

NOTICE OF BOARD OF DIRECTORS MEETING
LIMRiCC
Meeting Minutes Tuesday, January 15, 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, 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; Secretary, Jennie Mills, Director of Shorewood-Troy Public Library/LIMRiCC Trustee.

Absent: Carol Kidd, Human Resource Manager of Des Plaines Public Library/LIMRiCC

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: 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 November 13, 2018.
- c. Ratification of payments made November 14 through December 18, 2018 (Exhibit B.1 – B.3) Business Services \$21,293.00, PHIP \$619,743.73 and UCGA \$964.58.
- d. Approval of the payment of bills for December 19 through January 15, 2019 (Exhibit B.4 – B.6) Business Services \$11,111.55 PHIP \$657,448.23 and UCGA \$17,569.99.
- e. Approval of Balance Sheet and Detail of Expenditures for November and December 2018 (Exhibit C.1 – C.6).

Motion: A motion was made by Jennie Mills and seconded by Pierre Gregoire to approve the Consent Agenda items a-g 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 Statement of Work No. 3 for Providence Technology Solutions – EDI Support Services for calendar year 2019.

A Statement of Work No. 3 was received by Providence Technology Solutions in their continuation to monitor benefits administration via Employee Navigator for medical, dental and vision care. An hourly rate of \$75.00 will be charged for calendar year 2019. Providence Technology is utilized mostly during the open enrollment period.

Motion: A motion was made by Pierre Gregoire and seconded by Jim Kregor to approve the Statement of Work No. 3 for Providence Technology Solutions – EDI Support Services for calendar year 2019.

Roll call: All Board Members present voted to approve the Statement of Work No. 3 for Providence Technology Solutions – EDI Support Services for calendar year 2019

Ayes = 4

Nays = 0

Absent = 1

5. Action Item #2 – Presentation and approval of FY18 Audited Financial Statements.

Cheryden Juergensen, a Partner with Eder, Casella & Co (EC&C) presented LIMRiCC's FY18 Audit via a conference call. Overall the audit went very well. There were three journal entries made with one adjustment to record the estimated outstanding claims liability related to the health insurance at \$360,000. The UCGA actuarially determined liability as of 6/30/18 was reviewed but not material and therefore not recorded in the financial statements. No errors or deficiencies were found and no new accounting standards were implemented in the report. The opinion provided by the auditors was an unmodified opinion. The letter states that EC&C was able to attain reasonable assurance that the financial statements were free from material misstatements. There was no opinion on the internal controls, but it was reviewed and noted as functioning as they should be. The biggest changes in assets were an increase in cash and liabilities increased due to the implementation of the PHIP actuarial liability.

Motion: A motion was made by Jennie Mills and seconded by Jim Kregor to approve the FY18 Financial Statement Audit presented by Eder, Casella & Co.

Roll call: All Board Members present voted to approve the FY18 Financial Statement Audit by Eder, Casella & Co.

Ayes = 4
Nays = 0
Absent = 1

6. Action Item #3 – Approval of FY18 UCGA dividends.

A dividend schedule was presented by Wes Levy. Dividends of \$17,568.00 which were in excess of 1M were allocated amongst member libraries. In comparison, last year's dividend payout was \$11,000 marking that the UCGA program ran better this year. Harvey Public Library was excluded in this year's dividend payout due to a negative balance of approximately \$25,000. Harvey Public Library's negative balance has not been absorbed by LIMRiCC's member libraries.

Motion: A motion was made by Jim Kregor and seconded by Jennie Mills to approve the FY18 UCGA dividend payout of \$17,568.00 to member libraries.

Roll call: All Board Members present voted to approve the FY18 UCGA dividend payout of \$17,568.00.

Ayes = 4
Nays = 0
Absent = 1

7. Discussion Item #1 – Conference call with Assurance Agency representative reviewing LIMRiCC's Miscellaneous Professional Liability Policy and Crime Policy.

Giselle Poling from Assurance Agency reviewed LIMRiCC's Miscellaneous Professional Liability and Crime Policy via a conference call. Both policies cover the Board and volunteers. It does not cover member libraries. The Miscellaneous Professional Liability also known as Errors & Omission is effective 11/27/18 – 11/27/19. The policy is for 1M in coverage with a \$25,000 deductible. The policy covers wrongful acts made by the Board and volunteers such as wrongful termination, sexual harassment and age discriminations.

The Crime Policy is effective 10/1/18 – 10/1/19. The policy includes a 1M limit with a \$10,000 deductible. The policy covers crime that may be committed by the Board and volunteers such as stealing checks, forgery and theft.

8. Discussion Item #2 - Assurance: Financial and other updates.

Medical claims were high in December. The YTD loss ratio for the 750 PPO was at 115% and 142% for December. The 1500 PPO loss ratio was at 100% for December and 100% for the year. The HDHP was at 127% for December and 100% for the year. All PPO's combined ran high at 105% for the year. Rx was at 27% of claims paid. The HMO loss ratio was at

65% for December and 86% for the year. Rx is high at 52%. There were 11 large claims in 2018 that equaled to 20% of total claims paid. This will start over in January. The overall loss ratio was high at 102%.

A review of the dental plan for the year indicates that 55% of claims were paid in preventative care. The average claim paid was \$139.80 compared to last year's average claim of \$142.54. 80% of procedures were performed by Delta Dental's network dentists. It is important to note that only 6% of members met or exceeded their annual maximum benefit of \$1,000 for the year.

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

This past year's open enrollment included 174 changes from participating members. Changes included movement between PPO plans, coverage level changes and life insurance rate adjustments. An issue that we experienced with Employee Navigator was that it was not recognizing the age band of 65 and 70 in which both the life insurance benefit and cost is reduced by 35% and 50%, respectively. This has been resolved.

There are two delinquent PHIP members that have not made a payment in several months: Calumet Park Public Library and William Leonard Public Library. Currently neither library has members on the insurance plan. On 12/11/18, both libraries were sent a certified letter noting their past due amounts. No reply from either library has been received.

North Riverside Public Library is the only outstanding 3rd Quarter UCGA member that has not submitted their paperwork or payment.

10. Business

No new business.

11. Closed Session (if required).

12. Next Board Meeting and location is scheduled for Tuesday, March 19th at 1:00 pm at RAILS located at 125 Tower Drive, Burr Ridge, IL 60527.

13. Adjournment

A motion was made by Jennie Mills to adjourn the meeting at 1:42 pm and seconded by Pierre Gregoire

The meeting adjourned at 1:42 pm.

Minutes prepared by Margie Tannehill, Benefits Manager.

Approved


Carol Kidd, Secretary


Date