

MINUTES



BOARD OF DIRECTORS MEETING
WEDNESDAY, JANUARY 15, 2020
1:00 PM

LEGENDS TAP HOUSE & GRILL
(FORMERLY KNOWN AS SPIKE N RAIL)
2910 PEA SOUP ANDERSON BLVD
SELMA, CA 93662

I. CALL TO ORDER

II. ROLL CALL

OFFICERS & BOARD OF DIRECTORS PRESENT:

KERMAN UNIFIED SCHOOL DISTRICT	Kraig Magnussen, President
KINGSBURG JOINT UNION ELEMENTARY SCHOOL DISTRICT	Dr. Wesley Sever, Treasurer
ALVINA ELEMENTARY CHARTER SCHOOL DISTRICT	Mike Iribarren, Secretary
FIREBAUGH-LAS DELTAS JOINT UNIFIED SCHOOL DISTRICT	Roy Mendiola
FOWLER UNIFIED SCHOOL DISTRICT	Dr. Paul Marietti
KINGSBURG JOINT UNION ELEMENTARY SCHOOL DISTRICT	Carol Bray, Accountant
SELMA UNIFIED SCHOOL DISTRICT	Larry Teixeira
SOUTHWEST TRANSPORTATION AGENCY	Gary Geringer

MEMBERS

CLAY JOINT ELEMENTARY SCHOOL DISTRICT	Judith Szpor
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ADMINISTRATORS & CONSULTANTS:

FRESNO COUNTY SUPERINTENDENT OF SCHOOLS	Eric Cederquist, Cradle to Career
KEENAN & ASSOCIATES	Tyler Houston, Account Executive
KEENAN & ASSOCIATES	Tony Zuniga, Claims Analyst
KEENAN & ASSOCIATES	Donna Murry, Account Manager
POMS & ASSOCIATES	Amy Dolson, Risk Manager
TRISTAR RISK MANAGEMENT	Sharon Castillo, Third Party Administrator
TRISTAR RISK MANAGEMENT	Curt Crockett, Vice President Regional Manager

III. APPROVAL OF AGENDA

2019/2020-21

ACTION

The Authority retains the right to change the order in which agenda items are discussed. Subject to review by the Board of Directors, 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

BOARD CONSIDERATION: Motion by member Teixeira and seconded by member Sever and unanimously carried to approve the Agenda as presented. Absent: Members May Yang, Laurie Gabriel, and Paul Green.

IV. PUBLIC COMMENTS

None

V. CONSENT AGENDA

**2019/2020-22
ACTION**

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

- Approval of Minutes of the October 09, 2019 Board of Directors Meeting as emailed
- Approval of Expenditures for Quarter ending December 31, 2019

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Mendiola with a second by member Teixeira and unanimously carried to approve the Consent Agenda as presented. Absent: Members May Yang, Laurie Gabriel, and Paul Green

VI. CORRESPONDENCE

**2019/2020-23
INFO**

No items to present

VII. CLAIMS

THIRD PARTY ADMINISTRATOR UPDATE

**2019/2020-24
INFO**

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

- Stewardship Report as of 12/31/19: A five-year comparison which provided a snapshot by fiscal year of open indemnity verses medical claims, current liabilities, new losses by claim types, claim closure by claims count, open claims summary of costs by occupation & location.
- Claims Matrix: This report showed an increase in litigation costs for the 19/20 year, with Indemnity claims increasing and Medical claims staying flat, with the closing ratio of claims compared to the same period last year down. Overall there is a 1% increase from the current year as compared to last year. It was noted there is \$4.2 Mil in reserves from the departed districts; Central USD, Golden Plains USD, Kings Canyon USD, Riverdale JUSD, and Sanger USD.
- Nurse Triage Summary: 43% of claimants seeking medical treatment through nurse triage, self-treat instead of seeing a physician as reported from eighteen districts with a total of 203 calls. It is important to have all members have their staff using the nurse triage system.
- Rate Increases for 1/01/20: As of 1/1/2020, the rates for temporary disability, death benefits, permanent total disability, and life pension will be increasing. This is due to State Average Weekly Wage increasing to 3.84013 percent, up from 2.971 percent, thereby increasing any benefits tied to an employee's weekly earnings.
- New Work Comp Legislation as of 1/01/20: A summary of several workers' compensation bills signed by the governor addressing issues including first responder presumptions, medical provider network practices and provider reimbursement rates was shared.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

CLAIMS TREND OVERVIEW

**2019/2020-25
INFO**

Tony Zuniga, Keenan Claims Analyst presented the Claims Trend Overview to the Board of Directors. It was noted from Mr. Zuniga's 07/10/2015 through 12/31/2019 report, shoulder injuries had the longest duration and incurred the highest paid out of all injured body parts. Maintenance/Craftsmen had the highest claim duration by occupation with custodians having the highest in total paid. Also presented was the average claim duration by district. He mentioned there was a scarcity of claim providers in the San Joaquin Valley thus creating claims with longer length times.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

VIII. UNDERWRITING

LEGISLATIVE UPDATE

2019/2020-26
INFO

The Claims Analyst presented legislative updates/current events affecting their workers' compensation program:

- Year End Legislative Summary which recaps all enacted legislation that will have an impact on workers' compensation issues.
- Cal/OSHA has changed its reporting guidelines as it pertains to serious injury.
- Law AB 5 which codifies the new test for determining whether a worker is properly classified as an independent contractor.
- Doe v. Department of Corrections and Rehabilitation case involving the alleged violation of a Fair Employment and Housing Act (FEHA) which was dismissed. It was noted employers should always request employees to provide reasonable documentation to support a request for accommodation for an alleged disability to allow the employer to determine whether there is a FEHA-covered disability and to consider the full range of potential accommodations in the interactive process.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

PAYROLL FACTOR FOR 2020/2021

2019/2020-27
INFO

The Board of Directors was queried for an estimate on payroll increases for the 2020/2021 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 2.5 percent (2.5%) as the increase.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

IX. FINANCIAL

TREASURER'S REPORT

2019/2020-28
ACTION

The Board of Directors reviewed the Treasurer's Report for Quarter ending December 31, 2019 as presented by the FCSIG accountant Carol Bray. Total operating revenues were at 53% with revenues of \$3,817,643.18 and operating expenses at 51% with expenditures of \$3,117,989.13.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Teixeira with a second by member Geringer and unanimously carried to approve the Treasurer's Report as presented. Absent: Members May Yang, Laurie Gabriel, and Paul Green.

X. ADMINISTRATION

APPROVAL OF CAJPA'S ACCREDITATION REPORT

2019/2020-29
INFO

The Account Manager reported the CAJPA Accreditation Committee met in Sacramento the day prior with both the Account Executive and Account Manager in attendance via conference call. The CAJPA Accreditation Committee approved accreditation with excellence for the Fresno County Self Insurance Group.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: None

PROPOSAL FOR ACTUARIAL SERVICES FOR 2020

2019/2020-30
ACTION

The Account Executive presented to the Board the proposal for actuarial services from Milliman, Inc for continued services for the 2020 year. Milliman's fee for the full analysis has remained unchanged from the prior year, however it is important to note their hourly billing rates have increased. Historically this is not a service this JPA has needed to utilize.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Iribarren with a second by member Sever and unanimously carried to accept the proposal for actuarial service for 2020 by Milliman, Inc. Absent: Members May Yang, Laurie Gabriel, and Paul Green.

INVESTMENT POLICY REVIEW

2019/2020-31

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 Director's review.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Teixeira with a second by member Geringer and unanimously carried to accept the November 5, 2019 version of the Investment Policy. Absent: Members May Yang, Laurie Gabriel, and Paul Green.

CONFLICT OF INTEREST, FORM 700 UPDATE

2019/2020-32

INFO

The Account Manager mentioned Form 700, Conflict of Interest filing has been emailed to the Board of Directors, Alternates and Consultants. The forms need to be mailed back to P.O. Box 1404, Selma, 93662 by 4/1/2020 as original signatures are needed.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: None

XI. RISK MANAGEMENT

2019/2020-33

RISK MANAGEMENT UPDATES

INFO

Amy Dolson, the Risk Manager for FCSIG presented the updates on Risk Control services as follows:

- Claims review – any district interested in having a claims review to let the risk manager know.
- Disability Interactive Process, workshop with Rachel Shaw – Madera USD currently has no plans for a workshop this year. The risk manager is researching the feasibility of FCSIG having their own workshop. Details on this will be available at a later date.
- Ergonomic Evaluations and Specialized Ergonomic Training – this service is available upon request by the risk manager.
- Other Trainings – should any member need any other training, it is also available upon request.
- Compliance Written Safety Program Development – programs such as the Injury and Illness Prevention Program (IIPP) is available upon request.

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 PM on Wednesday, April 08, 2020, at Legends** (formerly Spike N Rail), 2910 Pea Soup Anderson Blvd, Selma. Currently scheduled items include:

- Third Party Administrator Update
- Claims Trend Overview
- Treasurer's Report
- Future Meeting Dates & Locations

XIV. ADJOURNMENT

With no further business, the motion to adjourn the meeting was made by member Teixeira with a second by member Sever and unanimously carried. Absent: Members May Yang, Laurie Gabriel, and Paul Green. Meeting was adjourned at 1:59 PM.

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.