MATIT Board of Trustees Meeting Minutes
September 12th, 2023
MAT Building, Board Room
St. Michael, Minnesota

ATTENDANCE

Trustees Present:
Gary Burdorf, President, Green Isle Township
Sandy Hooker, Medo Township
Jill Hall, New Solum Township
Rex Edge, Wasioja Township
Frank Hard, Treasurer, Langola Township

Trustees Absent:

Staff:
Heather Tidmore, Director of MATIT
Steve Fenske, Staff Counsel
Lisa Utley – Administrative Assistant

Others:
Scott Anderson – Actuarial Advisors
Kathryn Lyons – BMO
John Uecker - BMO

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CALL TO ORDER

000 Chair Burdorf called the MATIT Board of Trustees' Meeting to order at 1:01 pm on September 12th, 2023, at the MAT building in St. Michael, MN. He led the trustees in the Pledge of Allegiance.

23-9-01 Agenda

Motion by Edge, seconded by Hall to approve the agenda. Voting Yes: Edge, Head, Hall, Hooker, Burdorf and Hard.

23-9-02 Minutes

Motion by Head, seconded by Hall to approve the minutes from 10 July 2023 Meeting Minutes. Motion carried. Voting Yes: Head, Hall, Hooker, Burdorf and Edge.

23-9-03 Treasurer's Report
Hard, MATIT Treasure

Hard presented the report on the finances of the Trust period ending July 2023.

Motion by Hooker, seconded by Edge to approve the Financial Report July 2023. Voting Yes: Hooker, Edge, Burdorf, Hard and Hall.

23-9-04 Claims Update
Tidmore, Director of MATIT

Tidmore provided a report on open, new, and litigated claims.

No action was taken.

23-9-05 Coverage Document/CLC Policy Discussion.
Tidmore, Director of MATIT
Fenske, Staff Counsel

Trustees considered issues related to the Bond Program, identified by staff. Additional information on this issue was requested. Reassessment of matter at a later date with further information provided.

Tidmore advised that the work on the re-write of the coverage document is making progress. A draft of the revised coverage document was provided as an example to the contrast of the documents currently in place. Fenske provided guidance regarding general/auto liability questions from the document author. Discussion yielded no changes to the policies at this time. The trustees agreed to continue verbiage review at the next MATIT meeting as it is necessary to solicit the trustees' input.

It has been proposed that the current organizational nomenclature does not identify the "property" aspect of our coverage division - Combined Liability Coverage. The idea to instead refer to the division and P & C was expressed by Tidmore. Further the idea of revising the name of the organization entirely was also suggested, to limit confusion with the MAT organization. Whether this was accomplished through a direct name change or a "doing business as" (dba). Edge expressed reservations regarding changes on behalf of the members. No decisions were made, additional future discussion was requested.

Trustees were presented with correspondence from members regarding the waiving of the Administrative and Late Fees associated with the Workers Compensation survey. Tidmore advised during District Meetings the matter had been addressed earlier, but the matter would be further reviewed in September. Collection of fees stands, and the non-payment of fees is regarded the same as non-payment of contributions.

23-9-06 Report of MATIT Director
Tidmore/Fenske

Tidmore presented a question to the Trustees regarding a dividend payment calculation made in 2014-2015. Per policy a dividend discussion Is to take place prior to the annual meeting. However, the research uncovered revealed the prior dividend had been considered at the "MATIT Program" level, not within the WC/CLC Divisions – as all accounting for MATIT has been done since assuming the position. Trustee discussion did not reveal the reasoning behind the methodology for the previous calculation or a desire to utilize the process in the future.

Tidmore requested a decision from the Trustees on the basis of the calculation of any dividends in the future, be considered from and distributed within the individual division.

Motion by Hooker, seconded by Hard to approve to exclusively consider funds and members of each division for the calculation of future dividends. Voting Yes: Hooker, Hard, Burdorf, Edge and Hall.

Further questions quash additional discussion of the dividend process. Tidmore has been asked to gather additional information regarding the calculation of the dividend. The trustees have been asked to consider the suitability of the current policy as a whole. It was approved in 2014 and has not been reviewed since that time.

RECESS 2:29 pm – 2:41 pm

23-9-07 BMO Investment Update

Representatives of BMO Harris participated in a discussion regarding the insuring of MATIT investments and cash accounts. See presentation.

Discussion regarding operational cash flow (access to availability of funds for cost of claims), necessary exposure to risk, (auditor pointed out the cash accounts v. FDIC limits) and process/timeline/cost of utilization of encumbered assets. Discussion of changes to processes when the renewals going forward will all be due in August. Update MATIT account signatories with Finance.

23-9-08 Actuary Advisors – WC Update
Scott Anderson, Actuarial Advisors

No aggregated change in claims in Worker Comp per Anderson's analysis as of 6/30/2023. The trustees agreed to have further discussion regarding rate level needs, and the examination of the calculations of those levels. MATIT will review the actuary's analysis by class code of the Worker Comp Rates at the next MATIT Meeting.

Motion by Hooker, seconded by Edge to accept the analysis and findings as presented by Actuarial Advisors. Voting Yes: Hooker, Edge, Burdorf, Hall and Hard.

Other Business:

- Next regular meeting – **10 October 2023**

ADJOURN

Motion by Hard, seconded by Edge to adjourn (4:19 pm). Voting Yes: Hard, Edge, Burdorf, Hooker and Hall.

Respectfully submitted as prepared by staff.