

MINUTES



EXECUTIVE COMMITTEE MEETING

WEDNESDAY, APRIL 10, 2019

11:00 AM

SPIKE N RAIL

2910 PEA SOUP ANDERSON BLVD
SELMA, CA 93662

I. CALL TO ORDER

President Teixeira called the meeting to order at 11:01 AM

II. ROLL CALL

OFFICERS & EXECUTIVE COMMITTEE:

SELMA UNIFIED SCHOOL DISTRICT

KINGS RIVER-HARDWICK UNION ELEMENTARY SCHOOL DISTRICT

KINGSBURG JOINT UNION SCHOOL DISTRICT (ELEMENTARY)

FIREBAUGH-LAS DELTAS JOINT UNIFIED SCHOOL DISTRICT

FOWLER UNIFIED SCHOOL DISTRICT

ISLAND UNION ELEMENTARY SCHOOL DISTRICT

KERMAN UNIFIED SCHOOL DISTRICT

KINGSBURG JOINT UNION HIGH SCHOOL DISTRICT

KINGSBURG JOINT UNION HIGH SCHOOL DISTRICT

LOS BANOS UNIFIED SCHOOL DISTRICT

SOUTHWEST TRANSPORTATION AGENCY

Larry Teixeira, President

Trish Singh, Secretary

Carol Bray, Accountant

Russell Freitas, Member at Large

Gary Geringer, Permanent Member

Diane Augusto, Member at Large

Kraig Magnussen, Permanent Member

Don Shoemaker, Member at Large

Rufino Ucelo, Member at Large (Alternate)

Don Laursen, Permanent Member

Sandra Hoevertsz, Member at Large

MEMBERS:

FRESNO COUNTY SUPERINTENDENT OF SCHOOLS

VALLEY REGIONAL OCCUPATIONAL PROGRAM

Christopher Lozano

Fabrizio Lofaro

ADMINISTRATORS & CONSULTANTS:

KEENAN & ASSOCIATES

KEENAN & ASSOCIATES

KEENAN & ASSOCIATES

KNAK & COMPANY

MILLIMAN, INC.

POMS & ASSOCIATES

Tom Russo, JPA Administrator

Tyler Houston, Account Executive

Donna Murry, Account Manager

Erik Knak, Third Party Administrator

Guy Avagliano, Actuary

Amy Dolson, Risk Manager

III. APPROVAL OF AGENDA

2018/2019-40

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

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Laursen and seconded by member Shoemaker to approve the agenda as presented and unanimously carried. Absent: Russell Freitas and Annette Machado.

IV. PUBLIC COMMENTS

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: None

V. CONSENT AGENDA

2018/2019-41
ACTION

The Executive Committee to consider the following items within the Consent Agenda:

- Approval of Minutes of the January 09, 2019 Executive Committee Meeting as Emailed
- Approval of Expenditures for Quarter Ending March 31, 2019.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Laursen and seconded by member Magnussen and unanimously carried to approve the Consent Agenda as presented. Absent Russell Freitas and Annette Machado

VI. CORRESPONDENCE

2018/2019-42
INFO

No items to present.

VII. CLAIMS

THIRD PARTY ADMINISTRATOR UPDATE

2018/2019-43
INFO

Erik Knak, Claims Administrator for the OSS presented his *Loss History Review - (Incurred) - 3/31/19* to the Executive Committee. The years 2009/10, 2010/11, 2011/12, 2013/14, 2015/16 have no open claims with 2012/13 and 2014/15 each having 1 open claim involving molestation. It was reported there was better aging of the current year claims and so far, 2018/19 is developing well. The OSS was fortunate not to get hit with property losses this year. He did warn employment and molestation claims are making a comeback. The OSS ended the third quarter with a total of 20 open claims with current reserves of \$404,000.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: None

Member Freitas arrived.

VIII. UNDERWRITING

APPROVAL OF THE MILLIMAN, INC ACTUARIAL REPORT

2018/2019-44
ACTION

The Actuary, Guy Avagliano presented the *Summary of Actuarial Analysis as of December 31, 2018* as prepared by his firm, Milliman, Inc. for review and consideration. He reported on the factors which comprised the study. The actuary calculated funding estimates using 70%, 80%, and 90% probability levels intended to cover losses, loss adjustment expenses and other operating expenses incurred during the Fiscal Accident Year (FAY) 2019-20. The funding rates are discounted assuming a 1.5 % annual interest rate. Changes in estimates from the prior year-end update is driven by a decrease in reported claims (even after accounting for departed former members) in the two most recent years and at the 80% probability level is about 6% lower due to lower expense rates. The funding rate uses a per unit of ADA at a \$50,000 per claim retention.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Freitas with a second by member Laursen and unanimously carried to recommend acceptance of the actuarial report to the Board of Directors. Absent: Annette Machado.

LOSS FUND RATES

2018/2019-45
ACTION

The Actuary presented the Loss Fund Rates to the Executive Committee for consideration and recommendation to the Board of Directors. The Loss Fund is used by the JPA to fund its \$50,000 self-insured layer. The funding rate as calculated by the actuary is further developed based on a combined loss experience for all OSS districts using the five most recent completed FAYs capping it at a 20% credit or a 20% surcharge per district. At the 80% probability level the rate decreased by \$1.43 per ADA for the FAY 2019-20.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: After discussion, the motion was made by member Freitas with a second by member Laursen and unanimously carried to recommend to the Board of Directors the Loss Fund rate at the 80% probability level. Absent: Annette Machado

NORCAL RELIEF (NCR) EXPERIENCE RATING FOR THE OSS (Authority)

**2018/2019-46
INFO**

The OSS Account Executive, Tyler Houston presented the various factors which go into the NCR renewal rates for the Authority. The NCR/SAFER excess property losses have drastically increased during the last two years due to catastrophic losses, with wildfires now on the radar. The NCR/SAFER excess liability losses have also seen an increase due to claims from sexual abuse molestation, auto related incidents and employment/sexual harassment incidents. These increases are industry wide and not just associated with NCR/SAFER. Fortunately, NCR is anticipating a favorable renewal which will help to offset the increases taken by the SAFER excess carriers. This combined with the decrease of the OSS experience modification factors: Liability taking a 9% decrease going from 121 to 110 and property taking a 4% decrease going from 119 to 114, the OSS can estimate a 9% increase in the NCR portion of their renewal premium. This coupled with the decrease of the OSS Loss Fund rate, an overall increase of 6% from last year's premium for budgeting purposes should be anticipated.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: None

NCR UPDATE

**2018/2019-47
INFO**

The Account Executive provided the following information from the NCR Executive Summaries from the Claims & Coverage, Underwriting, and Risk Management Committee meetings. Highlights mentioned were:

- Early Triage and Use of Non-Panel Defense. Reminded board of the importance of providing early notification of any loss that may become a claim under the MOC. Also, advised the importance of using NCR panel defense. If a member district exceeds their MRL using outside counsel they may not be reimbursed for the covered expenses as NCR's panel counsel was not used.
- Special Agency Rating. Informed the board that the DOE stopped publishing ADA for ROP & AEP programs. NCR has been looking at alternate options to factor the base liability contributions for these members. It has been decided that there will be no change to the way NCR is calculating the contributions for the 2019-2020 term. The Underwriting and Member Services committee will continue to investigate this issue.
- NCR is working on building Title IX resources to assist districts in complying with the regulatory requirements.
- The success of a School Bus Safety Campaign was reported on in which a district partnered with their local police department to remind the community to drive safely and stop for school buses.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: None

IX. FINANCIAL

TREASURER'S REPORT

**2018/2019-48
ACTION**

The Executive Committee reviewed the Treasurer's Report for Quarter ending March 31, 2019 for approval.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion was made by member Freitas and seconded by member Magnussen and unanimously carried to approve the Treasurer's Report for Quarter ending March 31, 2019. Absent: Annette Machado.

CONSIDERATION OF PAYING A REBATE

**2018/2019-49
INFO**

The Actuary presented the actuarial analysis of the rebate calculation for the current year of 2018-19 to the Executive Committee for consideration and recommendation to the Board of Directors. The study consisted of years 2016-17 (rebate not paid), 2017-18 (rebate not paid) and the current 2018-19 year.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: After discussion, the motion was made by member Freitas and seconded by member Magnussen and unanimously carried to recommend payment of a rebate for the current 2018-19 year to the Board of Directors. Absent Annette Machado.

X. ADMINISTRATION

FUTURE MEETING DATES & LOCATIONS

**2018/2019-50
ACTION**

The Account Manager, Donna Murry presented the future meeting dates & locations to the Executive Committee for consideration and recommendation to the Board of Directors.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Freitas and seconded by member Magnussen and unanimously carried to recommend approval of future meeting dates and locations to the Board of Directors. Absent: Annette Machado.

NCR MATCHING GRANT RECIPIENT

**2018 / 2019-51
INFO**

The Account Manager announced Southwest Transportation had their Matching Grant request approved by the NCR Underwriting/Member Services Committee at their March 15, 2019 meeting. They would be entitled to receive up to the eligible amount of \$10,000 for reimbursement of Z Pass Student ID Cards. One of the requirements the Committee has requested is to complete the Keenan SafeSchools course, School Intruders.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: None

XI. RISK MANAGEMENT

RISK MANAGEMENT UPDATES

**2018 / 2019-52
INFO-Page 72-75**

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

- Training Completed this Quarter –
 - Food Safety Manger Training – April 15, 2019
- NCR 3-year Audit Schedule – (the schedule will be emailed to all members for their reference)
- Strategic Planning Survey –
 - Determine the Risk Management/Risk Control initiatives (training, safety programs, etc.) to be included in the 2019/20 OSS strategic plan.
 - Elements to be included in the evaluation of the strategic plan:
 - Loss runs
 - Member district survey results
 - Compliance with legal and other governmental regulations
 - Anticipation/projection of potential losses.
- Ad Hoc Committee to Develop OSS Student Staff Interaction Policies and Standards
 - Committee Members
 - Andrea Affrunti – Parlier Unified
 - Charlotte Hines – Island Union Elem
 - Larry Teixeira – Selma Unified
 - Laurie Gabriel – Fresno County Superintendent of Schools
 - Randy Morris – Washington Unified
 - Committee Goals
 - Develop sample OSS Student –Employee Interaction Policies
 - Board Policy
 - Administrative Regulation
 - Develop sample OSS Student – Adult Interaction Standards (for volunteers, contractors, etc.)
 - Present sample OSS Policies and Standards to the OSS Executive Committee on May 22, 2019

RISK MANAGEMENT UPDATES – Cont.

- Diane Cranley Webinar Series on Child Abuse Prevention
 - Webinars 1, 2, 3, 4, 5 – Completed and Recordings available at www.ossweb.org
 - Rescheduled Webinar #6 *Building a Knowledgeable Child Sexual Abuse Prevention Team* – April 25, 2019 at 10am
 - Final Webinar#7 *Response Considerations Beyond Mandated Reporting of Child Sexual Abuse* – May 2, 2019 at 10am

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: None

XII. INFORMATION

MEMBER COMMENTS

Member Hoevertsz reported on a recent development pertaining to side window emergency exits in buses. The CHP stated they were not going to certify buses with Side Window Emergency Exits because the opening of the window for ventilation does not meet the distance (12” drop) and area (264 square inches) required in 13 CCR1285. This would be for all buses – new and old from years 2005 – 2019.

ADMINISTRATION COMMENTS

The Account Executive congratulated Fowler Unified for being a recipient of the NCR Risk Management Rewards Program.

XIII. AGENDA ITEMS FOR NEXT MEETING

Members and others may suggest items for consideration at the next Executive Committee / Board of Directors’ meeting on **Tuesday, May 22, 2019**, Southwest Education Support Center, 16644 S. Elm, Caruthers. Currently scheduled items include:

- Treasurer’s Report
- OSS Loss History Report
- 2019/2020 Loss Fund Contribution
- NCR Contribution
- 2019/2020 Preliminary Budget
- Future Meeting Dates and Locations

XIV. ADJOURNMENT

With no further business, motion to adjourn was made by member Freitas and seconded by member Laursen and was unanimously carried. Meeting adjourned at 12:45 PM.

Americans with Disabilities Act:

The Organization of Self-Insured Schools, a 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, P.O. Box 1404, Selma, CA 93662. Documents and materials relating to an open session agenda item that are provided to the O.S.S. Executive Committee less than 72 hours prior to a regular meeting will be available for public inspection and copying at 3036 Thompson Ave; Selma, CA 93662.