


FRESNO COUNTY
SELF INSURANCE GROUP
MINUTES

BOARD OF DIRECTORS MEETING
WEDNESDAY, October 12, 2022
1:00 P.M.

KINGSBURG JT UN ELEMENTARY SCHOOL DISTRICT
1310 STROUD, AVE KINGSBURG, CA 93631

I. CALL TO ORDER

President Geringer called the meeting to order at 1:05 P.M. Introductions were made.

II. ROLL CALL

OFFICERS & BOARD OF DIRECTORS PRESENT:

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

MEMBERS:

FRESNO COUNTY SUPERINTENDENT OF SCHOOLS Christopher Lozano

ADMINISTRATORS & CONSULTANTS:

BAKER MANOCK JENSEN	Gabriel Delgado, FCSIG Attorney
BORCHARDT, CORONA, FAETH & ZAKARIAN	Gus Corona, Auditor
AP/KEENAN	Tyler Houston, Account Executive
AP/KEENAN	Tony Zuniga, Risk Management Analyst
AP/KEENAN	Donna Murry, Account Manager
MILLIMAN, INC.	Abby Sternberg/Judy Chiu, Actuaries
POMS & ASSOCIATES	Amy Dolson, Risk Manager
SETECH, A DIVISION OF AP/KEENAN	Sam Mel-Chan Account 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

2022/2023-1

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 Magnussen and unanimously carried to approve the Agenda as presented. Absent: Members Iribarren, Mendiola, & Dixon.

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

**2022/2023-2
ACTION**

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

- Approval of Minutes of the June 15, 2022 Board of Directors Meeting as Emailed
- Approval of the Unaudited Expenditures for Year Ending June 30, 2022
- Approval of Expenditures for Quarter Ending September 30, 2022, which includes the Tristar Monthly Claim Expenses.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Magnussen with a second by member Pafford and unanimously carried to approve the Consent Agenda as presented. Absent: Members Iribarren, Mendiola, & Dixon.

VI. CORRESPONDENCE

**2022/2023-3
INFO**

There was no correspondence to present.

VII. CLAIMS

THIRD PARTY ADMINISTRATOR UPDATE

**2022/2023-4
INFO**

- Debra Parker, Risk/Safety Consultant with Tristar presented the Stewardship Report as of 6/30/22 which was a loss analysis using 3 years of data from the 19/20, 20/21, 21/22 years comparing per year the # of incidents, total incurred, top three causes of loss, cause comparison by year, detail of cause of loss categories, comparison of slip/trip/falls claims, comparison of lifting/strain claims, & body motion. The report also showed the incidents by location/district, # of employees, the relativity of incidents by district to the size of a district, incidents by top body part, occupation, OSHA restricted days by year, WC lost days by year, and the open incidents by location/district. The 22/23 fiscal year report showed the total incurred and claim count per district, and top causes of loss. Final notes mentioned the “dip” in 2020 frequency may be due to COVID-19, and that it was fair to say there has been an improvement when comparing the three years starting 7/1/19 and ending 6/30/22 to the fiscal year prior.
- Tom Veale, Tristar President presented the Nurse Triage Summary for 1st quarter ending 9/30/22. Sixteen districts reported a total of 113 calls, of which 40% were directed to self-care instead of going to see a physician, a potential savings of \$226,600. The goal was met to keep the lag day average under two (2) days.
- Utilization Review & Savings Summary for 1st quarter ending 9/30/22 – total net savings of \$261,785.
- Sharon Castillo, Claims Administrator presented a report showing the number of open claims for districts who had terminated their FCSIG membership. From the (6) districts, (5) districts still had a total of (34) open claims with outstanding reserves of \$1,985,000.
- Sharon Castillo also presented a report from WorkComp Central showing medical payments climbing 5.5% for the 2021 calendar year.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

VIII. UNDERWRITING

LEGISLATIVE UPDATE

**2022/2023-5
INFO**

Tony Zuniga, AP/Keenan’s Risk Management Analyst presented legislative updates/current events affecting their workers’ compensation program. Legislation on the Governor’s Desk were:

- SB1127 - reduction in timeframe to determine compensability & increase to temporary disability duration, with widespread opposition by employer and public agency groups
- AB1751 – initially would have extended presumptions through 1/1/25, but with an amendment, the extension is only one year - waiting on action by the Governor.
- SB1002 – Licensed Clinical Social Workers (LCSW) – would require LCSW be included in the MPNs with referral from a physician. LCSW would not be able to determine compensability or disability.

LEGISLATIVE UPDATE – Cont.

- Legislation Avoided this Year:
 - o AB2848 – Medical Treatment or Potential “Gut and Amend” would have had the potential to significantly increase the average cost of claim by raising permanent disability benefits, minimizing delays in medical treatment requests and reducing frictional costs.
 - o SB1458 – Disability Benefits & Gender Disparity
 - o AB2243 – Heat Illness and Wildfire Smoke Standards

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

IX. FINANCIAL

TREASURER’S REPORT

2022/2023-6

ACTION

Carol Bray, the FCSIG Accountant presented the unaudited Treasurer’s Report for Year ending June 30, 2022 and for Quarter ending September 30, 2022 to the Board of Directors for review and consideration. She reported the audited 2021/22 year end will be presented for approval by the Board at the January meeting. Total operating revenues for the Quarter ending September 30, 2022 were at 59% with revenues of \$4,924,309 and operating expenses at 27% with expenditures of \$1,695,545.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Magnussen with a second by member Yang and unanimously carried to accept the Treasurer’s Reports as presented. Absent: Members Iribarren, Mendiola, & Dixon.

FCSIG UNPAID CLAIM LIABILITY ESTIMATES

2022/2023-7

ACTION

The Actuaries, Abby Sternberg and Judy Chiu with Milliman presented the FCSIG Unpaid Claim Liability Estimates as of June 30, 2022 to the Board for review and approval. The estimated reserves as of 6/30/22 were noted, with the net ultimate loss estimates increasing by \$65,000. It was reported incurred losses were slightly higher than expected, while paid losses and reported claims were lower than expected, with the gross reserves being only moderately higher than the net reserves.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Magnussen with a second by member Affrunti and unanimously Carried to accept the FCSIG Unpaid Claim Liability Estimates Report as presented. Absent: Members Iribarren, Mendiola, & Dixon.

FINANCIAL MANAGEMENT INFORMATION REPORT

2022/2023-8

ACTION

Sam Mel-Chan with SETECH a division of Keenan & Associates presented the Financial Management Information Report for the Fiscal Years Ended June 30, 2021 and June 30, 2022 to the Board of Directors for review and approval. The Net Position of \$22,980,596 increased by \$3,076,137 from one year ago. The following represents the most significant changes:

- Funding for the 2021/2022 year above the Actuarially Estimated Central Estimate of \$1,775,069
- Investment Income of \$549,393.
- A net decrease in the actuarially determined estimated ultimate losses of \$1,532,980 for program years 2020/2021 and prior due to decreased expected loss experience.

This increase to the Net Position was offset by:

- The recognition of an increase in the estimated actuarially determined liability for the withdrawn member of \$269,521.

FCSIG has a greater than 90% probability level funding of its outstanding liability and has been conservative in reserving and returning equity in the older program years to the members. It has declared to date, net return 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 Pafford with a second by member Magnussen and unanimously carried to accept the Financial Audit Report for Years ending June 30, 2021/2022 as presented. Absent: Members Iribarren, Mendiola, & Dixon.

FINANCIAL AUDIT REPORT

2022/2023-9

ACTION

Gustavo Corona, the auditor for FCSIG, presented the Financial Audit Report for Years ending June 30, 2022 and 2021 to the Board of Directors for their review and approval. Mr. Corona stated the financial statements present fairly in all material respects, the respective financial position of the business type activities of the FCSIG JPA. No deficiencies in internal control that were considered to be material weaknesses were identified within the scope of their testing. The comparison to the year prior shows total assets increasing by \$3,568,765 and overall liabilities increasing by \$492,628 with an ending increase to the Net Position of \$3,076,137.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Magnussen 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 Iribarren, Mendiola, & Dixon.

FINAL BUDGET FOR THE 2022/2023 YEAR

2022/2023-10

ACTION

Donna Murry the Account Manager presented the final budget for the 2022/2023 year to the Board of Directors for review and approval.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: Motion by member Affrunti with a second by member Magnussen and unanimously carried to accept the FCSIG final budget for the 2022/23 year as presented. Absent: Members Iribarren, Mendiola, & Dixon.

X. ADMINISTRATION

PUBLIC SELF INSURERS ANNUAL REPORT

2022/2023-11

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 Magnussen with a second by member Affrunti and unanimously carried to ratify the Public Self Insurers Annual Report as presented. Absent: Members Iribarren, Mendiola, & Dixon.

WITHDRAWAL RESERVE ACCOUNT (WRA) UPDATE

2022/2023-12

ACTION

The Actuaries, Abby Sternberg and Judy Chiu presented to the Board of Directors the WRA update for the districts that terminated their membership with FCSIG 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 Magnussen and unanimously carried to accept the Withdrawal Reserve Account updates as of June 30, 2022 as presented. Absent: Members Iribarren, Mendiola, & Dixon.

REFUND PAYMENTS FROM WRA

2022/2023-13

ACTION

The Actuaries, Abby Sternberg and Judy Chiu presented the 3rd scheduled payment for Burrel Union Elementary School District & Central Unified School District and the 1st scheduled payment for 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 Magnussen with a second by member Affrunti and unanimously carried to approve the 3rd scheduled payment for Burrel UESD & Central USD and the 1st scheduled payment for Golden Plains USD and Kings Canyon USD from their WRAs. Absent: Members Iribarren, Mendiola, & Dixon.

DEFICIENCY OF THE WRA OF TWO TERMINATED MEMBERS

2022/2023-14
ACTION

The Actuaries, Abby Sternberg and Judy Chiu presented the deficient Withdrawal Reserve Accounts for Riverdale Joint Unified School District and Sanger Unified School District, two districts that terminated their membership in Fresno County Self-Insurance Group JPA to the Board of Directors for review and action. Currently their withdrawal reserve accounts have a deficit balance.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Sever and seconded by member Magnussen and unanimously carried to notify the (2) withdrawing member districts, that any deficit balance, per the payment schedule, is to be paid and any reserve account is to be brought to the minimum \$50,000 balance. Absent: Members Iribarren, Mendiola, & Dixon.

FCSIG RE-ACCREDITATION

2022/2023-15
INFO

Tyler Houston presented (2) additional items needed for the FCSIG re-accreditation to the Board for their information. The first is a Strategic Planning Process for FCSIG 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 for the JPA and a plan to reduce these risks to a relatively low level.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: None

FCSIG APPEALS POLICY F-02 REVIEW

2022/2023-16
ACTION

Tyler Houston presented the FCSIG Appeals Policy F-02 for review by the Board of Directors. Accreditation standards mandates a provision for the resolution of nonclaim disputes. The current FCSIG Appeals Policy F-02 only addresses claims. A redlined copy was provided by legal counsel which incorporates the necessary changes as needed for the re-accreditation.

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Magnussen with a second by member Sever and unanimously carried to approve the changes to the Appeals Policy F-02. Absent: Members Iribarren, Mendiola, & Dixon.

FCSIG UNDERWRITING POLICY UW-01 REVIEW

2022/2023-17
ACTION

Tyler Houston presented the current FCSIG Underwriting Policy UW-01 for review by the Board of Directors. It is essential, per re-accreditation standards 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 Magnussen with a second by member Yang and unanimously carried to accept the FCSIG Underwriting Policy UW-01 as is. Absent: Members Iribarren, Mendiola, & Dixon.

ADOPTION OF KEENAN’S DATA SECURITY & RECOVERY POLICY

2022/2023-18
ACTION

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

PUBLIC COMMENTS: None

COMMITTEE CONSIDERATION: Motion by member Magnussen with a second by member Pafford and unanimously carried to adopt the Keenan Data Security & Recovery Policy as their own. Absent: Members Iribarren, Mendiola, & Dixon.

XI. RISK MANAGEMENT

RISK MANAGEMENT UPDATES

2022/2023-19
INFO

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

- **Training Sessions completed:**
 - 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
- **Upcoming Training:**
 - Rachel Shaw Virtual Training Series – November 4, 2022 – Leave Management: Battling Excessive Use and Misuse for a Better Workplace – flyer presented
 - FCSIG Workers' Compensation Workshop – Scheduled Friday, December 9, 2022 - location Fowler USD.
- **Claim Review Meetings with Tristar – ongoing**
 - FCSS – Completed July 27, 2022 (quarterly meeting)
 - Laton USD – Scheduled October 6, 2022
 - FCSS – Scheduled October 28, 2022 (quarterly meeting)
- **Ergonomics Evaluations (virtual & onsite) – available**
 - Mendota USD – 2 evaluations
 - Fowler USD – 1 evaluation
- **Cal/OSHA COVID-19 Emergency Temporary Standard (ETS) – expires December 31, 2022**
- **Keenan's Special Education Academy – Pilot program with Selma USD and FCSS – planning in progress**
- **Strategic Planning Update – Request for volunteers – Strategic Planning Committee**

RECOMMENDATION: For review and discussion as necessary.

PUBLIC COMMENTS: None

BOARD CONSIDERATION: None

XII. INFORMATION

MEMBER COMMENTS

No Comments

ADMINISTRATION COMMENTS

Tyler Houston thanked everyone for coming to the meeting. 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 FCSIG to use their Professional Development Room for the past two meetings during the time Legends was unavailable.

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 18, 2023, Legends Tap House & Grill, 2910 Pea Soup Anderson Blvd, Selma.
Currently scheduled items include:

- Third Party Administrator Update
- Legislative Update
- Treasurer's Report for Quarter Ending December 31, 2022.
- 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
- Presentation of the Strategic Plan

- Ratification of the Re-Accreditation Report

XIV. ADJOURNMENT

With no further business, the meeting adjourned at 2:59 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.