

TRUSTEES' OPEN MEETING MINUTES

PLACE: Claims Conference Room/Okemos, MI

DATE: June 13, 2016

TIME CALLED TO ORDER: 9:02 a.m.
OPEN SESSION ADJOURNED: 9:48 a.m.

MEMBERS PRESENT:

Trustees: Douglas A. Green, Mark C. Long, Lee Anne Fontaine

Assistant Attorney General: Brian Galin

Funds Staff: Beth VanElls

PRESIDING PERSON:

John W. Schrock, Funds Administrator

RESPECTFULLY SUBMITTED:

Beth VanElls, Executive Secretary

#	TOPIC	MOTIONS/SECOND/AMENDMENTS MEMORANDUMS/LETTERS	SUMMARY/RESULT
1.	Open Minutes from April 14, 2016 Trustee Meeting	April 14, 2016 Open Meeting Minutes Motion by Mark Long to approve the open minutes of April 14, 2016 as written. Doug Green supported.	Unanimous approval. Minutes approved.
2.	Financial Statements	January, February, March and April 2016 Financial Statements, including Delphi FY 2016	John Schrock explained "support and other departmental" expenses are reflected incorrectly on the SIF statements, specifically P&T, due to incorrect journal entries. These charges should have been distributed amongst other SI funds. These errors will be corrected on the May statement. Mark Long commented that due to the Auditor General audit of the SISF fund, there was a format change on the SISF statements and excess insurance is now shown as a credit, not revenue. Mark indicated it is hard to compare month-to-month and year-to-year expenses and revenue. John agreed the statements

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2.	Financial Statements		would be more useful if reflected in a different manner and would give a clearer picture of the fund's financial standing. John indicated he will follow-up with Finance.
3.	AAG/SAAG Litigation and Billing Reports	April and May 2016 General Litigation Reports and SAAG Billing Reports	Brian Galin explained the case counts continue to decline. Brian indicated there aren't as many new cases being filed and existing cases are being handled quicker. He again reiterated a very small percentage of cases are being referred to SAAG's. More Delphi cases are closing as the MSA's come in.
4.	High Profile Litigation Report	Report	Brian Galin explained there isn't anything new to report.
5.	2016 BOM & MCAC Outcomes	Report	Brian Galin explained the only case of significance is <i>Boyd Corrigan v NewPage Inc.</i> , which involves both the T & P and VHP provisions. Brian provided Lee Ann Fontaine background on this case. This is the last of the Trammell cases. The case went before MCAC and was overturned in the Funds' favor.
6.	Redemption Activity: February April 9, 2016 – June 8, 2016	Redemption Report	John Schrock explained that Delphi cases continue to be steadily resolved.
7.	FAIS Rewrite	None	John Schrock provided an update on the FAIS system rewrite. The team is currently working on the claims module and hoping to begin testing soon. The agile approach to the system upgrade has worked very well as the team provides system demonstrations to the staff as the project progresses. The team is also working on the benefit calculation portion of the system and is comparing code between old and new FAIS systems and the Agency system to find discrepancies and thus far haven't found many. The Cash Receipt System (CRS) has been implemented and several batches have run without any issue. The projected system rewrite completion date is fall of 2017; however, the project manager is working to refine that date.

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8.	Delphi update	None	Brian Galin indicated the Delphi case resolutions are picking up again after a brief delay. They tend to resolve in batches based on MSA's that come in. The majority of unresolved cases left are litigated cases.
9.	Radar Industries	None	John Schrock explained this was the last outstanding assessment from 2015 and was able to be collected after a certified letter from the Funds' office and follow-up from the Attorney General. This was accomplished without imposing a fine. Mark Long explained that the Funds is statutorily obligated to collect any assessment over \$25.
10.	House Bill 5513	None	John Schrock provided an update on this bill that would change the SISF audit period to a fiscal year basis versus calendar year. It is currently with the House Oversight and Ethics Committee and hoping it comes back in the fall. Mark Long doesn't anticipate opposition to this bill; it is simply a matter of timing and anticipates a hearing will be conducted to be sure there is no opposition.
11.	IAIABC	Motion by Doug Green to approve the expense of John Schrock, Mark Long and a representative from the Attorney General to attend the IAIABC annual national conference in Portland, Maine. Lee Anne Fontaine supported.	John Schrock explained that the annual national IAIABC conference will be held in Portland, Maine and historically the Funds has paid for the funds administrator, agency director and a representative from the Attorney General to attend.
12.	Moved into Closed Session	Motion made by Doug Green to move into closed session to discuss issues of trial or settlement strategy with Council and attorney-client privileged documents. Mark Long supported.	Unanimous approval. Moved into closed session at 9:22 a.m.
13.	Closed Minutes from April 14, 2016	Motion by Mark Long to approve the closed minutes from April 14, 2016 as presented in closed session. Doug Green supported.	Unanimous approval
14.	Dwyer, Gary v Delphi Corporation & SISF	Motion by Doug Green for settlement authority as agreed upon in the closed session regarding Gary Dwyer v Delphi Corporation & SISF. Mark Long supported.	Unanimous approval

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15.	Other Business Before Board		<p>Assessments have gone out and have collected approximately 15% so far. A higher number of ACH payments have been received so far as compared to last year.</p> <p>A new claims examiner will begin on June 20: Karen Husulak. Karen comes with 20 years of workers' compensation experience and will be a valuable asset to the Funds Administration.</p>
16.	Adjourn Session	Motion by Doug Green to adjourn the meeting. Lee Anne Fontaine supported.	Unanimous approval. Session adjourned at 9:48 a.m.

Douglas A. Green, Trustee Chair

Date

John W. Schrock, Funds Administrator

Date