

Meeting Minutes

Workers' Compensation and Employer Liability Trust Board Regular Meeting

November 17, 2022 | 4:00 p.m.
Council Chambers Conference Room
88 E. Chicago St., Chandler, AZ



Call to Order

The meeting was called to order by Vice Chair Bohnert at 4:03 p.m.

Roll Call

Board Attendance

Vice Chair, Michael Bohnert
Secretary, Jennifer Huppenthal
Vale Gale

Absent

Lily Longacre, Chair
Terry Bond

Other Attendance

Dee Hooker, Benefits Analyst
Fernanda Osgood, Benefits/Compensation Manager
Kristi Smith, Financial Services Officer
Kristin Maier, Human Resources Manager
Rachel Calisi, Segal Consultants
Robert Steele, Accounting Manager
Roni Laxa, Assistant City Attorney
Teresa Canjar, HR Management Assistant

Scheduled and Unscheduled Public Appearances

Consent Agenda and Discussion

1. September 15, 2022 Minutes

Secretary Huppenthal made a motion to approve the minutes as presented from the September 15, 2022, meeting of the City of Chandler Workers' Compensation and Employer Liability Trust Board, seconded by Assistant Fire Chief Gale, motion carried.

Briefing

1. Financial Statements

Statement of Net Position as of September 30, 2022

Kristi Smith advised the Board that the total assets were \$15,920,154, cash is down \$975,000 from last quarter, and Due from the City is up \$1 million from prior quarter. Total liabilities are \$40,000, no change from the prior quarter. The unrestricted net position is \$15,880,154 which is up from last quarter. When Net Position is compared to the Reserve Goal as of June 30, 2021, there is a surplus of almost \$2,700,000.

Statement of Revenues, Expenses and Changes in Net Position – September 30, 2022

The annual and prorated budget is shown, some items are prorated based on the number of months while other items may have been 100% spent. The total actual operating revenues are \$1,238,470 which is \$142,545 over budget. Operating expenses are \$1,886,865 which is \$458,765 under budget primarily related to claims payable. This provides for an Operating Loss of \$648,395, which is \$601,310 less of a loss than anticipated. The Non-Operating Revenues and Expenses total \$694,565 and there is a change in net position of \$46,170. The ending net position is \$15,880,154 which agrees with the Statement of Net Position.

Statement of Cash Flows – September 30, 2022

Kristi Smith advised the Board that this report shows the inflows and outflows of cash by activity. End of year Cash and Equivalents total \$13,897,286 which agrees with the Statement of Net Position.

4. Investment Report – September 30, 2022

Kristi Smith provided a brief overview of the Investment Performance Review. The portfolio statistics yield at cost is 1.41% which is up from 0.94% in the previous quarter. Yield at Market is 4.33% which is up from the prior quarter of 3.00%. Effective Duration is at 1.56 as compared to the prior quarter of 1.70. The Benchmark Effective Duration is 1.76. The money market rate is continuing to trend up and is 2.22% for Allspring and 2.74% for First American Funds (PFM). The Sector Allocation is showing minimal change in each of the security types.

Vice Chair Bohnert said with rates going up so much, we need to make sure that PFM is working for us. Kristi responded that we do meet with them quarterly and to keep in mind this is as of September 30, 2022 and things have changed significantly since then.

Members Comments/Announcements

Kristi Smith introduced Robert Steele, the new Accounting Manager.

Calendar

The next regular meeting will be a combined meeting on Thursday, February 2, 2023, at 4:00 p.m., in the Council Chambers Conference Room, 88 E. Chicago Street.

Informational Items

Agenda Items for Future Meeting Dates

Financial Audit Report Review

Financial Statements

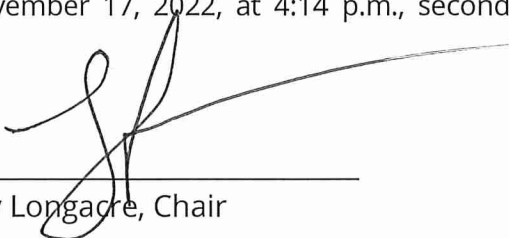
Investment Report

Rate Contribution and Reserve Recommendation

Adjourn

Assistant Fire Chief Gale made a motion to adjourn the meeting of the City of Chandler Workers' Compensation and Employer Liability Trust Board of November 17, 2022, at 4:14 p.m., seconded by Secretary Huppenthal, motion carried.



Teresa Canjar, Secretary

Lily Longacre, Chair