

MONTANA STATE FUND
Regular Meeting of the Board of Directors
Friday, March 12, 2021 – 8:30 a.m.
Montana State Fund Office Building
855 Front Street, Helena, Montana

This meeting is only open to the public electronically.

The meeting will be streamed live on the internet.

Visit <https://www.youtube.com/user/MTStateFund> to access the stream.

I. Meeting Preliminaries (8:30 a.m.)

- A. Call to Order
- B. Approval of December 11, 2020 Minutes

II. Miscellaneous – Laurence Hubbard, President/CEO (8:35 a.m.)

- A. Board Member Update
- B. Report of Internal Auditor – Patti Grosfield, Internal Auditor
- C. Legislative Update – Kevin Braun, General Counsel

III. Ratemaking Decisions for July 1, 2021 to July 1, 2022 (9:15 a.m.)

- A. Overview of Rate Filing Process – Darcie Dunlap, Internal Actuary
- B. NCCI Montana Loss-Costs Filing Update Effective July 1, 2021 - Darcie Dunlap, Internal Actuary
- C. Adopt NCCI Filings/Loss-Costs Filing Effective July 1, 2021 – Darcie Dunlap, Internal Actuary–
Board Action
- D. Tiered Rating Remodel Analysis - Russell Greig, Senior Director, and Alex Turrell, Director - Willis Towers Watson
- E. Multiple Rating Tiers Criteria and Certification – Darcie Dunlap, Internal Actuary - **Board Action**
- F. Minimum Premium and Expense Constant – Rene Martello, Controller - **Board Action**
- G. Additional Ratemaking Decisions – Will Anderson, Interim VP Insurance Operations Support –
Board Action on Items 1-8
 - 1. Schedule Rating
 - 2. Employer’s Liability
 - 3. Short Rate Premium
 - 4. Payroll Versus Per Capita for Domestic Workers
 - 5. Volume Discount
 - 6. Retrospective Rating Plan Factors
 - 7. Firefighter Presumptive Disease

Break (10:30 – 10:45 a.m.)

IV. Actuarial Report – Russell Greig, Senior Director, and Alex Turrell, Director - Willis Towers Watson (10:45 a.m.)

V. Ratemaking Decisions for July 1, 2021 to July 1, 2022 - Laurence Hubbard, President/CEO (11:25 a.m.)

- A. Rate Level Recommendation and Contribution to Equity – **Board Action**
- B. Loss Cost Multipliers and Components - Darcie Dunlap, Internal Actuary
- C. Adopt Loss Cost Multipliers for new and renewal policies effective July 1, 2021 to July 1, 2022 -
Board Action

Lunch Break (11:45 a.m. – 12:15 p.m.)

VI. Financial and Budget Reports – Montana State Fund – Rene Martello, Controller (12:15 p.m.)

- A. Loss Reserve Year-End Reconciliation and Calendar Year 2020 Financial Report Update
- B. Budget Variance Reports as of December 31, 2020

VII. Dividend Analysis – Rene Martello, Controller (12:40 p.m.)

- A. Analysis of Equity Adequacy and Policyholder Dividend Program –Russell Greig, Senior Director and Alex Turrell, Director – Willis Towers Watson
- B. Surplus Level Determination and Declaration of Dividend – Management Recommendation
-Laurence Hubbard - **Board Action**

VIII. Dividend Distribution – Rene Martello, Controller and Darcie Dunlap, Internal Actuary (1:40 p.m.)

- A. Overview of Dividend Distribution Parameters – Rene Martello, Controller
- B. Table of Dividend Factors and Actuarial Certification of Approved Table of Dividend Factors – Darcie Dunlap, Senior Actuarial Analyst – **Board Action**

IX. Public Meeting on Calendar Year 2020 Annual Business Plan (1:55 p.m.)

- A. Presentation of Results – Shannon Copps, Director of Enterprise Strategy and Project Management

X. President/CEO Calendar Year 2020 Performance Review and Determination of Calendar Year 2021 Performance Goals (2:05 p.m.)

- A. Introduction – Notice of Closure of Meeting – Lance Zanto, Chair of the Board

CLOSED MEETING (2:05 p.m.)

- B. Call to Order
- C. President/CEO Performance Review
- D. President/CEO 2021 Performance Goals

REOPEN MEETING (4:05 p.m.)

XI. President/CEO Determination of Calendar Year 2021 Performance Goals (4:05 pm)

- A. Introduction – Lance Zanto – Chair of the Board
- B. Calendar Year 2021 Performance Goals of President/CEO – **Board Action**

XII. Old Business/New Business (4:10 p.m.)

XIII. Public Comment (4:15 p.m.)

Times are approximate and items may be on the agenda earlier or later than stated.

The Montana State Fund makes reasonable accommodations for any known disability that may interfere with a person's ability to participate in state government. Persons needing accommodations must contact Ms. Verna Boucher at the Montana State Fund no later than March 5, 2021 by calling 495-5000 (TTD 495-5030) or writing to Montana State Fund Executive Offices, P.O. Box 4759, Helena, MT 59604, to allow adequate time to make arrangements.