

Executive Committee Meeting April 28, 2023, 10:00 am
Shasta-Trinity Schools Insurance Group
MINUTES

Members Present:

Robert Fellingner
Adam Hillman
David Flores
Melanie Holmes
Peggy Canale
Laura Merrick
Marrienne Williams
Rob Effa

Others Present:

Brooks Rice, STSIG
Leah Grant, STSIG
Lisa Blakeslee, STSIG

David Flores called the meeting to order at 10:01 am. Confirmation of a quorum.

CONSENT AGENDA

1. Approve minutes for February 03, 2023, Executive Committee Meeting.

2. Expenditures

Expenditures from December 1, 2022, to February 28, 2023, were presented and reviewed.

Robert Fellingner moved to approve the consent agenda as presented. Adam Hillman seconded.
Approved: Robert Fellingner, David Flores, Adam Hillman, Peggy Canale, Laura Merrick, Melanie Holmes, Marrienne Williams, and Rob Effa. Opposed: None. Motion carried. Unanimous.

GENERAL BUSINESS

3. STSIG Board Chair Report

David Flores thanked the STSIG staff for their work in making the agency and meetings operate smoothly.

Brook Rice announced that the requirement for a person to replace Kurt Walling will begin in the fall as Kurt will be retiring next year.

4. Stabilization Goals Annual Review

The annual stabilization goals were presented. No changes are recommended.

Adam Hillman moved to accept the Stabilization Goals without changes. Laura Merrick seconded.
Approved: Robert Fellingner, David Flores, Adam Hillman, Peggy Canale, Laura Merrick, Melanie Holmes, Marrienne Williams, and Rob Effa. Opposed: None. Motion carried. Unanimous.

5. Workers' Compensation Financial Review

The workers' compensation financials were presented by Brooks Rice and are in the meeting materials. Brooks explained the funding sources, tail claims, funding surplus, and liabilities history. All the findings were outstanding, and workers' compensation continues to be trending in a positive direction.

6. June 30, 2023 Workers' Compensation Actuarial Report

Steven with Bickmore presented. The liabilities as of June 30, 2023, are \$6.6 million and this is a \$64,000 increase from the prior year.

The estimated program assets of \$34,952,000 is a decrease of \$2.8 million from the prior year.

The expected cost of the 2023-24 claims translates to a rate of \$0.918 per \$100 of payroll, down from \$1.014 from the prior year. The program is doing very well.

Brooks Rice proposes a base rate for the 2023-24 year of \$1.89 which is a 4.5% decrease.

Melanie Holmes moved to accept the Actuarial report and proposed base rate of \$1.89. Marianne Williams seconded.

Approved: Robert Fellingner, David Flores, Adam Hillman, Peggy Canale, Laura Merrick, Melanie Holmes, Marianne Williams, and Rob Effa. Opposed: None. Motion carried. Unanimous.

7. Workers' Compensation STSIG Base Rate and Member's Ex-Mod Rates

Based on June 30, 2023, Bickmore Actuarial report, Brooks Rice proposed a base rate is 1.89 with the current 10% cap in place.

Robert Fellingner moved to accept the Ex-Mods and the proposed base rate of \$1.89 with the current calculation. Melanie Holmes seconded.

Approved: Robert Fellingner, David Flores, Adam Hillman, Peggy Canale, Laura Merrick, Melanie Holmes, Marianne Williams, and Rob Effa. Opposed: None. Motion carried. Unanimous.

8. Loss Ratios

Brooks Rice reported on the loss ratios for the health programs through February 28, 2023. All programs are stable. Ratios are as follows:

Program	Current Year YTD Loss Ratio		Previous Year YTD Loss Ratio	
	Fiscal	Plan	Fiscal	Plan
Medical	111.56%	109.75%	100.09%	112.58%
Dental	76.30%	75.77%	78.72%	72.93%
Vision	69.90%	70.95%	69.59%	68.84%

The SISC stop-loss coverage increase is unknown currently. Due to the current year's medical ratio there will be a medical rate increase. Dental and vision are performing similarly to last year.

No action is needed.

10. Investment Report Review / Treasurer's Report

The investment reports, as of February 28, 2023, were presented and reviewed. Robert Fellingner reviewed and signed the Treasurer's report.

The investment report as of February 28, 2023, states we have \$49.5 in total cash with \$3.3M in LAIF receiving a rate of return of 2.07%; \$20.0M in BAIRD, and \$355K in Columbia Bank pending investment. The remaining \$28.9M is split between Columbia Bank and Accounts with Partners. BAIRD activity is accounted for by the accrual method of accounting which is consistent with best practices during the year with an annual adjustment to fair market value by the Auditors. The difference between the unaudited financials and the securities statement is the aggregate FMV adjustments made by the Auditors. The total BAIRD assets are reported as cash and accrued interest receivable.

	Investments	Accrued Interest Receivable	Total
Medical	\$7,546,653	\$19,470	\$7,566,123
Workers' Comp	\$10,574,254	\$27,281	\$10,601,535
Dental	\$1,334,687	\$3,443	\$1,338,130
Vision	\$590,766	\$1,524	\$592,290
Total	\$20,046,360	\$51,719	\$20,098,079

Marrianne Williams moved to accept the investment reports, as presented. Laura Merrick seconded. Approved: Robert Fellingner, David Flores, Adam Hillman, Peggy Canale, Laura Merrick, Melanie Holmes, Marrianne Williams, and Rob Effa. Opposed: None. Motion carried. Unanimous.

11. Unaudited Financial Reports

Brooks Rice presented the unaudited financial reports through February 28, 2023.

The scorecard and details were reviewed.

The Workers' Compensation program continues to reduce outstanding liabilities due to claim management by SIA.

All programs are positive and secure.

Robert Fellingner moved to accept the unaudited financial reports as presented. Adam Hillman seconded.

Approved: Robert Fellingner, David Flores, Adam Hillman, Peggy Canale, Laura Merrick, Melanie Holmes, Marrianne Williams, and Rob Effa. Opposed: None. Motion carried. Unanimous.

PUBLIC ADDRESSES BOARD ON MATTERS NOT ON THE AGENDA

None.

ADJOURN – David Flores adjourned the meeting at 10:35 am.