

**BOARD OF DIRECTORS  
Meeting Minutes**

**Wednesday, March 18, 2015**  
**Westbrook Corporate Center Conference Room**  
**9:30 a.m.**

**I. CALL TO ORDER**

The meeting was called to order by Chair Irvin at 9:30 a.m. Ely called the roll and a quorum was declared.

**II. CONSENT AGENDA**

Irvin explained that we are trying something new and putting all routine, non-voting items under the agenda item of Consent Agenda. If anyone has any questions on any of the items listed under the Consent Agenda, that item can be removed from the Consent Agenda and discussed separately. Irvin stated that both he and Ely would welcome any feedback on this new process.

A motion was made by Velkme and seconded by Gargano to approve the Consent Agenda of March 18, 2015. A voice vote was called and the motion carried.

**III. CHAIR'S REPORT - IRVIN****Changes in IRMA Delegates/Alternates**

Irvin welcomed new Delegates, Jack Knight of Woodridge and Sharon Dangles of Oak Brook and new Alternates, Peggy Halik of Woodridge and Charles Ghiloni of NEMRT.

**IV. EXECUTIVE DIRECTOR/STAFF REPORT****➤ Task Force on Contribution Structure – Update**

Ely reported that the task force has had two meetings so far and would probably have only one more meeting before bringing the final report and recommendations to the June Board of Directors meeting.

Ely reported that the task force has affirmed IRMA's goals that include:

- Member commitment to long term philosophy necessary for pooling
- Financial security
- Rate stability
- Member participation
- Membership standards for recruitment
- Membership retention
- Economic/market competitiveness
- Responsiveness to members

Ely stated that the task force has taken one action item that will be a recommendation for the Board at its June meeting. That is the recommendation to eliminate the \$250,000

permanent deductible since individually rating members for purposes of calculating contributions is antithetical to pooling philosophy. We will be presenting changes to the bylaws to reflect these recommendations at the June Board of Directors meeting.

Ely reported that with the assistance of our actuary, the task force has been provided a significant amount of data and analysis responding to the questions of the task force. In reliance on the actuarial information, the task force has made the following conclusions:

- 1) Our revenue base is a reasonable and predictable factor for our contribution formula.

The actuarial data revealed that revenue base is a very good factor across all of our lines of coverage for establishing contributions.

- 2) Revenue, as the primary factor in our contribution structure, does not result subsidization between large and small members.

There is a conclusion that our financial structure is equitable and it is not in need of revision based on revenue as the factor for our contributions.

- 3) Workers' compensation is more predictable and controllable than our other lines of coverage. We see consistently that workers' compensation is our highest cost to the pool.

Ely reported that staff will provide the task force with recommendations that will increase consumerism and accountability in the workers' compensation line of coverage. Staff hopes to present these recommendations to the task force within the next 45 days and then a full report will be presented at the June Board of Directors meeting.

## **V. ACTION ITEMS**

### **A. Approval of Minutes of December 17, 2014**

A motion was made by Gargano and seconded by Velkme to approve the Board of Directors Meeting minutes of December 17, 2014. A voice vote was called and the motion carried.

### **B. Revision of the IRMA Officers Statement of Responsibility**

Ely reported that all committees reviewed their respective areas of responsibility at their meetings over the past two months. The Executive Board reviewed the IRMA Officers Statement of Responsibility and there was a suggestion that we delete the responsibility of strategic planning from the Chair Elect's responsibilities. The reason for that is the task forces that have been convened over the last several years are really engaging in necessary strategic planning. There is also the belief that if we need to perform additional strategic planning, then it would be at the direction of the Board. Ely reported there was also one other recommended change at the bottom of page 43, referring to the Executive Director as either his/her.

A motion was made by Wachtel and seconded by Gargano to approve the revisions to the IRMA Officers Statement of Responsibility as presented. A voice vote was called and the motion carried.

**C. Recognition For Outgoing Executive Board Members & Standing Committee Members**

Chair Irvin and Ely presented awards to outgoing At-Large Representatives, Paula Schumacher of Bartlett and Eric Palm of River Forest. Ely announced that the following members had served on standing committees and would be mailed recognition certificates:

Administration & Finance Committee

Janet Gorman (Village of Villa Park) 2011 – 2014  
Dan Nisavic (City of Palos Heights) 2011 – 2014  
Katy Rush (Village of Woodridge) 2013 - 2014

Coverage, Claims & Litigation Committee

Curt Barrett (Village of Winfield) 2011 – 2014  
Keith Sbiral (Village of Brookfield) 2011 – 2014  
Peter Scalera (Villages of Riverside/Bloomingtondale) 2011 – 2014

Membership Relations Committee

Peggy Halik (Village of Woodridge) 2011 – 2014  
Brad Mitchell (City of Crystal Lake) 2011 – 2014

Training & Education Committee

Jason Elias (Village of Lisle) PWSC Liaison – 2014  
Craig Skala (Village of Westmont) FCSC Liaison – 2014

**D. IMAP Awards Presentation**

LeTourneau and Training & Education Committee Chair Donahue presented the following awards:

Village of Lincolnwood	2014 IRMA IMAP Level II Accreditation
<u>IMAP Accreditation During 2014</u>	<u>IMAP Reaccreditation During 2014</u>
Village of Willowbrook	Village of Tinley Park
Village of Cary	Village of Carol Stream
Village of Lake in the Hills	Village of Libertyville
Village of Brookfield	Village of Homewood
	Village of LaGrange Park

LeTourneau reported that the following members would be receiving certificates of recognition for achieving IMAP Reaccreditation (self-evaluation) during 2014:

Village of Woodridge	Winfield FPD
Village of Bartlett	Village of Bloomingtondale
Village of Riverside	Village of Oak Brook
Village of Kenilworth	City of Palos Heights
Village of Northbrook	

#### **E. Coverage Modifications**

Coverage, Claims & Litigation Committee Chair Cedillo reported that there were two coverage modifications for approval that were listed on page 49 of the meeting packet. The first one is to clarify the Professional Services Exclusion of the Public Officials Liability (POL) and General Liability (GL) Coverage Documents to include additional medical professions. The second modification was to Exclusion 11 of the POL to exclude fines and penalties from any governmental authority, court or administrative agency. Cedillo stated that staff's memo in the packet provides an overview of each of the proposed modifications.

A motion was made by Clark and seconded by Cedillo to approve the coverage modifications as presented. A voice vote was called and the motion carried.

#### **F. Office Lease Negotiations**

Ely reported that staff is asking the Board to approve an amendment to the IRMA office lease for an additional five and a half years. The negotiations for the amendment began last summer and, as a result, our rent will go down \$2.25 per square foot. The new amendment provides tenant improvements equal to \$7.00 per square foot, which include installing a cooling system in our server room and adding security at the front door to the suite. Ely stated that as a result of this lease amendment, we will be responsible for real estate taxes and operating expenses with a 2015 base year. A very rare term in our current lease is "full gross rent," which did not require that we pay real estate taxes and operating expenses. Ely explained that the building offered that at a time when there were significant vacancies in the complex. Since the complex has much lower vacancies, they are refusing to extend any gross rental rates. In 2016, we will be required to pay any increment in real estate taxes and operating expenses based on our proportionate share of office space. Ely also stated that beginning in 2017, our free access to the complex conference room will be reduced to 4 full days per year. We still will have our Board meetings here and are working on finding alternate space to hold some of our trainings, including relying on some of our members to host trainings.

A motion was made by Clark and seconded by Gargano to approve the amendment to the office lease as presented. A voice vote was called and the motion carried.

### **VI. EXECUTIVE SESSION**

A motion was made by Gargano and seconded by Velkme to move into Executive Session for the purpose of discussing personnel pursuant to 5 ILCS 120/2(c)(1). Ely called the roll and the motion carried.

### **VII. ADDITIONS TO THE AGENDA**

Back in regular session, Irvin asked if there were any additions to the agenda. There were no additions.

**VIII. CONFIRMATION OF NEXT MEETING**

Irvin stated that the next Board of Directors meeting is scheduled for Wednesday, June 24, 2015 at 9:30 a.m. at the Westbrook Corporate Center Conference Room.

**IX. ADJOURNMENT**

A motion was made by Gargano and seconded by Velkme to adjourn the meeting. A voice vote was called and the motion carried.

Submitted by:

Approved by:

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Margo Ely  
Executive Director

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Drew Irvin  
IRMA Chair