



**MINUTES**  
**BOARD OF DIRECTORS MEETING (Virtual via Zoom)**  
**Tuesday, June 22, 2021, 8:30 am**

**Board Members/Alternates Present:**

David Flores	Shasta Union HSD/Grant
Meagan Stone	Enterprise ESD
Adam Hillman	Shasta COE
Peggy Canale	So. Trinity Jt. USD
Melanie Holmes	Trinity COE
Robert Fellingner	Shasta Union ESD
Cindy Trujillo	Redding/Igo-Ono-Platina ESD
Laura Merrick	Cottonwood ESD
Tina Card	Gateway ESD
Beth Roberts	North Cow Creek ESD
Marrienne Williams	Shasta College
Gretchen Deichler	Burnt Ranch/Douglas City/Trinity Center
Cathleen Serna	Columbia/Black Butte/Junction
Jason Rubin	Shasta Union HS/Grant
Beth Roberts	Happy Valley/North Cow Creek

**Others Present:**

Brooks Rice, STSIG	Kurt Walling, STSIG
Leah Grant, STSIG	Dave Wiesner, EPIC
Eric Leventhal, EPIC	

**CALL TO ORDER**

David Flores called the meeting to order at 8:34 am. Quorum confirmed.

**Consent Agenda:**

1. Approve minutes for November 19, 2020, Board of Director's Meeting
2. Designate Official Representatives and Alternates to the Board of Directors
3. Letter of Intent to Withdraw from health pool – Black Butte Admin Unit
4. Letter of Intent to Withdraw from WC pool – Northern Summit Academy
5. Delegation of Authority of STSIG Treasurer to Invest Surplus
6. Workers' Compensation rates
7. Expenditures from March 1, 2021, to April 30, 2021\*\*

Adam Hillman moved to approve the consent agenda as presented. Melanie Holmes seconded.

Approved: David Flores, Adam Hillman, Meagan Stone, Beth Roberts, Marrienne Williams, Robert Fellingner, Cindy Trujillo, Peggy Canale, Laura Merrick, Tina Card, Melanie Holmes, Cathleen Serna, Gretchen Deichler, and Jason Rubin.  
Opposed: None. Motion carried. Unanimous.

## **8. Executive Report**

Brooks Rice explained that three legislative bills were stopped recently that would have negative impact on the California Workers' Compensation. He briefly explained the new CalOSHA regulations regarding Covid-19. He also offered recorded training on the new regulation provided by Patty Eysers. STSIG staff recognition was shared.

## **9. Executive Committee Position**

No nominations were received for positions on the Executive Committee and no current members resigned their positions and agreed to another term.

Cathleen Serna moved to approve the current Executive Committee members for another term effective July 1, 2021. Laura Merrick seconded.

Approved: David Flores, Adam Hillman, Meagan Stone, Beth Roberts, Marrienne Williams, Robert Fellingner, Cindy Trujillo, Peggy Canale, Laura Merrick, Tina Card, Melanie Holmes, Cathleen Serna, Gretchen Deichler, and Jason Rubin.  
Opposed: None. Motion carried. Unanimous.

## **10. Election of Board of Director's Officers**

No nominations were received for officer's positions and no current officers resigned their positions and agreed to another term.

Cindy Trujillo moved to approve the current Board of Directors Officers for another term effective July 1, 2021. Laura Merrick seconded.

Approved: David Flores, Adam Hillman, Meagan Stone, Beth Roberts, Marrienne Williams, Robert Fellingner, Cindy Trujillo, Peggy Canale, Laura Merrick, Tina Card, Melanie Holmes, Cathleen Serna, Gretchen Deichler, and Jason Rubin.  
Opposed: None. Motion carried. Unanimous.

## **11. 2021- 22 Loss Prevention Incentive Program Design**

Kurt Walling is back to in-person trainings at the school sites. He has produced training video for those wanting that option on the STSIG YouTube channel. He is not currently providing ProAct or Playground inspections at this time. His certification for ProAct training has expired and certification classes will be held this fall. Options for ProAct training in the future are district trained instructors, online training, or hiring a professional outside trainer. The ProAct classes given by Kurt took much of his time and as he transitions to retirement it may be best to consider hiring for the STSIG staff specific for more complicated trainings. This option can be discussed at the fall strategic planning meeting. A concern is that a requirement of a ProAct instructor is that they are district employees. A STSIG employee instructing the ProAct training could lead to a liability issue for the districts if litigation occurs.

Several districts support STSIG continue to provide the training and some districts already have in-house certified instructions or use an online option.

Kurt reminded everyone of the STSIG website resources available for Covid-19 regulations and that district have access to Patty Eysers recorded trainings and her hotline.

Kurt explained that seven districts completed the safety incentive this year and more may complete in the next week before the deadline. As of now, there is \$21K remaining funds un-spent for the year. The roll-over funds due to the Covid exception will expire June 30, 2021, and the new year begins July 1, 2021.

Cindy Trujillo moved to return to the regular pre-Covid incentive design for the new year beginning July 1, 2021. Peggy Canale seconded.

Approved: David Flores, Adam Hillman, Meagan Stone, Beth Roberts, Marrianne Williams, Robert Fellingner, Cindy Trujillo, Peggy Canale, Laura Merrick, Tina Card, Melanie Holmes, Cathleen Serna, Gretchen Deichler, and Jason Rubin.  
Opposed: None. Motion carried. Unanimous.

## **12. Investment Report Review / Treasurer's Report\*\***

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

The investment report as of April 30, 2021, states we have \$47.9 in total cash with \$3.2 in LAIF receiving a rate of return of .44% and \$21.0M in CAMP earning .52%. The remaining \$23.7M is split between Merchants 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.

	<b>Investments</b>	<b>Accrued Interest Receivable</b>	<b>Total</b>
<b>Medical</b>	\$7,590,055	\$25,481	\$7,615,535
<b>Workers' Comp</b>	\$11,674,954	\$39,194	\$11,714,148
<b>Dental</b>	\$974,241	\$3,271	\$977,512
<b>Vision</b>	\$458,454	\$1,539	\$459,993
<b>Total</b>	\$20,697,704	\$69,484	\$20,767,188

Peggy Canale moved to approve the investment reports, as presented. Melanie Holmes seconded.

Approved: David Flores, Adam Hillman, Meagan Stone, Beth Roberts, Marrianne Williams, Robert Fellingner, Cindy Trujillo, Peggy Canale, Laura Merrick, Tina Card, Melanie Holmes, Cathleen Serna, Gretchen Deichler, and Jason Rubin.  
Opposed: None. Motion carried. Unanimous.

## **13. Unaudited Financial Reports\*\***

Brooks Rice presented the unaudited financial reports through April 30, 2021. The scorecard and details were reviewed.

The scorecard shows all programs are trending well with medical expenses lower than expected. The dental and vision programs are starting to trend back to pre-Covid levels. Workers' Compensation program continues to show great results.

Marrianne Williams moved to approve the unaudited financial reports, as presented. Melanie Holmes seconded.  
Approved: David Flores, Adam Hillman, Meagan Stone, Beth Roberts, Marrianne Williams, Robert Fellingner, Cindy Trujillo, Peggy Canale, Laura Merrick, Tina Card, Melanie Holmes, Cathleen Serna, Gretchen Deichler, and Jason Rubin.  
Opposed: None. Motion carried. Unanimous.

## **14. Loss Ratios \*\***

Brooks Rice reported on the loss ratios for the health programs through April 30, 2021. All programs are stable. Ratios are as follows:

Program	Current Year YTD Loss Ratio		Previous Year YTD Loss Ratio	
	Fiscal	Plan	Fiscal	Plan
Medical	95.02%	96.09%	98.23%	98.31%
Dental	86.61%	82.78%	83.87%	79.41%
Vision	71.60%	68.01%	62.72%	56.03%

No action needed.

**15. 2021-22 HSA Contributions, Wellness Program, and Kannact Incentive Funding\*\***

Staff is requesting to continue the current HSA contribution for first- time high deductible plan enrollees of \$500/\$1000 (individual/family). The estimated cost for 2021-22 is \$57,000.

Staff is requesting the wellness incentive continue without modification to include a \$100 gift card for members and spouses and to continue the Prestige wellness blood panel. The estimated cost for 2021-22 is \$69,000.

STSIG is suggesting a new incentive program to encourage members to enroll and participate in the Kannact Health Coaching program with a \$25 incentive for enrolling and \$75 incentive for participating for six-months. The estimated cost for 2021-22 is \$40,000.

Melanie Holmes moved to approve the requested HSA, wellness, and Kannact incentive funding for 2021-22, as presented. Marrienne Williams seconded.

Approved: David Flores, Adam Hillman, Meagan Stone, Beth Roberts, Marrienne Williams, Robert Fellingner, Cindy Trujillo, Peggy Canale, Laura Merrick, Tina Card, Melanie Holmes, Cathleen Serna, Gretchen Deichler, and Jason Rubin.  
Opposed: None. Motion carried. Unanimous.

**16. Health Plan Rates for 2021-22\*\***

David Wiesner and Eric Leventhal presented claims data history and analysis. Due to the increase with Stop Loss insurance through SISC and the individual amounts of the large claims, they recommend a medical rate increase of 3.55%. No increase in dental or vision is recommended. (Brooks do you want to add any comments to this?)

Melanie Holmes moved to approve the medical rate increase of 2.55% with no increase to dental or vision. Robert Fellingner seconded.

Approved: David Flores, Adam Hillman, Meagan Stone, Beth Roberts, Marrienne Williams, Robert Fellingner, Cindy Trujillo, Peggy Canale, Laura Merrick, Tina Card, Melanie Holmes, Cathleen Serna, Gretchen Deichler, and Jason Rubin.  
Opposed: None. Motion carried. Unanimous.

**17. Prestige Contract Renewal**

Brooks explained that he would be working with Prestige to provide workers compensation reviews by the end of the year. He expects they will handle 25% of all new claims. Prestige thinks their volume has increased to the level provided for in the contract but Brooks is not ready to fund the next level without handling the workers compensation. Brooks is recommending extending their contract without changes through June 30, 2022.

Melanie Holmes moved to approve extending Prestige's contract another year. Marrienne Williams seconded.

Approved: David Flores, Adam Hillman, Meagan Stone, Beth Roberts, Marrienne Williams, Robert Fellingner, Cindy Trujillo, Peggy Canale, Laura Merrick, Tina Card, Melanie Holmes, Cathleen Serna, Gretchen Deichler, and Jason Rubin.  
Opposed: None. Motion carried. Unanimous.

#### **18. Innovu Contract**

The Innovu contract was reviewed at a prior Executive Committee meeting resulting in an addition of an early termination clause.

Melanie Holmes moved to approve the Innovu contract with the early termination terms. Laura Merrick seconded.  
Approved: David Flores, Adam Hillman, Meagan Stone, Beth Roberts, Marrienne Williams, Robert Fellingner, Cindy Trujillo, Peggy Canale, Laura Merrick, Tina Card, Melanie Holmes, Cathleen Serna, Gretchen Deichler, and Jason Rubin.  
Opposed: None. Motion carried. Unanimous.

#### **19. 2021-22 Proposed Budget\*\***

The proposed budget was presented and reviewed. The medical program claims are lower than expected, however the Stop Loss premium is increasing.

Brooks Rice pointed out the following highlights.

- The budget includes a 3.5% increase in medical rates.
- The budget includes a \$10,000 increase for STSIG staff.
- The budget includes a \$40,000 Kannact incentive.

Adam Hillman moved to approve the proposed budget with a 2.55% increase for medical rates and all other items as presented. Meagan Stone seconded.  
Approved: David Flores, Adam Hillman, Meagan Stone, Beth Roberts, Marrienne Williams, Robert Fellingner, Cindy Trujillo, Peggy Canale, Laura Merrick, Tina Card, Melanie Holmes, Cathleen Serna, Gretchen Deichler, and Jason Rubin.  
Opposed: None. Motion carried. Unanimous.

#### **20. CAMP/PFM Withdrawal**

Notice of withdrawal from the current investment program and financial advisor agreement in preparation to work with Kevin Webb. The funds will be deposited into LAIF then invested as Kevin Webb advises after participating Board members are trained. There will be a combined voluntary investment training with SIA and NGSIG that STSIG can join.

Adam Hillman moved to approve the withdrawal from CAMP/PFM and deposit the funds into LAIF. Cathleen Serna seconded.  
Approved: David Flores, Adam Hillman, Meagan Stone, Beth Roberts, Marrienne Williams, Robert Fellingner, Cindy Trujillo, Peggy Canale, Laura Merrick, Tina Card, Melanie Holmes, Cathleen Serna, Gretchen Deichler, and Jason Rubin.  
Opposed: None. Motion carried. Unanimous.

#### **21. Custodial Account Authorization**

Authorization is requested to open a custodial account at Merchants Bank of Commerce for investment holdings.

Marrienne Williams moved to approved giving STSIG authorization to open a custodial account as presented. Melanie Holmes seconded.  
Approved: David Flores, Adam Hillman, Meagan Stone, Beth Roberts, Marrienne Williams, Robert Fellingner, Cindy Trujillo, Peggy Canale, Laura Merrick, Tina Card, Melanie Holmes, Cathleen Serna, Gretchen Deichler, and Jason Rubin.  
Opposed: None. Motion carried. Unanimous.

**22. JPA Management Services Contract with SIA / Brooks Rice**

Request extending the STSIG JPA management services agreement to June 30, 2022.

Adam Hillman moved to extend the contract with SIA for Brooks Rice to provide management services. Melanie Holmes seconded.

Approved: David Flores, Adam Hillman, Meagan Stone, Beth Roberts, Marrienne Williams, Robert Fellingner, Cindy Trujillo, Peggy Canale, Laura Merrick, Tina Card, Melanie Holmes, Cathleen Serna, Gretchen Deichler, and Jason Rubin.

Opposed: None. Motion carried. Unanimous.

**23. Letter of Intent of SIA to Join STSIG Health Benefits Pool**

SIA Deputy Executive Director Bargaining Unit that consists of only Brooks Rice is requesting to join the pool because he did not relocate to Sacramento and SIA's health coverage is not available in Shasta County.

Adam Hillman moved to approve the request as presented. Laura Merrick seconded.

Approved: David Flores, Adam Hillman, Meagan Stone, Beth Roberts, Marrienne Williams, Robert Fellingner, Cindy Trujillo, Peggy Canale, Laura Merrick, Tina Card, Melanie Holmes, Cathleen Serna, Gretchen Deichler, and Jason Rubin.

Opposed: None. Motion carried. Unanimous.

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

Brook Rice presented Cindy Trujillo with a service plaque as a thank you for the years of services to the STSIG Board of Directors and Committees and everyone wished her well in her move and retirement this fall.

*\*\* Indicates this item was reviewed by the Finance Committee on June 18, 2021*

**ADJOURN**

The meeting was adjourned at 11:04 am.