



**ST. LOUIS AREA INSURANCE TRUST
BOARD OF DIRECTORS' MEETING**

MINUTES

June 5, 2025

- I. A meeting of the Board of Directors of the St. Louis Area Insurance Trust was held on Thursday, June 5, 2025, at the Heman Park Community Center. The meeting was called to order at 10:02 a.m. by Chairperson, Gregory Rose.

Attendance was as follows:

<u>Board Member</u>	<u>Attending</u>	<u>City</u>
Eric Sterman	Y 10:17	City of Ballwin
Bola Akande	N	City of Brentwood
Mike Geisel	N	City of Chesterfield
Mark Perkins	Y	City of Creve Coeur
Robert Shelton	Y	City of Town & Country
David Tuberty	Y	City of Hazelwood
Amy Hamilton	Y	City of Richmond Heights
Matt Conley	Y	City of St. Ann
Gregory Rose	Y	City of University City
Kevin Bookout	Y	City of Bridgeton
Kris Simpson	Y	City of Crestwood
David Gipson	Y	City of Clayton
Steve Wicker	Y	Steve Wicker, LLC
Becky Redfering	Y	Thomas McGee Group
Mike Hanson	Y	Daniel and Henry Company
John Charpie	Y	Thomas McGee Group
Jeff Cox	Y	Thomas McGee Group
Ben Fuchs	Y	Thomas McGee Group
Martin Buckley	Y	Buckley & Buckley, LLC
Travis Bennett	Y	Thomas McGee Group
Angela Blakeman	Y	Risk Strategies



II. Approval of Minutes from April 3rd Meeting

Gregory Rose asked for any additions or corrections to the Minutes from the April 3, 2025 Board Meeting. There being none, a motion was made by Kevin Bookout and seconded by Matt Conley to approve the Minutes of the April 3, 2025 meeting as presented. The motion passed.

III. Closed Session

David Gipson made a motion to go into closed session for the purpose relating to legal issues and Kris Simpson seconded the motion. A roll call vote was taken: Mark Perkins – Yes, Bob Shelton – Yes, David Tuberty – Yes, Amy Hamilton – Yes, Matt Conley, – Yes, Kevin Bookout – Yes, Kris Simpson – Yes, David Gipson – Yes, Gregory Rose – Yes. The Board proceeded into closed session at 10:03 AM and returned to regular session at 10:30 AM.

IV. Auto Physical Damage Program

John Charpie indicated that he had worked with Martin Buckley to draft a Board Resolution for SLAIT to offer the Auto Physical Damage coverage. He also indicated they worked on a coverage form for the Wind & Hail Deductible. This coverage form funded this deductible within SLAIT and reduced the members responsibility from \$250,000 to \$5,000 per vehicle. John indicated the form provided did not offer a separate deductible for ambulances and fire trucks, but he suggested that deductible be \$10,000 (which would match the deductible for these vehicles for the other perils on the policy). Kris Simpson made a motion to adopt the resolution as presented and adopt the coverage form with the addition of the \$10,000 wind and hail deductible for ambulances and fire trucks and Matt Conley seconded the motion. The motion passed.

John then reviewed the auto physical damage program member contributions. One option includes terrorism coverage and one option which declined the coverage. The terrorism coverage, or TRIA, was an additional \$50,000 to include coverage. John noted that this coverage is unlikely to be triggered and that most organizations decline it. Kris Simpson made a motion to accept the rates totaling \$1,949,514 as presented, declining TRIA, and Eric Sterman seconded the motion. The motion passed.

V. Claims Administration Report

John Charpie noted that there are currently 60 open workers compensation claims with an incurred value of \$100,000 or greater, while at the same time last year there were 45



claims with the same criteria. There have been 6 large claims so far in calendar year 2025.

VI. Financial Report

A. Review of Financial Statement as of 3/31/25

Jeff Cox reviewed the statement and noted there was an increase in fund balance from \$9.3 million to \$13.7 million from 3/31/24 to 3/31/25. The fund balance has increased from \$12.1 million to \$13.7 million since the 12/31/24 statement. Jeff noted the 4.5% interest that is being received on our largest investments is helping with the increase in fund balance.

A motion to approve the financial statement was made by Robert Shelton and seconded by David Tuberty. The motion passed.

B. Approval of Bills

John Charpie presented the bills for approval. A motion to approve the invoices as listed was made by Amy Hamilton and seconded by Kevin Bookout. The motion passed.

VII. Loss Control

Travis Bennett reported on the loss control activities for April and May. He stated that quarterly dashboards were provided to all members. He also noted that he had completed safety surveys at the City of Crestwood and the City of Maplewood. A Storm Safety training was provided at the City of Chesterfield. Heat Safety & Summer Equipment safety material was developed and provided to all members. Wellness & Safety committee meetings were attended at the City of Richmond Heights.

Travis then stated that the loss control service agreement was set to expire at the end of June. He proposed renewing the agreement with the same scope of services and same fee as expiring. The scope of services would continue to focus on EMR reduction and would again include OSHA 10-hour course. The proposed fee is \$85,000.

Matt Conley made a motion to renew the agreement as proposed with an annual fee of \$85,000 and Mark Perkins seconded the motion. The motion passed.

VIII. Health Insurance Report

Mike Hanson noted that the initial terms from Anthem for the stop loss renewal included a 19% increase in premium and lasers of \$450,000 and \$500,000. The third party stop loss market was not as aggressive as they have been in years prior, but we did receive a quote from Partner Re that was \$157,000 less than Anthem's original renewal. However,



the fees Anthem charges for administrative fees to carve out the stop loss to a third party negated the savings.

Anthem did revise their renewal to a 9% increase, which will be \$164,000. They also lowered the lasers by \$50,000 each to \$400,000 and \$450,000. Mike's recommendation is to renew with Anthem.

Eric Sterman made the motion to renew the stop loss with Anthem as proposed and Robert Shelton seconded the motion. The motion passed.

IX. Administrator/Marketing Report

John Charpie presented the Member Fund Balance as of 3/31/25. He noted the overall fund balance was \$13.7 million which is up from \$9.3 million as of 3/31/24, \$7.9 million as of 3/30/23 and \$4.2 million as of 3/31/22. Additionally, the Workers Compensation deficit has been reduced from \$9.7 million on 3/30/22 to \$810,000 as of 3/30/25. The liability deficit has been reduced from \$2.9 million on 3/30/22 to \$2.1 million as of 3/31/25. The liability deficit will be negatively impacted if we are unable to recover all of our legal defense costs from the class action claims.

X. Old Business

Gregory Rose asked for any old business items. There being none, the meeting proceeded to the next agenda item.

XI. New Business

a. 2025-26 Liability & WC Renewal

Mark Perkins indicated the Rate Committee, consisting of Mark Perkins, Mike Geisel, Matt Conley and Bola Akande met to discuss the renewal options. They reviewed funding options for the liability program that produced projected surplus's ranging from 5%-10%. They decided to recommend the 5% surplus option which would result in premium increases to members ranging from 17% to 26% over the previous years contribution. John Charpie then reviewed the projected revenues and expenses that funded the projected budget. John also reviewed the per member contributions.

Mark also noted the committee reviewed funding options for the workers compensation program that ranged in projected surplus from 5% to 10%. They focused on the 5% surplus option as this maintained the same loss cost multiplier as the previous 2 policy terms.

John Charpie then reviewed the projected revenues and expenses that would fund the proposed workers compensation budget. He noted that changes in payroll and experience mod would have the greatest impact on a per member basis.



Mark Perkins made a motion to accept the funding option with the 2.064 loss cost multiplier and projected surplus of 5% for workers compensation and the 5% surplus option for the liability program and Robert Shelton seconded the motion. The motion passed.

b. Excess Liability & WC Renewal

John Charpie presented the excess workers compensation renewal and noted that Safety National is offering a quote with the expiring retention of \$1.75 million or a retention of \$2 million per occurrence. The rate for the \$1.75 million retention is 13% greater than the expiring policy and the rate for the \$2 million retention is the same as the expiring. John stated that the Division of WC has not approved SLAIT to increase the retention above \$1.75 million per occurrence. John also mentioned that Midwest Employers, Arch, and Liberty Mutual were all approached regarding the renewal, but would not quote with less than a \$2 million retention.

The excess liability renewal from Safety National maintained the same retention as last year, \$600,000. The limit also remained the same at \$2.9 million. The premium for Safety National's renewal was \$827,925 which is a premium rate increase of 22% from the expiring policy. The reason for the increase in rate is primarily due to several recent large claims settlements. Great American, Everest, and Chubb declined to quote.

Mark Perkins made a motion to approve option 1 of both the WC with the \$1.75 million retention and Liability renewal with Safety National and Robert Shelton seconded the motion. The motion passed.

c. Payroll Audits

John Charpie presented the renewal quote from the Audit Store to perform the 2024-25 premium audits. He indicated they were requesting a \$10 per audit increase and the cost this year would be a flat fee of \$285 per audit. Feedback from the membership has been positive. David Gipson made a motion to approve the Audit Store's proposal of \$285 per audit and Robert Shelton seconded the motion. The motion passed.

d. TPA Service Agreement Renewal

John Charpie noted the TPA Service Agreement for WC & Liability claims handling expires 6/30/25. He presented an updated agreement with identical language to the expiring agreement. The fees in the first year are the same as expiring and there is a 1.5% increase in years 2 and 3.

Mark Perkins made a motion to approve the WC & Liability claims handling agreements as presented and Eric Sterman seconded the motion. The motion passed.



John also presented a separate fee agreement to handle the APD claims. This agreement may be cancelled with 60 days notice, so it remains separate since this is the first year of the APD program. The fees in year 2 and 3 are identical to year 1. John also noted that he contacted other organizations and the anticipated per claim cost was 33%-50% more expensive than the TMG fees.

Eric Sterman made a motion to approve the APD claims handling agreement as presented and Amy Hamilton seconded the motion. The motion passed.

e. Insured Coverages

Becky Redfering noted that most Public Officials renewal quotes had been received and the average increase are 3%-5%. Cyber Liability quotes were also being received and rate increases for Cyber this year are minimal.

Angela Blakeman indicated they marketed the property policies to 27 carriers. Most of the carries declined, but they were still waiting on responses from a few. Chubb agreed to offer renewals to everyone. She indicated the property market continues to be difficult, even after removing the auto physical damage. Becky noted they anticipated sending individual renewals out the following week.

John Charpie spoke briefly about working on a feasibility study of bringing the property into the SLAIT Trust. He indicated the analysis that was completed in 2021 indicated that the risk was greater than the benefit, but with the increase in property premiums since then, the analysis may show a different result this time.

f. Board Member Terms

John Charpie reviewed a document that outlined when the Board Members Terms were set to expire. John also noted that officer terms have customarily been for two years, and this is the end of the second term for the current officers. Gregory Rose asked if Robert Shelton and Amy Hamilton would remain on the nominating committee and they each agreed. Gregory then asked David Gipson if he would join the nominating committee to replace Matt Zimmerman and David agreed.

g. Other Business

There being no other business, Mark Perkins made a motion to adjourn, and David Gipson seconded the motion. The meeting adjourned at 11:41 PM.



Approved by:
