

Self-Insured Healthcare Trust Board

Goodyear City Hall - La Jolla Conference Room 2nd Floor
1900 N. Civic Square
Goodyear, AZ 85395



Thursday, March 23, 2023

3:00 p.m.

Meeting Minutes

CALL TO ORDER

Board Chairman Balsan called the meeting to order at 3:18 p.m.

ROLL CALL

Present: Board Chairman Michael Balsan; Board Member Jennifer Preyer-Bonton; Ex-Officio Doug Sandstrom
Absent: Vice Chair Wade Foster; Board Member Richard Newcomer
Staff: Human Resources Director Lyman Locket; Deputy Director of Finance Jared Askelson; Total
Present: Compensation & HRIS Manager Chi Herrington; Benefits Analyst Chanda Washington
Attendees: Shelli Maggio, GBS Consultant

BUSINESS

1. APPROVE MINUTES

MOTION BY Board Chairman Balsan, **SECONDED BY** Board member Doug Sandstrom to APPROVE the draft minutes of the Self-Insured Healthcare Trust Board meeting held on February 23, 2023. The motion carried by the following vote:

AYE: Board Chairman Michael Balsan, Board Member Jennifer Preyer-Bonton, Ex-Officio Doug Sandstrom

Passed - Unanimously

2. Financial Overview

Jared Askelson explained to Board the expenditures are exceeding the revenues for this fiscal year. The fund balance is at \$7.8M and has \$2.5M over the required reserve. He reviewed the forecast for next year to show if there were no changes to the rates the fund balance would be below the required reserve over the next 5 years. He also reviewed the forecasts for the next 5 years with the increase at 3% for next year, 3% increase for year 2, 2.5% increase for year 3, and 2% increase for years 4 would cause the revenues to exceed the expenditures in year 5.

Boardmember Sandstrom asked if the required reserves included the IBNR and 2 months of claims. Jared confirmed that was correct and stated that as costs increase and the city grows, the reserves will also increase.

Board Chairman Balsan noted that a 3% increase is very good and well below the market. Shelli Maggio stated the average industry trend is 9% and noted the impact of inflation on costs.

3. Setting of FY24 Medical Plan Premiums

MOTION BY Board Chairman Balsan, **SECONDED BY** Board member Jennifer Preyer-Bonton to APPROVE a 3% increase in medical plan premiums for next fiscal year. The motion carried by the following vote:

AYE: Board Chairman Michael Balsan, Board Member Jennifer Preyer-Bonton, Ex-Officio Doug Sandstrom

Passed - Unanimously

4. Setting of FY24 Dental PPO Premiums

Shelli Maggio discussed the dental rate calculation for the 07/1/2023-6/30/2024 period of renewal. She explained the plan is running well without any adjustments and stated it is the recommendation of GBS Consultants to hold the rates for the PPO dental plan premiums for next fiscal year.

MOTION BY Board Chairman Balsan, **SECONDED BY** Board member Jennifer Preyer-Bonton to APPROVE to hold the current rates for the Dental PPO plan premiums for next fiscal year. The motion carried by the following vote:

AYE: Board Chairman Michael Balsan, Board Member Jennifer Preyer-Bonton, Ex-Officio Doug Sandstrom

Passed - Unanimously

INFORMATION ITEMS

Comments, Commendations, Report on Current Events and Presentations by Board, Commission or Committee Members, staff or members of the public. The members may not propose, discuss, deliberate or take any legal action on the information presented pursuant to A.R.S. § 38-431.02.

No items were discussed

NEXT MEETING

It was discussed that another meeting would be scheduled at a later date.

ADJOURNMENT

There being no further business to discuss, Chairman Balsan adjourned the meeting at 3:45 p.m.

Respectfully Submitted by:

Lyman Locket, Human Resources Director

Michael Balsan, Board Chairman

Date: _____