



**HEALTH BENEFITS
BOARD OF DIRECTORS MEETING
OCTOBER 16, 2025
2:30 P.M.**

AGENDA

I. Consent Agenda

- A. Approval of Minutes for September 2025 Board of Directors Meeting Dave Ostash
- B. Report of Activity for the Month of September 2025 and the Ratification of Payment as follows: Dave Ostash

| | | | |
|----------------------|--|---------------|---------------|
| DELTA DENTAL CLAIMS | | 10,046,010.36 | |
| DELTA DENTAL ASO | | 586,668.61 | |
| ANTHEM DENTAL CLAIMS | | 235,868.74 | |
| ANTHEM DENTAL ASO | | 13,784.40 | |
| | | TOTAL DENTAL | 10,882,332.11 |
| | | | |
| VSP CLAIMS | | 1,344,578.18 | |

| | | | |
|---|---------------------|----------------|----------------|
| EYE MED CLAIMS | | 90,473.61 | |
| VSP ASO | | 127,474.20 | |
| EYEMED ASO | | 11,787.71 | |
| | | TOTAL VISION | 1,574,313.70 |
| | | | |
| ANTHEM BLUE CROSS HEALTH CLAIMS | | 155,318,498.07 | |
| BLUE SHIELD HEALTH CLAIMS | | 41,826,140.98 | |
| ANTHEM BC COMPANION CARE RETIREE CLAIMS | | 681,153.44 | |
| | TOTAL HEALTH CLAIMS | 197,825,792.49 | |
| | | | |
| ANTHEM BLUE CROSS ASO | | 4,999,158.09 | |
| BLUE SHIELD PPO ASO | | 781,584.53 | |
| AMERIBEN PPO ASO | | 15,195.82 | |
| ANTHEM BC COMPANION CARE RETIREE ASO | | 131,238.25 | |
| FOUNDATION CLMS PROCESSING ASO | | 696,822.37 | |
| | TOTAL HEALTH ASO | 6,623,999.06 | |
| | | TOTAL HEALTH | 204,449,791.55 |
| | | | |
| EXPRESS SCRIPTS CLAIMS | | 14,119,766.36 | |
| NAVITUS RX CLAIMS | | 55,879,523.67 | |
| EXPRESS SCRIPTS ASO | | 457,614.91 | |
| NAVITUS RX ASO | | 690,090.65 | |
| RX N GO | | 125,014.52 | |
| | | TOTAL RX | 71,272,010.11 |
| | | | |
| INSURED PRODUCTS | | | |
| ANTHEM BC HMO CLAIMS | | 10,076,382.61 | |
| ANTHEM BC HMO ADMIN FEE | | 967,639.94 | |
| ANTHEM BC EAP | | 871,732.00 | |
| ANTHEM VIVITY | | 2,363,913.88 | |
| ANTHEM HMO CAPITATION | | 14,157,094.44 | |
| BLUE SHIELD HMO CLAIMS | | 4,773,570.85 | |
| BLUE SHIELD HMO ADMIN FEE | | 6,407,364.45 | |
| KAISER HMO | | 72,093,346.55 | |
| SIMNSA | | 660,898.00 | |

| | | | |
|----------------------------------|--|--------------------|----------------|
| DELTACARE/PMI DENTAL | | 30,881.71 | |
| EYEMED-FULLY INSURED | | 76,536.14 | |
| BLUE SHIELD MEDICARE ADVANTAGE | | 20,279.30 | |
| LINCOLN FINANCIAL LIFE INSURANCE | | 417,534.65 | |
| | | TOTAL INSURED | 112,917,174.52 |
| WELLNESS | | | 12,367.84 |
| ALL OTHER | | | 1,886,353.94 |
| | | TOTAL III PAYMENTS | 402,994,343.77 |

Moved _____ 2nd _____

Yes _____ No _____ Abstain _____ Roll Call Vote _____

II. Public Comment

III. Action Items

- A. Financial Report – Presentation of Financial Statements for the Month of September 2025 Will Be Submitted for Approval

Kim Sloan

Moved _____ 2nd _____

Yes _____ No _____ Abstain _____ Roll Call Vote _____

IV. Information and Discussion Items

- A. Review Monthly Budget-to-Actual through September 2025

John Stenerson

- B. Review of Recent Program Funding Year by Year Results

John Stenerson

- C. Annual Program Review on Quest Screening and Colorectal Cancer Screening

Nicole Mata

- D. SISC Dependent Verification Review

Nicole Mata

- E. Comments from the Board of Directors Will Be Heard

Dave Ostash

- F. Next Meeting:

Dave Ostash

Thursday, November 20, 2025

1:00 p.m.

SISC Board Room, 4th Floor – Larry E. Reider Education Center
2000 K Street, Bakersfield, CA 93301

G. Adjournment

Dave Ostash

Moved _____ 2nd _____

Yes _____ No _____ Abstain _____ Roll Call Vote _____

Any materials required by law to be made available to the public prior to a meeting of the Governing Board of the SISC III JPA can be inspected at the following address during normal business hours at:

2000 K Street, Bakersfield, CA. 93301

For more information regarding how, to whom, and when a request for disability-related modification or accommodation, including auxiliary aids or services, may be made by a person with a disability who requires a modification or accommodation to participate in the public meeting, please contact Kristy Comstock at 661-636-4682 or

krcomstock@sicschools.org

*The number of Board Members needed to form a quorum for this meeting is eight

HEALTH BENEFITS TERMINOLOGY

Adjudication: Refers to the process of paying claims submitted or denying them after comparing claims to the benefit or coverage requirements.

Administrative Services Only (ASO): An arrangement under which an insurance carrier or an independent organization will, for a fee, handle the administration of claims, benefits and other administrative functions for a self-insured group but does not assume any financial risk for the payment of benefits.

Balance bill: The amount you could be responsible for (in addition to any co-payments, deductibles or coinsurance) if you use an out-of-network provider and the fee for the particular service exceeds the allowable charge.

Calendar Year Deductible: The dollar amount for covered services that must be paid during the calendar year (January 1 – December 31) by members before any benefits are paid by the Plan.

Centers of Medical Excellence (CME): Health care providers designated as a selected facility for specified medical services. Providers participating in a CME network have an agreement to accept an agreed upon amount as payment in full for covered services.

Coinsurance: An arrangement under which the member pays a fixed percentage of the cost of medical care after the deductible has been paid. For example, an insurance plan might pay 80% of the allowable charge, with the member responsible for the remaining 20%, which is then referred to as the coinsurance amount.

Coordination of Benefits: This is the process by which a health insurance company determines if it should be the primary or secondary payer of medical claims for a patient who has coverage from more than one health insurance policy.

Co-Payment: A specific charge that a health plan may require a member to pay for a specific medical service or supply, after which the insurance company pays the remainder of the charge.

Deductible: An amount the covered person must pay before payments for covered services begin. The deductible is usually a fixed amount. For example, an insurance plan might require the insured to pay the first \$250 of covered expense during a calendar year.

Dependent: Person, (spouse or child), other than the subscriber who is covered under the subscriber's benefit certificate.

Employee Assistance Program (EAP): A program that is designed to provide employees and their dependents with access to resources to support various life situations. It also provides confidential, short-term counseling by qualified practitioners, in person or virtually.

Explanation of Benefits (EOB): A form sent to the covered person after a claim for payment has been processed by the carrier that explains the action taken on that claim. This explanation might include the amount that will be paid, the benefits available, reasons for denying payment, or the claims appeal process.

Flexible Spending Account: Financial account that allows employees to set aside pre-tax money from their paycheck toward premiums or costs not covered by their health plan, such as co-payments. Generally, all the money must be used within the plan year or it is lost.

Health Assessment: A health screening that provides participants with basic health results and actionable steps for improving them.

Health Insurance Portability and Accountability Act (HIPAA): A federal health benefits law passed in 1996, effective July 1, 1997, which among other things, protects the privacy rights of health plan participants.

Health Maintenance Organization (HMO): A plan that offers a wide range of health care services through a network of providers who agree to provide services to members at a pre-negotiated rate. Members of an HMO choose a primary care physician who manages all healthcare and refers to specialists as needed.

Health Savings Account: A tax advantaged savings account to be used in conjunction with certain high-deductible (low premium) health insurance plans to pay for qualifying medical expenses, such as deductibles. Contributions may be made to the account on a tax-free basis. Funds remain in the account from year to year and may be invested at the discretion of the individual owning the account. Interest or investment returns accrue tax-free. Penalties may apply when funds are withdrawn to pay for anything other than qualifying medical expenses. Employers can also fund such plans.

ID Card/Identification Card: A card issued by a carrier to a covered person, which allows the individual to identify himself or his covered dependents to a provider for health care services.

IBNR: An acronym for "incurred but not reported". This is an accounting estimate used by health plans to accrue for care that was provided "incurred" in one accounting period, but not paid or "reported" until another accounting period.

In-Network: Refers to the use of providers who participate in the carrier's provider network. Many benefit plans encourage covered persons to use participating (in-network) providers to reduce the individual's out of pocket expense.

Medical Tourism: To have medical care outside the United States.

Medigap: Refers to various private health insurance plans sold to supplement Medicare.

Negotiated Rate: The amount participating providers agree to accept as payment in full for covered services. It is usually lower than their normal charge. Negotiated rates are determined by Participating Provider Agreements.

Open Enrollment: A time period during which eligible employees can select among the plans offered by their employer as well as make any other dependent changes.

Out-Of-Network: The use of health care providers who have not contracted with the carrier to provide services. Members are generally not reimbursed if they go out-of-network except in emergency situations.

Out-Of-Pocket: The most a member would pay for covered medical expenses in a plan year through copays, deductibles and coinsurance before your insurance plan begins to pay 100 percent of the covered medical expense.

Participating Provider: A physician, hospital, pharmacy, laboratory or other appropriately licensed provider of health care services or supplies, that has entered into an agreement with a managed care entity to provide such services or supplies to a patient enrolled in a health benefit plan.

Pre-Authorization: A procedure used to review and assess the medical necessity and appropriateness of elective hospital admissions and non-emergency outpatient services before the services are provided.

Preferred Provider Organization (PPO): A type of managed care organization that has a panel of preferred providers who are paid according to a discounted fee schedule. The enrollees do have the option to go to out-of-network providers at a higher level of cost sharing.

Reasonable and Customary: This refers to the standard or most common charge for a particular medical service when rendered in a particular geographic area. Also known as Usual, Customary and Reasonable (UCR).

Skilled Nursing Facility: An inpatient healthcare facility with the staff and equipment to provide skilled care, rehabilitation and other related health services to patients who need nursing care, but do not require hospitalization.

Subscriber: The individual in whose name a contract is issued or the employee covered under an employer's group health contract.

Transparency: The ability for patients to have easy access to understandable information about the cost and quality of their health care options. They should be able to obtain this information from their health plan and medical providers prior to the time of treatment.



SISC

Self-Insured Schools
of California

Schools Helping Schools

**HEALTH BENEFITS
BOARD OF DIRECTORS MEETING
SEPTEMBER 25, 2025
1:00 P.M.**

MINUTES

The Regular Meeting of the Board of Directors of SISC III Health Benefits Program was called to order by Director Ostash at 1:00 p.m. on Thursday, September 25, 2025 in the SISC Board Room at the Larry E. Reider Building, 2000 K Street, Bakersfield, California 93301. The following individuals were in attendance:

MEMBERS PRESENT:

Dave Ostash
Ty Bryson
Katie Gonzalez
Robert Hughes
Joyce Nunes
Sherry Gladin
Jason Hodgson
Rhonda Phinney
Brad Pawlowski
Helio Brasil

ALTERNATES PRESENT:

Christian Shannon
Bryan Auld
Eduardo Martinez

OTHERS PRESENT:

Kim Sloan
Megan Hanson
Kristy Comstock
Rich Edwards
Fred Bayles
Alex Fisher
Alex Brum
John Stenerson
Debbie Hankins
Annette Charlton
Nicole Mata
Shawna Smith
Armando Cabrera
Cristina De Guzman
Carmen Gonzales
Roy Marchetti
Bob Hunter
JoeAnna Todd
Paola Ferruzo
Brent Boyd

Consent Agenda

Motion was made by Director Brasil seconded, by Director Gonzalez and by roll call vote of 11-Yes, 0-No, and 0 Abstentions (11-0-0) to approve the Consent Agenda as follows:

Minutes

Approval of minutes for August 2025 Board of Directors Meeting.

| | | | |
|---|---------------------|----------------|----------------|
| DELTA DENTAL CLAIMS | | 12,656,183.56 | |
| DELTA DENTAL ASO | | 739,121.13 | |
| ANTHEM DENTAL CLAIMS | | 300,736.95 | |
| ANTHEM DENTAL ASO | | 13,469.40 | |
| | | TOTAL DENTAL | 13,709,511.04 |
| VSP CLAIMS | | 1,874,120.18 | |
| EYE MED CLAIMS | | 119,112.97 | |
| VSP ASO | | 125,453.48 | |
| EYEMED ASO | | 11,522.98 | |
| | | TOTAL VISION | 2,130,209.61 |
| ANTHEM BLUE CROSS HEALTH CLAIMS | | 161,405,414.73 | |
| BLUE SHIELD HEALTH CLAIMS | | 43,042,167.13 | |
| ANTHEM BC COMPANION CARE RETIREE CLAIMS | | 1,001,079.43 | |
| | TOTAL HEALTH CLAIMS | 205,448,661.29 | |
| ANTHEM BLUE CROSS ASO | | 5,327,248.84 | |
| BLUE SHIELD PPO ASO | | 717,456.97 | |
| AMERIBEN PPO ASO | | 8,381.00 | |
| ANTHEM BC COMPANION CARE RETIREE ASO | | 130,357.21 | |
| FOUNDATION CLMS PROCESSING ASO | | 689,073.57 | |
| | TOTAL HEALTH ASO | 6,872,517.59 | |
| | | TOTAL HEALTH | 212,321,178.88 |
| EXPRESS SCRIPTS CLAIMS | | 14,092,638.07 | |
| NAVITUS RX CLAIMS | | 51,983,134.45 | |
| EXPRESS SCRIPTS ASO | | 519,202.10 | |
| NAVITUS RX ASO | | 610,986.44 | |
| RX N GO | | 119,738.04 | |
| | | TOTAL RX | 67,325,699.10 |

| | | | |
|----------------------------------|--|--------------------|----------------|
| INSURED PRODUCTS | | | |
| ANTHEM BC HMO CLAIMS | | 12,213,432.81 | |
| ANTHEM BC HMO ADMIN FEE | | 959,826.83 | |
| ANTHEM BC EAP | | 342,754.00 | |
| ANTHEM VIVITY | | 2,402,173.56 | |
| ANTHEM HMO CAPITATION | | 7,125,947.29 | |
| BLUE SHIELD HMO CLAIMS | | 3,864,962.32 | |
| BLUE SHIELD HMO ADMIN FEE | | 5,827,500.76 | |
| KAISER HMO | | 71,660,118.80 | |
| SIMNSA | | 677,458.00 | |
| DELTACARE/PMI DENTAL | | 30,272.65 | |
| EYEMED-FULLY INSURED | | 79,695.26 | |
| BLUE SHIELD MEDICARE ADVANTAGE | | 21,084.30 | |
| LINCOLN FINANCIAL LIFE INSURANCE | | 416,357.77 | |
| | | TOTAL INSURED | 105,621,584.35 |
| WELLNESS | | | 46,390.72 |
| ALL OTHER | | | 1,873,528.09 |
| | | TOTAL III PAYMENTS | 403,028,101.79 |

Public Comment

None

Action Items

Financial Report

Kim Sloan reviewed with the Board the Financial Report for the period ending August 31, 2025. Kim reported the LAIF rate for the month of August 2025 dropped to 4.25% from last month at 4.27%. After discussion, motion was made by Director Pawlowski, seconded by Director Phinney and by roll call vote of 11-0-0, approving the Financial Reports as submitted.

Request Approval of the 2025-2026 SISC III Budget

Kim Sloan presented the 2025-2026 budget to the Board for approval. After discussion, motion was made by Director Hodgson, seconded by Director Gonzalez and by roll call vote of 11-0-0, approving the SISC III Budget as submitted.

Information and Discussion Items

Review Monthly Budget-to-Actual through August 2025

John Stenerson reviewed the monthly budget-to-actual and the large claim by month summary with the Board for the month of August 2025.

Health Benefits Operations Update

Nicole Mata discussed the Health Benefits Operations Updates highlighting a Webinar by Midi Health on Menopause and Breast Cancer on October 1st, The Big Beautiful Bill changes, membership updates and information on the SISC Healthcare Symposium.

SISC Communication Plan Presentation

Alex Fisher presented his communication plan with the Board.

Executive Committee Reports

Director Ostash presented three reports on newly accepted districts to the SISC III JPA.

Update on the Annual Board Meeting and Health Symposium

Director Ostash informed the Board that there is still discussion going on but there will be no changes with the Health Benefits Symposium and Annual Board meeting for 2026.

Comments from the Board

Director Ostash reminded the Board that the October Board Meeting is at Lucia Mar Unified School District. He also informed the Board that the board room is being remodeled and should be ready by our November board meeting.

Adjournment

There being no further business to come before the Board, motion was made by Director Brasil, seconded by Director Hughes, and by roll call vote of 11-0-0, adjourning the meeting at 1:53 p.m.

Next Meeting

The next meeting of the Board of Directors will be held **Thursday, October 16th at 2:30 p.m.** in the Georgie O'Connor Board Room, Lucia Mar Unified School District, 602 Orchard St., Arroyo Grande, CA 93420.

Ramon Hendrix, Secretary

**SISC III
INCOME STATEMENT
SEPTEMBER 2025**

| | BUDGET | YEAR-TO-DATE | CURRENT MONTH |
|--|---------------------------|---------------------------|--------------------------|
| <u>REVENUES</u> | | | |
| 8660.00 Interest-County Treasurer | \$4,950,000.00 | \$2,485,589.27 | \$1,400,000.00 |
| 8660.03 LAIF | \$11,910.00 | \$9,384.61 | \$0.00 |
| 8660.04 Investments | \$29,615,096.00 | \$15,980,190.07 | \$4,200,000.00 |
| 8660.05 Bank | \$800,000.00 | \$5,641,774.18 | \$407,837.23 |
| 8674.03 Premiums-PPO Medical | \$1,952,704,982.00 | \$1,963,010,898.61 | \$164,240,598.59 |
| 8674.04 Dental | \$164,574,478.00 | \$130,822,540.40 | \$10,530,585.13 |
| 8674.08 Pharmacy | \$488,334,094.00 | \$481,292,605.64 | \$40,339,651.31 |
| 8674.25 Vision | \$23,509,276.00 | \$20,941,461.94 | \$1,505,524.87 |
| 8674.05 HMO | \$1,238,093,196.00 | \$1,220,145,713.50 | \$101,637,104.75 |
| 8674.06 Life | \$4,989,200.00 | \$5,099,953.97 | \$417,637.73 |
| 8674.09 Insured Retiree Programs | \$243,372.00 | \$240,125.00 | \$19,774.00 |
| 8674.10 Insured Vision | \$895,804.00 | \$935,083.81 | \$77,105.72 |
| 8674.18 Insured Dental | \$378,933.00 | \$367,236.31 | \$31,124.55 |
| 8699.00 IRC 125 Flex Plan Contributions | \$0.00 | \$546,323.74 | \$216,665.61 |
| 8699.07 Administration Fees | \$285,240.00 | \$244,236.01 | \$25,339.60 |
| 8699.08 Penalties/Late Fees | \$300,000.00 | \$316,741.59 | \$48,690.75 |
| 8699.10 SISC Access Fee | \$1,490,220.00 | \$1,498,694.25 | \$151,950.25 |
| TOTAL REVENUES | \$3,911,175,801.00 | \$3,849,578,552.90 | \$325,249,590.09 |
| <u>EXPENSES</u> | | | |
| 3900.00 Benefits Paid - IRC 125 Flex Plan | \$0.00 | \$0.00 | \$0.00 |
| 4300.00 Supplies | \$120,000.00 | \$114,331.49 | \$4,636.41 |
| 5200.00 Travel/Conference | \$150,000.00 | \$25,669.87 | (\$30,826.33) |
| 5300.00 Dues and Membership | \$35,000.00 | \$13,191.67 | \$447.75 |
| 5450.03 E & O Insurance | \$132,100.00 | \$119,859.66 | \$0.00 |
| 5450.05 Premiums - HMO | \$1,052,198,159.00 | \$1,067,466,553.40 | \$89,559,506.95 |
| 5450.08 Insured Dental | \$378,933.00 | \$366,696.00 | \$30,881.71 |
| 5450.09 Insured Retiree Programs | \$243,372.00 | \$247,519.70 | \$20,079.30 |
| 5450.10 Insured Vision | \$895,804.00 | \$935,811.22 | \$76,536.14 |
| 5450.21 Life | \$4,919,891.00 | \$5,124,416.32 | \$417,534.65 |
| 5800.00 Miscellaneous | \$25,000.00 | \$0.00 | \$0.00 |
| 5800.01 Professional Services | \$0.00 | \$36,082.09 | \$0.00 |
| 5800.02 Audit | \$35,990.00 | \$33,740.00 | \$0.00 |
| 5800.10 Consulting | \$511,100.00 | \$683,556.84 | \$52,083.33 |
| 5800.32 Bank Fees | \$400,000.00 | \$19,559.25 | \$74.00 |
| 5800.33 Government Fees | \$897,279.00 | \$881,797.84 | \$0.00 |
| 5800.35 Admin Fees | \$91,494.00 | \$95,451.60 | \$7,795.35 |
| 5800.40 Wellness Program | \$1,500,000.00 | \$1,567,419.50 | \$12,367.84 |
| 5800.41 Healthcare Specialists | \$6,180,523.00 | \$6,354,575.01 | \$556,001.89 |
| 5800.50 Administration - KCSOS | \$9,849,313.00 | \$8,236,380.12 | \$648,700.01 |
| 5800.60 Claims - PPO Medical | \$2,005,473,380.00 | \$2,051,111,521.09 | \$186,269,327.85 |
| 5800.61 Claims - Dental | \$154,891,064.00 | \$118,687,865.32 | \$6,054,730.95 |
| 5800.63 Claims - Vision | \$20,928,026.00 | \$17,851,084.61 | \$1,081,207.93 |
| 5800.64 Claims - HMO Flex | \$150,698,502.00 | \$141,226,120.50 | \$12,323,646.11 |
| 5800.68 Claims - Pharmacy | \$461,923,799.00 | \$504,089,067.05 | \$44,954,383.99 |
| 5800.70 Admin - PPO Medical | \$70,138,088.00 | \$66,361,177.20 | \$5,865,427.45 |
| 5800.71 Admin - Claims Processing | \$8,640,000.00 | \$7,491,742.66 | \$431,253.79 |
| 5800.72 Admin - Dental | \$8,972,792.00 | \$6,775,091.56 | \$353,587.63 |
| 5800.73 Admin - Vision | \$2,141,864.00 | \$1,632,753.06 | \$114,556.48 |
| 5800.75 Admin - Pharmacy | \$15,180,220.00 | \$14,767,908.57 | \$1,126,148.73 |
| 5800.79 EAP Expense | \$4,075,296.00 | \$4,680,580.00 | \$871,732.00 |
| 5800.94 Other Distributions/Contributions | \$6,272,821.00 | \$11,937,020.28 | \$649,530.86 |
| 5800.95 Unpaid Claims Liability Adjustment | \$13,161,878.00 | \$26,578,021.51 | \$0.00 |
| TOTAL EXPENSES | \$4,001,061,688.00 | \$4,065,512,564.99 | \$351,451,352.77 |
| CHANGE IN NET ASSETS | (\$89,885,887.00) | (\$215,934,012.09) | (\$26,201,762.68) |
| NET ASSETS - BEGINNING | \$613,348,629.31 | \$613,348,629.31 | \$423,616,379.90 |
| NET ASSETS - ENDING | \$523,462,742.31 | \$397,414,617.22 | \$397,414,617.22 |

SISC III
BALANCE SHEET
September 30, 2025

| | October 1, 2024 | September 30, 2025 |
|---|------------------|--------------------|
| | BALANCE | BALANCE |
| <u>ASSETS</u> | | |
| 9110.00 Cash in County Treasury | \$100,355,945.34 | \$57,001,926.86 |
| 9120.00 Bank Account-Health Claims | \$195,294,956.81 | \$229,538,272.95 |
| 9130.00 Revolving Fund | \$0.00 | \$0.00 |
| 9150.01 Local Agency Investment Fund | \$256,011.32 | \$267,850.78 |
| 9150.03 Investments | \$527,610,041.97 | \$321,590,232.04 |
| 9200.00 Accounts Receivable | \$137,693,806.31 | \$164,125,084.12 |
| 9330.00 Prepaid Expenditures | \$0.00 | \$315,944.96 |
| 9335.00 Reserve Fund | \$14,087,525.81 | \$16,062,525.81 |
| TOTAL ASSETS | \$975,298,287.56 | \$788,901,837.52 |
| <u>LIABILITIES</u> | | |
| 9500.00 Current Liabilities | \$92,176,915.67 | \$98,516,496.10 |
| 9650.00 Deferred Income | \$4,039,708.58 | \$659,668.69 |
| 9668.00 Unpaid Claims Liability | \$265,733,034.00 | \$292,311,055.51 |
| TOTAL LIABILITIES | \$361,949,658.25 | \$391,487,220.30 |
| NET ASSETS - Funding Stabilization Reserves | \$613,348,629.31 | \$397,414,617.22 |
| TOTAL LIABILITIES AND NET ASSETS | \$975,298,287.56 | \$788,901,837.52 |

AUTHORIZED SIGNATURE

PREPARED BY: Nancy Russo

**SISC III
Investments
September 30, 2025**

24-HOUR LIQUID FUNDS

SISC III maintains much of its cash in the Kern County Treasury and Local Agency Investment Fund. Both agencies pool these funds with those of other entities in the state. These pooled funds are carried at cost which approximates market value.

| AGENCY | BALANCE | RETURN | PERIOD | DATES |
|---------------------------------|-----------------|-------------------------|---|--|
| COUNTY OF KERN | \$57,001,926.86 | 3.41% 2.20% | LAST QUARTER 5 YEAR AVERAGE | APR-JUN 2025 JUL 2020 - JUN 2025 |
| LOCAL AGENCY INVESTMENT FUND | \$267,850.78 | 4.21% 4.40% 2.38% | CURRENT MONTH LAST QUARTER 5 YEAR AVERAGE | September, 2025 APR-JUN 2025 JUL 2020 - JUN 2025 |

INVESTMENT MANAGEMENT ACCOUNTS

The investment securities portfolio is comprised of securities carried at fair market value.

The fair market value of the investment securities available for sale at June 30, 2025 was:

| INVESTMENT FIRM | MARKET VALUE | QUARTERLY RETURN | ANNUALIZED RETURN | PERIOD | DATES |
|---|------------------|------------------|-------------------------|---|---|
| MADISON INVESTMENTS (SISC INVESTMENT POOL) | \$72,774,462.00 | 1.31% | 5.25% 1.57% 3.90% | LAST QUARTER 5 YEAR AVERAGE YIELD TO MATURITY | APR-JUN 2025 JUL 2020 - JUN 2025 AS OF JUN 30, 2025 |
| MORGAN STANLEY (FRED BAYLES) | \$174,629,192.47 | 1.17% | 4.69% 1.71% 3.60% | LAST QUARTER 5 YEAR AVERAGE YIELD TO MATURITY | APR-JUN 2025 JUL 2020 - JUN 2025 AS OF JUN 30, 2025 |
| WELLS FARGO ADVISORS (RICH EDWARDS) | \$191,986,577.57 | 1.13% | 4.55% 1.10% 3.62% | LAST QUARTER 5 YEAR AVERAGE YIELD TO MATURITY | APR-JUN 2025 JUL 2020 - JUN 2025 AS OF JUN 30, 2025 |
| | \$439,390,232.04 | | | | |

5-YEAR HISTORY OF RETURNS

| Quarter Ending: | Co of Kern | LAIF | Investment Pool | Fred Morgan Stanley | Rich Wells Fargo | Combined Weighted Average Return |
|-----------------|------------|-------|-----------------|---------------------|------------------|----------------------------------|
| 6/30/2025 | 3.41% | 4.40% | 5.25% | 4.69% | 4.55% | 4.42% |
| 3/31/2025 | 3.75% | 4.48% | 7.48% | 6.17% | 6.41% | 5.73% |
| 12/31/2024 | 3.56% | 4.62% | -0.76% | -0.21% | 0.11% | 0.82% |
| 9/30/2024 | 3.53% | 4.71% | 11.61% | 10.53% | 9.81% | 9.26% |
| 6/30/2024 | 3.46% | 4.55% | 3.67% | 4.10% | 3.96% | 3.89% |
| 3/31/2024 | 3.37% | 4.30% | 1.19% | 2.68% | 2.16% | 2.45% |
| 12/31/2023 | 3.15% | 4.00% | 10.98% | 8.18% | 10.02% | 8.11% |
| 9/30/2023 | 2.91% | 3.53% | 2.14% | 3.48% | 2.33% | 2.83% |
| 6/30/2023 | 2.65% | 3.15% | -0.66% | 0.45% | -1.03% | 0.30% |
| 3/31/2023 | 2.42% | 2.74% | 6.06% | 5.83% | 6.15% | 5.43% |
| 12/31/2022 | 2.16% | 2.07% | 3.47% | 3.55% | 3.49% | 3.16% |
| 9/30/2022 | 1.06% | 1.35% | -4.79% | -5.11% | -8.00% | -3.40% |
| 6/30/2022 | 1.00% | 0.75% | -2.22% | -2.09% | -3.28% | -1.12% |
| 3/31/2022 | 0.95% | 0.32% | -9.06% | -6.20% | -11.03% | -4.35% |
| 12/31/2021 | 0.84% | 0.23% | -2.39% | -1.48% | -2.67% | -0.65% |
| 9/30/2021 | 1.24% | 0.24% | -0.20% | 0.03% | -0.24% | 0.50% |
| 6/30/2021 | 1.00% | 0.33% | 0.80% | 0.31% | -0.04% | 0.51% |
| 3/31/2021 | 1.07% | 0.44% | -1.86% | -1.15% | -1.49% | -0.32% |
| 12/31/2020 | 1.16% | 0.63% | 0.18% | 0.03% | 0.19% | 0.46% |
| 9/30/2020 | 1.30% | 0.84% | 0.43% | 0.43% | 0.53% | 0.91% |
| 5-Yr Average | 2.20% | 2.38% | 1.57% | 1.71% | 1.10% | 1.95% |

SISC DEFINED BENEFIT PLAN and GASB 45 TRUST A
Investment Returns
As of : 6-30-2025

SISC DEFINED BENEFIT PLAN (DBP)

The SISC Defined Benefit Plan was established to provide a retirement benefit for part-time, temporary and seasonal employees. The Defined Benefit Plan portfolio will focus on growth and income through a balanced account of equities and fixed income. Funds may be invested with the County Treasurer and Local Agency Investment Fund (LAIF), however a majority of the assets are in a portfolio managed by Morgan Stanley/Graystone Consulting and held by the trustee, Prudential Retirement.

Investment Consultant: Fredric S. Bayles, III, Executive Director-Institutional Consulting Director, Morgan Stanley
Trustee/Custodian of Assets: Empower

Morgan Stanley Return on Investment
(net of all fees & expenses)

Benchmark Comparison
Morgan Stanley Moderate Growth & Income

| | | | | |
|----------------------|-------------------|--------|-----|-------|
| Current Quarter: | Apr-Jun 2025 | 7.27% | VS. | 7.92% |
| Calendar Yr-To-Date: | Jan-Jun 2025 | 6.41% | VS. | 7.31% |
| Rolling 4 Quarters: | Jul 2024-Jun 2025 | 13.63% | | |

| | | |
|----------------------------|------|---------|
| 5-Year History of Returns: | 2024 | 14.82% |
| | 2023 | 19.05% |
| | 2022 | -18.94% |
| | 2021 | 15.33% |
| | 2020 | 17.56% |

SISC GASB 45 TRUST A

As of : 6-30-2025

The GASB 45 Trust program was established to provide a mechanism for pre-funding Other Post-Employment (OPEB) liabilities. The GASB 45 Trust portfolios will focus on growth and income through a balanced account of equities and fixed income. Funds may be invested with the County Treasurer and Local Agency Investment Fund (LAIF), however a majority of the assets are in a portfolio managed by Morgan Stanley/Graystone Consulting and held at U.S. Bank.

Investment Consultant: Fredric S. Bayles, III, Executive Director-Institutional Consulting Director, Morgan Stanley
Trustee/Custodian of Assets: U.S. Bank

Morgan Stanley Return on Investment
(net of all fees & expenses)

Benchmark Comparison
Morgan Stanley Moderate Growth & Income

| | | | | |
|----------------------|-------------------|-------|-----|-------|
| Current Quarter: | Apr-Jun 2025 | 5.47% | VS. | 7.92% |
| Calendar Yr-to-Date: | Jan-Jun 2025 | 4.48% | VS. | 7.31% |
| Fiscal Year-To-Date: | Jul 2024-Jun 2025 | 9.03% | | |
| Rolling 4 Quarters: | Jul 2024-Jun 2025 | 9.03% | | |

| | | |
|----------------------------|---------|--------|
| 5-Year History of Returns: | 2024-25 | 9.03% |
| | 2023-24 | 10.75% |
| | 2022-23 | 10.83% |
| | 2021-22 | -9.71% |
| | 2020-21 | 29.13% |



Home ->> PMIA ->> PMIA Average Monthly Effective Yields



LOCAL AGENCY INVESTMENT FUND

PMIA Average Monthly Effective Yields

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1977 | 5.770 | 5.660 | 5.660 | 5.650 | 5.760 | 5.850 | 5.930 | 6.050 | 6.090 | 6.090 | 6.610 | 6.730 |
| 1978 | 6.920 | 7.050 | 7.140 | 7.270 | 7.386 | 7.569 | 7.652 | 7.821 | 7.871 | 8.110 | 8.286 | 8.769 |
| 1979 | 8.777 | 8.904 | 8.820 | 9.082 | 9.046 | 9.224 | 9.202 | 9.528 | 9.259 | 9.814 | 10.223 | 10.218 |
| 1980 | 10.980 | 11.251 | 11.490 | 11.480 | 12.017 | 11.798 | 10.206 | 9.870 | 9.945 | 10.056 | 10.426 | 10.961 |
| 1981 | 10.987 | 11.686 | 11.130 | 11.475 | 12.179 | 11.442 | 12.346 | 12.844 | 12.059 | 12.397 | 11.887 | 11.484 |
| 1982 | 11.683 | 12.044 | 11.835 | 11.773 | 12.270 | 11.994 | 12.235 | 11.909 | 11.151 | 11.111 | 10.704 | 10.401 |
| 1983 | 10.251 | 9.887 | 9.688 | 9.868 | 9.527 | 9.600 | 9.879 | 10.076 | 10.202 | 10.182 | 10.164 | 10.227 |
| 1984 | 10.312 | 10.280 | 10.382 | 10.594 | 10.843 | 11.119 | 11.355 | 11.557 | 11.597 | 11.681 | 11.474 | 11.024 |
| 1985 | 10.579 | 10.289 | 10.118 | 10.025 | 10.180 | 9.743 | 9.656 | 9.417 | 9.572 | 9.482 | 9.488 | 9.371 |
| 1986 | 9.252 | 9.090 | 8.958 | 8.621 | 8.369 | 8.225 | 8.141 | 7.844 | 7.512 | 7.586 | 7.432 | 7.439 |
| 1987 | 7.365 | 7.157 | 7.205 | 7.044 | 7.294 | 7.289 | 7.464 | 7.562 | 7.712 | 7.825 | 8.121 | 8.071 |
| 1988 | 8.078 | 8.050 | 7.945 | 7.940 | 7.815 | 7.929 | 8.089 | 8.245 | 8.341 | 8.397 | 8.467 | 8.563 |
| 1989 | 8.698 | 8.770 | 8.870 | 8.992 | 9.227 | 9.204 | 9.056 | 8.833 | 8.801 | 8.771 | 8.685 | 8.645 |
| 1990 | 8.571 | 8.538 | 8.506 | 8.497 | 8.531 | 8.538 | 8.517 | 8.382 | 8.333 | 8.321 | 8.269 | 8.279 |
| 1991 | 8.164 | 8.002 | 7.775 | 7.666 | 7.374 | 7.169 | 7.098 | 7.072 | 6.859 | 6.719 | 6.591 | 6.318 |
| 1992 | 6.122 | 5.863 | 5.680 | 5.692 | 5.379 | 5.323 | 5.235 | 4.958 | 4.760 | 4.730 | 4.659 | 4.647 |
| 1993 | 4.678 | 4.649 | 4.624 | 4.605 | 4.427 | 4.554 | 4.438 | 4.472 | 4.430 | 4.380 | 4.365 | 4.384 |
| 1994 | 4.359 | 4.176 | 4.248 | 4.333 | 4.434 | 4.623 | 4.823 | 4.989 | 5.106 | 5.243 | 5.380 | 5.528 |
| 1995 | 5.612 | 5.779 | 5.934 | 5.960 | 6.008 | 5.997 | 5.972 | 5.910 | 5.832 | 5.784 | 5.805 | 5.748 |
| 1996 | 5.698 | 5.643 | 5.557 | 5.538 | 5.502 | 5.548 | 5.587 | 5.566 | 5.601 | 5.601 | 5.599 | 5.574 |
| 1997 | 5.583 | 5.575 | 5.580 | 5.612 | 5.634 | 5.667 | 5.679 | 5.690 | 5.707 | 5.705 | 5.715 | 5.744 |
| 1998 | 5.742 | 5.720 | 5.680 | 5.672 | 5.673 | 5.671 | 5.652 | 5.652 | 5.639 | 5.557 | 5.492 | 5.374 |
| 1999 | 5.265 | 5.210 | 5.136 | 5.119 | 5.086 | 5.095 | 5.178 | 5.225 | 5.274 | 5.391 | 5.484 | 5.639 |
| 2000 | 5.760 | 5.824 | 5.851 | 6.014 | 6.190 | 6.349 | 6.443 | 6.505 | 6.502 | 6.517 | 6.538 | 6.535 |
| 2001 | 6.372 | 6.169 | 5.976 | 5.760 | 5.328 | 4.958 | 4.635 | 4.502 | 4.288 | 3.785 | 3.526 | 3.261 |
| 2002 | 3.068 | 2.967 | 2.861 | 2.845 | 2.740 | 2.687 | 2.714 | 2.594 | 2.604 | 2.487 | 2.301 | 2.201 |
| 2003 | 2.103 | 1.945 | 1.904 | 1.858 | 1.769 | 1.697 | 1.653 | 1.632 | 1.635 | 1.596 | 1.572 | 1.545 |
| 2004 | 1.528 | 1.440 | 1.474 | 1.445 | 1.426 | 1.469 | 1.604 | 1.672 | 1.771 | 1.890 | 2.003 | 2.134 |
| 2005 | 2.264 | 2.368 | 2.542 | 2.724 | 2.856 | 2.967 | 3.083 | 3.179 | 3.324 | 3.458 | 3.636 | 3.808 |
| 2006 | 3.955 | 4.043 | 4.142 | 4.305 | 4.563 | 4.700 | 4.849 | 4.946 | 5.023 | 5.098 | 5.125 | 5.129 |
| 2007 | 5.156 | 5.181 | 5.214 | 5.222 | 5.248 | 5.250 | 5.255 | 5.253 | 5.231 | 5.137 | 4.962 | 4.801 |
| 2008 | 4.620 | 4.161 | 3.777 | 3.400 | 3.072 | 2.894 | 2.787 | 2.779 | 2.774 | 2.709 | 2.568 | 2.353 |
| 2009 | 2.046 | 1.869 | 1.822 | 1.607 | 1.530 | 1.377 | 1.035 | 0.925 | 0.750 | 0.646 | 0.611 | 0.569 |
| 2010 | 0.558 | 0.577 | 0.547 | 0.588 | 0.560 | 0.528 | 0.531 | 0.513 | 0.500 | 0.480 | 0.454 | 0.462 |
| 2011 | 0.538 | 0.512 | 0.500 | 0.588 | 0.413 | 0.448 | 0.381 | 0.408 | 0.378 | 0.385 | 0.401 | 0.382 |
| 2012 | 0.385 | 0.389 | 0.383 | 0.367 | 0.363 | 0.358 | 0.363 | 0.377 | 0.348 | 0.340 | 0.324 | 0.326 |
| 2013 | 0.300 | 0.286 | 0.285 | 0.264 | 0.245 | 0.244 | 0.267 | 0.271 | 0.257 | 0.266 | 0.263 | 0.264 |
| 2014 | 0.244 | 0.236 | 0.236 | 0.233 | 0.228 | 0.228 | 0.244 | 0.260 | 0.246 | 0.261 | 0.261 | 0.267 |
| 2015 | 0.262 | 0.266 | 0.278 | 0.283 | 0.290 | 0.299 | 0.320 | 0.330 | 0.337 | 0.357 | 0.374 | 0.400 |
| 2016 | 0.446 | 0.467 | 0.506 | 0.525 | 0.552 | 0.576 | 0.588 | 0.614 | 0.634 | 0.654 | 0.678 | 0.719 |
| 2017 | 0.751 | 0.777 | 0.821 | 0.884 | 0.925 | 0.978 | 1.051 | 1.084 | 1.111 | 1.143 | 1.172 | 1.239 |
| 2018 | 1.350 | 1.412 | 1.524 | 1.661 | 1.755 | 1.854 | 1.944 | 1.998 | 2.063 | 2.144 | 2.208 | 2.291 |
| 2019 | 2.355 | 2.392 | 2.436 | 2.445 | 2.449 | 2.428 | 2.379 | 2.341 | 2.280 | 2.190 | 2.103 | 2.043 |
| 2020 | 1.967 | 1.912 | 1.787 | 1.648 | 1.363 | 1.217 | 0.920 | 0.784 | 0.685 | 0.620 | 0.576 | 0.540 |
| 2021 | 0.458 | 0.407 | 0.357 | 0.339 | 0.315 | 0.262 | 0.221 | 0.221 | 0.206 | 0.203 | 0.203 | 0.212 |
| 2022 | 0.234 | 0.278 | 0.365 | 0.523 | 0.684 | 0.861 | 1.090 | 1.276 | 1.513 | 1.772 | 2.007 | 2.173 |
| 2023 | 2.425 | 2.624 | 2.831 | 2.870 | 2.993 | 3.167 | 3.305* | 3.434 | 3.534 | 3.670 | 3.843 | 3.929 |
| 2024 | 4.012 | 4.122 | 4.232 | 4.272 | 4.332 | 4.480 | 4.516 | 4.579 | 4.575 | 4.518 | 4.477 | 4.434 |
| 2025 | 4.366 | 4.333 | 4.313 | 4.281 | 4.272 | 4.269 | 4.258 | 4.251 | 4.212 | | | |

SISC III
Comparison of Budget-to-Actual
2024-25

| Revenues | | Expenses | | Surplus/Deficit | | Exp/Rev | | Act/Bgt |
|----------|----------------|----------|----------------|-----------------|----------------|---------|-----|---------|
| Monthly | YTD Cumulative | Monthly | YTD Cumulative | Monthly | YTD Cumulative | Monthly | YTD | YTD |

Budget

| | | | | | | | | |
|--------|---------------|-----------------|---------------|-----------------|----------------|----------------|--------|--------|
| Oct-24 | \$317,506,546 | \$317,506,546 | \$321,143,164 | \$321,143,164 | (\$3,636,619) | (\$3,636,619) | 101.1% | 101.1% |
| Nov-24 | \$317,506,546 | \$635,013,091 | \$346,470,694 | \$667,613,859 | (\$28,964,149) | (\$32,600,767) | 109.1% | 105.1% |
| Dec-24 | \$317,506,546 | \$952,519,637 | \$333,565,884 | \$1,001,179,743 | (\$16,059,339) | (\$48,660,106) | 105.1% | 105.1% |
| Jan-25 | \$334,024,228 | \$1,286,543,865 | \$335,195,890 | \$1,336,375,633 | (\$1,171,662) | (\$49,831,768) | 100.4% | 103.9% |
| Feb-25 | \$325,179,977 | \$1,611,723,842 | \$316,030,033 | \$1,652,405,666 | \$9,149,944 | (\$40,681,824) | 97.2% | 102.5% |
| Mar-25 | \$325,179,977 | \$1,936,903,819 | \$313,034,217 | \$1,965,439,883 | \$12,145,760 | (\$28,536,064) | 96.3% | 101.5% |
| Apr-25 | \$334,024,228 | \$2,270,928,047 | \$316,693,112 | \$2,282,132,995 | \$17,331,116 | (\$11,204,948) | 94.8% | 100.5% |
| May-25 | \$325,179,977 | \$2,596,108,023 | \$345,684,962 | \$2,627,817,956 | (\$20,504,985) | (\$31,709,933) | 106.3% | 101.2% |
| Jun-25 | \$325,179,977 | \$2,921,288,000 | \$330,078,935 | \$2,957,896,891 | (\$4,898,958) | (\$36,608,891) | 101.5% | 101.3% |
| Jul-25 | \$330,917,397 | \$3,252,205,397 | \$328,019,488 | \$3,285,916,379 | \$2,897,909 | (\$33,710,982) | 99.1% | 101.0% |
| Aug-25 | \$322,073,146 | \$3,574,278,543 | \$383,125,859 | \$3,669,042,238 | (\$61,052,714) | (\$94,763,696) | 119.0% | 102.7% |
| Sep-25 | \$336,897,259 | \$3,911,175,802 | \$332,019,450 | \$4,001,061,688 | \$4,877,810 | (\$89,885,886) | 98.6% | 102.3% |

Actual

| | | | | | | | | | |
|--------|---------------|-----------------|---------------|-----------------|----------------|-----------------|--------|--------|--------|
| Oct-24 | \$316,083,231 | \$316,083,231 | \$333,843,651 | \$333,843,651 | (\$17,760,419) | (\$17,760,419) | 105.6% | 105.6% | 104.4% |
| Nov-24 | \$316,145,378 | \$632,228,610 | \$341,656,205 | \$675,499,856 | (\$25,510,827) | (\$43,271,246) | 108.1% | 106.8% | 101.6% |
| Dec-24 | \$316,209,444 | \$948,438,054 | \$311,942,099 | \$987,441,955 | \$4,267,345 | (\$39,003,901) | 98.7% | 104.1% | 99.1% |
| Jan-25 | \$321,630,973 | \$1,270,069,027 | \$341,921,818 | \$1,329,363,773 | (\$20,290,845) | (\$59,294,746) | 106.3% | 104.7% | 100.8% |
| Feb-25 | \$320,769,014 | \$1,590,838,041 | \$337,447,852 | \$1,666,811,625 | (\$16,678,838) | (\$75,973,584) | 105.2% | 104.8% | 102.2% |
| Mar-25 | \$321,780,232 | \$1,912,618,274 | \$325,711,358 | \$1,992,522,983 | (\$3,931,126) | (\$79,904,709) | 101.2% | 104.2% | 102.7% |
| Apr-25 | \$329,057,554 | \$2,241,675,828 | \$319,492,126 | \$2,312,015,109 | \$9,565,429 | (\$70,339,281) | 97.1% | 103.1% | 102.6% |
| May-25 | \$320,614,452 | \$2,562,290,280 | \$355,388,099 | \$2,667,403,208 | (\$34,773,647) | (\$105,112,928) | 110.8% | 104.1% | 102.8% |
| Jun-25 | \$322,288,633 | \$2,884,578,913 | \$339,111,758 | \$3,006,514,966 | (\$16,823,125) | (\$121,936,053) | 105.2% | 104.2% | 102.9% |
| Jul-25 | \$322,599,568 | \$3,207,178,481 | \$333,473,676 | \$3,339,988,642 | (\$10,874,108) | (\$132,810,161) | 103.4% | 104.1% | 103.1% |
| Aug-25 | \$317,150,482 | \$3,524,328,963 | \$374,072,570 | \$3,714,061,212 | (\$56,922,088) | (\$189,732,249) | 117.9% | 105.4% | 102.7% |
| Sep-25 | \$325,249,590 | \$3,849,578,553 | \$351,451,353 | \$4,065,512,565 | (\$26,201,763) | (\$215,934,012) | 108.1% | 105.6% | 103.2% |

Individual Claims > \$250,000 by Month

| Mo-Yr | Total | | Childbirth | | Cancer | | Circulatory | | Other | |
|-------------------|---------------------|-----------|--------------------|----------|--------------------|-----------|--------------------|----------|--------------------|-----------|
| | Paid | # | Paid | # | Paid | # | Paid | # | Paid | # |
| Difference | \$1,665,934 | | (\$2,228,854) | | \$2,060,632 | | \$1,787,690 | | \$46,466 | |
| Prior 24Mo Avg | \$17,761,411 | 34 | \$4,056,507 | 6 | \$3,106,518 | 7 | \$2,845,359 | 6 | \$7,753,027 | 15 |
| Sep-25 | \$19,427,345 | 43 | \$1,827,653 | 4 | \$5,167,150 | 12 | \$4,633,049 | 9 | \$7,799,492 | 18 |
| Aug-25 | \$23,188,001 | 49 | \$2,715,017 | 5 | \$4,031,778 | 8 | \$4,314,500 | 10 | \$12,126,706 | 26 |
| Jul-25 | \$12,334,532 | 19 | \$3,147,656 | 4 | \$1,392,554 | 4 | \$1,689,787 | 3 | \$6,104,536 | 8 |
| Jun-25 | \$11,937,495 | 26 | \$3,669,457 | 7 | \$1,671,447 | 5 | \$1,401,260 | 4 | \$5,195,330 | 10 |
| May-25 | \$19,217,621 | 38 | \$1,299,920 | 3 | \$3,463,684 | 9 | \$2,082,548 | 5 | \$12,371,470 | 21 |
| Apr-25 | \$10,754,289 | 23 | \$3,577,776 | 6 | \$936,799 | 3 | \$1,974,734 | 4 | \$4,264,981 | 10 |
| Mar-25 | \$18,389,167 | 37 | \$2,804,065 | 5 | \$4,741,194 | 10 | \$3,386,435 | 8 | \$7,457,473 | 14 |
| Feb-25 | \$27,590,503 | 40 | \$6,832,394 | 8 | \$4,126,566 | 8 | \$5,586,658 | 8 | \$11,044,885 | 16 |
| Jan-25 | \$18,528,063 | 37 | \$3,148,778 | 4 | \$3,429,900 | 7 | \$4,753,682 | 7 | \$7,195,703 | 19 |
| Dec-24 | \$13,925,215 | 26 | \$4,422,030 | 6 | \$4,572,692 | 8 | \$1,285,244 | 3 | \$3,645,250 | 9 |
| Nov-24 | \$14,446,348 | 31 | \$4,406,426 | 6 | \$3,616,129 | 9 | \$1,306,931 | 3 | \$5,116,862 | 13 |
| Oct-24 | \$23,089,381 | 47 | \$2,658,561 | 5 | \$6,372,798 | 16 | \$4,620,611 | 7 | \$9,437,411 | 19 |
| Sep-24 | \$20,862,090 | 36 | \$3,326,125 | 5 | \$4,779,825 | 7 | \$1,821,771 | 3 | \$10,934,370 | 21 |
| Aug-24 | \$18,009,726 | 37 | \$5,031,315 | 9 | \$2,510,970 | 6 | \$4,223,099 | 9 | \$6,244,342 | 13 |
| Jul-24 | \$13,549,653 | 29 | \$1,709,919 | 2 | \$4,177,669 | 9 | \$2,284,508 | 5 | \$5,377,557 | 13 |
| Jun-24 | \$10,824,630 | 17 | \$3,130,370 | 3 | \$1,518,894 | 4 | \$645,626 | 2 | \$5,529,741 | 8 |
| May-24 | \$16,533,172 | 28 | \$8,165,804 | 8 | \$1,343,909 | 3 | \$1,796,754 | 3 | \$5,226,705 | 14 |
| Apr-24 | \$20,206,321 | 32 | \$5,636,697 | 8 | \$3,103,641 | 5 | \$2,904,131 | 8 | \$8,561,852 | 11 |
| Mar-24 | \$14,645,768 | 32 | \$3,125,566 | 6 | \$3,236,280 | 8 | \$1,948,579 | 5 | \$6,335,343 | 13 |
| Feb-24 | \$18,339,634 | 35 | \$6,020,433 | 7 | \$3,293,014 | 6 | \$1,532,914 | 4 | \$7,493,275 | 18 |
| Jan-24 | \$29,008,342 | 46 | \$4,965,326 | 9 | \$3,485,502 | 6 | \$3,786,041 | 8 | \$16,771,472 | 23 |
| Dec-23 | \$29,099,931 | 56 | \$10,038,428 | 14 | \$3,024,036 | 8 | \$3,402,660 | 8 | \$12,634,807 | 26 |
| Nov-23 | \$22,246,510 | 38 | \$3,500,209 | 6 | \$3,361,298 | 8 | \$8,080,018 | 13 | \$7,304,986 | 11 |
| Oct-23 | \$12,621,358 | 31 | \$2,256,467 | 5 | \$1,683,908 | 5 | \$2,401,303 | 4 | \$6,279,679 | 17 |
| Sep-23 | \$6,926,122 | 18 | \$1,767,433 | 4 | \$681,954 | 2 | \$1,058,832 | 3 | \$3,417,902 | 9 |
| Aug-23 | \$14,146,361 | 24 | \$3,696,603 | 5 | \$1,592,860 | 4 | \$2,161,916 | 4 | \$6,694,982 | 11 |
| Jul-23 | \$10,604,686 | 23 | \$2,374,980 | 3 | \$440,000 | 1 | \$1,015,283 | 3 | \$6,774,423 | 16 |
| Jun-23 | \$13,780,282 | 26 | \$5,199,337 | 5 | \$705,555 | 2 | \$1,950,660 | 4 | \$5,924,730 | 15 |
| May-23 | \$9,930,262 | 24 | \$3,344,909 | 6 | \$1,304,220 | 4 | \$965,061 | 3 | \$4,316,072 | 11 |
| Apr-23 | \$16,088,995 | 22 | \$1,088,690 | 2 | \$1,184,543 | 2 | \$3,968,871 | 5 | \$9,846,890 | 13 |
| Mar-23 | \$12,326,896 | 24 | \$1,824,886 | 1 | \$759,759 | 2 | \$2,304,233 | 5 | \$7,438,018 | 16 |
| Feb-23 | \$9,010,362 | 23 | \$1,303,137 | 3 | \$279,547 | 1 | \$1,810,582 | 5 | \$5,617,097 | 14 |
| Jan-23 | \$5,163,943 | 10 | \$1,202,485 | 3 | \$1,088,357 | 1 | \$1,211,849 | 2 | \$1,661,252 | 4 |
| Dec-22 | \$13,658,389 | 34 | \$3,293,605 | 7 | \$3,022,133 | 9 | \$1,718,291 | 4 | \$5,624,360 | 14 |
| Nov-22 | \$10,277,543 | 20 | \$2,568,052 | 4 | \$925,441 | 2 | \$1,821,964 | 4 | \$4,962,086 | 10 |
| Oct-22 | \$10,898,680 | 25 | \$2,551,376 | 4 | \$1,166,443 | 3 | \$1,307,854 | 4 | \$5,873,008 | 14 |
| Oct-24-Sep-25 Avg | \$17,735,663 | 35 | \$3,375,811 | 5 | \$3,626,891 | 8 | \$3,086,287 | 6 | \$7,646,675 | 15 |
| Oct-23-Sep-24 Avg | \$18,828,928 | 35 | \$4,742,222 | 7 | \$2,959,912 | 6 | \$2,902,284 | 6 | \$8,224,511 | 16 |
| Oct-22-Sep-23 Avg | \$11,067,710 | 23 | \$2,517,958 | 4 | \$1,095,901 | 3 | \$1,774,616 | 4 | \$5,679,235 | 12 |

>=\$20,000

\$15,000-\$19,999

<=\$14,999

SISC Health Benefits

Funding History - Last Ten Years

2015 - 2025

| | | | | |
|----------------|---------------|----------------------|-----------------|----------------------|
| 2015-16 | | | 9/30/16 | |
| | Budget | Actual | | Actual |
| Revenue | 1,826,506,855 | \$1,902,860,920 | Net Assets | \$377,367,873 |
| Expenses | 1,856,892,474 | \$1,837,098,521 | Run-Out | \$114,780,142 |
| Difference | (30,385,619) | \$65,762,399 | Balance | \$262,587,731 |
| Exp/Rev % | 101.7% | 96.5% | Ratio | 3.3 |
| 2016-17 | | | 09/30/17 | |
| | Budget | Actual | | Actual |
| Revenue | 2,037,903,170 | \$2,089,274,509 | Net Assets | \$489,249,731 |
| Expenses | 2,036,780,666 | \$1,984,882,354 | Run-Out | \$122,269,845 |
| Difference | 1,122,504 | \$104,392,155 | Balance | \$366,979,886 |
| Exp/Rev % | 99.9% | 95.0% | Ratio | 4.0 |
| 2017-18 | | | 9/30/18 | |
| | Budget | Actual | | Actual |
| Revenue | 2,311,081,116 | \$2,314,300,371 | Net Assets | \$585,625,754 |
| Expenses | 2,277,627,132 | \$2,236,274,883 | Run-Out | \$140,620,380 |
| Difference | 33,453,984 | \$78,025,488 | Balance | \$445,005,374 |
| Exp/Rev % | 98.6% | 96.6% | Ratio | 4.2 |
| 2018-19 | | | 9/30/19 | |
| | Budget | Actual | | Actual |
| Revenue | 2,412,109,214 | \$2,493,302,675 | Net Assets | \$677,066,077 |
| Expenses | 2,446,482,666 | \$2,411,333,172 | Run-Out | \$150,091,200 |
| Difference | (34,373,452) | \$81,969,503 | Balance | \$526,974,877 |
| Exp/Rev % | 101.4% | 96.7% | Ratio | 4.5 |
| 2019-20 | | | 09/30/20 | |
| | Budget | Actual | | Actual |
| Revenue | 2,610,060,872 | \$2,639,716,772 | Net Assets | \$833,966,284 |
| Expenses | 2,584,689,665 | \$2,482,489,489 | Run-Out | \$149,764,124 |
| Difference | 25,371,207 | \$157,227,283 | Balance | \$684,202,160 |
| Exp/Rev % | 99.0% | 94.0% | Ratio | 5.6 |
| 2020-21 | | | 9/30/21 | |
| | Budget | Actual | | Actual |
| Revenue | 2,702,135,813 | \$2,725,489,512 | Net Assets | \$961,364,196 |
| Expenses | 2,664,762,330 | \$2,620,106,815 | Run-Out | \$171,779,339 |
| Difference | 37,373,483 | \$105,382,697 | Balance | \$789,584,857 |
| Exp/Rev % | 98.6% | 96.1% | Ratio | 5.6 |

SISC Health Benefits

Funding History - Last Ten Years

2015 - 2025

| 2021-22 | | | 9/30/22 | |
|------------|---------------|-----------------|------------|---------------|
| | Budget | Actual | | Actual |
| Revenue | 2,884,982,289 | \$2,881,328,800 | Net Assets | \$896,513,945 |
| Expenses | 2,820,951,042 | \$2,971,121,829 | Run-Out | \$196,722,117 |
| Difference | 64,031,247 | (\$89,793,029) | Balance | \$699,791,828 |
| Exp/Rev % | 97.8% | 103.1% | Ratio | 4.6 |

| 2022-23 | | | 09/30/23 | |
|------------|---------------|---------------|------------|---------------|
| | Budget | Actual | | Actual |
| Revenue | 3,183,364,492 | 3,215,135,078 | Net Assets | \$907,306,230 |
| Expenses | 3,286,634,453 | 3,215,218,121 | Run-Out | \$207,597,445 |
| Difference | (103,269,961) | (\$83,043) | Balance | \$699,708,785 |
| Exp/Rev % | 103.2% | 100.0% | Ratio | 4.4 |

| 2023-24 | | | 9/30/24 | |
|------------|---------------|-----------------|------------|---------------|
| | Budget | Actual | | Actual |
| Revenue | 3,632,495,130 | \$3,645,163,074 | Net Assets | \$879,081,663 |
| Expenses | 3,576,385,945 | \$3,731,523,230 | Run-Out | \$265,733,034 |
| Difference | 56,109,185 | (\$86,360,156) | Balance | \$613,348,629 |
| Exp/Rev % | 98.5% | 102.4% | Ratio | 3.3 |

| 2024-25 | | | 9/30/25 | |
|------------|---------------|-----------------|------------|---------------|
| | Budget | Actual | | Actual |
| Revenue | 3,911,175,801 | \$3,849,578,553 | Net Assets | \$689,725,673 |
| Expenses | 4,001,061,688 | \$4,065,512,565 | Run-Out | \$292,311,056 |
| Difference | (89,885,887) | (\$215,934,012) | Balance | \$397,414,617 |
| Exp/Rev % | 102.3% | 105.6% | Ratio | 2.4 |

| 2015-21 (First 6 Years) | | |
|-------------------------|----------------|------------------|
| | Budget | Actual |
| Revenue | 13,899,797,040 | \$14,164,944,759 |
| Expenses | 13,867,234,933 | \$13,572,185,234 |
| Difference | 32,562,107 | 592,759,525 |
| Exp/Rev % | 99.8% | 95.8% |

| 2021-25 (Last 4 Years) | | |
|------------------------|----------------|----------------|
| | Budget | Actual |
| Revenue | 13,612,017,712 | 13,591,205,505 |
| Expenses | 13,685,033,128 | 13,983,375,745 |
| Difference | (73,015,416) | (392,170,240) |
| Exp/Rev % | 100.5% | 102.9% |

| 2015-25 (All 10 Years) | | |
|------------------------|----------------|----------------|
| | Budget | Actual |
| Revenue | 27,511,814,752 | 27,756,150,264 |
| Expenses | 27,552,268,061 | 27,555,560,979 |
| Difference | (40,453,309) | 200,589,285 |
| Exp/Rev % | 100.1% | 99.3% |



Quest Health and Colorectal Cancer Screenings Annual Program Update

Presented by:
Nicole Mata, Executive Director of Health Benefits

October 16, 2025

2025 Screening Program

- ✓ SISC partnered with Quest Diagnostics for our 2025 Health Screening Program which was held from January through June 2025.
- ✓ At the screening, SISC members meet with a Quest health technician for a 15-minute screening to learn their health numbers.
- ✓ Participants walked away with their health numbers and received a follow-up email with a full assessment of results.
- ✓ To encourage participation, members were emailed a \$25 Amazon gift code in the weeks following their screening.
- ✓ **New in 2025!** SISC PPO Members 45+ were offered a free at-home colorectal cancer screening kit.

Why Screen Employees for Health Conditions??

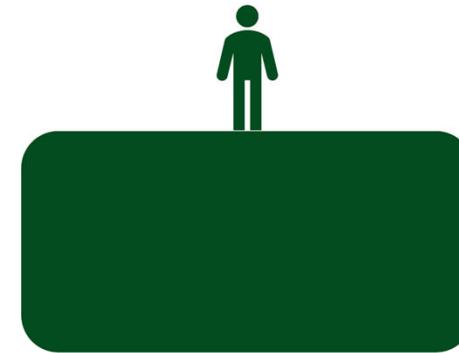
Low risk, low cost
Healthy weight
Normal labs



Population in need of care
58% with chronic conditions¹; **one in four say they skip regular health screenings²**



High risk, high cost
1.2% of employees have been diagnosed with serious illnesses, costing over \$120K per year.³



Maximize impact by focusing where it's needed most

Why Screen Employees for Colorectal Cancer?



1 in 5 adults with colorectal cancer are diagnosed under age 55,¹ with **rates among middle-aged adults up 185%**⁵



Colorectal cancer is the **2nd leading cause of cancer death**² with death rates **rising ~1% per year** for younger adults.³



When colon cancer is found and treated early, **the survival rate is about 90%**; that rate decreases to 13% for late-stage detection⁴

2022 Deaths due to Cancer with recommend screening tests: 29%

2022 Deaths due to Cancer without recommended screening tests: 71%

SISC and Quest 2024-2025

Impact

- 25K screenings since 2024 - actionable health insights

Access

- 415 onsite events, over 14K screened at SISC locations
- Over 11K Patient Service Center visits to date

Robust data insights

- Over 6,700 screened consistently over 2-years

1/2023 2/2022 2/2021 Shows a multi-year history so you can see your results over time.

| Heart Health | 1/2023 | 2/2022 | 2/2021 |
|---|--------|--------|--------|
| Total Cholesterol Reference Range: 125-199 mg/dL | 219 | 214 | 199 |
| Triglycerides Reference Range: < 150 mg/dL | 153 | 120 | 123 |
| HDL Cholesterol Reference Range: > OR = 40 mg/dL | 50 | 71 | 69 |
| LDL Cholesterol Reference Range: < 130 mg/dL (calc) | 138 | 120 | 120 |
| Cholesterol/HDL Ratio Reference Range: < 5.0 (calc) | 4.4 | 2.9 | |

Pancreas Health

| Test | 1/2023 | 2/2022 | 2/2021 |
|--|--------|------------|------------|
| Glucose Reference Range: 65-99 mg/dL | 89 | 80 | 85 |
| Hemoglobin A1c Reference Range: 4.0-5.6 % of total Hgb | 5.4 | NONE GIVEN | NONE GIVEN |

Physical Measures

| Test | 1/2023 | 2/2022 | 2/2021 |
|---|--------|--------|--------|
| Body Mass Index (BMI) Reference Range: 18.5-24.9 (calc) | 22.0 | 28.1 | 28.1 |

Your Health Quotient
72

Hemoglobin A1c
6.7
Your Result: 4.7

Diabetic Level
A person with a hemoglobin A1c result in this range is to have type 2 diabetes. The good news is with the correct treatment and recommended lifestyle changes, many people with diabetes are able to control it without medications and prevent or delay the onset of complications.

Diabetes Complications: Heart, Eyes, Kidneys, Skin, Feet.

2025 Results

Top Risks

Top risks of all participants



73% of the employee population are at moderate or high risk for **Body Mass Index**



57% are at moderate or high risk for **Blood Pressure**



48% are at moderate or high risk of **LDL**

Outcomes improve for those who participate*

Glucose

63%

HDL
cholesterol

57%

Blood
pressure

29%

Waist

23%

BMI

5%

*2023-2025 cohort data

Hba1c

Members who meet age and BMI criteria are also issued an Hba1c test which measures average blood sugar over the previous 90 days. It's a measure used to clinically diagnosis and assess diabetes.

| BMI | Age |
|---------|-----|
| 30-34.9 | 45+ |
| 35-39.9 | 35+ |
| 40.0+ | 18+ |

| Hemoglobin A1c Level | Interpretation | Male | Female | Number in Range | Percent in Range | Database Average |
|----------------------|---|------|--------|-----------------|------------------|------------------|
| 4.0-5.6% | Consistent with controlled diabetes or absence of diabetes. May increase risk of hypoglycemia (low glucose level) among those with diabetes. | 384 | 1,051 | 1,435 | 46.49% | 64.51% |
| 5.7-6.4% | If known to have diabetes, consistent with controlled diabetes. Suggests increased future risk of diabetes if confirmed by elevated fasting glucose level. | 351 | 814 | 1,165 | 37.74% | 27.96% |
| 6.5-6.9% | If known to have diabetes, consistent with controlled diabetes. If not previously diagnosed, results of 6.5% and greater are consistent with diabetes if confirmed on repeat measurement or if non-fasting glucose 200 mg/dL or greater and symptoms are present. | 73 | 126 | 199 | 6.45% | 2.70% |
| 7.0-8.0% | If not previously diagnosed, this result is consistent with diabetes if confirmed on repeat measurement or if glucose 200 mg/dL or greater and symptoms are present. | 58 | 110 | 168 | 5.44% | 2.52% |
| >8.0% | Consistent with poorly controlled diabetes that needs modified management. | 38 | 82 | 120 | 3.88% | 2.30% |

Colorectal Cancer Screenings

As of August 28, 2025
138,070 eligible – 1.1% participation rate

By request orders

- 3,795
- 2.7%
- Book of business average – 16%

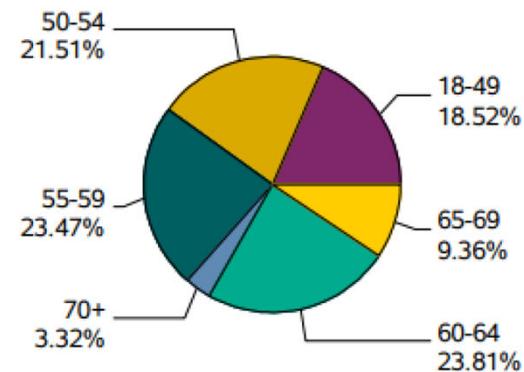
Tested specimens

- 1,474
- 38.8%
- Book of business average – 74%

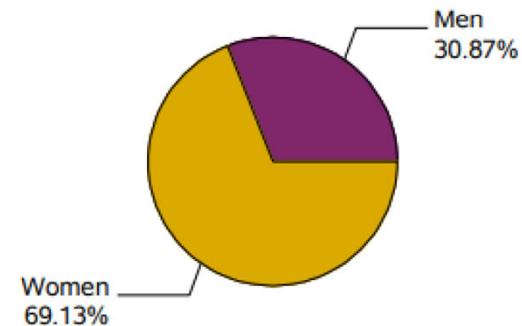
Positive results

- 46
- 3.1%
- Book of business average – 6%

Total Tested By Age Group



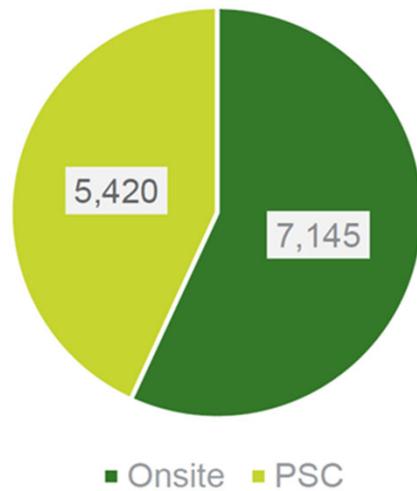
Total Tested By Gender



Participation Champions

12,565 screenings
252,272 eligible
5% participation

Method of Collection



Highest Participation Percentage

| Location Code | Location Name | Participants | Eligible | Participation % |
|---------------|--|--------------|----------|-----------------|
| 10447 | Santa Cruz Co Office of Education | 84 | 164 | 51% |
| 64907 | Pomona Unified | 265 | 581 | 46% |
| 99131 | Berryessa Union School District | 60 | 140 | 43% |
| 99090 | Palmdale Aerospace Academy | 61 | 146 | 42% |
| 66563 | La Habra City School District | 43 | 103 | 42% |
| 66506 | Fullerton Elementary | 156 | 446 | 35% |
| 99118 | El Camino Real Charter High School | 43 | 123 | 35% |
| 64261 | Arcadia Unified | 101 | 300 | 34% |
| 10496 | Sonoma Co Office of Education | 62 | 206 | 30% |
| 75341 | Redondo Beach Unified School District | 83 | 282 | 29% |
| 64972 | Santa Clarita Community College District | 52 | 182 | 29% |
| 64881 | Pasadena Unified | 187 | 655 | 29% |
| 66456 | Buena Park Elementary | 58 | 204 | 28% |
| 10439 | Santa Clara Co Office of Education | 168 | 594 | 28% |
| 66514 | Fullerton Joint Union High | 140 | 530 | 26% |
| 99014 | Lewis Center for Educational Research | 42 | 167 | 25% |
| 67124 | Moreno Valley Unified | 240 | 984 | 24% |
| 69328 | Santa Ynez Valley Union High | 44 | 181 | 24% |
| 63115 | Central Union High | 107 | 500 | 21% |
| 66936 | Sierra Joint Community College District | 82 | 388 | 21% |
| 67033 | Corona-Norco Unified | 67 | 325 | 21% |
| 66621 | Orange Unified School District | 112 | 547 | 20% |
| 69740 | Cabrillo Community College | 67 | 330 | 20% |
| 66423 | Anaheim Elementary School District | 63 | 320 | 20% |
| 10157 | Kern Co Office of Education | 411 | 2153 | 19% |
| 71043 | Ceres Unified | 98 | 526 | 19% |
| 65136 | William S. Hart Union High | 253 | 1413 | 18% |
| 10405 | San Luis Obispo Co Office of Education | 64 | 360 | 18% |
| 10397 | San Joaquin Co Office of Education | 149 | 854 | 17% |
| 67116 | Menifee Union Elementary | 124 | 727 | 17% |



SISC

SISC Health Benefits Dependent Verification Review

Presented by:
Nicole Mata, Executive Director of Health Benefits

October 16, 2025

Dependent Verification Review

As health care costs continue to rise, more employers are seeking ways to implement cost-containment measures. One proven method is a Dependent Verification Review (DVR), which helps verify the eligibility of dependents covered under employer-sponsored health plans.

As part of our ongoing commitment to protecting both our member districts and their employees, SISC is implementing **Dependent Verification Reviews (DVRs)**, to be conducted on a 5-year cycle starting in 2026.

This initiative is designed to ensure that only eligible dependents are covered under SISC health plans which helps to contain costs, reduce risk, and safeguard employees.

Why Conduct a Dependent Verification Review?

Cost containment: Employers that conduct reviews of dependent eligibility typically find that up to 10% of dependents enrolled in health plans are ineligible. The average cost to the employer for an ineligible dependent is currently estimated at \$6,860 per year.

Pool Integrity: As a self-funded plan committed to serving the best interests of all members, we must apply the same rules consistently across our entire membership. Ensuring that only eligible individuals are covered protects the integrity of the plan and can reduce unfair premium costs to eligible participants.

Employee Protection: Employees may unknowingly cover ineligible dependents, putting themselves at risk of bearing the full cost of claims. DVRs help clarify eligibility rules and prevent these costly mistakes.

Data Accuracy and Transparency: Regular reviews also improve data accuracy, streamline benefits administration, and foster fairness and transparency among district employees.

Background

SISC has been requiring dependent documentation for all new enrollments since 2007.

SISC enacted a statewide dependent verification review in 2013, conducted by Moss Adams. This was the first time a review was conducted of the entire SISC population. As a result, we removed 3,349 ineligible dependents from coverage for an annual estimated savings of \$5.8M.

Given the 2013 dependent verification review and our current onboarding rules, the most likely sources of ineligible dependents would be ex-spouses/domestic partners and their children who were not removed after divorce.

Why American Fidelity?

The dependent verification review process can be very labor-intensive, with confidentiality and employee relations challenges. Engaging a third-party audit vendor adds neutrality and helps manage communications, documentation, and any disputes that arise.

As we move forward on this process, we've selected **American Fidelity** as our trusted provider.

SISC and American Fidelity serve more than 300 of the same school districts, reflecting the strong alignment and shared commitment to supporting CA public schools and their employees.

American Fidelity staff specialize in employee education and are trained on the SISC plans and programs each year.

SISC and American Fidelity have forged a partnership grounded in trust over the last ten years.

Why Else?

Proven Expertise: American Fidelity has conducted over 1,500 DVRs involving more than 300,000 employees, including extensive work with SISC and other district partners.

Value-Added Services: During DVR appointments, employees can also update life insurance beneficiaries, verify contact information, and learn about SISC added-value programs. Member districts can also utilize American Fidelity to promote district initiatives that may be taking place.

Secure and Respectful Process: Their method emphasizes data security and privacy. Employees retain control of their documents. American Fidelity's verification process is done through visual inspection—no physical collection of sensitive materials.

On-Site Support: American Fidelity offers in-person, one-on-one confidential meetings at school sites, ensuring convenience and clarity for employees.

Coming in 2026

We understand each member district has unique priorities and preferences. Both SISC and American Fidelity are committed to working with each individual district to align with their goals and conduct the review accordingly.

The five-year cycle will give us the flexibility to tailor the process to each district's unique needs.

We plan to announce the DVR to member districts in the coming weeks.

Additional details will be forthcoming.