

Meeting Minutes

Workers' Compensation and Employer Liability Trust Board Regular Meeting

November 16, 2023 | 4:00 p.m.
Council Chambers Conference Room
88 E. Chicago St., Chandler, AZ



Call to Order

The meeting was called to order by Chair Longacre at 4:02 p.m.

Roll Call

Board Attendance

Chair Lily Longacre
Vice Chair Jennifer Huppenthal
Secretary Vale Gale
Mark Knight
Terry Bond

Other Attendance

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

Scheduled and Unscheduled Public Appearances

Consent Agenda and Discussion

1. September 14, 2023 Minutes

Ms. Bond made a motion to approve the minutes as presented from the September 14, 2023, meeting of the City of Chandler Workers' Compensation and Employer Liability Trust Board, seconded by, Secretary Gale motion carried.

Briefing

1. Financial Statements

Statement of Net Position as of September 30, 2023

Robert Steele advised the Board that total assets were \$17,997,955, cash is down \$315,000 from prior quarter. Total liabilities are \$50,000, a decrease from the prior quarter. The unrestricted net position is \$17,947,955 which is also down from last quarter. When Net Position is compared to the Reserve Goal as of June 30, 2022, there is a surplus of over \$4.5 million. He also informed the board that when statements are presented at the next meeting, the reserve goal totals will be updated to reflect the balance as of June 30, 2023.

Statement of Revenues, Expenses and Changes in Net Position – September 30, 2023

The annual budget and prorated budget are 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 \$1,396,134 which is \$131,109 over budget. Operating expenses are \$1,811,084 which is \$619,611 under budget primarily related to claims payable and insurance premium expenses being less than budgeted. This provides for an operating income loss of \$414,950, which is \$750,720 less than anticipated. The Non-Operating Revenues and Expenses total \$104,891 and there is a loss in net position of \$310,059 which is \$739,702 less than anticipated. The ending net position is \$17,947,955 which agrees with the Statement of Net Position.

Statement of Cash Flows – September 30, 2023

Robert Steele advised the Board that this report shows the inflows and outflows of cash by activity. End of year Cash and Equivalents total \$17,680,477 which agrees with the Statement of Net Position.

4. Investment Report – September 30, 2023

Robert Steele provided a brief overview of the Investment Performance Review. The portfolio statistics yield at cost is 1.96% which is up from 1.84% in the previous quarter. Yield at Market is 5.21% which is up from the prior quarter of 5.08%. Effective Duration is at 1.05 as compared to the prior quarter of 1.19. The Benchmark Effective Duration is 1.75. The city's credit quality is 95% AA and above. The money market rate is trending up and is 5.20% for Allspring and 5.21% for First American Funds (PFMAM). The Sector Allocation is showing minimal change in each of the security types.

Action Agenda

Members Comments/Announcements

Calendar

The next regular meeting will be on Wednesday, January 31, 2024, 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 – Heinfeld Meech

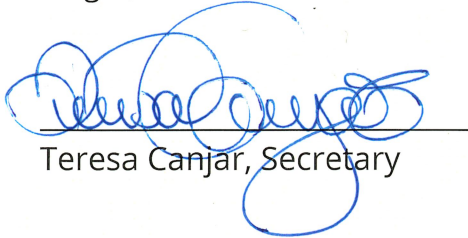
Financial Statements – Management Services

Investment Report – Management Services

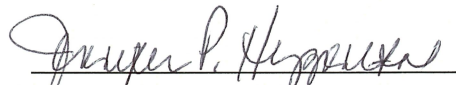
Rate Contribution and Reserve Recommendation

Adjourn

Vice Chair Huppenthal made a motion to adjourn the meeting of the City of Chandler Workers' Compensation and Employer Liability Trust Board of November 16, 2023, at 4:16 p.m., seconded by Mr. Knight, motion carried.



Teresa Canjar, Secretary



For Lily Longacre, Chair