

Combined Finance Committee and Workers' Compensation Committee Meeting (Zoom)  
June 18, 2021, 8:30 am  
Shasta-Trinity Schools Insurance Group  
MINUTES

**Members Present:**

Robert Fellingner  
Cathleen Serna  
David Flores

**Others Present:**

Brooks Rice, STSIG  
Leah Grant, STSIG  
Kurt Walling, STSIG  
Lisa Blakeslee, STSIG

Robert Fellingner called the meeting to order at 8:33 am. Confirmation of a quorum.

**CONSENT AGENDA**

**1. Approve minutes for April 30, 2021, Combined Workers' Comp and Finance Committee Meeting.**

Adam Hillman moved to approve the minutes from April 23, 2021. Cathleen Serna seconded.

Approved: Robert Fellingner, Adam Hillman, and Cathleen Serna. Opposed: None. Motion carried.

Unanimous.

**GENERAL BUSINESS**

**2. Loss Ratios**

Brooks Rice reported on the loss ratios for the health programs through April 30, 2021. All programs are stable. Ratios are as follows:

Program	Current Year YTD Loss Ratio		Previous Year YTD Loss Ratio	
	Fiscal	Plan Al;dfj	Fiscal	Plan
Medical	95.02%	96.09%	98.23%	98.31%
Dental	86.61%	82.78%	83.87%	79.41%
Vision	71.60%	68.01%	62.72%	56.03%

The medical program is doing better than expected. Dental and Vision are starting to perform typically.

No action is needed.

**3. Expenditures**

Expenditures from March 1, 2021, to April 30, 2021, were presented and reviewed.

Cathleen Serna moved to accept the expenditures as presented. Adam Hillman seconded.

Approved: Robert Fellingner, Adam Hillman, and Cathleen Serna. Opposed: None. Motion carried.

Unanimous.

No action is needed.

#### 4. Investment Report Review / Treasurer's Report

The investment reports, as of April 30, 2021, were presented and reviewed. Robert Fellingner reviewed and signed the Treasurer's report.

The investment report as of April 30, 2021, states we have \$47.9 in total cash with \$3.2 in LAIF receiving a rate of return of .44% and \$21.0M in CAMP earning .52%. The remaining \$23.7M is split between Merchants Bank of Commerce and Accounts with Partners. CAMP activity is accounted for by the accrual method of accounting, which is consistent with PFM's best practices during the year with an annual adjustment to fair market value by the Auditors. The difference between the unaudited financials and the CAMP securities statement is the aggregate FMV adjustments made by the Auditors. The total CAMP assets are reported as cash and accrued interest receivable.

	Investments	Accrued Interest Receivable	Total
Medical	\$7,590,055	\$25,481	\$7,615,535
Workers' Comp	\$11,674,954	\$39,194	\$11,714,148
Dental	\$974,241	\$3,271	\$977,512
Vision	\$458,454	\$1,539	\$459,993
Total	\$20,697,704	\$69,484	\$20,767,188

Robert Fellingner moved to accept the investment reports as presented. Adam Hillman seconded. Approved: Robert Fellingner, Adam Hillman, and Cathleen Serna. Opposed: None. Motion carried. Unanimous.

#### 5. Unaudited Financial Reports

Brooks Rice presented the unaudited financial reports through April 30, 2021.

The scorecard and details were reviewed. The scorecard amounts were before adjustment for IBNR. The combined health programs reported a surplus of \$1.1M. The combined workers' compensation programs reported a surplus of 727K.

The Workers' Compensation program continues to reduce outstanding liabilities due to claim management by SIA.

All programs are positive and secure.

Adam Hillman moved to accept the unaudited financial reports as presented. Cathleen Serna seconded.

Approved: Robert Fellingner, Adam Hillman, and Cathleen Serna. Opposed: None. Motion carried. Unanimous.

#### 6. 2021-22 HSA Contributions, Wellness Program, and Kannact Incentive Funding

Brooks Rice shared projected funding needs of \$57K and \$69K to continue the HSA and Wellness incentives as in past years without change. He also suggested a new incentive of \$100 per member who enroll in the Kannact program and participates for six months. The total expected cost for the Kannact incentive is \$40K.

Robert Fellingner moved to approve funding for the HSA, Wellness, and Kannact incentives as presented. Adam Hillman seconded.

Approved: Robert Fellingner, Adam Hillman, and Cathleen Serna. Opposed: None. Motion carried. Unanimous.

## **7. 2021-22 Proposed Budget**

The proposed budget was presented. Brooks pointed out the following highlights.

- The budget includes a 5% increase in medical rates. However, the recent data support the increase will be 3.5%. The budget will be adjusted for the Board of Director's meeting.
- The budget includes a 3% increase for STSIG staff.
- The \$40K Kannact incentive was not included in the budget. The budget will be adjusted to include the Kannact incentive funding for the Board of Director's meeting.

Adam Hillman moved to approve the 2021-22 proposed budget with the correction to the medial rate increase and to include the Kannact incentive of \$40K.

Approved: Robert Fellingner, Adam Hillman, and Cathleen Serna. Opposed: None. Motion carried. Unanimous.

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

None.

**ADJOURN** – Robert Fellingner adjourned the meeting at 8:53 am.