

**MINUTES**  
**MINNESOTA SELF-INSURERS' SECURITY FUND**  
**2018 ANNUAL MEETING OF MEMBERS**  
**MINNESOTA HUMANITIES CENTER**  
**NOVEMBER 13, 2018**

David Hennes, Chair of the Board of Trustees of the Minnesota Self-Insurers' Security Fund, called the 2018 Annual Meeting of Members of the Fund to order at 9:10 a.m. He previewed the agenda for the meeting.

Hennes called on Executive Director Carl "Buzz" Cummins to report on the results of the election and appointment of members of the Board of Trustees and to report on the Fund's activities during the previous year. Cummins stated that a quorum was present and that David Hennes of Toro, Dale Haug of Berkley Risk and Jeff Horner of Hormel had all been reelected to new four-year terms. In addition, Howard Bicker was reappointed to the Board by the Commissioner of Commerce.

Cummins then reported that the Fund's deficit had been eliminated and for the first time there was positive members' equity of \$689,216. The member assessment rate has been reduced from 4% in 2016-17 to 3% in 2017-18 to 2.5% in 2018-19. There were no defaults in the last fiscal year and the number of open claims was reduced to 59. Since the end of the fiscal year, K-Mart has filed for bankruptcy but has not defaulted on its workers' compensation claims. SISF will work with the Department of Commerce to monitor the K-Mart situation. On April 1<sup>st</sup>, SISF moved its offices from the 1<sup>st</sup> National Bank Building to Capitol Ridge and expects to realize significant expense savings. Cummins thanked Kim Drevnick-Voller for her fine work as SISF administrator and especially for her supervision of the office move.

Cummins introduced Carrie Esler, Assurance Senior Director for RSM. Esler reported that the Fund had received a "clean" audit opinion for fiscal year 2017-2018. She reviewed the procedures followed by RSM in conducting the audit. Total assets were \$12.76 million dollars in 2018 and revenues exceeded expenses by 899,754 for the year. The members' deficit was eliminated and members' equity by \$689,216.

Hennes introduced Department of Labor and Industry Commissioner Ken Peterson who reviewed the history of Minnesota's workers' compensation system since he first served as commissioner in 1988.

Hennes opened the floor for questions from members. There being none, and there being no further business to come before the Annual Meeting, Hennes adjourned the meeting at 9:55 a.m.

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David J. Hennes, Chair

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Carl W. Cummins, III, Recording Secretary