



MINUTES
EXECUTIVE COMMITTEE MEETING / COMMITTEE OF THE WHOLE
Friday, February 03, 2023, 9:30 am (Hybrid)

Executive Committee Members Present:

David Flores, President	Shasta Union HSD
Robert Fellingner, Treasurer	Redding SD
Adam Hillman, Vice President	Shasta County Office of Education
Peggy Canale	So. Trinity Jt. USD
Melanie Holmes	Trinity COE
Marrienne Williams	Shasta College
Meagan Stone	Enterprise

Board Members/Alternates Present:

Others Present:

Brooks Rice, STSIG	Mari Morre, STSIG
Leah Grant, STSIG	Kurt Walling, STSIG
Dave Wiesner, STSIG	Eric Leventhal, EPIC
Rayn Neese, Delta	Jodie
Jason Rubin	Cathleen Serna

CALL TO ORDER

David Flores, the President, called the meeting to order at 9:31 am. The quorum is confirmed.

- 1. Consent Agenda: Approve minutes for April 29, 2022, Executive Committee Meeting**
- 2. Consent Agenda: Brown Act Meeting Compliance Approval per AB 361**
- 3. Consent Agenda: Expenditures from July 1, 2022, to November 30, 2022**

Robert Fellingner moved to approve the consent agenda as presented. Peggy Canale seconded.

Approved: David Flores, Adam Hillman, Peggy Canale, Meagan Stone, Marrienne Williams, Melanie Holmes, and Robert Fellingner. Opposed: None. Motion carried. Unanimous.

4. Management Report

Brooks explained a lot of legislation is coming but nothing to report now. The governor delayed the workers' compensation reform for one year. He said future meetings would be in-person as AB361 expires on February 28, 2023. Leah announced that districts would receive notice of the opportunity to change their dental and vision plans for the next plan year.

5. Delta Dental

Ryan with Delta Dental gave details of provider access in Shasta County. Five providers left the Delta network in 2022, offset by eight new providers for a total of 210 providers.

6. Review of Workers' Compensation Program through December 31, 2022

Brooks Rice presented several graphs and charts as to the success of the program. The graphs show the decrease in average claims costs but reflect more claims. As always, large claims drive the rate, but those large claims cost less than in prior years. Claims at SIA have increased by about 10%, and STSIG also sees an increase in claims. New hires appear to contribute more to the claims increases than existing employees. Overall the program looks like a typical year.

7. Pacheco Letter of Intent to Join STSIG & SIA workers' compensation pool

Our pool could save them about .82. Pacheco is completing the pool application and has already given their current pool notice to withdraw. Effective date July 1, 2023.

Adam Hillman moved to approve Pacheco Union School District's request to join the pool. Robert Fellingner seconded.

Approved: David Flores, Adam Hillman, Peggy Canale, Meagan Stone, Marrianne Williams, Melanie Holmes, and Robert Fellingner. Opposed: None. Motion carried. Unanimous.

8. 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. An adjustment was for the actuaries' liability estimate of \$858K to the positive. The adjustment decreased liabilities.

Robert Fellingner moved to approve the 2021-22 financial audit as presented. Peggy Canale seconded.

Approved: David Flores, Adam Hillman, Peggy Canale, Meagan Stone, Marrianne Williams, Melanie Holmes, and Robert Fellingner. Opposed: None. Motion carried. Unanimous.

This item was reviewed at the Finance Committee Meeting on February 3, 2023.

8. Loss Ratios

Brooks Rice reported on the loss ratios for the health programs through November 30, 2022. All programs are stable. He explained that medical is at a deficit that is expected to smooth out in the spring. Dental and vision are stable and doing well. The ratios are as follows:

Program	Current Year YTD Loss Ratio		Previous Year YTD Loss Ratio	
	Fiscal	Plan Al;dfj	Fiscal	Plan
Medical	110.11%	103.57%	100.23%	131.66%
Dental	72.34%	65.41%	78.70%	64.22%

Vision	67.10%	60.93%	70.21%	69.21%
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This item was reviewed at the Finance Committee Meeting on February 3, 2023.

9. Investment Report Review / Treasurer's Report

The investment reports, as of November 30, 2022, were presented and reviewed. Robert Fellingner reviewed and signed the Treasurer's report.

The investment report, as of November 30, 2022, states we have \$52.5M in total cash, with \$3.2M in LAIF receiving a rate of return of 1.35%, \$18.4M in BAIRD, and \$1.8M in Columbia Bank pending investment. The remaining \$28.9M is split between Columbia Bank and Accounts with Partners. BAIRD activity is accounted for by the accrual method of accounting, which is consistent with best practices during the year with an annual adjustment to fair market value by the Auditors. The difference between the unaudited financials and the securities statement is the aggregate FMV adjustments made by the Auditors. The total BAIRD assets are reported as cash and accrued interest receivable.

	Investments	Accrued Interest Receivable	Total
Medical	\$6,931,637	\$19,470	\$6,951,107
Workers' Comp	\$9,715,504	\$27,281	\$9,742,785
Dental	\$1,225,916	\$3,443	\$1,229,359
Vision	\$542,622	\$1,524	\$544,146
Total	\$18,415,679	\$51,719	\$18,467,398

This item was reviewed at the Finance Committee Meeting on February 3, 2023.

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

10. Unaudited Year-to-Date Financial Reports

Brooks Rice presented the unaudited financial reports through November 30, 2022.

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 continues to work with Prestige to service new claims. Brooks also shared that claims have increased, and it appears new hires contribute to the higher numbers of claims than existing employees.

This item was reviewed at the Finance Committee Meeting on February 3, 2023.

Robert Fellingner moved to approve the unaudited financial reports as presented. Peggy Canale seconded.

Approved: David Flores, Adam Hillman, Peggy Canale, Marianne Williams, Meagan Stone, Melanie Holmes, and Robert Fellingner. Opposed: None. Motion carried. Unanimous.

PUBLIC ADDRESSES BOARD ON MATTERS NOT ON THE AGENDA

None

David Flores adjourned the meeting at 10:23 am.