

Lincolnway Area Affiliation of Participating School Districts Employee Benefit Plan
Trustees Meeting, Monday, August 28, 2023
Richland Grade School District 88A, Crest Hill, IL

Minutes

1. Welcome

Chairman Simpkins called the meeting to order at 1:00 p.m.

2. Roll Call

Krzeczkowski called the roll with the following members present:

Trustees: Margo Empen, Dr. Joe Salmieri, Joe Simpkins, Steve Stein, and Dr. Kathleen Wilkey.

Marsh & McLennan Agency (Assurance): Ashton Harnung and April Krzeczkowski

Other Attendees: Tiffany Frey, SOWIC; Rusty Ragon, Chris Ruddy, Sarah Bancsy, Manhattan S.D.; Amanda Hertz, Peotone S.D.; Sabina Fitzgerald, Sarah Rexroad, LWASE District; Tim Page, Elwood S.D.; Elizabeth Kaufman Wilco S.D.; Margaret Jazdzewski, Jennifer Zarzycki, Lemont High School S.D.; Kathy Picciolini, Chicago Ridge S.D.; Mary Chignoli, PDA; Valerie Teegardin, Laraway S.D.

3. Approval of Agenda

Chairman Simpkins asked if any changes to the agenda. No changes were required.

TRUSTEE STEIN MOTIONED TO APPROVE THE 08/28/2023 AGENDA AS PRESENTED. TRUSTEE SALMIERI SECONDED THE MOTION.

UPON BEING PUT TO A ROLL CALL VOTE, THE MOTION CARRIED. AYES-5; EMPEN, SALMIERI, SIMPKINS, STEIN, and WILKEY; NAYS-0.

4. Approval of Minutes

TRUSTEE EMPEN MOVED TO APPROVE THE 08/03/2023 BOARD MEETING MINUTES AS PRESENTED. TRUSTEE WILKEY SECONDED THE MOTION.

UPON BEING PUT TO A ROLL CALL VOTE, THE MOTION CARRIED. AYES-5; EMPEN, SALMIERI, SIMPKINS, STEIN, and WILKEY; NAYS-0.

5. Action Item: Additional Monthly Charge for LAA Members to Build LAA Reserve Balance

The Trustee's discussed the three additional reserve charge options. The membership questioned the need for the charge and the Trustees stated it is needed to help build and maintain the LAA reserve. If sufficient funds are not available in the reserve, member claims could not get paid and service would be interrupted.

Members questioned how LAA arrived at this point and the Trustees stated that over the past two years, LAA has been focused on the declining reserve balance which has occurred due to high claims and several years of no rate increases. The Trustees have established rate increases, plan changes and plan consolidation in an effort to maintain the reserve balance.

Members questioned if additional reserve charges could happen again in the future. The Trustees stated that future rates will be set appropriately and not artificially reduced during times when there is a healthy reserve balance. This new operating approach will help maintain a healthy reserve.

Krzeczkowski stated that the reserve charge monthly amount will be added to the October invoice and will remain for 12 consecutive months. A one-time annual invoice can be issued to locations who prefer it to a monthly charge.

TRUSTEE WILKEY MOVED TO APPROVE AN ADDITIONAL MONTHLY CHARGE IN THE AMOUNT OF 22 PERCENT FOR 12 MONTHS BEGINNING IN OCTOBER 2023 TO BUILD THE RESERVE BALANCE AS PRESENTED. TRUSTEE SALMIERI SECONDED THE MOTION.

UPON BEING PUT TO A ROLL CALL VOTE, THE MOTION CARRIED. AYES-5; EMPEN, SALMIERI, SIMPKINS, STEIN, and WILKEY; NAYS-0.

6. Discussion Item: Administration and Benefit Updates

Marsh & McLennan Agency announced that the Understanding COBRA Webinar has been recorded and posted for viewing. Also reported was the Transportation Benefits Program details along with a reminder that the waiting period had been removed from the dental benefit.

7. Other Business

There was nothing additional to discuss.

8. Next Board Meeting Date and Location: The next regular LAA Trustee Meeting on Friday 10/20/2023 at 10:30am to be held at Richland Grade School District 88A and will be in-person only.

9. Adjournment

TRUSTEE STEIN MOVED TO ADJOURN THE MEETING. TRUSTEE EMPEN SECONDED THE MOTION.

UPON BEING PUT TO A ROLL CALL VOTE, THE MOTION CARRIED. AYES-5; EMPEN, SALMIERI, SIMPKINS, STEIN, and WILKEY; NAYS-0.

The meeting adjourned at 1:39 pm.


Chairman