

**FRESNO COUNTY SELF INSURANCE GROUP
(FCSIG)**

Quarterly Board Meeting

2:00 p.m. Tuesday, October 21, 2003

J. Frank Parks Education Center
Selma Unified School District
3036 Thompson Avenue
Selma, California

Meeting Minutes

- Call to Order** President Eric Cederquist called the meeting to order at 2:03 p.m.
- Attendance**
- | | |
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| Fowler Unified School District
Eric Cederquist | Alvina Elementary Charter School District
Bob Mullins Jr. |
| Sanger Unified School District
Marc Johnson | Kings Canyon Unified School District
Irvin Isaak
Terri Bechtel |
| Selma Unified School District
Larry Teixeira | Guests:
Sharon Castillo
Gus Corona
Guy Avagliano
Joe Walter Rutkowski |
| Kingsburg Jt Un Elementary
Mark Ford | Dick Rhodes
Bill Tucker Jr.
Donna Murry |
| Central Unified School District
John Mulligan | |
- Introductions** The attending directors and guests introduced themselves.
- Approval of Agenda** After stating the need to add two emergency items to the agenda, changing the Treasurer due to a conflict of interest and considering an alternative to developing a website for FCSIG, the motion was made by member Mullins and seconded by member Teixeira to approve the agenda. Motion carried.
- Public Hearing Session** President Cederquist asked if anyone wished to address the Board. There was no response.
- Consent Agenda** It was moved by member Teixeira and seconded by member Ford to approve the consent agenda which included the following:
A. Approval of minutes of the June 17, 2003 meeting as mailed.
B. Approval of expenditures, (Attachment A)
Motion carried.
- Treasurer's Report** Terri Bechtel, the treasurer for FCSIG, presented the financial statement for FCSIG and FCOE for year ending June 30, 2003, (Attachment B) and for period ending September 30, 2003, (Attachment C).
- Broker's Report** Mr. Tucker, presented the FCSIG Claims Cost Analysis for the period September 2003, (Attachment D).
Claims Cost
Analysis

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- Broker's Report Cont.** The Broker introduced the two actuaries from Milliman USA, Guy Avagliano and Joe Walter Rutkowski. Mr. Avagliano, presented the *Summary of Actuarial Report* as of June 30, 2003, (Attachment E) and talked on the two main segments of work they do for FCSIG. The first area is the estimation of FCSIG's reserves, which consist of three components:
1. Case reserves (which is set by the claims adjuster)
 2. IBNR reserves (Incurred but not reported)
 3. Unallocated loss adjustment expense
- The second segment is the calculation of the funding estimate, which is the function of payroll, claim costs and JPA expenses.
- Actuarial Presentation**
- Administrator's Report** Sharon Castillo, the FCSIG claims administrator presented the *California Workers' Compensation Institute Bulletin*, (Attached F). She mentioned she has reported two claims to the fraud unit and is in the process of also trying to report a doctor.
- Loss Control Report** Dick Rhodes indicated he is available for workshops. He highly recommended the workshop involving ladder safety. A letter was presented on behalf of Dr. Henry Brock from Brock's Loss Control Services outlining his progress on the JPA website, (Attachment G).
- Action Items**
- Financial Audit** Gus Corona, from the firm of Borchardt, Corona & Faeth presented the FCSIG financial audit for years ending June 30, 2003 and 2002, (enclosed). He reported on the excellent job Terri Bechtel was doing as the accountant for the JPA and stated there were no issues to report other than one that would present a conflict of interest for the 03/04 year. He suggested the treasurer for FCSIG be changed from Terri Bechtel to someone else in the finance department at Kings Canyon Unified School District. The motion was made by member Johnson and seconded by member Mulligan to accept the financial audit as presented. Motion carried.
- Office of Treasurer** With the advise of the auditor in mind, the motion was made by member Ford and seconded by member Johnson to elect a new Treasurer. Motion carried.
- The motion to nominate Irvin Isaak, assistant superintendent for business services at Kings Canyon Unified School District was made by member Ford and seconded by member Mulligan. Motion carried.
- Annual Report** The Broker presented the *Public Self Insurer's Annual Report for Joint Powers Authority and Members*, (Attachment H). This report is filed annually with the state. The motion was made by member Mullins and seconded by member Ford to accept the report as presented. Motion carried.
- Website Design/ Ad-Hoc Committee** The Broker presented the *Request for Proposals for Website Design and Maintenance* on behalf of Dr. Brock. He stated after the RFP was placed on the agenda for approval, another solution for establishing a website came to the forefront and would be a large savings in time and money for both FCSIG and the OSS (Organization of Self Insured Schools). Dr. Brock, as reported by the Broker, had received correspondence from Garth Maijala, owner of Fidelity Loss Control Management, employee of the San Luis Obispo County JPA (Schools Insurance Program for Employees) and presenter at a recent CASBO conference attended by Dr. Brock. Mr. Maijala offered to design the websites for a flat fee of \$1,000 per site and an annual maintenance fee of \$150 each. He also noted each JPA would have a \$150 fee for their domain name and an annual hosting fee of \$150 each. No action was taken on either the RFP for Website Design and Maintenance and the Ad-Hoc Committee.
- Website Design Alternative** The motion to accept the proposal to have Fidelity Loss Control Management develop the website for FCSIG contingent on the OSS accepting the same offer was made by member Teixeira and seconded by member Ford. Motion carried.

Board Member Report President Cederquist asked if any members had items to report. There was no response.

Closed Session There were no items for closed session.

Next Meeting/Adjournment The next quarterly meeting is scheduled for 2:00 p.m. on Tuesday, January 20, 2004. With no further business, the meeting adjourned at 2:54 p.m.

Prepared by,

Approved by,

Donna Murry
MJ:dm

Marc Johnson
Secretary