

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
October 29, 2020 at 3:00 PM

The meeting was called to order at **3:10** pm on October 29, 2020.

- 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, Sandy Kravetz, Governing Board Member, Shannon Crosier, Trust Board Administrator, Erika Coombs, Chairperson, Megan Burke, Wally Graham

INFORMATION/DISCUSSION AND POSSIBLE ACTION

- A. Approval of SUSD Self-Insurance Trust Minutes from August 20, 2020 meeting. - Action
No discussion of the Minutes.

Shannon Crosier Moved to Approve the Scottsdale USD Self-Insurance Trust Meeting Minutes of August 20, 2020. Megan Burke Seconded the motion. The motion was approved with a vote of 5 – 0.

- B. 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 9/30/2020 - Alliance Rating Retrospective Plan

- Incurred Losses \$196,933 (Budgeted \$630,519)
- ULAE \$ 27,915 (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:

- Trust Prepaid Account Balance as of 10/19/2020 = \$177,175
- Trust Investment Pool Balance as of 10/19/2020 = \$40,616

- C. Medical Claims/Financial Reports – Information – Chris Marler and Jeremy Larson presented

COVID-19 Risk Modeling and Tracking 1/1/20 – 10/18/20.

- 596 Total members Tested
- 862 Total Claims Tested
- \$56,398 Total Allowed or Paid
- 115 Total members Confirmed (People confirmed with COVID-19)
- 168 Total Claims Confirmed
- \$9,225 Confirmed Allowed or Paid (Treatment excluding testing)

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 = \$1,236,903
- High-Cost Claims Total \$50K – 100K = \$175,151
- High-Cost Claims Total 100K – 150K = \$ 125,302
- High-Cost Claims Total ≥ 150K = \$0

Plan Participation:

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

III. Trust Financial Update – Information

Tyler Moore, Acting Director of Finance presented a review of the investment accounts for Fiscal Year 2021 (YTD). Wells Fargo followed up with a financial market forecast.

- Trust Account Balance as of 9/30
 - = \$56,932,550
- Percentage of Earnings by Account as of 9/30:
 - Medical Account 45%
 - Property Account 27%
 - Worker’s Comp Account 27%
- \$182,000 in Interest Earnings as of 9/30 with a large payment in July due to with semi-annual collections
- Wells Fargo Update from Tyler Tayrien -Fourth Quarter Update Investment Accounts.
 - Year to date Interest Earnings January – September 2020
 - Medical \$303,000
 - Worker’s Comp \$94,000
 - Property Casualty \$111,000
- They are working on putting funds to work to earn interest earnings within three District accounts. US Government Money Market funds, US Government Bonds, Government Treasuries, Certificates of Deposits. Yields have substantially come down in recent times due to large amount of money injected into the banking system. Supply and demand. The rates will not be raised for some time in the future. (2024).
- Performance of the three accounts – Medical, Worker’s Comp, and Property Casualty – The investments in the portfolio continue to outperform the Market – meaning there are unrealized gains in all three accounts.
- Still working with the District to maximize yields and investments.

IV. Future Agenda Items – No agenda items added.

V. Adjournment

At **3:54** PM, Sandy Kravetz moved to adjourn the meeting. Wally Graham seconded the motion. The motion was approved with a vote of 5 – 0.

Dated this 29th day of October 2020.

Approved January 21, 2021