



**BOARD OF DIRECTORS
Meeting Minutes**

**Wednesday, October 17, 2018
NIU – Naperville
12:30 p.m.**

I. CALL TO ORDER

Chair Frances called the meeting to order at 12:30 p.m. Ely called the roll and a quorum was declared.

II. CONSENT AGENDA

Frances asked for a motion to approve the consent agenda. A motion was made by Robbins and seconded by Gargano. The motion carried.

III. CHAIR'S REPORT – FRANCES

A. Changes in IRMA Delegates/Alternates

Frances welcomed the following new Delegates/Alternates:

Nicole Larson, Delegate – Glencoe
Ashley Engelmann, Delegate – Libertyville
Laura Ditanto, Alternate – Libertyville
Ben Harris, Alternate – Lincolnwood
Jeffrey Monteleone, Delegate – Willowbrook

**B. Announcement of Formation of Nominating Committee for 2019 Officers
(Immediate Past Chair - Gargano)**

Gargano mentioned on page 41 of your packet is the recommendation for the At-Large Representative and to have the forms sent in by November 5th. For those members who have not participated, it is a great opportunity.

IV. ACTION ITEMS

A. Approval of Board of Directors Meeting Minutes of June 12, 2018

A motion was made by Helm and seconded by Wachtel to approve the Board of Directors meeting minutes of June 12, 2018. The motion carried.

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- ✓ Voice Vote
 - ✓✓ Bylaw Vote – 2/3 of Membership

B. Revision to Statement of Guidelines for Membership Selection, Withdrawal & Expulsion

Wachtel reported what we are trying to accomplish is a revision to our Statement of Guidelines for Membership Selection, Withdrawal & Expulsion and to make sure our Bylaws, our policy and our practice are in alignment. Our IRMA Contract Bylaws require members to provide at least 120 days written notice to withdraw from the pool. However, in order to be eligible for the return of their member reserves, members must provide 9 months written notice of withdrawal. They would need to provide notice by March 30th for withdrawal the following January 1st. The current statement of guidelines allows a member 60 days to rescind their notice of withdrawal and recently we have had members who have issued that 9-month notice of intent to withdraw so they can have the potential of receiving their member reserve but have also asked they be provided additional time to rescind their notice. Staff is recommending revising the Statement of Guidelines to provide that members can rescind their notice of intent to withdraw until August 31st, subject to approval by both the Membership Relations Committee and the Executive Board. There are also a couple of other housekeeping revisions within the policy. A motion was made by Wachtel and seconded by Gargano to approve as presented. The motion carried.

C. 2019 Personnel Report

Helm mentioned the recommendation is the approval of the 2019 Salary Ranges; approval of a 3% merit increase for 2019 and approval of a .005% bonus program to recognize IRMA employees. A motion was made by Helm and seconded by Braiman to approve the 2019 Personnel Report.

D. 2019 Coverage Renewal

Cedillo provided a detailed overview of the Excess & Reinsurance Coverage Renewal to the Board. A motion was made by Robbins and seconded by Wachtel to approve the 2019 Excess & Reinsurance Coverage Program Renewal, which has been presented. The motion carried.

E. 2019 Preliminary Budget

Helm reported that this is just a preliminary budget and that the final budget will be presented to the committee in November and the final budget will be presented to the Board in December. Helm gave an overview of the 2019 Preliminary Budget to the Board. A motion was made by Helm and seconded by Halik to approve the 2019 Preliminary Budget. The motion carried.

F. Expanded Auto Coverage for New Vehicles

Cedillo mentioned the action requested is to approve a recommended revision to the First Party Property Coverage-Vehicle Damage language that will expand coverage to provide for full replacement value coverage for member covered vehicles under 1 year old. Cedillo gave the background on this item to the Board. The enhancement on this coverage would mean that a 1 year is based on model year, regardless of purchase or possession. So, a 2018 model is eligible for this enhanced coverage up until December 31, 2019. A motion was made by Cedillo and seconded by Helm to approve a revision to the First Party Property Coverage – Vehicle Damage language that will expand coverage to provide for full replacement value for member covered vehicles under 1 year old. The motion carried.

- G. Proposed Coverage Changes
 - 1. Law Enforcement Activities
 - 2. Employment Practices

Cedillo mentioned this is regarding recommended changes to the IRMA General Liability and Public Officials Liability coverages as presented. Cedillo gave an overview of the recommended coverage changes. The Business Auto Liability will be presented at the November 8th CCL meeting. A motion was made by Cedillo and seconded by Braiman to approve the recommended changes to the IRMA General Liability and Public Officials Liability coverages as presented. The motion carried.

- H. Claims Policy Statement Reserving Policy Revisions

Cedillo mentioned this item is regarding the Claims Policy Statement Reserving Policy revisions. The action requested is to approve changes to IRMA's Claims Policy to revise the reserving practices provisions to comport with staff's practices and address comments in the claims auditor report. Cedillo gave a brief overview of the revisions that were recommended from the claims audit in 2016. A motion was made by Cedillo and seconded by Wachtel to approve changes to IRMA's Claims Policy to revise the reserving practices provisions to comport with staff's practices and address comments in claim auditor report. The motion carried.

- I. Consider Strategic Planning Workshop

Ely mentioned that it has been six years since IRMA had a strategic planning workshop. This agenda item is for the membership to agree that it's time for us to have a broader strategic discussion and requires some time from the members. Ely reported that some issues for consideration include: Growth; Office Space, Business Model – Internal/External; Succession Planning and Financial policies. A motion was made by Gargano and seconded by Cedillo to schedule a strategic planning workshop in the next year and then having the Executive Board make the decision about where those issues then be assigned. The motion carried.

V. EXECUTIVE SESSION

Executive Session Minutes – March 21 and June 12, 2018

A motion was made by Robbins and seconded by Braiman to approve the Executive Session Minutes of March 21 and June 12, 2018. The motion carried.

VI. ADDITIONS TO AGENDA

VII. CONFIRMATION OF NEXT MEETING

Wednesday, December 12, 2018
9:30 a.m. - Westbrook Corporate Center Conference Room

VIII. ADJOURNMENT

A motion was made by Halik and seconded by Cedillo to adjourn the meeting. A voice vote was called, and the motion carried.

Submitted by:

Approved by:

Margo Ely
Executive Director

Jessica Frances
IRMA Chair