

Finance Committee Meeting
January 29, 2021, 8:30 am
Shasta-Trinity Schools Insurance Group (Zoom)
MINUTES

Members Present:

Robert Fellingner
Adam Hillman
David Flores
Micah Brownlee
Jill Ault

Others Present:

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

Robert Fellingner called the meeting to order at 8:31 am. Confirmation of a quorum.

GENERAL BUSINESS

1. Approve minutes for the September 24, 2021 Finance Meeting.

Adam Hillman moved to approve the minutes from the September 24, 2021, Finance Committee Meeting. Jill Ault seconded.

Approved: Robert Fellingner, Adam Hillman, David Flores, Jill Ault, and Micah Brownlee. Opposed: None. Motion carried. Unanimous.

2. 2019-20 Financial Audit

James Marta and Associates completed the annual audit. Jim Marta joined the meeting to present the findings.

He explained the reports and said all programs are stably. The drivers of success continue to be the people, policies, procedures, training, and accountability. As with prior audits, the pool's hard work shows in the audit results.

Assets and net position have increased while claims, payroll, and liabilities have decreased.

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

Jill Ault moved to approve the 2019-20 Financial Audit. Adam Hillman seconded.

Approved: Robert Fellingner, Adam Hillman, David Flores, Jill Ault, and Micah Brownlee. Opposed: None. Motion carried. Unanimous.

3. Loss Ratios

Brooks Rice reported on the loss ratios for the health programs through November 30, 2020. All programs are stable. He explained that claims are starting to return to normal since the Covid-19 reduction in services. Ratios are as follows:

Program	Current Year YTD Loss Ratio		Previous Year YTD Loss Ratio	
	Fiscal	Plan	Fiscal	Plan
Medical	94.69%	98.42%	101.95%	107.38%

Dental	83.9%	67.23%	88.35%	79.23%
Vision	76.73%	73.19%	74.18%	67.35%

No action is needed.

4. Expenditures

Expenditures from July 1, 2020, to November 30, 2020, were presented and reviewed.

David Flores moved to approve the expenditures as presented. Jull Ault seconded.

Approved: Robert Fellingner, Adam Hillman, David Flores, Jill Ault, and Micah Brownlee. Opposed: None. Motion carried. Unanimous.

5. Investment Report Review / Treasurer's Report

The investment reports, as of November 30, 2020, were presented and reviewed. Robert Fellingner reviewed and signed the Treasurer's report.

The investment report as of November 30, 2020, states we have \$46.8M in total cash with \$3.2M in LAIF receiving a rate of return of .84% and \$20.8 in CAMP, earning 1.62%. The remaining \$22.8M is split between Redding 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	\$7,607,963	\$32,602	\$7,640,565
Workers' Comp	\$11,702,500	\$50,148	\$11,752,648
Dental	\$976,540	\$4,185	\$980,724
Vision	\$459,536	\$1,969	\$461,505
Total	\$88,905	\$20,746,538	\$20,835,443

Adam Hillman moved to approve the investment reports, as presented. Jill Ault seconded.

Approved: Robert Fellingner, Adam Hillman, David Flores, Jill Ault, and Micah Brownlee. Opposed: None. Motion carried. Unanimous.

6. Unaudited Financial Reports

Brooks Rice presented the unaudited financial reports through November 30, 2020.

The scorecard and details were reviewed. The scorecard amounts were before adjustment for IBNR. All programs are doing well.

The Workers' Compensation program continues to reduce outstanding liabilities due to claim management by SIA. Claims are down 10-20%, with very few Covid related claims.

Remote learning and reduced staff at facilities are also lowering claims. Claims are expected to rise as schools reopen for in-person learning.

David Flores moved to approve the unaudited financial reports as presented. Jill Ault seconded.

Approved: Robert Fellingner, Adam Hillman, David Flores, Jill Ault, and Micah Brownlee. Opposed: None. Motion carried. Unanimous.

7. 85 Hartnell Parking Lot Improvements

The budget and scope of the improvements were discussed. Pavement Engineering Inc. (PEI) submitted current pictures and diagrams of the propped work.

Adam Hillan moved to approve accepting the PEI proposal and authorizing Brooks Rice to oversee the project. Robert Fellingner seconded.

Approved: Robert Fellingner, Adam Hillman, David Flores, Jill Ault, and Micah Brownlee. Opposed: None. Motion carried. Unanimous.

PUBLIC ADDRESSES BOARD ON MATTERS NOT ON THE AGENDA

None.

ADJOURN – Robert Fellingner adjourned the meeting at 9:24am.