



## MINUTES

### WORKERS' COMPENSATION COMMITTEE MEETING

Friday April 17, 2020 10:30 AM

#### Committee Members Present:

Robert Fellingner	Redding/ Igo Ono/ Shasta Union ESD
Heather Brown	Grant ESD
Jason Rubin	Shasta Union High School
Melanie Holmes	Trinity COE

#### Others Present:

David Flores, SUHSD	
Brooks Rice, STSIG	Kurt Walling, STSIG
Lisa Blakeslee, STSIG	Leah Grant, STSIG

#### CALL TO ORDER

Jason Rubin called the meeting to order at 10:38 AM. There is a quorum, and this is a Zoom meeting.

#### GENERAL BUSINESS

**1. Approve minutes for the April 10, 2019 Workers' Compensation meeting.**

Robert Fellingner moved to approve the April 10, 2019, Workers' Compensation meeting minutes with correction to Jason Rubin's school district name and correct spelling of Robert Fellingner. Approved by roll call: Jason Rubin, Robert Fellingner, Heather Brown, and Melanie Holmes. Opposed: None. Motion carried. Unanimous.

**2. June 30, 2020 Actuarial Reports**

The meeting material included Bickmore's Actuarial Review Summary.

This is another year of celebration. It is clear the actuaries are seeing the progress and the trend is supported by years of improvement and rate adjustments. The changes in the workers' compensation rates, reserve amounts, claims averages, and time to close claims are significant and one of the best in the state.

Robert Fellingner moved to accept the Bickmore's actuarial report. Jason Rubin seconded. Approved by roll call: Jason Rubin, Robert Fellingner, Heather Brown, and Melanie Holmes. Opposed: None. Motion carried. Unanimous.

**3. Workers' Compensation Financial Review**

Meeting material included information explaining the program and its history.

The reports show that the excess over the 90% confidence level is \$22.5M which has increased dramatically since 2003-04.

Brooks explained that the program is doing well, and that SIA has been successful in reducing the old claims and continues to manage open claims efficiently resulting in increasing the program surplus above the desired confidence level.

The number of claims, claim's average costs, and required claim reserves all continue to decline while the surplus increases without collecting more contributions. The effects of the current Covid-19 situation is unknown at this time but stop loss and excess insurance premiums could be affected in the future depending on claims.

The minimum target continues to be a 90% confidence level. The long-term plan is to continue to build the surplus while maintaining the 90% confidence level for the next several years, then stop future rate adjustments while maintaining the surplus at a level that will absorb any claims excesses.

No action needed.

#### **4. Workers' Compensation Rates and Mod-Rates**

There is a 10% cap on mod-rates which was approved in a prior year. That means that regardless of experience a district's mod-rate can only move 10% positive or negative. Then it is adjusted by the overall increase or decrease in the program. This year a 4.2% decrease is proposed.

STSIG is recommending a 4.2% decrease which results in a base rate of \$2.30 which includes STSIG admin cost of \$.15 and SIA costs of \$2.15.

Robert Fellingner moved to accept the decrease of 4.2% with a base rate at \$2.30 for fiscal year 2020-2021. Adam Hillman seconded.

Approved by roll call: Jason Rubin, Robert Fellingner, Heather Brown, and Melanie Holmes.

Opposed: None. Motion carried. Unanimous.

#### **5. 2019-20 Loss Incentive Program Design**

Kurt Walling presented the 2020-21 Loss Incentive program. His goal is to be flexible and make it easy this year for district to complete the incentive requirements since the Covid-19 has disrupted trainings and the ability for districts to complete the requirements by the deadline. He suggested modification may be needed but he is not recommending any changes to the base program.

Heather Brown moved to allow a one-time incentive change to extend the deadline to October 31, 2021 and to allow a one-time incentive reward roll-over. Melanie Holmes seconded.

Approved by roll call: Jason Rubin, Robert Fellingner, Heather Brown, and Melanie Holmes.

Opposed: None. Motion carried. Unanimous.

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

None

### **ADJOURN**

The meeting was adjourned at 11:34 AM.