

**MINUTES OF THE
SCOTTSDALE USD SELF-INSURANCE TRUST MEETING
SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
June 20, 2019 at 3:00 pm
Ed Center Old Main Room, 7575 E. Main, Scottsdale, AZ 85251**

The meeting was called to order at 3:04 pm on June 20, 2019.

- I. Call to Order- Mr. Gadd called the meeting to order.
- II. Roll Call-
Board Trustees in attendance were, Sandy Kravetz, Governing Board Member, Jeff Gadd, Trust Board Administrator, Megan Burke (Telephonically), Erika Coombs, and Wally Graham.
- III. **Introduction of Trustees, Staff, and Visitors- Introductions took place and guest speakers were introduced**
 - A. Jeff Gadd explained the background of the setup of the Trust Meeting
 - B. Ryan Cole (ARRT), Jeremy Larson (Kairos), and Tanya Edwards (Kairos). All are with Ashton Tiffany.

Discussion and Possible Action

- IV. Approval of Self-Insurance Trust Meeting Minutes April 10, 2019
Minutes were discussed.

Ms. Burke moved to approve the Self-Insurance Trust Meeting Minutes April 10, 2019.
Mr. Graham seconded the motion. The motion was approved with a vote of 5-0.

**V. Approval of – Enabling Self-Insurance Trust Document
Questions:**

1. Wally Graham – what drove the change in the document? Having all insurance in the same Trust will be more efficient. Allows the Trust Board to become knowledgeable about all aspects. The Medical Insurance is now included in the Trust.
2. When was the first Trust started? 2001
3. Mrs. Kravetz – Stated, an investor was located outside of the state and was not following State Statutes. Should we document in an amendment – Paying for things the District would normally pay for but through the Trust. We need to have a document stating how the costs will work.
4. The Trust Enabling Document authorizes the Trust to make investments. A report will be provided at each Trust Board meeting.
5. Mrs. Kravetz–Schwab account – What is the disposition of the funds now? Transferred into Wells Fargo and additional information will be brought to the next Board Meeting.
6. Mr. Graham – Are we covered in the insurance as a Trustee? Trustees are indemnified in the agreement. Covered by the AZ School Trust as long as you are acting in your role.

Ms. Coombs moved to approve Enabling Self-Insurance Trust Document. Mr. Gadd Seconded the motion. The motion was approved with a vote of 5 – 0.

VI. Selection of Chairperson (Trust Document 3.4)

Ms. Kravetz nominated Erika Coombs to be the Chairperson – Background is well qualified.

Mrs. Kravetz moved to approve Selection of Chairperson. Mr. Gadd Seconded the motion. The motion was approved with a vote of 5 - 0.

- VII. **Financial Report (Orientation)** Mr. Gadd discussed the current cash assets
- A. Medical Account – 25,866,030 Total Assets and NET Assets 24,543,210.75
 - B. Property Casualty Account – 9,280,371.29 Total Assets; NET Assets 9,180,371.29
 - C. Worker’s Compensation – 7,252,259.70 Total Assets; NET Assets 7,152,259.70

Ryan Cole (Trust)- Presented PowerPoint with the information of The Alliance, Trust and Kairos all work together in a pool to bring better service.

- 1996 the Alliance was formed - Estimated payroll is done with different groups of staff. Rate are first set over the pool and then specifically to Scottsdale. (Medical and lost days) Kairos Pool began in 2017 and currently has 259 members
Up to 50 million \$ rates
- Chandler 2010, Gilbert 2011, and Tucson 2014 are in the Alliance Self-Insured rating program
Question Mr. Graham, on the Alliance and Medical – Liability will cover under the Trust for example those hurt under a school shooting.
- Kairos – Presentation – Tanya Edwards– 2016-2017 Kairos was created as a pool to help schools as well as other entities to manage Medical and Health Care. Strength in numbers to leverage the carrier in the market place.
 - High level claims
 - Stop Loss Policy – up to 300,000 and we pay a premium for this policy above 300,000 paid by Stop Loss Claim.
 - 3 staff members have claims over 300,000 (Liver transplant, breast cancer, Leukemia Cancer)
 - Scottsdale was stable and only had an %3 increase
- Every quarter we will provide an updated financial report on all accounts.
- How do you determine how much to set in each account?

VIII. **Approval of Property and Casualty Insurance Coverage July 1, 2019 – June 30, 2020**

Ms. Burke moved to approve Property and Casualty Insurance Coverage July 1, 2019 – June 30, 2020. Ms. Coombs seconded the motion. The motion was approved with a vote of 5 - 0.

IX. **Approval of Self-Insurance Worker’s Comp (Retrospective Plan Self Insurance) July 1, 2019 – June 30, 2020**

Ms. Coombs moved to approve Self-Insurance Worker’s Comp (Retrospective Plan Self Insurance) July 1, 2019 – June 20, 2020. Mr. Graham seconded the motion. The motion was approved with a vote of 5 - 0.

X. **Approval of Kairos Agreement for Employee Benefit Insurance Coverage July 1, 2019 – June 30, 2020.**

Mrs. Kravetz moved to approve Kairos Agreement for Employee Benefit Insurance Coverage July 1, 2019 – June 30, 2020. Mr. Gadd seconded the motion. The motion was approved with a vote of 5 - 0.

XI. **Approval of Quarterly Meeting Calendar July 1, 2019 – June 30, 2020.**

Discussion on the dates to ensure the Board Trustees availability.

XII. **Authority to Pay Banking Fees**

Mrs. Kravetz moved to approve Authority to Pay Banking Fees from the Self-Insurance Trust. Ms. Coombs seconded the motion. The motion was approved with a vote of 5 - 0.

XIII. Future Agenda Items

1. Investment Policy
2. Information on the Trust Audit

XIV. Adjourn Meeting

At 4:30 pm, Mrs. Kravetz moved to adjourn the Self-Insurance Trust Meeting. Mr. Gadd seconded the motion. The motion was approved with a vote of 5 - 0.

Dated this 20th day of June 2019

Approved October 31, 2019