

**ORGANIZATION OF SELF-INSURED SCHOOLS  
(O.S.S.)**

**Executive Committee Meeting**

11:00 a.m. Thursday, April 15, 2004

Rodolfo's  
1802 E. Front  
Selma, CA 93662

**Meeting Minutes**

- Call to Order** President Warren Jennings called the meeting to order at 11:11 a.m.
- Attendance**
- |   |  |
|---|--|
| Pacific Union School District<br>Warren Jennings  | Kings River-Hardwick Un Elementary School Dist.<br>Andrea Materoh  |
| Selma Unified School District<br>Larry Teixeira   | Kings Canyon Unified School District<br>Adele Nikkel<br>Terri Bechtel  |
| Fowler Unified School District<br>Eric Cederquist | Guests:<br>Michelle Steagall<br>Carol Williamson<br>Erik Knak<br>Garth Maijala<br>Tom Russo<br>Henry Brock<br>Dick Rhodes<br>Ernie Souders<br>Bill Tucker Jr.<br>Donna Murry |
| Kerman Unified School District<br>James Foley     |  |
| Central Unified School District<br>Mary Romero    |  |
| Island Union School District<br>Tom Bates         |  |
- Introductions** The attending committee members and guests introduced themselves.
- Approval of Agenda** The motion was made by member Teixeira and seconded by member Cederquist to approve the agenda. Motion carried.
- Public Hearing Session** President Jennings asked if anyone wished to address the Committee. There was no response.
- Consent Agenda** The motion was made by member Cederquist and seconded by member Teixeira to approve the consent agenda which included the following:  
A. Approval of the minutes of the January 15, 2004 Executive Committee meeting as mailed.  
B. Approval of expenditures (Attachment A).  
Motion carried.
- Treasurer's Report** The financial statement for quarter ending March 31, 2004 was presented by the O.S.S. Treasurer Adele Nikkel, (Attachment B). The motion to accept the report was made by member Cederquist and seconded by member Romero. Motion carried.
- Broker's Report** The Broker, Bill Tucker Jr. discussed with the committee a possible amendment to the bylaws under Article IX *Withdrawal or Termination*. He suggested following the wording recently adopted by NorCal ReLiEF where by any member giving notice of withdrawal, but who doesn't actually withdraw cannot give notice for two years, otherwise they are terminated. The reason behind this amendment concerns the calculation of the loss fund rate and the plethora of  
Withdrawal  
Provisions

## Organization of Self Insured Schools

April 15, 2004

Page 2

**Broker's Report Cont.** scenarios the actuary needs to consider depending on who stays and who leaves. This year there was eighteen possible loss fund rates. It was the consensus of the committee to have the Broker confer with the O.S.S. attorney on this subject and report back to the group at the annual meeting in May.

Golf Tournament Name Change The Broker mentioned the annual JPA golf tournament is scheduled for Thursday, June 10, 2004 at the Sherwood Forest Golf Club with a 1:00 p.m. modified shotgun start. He suggested changing the name of the tournament to the Bill Tucker/Pat Magill Memorial Golf Tournament. He pointed out Pat Magill was instrumental in the formation of the three local JPAs – O.S.S., F.C.S.I.G. (workers' comp. JPA), and F.A.S.B.O. (health benefits JPA) serving as president of all three. It was the consensus of the committee to amend the name as suggested by the Broker.

NCR Board of Directors' Meeting The Broker mentioned he would be leaving after the meeting to attend the NorCal ReLiEF Board of Director's meeting scheduled for the next day, Friday, April 16. They will be approving the preliminary renewal rates. Liability is expected to drop by 3%, but property is expected to increase by 15% due to losses. These preliminary rates will be adjusted by the O.S.S. experience factor for each coverage. ReLiEF is working on having the O.S.S. rates out early this year due to the withdrawal issues.

SELF It was mentioned by the Broker that the S.E.L.F. excess liability rates are expected to increase. The \$14 Million excess of \$1 Million liability limit currently being purchased by O.S.S. members is tentatively set at \$5.11 per ADA or an increase of 23%. S.E.L.F. also offers \$10 Million excess of \$ 5 Million at \$1.00 per ADA. The Broker will be requesting a quote from NorCal ReLiEF on their higher \$ 5 Million layer to see which combination of limits presents the best buy for the districts. He also mentioned the rates for the optional excess liability program (OELP) offered by S.E.L.F. for limits of \$30 Million excess of \$15 Million have not been received. It appears S.E.L.F. rebates are not likely at this time.

OSS Treasurer/ Accounting Clerk Mr. Tucker introduced Dr. Michelle Steagall, Superintendent/Principal of Clay Elementary, and Carol Williamson, Administrative Assistant/Bookkeeper for Clay Elementary. They have agreed to take over for Kings Canyon Unified, the accounting duties of the O.S.S.

**Administrator's Report** The Claims Administrator, Erik Knak presented the O.S.S. Loss History Review, (Attachment C). He reported so far this year the claims count has been very good and is hopeful for the continuance of this trend.

The Committee recessed at 11:37 a.m. and reconvened at 12:03 p.m.

**Loss Control Report** Dick Rhodes, the Independent Contractor for Loss Control reported he is in the process of completing his inspections for the year. He advised the districts to think about in-service workshops during the summer especially those pertaining to heat exhaustion.

Henry Brock from Brock's Loss Control Services, presented his progress report, (Attachment D).

**Action Items**  
Investment Policy The Investment Policy of Fresno County, which the O.S.S. had adopted as its own, had been revised as reported by the Broker. The changes involved extending the weighted average from 365 to 550 days, adding a requirement for the purchasing of short-term corporate notes and a glossary of cash management terms & rating summary. A copy of the Investment Policy can be found by going to the Fresno County website: [www.co.fresno.ca.us/0410/treasurer.htm](http://www.co.fresno.ca.us/0410/treasurer.htm). The motion was made by member Cederquist and seconded by member Teixeira to continue to use the Fresno County Investment Policy as the Investment Policy for the O.S.S., (Attachment E). Motion carried.

*An annual review of the O.S.S. Investment Policy is an accreditation requirement.*

## Organization of Self Insured Schools

April 15, 2004

Page 3

### Action Items

- Cont.** Mr. Tucker reported on the first refund payment of \$8,320.00 due Pioneer Elementary. The motion was made by member Teixeira and seconded by member Bates to mail the first refund payment to Pioneer Elementary. Motion carried.
- Pioneer Elem.
- Auditor's Contract The motion to accept the three year auditor's contract with Borchardt, Corona, & Faeth was made by member Cederquist and seconded by member Nikkel, (Attachment F). Motion carried.
- On-Line Training Henry Brock introduced Garth Majjala from Schools Insurance Program for Employees of San Luis Obispo County (SLOSIPE). He gave a comprehensive demonstration of the on-line training available to O.S.S. member districts as it pertains to safety and loss control, (Attachment G). The motion was made by member Cederquist and seconded by member Bates to contract with SLOSIPE for on-line training, pending similar approval by Fresno County Self Insurance Group. Motion carried.
- Loss Fund Rates The Broker presented two different scenarios, A & B, for the loss fund rates, (Attachment H). The rates had increased by 8% due to a variety of factors. One factor was the consideration of the O.S.S. purchasing student accident insurance. Further information on the student accident insurance would be available at the annual meeting in May. It was the Broker's recommendation to continue at the 80% probability level with interest rates calculated at 2.5%. The motion was made by member Romero and seconded by member Cederquist to recommend to the Board the Broker's recommendation of keeping the loss fund at the 80% probability level and using the 2.5% interest level. Motion carried.
- Dividend Payment The motion was made by member Cederquist and seconded by member Nikkel to recommend to the Board the second payment from the dividend schedule, (Attachment I). Motion carried.
- At-Large Membership The motion to table the recommendation for at-large membership on the Executive Committee until the next Committee meeting in May was made by member Cederquist and seconded by member Nikkel. Motion carried.
- Rescinding Notice Of Withdrawal The Broker reported on receiving letters from three districts rescinding their notice to withdrawal from the O.S.S. The districts were Golden Plains Unified, Riverdale Unified, and Central Valley Preschool. The motion to accept the three districts' rescission to withdraw from the O.S.S. was made by member Bates and seconded by member Romero. Motion carried.
- SETECH Proposal The Broker presented a proposal by Service Enhancements Technologies (SETECH) for an in depth study of the financial stability of the O.S.S., (Attachment J). The cost would be between \$5,000 to \$7,000. This would be a one time analysis. The motion was made by member Cederquist and seconded by member Nikkel to approve the SETECH proposal. Motion carried.
- Meeting Dates/ Times/Locations The motion was made by member Cederquist and seconded by member Nikkel to approve O.S.S. Resolution #JPA 04-2 for establishing date, time and place of regular meetings of the O.S.S., (Attachment K). Motion carried.
- Board Member Report** President Jennings asked if any member had items to report. There was no response.
- Closed Session** There were no items for closed session.

**Organization of Self Insured Schools**

**April 15, 2004**

**Page 4**

**Next Meeting/  
Adjournment**

The next scheduled meeting for the Executive Committee is at 9:00 a.m. on Monday, May 17, 2004 at Fowler's district office.

With no further business, the motion was made by member Bates and seconded by member Romero to adjourn the meeting. Motion carried and the meeting adjourned at 1:20 p.m.

Prepared by,

Approved by,

Donna Murry  
WJ:dm

Warren Jennings  
Acting O.S.S. Secretary