

Finance Committee Meeting
May 11, 2018 11:00 am
Enterprise Elementary School District
MINUTES

Members Present:

Phil Brown
David Flores
Adam Hillman
Gretchen Deichler
Robert Fellingner
Morris Rodrigue
Mike Freeman

Others Present:

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

Phil Brown called the meeting to order at 11:03am.

GENERAL BUSINESS

1. Approve minutes for the October 31, 2017 Finance Meeting.

Morris Rodrigue moved to approve the minutes from the October 31, 2017 Finance Committee Meeting. Robert Fellingner seconded.

Approved: Phil Brown, Adam Hillman, Robert Fellingner, David Flores, Morris Rodrigue, Gretchen Deichler, and Mike Freeman. Opposed: None. Motion carried. Unanimous.

2. 2016-17 Financial Audit Update

Auditor, Jim Marta, joined by phone. They recommend that both STSIG and SIA carry liabilities on both their books. The restatement has already been approved by STSIG board of directors in December 2017.

Jim shared that the audit should be completed within 30 days. There are some outstanding questions that will be sent to STSIG shortly. It was explained that STSIG has a hybrid program with SIA where there is a 10% pooling of claims. SIA will provide clarification on the agreement so all parties are clear on the calculation and that there is documentation as to the agreement for reference. This clarity will not change any financials but it will provide a better understanding of how the amounts were reached and the restrictions of the use of funds. The agreement is 90% claims administration by SIA and 10% risk sharing with the whole SIA group. Jim Marta said the program is doing very, very well. The program is good and has resulted in good savings.

No action needed.

3. Loss Ratios

Brooks Rice reported on the loss ratios for the health programs through March 31, 2018. The medical program has returned to a good ratio after having the highest month in its history. He explained that October, November, and December will typically be our highest months for medical claims. Dental and vision continue to do well and another rate decrease or increase in benefits may be possible for the next plan year. However, Dignity Health will be increasing their costs by 10% each year for the next three years which will result in about a 2% - 2.5% increase in our medical rates for the same years.

No action needed.

4. Expenditures

Expenditures from July 1, 2017 to March 31, 2018 were reviewed.

Robert Fellingner moved to approve the expenditures as presented. Gretchen Deichler seconded.

Approved: Phil Brown, Adam Hillman, Robert Fellingner, David Flores, Morris Rodrigue, Gretchen Deichler, and Mike Freeman. Opposed: None. Motion carried. Unanimous.

5. Investment Report Review / Treasurer's Report

The investment report as of December 31, 2017 and March 31, 2018 were presented and reviewed. Adam Hillman moved to approve both investment reports as presented. Robert Fellingner seconded. Approved: Phil Brown, Adam Hillman, Robert Fellingner, David Flores, Morris Rodrigue, Gretchen Deichler, and Mike Freeman. Opposed: None. Motion carried. Unanimous.

6. Unaudited Financial Reports

Brooks Rice presented the unaudited financial reports through March 31, 2018. The medical program is showing a negative amount due to the wellness incentive, blood work, and health savings account contributions. All programs are doing well and workers' compensation is doing very well.

Mike Freeman moved to approve the unaudited financial reports as presented. Morris Rodrigue seconded.

Approved: Phil Brown, Adam Hillman, Robert Fellingner, David Flores, Morris Rodrigue, Gretchen Deichler, and Mike Freeman. Opposed: None. Motion carried. Unanimous.

PUBLIC ADDRESSES BOARD ON MATTERS NOT ON THE AGENDA

None.

ADJOURN

Phil Brown adjourned the meeting at 12:08pm.