

Finance Committee Meeting
May 5, 2016 1:00 pm
Enterprise Elementary School District

MINUTES

Members Present:

Adam Hillman
Phil Brown
David Flores
Morris Rodrigue
Mike Freeman

Others Present:

Brooks Rice, STSIG
Amy Cavalleri, STSIG (Contracted)
Mari Moore, STSIG (Contracted)
Jacqueline Hanger (RSD)

Phil Brown called the meeting to order at 1pm.

GENERAL BUISNESS

1. Approve minutes for the January 28, 2016 Finance Meeting.

Adam moved to approve the minutes from the January 28, 2016 Finance Committee Meeting. Morris seconded. Minutes approved as presented.

2. Loss Ratios

Brooks reported on the loss ratios for the medical, dental and vision plans through the end of February, 2016. Medical calendar YTD is 97.84%, Dental 90.32%, Vision 66.42%.

3. YTD Unaudited Financial Reports

Brooks presented the unaudited financial reports through February 29, 2016. All programs are trending well. David moved to approve the financial statements. Adam seconded. Financial reports approved as presented.

4. Investment Report Review/Treasurer's Report

The investment report as of February 29, 2016 states we have \$37.6 in total cash with \$6.9 in LAIF receiving a rate of return of .46% and \$18.3M in CAMP. In addition, there are funds in Bank of America and Tri Counties Bank totaling \$5.2M. Lastly, the agency has \$7.1M on deposit with our Workers Compensation & Medical partners from which claims and IBNR expenditures will be funded. Adam moved to approve the investment report. David seconded. Investment reports approved as presented.

5. STSIG Wellness Program Funding

A discussion was held about funding for wellness incentives for the 2017 plan year. While not within the scope of this committee to determine the structure of the wellness program, some suggested ideas were incentivizing spouses/domestic partners to get an annual wellness exam, providing incentive only if the exam is done at Prestige, and tying the HSA contribution to wellness participation. Some questions arose about the potential taxability of gift cards that were distributed. Mari reported that employees did receive instructions to discuss this with their tax professional. The

general consensus was that employees seem remain engaged in wellness due to the incentive and it is worth continuing in some form.

6. 2017 HSA Contribution

In 2016 STSIG budgeted approximately \$160,000 for HSA contributions. The group felt that the contribution was worthwhile, particularly for those new to the high deductible health plans, to assist employees in making the transition from a PPO plan. Adam moved to approve \$350,000 for wellness incentive and HSA contributions, with the details on distribution to be determined by the Executive Committee. David seconded. Motion carried.

7. 2016-17 Proposed Budget

A preliminary budget for 2016-17 was presented. It was recommend that the Executive Committee review the dental trend and consider rate or benefit adjustment. Worker's Compensation cost per claim has gone down significantly since switching to SIA due to the Nurse Hotline, return to work program and effective claims management. Adam moved to approve the proposed budget. Morris seconded. Budget approved as presented.

8. Medical Claims Audit

AON completed a claims audit with Anthem for the 2015 plan year. Findings indicated 80% accuracy on claims processing. The chief auditor indicated the monetary value of the issues did not warrant pursuing a financial recovery. Adam moved to approve the claims audit report. David seconded. Medical Claims Audit approved as presented.

PUBLIC ADDRESSES BOARD ON MATTERS NOT ON THE AGENDA

None.

ADJOURN

The meeting was adjourned at 2:09pm.