

Finance Committee Meeting  
February 04, 2022, 8:30 am  
Shasta-Trinity Schools Insurance Group (Zoom)  
MINUTES

**Members Present:**

Robert Fellingner  
Adam Hillman  
David Flores  
Cathleen Serna  
Jill Ault

**Others Present:**

Brooks Rice, STSIG  
Lisa Blakeslee, STSIG  
James Marta

Robert Fellingner called the meeting to order at 8:33 am. Confirmation of a quorum.

CONSENT AGENDA

**1. Approve minutes for the October 1, 2021 Finance Meeting.**

**2. Brown Act Meeting Compliance**

Approval to continue virtual meetings per AB 361.

Robert Fellingner moved to approve the consent agenda with corrections to the minutes from October 1, 2021, with a revision to year date on item 5 and correct to numbering on page 3.

Adam Hillman seconded. Approved: Robert Fellingner, Adam Hillman, David Flores, and Jill Ault.

Opposed: None. Motion carried. Unanimous.

GENERAL BUSINESS

**3. 2020-21 Financial Audit**

James Marta and Associates completed the annual audit. Jim Marta joined the meeting to present the findings.

He explained the reports and said all programs are stable with no significant findings. The drivers of success continue to be the people, policies, procedures, training, and accountability. As with prior audits, the pool's hard work shows positive audit results.

Assets and net position have increased while claims and liabilities have decreased.

The Management Letter presented shows no deficiencies and no management disagreements. He again recommended combining our bank accounts and companies into a single accounting program to streamline administration. He also recommended reviewing the operational aspect of the building.

David Flores moved to approve the 2020-21 Financial Audit. Jill Ault seconded.

Approved: Robert Fellingner, Adam Hillman, David Flores, Jill Ault, and Cathleen Serna. Opposed:

None. Motion carried. Unanimous.

**4. Loss Ratios**

Brooks Rice reported on the loss ratios for the health programs through November 30, 2021. All programs are stable. He explained that medical is at a deficit at 132.05% due to two high claims months. It is expected to smooth out in the spring. Dental and vision could be reviewed at the next Health Benefits Committee for possible benefits increases or rate decreases. Ratios are as follows:

Program	Current Year YTD Loss Ratio		Previous Year YTD Loss Ratio	
	Fiscal	Plan Al;dfj	Fiscal	Fiscal
Medical	100.57%	132.05%	Medical	100.57%
Dental	79.07%	64.48%	Dental	79.07%
Vision	71.14%	69.9%	Vision	71.14%

No action is needed.

## 5. Expenditures

Expenditures from July 1, 2021, to November 30, 2021, were presented and reviewed.

David Flores moved to approve the expenditures as presented. Cathleen Serna seconded.

Approved: Robert Fellingner, Adam Hillman, David Flores, Jill Ault, and Cathleen Serna. Opposed: None. Motion carried. Unanimous.

## 6. Investment Report Review / Treasurer's Report

The investment reports, as of November 30, 2021, were presented and reviewed. Robert Fellingner reviewed and signed the Treasurer's report.

The investment report as of November 30, 2021, states we have \$51.2M in total cash with \$3.2M in LAIF receiving a rate of return of .24% and \$20.6 in CAMP earning .05%. The remaining \$27.4M is split between Redding Bank of Commerce and Accounts with Partners.

CAMP activity is accounted for by the accrual method of accounting, which is consistent with PFM's best practices during the year with an annual adjustment to fair market value by the Auditors. The difference between the unaudited financials and the CAMP securities statement is the aggregate FMV adjustments made by the Auditors. The total CAMP assets are reported as cash and accrued interest receivable.

CAMP investments were sold during November 2021 in preparation for moving our investment management to Brean Capital.

	Investments	Accrued Interest Receivable	Total
Medical	\$7,762,523	\$0	\$7,762,523
Workers' Comp	\$10,876,728	\$0	\$10,876,728
Dental	\$1,372,865	\$0	\$1,372,865
Vision	\$607,665	\$0	\$607,665
Total	\$20,619,781	\$0	\$20,619,781

Jill Ault moved to approve the investment reports, as presented. David Flores seconded.

Approved: Robert Fellingner, Adam Hillman, David Flores, Jill Ault, and Cathleen Serna. Opposed: None. Motion carried. Unanimous.

## **7. Unaudited Financial Reports**

Brooks Rice presented the unaudited financial reports through November 30, 2021.

The scorecard and details were reviewed. The scorecard amounts were before adjustment for IBNR. All programs are doing well.

The Workers' Compensation program continues to reduce outstanding liabilities due to claim management by SIA. Brooks recommends focusing on the Return-to-Work program to continue with the rate decrease in the next year.

Jill Ault moved to approve the unaudited financial reports as presented. Cathleen Serna seconded. Approved: Robert Fellingner, Adam Hillman, David Flores, Jill Ault, and Cathleen Serna. Opposed: None. Motion carried. Unanimous.

## **PUBLIC ADDRESSES BOARD ON MATTERS NOT ON THE AGENDA**

None.

**ADJOURN** – Robert Fellingner adjourned the meeting at 9:02 am.