

Lincolnway Area Affiliation of Participating School Districts Employee Benefit Plan
Trustees Meeting, Monday, February 26, 2024
Richland Grade School District 88A, Crest Hill, IL

Minutes

1. Welcome

Chairman Simpkins called the meeting to order at 1:31 p.m.

2. Roll Call

Krzeczkowski called the roll with the following members present:

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

Marsh & McLennan Agency : Krissy Endre, Ashton Harnung, April Krzeczowski, and
Maryann Mileto.

Other Attendees: Mindy Bradford, CCSD 181; David Blatchley, Will-County S.D.;
Sabina Fitzgerald, Sarah Rexroad, LWASE District; Jose Ramirez Wilco S.D.; Sarah
Bancsy, Manhattan S.D.; Amanda Hertz, Peotone S.D.; Ken Parchem, Lemont High
School S.D.; Kathy Picciolini, Chicago Ridge S.D.; Brian Riegler, Gower S.D.; Valerie
Teegardin, Laraway S.D.

3. Approval of Agenda

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

TRUSTEE SALMIERI MOTIONED TO APPROVE THE 02/26/2024 AGENDA AS
PRESENTED. TRUSTEE EMPEN SECONDED THE MOTION.

UPON BEING PUT TO A ROLL CALL VOTE, THE MOTION CARRIED. AYES-4;
EMPEN, SALMIERI, SIMPKINS, and WILKEY; NAYS-0 ABSENT-1; STEIN.

4. Approval of Minutes

TRUSTEE EMPEN MOVED TO APPROVE THE 10/20/2023 BOARD MEETING
MINUTES AS PRESENTED. TRUSTEE WILKEY SECONDED THE MOTION.

UPON BEING PUT TO A ROLL CALL VOTE, THE MOTION CARRIED. AYES-4;
EMPEN, SALMIERI, SIMPKINS, and WILKEY; NAYS-0 ABSENT-1; STEIN.

5. Action Item: Approval of October, November, December 2023 and January 2024 Financial Statements Presented

Krzczkowski reviewed the Financial Statements and stated that as of January year to date LAA is positive 2.1 million which includes the additional monthly reserve charge. Factoring out the reserve charge LAA is positive about 502,000. LAA has approximately 3 months of reserve as of the end of January. Interest is about 140,000 over budget and interest rates continue to remain around 5%.

Estimated monthly expenses is at 2.5 million. This is a fluid number but is conservative. If LAA continues to run at expected, by the end of 09/24 reserve will be close to 4 months' worth of expense.

TRUSTEE SALMIERI MOVED TO APPROVE THE OCTOBER, NOVEMBER, DECEMBER 2023 AND JANUARY 2024 FINANCIAL STATEMENTS AS PRESENTED. TRUSTEE WILKEY SECONDED THE MOTION.

UPON BEING PUT TO A ROLL CALL VOTE, THE MOTION CARRIED. AYES-4; EMPEN, SALMIERI, SIMPKINS, and WILKEY; NAYS-0 ABSENT-1; STEIN.

6. Action Item: Presentation and Approval of Bills

Krzczkowski went over the list of bills presented for the period October 24, 2023 to February 26, 2024. The Board reviewed the list of payments.

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

UPON BEING PUT TO A ROLL CALL VOTE, THE MOTION CARRIED. AYES-4; EMPEN, SALMIERI, SIMPKINS, and WILKEY; NAYS-0 ABSENT-1; STEIN.

7. Action Item: Approval of the membership majority vote to revise the definition of Trustees and to allow a Trustee proxy vote

Krzczkowski reported that 15 members voted Yes to the Trustee definition change and 16 members voted yes to allow the Trustees to vote by Proxy. Only one LAA member did not submit a vote out of the 18 total members.

The Board discussed the results and whether to allow the proxy representative to count towards a quorum.

TRUSTEE WILKEY MOVED TO APPROVE THE TRUSTEES DEFINITION TO ALSO INCLUDE ASSISTANT SUPERINTENDENTS AND CSBOS (CERTIFIED SCHOOL BUSINESS OFFICIAL) AND TO ALLOW TRUSTEES TO SEND A

REPRESENTATIVE TO TRUSTEE MEETINGS FOR A PROXY VOTE WHICH WILL ALSO COUNT TOWARDS A QUORUM. TRUSTEE EMPEN SECONDED THE MOTION.

UPON BEING PUT TO A ROLL CALL VOTE, THE MOTION CARRIED. AYES-4; EMPEN, SALMIERI, SIMPKINS, and WILKEY; NAYS-0 ABSENT-1; STEIN.

8. Action Item: Professional Development Alliance (PDA) Dissolution

The Board discussed the January 31, 2024 dissolution of PDA and how to handle the remaining monthly additional reserve charge for the months of February – September 2024.

TRUSTEE EMPEN MOVED TO APPROVE THE FINAL INVOICE TO PDA TO INCLUDE ONLY THE TERMINATION FEE AND NOT THE REMAINING ADDITIONAL RESERVE CHARGE FOR THE MONTHS OF FEBRUARY – SEPTEMBER 2024. TRUSTEE SALMIERI SECONDED THE MOTION.

UPON BEING PUT TO A ROLL CALL VOTE, THE MOTION CARRIED. AYES-4; EMPEN, SALMIERI, SIMPKINS, and WILKEY; NAYS-0 ABSENT-1; STEIN.

9. Action Item: Maturing CD 02/29/2024

The Board discussed the CD renewal options of 5.40% for 6 months 5.25% for 12 months.

TRUSTEE WILKEY MOVED TO APPROVE THE RENEWAL OF THE CD MATURING ON 02/29/2024 AT BEST AVAILABLE RATE FOR A 6 MONTH TERM. TRUSTEE SALMIERI SECONDED THE MOTION.

UPON BEING PUT TO A ROLL CALL VOTE, THE MOTION CARRIED. AYES-4; EMPEN, SALMIERI, SIMPKINS, and WILKEY; NAYS-0 ABSENT-1; STEIN.

10. Discussion Item: Banking/Investing Update

Krzeczkowski reported that Wintrust may start requiring a checking account be open along with the Max Safe account. The checking account would be non-interest bearing with a minimum balance and fees.

11. Discussion Item: Claims Report

Marsh & McLennan Agency presented a detailed claims report by month for the current plan year for both the PPO and HMO. Claims are running better compared to last year on both the HMO and PPO. It was also noted that Marsh is working with BCBS on

missing HMO admin fees. These fees are not included on the claims report but are being accrued for in the LAA Financials.

12. Discussion Item: Initial Renewal for 09/01/2024 Including 16 Month Renewal Option

Marsh & McLennan Agency reported on the results of the Straw Poll Vote sent out to LAA membership and went into detail on the benefits of moving to a 01/01 renewal. The Board ask that a follow-up email be sent to those members that have not responded and to continue to address any concerns that members have on moving to a 01/01 renewal.

Marsh also reported that rates would only increase 0.25% on the PPO and HDHP premium and 0.5% to the HMO premium for the 16 month renewal.

13. Discussion Item: Account Receivable Balance and Member Payments

The Board discussed how to handle late payments by members. The Board asked Krzeczowski to contact the attorney to see if LAA's Trust Agreement would allow for late payment fess.

14. Discussion Item: Adding a Member Dividend or Premium Holiday

The Board started the discussed on when LAA is at the minimum of a 4 month reserve balance how will excess reserve be addressed. The Board ask Krzeczowski to consult with the Attorney to see what the Trust will allow.

15. Discussion Item: LAA's Assumed Name Illinois School Insurance Network (ISIN)

LAA's assumed name (doing business as), Illinois School Insurance Network (ISIN), can now be used.

16. Discussion Item: Administration and Benefit Updates

Marsh & McLennan Agency reported on the House Bill 4664 Drug List, Employee Survey and discussed HR Summit date options.

Additionally, 1094/1095 emails have been sent out to LAA membership, IL Department of Insurance Annual Registration is complete, and the 1099 NEC forms have mailed to recipient and sent to IRS.

17. Other Business

There was nothing additional to discuss.

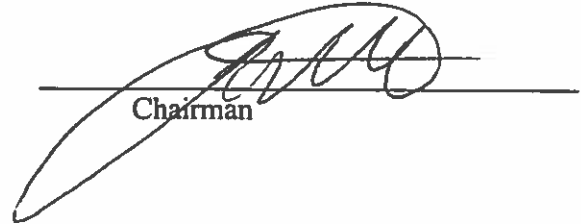
18. Next Board Meeting Date and Location: The next regular LAA Trustee Meeting is on Friday 04/12/2024 at 10:30am to be held at Richland Grade School District 88A and will be in-person only.

19. Adjournment

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

UPON BEING PUT TO A ROLL CALL VOTE, THE MOTION CARRIED. AYES-4; EMPEN, SALMIERI, SIMPKINS, and WILKEY; NAYS-0 ABSENT-1; STEIN.

The meeting adjourned at 2:15 pm.


Chairman