

MINUTES



BOARD OF DIRECTORS MEETING

WEDNESDAY, JUNE 15, 2022

1:00 P.M.

KINGSBURG JT UN ELEMENTARY SCHOOL DISTRICT

1310 STROUD AVE
KINGSBURG, CA 93631

I. CALL TO ORDER

II. ROLL CALL

OFFICERS & BOARD OF DIRECTORS PRESENT:

KERMAN UNIFIED SCHOOL DISTRICT	Kraig Magnussen, President
SOUTHWEST TRANSPORTATION AGENCY	Gary Geringer, Vice President
FIREBAUGH-LAS DELTAS JOINT UNIFIED SCHOOL DISTRICT	Sarah Marshall
FOWLER UNIFIED SCHOOL DISTRICT	Edith Cantu
FRESNO COUNTY SUPERINTENDENT OF SCHOOLS	Tannon Pafford
KINGSBURG JOINT UNION ELEMENTARY SCHOOL DISTRICT	Carol Bray, Accountant
SELMA UNIFIED SCHOOL DISTRICT	Andrea Affrunti
SELMA UNIFIED SCHOOL DISTRICT	Wayne Dixon

MEMBERS

Parlier Unified School District	Scott Griffin
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ADMINISTRATORS & CONSULTANTS:

KEENAN & ASSOCIATES	Tyler Houston, Account Executive
KEENAN & ASSOCIATES	Donna Murry, Account Manager
MILLIMAN, INC.	via phone Abby Sternberg/Judy Chiu, Actuaries
POMS & ASSOCIATES	Amy Dolson, Risk Manager
ASPEN RISK MANAGEMENT GROUP – A TRISTAR COMPANY	via phone Debra Parker, Risk & Safety Consultant
TRISTAR RISK MANAGEMENT	Sharon Castillo, Third Party Administrator
TRISTAR RISK MANAGEMENT	Tom Veale, President

III. APPROVAL OF AGENDA

2021/2022-40

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 Sever, Iribarren, and Yang.

IV. PUBLIC COMMENTS

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

V. CONSENT AGENDA

**2021/2022-41
ACTION**

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

- Approval of Minutes of the April 20, 2022 Board of Directors Meeting as Emailed
- Approval of Expenditures for Period Ending May 31, 2022
- Tristar Monthly Claims Expenses for Period Ending May 31, 2022

PUBLIC COMMENTS: None

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

VI. CORRESPONDENCE

**2021/2022-42
INFO**

There was no correspondence to present.

VII. CLAIMS

THIRD PARTY ADMINISTRATOR UPDATE

**2021/2022-43
INFO**

- Debra Parker, Risk/Safety Consultant with Tristar presented the Stewardship Report from July fiscal year 2016 to May 31, 2022. It was a comprehensive report detailing workers' comp incidents by occupations, locations, incidents & total incurred, top (5) cause of loss, body part injured, and top (5) injury type, outstanding reserves by year, closed vs open by policy year, the number of WC loss days by year, and OSHA restricted days of modified duty. Overall, the average age at time of injury was forty-six (46) and average length of employment at time of injury was 11 years. 90% of the claims are closed, which was an improvement from the last report of 88% closed.
- Sharon Castillo, Tristar Third Party Administrator presented the Nurse Triage report encompassing the period July 2021 to May 2022 which reported a total of 405 calls received with 36% ending as self-care instead of seeing a physician. This was a potential savings of \$719,342. The report also showed that 76% of incidents were reported to Nurse Triage in less than 3 days from date of injury, 20% were reported 3 days or later, with 4% reporting more than 30 days from the date of injury. The current 11 month period as compared to the same period from a year ago decreased from 17.8 to 3.65 average reporting lag days. The goal is to reach the same day reporting whenever possible.
- Sharon Castillo also presented the Utilization Review (UR) Summary report. Out of 1,856 requests, 499 were denied and 36 were modified which provided a net savings of \$610,305.
- Tristar Savings Summary Report for period of 7/01/22 – 5/31/22 was presented with a gross savings \$1,933M being realized for aforementioned time period.
- A publication from WorkCompCentral was presented showing the W/C Bills that passed ahead of deadline.
- Tom Veal, Tristar President presented the Profile Audit Review Performance Rating for the Tristar Risk Management, Fresno office. For 2022, they received a rating of 0.32319 which was very good. The lower the number the better with 1.68032 or greater considered a failing score.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

VIII. UNDERWRITING

LEGISLATIVE UPDATE

**2021/2022-44
INFO**

Tyler Houston, the Account Executive presented the legislative updates on behalf of the Keenan Claims Analyst, Tony Zuniga. This report provided a more detailed summary of Legislation, Regulations and Case Law affecting Workers' Compensation

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

IX. FINANCIAL

TREASURER’S REPORT

2021/2022-45

ACTION

Carol Bray, the FCSIG accountant presented the Treasurer’s Report for Period ending May 31, 2022 to the Board for review and consideration. Total operating revenues were at 98% with revenues of \$7,218,179 and operating expenses at 67% with expenditures of \$4,086,300.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Affrunti with a second by member Geringer and unanimously carried to approve the Treasurer’s Report as presented. Absent: Members Sever, Iribarren, and Yang.

APPROVAL OF THE MILLIMAN, INC ACTUARIAL REPORT

2021/2022-46

ACTION

The Actuaries, Abby Sternberg and Judy Chiu presented the *Summary of Actuarial Analysis as of March 31, 2022* as prepared by their firm Milliman, Inc. for review and consideration. The actuarial analysis uses reserves as of March 31, 2022 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 rates discounted assuming a 1.2% annual interest rate. The study provided retention levels at \$500,000, \$600,000, and \$750,000. The actuary reported Frequency declined significantly in the Fiscal Accident Year (FAY) 2019-20 and especially in FAY 2020-21. However, the indication for FAY 2021-22 is above the pre-pandemic level. Severity has generally increased modestly over time and spiked in FAY 2020-21, perhaps a byproduct of exceptionally low frequency. Pure premium for FAYs 2019-20 and 2020-21 is relatively low, with FAY 2021-22 being back in line with the recent average, prior to the pandemic.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Affrunti with a second by member Geringer and unanimously carried to approve the Summary of Actuarial Analysis as of March 31, 2022 as prepared and presented by Milliman, Inc. Absent: Members Sever, Iribarren, and Yang.

EXCESS WORKERS’ COMPENSATION COVERAGE DETERMINATION

2021/2022-47

ACTION

Tyler Houston presented the proposals for excess W/C coverage to the Board for review and consideration. The proposal from the incumbent, Safety National continued to be the most competitive, offering (3) SIRs of \$500,000, \$600,000, and \$750,000. He mentioned the marketplace is tightening and not wanting to quote a \$500,000 SIR.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: It was the consensus of the Board to address the SIR with determining the probability level and rate together with the next item on the agenda.

PROBABILITY LEVEL / RATE FOR 2022/2023

2021/2022-48

ACTION

Tyler Houston presented the spreadsheets with various probability levels & rates for review & consideration by the Board.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: After much discussion, the motion was made by member Pafford and seconded by member Bray to stay at the \$500,000 SIR with Safety National and at an 80% probability level with its specified rate. The motion unanimously carried. Absent: Members Sever, Iribarren, and Yang.

CONSIDERATION OF PAYING A REBATE

2021/2022-49

ACTION

Judy Chiu presented the second year actuarial analysis of the rebate calculation to the Board of Directors for consideration. Due to the moneys received by the districts from the State, it was agreed not to take a rebate at this time. The funds should still be available for payment in the third year.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Pafford with a second by member Affrunti and unanimously passed to not pay the funds available for a rebate for the 21/22 year. Absent: Members Sever, Iribarren, and Yang.

PRELIMINARY BUDGET FOR THE 2022/2023 YEAR

2021/22-50

ACTION

Donna Murry the Account Manager presented the Preliminary Budget to the Board at a \$500,000 SIR and 80% probability level for their consideration.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Affrunti with a second by member Geringer and unanimously carried to approve the Preliminary Budget for the 2022/23 year at a \$500,000 SIR and an 80% probability level.

Absent: Members Sever, Iribarren, and Yang.

X. ADMINISTRATION

BIENNIAL REVIEW OF THE FCSIG CONFLICT OF INTEREST CODE

2021/2022-51

ACTION

Donna Murry presented the FCSIG Conflict of Interest Code for its biennial review by the Board. The current categories required to file are: Members of the Board, Alternates, General Manager, and Consultants. Further definitions of these categories were included within the code.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Geringer with a second by member Affrunti and unanimously carried to approve the Conflict of Interest Code for FCSIG without changes. Absent: Members Sever, Iribarren, and Yang.

ELECTION OF OFFICERS

2021/2022-52

ACTION

The Board of Directors elected the officers for the 2022/2023 year. The slate as presented was:

Gary Geringer – President

Andrea Affrunti – Vice President

Dr. Wesley Sever – Treasurer

Mike Iribarren - Secretary

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Magnussen with a second by member Bray and unanimously carried to elect the slate of officers as presented. Absent: Members Sever, Iribarren, and Yang

XI. RISK MANAGEMENT

RISK MANAGEMENT UPDATES

2021/2022-53

INFO

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

- Training Sessions completed:
 - Forklift Certification Training – Kerman USD and Kingsburg Joint Union Elementary SD
- Upcoming Training:
 - Annual Pesticide Handler Safety Workshop at Southwest Transportation – June 16, 2022. A flyer was presented.
 - Rachel Shaw Virtual Training – August 19, September 21, November 4 – Free registration, for each session, for one (1) employee per member district. A flyer was presented on this training.
 - Forklift Training – Riverdale USD (date pending)
 - Food Safety Manager Certification – Parlier (date pending)
 - Safety National credit for safety training of approximately \$5,000 will help to offset the upcoming trainings.
- Claim Review Meetings with Tristar – ongoing
 - Parlier USD – Completed March 22, 2022
 - Selma USD – Completed April 11, 2022
 - FCSS – Completed May 5, 2022 (quarterly meeting)
 - Kerman USD – Completed June 8, 2022
- Ergonomics Evaluations (virtual & onsite) – is available. Contact Amy Dolson if your district would like an evaluation.

RISK MANAGEMENT UPDATES CONT.

- Cal/OSHA Readopts COVID-19 Emergency Temporary Standard (ETS) – effective May 6, 2022, handouts were attached to the agenda packet for districts’ review.
- Keenan’s Special Education Academy - Pilot program to address “struck-by” employee injuries. A flyer was attached to provide more information to the members.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

XII. INFORMATION

MEMBER COMMENTS

Kraig Magnussen suggested a review of the members X-Mods which could assist them in developing best practices for their internal drivers relating to their claims.

ADMINISTRATION COMMENTS

Donna Murry mentioned she was working on an Administrative Guide which would be sent out to the members in July. The guide would provide a list of FCSIG members and contact information for the JPA.

She also mentioned she would be working on the reaccreditation of the JPA, starting in July. The accreditation process occurs every (3) years.

Tyler Houston thanked everyone for coming with a special thank you to Kingsburg Jt Un Elementary for allowing the group to meet at their facility after a change of venue was necessary due to a fire in the kitchen area of where the group normally meets.

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 12, 2022** to be held at **Legends**, 2910 Pea Soup Anderson Blvd, Selma.

Currently scheduled items include:

- Approval of the Final Budget for the 2022-2023 Year
- Third Party Claims Administrator Update
- Treasurer’s Report
- Approval of Financial Audit for Years Ending June 30, 2022 and 2021
- Approval of SETECH Report
- Approval of Public Self Insurers’ Annual Report

XIV. ADJOURNMENT

With no further business, the meeting adjourned at 2:54 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 the 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