

Lincolnway Area Affiliation of Participating School Districts Employee Benefit Plan
Trustees Meeting, Friday, October 20, 2023
Richland Grade School District 88A, Crest Hill, IL

Minutes

1. Welcome

Treasurer Stein called the meeting to order at 10:30 a.m.

2. Roll Call

Krzeczkowski called the roll with the following members present:

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

Marsh & McLennan Agency (Assurance): Ashton Harnung, April Krzeczkowski, Maryann Mileto, and Krissy Endre.

Lauterbach & Amen (Auditor): Ann Scales

Other Attendees: David Blatchley, Will-County S.D.; Amanda Hertz and Adrian Fulgencio, Peotone S.D.; Tim Page, Elwood S.D.; Margaret Jazdzewski, Jennifer Zarzycki, Lemont High School S.D.

3. Approval of Agenda

Treasurer Stein asked if any changes to the agenda. No changes were required.

TRUSTEE SALMIERI MOTIONED TO APPROVE THE 10/20/2023 AGENDA AS PRESENTED. TRUSTEE WILKEY SECONDED THE MOTION.

UPON BEING PUT TO A ROLL CALL VOTE, THE MOTION CARRIED. AYES-3; SALMIERI, STEIN AND WILKEY; NAYS-0 ABSENT-2; EMPEN, and SIMPKINS.

4. Approval of Minutes

TRUSTEE WILKEY MOVED TO APPROVE THE 08/28/2023 BOARD MEETING MINUTES AS PRESENTED. TRUSTEE SALMIERI SECONDED THE MOTION.

UPON BEING PUT TO A ROLL CALL VOTE, THE MOTION CARRIED. AYES-3; SALMIERI, STEIN AND WILKEY; NAYS-0 ABSENT-2; EMPEN, and SIMPKINS.

5. Action Item: Accept the FY2023 Audit and Actuary Report as Presented

Krzeczkowski reviewed the Actuary report. The Incurred but not reported reserves for FY2023 increased due to higher claims and the addition of CCSD 181 to \$1,772,645, an approximately \$500,000 increase from FY2022.

Ann Scales from Lauterbach & Amen reviewed the FY2023 Audit and Management Letter for the Trustees. It was noted that claims payable had increased and ties to the actuary report. Additionally, there was a decrease in reserves from FY2022 to FY2023.

TRUSTEE SALMIERI MOVED TO APPROVE THE FY2023 AUDIT AND ACTUARY REPORT AS PRESENTED. TRUSTEE WILKEY SECONDED THE MOTION.

UPON BEING PUT TO A ROLL CALL VOTE, THE MOTION CARRIED. AYES-3; SALMIERI, STEIN AND WILKEY; NAYS-0 ABSENT-2; EMPEN, and SIMPKINS.

6. Action Item: Approval of July, August and September 2023 Financial Statements as Presented

Krzeczkowski reviewed the July, August, and September 2023 Financial Statements for LAA. There was a loss in both July and August. September shows a large gain due to a BCBS one-time credit in the amounts of \$435,000. Even factoring out the credit, LAA was positive for the month of September. The new monthly rates took effect in September.

There was discussion on the additional reserve charge and that it will begin in October 2023.

TRUSTEE WILKEY MOVED TO APPROVE THE JULY, AUGUST, AND SEPTEMBER 2023 FINANCIAL STATEMENTS AS PRESENTED. TRUSTEE SALMIERI SECONDED THE MOTION.

UPON BEING PUT TO A ROLL CALL VOTE, THE MOTION CARRIED. AYES-3; SALMIERI, STEIN AND WILKEY; NAYS-0 ABSENT-2; EMPEN, and SIMPKINS.

7. Action Item: Presentation and Approval of Bills

Krzeczkowski went over the list of bills presented for the period August 04, to October 23, 2023. The Board reviewed the list of payments.

TRUSTEE SALMIERI MOVED TO APPROVE THE PAYMENT OF BILLS AS PRESENTED. TRUSTEE WILKEY SECONDED THE MOTION.

UPON BEING PUT TO A ROLL CALL VOTE, THE MOTION CARRIED. AYES-3; SALMIERI, STEIN AND WILKEY; NAYS-0 ABSENT-2; EMPEN, and SIMPKINS.

8. Action Item: Approval of Fiduciary Liability Renewal

Krzeczkowski reported that there were no changes to coverage and the premium increased \$5.00.

TRUSTEE WILKEY MOVED TO APPROVE THE FIDUCIARY LIABILITY RENEWAL ON 11/14/2023 AT \$10,498.00 AS PRESENTED. TRUSTEE SALMIERI SECONDED THE MOTION.

UPON BEING PUT TO A ROLL CALL VOTE, THE MOTION CARRIED. AYES-3; SALMIERI, STEIN AND WILKEY; NAYS-0 ABSENT-2; EMPEN, and SIMPKINS.

9. Action Item: Approval of Public Official's Bond Renewal

Krzeczkowski stated that this is the last year of the three-year renewal.

TRUSTEE SALMIERI MOVED TO APPROVE THE PUBLIC OFFICIAL'S BOND RENEWAL AT A COST OF \$2,500 FOR THE LAA TREASURER. TRUSTEE WILKEY SECONDED THE MOTION.

UPON BEING PUT TO A ROLL CALL VOTE, THE MOTION CARRIED. AYES-3; SALMIERI, STEIN AND WILKEY; NAYS-0 ABSENT-2; EMPEN, and SIMPKINS.

10. Discussion Item: Claims Report

Marsh & McLennan Agency presented the current plan year detailed claims report for both the PPO and HMO. Both plans are running less than expected and collected for the month of September.

11. Discussion Item: Trust Amendment Update

Krzeczkowski provided an update on the inquiry into modifying the Trust's definition of "Trustee". LAA's Attorney recommended to first send out a vote to LAA membership and if a majority agrees then to have the LAA Board act on it.

After discussion the Trustees stated that a vote would be sent out to membership on revising the "Trustee" definition to include Superintendents, Assistant Superintendents and CSBOs (Certified School Business Official) and on allowing a Trustee to send a representative for a proxy vote.

12. Discussion Item: DBA Update

Krzeczkowski provided the update from the attorney on adopting a DBA (Doing Business As) name for LAA. The Attorney communicated that as of October 4th LAA is

registered and will receive the actual certificate 4 weeks after the publication. Upon receipt of the certificate, LAA can begin using the DBA name.

13. Discussion Item: Administration and Benefit Updates

Harnung reported on Weight Loss Drugs / GLP-1s, IRS 2024 ACA Affordability Safe Harbor, Updated Guidance for Machine Readable Files (MRFs), Transportation Benefits Program Act, and Gag Clause Prohibition Compliance Attestation (GCPCA).

Krzeczkowski provided an update on current interest rates and a recap of open enrollment activity.

14. Other Business

Harnung informed the Trustees that next meeting BCBS will attend to present a review of claims utilization.

15. Next Board Meeting Date and Location: The next regular LAA Trustee Meeting is on Friday 01/26/2024 at 10:30am to be held at Richland Grade School District 88A and will be in-person only.

16. Adjournment

TRUSTEE SALMIERI MOVED TO ADJOURN THE MEETING. TRUSTEE WILKEY SECONDED THE MOTION.

UPON BEING PUT TO A ROLL CALL VOTE, THE MOTION CARRIED. AYES-3; SALMIERI, STEIN AND WILKEY; NAYS-0 ABSENT-2; EMPEN, and SIMPKINS.

The meeting adjourned at 11:03 am.


Chairman