeting on 8/20 followed by a presentation to LIMRiCC members at the Fall Meeting on 9/17. Members will need to reply by 10/25 if they would like to customize their EE Navigator site displaying the employee's cost of benefits. This timeline will allow a full month for members to have their benefits approved at their board meeting. EE Navigator will have updates with new plans and cost completed by 11/8. Open enrollment is tentatively scheduled between 11/11 – 11/22/19.

10. Discussion Item #4 – Lauterbach & Amen: Updates.

There was a discussion of the 5 positions available to serve on the Board of Directors. The new slate of officers are as follows: Jennie Mills - President, Kevin Davis – Vice President, Jim Kregor - Treasurer, Carol Kidd – Secretary and Carolyn Coulter - Trustee. The slate of officers will be approved as an action item at the next board meeting on 8/21. Kevin Davis and Jim Kregor's tenure will end 3/2022.

Maude Johnson, the Director at William Leonard Public Library, requested a copy of her outstanding PHIP invoice in the amount of \$4,714.09 going back to June 2018.

Calumet Park Public Library continues to be delinquent with an outstanding PHIP amount of \$5,299.10.

There are 9 outstanding members in submitting their 1st Quarter 2019 UCGA report and payment. These members have been contacted several times via email and are aware of LIMRiCC's deadline.

11. Business

No new business.

12. Closed Session (if required).

13. Next Board Meeting and location is scheduled for Tuesday, August 20th, 1:00 pm at RAILS located at 125 Tower Drive, Burr Ridge, IL 60527.

14. Adjournment

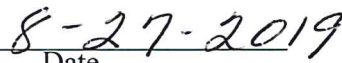
A motion was made by Carol Kidd to adjourn the meeting at 1:35 pm and seconded by Jennie Mills.

The meeting adjourned at 1:35 pm.

Minutes prepared by Margie Tannehill, Benefits Manager.

Approved


Carol Kidd, Secretary


Date