



**EXECUTIVE BOARD
Committee Meeting Minutes**

***Tuesday, June 2, 2020
Zoom Meeting
9:30 a.m.***

PRESENT: Julia Cedillo, Chair
Ashley Engelmann
Patrick Brennan
Peggy Halik
Michael Braiman
Eric Helm
Glen Cole

ALSO PRESENT: Margo Ely
Jennifer Swahlstedt
Margie Zarcone
Donna Morin
Rita Boserup
Susan Garvey
Michael Metzger
Abdul Yusuf-Omane

ABSENT: Lisa Scheiner
Jessica Frances

I. CALL TO ORDER

Chair Cedillo called the meeting to order at 9:34 a.m. Roll was taken, and a quorum declared.

II. APPROVAL OF MINUTES – February 25, 2020

A motion was made by Helm and seconded by Halik to approve the February 25, 2020 meeting minutes. A voice vote was called, and the motion carried.

III. IRMA RESPONSE TO CORONAVIRUS – BRIEF PRESENTATION

Ely gave a quick overview of IRMA's COVID-19 page to the committee, so they are aware of where to find resources pertaining to the pandemic.

IV. INFORMATIONAL ITEMS

A. Reports found in the Member Section of the IRMA website –
<http://www.irmarisk.org/Publications/IRMA-Reports.aspx>

- IRMA Financial Statements
- IRMA Investment Portfolio
- IRMA Payables
- 1st Quarter Investment Performance Report

B. Standing Committee Reports

Membership Relations Committee

- Workers' Compensation Focus Program Update
- Summer Internship Program Update
- MPA Internship Program Update
- Marketing, Recruitment and Retention Report
- East Hazel Crest Participation Report
- Member Participation Considerations – Virtual Attendance

Cedillo commented we will watch this going forward.

Administration & Finance Committee

➤ 2020 Potential Interest Income Credit

Ely discussed the 2021 Contributions, noting that the loss fund is the primary driver of member contributions. The 2021 contribution rate will be based on revenues from 2019, which were up. The 2020 revenue losses attributable to COVID will impact the 2022 contribution. In addition, she discussed investment losses so far this year. Ely highlighted that the 2020 potential interest income may be used to decrease the 2021 contribution rate. Helm mentioned this will come back to the Executive Board in October.

- Succession Plan Update
- Segregation of Duties

Training & Risk Management Committee

- Training & Risk Management Services Update
- Steering Committee Update
- Senior Loss Control Representative Hiring Update
- Grant Update
- IMAP Revision Update
- 2020 Education Summit

Ely reported the TRMC decided that the 2020 Summit will be virtual.

- Approval of New Grant for First Responder Personal Protective Equipment Purchases

Coverage, Claims & Litigation Committee

- Milliman – Predictive Modeling Report
- Guy Carpenter Presentation

Cedillo mentioned these presentations are good and everyone should review them.

V. CHAIR'S REPORT – CEDILLO

VI. ACTION ITEMS

A. MEMBERSHIP RELATIONS COMMITTEE – COLE

1. 2019 Claims to Contribution Report

Cole gave an overview of the report. Staff is recommending the Village of Brookfield and Village of Morton Grove remain on the Workers' Compensation Focus Program. Winfield FPD will be added to the program. Advisory Letters will be sent out to the Village of Libertyville and Village of Homewood. The Membership Relations Committee approved this report. A motion was made by Halik and seconded by Helm to approve the 2019 Claims to Contribution Report and staff recommendations as presented. The motion carried.

B. ADMINISTRATION & FINANCE COMMITTEE – HELM

1. 2019 Audited Financial Report

Helm commented overall this is a good audit. He talked about the deficiency of the Internal Controls with the lack of staff and staff size. The IT position would not be able to assist. After some discussion, a motion was made by Brennan and seconded by Cole to approve the 2019 Audited Financial Statements. The motion carried.

2. Actuarial Report as of 12/31/19

Helm gave an overview of the report. The report includes a preliminary estimate of the 2021 loss fund rate options and could show a decrease of 2.26%. A motion was made by Halik and seconded by Brennan to approve the Actuarial Report. The motion carried.

3. Withdrawn Members-Revision to Members Reserve Policy and Procedure

Helm gave an overview of the changes to the Members' Reserve Fund Policy and Procedure on pages 246 and 247 of the packet. A motion was made by Brennan and seconded by Engelmann to approve the revised Members' Reserve Fund Policy and Procedure. The motion carried.

4. Parental Leave

Helm mentioned the AFC discussed this item and noted that 3 of the AFC members were not in favor of the paid parental leave. Ely commented that recruitment and hiring is mostly from the private industry and that this would help enhance recruitment efforts. After much discussion, a motion was made by Halik and seconded by Cole to approve the Administration & Finance Committee's recommendation of 4 weeks of paid parental leave. Two (2) voted no. The motion carried.

C. COVERAGE, CLAIMS & LITIGATION COMMITTEE – HALIK

1. Loss of Sales Tax Revenue Coverage Analysis

Garvey explained the legal analysis of the issue of coverage for sales tax interruption, including the requirement that there be a direct physical loss in order to trigger coverage. In addition, there is an applicable exclusion related to COVID-19. There are several cases currently being litigated across the country related to this issue. IRMA's reinsurance carrier is named in some of the cases and has denied coverage. Garvey explained that the insurance industry has reported that if coverage is triggered and claims must be paid, the insurance industry will go bankrupt. Garvey also explained that IRMA has a self-insured retention of \$450,000 per claim and if coverage is triggered, claims could cost up to \$31 million, which would result in a supplemental assessment issued to all members. A motion was made by Brennan and seconded by Helm to accept the analysis. The motion carried.

EXECUTIVE DIRECTOR/STAFF REPORT

1. IRMA Authority to Enforce Risk Management Recommendations

Ely mentioned this was informational only.

VII. CONFIRMATION OF NEXT MEETING

Cedillo stated the next scheduled Executive Board meeting is Tuesday, September 29, 2020 at 9:30 a.m. at the IRMA office.

VIII. ADJOURNMENT

A motion was made by Braiman and seconded by Brennan to adjourn the meeting and to go into closed meeting. A roll call was taken and the motion carried.

VIII. CLOSED MEETING

Submitted by:



Margo Ely
Executive Director

Approved by:



Julia Cedillo
IRMA Chair