

OSS
ORGANIZATION OF
SELF-INSURED SCHOOLS

MINUTES

EXECUTIVE COMMITTEE MEETING

WEDNESDAY, OCTOBER 12, 2022

11:00 A.M.

KINGSBURG JT UN ELEMENTARY SCHOOL DISTRICT

1310 OUD, AVE KINGSBURG, CA 93631

I. CALL TO ORDER

President Magnussen called the meeting to order at 11:02 A.M. Introductions were made.

II. ROLL CALL

OFFICERS & EXECUTIVE COMMITTEE:

KERMAN UNIFIED SCHOOL DISTRICT
PACIFIC UNION ELEMENTARY SCHOOL DISTRICT
KINGS RIVER-HARDWICK UNION ELEMENTARY SCHOOL DISTRICT
KINGSBURG JOINT UNION SCHOOL DISTRICT (ELEMENTARY)
KINGSBURG JOINT UNION SCHOOL DISTRICT (ELEMENTARY)
FOWLER UNIFIED SCHOOL DISTRICT
ISLAND UNION ELEMENTARY SCHOOL DISTRICT
KINGSBURG JOINT UNION HIGH SCHOOL DISTRICT
SELMA UNIFIED SCHOOL DISTRICT
SOUTHWEST TRANSPORTATION AGENCY

Kraig Magnussen, President
Annette Machado, Vice President
Trish Singh, Secretary
Dr. Wesley Sever, Treasurer
Carol Bray, Accountant
May Yang, Permanent Member
Diane Augusto, Member at Large
Rufino Ucelo, Member at Large
Andrea Affrunti, Permanent Member
Gary Geringer, Member at Large

MEMBERS:

FRESNO COUNTY SUPERINTENDENT OF SCHOOLS

Christopher Lozano

ADMINISTRATORS & CONSULTANTS:

BORCHARDT, CORONA, FAETH & ZAKARIAN
AP/KEENAN
AP/KEENAN
KNAK & COMPANY
MILLIMAN, INC.
POMS & ASSOCIATES
SETECH, A DIVISION OF AP/KEENAN
WESTERN VALLEY INSURANCE ASSOCIATES

Gus Corona, Auditor
Tyler Houston, Account Executive
Donna Murry, Account Manager
Erik Knak, Third Party Administrator – via conference phone
Abby Sternberg/Judy Chiu, Actuaries
Amy Dolson, Risk Manager
Sam Mel-Chan, Account Manager
Jaime Williams/Roxanna Samano, Brokers

III. APPROVAL OF AGENDA

2022/2023-13

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 Augusto with a second by member Machado and unanimously carried to approve the Agenda as presented. Absent: Members Mendiola and Iqbal.

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: No Comments by the Public

COMMITTEE CONSIDERATION: None

V. CONSENT AGENDA

2022/2023-14

ACTION

The Executive Committee considered the following items within the Consent Agenda:

- Approval of Minutes of the July 13, 2022 Executive Committee Meeting as Emailed
- Approval of Expenditures for Quarter Ending September 30, 2022, which includes the Knak & Company Monthly Claim Expenses.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Machado with a second by member Geringer and unanimously carried to approve the Consent Agenda as presented. Absent: Members Mendiola and Iqbal.

VI. CORRESPONDENCE

2022/2023-15

INFO

There was no correspondence to present.

VII. CLAIMS

THIRD PARTY ADMINISTRATOR UPDATE

2022/2023-16

INFO

Erik Knak, Claims Administrator for the OSS presented the OSS Loss History Review via conference phone, comparing the 10/04/22 report to the 10/04/21 report provided at last October's meeting. Years 2013/14, 2014/15, 2015/16, 2017/18, and 2018/19 have no open claims. The total incurred figures and claims count for the aforementioned years have remained unchanged. The 2016/17 year has 1 open claim due to an Underinsured Motorist claim with reserves remaining constant. The 2019/20 year has been a difficult claim year with 5 open claims out of 53 opened to date. This year includes several large Property and Liability claims. The total incurred figure is down \$19 K from the year prior. 2020/21 year has had only 38 claims, but there have been several large Property losses. 1 of the 38 is currently open. 2021/22 continues to remain active, with 64 claims reported, with 25 of those claims currently open with \$619 K in total incurred. The 2022/23 year has had a modest first three months, with 6 claims reported, 5 of which are currently open, there is \$40K in total incurred. There has been an abuse claim opened from the 2000/01 claim period, along with a companion abuse claim recently filed to be consolidated within a single \$50K MRL. In summary, there are 38 open claims, up 17 with reserves up \$260 K from the 10/04/21 report.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: None

VIII. UNDERWRITING

NCR UPDATE

2022/2023-17

INFO

Tyler Houston, the Account Executive provided the following information and recent updates on the NCR Program.

- **NCR Executive Committee Meeting Summaries** from the Finance, Executive, and the Claims and Coverage meetings were presented. Due to the size of the agenda, it was suggested for everyone to review what was covered in the Summaries and to contact Tyler with any questions.
- **Cyber Security – ResoluteGuard.** SAFER has taken a proactive approach for addressing the challenge of protecting its members from cyber attacks by partnering with ResoluteGuard. They will work with each member to provide a user-friendly excel-based SMART-Cyber Action Plan (SMART-CAP) workflow management tool customized to each member's unique cybersecurity profile. This is a service offered free of charge to each NCR member district.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: None

OSS SAFETY & SECURITY GRANT – KERMAN USD

2022/2023-18

ACTION

Amy Dolson, the OSS Risk Manager presented the OSS Safety & Security Grant application from Kerman Unified for the 22/23 coverage year to the Executive Committee for their consideration. The grant is based on ADA, and if awarded, the \$4,000 would be used to purchase security cameras to augment the current districtwide security camera

OSS SAFETY & SECURITY GRANT – KERMAN USD – CONT.

system at their Liberty Elementary School. One of the requirements for awarding the grant was the adoption of a Staff / Adult / Student Interaction Policy by the applicant, which had been done.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Affrunti with a second by member Augusto to approve the OSS Safety & Security Grant as applied for by Kerman Unified School District. Ayes: Members Machado, Singh, Sever, Yang, Augusto, Ucelo, Affrunti, and Geringer. Abstain: Member Magnussen. Absent: Members Mendiola and Iqbal. Motion carried.

IX. FINANCIAL

TREASURER’S REPORT

2022/2023-19

ACTION

Carol Bray, the OSS Accountant presented the Treasurer’s Report for Quarter ending September 30, 2022 to the Executive Committee for review and consideration. Total operating revenues were at 98% with revenues of \$5,671,000 and operating expenses at 84% with expenditures of \$4,678,025. The audited 2021/22 year end will be presented for approval by the Executive Committee at the January meeting.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Machado with a second by member Affrunti and unanimously carried to accept the Treasurer’s Report as presented. Absent: Members Mendiola and Iqbal.

OSS UNPAID CLAIM LIABILITY ESTIMATES

2022/2023-20

ACTION

The Actuaries, Abby Sternberg and Judy Chiu with Milliman presented the OSS Unpaid Claim Liability Estimates as of June 30, 2022 to the Executive Committee for review and approval. The estimated reserves as of 6/30/22 were noted. The net ultimate loss estimates have remained constant with an increase of \$70,000 mostly from the current years.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Geringer with a second by member Affrunti and unanimously carried to accept the OSS Unpaid Claim Liability Estimates Report as presented. Absent: Members Mendiola and Iqbal.

FINANCIAL MANAGEMENT INFORMATION REPORT

2022/2023-21

ACTION

Sam Mel-Chan with SETECH a division of AP/Keenan presented the Financial Management Information Report for the Fiscal Years Ended June 30, 2021, and June 30, 2022 to the Executive Committee for review and approval. The Net Position of \$5,140,236 increased from one year ago by \$405,551. The following represent the most significant changes:

- The deposit of the 2021/2022 member contributions for future claims of \$717,371.
- Net investment income earned of \$87,819
- A slight decrease in the actuarially determined estimated ultimate losses of \$1,597 for program years 2021/2022 and prior due to decreased claims activity.

This increase to the Net Position was offset by:

- The recognition of the increase in the member withdrawn liability of \$30,616.

Since its inception, OSS has continued to enjoy secure financial success, a stable rate structure, and as a result they have declared, to date, dividends of \$9,584,260. The OSS has a greater than 90% probability level in its overall financial position which allows many options for the future.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Singh with a second by member Machado and unanimously carried to accept the Financial Audit Report for Years ending June 30, 2021/2022 as presented. Absent: Members Mendiola and Iqbal.

FINANCIAL AUDIT REPORT

2022/2023-22

ACTION

Gustavo Corona, the auditor for the OSS, presented the Financial Audit Report for Years ending June 30, 2022, and 2021 to the Executive Committee for their review and approval. Mr. Corona stated the audit was fairly presented and did not identify any deficiencies in internal control. Total assets increased by \$467,715 with overall liability increasing by \$62,164. The OSS’s unrestricted Net Position balance reflects an actuarially determined greater than 90% probability level funding of its outstanding liabilities. Revenues exceeded expenses by \$405,551 resulting in an increase to the Net Position.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Machado with a second by member Affrunti and unanimously carried to accept the Financial Audit Report for Years ending June 30, 2022/21 as presented. Absent: Members Mendiola and Iqbal.

FINAL BUDGET FOR THE 2022/2023 YEAR

2022/2023-23

ACTION

Donna Murry, the Account Manager presented the final budget for the 2022/2023 year to the Executive Committee for review and approval.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Machado with a second by member Geringer and unanimously carried to accept the OSS final budget for the 2022/2023 year as presented. Absent: Members Mendiola and Iqbal.

X. ADMINISTRATION

WITHDRAWAL RESERVE ACCOUNT (WRA) UPDATE

2022/2023-24

ACTION

The Actuaries, Abby Sternberg and Judy Chiu presented to the Executive Committee the WRA update for the districts that have terminated their membership with the OSS for review and ratification. A letter will be sent to the terminated districts notifying them of their updated WRA Information.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Affrunti with a second by member Geringer and unanimously carried to accept the Withdrawal Reserve Account updates as of June 30 2022 as presented. Absent: Members Mendiola and Iqbal.

REFUND PAYMENTS FROM WRA

2022/2023-25

ACTION

The Actuaries, Abby Sternberg and Judy Chiu presented to the Executive Committee the 3rd scheduled payment to Central Unified School District and the 1st scheduled payment to Golden Plains Unified School District and Kings Canyon Unified School District from their WRAs for review, ratification, and action as necessary.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Machado with a second by member Affrunti and unanimously carried to ratify the 3rd scheduled payment to Central Unified School District and the 1st scheduled payment to Golden Plains Unified School District and Kings Canyon Unified School District from their WRAs. Absent: Members Mendiola and Iqbal.

OSS RE-ACCREDITATION

2022/2023-26

INFO

Tyler Houston presented (2) additional items needed for the OSS re-accreditation to the Executive Committee for their information. The first is a Strategic Planning Process for OSS members for guiding their future efforts. This should include an analysis of environmental trends and the organizational strengths, weakness, opportunities and threats. The second suggestion for now, but mandatory for the next re-accreditation is an Enterprise Risk Management (ERM). Essentially the idea behind practicing ERM is to show that the JPA has an ongoing process to identify major overall risk areas and a plan to reduce these risks to a relatively low level.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: None

OSS UNDERWRITING POLICY UW-01 REVIEW

2022/2023-27

ACTION

Tyler Houston presented the current OSS Underwriting Policy UW-01 for review by the Executive Committee. It is essential, per re-accreditation standards that the JPA reviews their policy periodically. After a review of the policy, it was the consensus to accept the policy without changes.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Machado with a second by member Singh and unanimously carried to accept the OSS Underwriting Policy UW-01 as is. Absent: Members Mendiola and Iqbal.

ADOPTION OF KEENAN’S DATA SECURITY & RECOVERY POLICY

2022/2023-28

ACTION

Tyler Houston presented Keenan’s Data Security & Recovery Policy to the Executive Committee for their review and adoption. Accreditation standards mandates the OSS has a data security & recovery policy in place.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Affrunti with a second by member Augusto and unanimously carried to adopt the Keenan Data Security & Recovery Policy as their own. Absent: Members Mendiola and Iqbal.

CLAIMS AUDIT REPORT

2022/2023-29

ACTION

Tyler Houston presented the claims audits report as completed by Risk Management Services to the Executive Committee for their consideration. He reported the audit indicated the TPA conducts timely and proactive investigations, utilizing member resources, obtaining student and other pertinent records, independent investigation and utilizes outside investigators/appraisers as needed, The investigation in the files sets a solid base for future claims handling, is well documented and complete.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Geringer with a second by member Affrunti and unanimously carried to accept the claims audit as presented. Absent: Members Mendiola and Iqbal.

XI. RISK MANAGEMENT

RISK MANAGEMENT UPDATES

2022/2023-30

INFO

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

- **Training Completed:**
 - Food Safety Certification – Los Banos USD – July 27, 2022
 - Forklift Certification – Kerman USD – July 29, 2022
 - Forklift Certification – Fowler USD – August 4, 2022
 - Food Safety Certification – Parlier USD – August 5, 2022
 - Rachel Shaw Virtual Training Series – August 19 and September 21
 - NCR Title IX Training Series July – August 2022
- **Upcoming Training:**
 - Rachel Shaw Virtual Training Series – November 4, 2022 – Leave Management: Battling Excessive Use and Misuse for a Better Workplace
 - Fork lift Certification – Riverdale Joint USD – December 20, 2022
- **NCR Labs & Workshops Inspections** – Tessa Babcock, Poms – Completed July 25 – 28, 2022

RISK MANAGEMENT UPDATES – Cont.

- **NCR Loss Control & Safety Inspections/ Playground Inspections** – Tessa Babcock, Poms
 - Lakeside Union Elementary SD, Kit Carson Union Elementary SD, and Armona Union Elem SD – completed September 13 – 15, 2022
 - Los Banos USD – Scheduled week of October 17th and November 15th, 2022
- **OSS Safety & Security Grant 2022 – 2023** – Application period open until June 30, 2023. The Terms & Conditions and Application were presented.
- **NCR Incentive Programs 2022 – 2023** – flyers were discussed
 - Risk Management Reward Program - Date to complete 3/30/2023
 - Matching Grant Program - Application window September 1, 2022 – November 1, 2022
- **Strategic Planning Update** – Request for volunteers to be part of the Strategic Planning Committee

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: None

XII. INFORMATION

MEMBER COMMENTS

No Comments

ADMINISTRATION COMMENTS

Tyler Houston thanked everyone for coming today. The next meeting will be held at Legends Tap House & Grill as their banquet rooms are now able to hold meetings. He thanked Kingsburg Jt Un Elementary for allowing OSS to use their Professional Development Room for the past two meetings during the time Legends was unavailable.

XIII. AGENDA ITEMS FOR NEXT MEETING

Members and others may suggest items for consideration at the next Executive Committee meeting for:

11:00 a.m. on Wednesday, January 18, 2023, Legends Tap House & Grill, 2910 Pea Soup Anderson Blvd, Selma, CA

Currently scheduled items include:

- OSS Loss History Report
- Treasurer’s Report for Quarter Ending December 31, 2022.
- 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
- Presentation of the Strategic Plan
- Ratification of the Re-Accreditation Report

XIV. ADJOURNMENT

With no further business, motion by member Affrunti with a second by member Machado to adjourn the meeting and unanimously carried. Meeting adjourned at 12:09 P.M.

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.