

MINUTES



EXECUTIVE COMMITTEE MEETING

WEDNESDAY, OCTOBER 10, 2018

11:00 a.m.

SPIKE N RAIL

2910 PEA SOUP ANDERSON BLVD

SELMA, CA 93662

I. CALL TO ORDER

President Teixeira called the meeting to order at 11:05 a.m.

II. ROLL CALL

OFFICERS & EXECUTIVE COMMITTEE:

SELMA UNIFIED SCHOOL DISTRICT
PACIFIC UNION ELEMENTARY SCHOOL DISTRICT
KINGSBURG JOINT UNION ELEMENTARY SCHOOL DISTRICT
FOWLER UNIFIED SCHOOL DISTRICT
ISLAND UNION ELEMENTARY SCHOOL DISTRICT
KERMAN UNIFIED SCHOOL DISTRICT
KINGSBURG JOINT UNION HIGH SCHOOL DISTRICT
LOS BANOS UNIFIED SCHOOL DISTRICT
SOUTHWEST TRANSPORTATION AGENCY

Larry Teixeira, President
Annette Machado, Vice President
Carol Bray, Accountant
Scott Griffin, Permanent Member
Diane Augusto, Member at Large
Kraig Magnussen, Permanent Member
Don Shoemaker, Member at Large
Don Laursen, Permanent Member
Sandra Hoevertsz, Member at Large

MEMBERS:

FOWLER UNIFIED SCHOOL DISTRICT
FRESNO COUNTY SUPERINTENDENT OF SCHOOLS
VALLEY REGIONAL OCCUPATIONAL PROGRAM

Gary Geringer
Jeff Becker
Dora Alvarado

ADMINISTRATORS & CONSULTANTS:

BORCHARDT, CORONA, FAETH & ZAKARIAN
KEENAN & ASSOCIATES
KEENAN & ASSOCIATES
KEENAN & ASSOCIATES
KNAK & COMPANY
POMS & ASSOCIATES
SETECH, A DIVISION OF KEENAN & ASSOCIATES

Gus Corona, Auditor
Tom Russo, JPA Administrator
Tyler Houston, Account Executive
Donna Murry, Account Manager
Erik Knak, Third Party Administrator
Amy Dolson, Risk Manager
Mary Boyer, Assistant V.P.

III. APPROVAL OF AGENDA

2018/2019-14

ACTION

The Executive Committee retains the right to change the order in which agenda items are discussed. Subject to review by the Executive Committee, the agenda is to be approved as presented. Items may be deleted or added for discussion only according to G.C. Section 54954.2.

Member Laursen asked for *Amendment to the 18/19 Financial Budget 2018/2019-20* be moved to after the consideration of the *Financial Audit Report 2018/2019-22*.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Magnussen to approve the agenda as presented with the aforementioned change with the second by member Laursen and unanimously carried. Absent: Don Shoemaker, Trish Singh and Russell Freitas.

IV. PUBLIC COMMENTS

None

V. CONSENT AGENDA

2018/2019-15

ACTION

The Executive Committee considered the following items within the Consent Agenda:

- Approval of Minutes of the July 11, 2018 Executive Committee Meeting as Emailed
- Approval of Audited Expenditures for Year Ending June 30, 2018
- Approval of Expenditures for Quarter Ending September 30, 2018.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion was made by member Magnussen and seconded by member Machado and unanimously carried to approve the Consent Agenda as presented. Absent: Don Shoemaker, Trish Singh and Russell Freitas.

VI. CORRESPONDENCE

2018/2019-16

No items to present.

INFO

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

Member Don Shoemaker arrived.

VII. CLAIMS

2018/2019-17

THIRD PARTY ADMINISTRATOR UPDATE

INFO

Erik Knak, Claims Administrator for the OSS presented his Loss History Review – (Incurred) – 10/03/18, for review. The years 2009/10, 2010/11, 2011/12, 2013/14, and 2014/15 have no open claims with 2012/13 having 1 newly opened claim involving a sexual molestation case. 2015/16 has 2 open claims, 2016/17 has 7 open claims, 2017/18 has 18 open claims and the current 2018/19 year has 16 open claims ending the period with a total of 35 open claims, with current reserves of \$548,000.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: None

VIII. UNDERWRITING

NCR UPDATE

2018/2019-18

INFO

Tyler Houston reported on the recent veto by Governor Brown of **AB3120** which would have greatly expanded the deadline in which to file a sexual molestation claim. He also reported on the Executive Summaries from the NCR Underwriting, Risk Management, Finance, Executive, & the Claims & Coverage Committees. Highlights mentioned were:

- Booster clubs currently covered under their districts' MOC will need to get their own coverage as of 7/1/19.
- Child abuse series in Keenan Safe Schools has been expanded to include a series of micro-learning videos.
- Funds have been set aside to assist Districts with Title IX Compliance.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: None

IX. FINANCIAL

TREASURER’S REPORT

**2018/2019-19
ACTION**

The Executive Committee reviewed the audited Treasurer’s Report for Year ending June 30, 2018 and the Treasurer’s Report for Quarter ending September 30, 2018 for approval.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion was made by member Laursen and seconded by member Magnussen and unanimously carried to approve the audited Treasurer’s Report for Year ending June 30, 2018 and the Treasurer’s Report for Quarter ending September 30, 2018 for approval. Absent: Trish Singh and Russel Freitas.

FINANCIAL MANAGEMENT INFORMATION REPORT

**2018/2019-21
ACTION**

Mary Boyer with SETECH a division of Keenan & Associates presented the Financial Management Information Report for the Fiscal Years Ended June 30, 2017 and June 30, 2018 to the Executive Committee. The net position has increased from 06/30/2017 by \$583,232. The following represents the most significant changes:

- The deposit of the 2017/2018 member contributions for future claims of \$983,090.
- Net investment income earned of \$88,376.
- A decrease in the actuarially determined estimated ultimate losses of \$295,498 for the program years 2016/2017 and prior due to decreased in claims activity.

The increase to the Net Position was offset by:

- The recognition of the actuarially determined estimated ultimate incurred of \$770,000 for the 2017/2018 program year.
- An increase in members withdrawal liability of \$52,425.

Overall, OSS has continued to enjoy secure financial success, a stable rate structure, and as a result they have declared, to date, dividends of \$8,920,096.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion was made by member Laursen with a second by member Hoevertsz to approve the Financial Management Information Report for the Fiscal Years Ended June 30, 2107 and June 30, 2018 as presented and unanimously carried. Absent: Trish Singh and Russel Freitas.

FINANCIAL AUDIT REPORT

**2018/2019-22
ACTION**

Gustavo Corona, the auditor for the OSS, presented the Financial Audit Report for Years ending June 30, 2018 and 2017 to the Executive Committee for their review and approval. The auditor stated it was an unqualified opinion with no findings of internal control issues.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Machado to approve the Financial Audit Report for Years ending June 30, 2018 and 2017 with a second by member Magnussen and unanimously carried. Absent: Trish Singh and Russel Freitas.

AMENDMENT TO THE 18/19 FINANCIAL BUDGET

**2018/2019-20
ACTION**

An amendment to the 18/19 Financial Budget was presented to the Executive Committee. The unused budgeted amount from the 2017/2018 Loss Control training material of \$22,800 was proposed to be added to the current year’s budget, increasing that line item from \$25,000 to \$47,800.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Laursen and seconded by member Griffin to increase the budget for the Loss Control training material from \$25,000 by the 2017/2018 unused portion of 22,800 for a total budgeted amount of \$47,800. The motion was unanimously carried. Absent: Trish Singh and Russel Freitas.

X. ADMINISTRATION

CLAIMS AUDIT SERVICES

2018/2019-23

ACTION

The OSS Account Manager Donna Murry presented the respondent of the claims audit RFP, the firm of Risk Management Services to the Executive Committee for their approval. Their proposal was for \$4,295.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Laursen with a second by member Magnussen to award the OSS claims audit bid to Risk Management Services and unanimously carried. Absent: Trish Singh and Russel Freitas.

WITHDRAWAL RESERVE ACCOUNT (WRA)

2018/2019-24

ACTION

The Executive Committee reviewed the WRA update as prepared by the actuary for the districts that have terminated their membership with the Authority. A letter will be sent to those districts notifying them of their updated WRA information.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: The motion acknowledging the WRA study as presented and authorizing notification to be sent to the withdrawn districts was made by member Laursen and seconded by member Magnussen and unanimously carried. Absent: Trish Singh and Russel Freitas.

OFFICIAL MAILING ADDRESS FOR OSS

2018/2019-25

ACTION

Currently the official mailing address for the Organization of Self-Insured Schools is 2133 High St., Ste E; Selma, CA 93662. Effective December 31, 2018, the office will be closing its location at that site. A P.O. Box will be established for everyday mail, but the official mailing address of the Public Agency must be a street address. President Teixeira recommended using the address of the Selma Unified School District office which is 3036 Thompson Ave, Selma, CA 93662.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Teixeira and seconded by member Machado to use 3036 Thompson Ave, Selma, CA 93662 as the official mailing address for the Organization of Self-Insured Schools and unanimously carried. Absent: Trish Singh and Russel Freitas.

XI. RISK MANAGEMENT

RISK MANAGEMENT UPDATES

2018/2019-26

INFO

Amy Dolson, the OSS risk manager presented to the Executive Committee the following updates on Loss Control services and risk management information:

- NCR 2018-2020 Facility Audit Schedule including Playground Inspections
- NCR Matching Grant Program – Application period September 1 through November 1 (extended since to December 31)
- Driver/Back Safety Training – Completed July 26, 2018
- IMReady Training: How to Survive an Active Killer – Completed October 2, 2018
- Scissor Lift Training – October 31, 2018
- Diane Cranley Webinar Series on Child Abuse Prevention Webinar #2 – October 23, 2018
- Per AB 2009 as of 7/1/2019, if a school district or charter school elects to offer any interscholastic athletic programs, the bill would ensure a written emergency action plan to be in place and posted that describes the location and procedures to be followed in the event of sudden cardiac arrest or other medical emergencies related to the athletic program's activities or events. It also requires at least one automated external defibrillator (AED) for each school within the school district or the charter school to be available on campus, are available for the purpose of rendering emergency care or treatment within a recommended three to five minutes of sudden cardiac arrest and are available to athletic trainers and coaches and authorized persons at these activities or events.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: None

XII. INFORMATION

MEMBER COMMENTS

None

ADMINISTRATION COMMENTS

The Account Manager, Donna Murry along with the districts' brokers spent the time since the last OSS meeting introducing Tyler Houston to the member districts. Tyler mentioned it was a great pleasure meeting with each district, getting to know their story and they his. He is looking forward to working with and servicing the OSS members.

XIII. AGENDA ITEMS FOR NEXT MEETING

Members and others may suggest items for consideration at the next Executive Committee meeting on **Wednesday, January 09, 2019 - Spike N Rail**, 2910 Pea Soup Anderson Blvd, Selma, CA 93662. Currently scheduled items include:

- OSS Loss History Report
 - Treasurer's Report for Quarter Ending December 31, 2018.
 - Form 700 Conflict of Interest
 - Proposal for Actuarial Services with Milliman, Inc.
 - Annual Review of Investment Policy of Fresno County Auditor-Controller/Treasurer-Tax Collector
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XII. ADJOURNMENT

With no further business, the meeting adjourned at 12:23 p.m.

Americans with Disabilities Act:

The Organization of Self-Insured Schools Property & Liability JPA conforms to the protections and prohibitions contained in Section 202 of the Americans with Disabilities Act of 1990 and the federal rules and regulations adopted in implementation thereof. A request for disability-related modification or accommodation, in order to participate in a public meeting of the Organization of Self-Insured Schools Property & Liability JPA, shall be made to: Donna Murry, Account Manager, Keenan & Associates, 2133 High Street, Ste E, Selma, CA 93662.