



## BOARD OF DIRECTORS MEETING SUMMARY

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Waldorf Astoria  
2100 Frostwood Drive  
Park City, UT 94098

Monday, October 16, 2023  
9:00 a.m. (Mountain Time)  
Second Meeting – 2023

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### Members Present

Gina Dean, PRISM  
Michael Pott, PRISM  
Scott Schimke, GSRMA  
Brent Andrewsen, Holland & Hart  
Janell Crane, Sonoma County  
Barbara Lubben, Yolo County  
Michael Fleming

### Members Absent

None

### Appointment of Officers

The Board reappointed Gina Dean as President, Scott Schimke as Vice President, Barbara Lubben as Treasurer, and Brent Andrewsen as Secretary.

### Investment Portfolio Update

Bill Dennehy, with Chandler Asset Management, presented the **Investment Portfolio Update**. For the past 12 months, as of 9/30/23, the **liquidity portfolio** earned .468%; the **core fixed** earned 2.66%; and the **equity portfolio** earned 13.45%. On an overall basis, the ARC portfolios earned a **total rate of return** of 4.8% for the past 12 months, compared to 3.26% earned by PRISM during the same time.

### Financial Matters

The Board reviewed and approved the **Statement of Actuarial Opinion, Actuarial Opinion Summary**, and **Actuarial Review of the 6/30/23 Unpaid Claim Liabilities**, which have been filed with the Utah Department of Insurance. The Board also reviewed unaudited **financial statements** as of 6/30/23.

ARC's **Surplus as of 6/30/23 is approximately \$75M**. Based on the Board's Target Surplus Policy, the **target is \$37.8M - \$48.5M**. While the Surplus is well above the range, the Board was not comfortable declaring a dividend at this time due to the volatility of the investment portfolio. A **dividend will be considered again later in the winter**. The Board also suggested that revisions be considered to the Target Funding Policy to incorporate measurements of volatility in setting the Target Funding Range.

Since the ARC Surplus has increased substantially since last summer, the Board approved returning the \$3.5M additional capital contribution made by PRISM.

### **General Business**

- The Board reviewed and ***approved the 2023/24 assumed risks***
- The Board was provided with an update on the ***status of the Strategic Initiatives*** that were developed in March 2022