

ILLINOIS SELF-INSURERS ADVISORY BOARD
ILLINOIS WORKERS' COMPENSATION COMMISSION
MEETING MINUTES
April 15, 2013
Chicago, IL 10:30 a.m.

Board Attendees: Chairman Michael Latz, Gerald Cooper, Deborah Stafford, David Taylor, and via conference call: Alex Alexandrou

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

Chairman Latz called the meeting to order at 10:35 a.m. A previously prepared and posted agenda was distributed, a copy of which is attached.

I. Minutes

Upon motion by Gerald Cooper, seconded by David Taylor, the minutes of the Board meeting held on December 5, 2012, were unanimously approved as presented.

II. Chairman's Report

Chairman Latz introduced himself as the newly appointed Chairman. He reported he was attending meetings and budget hearings. Further, he asked Kim Janas to summarize the amendment to Senate Bill 1873 filed on April 12, 2013.

Ms. Janas reported that the amendment addresses workers' compensation pools. The amendment states in part that group workers' compensation pools will become domestic mutual insurance companies and new pools will be prohibited. Further, monies in the Group Workers' Insolvency Fund will be transferred into the Illinois Insurance Guaranty Fund while all the liabilities are to be assumed by the Self-Insurers Security Fund.

After discussion, the Board unanimously agreed to transmit its opposition to the proposed Senate Bill 1873.

III. Manager's Report

A. Security Fund Forecast

Maria Sarli-Dehlin presented to the Board the security fund forecast as of 12/31/2012. She further reported the Security Fund assessment due November 1, 2012 had collected \$1,456,619 as of 2/26/2013 and based on the assessment fund balance of \$2,290,171, an assessment was not recommended at this time.

B. Fund Balances

Maria Sarli-Dehlin presented reports for the Security and Administration Funds that included current and past budgets, expenditures, revenue and fund balances. She further reported that a shortfall was expected in the Administration Fund early in the new fiscal year due to the increase in salaries, group insurance costs, and retirement contributions. Proposed solutions were to be discussed in the Attorney's report in closed session.

Thereafter, the Chairman moved to go into closed session to discuss the litigation report pursuant to 2(c)11 of the Open Meetings Act. Upon motion by Gerald Cooper, seconded by David Taylor, the Board voted unanimously to adjourn the public portion of the meeting, after which the Board convened in closed session.

After closed session, the Board reconvened in open session.

IV. New Business

A. Decision regarding a new application

1. Help at Home

The Board voted unanimously to approve the application for self-insurance, require quarterly financial statements and base the security requirement on 100% of the applicant's average paid losses.

2. H. Kramer & Co.

The Board voted to require updates regarding the Consent Decree with the U.S. and IL EPA. Board member Gerald Cooper recused himself from the matter.

B. Decision regarding request for change in security amount and payment plan

1. MetroStaff Inc.

The Board voted unanimously to increase the security requirement based on employee census figures and average paid losses. Further, quarterly financial statements will be required.

2. Bethany Methodist Corporation

The Board voted unanimously to allow the security increase to be provided in installment payments.

3. Caterpillar Inc.

The Board voted unanimously to grant the petition for reconsideration and revise the security requirement.

4. YRC Inc. dba YRC Freight

The Board voted to extend the alternative payment plan through June 2013. Board member Gerald Cooper recused himself from the matter.

5. Harrington & King Perforating Inc.

The Board voted unanimously to increase the security requirement.

6. Fel-Pro

The Board voted unanimously to review the security release request in a year.

7. Georgia-Pacific

The Board voted unanimously to review the security release request in a year.

C. Decision regarding ratings for current security holders

1. Blessing Corporate Services

The Board voted unanimously to require condition statements on a quarterly basis from the bank providing the security instrument.

D. Decision regarding discretionary fund disbursement

1. Hall's Motor Transit

The Board voted unanimously to postpone a decision until the next meeting.

There being no further business, upon motion by Gerald Cooper, seconded by Alex Alexandrou, the Board voted unanimously to adjourn the meeting, the meeting adjourned at 12:05 pm.

The next meeting of the ISIAB is scheduled for June 19, 2013 at 10:30 am in the Springfield office.