

Finance Committee Meeting
January 31, 2020, 8:30 am
Shasta-Trinity Schools Insurance Group
MINUTES

Members Present:

Robert Fellingner
David Flores
Micah Brownlee
Adam Hillman
Jill Ault

Others Present:

Brooks Rice, STSIG
Lisa Blakeslee, STSIG
Mari Moore, STSIG
Kurt Walling, STSIG

Robert Fellingner called the meeting to order at 8:30 am. Confirmation of a quorum.

CONSENT AGENDA

1. Approve minutes for the September 27, 2019 Finance Meeting.

Micah Brownlee moved to approve the minutes from the September 27, 2019, Finance Committee Meeting. Adam Hillman seconded.

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

Opposed: None. Motion carried. Unanimous.

GENERAL BUSINESS

2. 2018-19 Financial Audit

James Marta and Associates performed the audit. James Marta was present via phone.

James Marta shared there are no notable errors or concerns, and the STSIG staff was very responsive.

He expressed the workers' compensation program shows success with the liabilities dropping. Increases in revenue and claims in the health programs were moderate. Overall, financials have strengthened. All signs are good in all programs.

The Management Letter presented shows no deficiencies and no management disagreements. He recommended again to consider combining our bank accounts and companies into a single accounting program to streamline administration.

James said the success of the workers' compensation program is not luck and that the success of the program is due to the hard work invested in the program, and the audit shows the results.

Adam Hillman moved to approve the 2018-19 financial audit as presented. Jill Ault seconded.

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

Opposed: None. Motion carried. Unanimous.

3. Loss Ratios

Brooks Rice reported on the loss ratios for the health programs through November 30, 2019. All programs are stable. Ratios are as follows:

| Program | Current Year YTD Loss Ratio | |
|---------|--------------------------------|---------|
| | Fiscal | Plan |
| Medical | 101.87% | 107.30% |
| Dental | 88.35% | 76.63% |
| Vision | 74.18% | 67.35% |

Dental claims increase some due to the added benefits in that program.
No action needed.

4. Expenditures

Expenditures from July 1, 2019, to November 30, 2019, were presented and reviewed. Adam Hillman moved to approve the expenditures as presented. Micah Brownlee seconded. Approved: Robert Fellingner, Adam Hillman, David Flores, Micah Brownlee, and Jill Ault. Opposed: None. Motion carried. Unanimous.

5. Investment Report Review / Treasurer's Report

The investment reports as of November 30, 2019, were presented and reviewed. Robert Fellingner signed the Treasurer's report.

The investment report as of November 30, 2019, states we have \$41.6M in total cash with \$3.2M in LAIF, receiving a rate of return of 2.45% and \$19.7M in CAMP earning 2.39%. The remaining \$18.7M is split between Redding Bank of Commerce and Accounts with Partners.

| | Investments | Accrued Interest Receivable | Total |
|-----------------|--------------|--------------------------------|--------------|
| Medical | \$7,241,647 | \$36,904 | \$7,278,551 |
| Workers' | 11,569,336 | 58,958 | 11,628,294 |
| Dental | 625,999 | 3,190 | 629,189 |
| Vision | 310,827 | 1,584 | 312,411 |
| Total | \$19,747,611 | \$100,635 | \$19,848,247 |

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

6. Unaudited Year-to-Date Financial Reports

Brooks Rice presented the unaudited financial reports through November 30, 2019. The scorecard and details were reviewed.

The scorecard shows all programs are trending well. Outstanding liabilities are going down. Workers' Compensation program continues to show great results which the financial auditors also mentioned. All programs are healthy and stable.

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

PUBLIC ADDRESSES BOARD ON MATTERS NOT ON THE AGENDA

None.

ADJOURN – Robert Fellingner adjourned the meeting at 9:11 am.