

Dawn M. Drobnich
Executive Secretary

Board of Managers

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Kathryn Mason
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Jerome Hooper

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Shannon Gedert

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Kimberly Benson

Meijer
Theresa Hileman

Spectrum Health
Lorraine Climer

Trinity Health
Ellyse Sites

Wayne County Airport Authority
Heather Day

Wayne State University
Pamela Galloway

MINUTES OF BOARD OF MANAGERS' MEETING

April 12, 2019

LIVONIA, MICHIGAN

Reminder: Minutes are now only available via e-mail on the website. If you wish to receive the Minutes via e-mail, please provide your name, company name, and e-mail address to Keeli Baker via e-mail.

Present:

BENSON, K, Marathon Petroleum
CLIMER, Lorraine, Spectrum Health (by phone)
COULSON, C., City of Grand Rapids (by phone)
EDDY, C., Consumers Energy (by phone)
DICICCO, S., Kelly Services
GALLOWAY, P., Wayne State University
GEDERT, S. (General Motors)
HILEMAN, T., Meijer (by phone)
HOOPER, J., DTE Energy (by phone)
MASON, K., Ford Motor Company
NIEHAUS, M., Ilitch Holdings, Inc.
RYCHLINSKI, K., University of Michigan
SITES, E., Trinity Health

Chairperson's Council:

McKINLEY, D., Michigan Manufacturers' Association (by phone)
PENZ, M., HSA WCF (representing the Group Funds)
WHITE, D., FCA US LLC (by phone)

Not Present:

BLOCK, W., Michigan Chamber of Commerce
BRUNO-HERLINE, L., AT&T Michigan
DAY, H. Wayne County Airport Authority
KRICHBAUM, R., McKinley Company
SUSSER, D., Charfoos Reiter Hebert PC

The Chairperson, Ms. Rychlinski, called the meeting to order at 11:32 a.m. to address the following Agenda:

Presiding: Kate Rychlinski, Chairperson

1. Minutes of Board of Managers' prior Board Meeting
2. Old Business
 - a. Continued cash flow analysis and discussion
 - b. Teleconference meetings/number to be utilized
2. New Business
 - a. 2019 Committee Assignment List/Retreat Sub-Committee
 - b. Board Member Retreat/date/location
 - c. Annual conference vs. two conferences
3. Treasurer's Report
 - a. Financial Reports March 2019
4. 2019 Spring Conference Committee Report
 - a. Guest speaker, Buz Minor, National Self-Insured Trends
5. 2019 Fall Conference Committee Report
 - a. October 15-16, 2019 – Laurel Manor – Livonia, MI
 - b. Hotel accommodations
6. 2020 Spring Conference
 - a. Spring Conference June 3-4, 2020
7. Technology Committee Report
8. Legislative Committee Report
9. Membership Committee Report
 - a. Dues/Constitution
10. Nominating Committee Report
 - a. Vacancy on the Board
12. *Amicus Curiae* Committee Report
 - a. *Iesha Fisher v Kalamazoo Regional Psychiatric Hospital*
 - b. *William Mark Reidenbach v City of Kalamazoo*
13. Health Care Committee Report
14. Funds Trustee Report

The **Minutes** were approved upon motion by Ms. Climer and seconded by Mr. Niehaus.

Under **Old Business**, there was continued analysis regarding cash flow. Mr. Niehaus commented that over the last several years, expenses have caught up and exceeded revenue with overall membership declining and attendance being reduced at conferences. It was discussed amongst the Board that a sub-committee be set up to make recommendations to the Board regarding how MSIA should move forward in the future. Ms. Rychlinski indicated that a retreat was necessary to discuss the future goals of MSIA and that the sub-committee set the Agenda for same. Ms. DiCicco volunteered Kelly Services to host the retreat at the Fall meeting on September 13, 2019.

The issue of raising membership dues to generate further revenue was discussed. A hand out was circulated pertaining to annual dues charged to members in other state associations. MSIA dues are some of the lowest of all state self insured association dues. The Board discussed raising dues and having different tiers as it pertained to membership. The Executive Secretary reminded the Board that dues are determined by the MSIA Constitution, and that this would need to be discussed at the retreat.

Ms. Sites inquired whether there was ever a survey performed as to general membership expectations. She indicated MSIA needed data to be better able to analyze and make recommendations regarding same. A strategic planning group was formed to include Ms. Bruno-Herline, Mr. Niehaus, Ms. Benson, Ms. Rychlinski, Ms. Sites, Mr. Hooper, Ms. DiCicco, and Ms. Droblich to further evaluate these issues.

The **Legislative Committee Report** was submitted by Ms. McKinley. She indicated that House Bill 4063 had been introduced as it pertains to workers' compensation. The Bill was introduced to extend to volunteer part-time firefighters the same presumption regarding certain types of cancer arising out of and in the course of employment to grant workers' compensation benefits that is extended to paid firefighters. Ms. McKinley will continue to keep the Board closely advised as to any developments pertaining to this Bill.

Ms. McKinley indicated that the Legislature was focused on trying to get the budget set. As it pertains to workers' compensation, the recent appointments to the Board of Magistrates were discussed. Additionally, there was further discussion pertaining to the current Workers' Compensation Appellate Commission and who would be up for reappointment in the summer months. The Board will continue to be kept closely advised.

The **Technology Committee Report** was deferred as they have not met since the previous meeting. Mr. Hooper indicated the Technology Committee would meet in May.

The **Treasurer's Report** was submitted by Mr. Niehaus. He indicated that March had a positive cash flow which was good news. He stated that conference dues were being received. There had not been any need to utilize the money market account. Mr. Niehaus indicated that a \$1,000.00 donation was made to Kids Chance. He also stated that the renewal of the liability insurance premium had also been made.

The **Spring 2019 Conference Committee** report was submitted by Ms. DiCicco. She stated the Agenda had been set. There were seven gold vendors registered, 19 general vendors, one beverage sponsor, and 73 individual attendees registered at this time versus 65 the same time last year.

Additionally, Ms. DiCicco indicated that the golf outing to be held prior to the Conference was progressing. She stated the registration was proceeding nicely with Mr. Bruce Stubbs and Ms. Brooke Blower volunteering to handle the MSIA golf outing. They were both thanked for their diligent efforts with respect to same.

The **Fall 2019 Conference Committee** report was submitted by Ms. Mason. She stated that the Fall Conference will be held on October 15-16, 2019 at the Laurel Manor in Livonia, Michigan. The Committee

is looking for hotel accommodations. The Committee has booked Ms. Lisa Smart as the keynote speaker. Additionally, details will follow after the Spring Conference.

The **2020 Spring Conference Committee Report** was submitted by Ms. Mason. She indicated the dates that were being considered were June 3-4 in either Traverse City at the Grand Traverse Resort, the Great Wolf Lodge, or Shanty Creek Lodge in Bellaire. The Spring 2020 Conference Committee will investigate the venues further and report at the next meeting.

The **Membership Committee Report** was submitted by Ms. DiCicco. She indicated that there were no new members who had applied for membership.

The **Nominating Committee Report** was submitted by Ms. Rychlinski. She stated that per the e-mail blast that had been sent to the General Membership, a self insured had applied for the position of the vacancy on the Board. Ms. Rychlinski will be reaching out to this member to determine his level of interest and will report back to the Board.

The **Amicus Curiae Committee Report** was submitted by the Executive Secretary. Ms. Droblich indicated that an *amicus* brief has been filed in the case of *Iesha Fisher v City of Kalamazoo/Regional Psychiatric Hospital* supporting the State of Michigan and advocating the repudiation of the decision of the Workers' Compensation Appellate Commission in *Whirley v JC Penney Company*. A decision is expected sometime this summer from the Court of Appeals.

Additionally, there had been discussion regarding the potential for MSIA to file an *amicus* brief in the case of *Reidenbach v City of Kalamazoo*. However, at the current time, neither party has appealed the decision of the Michigan Court of Appeals, and therefore, filing an *amicus* brief at this point is premature. The Court of Appeals decided the so-called FICA "add-back" problem. This decision is binding and has been released for publication. The Executive Secretary will advise at a later date whether MSIA may wish to participate as an *amicus curiae* in support of rehearing to reverse this decision.

The **Health Care Committee Report** was submitted by Ms. Mason. She stated that the previous meeting had been cancelled. The next scheduled meeting is May 15, 2019.

The **Funds Trustee Report** was submitted by Ms. Droblich. There still has not been an answer with respect to the appointment of a new Trustee. Ms. Droblich had communicated with Director Mark Long who indicated he anticipated a new Trustee would be appointed shortly. Ms. Droblich will keep the Board advised of all developments.

Under **New Business**, the 2019 Committee Assignments were discussed and updated due to numerous changes of Board members. Additionally, the aforementioned Board member retreat was discussed in further detail and an agenda was set for same before the September 13, 2019 date.

MICHIGAN SELF-INSURERS' ASSOCIATION

Page 5
July 31, 2019

Upon motion by Ms. Mason and seconded by Ms. Sites, the meeting was adjourned at 4:08 pm.

Respectfully submitted,

Dawn M. Droblich
Executive Secretary