



BOARD OF DIRECTORS MEETING

WEDNESDAY, JANUARY 09, 2019

1:00 p.m.

SPIKE N RAIL

2910 PEA SOUP ANDERSON BLVD
SELMA, CA 93662

I. CALL TO ORDER

President Magnussen called the meeting to order at 1:01 p.m.

II. ROLL CALL

OFFICERS & BOARD OF DIRECTORS PRESENT:

KERMAN UNIFIED SCHOOL DISTRICT
ALVINA ELEMENTARY CHARTER SCHOOL DISTRICT
SOUTHWEST TRANSPORTATION AGENCY
FIREBAUGH-LAS DELTAS JOINT UNIFIED SCHOOL DISTRICT
FRESNO COUNTY SUPERINTENDENT OF SCHOOLS
FOWLER UNIFIED SCHOOL DISTRICT
FOWLER UNIFIED SCHOOL DISTRICT
KINGSBURG JOINT UNION ELEMENTARY SCHOOL DISTRICT
SELMA UNIFIED SCHOOL DISTRICT

Kraig Magnussen, President
Mike Iribarren, Secretary
Sandra Hoevertsz, Secretary (Alternate)
Roy Mendiola
Laurie Gabriel
Scott Griffin
Gary Geringer
Carol Bray, Accountant
Larry Teixeira

MEMBERS:

VALLEY REGIONAL OCCUPATIONAL PROGRAM

Dora Alvarado

ADMINISTRATORS & CONSULTANTS:

KEENAN & ASSOCIATES
KEENAN & ASSOCIATES
KEENAN & ASSOCIATES
POMS & ASSOCIATES
TRISTAR RISK MANAGEMENT
TRISTAR RISK MANAGEMENT

Tyler Houston, Account Executive
Shawnee Nishimura, Claims Analyst
Donna Murry, Account Manager
Amy Dolson, Risk Manager
Sharon Castillo, Third Party Administrator
Tom Veal, President

III. APPROVAL OF AGENDA

**2018/2019-15
ACTION**

The Agenda was approved as presented.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Teixeira, seconded by member Griffin and unanimously carried.

Absent: Paul Green and Dr. Wesley Sever.

IV. PUBLIC COMMENTS

None

V. CONSENT AGENDA

**2018/2019-16
ACTION**

The Board of Directors considered the following items within the Consent Agenda:

- Approval of Minutes from the October 10, 2018 Board of Directors' Meeting as Emailed
- Approval of Expenditures for Quarter Ending December 31, 2018

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Teixeira, seconded by member Gabriel and unanimously carried. Absent: Paul Green and Dr. Wesley Sever

VI. CORRESPONDENCE

**2018/2019-17
INFO**

Donna Murry, the Account Manager presented the *Special Districts Financial Transaction Report* to the Board of Directors for their information. The report is filed every year by the FCSIG Auditor Gus Corona on behalf of FCSIG. It provides information to the state such as its governing board, fiscal officer, auditor and a summarized version of its revenues, expenditures and changes in fund balances.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

VII. CLAIMS

THIRD PARTY ADMINISTRATOR UPDATE

**2018/2019-18
INFO**

Sharon Castillo, Claims Administrator for Fresno County Self-Insurance Group (FCSIG) presented the claims update on the following:

- Claims Matrix – Closing ratio of 130% for the current year, physicians' fees are increasing with Rx costs decreasing.
- Bill Review–Savings Summary Report; report range of 7/01/18 to 12/31/18 shows a gross savings of over \$1.3M.
- Payment by Location – Payment by FCSIG members from period of 7/1/14 - 12/31/14 to 7/1/18 - 12/31/18.
- Stewardship Report as of 12/31/18 – Five year comparison of current open claims and outstanding reserves, summary of costs of all open claims by member and broken down by occupation.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

CLAIMS TREND OVERVIEW

**2018/2019-19
INFO**

Shawnee Nishimura, Keenan Claims Analyst presented the Claims Trend Overview for fiscal years 2014/15 – 2018/19 and valued as of 12/31/18 which included Frequency & Severity of Developing Claims; WC Claim Type Overview; Frequency & Severity of WC Claims by Member District; Frequency & Severity of WC Claims by Cause of Loss; & Frequency & Severity of WC Claims by Occupation.

Trends noted were:

- Slip/Trip/Fall continues to be the cause of loss with the highest claims' frequency & severity.
- Teachers are the occupation having the highest number of frequency & severity of claims with Aides coming in second.

Note: Record only claims are not reportable claims and are not reported to the state, but these claims are reported to the excess carrier and to the actuary as per their request.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

VIII. UNDERWRITING

LEGISLATIVE UPDATE

2018/2019-20
INFO

Shawnee Nishimura reported on legislative updates/current events affecting the workers' compensation program. The following series of controlled substance and opiate related bills were approved for controlling of opioids:
AB 1751 – Requires regulation by 1/1/20 regarding access and use of the CURES database and interstate sharing of data.
AB 1752 – Allows the DOJ to cap the number of security printers approved to manufacture prescription pads.
AB 2086 – Addresses physician continuing education in opiate dependence as alternative to CE course on pain management.
AB 2487 – Authorizes a doctor to complete training in the area of opiate dependence as part of continuing ed. requirements.
SB 1109 – Requires warning labels for opioid prescription drug containers.

She also commented on the *Workers' Comp Executive* and a handout of a Keenan Briefing-November 2018 which addressed the requirements for many employers to electronically submit their 2017 Cal/OSHA Form 300A by December 31, 2018. This Bulletin may be found on the Keenan P&C Bridge website.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

PAYROLL FACTOR FOR 2019/2020

2018/2019-21
INFO

The Board of Directors was queried for an estimate on payroll increases for the 2019/2020 year for the purposes of calculating the payroll to provide to the actuary and for estimating the workers' comp deposit premium. It was the consensus of the Board to use a factor of 2.0 percent (2.0%) as the increase.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

DISCUSSION OF LATE PAYMENT PENALTY

2018/2019-22
INFO

The late payment penalty provision in the Bylaws was discussed and how to address districts whose payments are late. This subject will be brought back to the Board for action at the April 10, 2019 meeting.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

IX. FINANCIAL

TREASURER'S REPORT

2018/2019-23
ACTION

The Board of Directors reviewed the Treasurer's Report for Quarter ending December 31, 2018 for approval.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion was made by member Teixeira and seconded by member Gabriel and unanimously carried to approve the Treasurer's Report for Quarter ending December 31, 2018. Absent: Paul Green and Dr. Wesley Sever.

X. ADMINISTRATION

MAILING ADDRESS FOR FCSIG

2018/2019-24
INFO

The Account Manager mentioned the office location at 2133 High St., Ste E has closed. The general mailing address for the Fresno County Self-Insurance Group is now P.O. Box 1404, Selma, CA 93662.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

PROPOSAL FOR ACTUARIAL SERVICES FOR 2019

2018/2019-25
ACTION

Tyler Houston the Account Executive presented to the Board the proposal for actuarial services from Milliman, Inc. for continued services for the 2019 year. The fees have remained unchanged from the year prior.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Griffin, seconded by member Hovertsz and unanimously carried to accept the 2019 proposal from Milliman Inc. as presented. Absent: Paul Green and Dr. Wesley Sever.

INVESTMENT POLICY REVIEW

2018/2019-26

ACTION

FCSIG is required to annually review its investment policy. Since they have adopted the Investment Policy of the County of Fresno as their own, the changes to aforementioned policy were presented for the Board of Directors review. The recent revision was to have wording in the Investment Policy to be in agreement with government code which addresses asset backed security, which the County does not buy.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Teixeira and seconded by member Gabriel and unanimously carried to accept the 12/4/2018 version of the Investment Policy. Absent: Paul Green and Dr. Wesley Sever.

CONFLICT OF INTEREST, FORM 700 UPDATE

2018/2019-27

INFO

The Account Manager mentioned Form 700 Conflict of Interest has been emailed to members of the Board of Directors, Alternates and Consultants. The forms need to be mailed back to P.O. Box 1404, Selma, 93662 by 4/2/19.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: None

CLAIMS AUDIT REPORT

2018/2019-28

ACTION

Tyler Houston presented the claims audit report performed by Tim Farley with Farley Consulting Services, LLC (FCS) to the Board of Directors for their consideration. In summary the auditor (FCS) found that Tristar continues to provide very effective claims administration for FCSIG. Overall the Claims Handling Analysis shows that Tristar is performing in a professional and timely manner that is well in line with industry standards. Tristar's response to the auditor's notes were provided to the Board.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Teixeira and seconded by member Bray and unanimously carried to approve the Claims Audit Report as presented. Absent: Paul Green and Dr. Wesley Sever.

XI. RISK MANAGEMENT

ADA/FEHA COMPLIANCE TRAINING WORKSHOP WITH RACHEL SHAW

2018/2019-29

ACTION

Amy Dolson, the FCSIG Risk Manager presented an opportunity for two employees per member to attend an ADA/FEHA Compliance Training Workshop with Rachel Shaw on Friday, March 29, 2019. This would be funded by FCSIG at an early bird rate of \$100 which is available through January 31, 2019. An email would be sent to the members informing them of this opportunity.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Gabriel and seconded by member Bray and unanimously carried to fund two employees per member to attend the ADA/FEHA compliance Training Workshop. Absent: Paul Green and Dr. Wesley Sever.

RISK MANAGEMENT UPDATES

2018/2019-30

INFO

The Risk Manager presented the updates on Loss Control services and risk management information to the Board.

- Training Completed this Quarter:
 - Office Ergonomics Training @ Firebaugh-Las Deltas – October 15, 2018
 - Scissor Lift Training @ FCSS – October 31, 2018 & Selma – December 19, 2018
 - Forklift Refresher Training @ Fowler – December 19, 2018
 - Food Safety Manager Training @Kingsburg Elementary – January 3, 2019
- Ergonomic Evaluations Completed this Quarter:
 - FCSS – 3; Firebaugh-Las Deltas – 15; Southwest Transportation – 1; Washington USD - 3

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

XII. INFORMATION

MEMBER COMMENTS

None

ADMINISTRATION COMMENTS

None

XIII. AGENDA ITEMS NEXT MEETING

Members and others may suggest items for consideration at the Board of Directors' meeting scheduled for **1:00 p.m. on Wednesday, April 10, 2019, Spike N Rail**, 2910 Pea Soup Anderson Blvd, Selma. Currently scheduled items include:

- Third Party Administrator Update
 - Claims Trend Overview
 - Late Payment Penalty
 - Treasurer's Report
 - Future Meeting Dates & Locations
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XIV. ADJOURNMENT

Motion by member Teixeira and seconded by member Griffin to adjourn the meeting and unanimously carried. The meeting adjourned at 2:25 p.m.

Americans with Disabilities Act:

Fresno County Self-Insurance Group, Workers' Compensation 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 Fresno County Self-Insurance Group, Workers' Compensation JPA, shall be made to: Donna Murry, Account Manager, Keenan & Associates, P.O. Box 1404, Selma, CA 93662.

Documents and materials relating to an open session agenda item that are provided to F.C.S.I.G. Board of Directors less than 72 hours prior to a regular meeting will be available for public inspection and copying at 3036 Thompson Ave; Selma, CA 93662.