

MINUTES OF THE SELF-INSURANCE TRUST BOARD MEETING
SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
Ed Center, Room - Old Main, 7575 E. Main, Scottsdale, AZ 85251
January 21, 2021 at 3:00 PM

The meeting was called to order at **3:05** pm on January 21, 2021.

- I. Call to Order – Ms. Erika Coombs, Chairperson called the meeting to order.

Due to the COVID-19 (aka Coronavirus) emergency, Centers for Disease Control and Prevention guidelines, and pursuant to guidelines from the Arizona Attorney General regarding compliance with the Open Meeting Law during this national emergency, this meeting was conducted in person, online, or via phone.

- II. Roll Call-

Board Trustees in attendance were telephonically and via Teams video, Patty Beckman, Governing Board Member, Shannon Crosier, Trust Board Administrator, Erika Coombs, Chairperson, Megan Burke, and Wally Graham Trustees.

INFORMATION/DISCUSSION AND POSSIBLE ACTION

- A. Introduction of Trustees, Staff, and Visitors

- B. Approval of SUSD Self-Insurance Trust Minutes from October 29, 2020 meeting. - Action
No discussion of the Minutes.

Shannon Crosier Moved to Approve the Scottsdale USD Self-Insurance Trust Meeting Minutes of October 29, 2020. Megan Burke Seconded the motion. The motion was approved with a vote of 5 – 0.

- C. Property/Casualty/Workers Comp Claims Report (ARRT) – Information

Ryan Cole, from the Trust, presented Financial reports concerning Property/Casualty and Worker’s Compensation. In 2019-2020 the District contributed much more than total incurred so we have a surplus. The District incurred low losses resulting in a contribution adjustment of \$411,595 which was returned to the District for 2019/2020.

2020/2021 Adjusted Elements as of 12/31/2020 - Alliance Rating Retrospective Plan

- Incurred Losses \$281,901 (Budgeted \$630,519)
- ULAE \$ 39,959 (Budgeted \$ 89,376)

A final adjustment based on actual losses and payroll will be conducted in July 2021.

Prepaid Account/TIP Balances for the District as of 12/31/2020:

- Trust Prepaid Account Balance as of 10/19/2020 = \$158,151
- Trust Investment Pool Balance as of 10/19/2020 = \$40,623
- Highest Claim Deductible is: \$10,000.

- D. Medical Claims/Financial Reports – Information – Chris Marler presented

COVID-19 Risk Modeling and Tracking 3/8/2020 – 1/10/2021.

- 1,108 Total members Tested
- 2,192 Total Claims Tested
- \$129,254 Total Allowed or Paid
- 227 Total members Confirmed (People confirmed with COVID-19)
- 379 Total Claims Confirmed

- \$41,619 Confirmed Allowed or Paid (Treatment excluding testing)

Kairos announcement: July 1, 2021 we are moving from BCBS to United Health Care

Medical Claims/Financial Reports - Information

Jeremy Larson presented financial and health reports from Kairos Health Arizona – High-Cost claimants Overview paid through August 2020.

- High-Cost Claims Total \$1-50K = \$1,877,952
- High-Cost Claims Total \$50K – 100K = \$297,543
- High-Cost Claims Total 100K – 150K = \$ 352,429
- High-Cost Claims Total ≥ 150K = \$319,833

Plan Participation:

- PPO = 27% Participants
- HDHP 1500 = 29% Participants
- HDHP 2800 = 37% Participants
- HDHP 5000 = 07% Participants

E. Trust Financial Update – Information

Tyler Tayrien and Tom Hedges from Wells Fargo is presenting the Financial Update. Three investment accounts as of 12/31/2020:

- Property and Casualty – 9.3 Million Portfolio Size (.95% yield within portfolio)
 - Unrealized Gains \$86,000 without accrued Interest.
 - Interest Earnings \$124,355. Over 2020
- Worker’s Compensation- 6.6 million (1.04% yield within portfolio)
 - Unrealized Gains \$57,000 without accrued Interest.
 - Interest Earnings \$104,108
- Medical- 32.6 Million (.93% yield)
 - Unrealized Gains \$404,000 without accrued Interest.
 - Interest Earnings \$386,495
- **Total Interest Earning for all 3 accounts for 2020: \$615,651.**

Questions:

- a. Patty Beckman – I would like to see the statements per account, Investment policy, and would like to see the duration per account.
- b. Send out the current financials for December.
- c. Wells Fargo is our Broker and not the manager of our accounts.

III. Future Agenda Items – No agenda items added.

IV. Adjournment

At **4:21** PM, Wally Graham moved to adjourn the meeting. Megan Burke seconded the motion. The motion was approved with a vote of 5 – 0.

Dated this 21st day of January 2021.

Approved March 25, 2021