



MINUTES
EXECUTIVE COMMITTEE MEETING / COMMITTEE OF THE WHOLE
Thursday February 4, 2016 9am
Shasta County Office of Education Board Room

Executive Committee Members Present:

| | |
|----------------------|-------------------------------------|
| Adam Hillman | Shasta COE |
| Laura Cyphers Benson | Shasta College |
| Dana Reginato | Shasta Union HSD |
| Cindy Trujillo | Redding/Igo-Ono-Platina/Shasta UESD |
| Phil Brown | Enterprise ESD |
| Bettina Blackwell | Trinity COE, Burnt Ranch ESD |
| Peggy Canale | So. Trinity Jt. USD |

Board Members/Alternates Present:

| | |
|-------------------|-------------------------------------|
| Robert Fellingner | Redding/Igo-Ono-Platina/Shasta UESD |
| Tim Azevedo | Anderson Union HSD |
| David Flores | Shasta Union HSD |

Others Present:

Brooks Rice, STSIG
Leah Grant, STSIG
Kurt Walling, STSIG
Mari Moore, STSIG
Kyle Rustin, KCoe Isom

CALL TO ORDER

Adam Hillman called the meeting to order at 9:05am.

CONSENT AGENDA

- 1. Approve minutes for October 2, 2015 Executive Committee Meeting**
- 2. Expenditures from July 1-November 30, 2015**

Cindy Trujillo requested the item #2, Expenditures, on the consent agenda be removed for discussion in general business.

Bettina Blackwell moved to approve the consent agenda excluding item #2, Expenditures. Dana Reginato seconded.

Approved: Adam Hillman, Dana Reginato, Cindy Trujillo, Peggy Canale, Bettina Blackwell, and Laura Cyphers Benson. Opposed: None. Motion carried. Unanimous.

GENERAL BUSINESS

2. Expenditures

Expenditures from July 1, 2015 to November 30, 2015 were presented. The credit card itemization was not included in the meeting materials so it will be included in the next meeting information.

Cindy Trujillo moved to approve the expenditures with credit card itemization to be included with the next meeting materials. Peggy Canale seconded.

Approved: Adam Hillman, Dana Reginato, Cindy Trujillo, Peggy Canale, Bettina Blackwell, and Laura Cyphers Benson. Opposed: None. Motion carried. Unanimous.

3. CAJPA Accreditation Certification

STSIG presented the certificate from CAJPA with Excellence. It will renew every three years.

4. Student Teacher Workers' Compensation Coverage Update

As a follow-up of prior discussions regarding waivers for student teachers, three agreement templates are given for districts to use when accepting student teachers. Each template is for different situation that should meet all needs.

5. ACA 1095B Reporting Update

The deadline to provide the 1095B forms to employees has been extended to March 31, 2016. STSIG expects to complete the 1095B forms by February 29, 2016. The forms will either be mailed directly to employees or given to the districts for distribution.

6. Workers' Compensation Update

The workers' compensation programs continue to perform positively since the switch from LWP to SIA in July 2014. Claims have been reduced to about 150-160 a year with cost per claim reduced to about one third of the cost just two years ago. The very old claims are difficult to close out and it can be expected that they will remain open due to the Medicare set-aside requirements that would make the settlement amount too high. The relationship with SIA continues to be great and the savings is exciting and to be celebrated.

7. Loss Prevention Update

It is expected that more districts will earn the incentive this year due to the increase in districts updating or creating their IPPs and attending more classes offered by STSIG. So far this year there have been 21 classes including two IIPP workshops. Kurt will continue to focus on IPPs for the smaller districts. Additional classes are posted on the STSIG website.

8. SISC Transition – Enrollment Summary

SISC continues to be great to work with. There have been some challenges transitioning to the new pharmacy providers, but issues are being resolved as they come up.

A 2016 breakdown of plan selection is below:

80C: 351

80G: 724

80K: 154

80M: 68

ANCHOR: 5

HSA-A: 122

HSA-B: 237

TOTAL 1661

9. **2016 HSA Contributions**

There were a total of 359 members (21.6%) that signed up for either HSA-A or B. Of the 359 members, 286 qualified for an HSA contribution. The approximate amount that will be given for the calendar year 2016 is \$156,319. The first installment of 60% was distributed for January payrolls in the amount of \$93,792. The remaining 40% will be distributed in September.

10. **2016 Wellness Incentive Results**

Beginning next week, \$100 gift cards will be mailed directly to employees. If employees have a PO Box address the gift cards will be given to the districts for distribution because the vendor can't mail to PO Boxes. Those with an HSA will get the \$100 incentive into their accounts. The total cost of the incentive was approximately \$85,000.

11. **Prestige Update**

The partnership with Prestige Urgent Care will begin April 4, 2016. The Prestige membership is being offered to active employees and their covered dependents, as well as pre-Medicare retirees and their covered dependents. A "Special Member Announcement" was sent out on January 21st. It is the intention of STSIG to continue to communicate with the membership via an ad campaign.

12. **Health Benefits Committee**

The Health Benefits Committee is scheduled to meet:

- Wednesday March 23rd at 3:00pm
- Wednesday April 13th at 3:00pm
- Wednesday April 27th at 3:00pm

The goals for this year committee will to be evaluating the wellness program, SISC's Medicare Advantage supplement program and other ancillary items related the health programs.

13. **Loss Ratios**

Loss Ratios for the medical, dental, and vision plans through November 30, 2015 were presented. The medical ratio has increase since last calendar year from 91.39% to 97.92%; dental has increased from 89.70% to 91.51%; and vision has increased from 68.31% to 70.40%. All programs continue to do well and as expected.

14. **Medical Claims Audit**

Miriam McClanton with Aon Hewitt presented the medical claims audit to the Finance Committee on January 28, 2016. Overall the audit was good without significant financial impact even though there were many errors listed. The errors included incorrect accumulators, specific over payments, and ER visit copay underpayments. The final report, expected by the end of next week, will include any financial impact and a determination of whether the errors were systematic or isolated.

Upon this review there does not appear to be any potential large overpayment errors. Anthem scored an accuracy rating of 80%.

15. **Finance Audit**

Kyle Rustin with K-Coe Isom presented the results of the finance audit for the 2014-2015 fiscal year. The report presented is a draft copy with the final report to follow once additional information is includes (those additional

items will not have any significant effect). He will also add the purchase of the building to the final report. His audit does not include claims review.

He reported that there are no internal control issues. He points out that cash in the admin account is higher than in past years due to changes in the procedure with wires for the medical program. He sees a significant improvement to the New Workers' Compensation, IBNR, and cash flow as a result of the switch to SIA. Investment returns show improvement since moving funds to CAMP from LAIF. Cash flow had a large jump of 8.9M as a result of the SIA program.

Bettina Blackwell moved to approve the finance audit. Laura Cyphers Benson seconded.

Approved: Adam Hillman, Phil Brown, Dana Reginato, Cindy Trujillo, Peggy Canale, Bettina Blackwell, and Laura Cyphers Benson. Opposed: None. Motion carried. Unanimous.

16. Year to Date Unaudited Financial Reports

The unaudited financial reports through November 30, 2016 were presented.

Bettina Blackwell moved to approve the unaudited financial reports. Peggy Canale seconded.

Approved: Adam Hillman, Phil Brown, Dana Reginato, Cindy Trujillo, Peggy Canale, Bettina Blackwell, and Laura Cyphers Benson. Opposed: None. Motion carried. Unanimous.

17. Investment Report

The investment report as of December 31, 2016 was presented. It states we have \$30.7 in total cash with \$8.3 in LAIF receiving a rate of return of .37% and \$18.3M in CAMP. The remaining \$4.1M is split between Bank of America, US Bank and Tri Counties Bank.

Peggy Canale moved to approve the investment reports. Bettina Blackwell seconded.

Approved: Adam Hillman, Phil Brown, Dana Reginato, Cindy Trujillo, Peggy Canale, Bettina Blackwell, and Laura Cyphers Benson. Opposed: None. Motion carried. Unanimous.

18. Ad-Hoc Committee for 85 Hartnell Ave.

Adam Hillman announced the formation of an ad-hoc committee for the 85 Hartnell Ave. project. The volunteer members include: Adam Hillman, Phil Brown, Brooks Rice, Robert Fellingner, David Flores, and Laura Cyphers Benson.

Laura Cyphers Benson moved to approve the "building" ad-hoc committee. Bettina Blackwell seconded.

Approved: Adam Hillman, Phil Brown, Dana Reginato, Cindy Trujillo, Peggy Canale, Bettina Blackwell, and Laura Cyphers Benson. Opposed: None. Motion carried. Unanimous.

PUBLIC ADDRESSES BOARD ON MATTERS NOT ON THE AGENDA

None

ADJOURN

The meeting was adjourned at 11:40am.