

Finance Committee Meeting
September 21, 2018 9:00 am
Shasta-Trinity Schools Insurance Group
MINUTES

Members Present:

Adam Hillman
David Flores
Micah Brownlee
Mike Freeman

Others Present:

Brooks Rice, STSIG
Lisa Blakeslee, STSIG
Mari Moore, STSIG
Jennifer Kiff, Gateway

Adam Hillman called the meeting to order at 9:02am. Confirmation of a quorum at 9:09am.

GENERAL BUSINESS

1. Approve minutes for the June 25, 2018 Finance Meeting.

David Flores moved to approve the minutes from the June 25, 2018 Finance Committee Meeting. Micah Brownlee seconded.

Approved: Adam Hillman, David Flores, Micah Brownlee, and Mike Freeman. Opposed: None. Motion carried. Unanimous.

2. Confirmation of Current STSIG Insurance Coverages

Per the STSIG bylaws and Policies & Procedures, The Finance/Audit committee will review the Authority's insurance coverage and confirm the Authority has sufficient coverage to protect the Authority. The following is a summary of the Authority insurance coverages and the committee believes there is adequate coverage.

- Workers' Compensation: Member of STSIG pool
- Property & Liability coverage: NCSIG MOC, 7/1/18 to 7/1/19
- Cyber Liability coverage: NAS Insurance (Loyds of London), \$10K deductible with \$3M limit, 01/27/18 to 01/27/19
- Collateral agreement:
 - Tri Counties Bank, \$10M limit, valid 7/07/16 to current
 - Redding Bank of Commerce, \$10M plus, valid December 31, 2017 to current

David Flores moved to accept the Authority's current insurance coverage as outlined in the meeting materials as sufficient to protect the Authority's interests. Micah Brownlee seconded.

Approved: Adam Hillman, David Flores, Micah Brownlee, and Mike Freeman. Opposed: None. Motion carried. Unanimous.

3. Loss Ratios

Brooks Rice reported on the loss ratios for the health programs through June 30, 2018. All programs are stable. Ratios are as follows:

Program	Current Year YTD Loss Ratio	
	Fiscal	Plan
Medical	98.72%	98.86%
Dental	90.56%	92.42%
Vision	70.91%	68.06%

For plan year 2018-19, the dental rates were reduced by 2% and the vision frame and contact lens allowance was increased from \$150 to \$175.

No action needed.

4. Investment Report Review / Treasurer's Report

The investment reports as of June 30, 2018 were presented and reviewed. Phil Brown was absent, so the Treasurer's report will be signed at the Executive Committee meeting.

The investment report as of June 30, 2018 states we have \$36.5M in total cash with \$4.5M in LAIF receiving a rate of return of 1.9% and \$18.4M in CAMP earning 2.20%. The remaining \$13.5M is split between Redding Bank of Commerce, TriCounties Bank, Bank of America, and Accounts with Partners.

Micah Brownlee moved to approve the investment reports as presented. David Flores seconded.

Approved: Adam Hillman, David Flores, Micah Brownlee, and Mike Freeman. Opposed: None.

Motion carried. Unanimous.

5. Expenditures

Expenditures from May 1, 2018 to June 30, 2018 were presented and reviewed.

Mike Freeman moved to approve the expenditures for May and June 2018 as presented with a correction to the dates on the cover sheet. David Flores seconded.

Approved: Adam Hillman, David Flores, Micah Brownlee, and Mike Freeman. Opposed: None.

Motion carried. Unanimous.

6. Unaudited Financial Reports

Brooks Rice presented the unaudited financial reports through June 30, 2018. The scorecard and details were reviewed. The scorecard shows the medical program with a deficit of \$109K. This deficit is a result of the wellness and health savings account expenses. STSIG budgets an expected loss of over \$400K a year for those items so the \$109K loss is less than expected. The scorecard shows that the health programs have a combined surplus of \$222,347.

Dental and vision continue to do well and will be reviewed again after the 2018-19 plan year to see how the changes affect their loss ratio. Workers' Compensation program continues to show great results.

David Flores moved to approve the unaudited financial reports as presented. Micah Brownlee seconded.

Approved: Adam Hillman, David Flores, Micah Brownlee, and Mike Freeman. Opposed: None.

Motion carried. Unanimous.

PUBLIC ADDRESSES BOARD ON MATTERS NOT ON THE AGENDA

None.

ADJOURN - Adam Hillman adjourned the meeting at 9:29am.