

# MINUTES



## BOARD OF DIRECTORS MEETING

WEDNESDAY, JUNE 10, 2020

1:00 P.M.

### CONFERENCE CALL

**1 800-953-6486**

**Passcode 8677 747#**

#### Conference Call Instructions:

- 1) Enter call-in number **1 (800) 953-6486** 2) Enter Passcode **8677 747#** 3) To enable audio enter # and state first and last name.

This meeting was conducted by teleconferencing. Locations were not provided as the Brown Act has been partially suspended due to Coronavirus (COVID-19). Members of the public may address the Committee by calling the number listed above.

#### I. CALL TO ORDER

President Magnussen called the meeting to order at 1:00 P.M.

#### II. ROLL CALL

##### OFFICERS & BOARD OF DIRECTORS PRESENT:

KERMAN UNIFIED SCHOOL DISTRICT

FIREBAUGH-LAS DELTAS JOINT UNIFIED SCHOOL DISTRICT

KINGSBURG JOINT UNION ELEMENTARY SCHOOL DISTRICT

ALVINA ELEMENTARY CHARTER SCHOOL DISTRICT

FOWLER UNIFIED SCHOOL DISTRICT

FOWLER UNIFIED SCHOOL DISTRICT

FRESNO COUNTY SUPERINTENDENT OF SCHOOLS

KINGSBURG JOINT UNION ELEMENTARY SCHOOL DISTRICT

SELMA UNIFIED SCHOOL DISTRICT

SOUTHWEST TRANSPORTATION AGENCY

Kraig Magnussen, President

Russell Freitas, Vice President

Dr. Wesley Sever, Treasurer

Mike Iribarren, Secretary

May Yang

Edith Cantu

Laurie Gabriel

Carol Bray, Accountant

Larry Teixeira

Gary Geringer

##### ADMINISTRATORS & CONSULTANTS:

KEENAN & ASSOCIATES

KEENAN & ASSOCIATES

KEENAN & ASSOCIATES

POMS & ASSOCIATES

TRISTAR RISK MANAGEMENT

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Tyler Houston, Account Executive

Donna Murry, Account Manager

Tony Zuniga, Claims Analyst

Amy Dolson, Risk Manager

Sharon Castillo, Third Party Administrator

Tom Veale, President

#### III. APPROVAL OF AGENDA

**2019/20-46**

**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 with a second by member Freitas and unanimously carried to approve the Agenda as presented. Absent Member Paul Green.

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**IV. PUBLIC COMMENTS**

PUBLIC COMMENTS: None  
BOARD CONSIDERATION: None

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**V. CONSENT AGENDA**

**2019/20-47  
ACTION**

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

- Approval of Minutes of the April 08, 2020 Board of Directors' Meeting as Emailed
- Approval of Expenditures for Period Ending May 31, 2020
- Tristar Monthly Claims Expenses for Period Ending May 31, 2020

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Freitas with a second by member Geringer and unanimously carried to approve the Consent Agenda as presented. Absent: Member Paul Green.

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**VI. CORRESPONDENCE**

**2019/20-48**

The Account Manager, Donna Murry presented the following correspondence received:

**INFO**

- Special District, Local Government Compensation Report as is filed annually by the auditor for FCSIG, Borchardt, Corona, Faeth, Zakarian with the State Controller's Office.
- CAJPA sent notification regarding the Department of Industrial Relations (DIR) Annual Assessment's potential rate increase of between 13 and 15 percent, for budgetary purposes.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

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**VII. CLAIMS**

**THIRD PARTY ADMINISTRATOR UPDATE**

**2019/20-49**

**INFO**

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

- COVID-19 Flow Chart for Rebuttable Presumption of Compensability lists the five statements which must be true for the rebuttable presumption to apply. The TPA only has 30 days from the filing of a claim to investigate. Most anticipate an extension beyond the 7/05/2020 date.
- Integrating COVID-19 presumptions into the Workers' Compensation System from the California Workers' Compensation Institute was presented which explains the rebuttable presumption of compensability in greater detail.
- COVID Claim Presumption Flowchart was also presented. It provides more information on apportionments.
- Stewardship Report was presented. Highlights were, open inventory going down, with future medical claims being up as they tend to be more expensive. Also provided in the report were the current liabilities by fiscal year, claim type, new losses by fiscal year, claim closures, summary of costs by occupation and location.
- Departed District Report showing the number of open claims, total paid & incurred and their reserve balance.
- Nurse Triage Summary. This report displayed out of the calls received, 41% were self-care directed. A breakdown of the most reported injury types and the lesser reported types was also provided along with the injury locations by employer.

Tom Veale ending by saying, due to the stay at home order by the governor, FCSIG case counts are down. This will reduce their staff on the account and the subsequent Tristar fees.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

**CLAIMS TREND OVERVIEW**

**2019/20-50  
INFO**

Tony Zuniga, Keenan Claims Analyst presented the Claims Trend Overview to the Board.

- Return to Work Program (RTW). The Claims Analyst reported on the importance of having an RTW program as it saves the district money by reducing the number of lost work days, reducing the amount of temporary disability and Education Code benefits due, reducing overall cost of benefits paid out, and can increase the opportunity to save 15% of permanent disability awards. He suggested districts have a file review to help build their programs.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

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**VIII. UNDERWRITING**

**LEGISLATIVE UPDATE**

**2019/20-51  
INFO**

The Keenan Claims Analyst presented the **Workers' Comp Executive** publication to the Board. He mentioned there was quite a bit of good information contained in the newsletter and recommended reading the article on **QMEs, Division in Telemedicine Dispute**.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

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**IX. FINANCIAL**

**TREASURER'S REPORT**

**2019/20-52  
ACTION**

The FCSIG accountant, Carol Bray presented the Treasurer's Report for period ending May 31, 2020 for review and consideration. Total operating revenues were at 98% with revenues at \$7,104,145 and operating expenses at 85% with expenditures of \$5,171,922

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Freitas with a second by member Teixeira and unanimously carried to approve the Treasurer's Report as presented. Absent: Member Paul Green.

**APPROVAL OF THE MILLIMAN, INC ACTUARIAL REPORT**

**2019/20-53  
ACTION**

Tyler Houston, the Account Executive presented the *Summary of Actuarial Analysis as of March 31, 2020* as prepared by Milliman, Inc. for review and consideration. The actuarial analysis uses reserves as of March 31, 2020 and losses up to \$500,000 per claim. The analysis also uses a variety of probability levels from an expected value up to 90% with a discounted factor of 1.2%. The frequency of claims for FCSIG has declined over time with a modest increase in their severity. The case reserves have increased over the past four years with closing staying constant.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Sever with a second by member Freitas and unanimously carried to accept the Summary of Actuarial Analysis as of March 31, 2020 as prepared by Milliman, Inc. Absent: Member Paul Green.

**CONSIDERATION OF PAYROLL ADJUSTMENT**

**2019/20-54  
ACTION**

The Account Executive presented the opportunity for making an adjustment to the estimated payrolls for the 2020/2021 year for use by both the Excess Broker and the Actuary. After much discussion, the Board felt it prudent to use a 0% growth factor, estimating the payroll at \$325,000,000 for the 2020/2021 year. The final audit would adjust to the actual payrolls.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Sever with a second by member Teixeira and unanimously carried to use a 0% growth factor. Absent: Member Paul Green.

**PROBABILITY LEVEL / RATE FOR 2020/2021**

**2019/20-55**

**ACTION**

The Account Executive presented the spreadsheets with various probability levels & rates for review & consideration by the Board. He mentioned at the current 80% probability level the renewing rate remained constant and recommended to stay at the 80% probability level.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Sever with a second by member Teixeira and unanimously carried to stay at the 80% probability level and the rate as presented. Absent: Member Paul Green.

**CONSIDERATION OF PAYING A REBATE**

**2019/20-56**

**ACTION**

The Account Executive presented the actuarial analysis of the rebate calculation to the Board of Directors for consideration. The analysis showed \$1,320,652 is available for payment to the districts in the current 2019/2020 year.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Teixeira with a second by member Sever and unanimously carried to pay \$1,320,652 in rebates to the FCSIG members in the 2019/2020 year. Absent: Member Paul Green.

**PRELIMINARY BUDGET FOR THE 2020/2021 YEAR**

**2019/20-57**

**ACTION**

The Account Manager presented the Preliminary Budget to the Board for their approval. The final budget will be presented at the next FCSIG meeting in October.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Teixeira with a second by member Freitas and unanimously carried to accept the Preliminary Budget as presented. Absent: Member Paul Green.

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**X. ADMINISTRATION**

**ELECTION OF OFFICERS**

**2019/20-58**

**ACTION**

With no new nominations, the Board of Directors choose to re-elect the current slate of officers for the 2020/2021 year.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Teixeira with a second by member Freitas and unanimously carried to re-elect the current slate of officers for the 2020/2021 year. Absent: Member Paul Green.

**BIENNIAL NOTICE/CONFLICT OF INTEREST CODE REVIEW**

**2019/2020-59**

**ACTION**

The Authority reviewed the JPA Conflict of Interest Code. No revisions were necessary.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Teixeira with a second by member Yang and unanimously carried to approve the Conflict of Interest Code for FCSIG without changes. Absent: Member Paul Green.

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**XI. RISK MANAGEMENT**

**RISK MANAGEMENT UPDATES**

**2019/20-60**

**INFO**

The Risk Manager, Amy Dolson presented updates on Loss Control services. Highlights were:

- Updated FCISG Strategic Plan was presented.
- Claims Review Meetings were ongoing. Any district wanting to review their open workers' comp claims should contact Amy Dolson to set up an appointment. This review can be done virtually.
- Several Workshops were postponed due to the Coronavirus. They were:
  - o Disability Interactive Process (ADA /FEHA Compliance) Workshop with Rachel Shaw (originally scheduled for 4/22/20) – Postponed (TBD)
  - o Pesticide Handler Safety Training (originally scheduled June 24, 2020) – Postponed (TBD)
  - o Interpreting and Applying Education Code Benefits with Tony Zuniga Postponed (TBD)
  - o Workers' Compensation Workshop with Tristar – (date & location TBD)

**RISK MANAGEMENT UPDATES – Cont**

- IIPP Updates – Protecting Workers from COVID-19
  - o Cal-OSHA guidelines require adding information such as the following:
    - Establishing Infection Prevention Measures
    - Providing Employee Training
    - Washing Facilities
    - Personal Protective Equipment (PPE)
    - Aerosol Transmissible Disease (ATD) should be added if your district employs a school nurse
- Virtual Ergonomics Evaluations - Poms’ risk control consultants can perform detailed virtual ergonomic evaluations for those working remotely from home.
- Monthly Safety Spotlight Topics 2019 – 2021 was presented for coordinating a consistent employee safety message throughout the FCSIG membership.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

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**XII. INFORMATION**

**MEMBER COMMENTS**

Member Sever asked about allowing outside groups to use their facilities during the Coronavirus pandemic and whether waivers could be used. Tyler Houston mentioned there was a Coronavirus Addendum form which could be used alongside the vetted OSS Use of Facilities form. He would see that all members received a copy.

**ADMINISTRATION COMMENTS**

Nothing to report.

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**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, October 14, 2020, Legends Tap House & Grill** (formerly Spike N Rail), 2910 Pea Soup Anderson Blvd, Selma. Currently scheduled items include:

- Approval of the Final Budget for the 2020-2021 Year
- Third Party Claims Administrator Update
- Claims Trend Overview.
- Treasurer’s Report
- Approval of Financial Audit for Years Ending June 30, 2020 and 2019
- Approval of SETECH Report
- Approval of Public Self Insurers’ Annual Report

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**XIV. ADJOURNMENT**

Motion by member Freitas with a second by member Teixeira to adjourn the meeting. The meeting adjourned at 2:25 PM.

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**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