



MINUTES

BOARD OF DIRECTORS MEETING

WEDNESDAY, October 13, 2021

1:00 p.m.

LEGENDS TAP HOUSE & GRILL
2910 PEA SOUP ANDERSON BLVD
SELMA, CA 93662

I. CALL TO ORDER

President Magnussen called the meeting to order at 1:03 P.M.

II. ROLL CALL

OFFICERS & BOARD OF DIRECTORS PRESENT:

KERMAN UNIFIED SCHOOL DISTRICT	Kraig Magnussen, President
SOUTHWEST TRANSPORTATION AGENCY	Gary Geringer, Vice President
KINGSBURG JOINT UNION ELEMENTARY SCHOOL DISTRICT	Dr. Wesley Sever, Treasurer
FOWLER UNIFIED SCHOOL DISTRICT	May Yang
FOWLER UNIFIED SCHOOL DISTRICT	Edith Cantu
KINGSBURG JOINT UNION ELEMENTARY SCHOOL DISTRICT	Carol Bray, Accountant
SELMA UNIFIED SCHOOL DISTRICT	Andrea Affrunti

MEMBER

CLAY JT ELEMENTARY SCHOOL DISTRICT	Judith Szpor
PARLIER UNIFIED SCHOOL DISTRICT	Scott Griffin
VALLEY REGIONAL OCCUPATIONAL PROGRAM	Dora Alvarado

ADMINISTRATORS & CONSULTANTS:

BAKER MANOCK JENSEN	Gabriel Delgado, FCSIG Legal Counsel
BORCHARDT, CORONA, FAETH & ZAKARIAN	Gus Corona, Auditor
KEENAN & ASSOCIATES	Tyler Houston, Account Executive
KEENAN & ASSOCIATES	Tony Zuniga, Claims Analyst via conference phone
KEENAN & ASSOCIATES	Donna Murry, Account Manager
POMS & ASSOCIATES	Amy Dolson, Risk Manager
SETECH, A DIVISION OF KEENAN & ASSOCIATES	Mary Boyer, V.P. via conference phone
TRISTAR RISK MANAGEMENT	Sharon Castillo, Third Party Administrator

III. APPROVAL OF AGENDA

2021/2022-1

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 Affrunti with a second by member Geringer and unanimously carried to approve the Agenda as presented. Absent: Members Iribarren, Mendiola, Gabriel, and Orosco.

IV. PUBLIC COMMENTS

The public may address the Executive Committee on any matter pertaining to the JPA that is not on the agenda. The President reserves the right to limit the time of presentation by individual or topic.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: None

V. CONSENT AGENDA

**2021/2022-2
ACTION**

The Board of Directors to consider the following items within the Consent Agenda:

- Approval of Minutes of the June 16, 2021 Board of Directors Meeting as Emailed
- Approval of Audited Expenditures for Year Ending June 30, 2021
- Approval of Expenditures for Quarter Ending September 30, 2021

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Sever with a second by member Affrunti and unanimously carried to approve the Consent Agenda as presented. Absent: Members Iribarren, Mendiola, Gabriel, and Orosco.

VI. CORRESPONDENCE

**2021/2022-3
INFO**

Donna Murry, the Account Manager presented correspondence received from the Governmental Accounting Standards Board (GASB) requesting the 2020 financial statement for the Fresno County Self Insurance Group for the purpose of their research. After conferring with the JPA auditor, treasurer, and president, the 2020 financial statement was sent with the request to receive a copy of the final research report when available.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

VII. CLAIMS

THIRD PARTY ADMINISTRATOR UPDATE

**2021/2022-4
INFO**

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

- * Tristar Savings Summary Report for fiscal year ending 6/30/21 – total gross savings for the year of \$2,052,453
- * Tristar Savings Summary Report for 1st quarter ending 9/30/21 – gross savings for 1st quarter of \$505,074
- * Utilization Review & Savings Summary for fiscal year ending 6/30/21 – total net savings of \$713,623
- * Utilization Review & Savings Summary for 1st quarter ending 9/30/21 – total net savings of \$232,055
- * Nurse Triage Summary for fiscal year ending 6/30/21 was presented along with a reporting of injury by location, injury types, with a program overview for the same time period.
- * Nurse Triage Summary for 1st quarter ending 9/30/21 was presented along with a reporting of injury by location, injury types, with a program overview for the same time period.

It was mentioned, all of the districts are utilizing the Nurse Triage for turning in their claims.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

CLAIMS TREND OVERVIEW

**2021/2022-5
INFO**

Tony Zuniga, Keenan Claims Analyst presented the Claims Trend Overview to the Board via conference phone. Highlights of the trends presented for a 10-year period were:

- The average claim duration by occupation shows Coaches & PE Teachers were the occupations that had the longest claim duration with aides continuing to have the shortest duration.
- The wrist & hand followed by shoulder(s) and knee(s) were the body parts, when injured had the longest claim duration within the same 10-year period.
- Those who were between the ages of 55-59 had claims with the longest duration, followed by those between the ages of 45 to 54.
- Years of employment trend showed those who were employed between 2 to 9 years, followed by 10 to 19 years had the highest total claim paid; but those with the longest claim duration were employed over 20 years.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

VIII. UNDERWRITING

LEGISLATIVE UPDATE

2021/2022-6
INFO

Tony Zuniga presented a Keenan Briefing *AB 361: Understanding Brown Act Teleconferencing Requirements* to the Board. The briefing helped to clarify how AB 361 and later Executive Order N-15-21 changed the prior Executive Order N-29-20 affecting public meetings and the Brown Act.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

IX. FINANCIAL

TREASURER'S REPORT

2021/2022-7
ACTION

Carol Bray, the FCSIG Accountant presented the audited Treasurer's Report for Year ending June 30, 2021 and for Quarter ending September 30, 2021 to the Board of Directors for review and consideration.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Affrunti with a second by member Geringer and unanimously carried to approve the audited Treasurer's Report for year ending June 30, 2021 and for Quarter ending September 30, 2021. Absent: Members Iribarren, Mendiola, Gabriel, and Orosco.

FCSIG UNPAID CLAIM LIABILITY ESTIMATES

2021/2022-8
ACTION

Tyler Houston, the Account Executive presented the FCSIG Unpaid Claim Liability Estimates as of June 30, 2021 as prepared by the actuary to the Board for review and approval. The estimated reserves as of 6/30/21 were noted. The net ultimate loss estimates had an increase of \$102,000 from old years and a decrease of \$1,714,000 for the current year. Frequency has declined in recent years, decreasing over 60% in the last 6 years. Severity has generally increased modestly over time. The declining frequency and increasing severity have largely offset, with the pure premiums relatively stable through 2018-19, followed by a decrease in the recent two years. This decrease has been attributed to remote instruction. There are 6 claims (3 still open) identified as COVID-19 with total incurred losses of \$34,000 which is low compared to other JPAs..

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Geringer with a second by member Affrunti and unanimously carried to approve the Unpaid Claim Liability Estimates as presented. Absent: Members Iribarren, Mendiola, Gabriel, and Orosco.

FINANCIAL MANAGEMENT INFORMATION REPORT

2021/2022-9
ACTION

Mary Boyer with SETECH a division of Keenan & Associates presented the Financial Management Information Report for the Fiscal Years Ended June 30, 2020 and June 30, 2021 to the Board of Directors via conference phone for review and approval. The Net Position of \$19,904,459 increased by \$2,975,022. The most significant changes are a result of:

- Funding for 2020/21 above the Actuarially Estimated Central Estimate \$784,758.
- Investment Income of \$585,208
- A net decrease in the actuarially determined estimated ultimate losses of \$283,394 for program years 2019/20 and prior due to increased expected loss experience.

This increase to the Net Position was offset by:

- Recognition of an increase in the estimated actuarially determined liability for the withdrawn member of \$464,160.

In conclusion, FCSIG has been conservative in reserving and returning equity in the older program years to the members. It has declared, to date, net returns to the members of \$11,078,291 while continuing to enjoy secure finances and a stable rate structure.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Affrunti with a second by member Yang and unanimously carried to approve the Financial Management Information Report as presented. Absent: Members Iribarren, Mendiola, Gabriel, and Orosco.

FINANCIAL AUDIT REPORT

2021/2022-10

ACTION

Gustavo Corona, the auditor for FCSIG, presented the Financial Audit Report for Years ending June 30, 2021 and 2020 to the Board of Directors for their review and approval. The auditor stated in their opinion, the financial statements present fairly in all material respects the respective financial position of the business type activities of FCSIG with no findings of internal control issues. The comparison to the year prior shows total assets increasing by \$2,737,150 and liabilities decreasing by \$237,872. The increase in the total net position was \$2,975,022.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Sever with a second by member Geringer and unanimously carried to approve the Financial Audit Report for Years ending June 30, 2021 and 2020. Absent: Members Iribarren, Mendiola, Gabriel, and Orosco.

FINAL BUDGET FOR THE 2021/2022 YEAR

2021/2022-11

ACTION

Donna Murry presented the final budget for the 2021/2022 year to the Board of Directors for review and approval with changes in budgeted amounts from when last reported notated in red font.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Affrunti with a second by member Geringer and unanimously carried to approve the FCSIG final budget for the 2021/2022 year as presented. Absent: Members Iribarren, Mendiola, Gabriel, and Orosco.

X. ADMINISTRATION

CLAIMS AUDIT REPORT

2021/2022-12

ACTION

Tyler Houston presented the claims audit report performed by Farley Consulting Services, LLC (FCS) to the Board of Directors for their review and approval. As per accreditation standards, it is a requirement to have a claims audit performed every two years. He mentioned Tristar continues to provide effective claims administration on behalf of the JPA. A few minor deficiencies were noted that Tristar replied to and were included in the agenda packet.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Geringer with a second by member Affrunti and unanimously carried to approve the Claims Audit Report as presented. Absent: Members Iribarren, Mendiola, Gabriel, and Orosco.

PUBLIC SELF INSURERS ANNUAL REPORT

2021/2022-13

ACTION

Donna Murry presented the Public Self Insurers Annual Report to the Board of Directors for review and ratification.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Affrunti and seconded by member Yang and unanimously carried to ratify the Public Self Insurers Annual Report as presented. Absent: Members Iribarren, Mendiola, Gabriel, and Orosco.

WITHDRAWAL RESERVE ACCOUNT (WRA)

2021/2022-14

ACTION

Tyler Houston presented to the Board of Directors the WRA update for the districts that have terminated their membership with FCSIG for review, and action as necessary. A letter will be sent to the terminated districts notifying them of their updated WRA information.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Affrunti with a second by member Yang and unanimously carried to accept the Withdrawal Reserve Account updates as of June 30, 2021 as presented. Absent: Members Iribarren, Mendiola, Gabriel, and Orosco.

**BURREL UNION ELEMENTARY SCHOOL DISTRICT & CENTRAL UNIFIED SCHOOL DISTRICT -
2nd SCHEDULED WRA REFUND PAYMENTS** **2021/2022-15**

ACTION

Tyler Houston presented to the Board of Directors the 2nd scheduled payment to Burrel Union Elementary School District (Burrel UESD) & Central Unified School District (Central USD) from their WRA for review and action as necessary. The date of their membership termination was 6/30/2014.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Sever with a second by member Geringer and unanimously carried to approve the 2nd scheduled payment to Burrel UESD and Central USD from their WRA. Absent: Members Iribarren, Mendiola, Gabriel, and Orosco.

XI. RISK MANAGEMENT

RISK MANAGEMENT UPDATES

2021/2022-16

INFO

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

- * The Virtual Workers' Compensation Workshop with Tristar will be held on October 14, 2021, 9am – 11:30am
- * A Virtual Training with Rachel Shaw will be held on November 19, 2021 - *Developing Your Post-COVID ERA ADA Leave Management Program*. The session will discuss the current climate of leave due to COVID, misuse and abuse of leave and how to manage. Registration is free for one employee per FCSIG member district with discounts available for additional attendees.
- * Claims Review Meetings with Tristar is ongoing. Contact Amy if you want to schedule a claims review.
- * Ergonomics Evaluations, both virtual & onsite are ongoing.
- * An Update to the FCSIG 3-Year Strategic Plan was provided. Slip/Trip/Fall was the top cause of loss for 2019/20. It was highly recommended to make it mandatory to have staff take the Keenan SafeSchools online course **Slips, Trips and Falls**.
- * A Stewardship Loss Analysis was provided as a handout to the Board. The loss analysis was for period 7-1-16 to 6-30-21.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

XII. INFORMATION

MEMBER COMMENTS

No member comments

ADMINISTRATION COMMENTS

Tyler Houston thanked everyone for coming.

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, January 19, 2022, Legends Tap House & Grill, 2910 Pea Soup Anderson Blvd, Selma.
Currently scheduled items include:

- Third Party Administrator Update
- Claims Trend Overview
- Treasurer's Report for Quarter Ending December 31, 2021.
- Consideration of Payroll Factor
- 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

XIV. ADJOURNMENT

With no further business, motion by member Affrunti with a second by member Geringer and unanimously carried to adjourn the meeting. Meeting adjourned at 2:15 P.M.

Americans with Disabilities Act:

Fresno County Self-Insurance Group, a 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.