

**BOARD OF DIRECTORS**  
**Meeting Minutes Tuesday, October 17, 2017**

**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 p.m.

PRESENT: Kevin Davis, Administrator of the Messenger Public Library/LIMRiCC President; Pierre Gregoire, Library Director of Frankfort Public Library/LIMRiCC Vice President; Jim Kregor, Finance Director 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.

- 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 representatives: Scott Remmenga and 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 September 19, 2017.
- c. Approval of the payment of bills for September 20 through October 17, 2017 for LIMRiCC Business Services in the amount of \$555,655.61 (Exhibit B.1).
- d. Approval of the payment of bills for September 20, 2017 through October 17, 2017 for the PHIP in the amount of \$9,741.29 (Exhibit B.2).
- e. Approval of Balance Sheet and Detail of Expenditures for September 2017 (Exhibit C.1 – C.6).

Motion: A motion was made by Pierre Gregoire 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. Items noted above.

Ayes = 5  
Nays = 0  
Absent = 0

4) Action Item #1 – Approve the FY 2017 PHIP Actuarial Report by Wakely Consulting Group.

The PHIP Actuarial report submitted by Wakely Consulting was reviewed by the Lauterbach & Amen Actuary Department. The actuarial report is an estimate of the potential liability at the end of the fiscal year. As of 6/30, the outstanding liability for PHIP was \$358,000 including a margin of 20%. LIMRiCC now has historical data in which to capture a realistic number to include in this year's audit. Last year the estimate from Wakely was \$108,000, off by \$252,000. Based on the report, it is recommended that LIMRiCC has a surplus of 15-20% of expected claims resulting in \$861,000. It was noted that LIMRiCC has 3 times over that amount at approximately 2.5 million.

Motion: A motion was made by Jennie Mills and seconded by Pierre Gregoire to approve the FY 2017 PHIP Actuarial Report provided by Wakely Consulting Group.

Roll call: The Board approved the FY 2017 PHIP Actuarial Report by Wakely Consulting.

Ayes = 5  
Nays = 0  
Absent = 0

5) Action Item #2 – Approve the FY 2017 UCGA Actuarial Report by Madison Consulting Group.

The purpose of the UCGA Actuarial Report is to estimate what claims occurred in the current year that may be paid out in the future. The current year estimate is \$203,000, payable. Prior years have been between \$200,000 – \$220,000. Madison Consulting Group's estimate in reserves as of June 30<sup>th</sup>, is \$203,000 to pay off any future claims. Over the last several years we have been at 1.1 million which has allowed us to pay out a dividend to our members. Page 14 of the report shows statistical information dating back to 2004. There was a spike between 2008–2009 and then a decrease back to prior levels. Lauterbach & Amen's Actuary Department reviewed the UCGA report.

The board discussed how members contribute to the UCGA pool. It was stated that at the end of each quarter, members receive their payroll tax returns. The UI-3/40 are then filed to the state. Members are required to file but they do not pay the state. The library fills out a similar report and pays a percentage that we calculate annually. The average this year was .41% based on the percentage of total payroll up to \$12,960 per person. Both total earnings and taxable earnings are reported to LIMRiCC. The members pay LIMRiCC quarterly, the first two quarters being the largest.

Motion: A motion was made by Jennie Mills and seconded by Jim Kregor to approve the FY 2017 UCGA Actuarial Report provided by Madison Consulting Group.

Roll call: The Board approved the FY 2017 UCGA Actuarial Report by Madison Consulting Group.

Ayes = 5  
Nays = 0  
Absent = 0

6) Discussion Item #1 - Assurance: Financial and other updates.

The \$500 PPO plan continues to run high. The \$1500 PPO is running where it should be. The HDHP/HSA continues to run well. The combined PPO is at 91% which is slightly up for the year to date. The HMO loss ratio has spiked compared to previous months. The loss ratio is at 81% and Rx continues to be at 50% of total claim cost. There are 7 large claims over \$50,000 and one on the HMO plan. That is 20% of claim cost. The overall loss ratio is going up.

EE Navigator continues to be worked on for open enrollment. Procedures are being reviewed particularly employees going from part time to full time. Customization is continuing for libraries that request it. There are 11 different benefits summaries based on the medical plans offered by individual libraries. The summaries are in the process of being shipped to the libraries and should be at the library prior to November 1<sup>st</sup>. Inserted within the benefit summary is an MD Live Flyer.

Since the open enrollment meeting there have been lots of questions from member libraries. Several libraries have requested face to face meetings for HDHP/HSA plan including St. Charles, Crete, Midlothian, Geneva and Peotone.

Noreen Blair has resigned employment with Assurance. Maryann will remain as the Account Executive and Scott as the Account Manager. Carolyn will continue to assist with Employee Navigator and Ashton is the Claims Support Service Representative.

7) Discussion Item #2 Lauterbach & Amen: Updates.

The 2018 BCBS – PPO Renewal document has been received and requires a signature by Kevin Davis. We have not received the HMO renewal and it has not been approved by the state yet.

The 2<sup>nd</sup> Quarter UCGA Reports have been received by all participating members. We are beginning to receive 3<sup>rd</sup> Quarter reports.

The LIMRiCC Fall Conference had a total of 50 people attend. 37 attended in person at RAILS and 13 people streamed in. There was good feedback on the retiree portion of the meeting.

The ILA Conference was attended by Margie, Ernesta and Wes. Fossil Ridge Library and Glen Ellyn Public Library are both interested in joining LIMRiCC's UCGA program. Katie Clausen of Gail Borden Public Library expressed her interest in joining PHIP. Gail Borden Public Library has 250 employees on staff. In order to be eligible to join LIMRiCC, 101 employees need to be enrolled in their health care plan for the past 6 months.

The Board agreed that the LIMRiCC December 19<sup>th</sup> Board Meeting would be cancelled. The approval of any December invoices will be ratified at the January meeting. Additionally, it was decided that the November meeting would be moved up by one week to November 14<sup>th</sup> instead of November 21<sup>st</sup>.

Effective 7/1/18, Prairie Cat will be separating from RAILS. Prairie Cat will be able to stay in LIMRiCC based on a letter from BCBS. A new section number will need to be set up.

There was a discussion on the recent security breach with Equifax. Mr. Levy stated there have been some false unemployment claims. Additionally, the Power of Attorney for Equifax was terminated for some members. We are working on rectifying the situation to give back the Power of Attorney to Equifax.

Board Elections will be coming up with terms ending in 2018.

There was a discussion of how much Assurance Agency charges LIMRiCC for their service. Assurance Agency stated that the fee is the same as last year and that it is built into the administration fee which is under 3% per person.

8) New Business

No new business.

9) Closed Session (if required).

10) Next Board Meeting and location is scheduled for Tuesday, November 14, 2017, at 1:00 p.m. at RAILS located at 125 Tower Drive, Burr Ridge, IL 60527.

11) Adjournment

A motion was made by Kevin Davis to adjourn the meeting at 1:36 p.m. and seconded by Carol Kidd.

Ayes = 5  
Nays = 0  
Absent = 0

The meeting adjourned at 1:36 p.m.

Minutes prepared by Margie Tannehill, Benefits Manager.

Approved

  
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Carol Kidd, Secretary

11-14-2017  
Date