

**MINUTES**  
**MINNESOTA SELF-INSURERS' SECURITY FUND**  
**ANNUAL MEMBERSHIP MEETING**  
**NOVEMBER 12, 2020**

Dale Haug, Chair of the Self-Insurers' Security Fund (SISF), called the 2020 Annual Meeting of Members to order at 9:00 A.M. on Thursday, November 12, 2020. Because of the Covid-19 Pandemic, the meeting was conducted using WebEx technology. Haug previewed the agenda for the meeting and commented on the impact that the Pandemic appeared to be having on the Minnesota workers' compensation system.

Haug recognized Acting Commissioner of Labor and Industry Roslyn Robertson who reported on the status of implementation of the new CAMPUS system instituted by her department on November 1, 2020.

Executive Director Carl "Buzz" Cummins was then recognized to report the results of the Board of Trustee elections and appointments and to review SISF's work during the past year. Cummins first noted that a quorum was present for the Annual Meeting. Three trustees, Janel French, Brad Wiggins and Jim Oukrop were nominated and reelected to new terms on the Board. Two trustees, Bill McCarthy and Rick Theisen, were reappointed to new terms on the Board by Acting Commissioner of Commerce Grace Arnold. All of these terms are for four years and will expire at the Annual meeting in November, 2024.

Cummins reported that the leadership transition from long-time Board Chair Dave Hennes to new Chair Dale Haug had gone smoothly. There were a number of challenges during the year. The Pandemic had disrupted SISF's day-to-day operations but had not yet had an adverse financial impact. The Board decided to change accounting firms from Cummings Keegan to the accounting department at Berkley Risk Administrators. The Department of Commerce has continued to deny SISF vital information on the posted security of self-insurers who have filed for bankruptcy, but not yet defaulted on their workers' compensation liabilities. As a result, SISF has had to spend thousands of dollars intervening in the JC Penney bankruptcy which it might not have had to do if Commerce had disclosed the amount of JC Penney's posted security. He also noted that Commerce and Labor and Industry seemed to have inconsistent records on what entities are self-insured and expressed a willingness to work with those departments to clarify those issues.

SISF's financial condition is good. Members' Equity increased from \$1.5 million to \$2.5 million during the past year. The Board of Trustees reduced Member Assessments from \$970,000 for the prior year to \$821,000 during the current 2020-2021 fiscal year. The number of open claims has continued to decline and is currently at 53. If there are no significant new defaults, the Board will continue to consider further reductions in the Member Assessments in the future.

Haug then recognized Carrie Esler from RSM to review SISF's audited financial statements for the 2019-2020 fiscal year. SISF received a clean audit opinion. The full audit report is available on the SISF website.

Haug then invited questions from the members. There being none, the meeting was adjourned at 9:45 A.M.

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Dale Haug, Chair

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Carl Cummins, III, Recording Secretary