

Finance Committee Meeting  
June 18, 2019 1:00 pm  
Shasta-Trinity Schools Insurance Group  
MINUTES

**Members Present:**

Phil Brown  
David Flores  
Micah Brownlee  
Robert Fellingner  
Mike Freeman  
Heather Brown  
Adam Hillman

**Others Present:**

Brooks Rice, STSIG  
Leah Grant, STSIG  
Mari Moore, STSIG  
Lisa Blakeslee, STSIG

Phil Brown called the meeting to order at 1:00pm. Confirmation of a quorum.

GENERAL BUSINESS

**1. Approve minutes for the April 10, 2019 Finance Meeting.**

David Flores moved to approve the minutes from the April 10, 2019 Finance Committee Meeting. Adam Hillman seconded.

Approved: Phil Brown, Adam Hillman, Robert Fellingner, David Flores, Heather Brown, and Micah Brownlee. Opposed: None. Motion carried. Unanimous.

**2. Loss Ratios**

Brooks Rice reported on the loss ratios for the health programs through April 30, 2019. All programs are doing well; however, May 2019 will have the highest medical claims in our history at nearly 2M. The May claims are offset by the excess payment of 1M reducing the net costs. This will be reflected on the financial information at the next meeting. A medical rate increase is expected due to higher costs for medical claims, prescription drugs, and increased hospital costs. Dental and vision continue to do well.

No action needed.

**3. Expenditures**

Expenditures from March 1, 2019 to April 30, 2019 were presented and reviewed.

Robert Fellingner moved to approve the expenditures with a year date correction on the cover sheet. Adam Hillman seconded.

Approved: Phil Brown, Adam Hillman, Robert Fellingner, David Flores, Heather Brown, and Micah Brownlee. Opposed: None. Motion carried. Unanimous.

**5. Investment Report Review / Treasurer's Report**

The investment reports as of April 30, 2019 were presented and reviewed.

Adam Hillman moved to approve the investment reports as presented. David Flores seconded.

Approved: Phil Brown, Adam Hillman, Robert Fellingner, David Flores, Heather Brown, Mike Freeman, and Micah Brownlee. Opposed: None. Motion carried. Unanimous.

## **7. Unaudited Financial Reports**

Brooks Rice presented the unaudited financial reports through April 30, 2019. The scorecard was reviewed. All programs are doing well.

Adam Hillman moved to approve the unaudited financial reports as presented. Robert Fellingner seconded.

Approved: Phil Brown, Adam Hillman, Robert Fellingner, David Flores, Heather Brown, Mike Freeman, and Micah Brownlee. Opposed: None. Motion carried. Unanimous.

## **4. Stabilization Goals Annual Review**

The annual review of the stabilization goals was performed. There was discussion to increasing the workers' compensation goal to the "gold standard" as outlined in the annual actuarial study of 10 times the SIR plus IBNR for the 2019-20 fiscal year with no change to the other program goals.

Adam Hillman moved to approve increasing the workers' compensation goal to equal a minimum of 10x the SIR plus IBNR with no change to the other programs. Mike Freeman seconded.

Approved: Phil Brown, Adam Hillman, Robert Fellingner, David Flores, Heather Brown, Mike Freeman, and Micah Brownlee. Opposed: None. Motion carried. Unanimous.

## **6. STSIG Wellness Program Funding**

It is suggested continuing the wellness program as is (\$100 gift cards) plus add the \$50 lab allowance for members who use Prestige for the wellness exam and wellness lab work. The expected cost of the program for 2019-20 is \$85K

Last year's expense for first-time HSA contribution for enrolling in a high deductible health plan was about \$50K (\$500 individual/\$1000 family).

The proposed budget includes \$85K for the wellness incentive and \$50K for HSA contributions.

The committee would like an analysis of the fiscal soundness of the program going forward to evaluate if the HSA incentive should continue after 2019-20.

Adam Hillman moved to approve the suggested wellness and HSA funding request. Robert Fellingner seconded.

Approved: Phil Brown, Adam Hillman, Robert Fellingner, David Flores, Heather Brown, Mike Freeman, and Micah Brownlee. Opposed: None. Motion carried. Unanimous.

## **8. 2017-18 Proposed Budget**

The preliminary budgets for each program for 2019-20 were presented. The medical rate increase is expected to be in the range of 5-6.8%. Anthem ASO fees and medical stop loss has increased. Lease payments from suite 300 are expected to begin in October or November 2019.

Adam Hillman moved to approve the 2019-20 proposed budget as presented. Robert Fellingner seconded.

Approved: Phil Brown, Adam Hillman, Robert Fellingner, David Flores, Heather Brown, Mike Freeman, and Micah Brownlee. Opposed: None. Motion carried. Unanimous.

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

None.

**ADJOURN**

Phil Brown adjourned the meeting at 1:51pm.