

ILLINOIS SELF-INSURERS ADVISORY BOARD
ILLINOIS WORKERS' COMPENSATION COMMISSION
MEETING MINUTES
April 1, 2015
Chicago, IL 10:30 a.m.

Board Attendees: Chairman Joann Fratianni, Gerald Cooper, John Rittenhouse, Debbie Stafford, David Taylor and via conference call: Alex Alexandrou and John Harney

Staff Attendees: Manager Maria Sarli-Dehlin, Jean Cannon, Dennie Mogensen, Ron Rascia and via conference call: Wendy Keithley and Kevin Leach

Chairman Fratianni called the meeting to order at 10:30 AM. She took a roll call and noted a quorum was present. A previously prepared and posted agenda was distributed, a copy of which is attached.

I. Minutes

Upon motion by Alex Alexandrou, seconded by Gerald Cooper, the minutes of the Board meeting held on December 10, 2014, were unanimously approved as presented.

II. Chairman's Report

Chairman Fratianni reported that in her first month in office, she has testified before various legislative committees regarding budget and audit issues. Further, she has established a rules committee that is headed by Commissioners Brennan and Mathis.

Chairman Fratianni also stated that there have been many physical changes to the 8th floor including installing security doors and moving the forms location to assist practitioners and injured workers. She has recommended installing an electronic bulletin board at the front of the agency to list Commission activities including hearing and board meeting rooms and potentially adding a security guard.

Chairman Fratianni further reported that due to the recent Governor appointments, the dockets of some arbitrators have been reassigned.

Chairman Fratianni asked General Counsel Ron Rascia to report on the Chamber of Commerce's lawsuit. Mr. Rascia reported that on February 23, 2015, the court released \$3.7 million to pay the Rate Adjustment liabilities. During the following month, a motion will be filed to withdraw funds from the Settlement Fund for the capitalization project for IT.

III. Manager's Report

A. Security Fund Forecast

Maria Sarli-Dehlin presented to the Board the Security Fund forecast as of 12/31/2014. She reported that since the balance in the Security Fund was adequate, an assessment was not being recommended at this time.

B. Fund Balances

Maria Sarli-Dehlin also presented a report for the Security Fund that included current and past budgets, expenditures, revenue and fund balances. She stated that 12% of the Security Fund's FY2015 operating budget was spent to date. Also, 50% of the benefits paid were from the employer's security and 50% were from the assessment balance. She further reported that at the end of 2nd quarter FY2015, the Administration Fund's expenditures exceeded revenues and that 59% of the budget was spent.

IV. New Business - None

Thereafter, the Chairman entertained a motion to go into closed session to discuss the litigation report pursuant to 2(c)11 of the Open Meetings Act. Upon motion by John Rittenhouse, seconded by Gerald Cooper, and unanimously carried the Board agreed to adjourn the public portion of the meeting, after which the Board convened in closed session.

After discussion in closed session, the Board convened in open session.

IV. Vote

1. Elite Labor Services dba Elite Staffing, Inc.

Upon motion and seconded, and unanimously carried, the Board agreed to schedule an informal meeting.

2. Labor Temps

Upon motion and seconded, and unanimously carried, the Board agreed to grant the petition and modify the security requirement.

3. Lettuce Entertain You Enterprises

Upon motion and seconded, the Board agreed to grant the petition and maintain the current security requirement. Board member John Rittenhouse abstained.

4. Presence Resurrection Medical Center

Upon motion and seconded, and unanimously carried, the Board agreed to grant the petition and modify the security requirement upon receipt of a third party administration contract addendum dated and signed by both parties.

5. Service Drywall & Decorating

Upon motion and seconded, and unanimously carried, the Board agreed to grant the petition and modify the security requirement upon receipt of a third party administration contract addendum dated and signed by both parties.

6. Carpenter Contractors of America

Upon motion and seconded, the Board agreed to return a portion of the security. Board member John Rittenhouse abstained.

7. Fel-Pro

The Board agreed to defer discussion until additional information is obtained.

8. Northwestern Steel & Wire

Upon motion and seconded, and unanimously carried, the Board agreed to refuse to enter into a release agreement with the excess carrier.

There being no further business, upon motion by Gerald Cooper, seconded by Deborah Stafford, the Board voted unanimously to adjourn the meeting. The meeting adjourned at 11:35 AM.