


FRESNO COUNTY
SELF INSURANCE GROUP

Quarterly Board Meeting

1:30 p.m. Tuesday, January 10, 2017

**J. Frank Parks Education Center
Selma Unified School District
3036 Thompson Ave.
Selma, CA 93662**

Meeting Minutes

Call to Order President Eric Cederquist called the meeting to order at 1:31 p.m.

Attendance

Fowler Unified School District
Eric Cederquist

Selma Unified School District
Larry Teixeira

Southwest Transportation Agency
Sandra Robles

Firebaugh-Las Deltas Jt Unified School District
Russell Freitas

Kerman Unified School District
Kraig Magnussen

Kingsburg Joint Union School District (Elem)
Carol Bray
Dr. Wesley Sever

Fresno County Superintendent of Schools
Laurie Gabriel

Guests:

Sharon Castillo – *Tristar Risk Management*
Tom Veale - *Tristar Risk Management*
Curt Crockett – *Tristar Risk Management*
Amy Dolson – *Poms & Associates*
Michael Fleming – *CSAC-Excess Insurance Authority / CAJPA*
Bill Tucker - *Tucker-Alexander Ins.*
Donna Murry – *Tucker-Alexander Ins*

Approval of Agenda The motion to approve the agenda was made by member Teixeira and seconded by member Freitas.

Ayes: Members Cederquist, Bray, Teixeira, Robles, Freitas, Magnussen and Gabriel. Nays: None.
Abstentions: None. Motion carried.

Public Hearing Session President Cederquist asked if anyone wished to address the Board. There was no response.

Consent Agenda The motion was made by member Teixeira and seconded by member Magnussen to approve the consent agenda which included the following:

- A. Approval of the minutes from the October 11, 2016 meeting as emailed.
- B. Approval of expenditures for quarter ending December 31, 2016, (Attachment A).

Ayes: Members Cederquist, Bray, Teixeira, Robles, Freitas, Magnussen and Gabriel. Nays: None.
Abstentions: None. Motion carried.

Treasurer's Report Carol Bray, the F.C.S.I.G. accountant presented the financial statement for quarter ending December 31, 2016, (Attachment B).

JPA Manager's Report

Claims Cost
Analysis

The JPA manager, Bill Tucker with Tucker-Alexander Insurance presented the Claims Cost Analysis for period ending December, 2016, (Attachment C). He mentioned the claims count and the cost per claim are remaining constant.

Payroll Factor

The Board was queried for an estimate on payroll increases for the 2017/2018 year for purposes of calculating the payroll for the workers' comp deposit premium. It was the consensus of the Board to use a factor of 2.5 percent (2.5%) as the increase.

Member Sever arrived.

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Manager's Report Cont.

Accreditation Presentation

Mike Flemming, CEO of California State Associates of Counties, Excess Insurance Authority (CSAC-EIA) and chairman of the accreditation committee for California Association of Joint Powers Authorities (CAJPA), presented the certificate for accreditation with excellence to the F.C.S.I.G. President, Eric Cederquist, (Attachment D). Mr. Flemming reiterated to the Board it was a great accomplishment to receive the status of accreditation with excellence.

W/C Claims
Central Valley vs
Other CA Areas

The manager reported on a study which finds workers in California's Central Valley, from Kern in the south to Butte and Glenn in the north, having distinctly different workers' comp claims experience than those from other regions in the state. In short, Central Valley residents account for 18% of California work injury claims and 15% of total workers' comp benefit payments. The average first-year medical payments on Central Valley claims were relatively high compared to the rest of the state, but relatively low as the claims developed suggesting that workers were treated and returned to work quickly.

Retirement

Bill Tucker made the announcement he would not be renewing his contract as the JPA Manager which will be ending June 2018. This will allow the F.C.S.I.G. Board to start the process to find a suitable replacement. Volunteers to sit on a sub-committee are Kraig Magnussen (Kerman USD), Carol Bray (Kingsburg Jt Un SD-Elem), and a representative from Fresno County Superintendent of Schools.

Curt Crockett with Tristar arrived.

Administrator's Report

The F.C.S.I.G. claims administrator, Sharon Castillo with Tristar Risk Management presented the claims matrix for the period 7/01/16 – 12/13/16 and its comparison with the year prior, (Attachment E). A few areas to note, litigation was down 44%, reported Indemnity claims are down 48%, and reported Medical Only claims are down 34% as compared to that of the prior year. Compromise & Release (C&R)/Future Medical is up 442% due to the closing out of claims from departing districts. The 236% increase in Medical Other was due to the state mandating the changing of coding for copy service fees to a medical cost.

Loss Control Report

F.C.S.I.G. risk manager, Amy Dolson reported on the risk management areas she is currently involved, (Attachment F).

Phase II of *The Return to Work* (RTW) staff training workshops have begun with the first of three sessions held on December 8, 2016. Two more workshops will be held at later dates. Phase III will make additional RTW assistance available to districts at their own expense.

School Insurance Program for Employees (SIPE), is requiring each district to provide a contact for the Online Training Coordinator for the GetSafetyTrained.com online system. SIPE will be providing a training webinar for all coordinators in early 2017.

Part of the F.C.S.I.G. Strategic Plan was to provide an annual workers' compensation claims review with the claims administrator Sharon Castillo. Districts requesting a review will be completed first and then those with the highest frequency & severity.

Risk control training and services such as ergonomics, pesticide handler, and forklift certification are available to the F.C.S.I.G. members as requested with some workshops and training seminars already scheduled. Bulletins and member visits will be used to reach out to the districts to inform them of the services available and to ascertain what additional services could be considered and for increasing overall safety awareness.

Action Items

Amending Budget

The financial budget for the 16/17 year did not allocate funds for line item 19a *Risk Management: Return to Work Program* as it was funded in the 15/16 year and not used. The *Risk Management Expense for Online Training* was also higher than what was anticipated. The motion to adjust the budget and allocate \$25,000 to line item 19a for *Risk Management; Return to Work Program* and increasing line item 19 *Risk Management Expense for Online Training* from \$12,500 to \$32,000 was made by member Sever and seconded by member Teixeira.

Ayes: Members Cederquist, Bray, Teixeira, Robles, Freitas, Magnussen, Gabriel, and Sever. Nays: None. Abstentions: None. Motion carried.

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Action Items – cont.

Milliman Proposal The JPA manager presented the proposal for 2017 actuarial services by Milliman, Inc. (Attachment G). The motion to approve the proposal as presented was made by member Teixeira and seconded by member Magnussen.

Ayes: Members Cederquist, Bray, Teixeira, Robles, Freitas, Magnussen, Gabriel, and Sever. Nays: None. Abstentions: None. Motion carried.

Investment Policy The F.C.S.I.G. Board is required to annually review the Investment Policy of the County of Fresno as they have adopted the aforementioned policy as their own. Clarification of the terms were the only changes made, (Attachment H). The motion to accept the revised Investment Policy of the County of Fresno was made by member Teixeira and seconded by member Freitas.

Ayes: Members Cederquist, Bray, Teixeira, Robles, Freitas, Magnussen, Gabriel, and Sever. Nays: None. Abstentions: None. Motion carried.

The Investment Policy can be found on the F.C.S.I.G. website www.fcsigweb.org

WRAs The JPA manager, Mr. Tucker presented the Withdrawal Reserve Account (WRA) as prepared by the actuary, Milliman, Inc. for the districts terminating their membership in F.C.S.I.G.; Burrel Union Elementary, Central Unified, Golden Plains Unified, Kings Canyon Unified, Riverdale Joint Unified, and Sanger Unified, (Attachment I). A WRA is to be established for each terminated member based on their pro-rata share of the asset appreciation and case reserves of their claims minus expenses associated with their termination. The JPA manager will be notifying each district in a letter with their WRA information. The motion to accept the WRA as presented was made by member Teixeira and seconded by member Freitas.

Ayes: Members Cederquist, Bray, Teixeira, Robles, Freitas, Magnussen, Gabriel, and Sever. Nays: None. Abstentions: None. Motion carried.

Board Member Report There were no comments by the Board members.

Next Meeting/Adjournment The next quarterly meeting is scheduled for 1:30 p.m. on **Tuesday, May 2, 2017**, in Selma at their district office. The meeting adjourned at 2:50 p.m.

Prepared by,
Donna Murry

Donna Murry
SR:dm

Approved by,
Sandra Robles/dm

Sandra Robles
F.C.S.I.G. Secretary/alt