

ST. LOUIS AREA INSURANCE TRUST

A Self-Insurance Pool

ST. LOUIS AREA INSURANCE TRUST BOARD OF DIRECTORS' MEETING

MINUTES

- I. A special meeting of the Board of Directors of the St. Louis Area Insurance Trust was held on Tuesday, December 8, 2020, via Video Conferencing. The meeting was called to order at 10:10 a.m. by Chairperson Barbara Sondag.

Attendance was as follows:

<u>Board Member</u>	<u>Attending</u>	<u>City</u>
Eric Sterman	Y	City of Ballwin
Bola Akande	Y	City of Brentwood
Mike Geisel	Y	City of Chesterfield
Mark Perkins	Y	City of Creve Coeur
Doug Harms	N	City of Des Peres
Robert Shelton	Y	City of Town & Country
Matt Zimmerman	Y	City of Hazelwood
Dave Watson	N	City of Maryland Heights
Amy Hamilton	Y	City of Richmond Heights
Barbara Sondag	Y	City of Olivette
Matt Conley	Y	City of St. Ann
Gregory Rose	Y	City of University City
Steve Wicker	Y	Daniel and Henry Company
George Liyeos	Y	Daniel and Henry Company
Becky Redfering	Y	Daniel and Henry Company
John Charpie	Y	Thomas McGee Group

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II. Discussion of the Charlesworth Consulting Proposal

Bob Shelton, Chairperson of the Transition Subcommittee, which included Mark Perkins, Gregory Rose, Matt Zimmerman, and Bola Akande, along with assistance from Barbara Sondag, reported that the committee met via zoom on several occasions. The focus of the committee was to decide how the Trust was going to transition beyond the retirement of Steve Wicker. Mr. Shelton stated that Mr. Wicker had provided an outstanding performance and has been the anchor of the entire SLAIT program for more than 25 years. He stated that Mr. Wicker provided a good proposal relative to the transition including a cooperative effort between John Charpie/Thomas McGee and the Daniel and Henry team. However, the Committee concluded that looking at alternative arrangements and having expert assistance in doing so would be the way to proceed. The Committee then contacted Charlesworth Consulting Group and interviewed James Charlesworth about providing this assistance. Thus the Committee is now recommending that SLAIT go through an RFP process with the assistance of Charlesworth Consulting group at a cost of \$17,500.

Amy Hamilton then made a motion to enter into an agreement with Charlesworth Consulting for an RFP process for a fee of \$17,500. Matt Conley seconded the motion.

Steve Wicker asked what the timing is for the RFP process. Mr. Shelton stated that it depends on when Charlesworth can get the RFP out. He suggested it would take about a month. Mr. Conley stated this could be a real learning process for everyone. They have had a great relationship with Steve Wicker and Daniel and Henry all these years. John Charpie asked what the exact scope of the RFP was. Mr. Shelton responded they were going to look at Trust Administration, Property/Casualty/WC brokerage, and health benefit broker. Claims administration is not included at this point. Mr. Wicker noted that the Committee should emphasize to Charlesworth that the Trust does the excess coverage for liability and workers' compensation coverage, but the property and public official's liability policies are separate and not included in the Trust. Thus, the RFP should not include those coverages. Mr. Shelton stated the Committee will make sure Charlesworth is clear concerning the services the Trust needs.

A vote was then taken on the motion and the motion passed.

Barb Sondag asked if the Board wanted to do this as a full Board working with Charlesworth, doing interviews and making suggestions, or do it as a Subcommittee that reports back with recommendations to the full Board. After some discussion it was decided to continue with the existing subcommittee, adding Barbara Sondag to expedite the process.

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III. Review and Discussion regarding City of Shrewsbury joining SLAIT

George Liyeos reported that he would be meeting with Shrewsbury that evening regarding their interest in joining SLAIT. The City has checked all the boxes with regard to qualifying for SLAIT with the exception of the clarification on the City Administrator position. Matt Zimmerman asked if a report was being presented related to the loss information on their health insurance. Mr. Wicker noted that they were approved by Anthem but a loss report similar to work comp and liability cannot be provided for health insurance. Gregory Rose asked if Shrewsbury was in the group right now, where would they fall as far as experience in the group, the lower end or the higher end. Mr. Liyeos stated the lower end as far as risk by a significant amount. Mr. Wicker explained that since Shrewsbury has under 100 lives, Anthem would underwrite them the same as if they were applying to Anthem for a fully insured product. Their employees all had to submit health forms so they have been thoroughly reviewed. John Charpie added that on the workers' compensation and liability coverages the loss runs can be provided but it doesn't work that way with health insurance. A loss run cannot be provided if they are not individually self-insured. Mr. Zimmerman stated he understood now why a loss report cannot be received related to the health portion. Amy Hamilton asked how the City would be rated on the health portion. Mr. Wicker stated that they are close enough to renewal that Anthem has rated them, so we will use those rates. Mr. Charpie added that the reason Anthem takes the previous premium into consideration is because the previous carrier has the loss information so they have incorporated that into their rating.

Matt Conley stated that he understood Shrewsbury passed an ordinance related to appointing a City Administrator however there is a concern about the reality of having a City Administrator versus having the Mayor overseeing operations when it comes to human resources and day to day operations. Amy Hamilton added that while being on the East Central Dispatch Board, she has not had any negative issues with Shrewsbury's administration. Mr. Conley added that the City seems to have both a Director of Administration and City Administrator position.

Bob Shelton stated that the Board had discussed accepting Shrewsbury in the past and was wondering why they hadn't joined before. Mr. Wicker stated there was a political change going on at the time and the Mayor wasn't interested in being in SLAIT. A question was raised regarding if the City is changing plans to come in to the health plan or is SLAIT offering their plan as an option. Mr. Wicker stated that their plan was close to one of our plans but they have a slightly higher deductible. They will have a SLAIT plan.

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Barb Sondag asked Mr. Liyeos to bring the board up to date on where Shrewsbury is relative to appointing a City Administrator. Mr. Liyeos stated he was not aware of any recent changes in the Administration situation. Matt Zimmermann stated he assumed they were deleting the director of administration and adopting the administrator ordinance and asked for clarification on if that has happened. Mr. Liyeos stated that he believed the current individual has been acting as the City Administrator. No further information is available. Matt Conley and Matt Zimmerman asked why Mr. Liyeos was meeting with the Mayor first instead of the council. Mr. Liyeos stated that's what they asked for and he is trying to accommodate them.

Barb Sondag asked if the Director of Administration and the City Administrator are one and the same. Mr. Liyeos responded that the person in charge has a current title of Director of Administration. Chairman Sondag asked for confirmation that the position of City Administrator is not filled at this time. Mr. Liyeos could not clarify further, but stated he could make the suggestion that this matter be cleared up at the next City of Shrewsbury board meeting scheduled before the end of the year. Mr. Conley asked that this issue be clarified prior to acceptance into SLAIT. Their code lists two separate positions. His concern is that they don't have a current City Administrator. City of St. Ann was in a similar position when they approached SLAIT and had to appoint a City Administrator to satisfy that requirement for SLAIT. After much discussion it was noted that its very important to make sure the City is professionally managed. Mr. Conley added that they need to appoint a City Administrator. Bola Akande made a motion that SLAIT admit Shrewsbury as a member contingent upon clarification that a City Administrator has been appointed. Gregory Rose seconded the motion and asked if a full meeting is necessary to formally approve Shrewsbury or if Chairperson Sondag would have the authority to accept the City if acceptable documentation is provided. Matt Conley stated that the board needs to reaffirm that they have appointed a person to act as a City Administrator for the City of Shrewsbury. Chairman Sondag clarified the motion to read -Admittance into SLAIT is contingent on the Chair of SLAIT receiving minutes from a Shrewsbury Board of Alderman meeting confirming a nonelected person has been appointed City Administrator. The motion then passed. Mr. Liyeos advised that he would notify the appropriate Shrewsbury officials of the position of SLAIT.

There being no other business, the meeting adjourned at 11:10 a.m.

Submitted by: Stephen D. Wicker

Approved by: _____