

**FRESNO COUNTY SELF INSURANCE GROUP
(F.C.S.I.G.)**

Quarterly Board Meeting

1:30 p.m. Tuesday, June 14, 2005

J. Frank Parks Education Center
Selma Unified School District
3036 Thompson Avenue
Selma, California

Meeting Minutes

- Call to Order** President Eric Cederquist called the meeting to order at 1:35 p.m.
- Attendance**
- | | |
|---|---|
| Fowler Unified School District
Eric Cederquist | Clay Joint Elementary School District
Dr. Michelle Steagall |
| Sanger Unified School District
Steve Mulligan | Alvina Elementary Charter School Dist.
Paul Canon |
| Kingsburg Jt Un School District (Elem)
Dr. Mark Ford
Carol Williamson | Selma Unified School District
Larry Teixeira |
| Kings Canyon Jt Unified School District
Adele Nikkel | Guests
Tom Veale - <i>Tristar</i>
Sharon Castillo - <i>Tristar</i>
John Phillips - <i>Wild Carter & Tipton</i>
Bill Tucker - <i>Tucker-Alexander Ins.</i>
Donna Murry - <i>Tucker-Alexander Ins.</i> |
| Central Unified School District
Mary Romero | |
- Approval of Agenda** The motion to approve the agenda was made by member Teixeira and seconded by member Nikkel. Motion carried.
- Public Hearing Session** President Cederquist asked if anyone wished to address the Board. There was no response.
- Consent Agenda** The motion was made by member Teixeira and seconded by member Nikkel to approve the consent agenda which included the following:
A. Approval of the minutes of the May 3, 2005 meeting as mailed.
B. Approval of expenditures (Attachment A).
Motion carried.
- Treasurer's Report** Carol Williamson the F.C.S.I.G. accountant, presented the financial statement for period ending May 31, 2005, (Attachment B).
- Broker's Report**
- Claims Audit The broker, Bill Tucker Jr. mentioned he would soon be mailing out a RFP for the audit of F.C.S.I.G. claims. This is mandated by the accreditation guidelines and also by F.C.S.I.G. Resolution F99-2. The cost for this audit should be approximately five thousand dollars (\$5,000).
- Golf Tournament The Bill Tucker / Pat Magill Memorial Golf Tournament is fast approaching. It is scheduled for Thursday, June 23, 2005 at the Sherwood Forest Golf Club in Sanger.
- Claims Cost Analysis The broker presented to the Board the F.C.S.I.G. Claims Cost Analysis for the period May 2005, (Attachment C). He mentioned the overall claim count for year to date was down eight percent (8%) and the average cost per claim was down twenty percent (20%).

Fresno County Self Insurance Group

June 14, 2005

Page 2

Administrator's Report

Permanent Disability

Sharon Castillo, the F.C.S.I.G. claims administrator reported on the new Permanent Disability Rating Schedule. It will reduce the cost of Permanent Disability indemnity benefits by twelve percent (12%). An additional fifteen percent (15%) reduction could be realized if the district has a permanent modified return to work program for injured employees. An employee can be returned back to work in a permanent modified or alternated position, sixty (60) days from the date they become permanent and stationary.

FCSIG MPN

Tom Veale, President of Tristar reported the Medical Provider Network (MPN) for F.C.S.I.G. had been filed. It normally takes two to three weeks for approval. The districts will need to notify their employees of the MPN and it was suggested they do mass mailings, emails and break room postings.

Loss Control Report

No loss control report was available.

Action Items

FCSIG Rates

The broker mentioned he examined several options for obtaining a renewal quote for F.C.S.I.G.. One option was through PIPS (Protected Insurance Program for Schools and Community Colleges) a JPA managed by Keenan & Associates. The experienced modified rate for F.C.S.I.G. through PIPS was \$3.09. He reported for informational purposes, the State Fund workers' comp. base rate for public schools was \$3.68 and the rate through SISC (Self Insured Schools of California) a JPA administered by the Kern County Office of Education was \$2.35. He also presented several exhibits at different confidence levels and different SIRs. He stated the actuary recommended going to a higher SIR of \$750,000, (Attachment D). The motion was made by member Steagall and seconded by member Ford to retain the current rate of \$1.89, which would increase the SIR from \$500,000 to \$750,000 and increase the confidence level from fifty percent (50%) to sixty-eight percent (68%), (Attachment D-1). The Board felt this was a win-win situation for its member districts. Motion carried.

FCSIG Dividend

The broker presented a letter from the actuary pertaining to the payment of a dividend, (Attachment E). The actuary had determined there were not sufficient funds to prudently pay a dividend for this year. No action was taken.

Coalinga-Huron Refund Payment

The motion was made by member Ford and seconded by member Teixeira to issue the third refund payment of \$86,224.88 to Coalinga-Huron Motion carried.

Budget

The motion was made by member Ford and seconded by member Teixeira to approve the budget for the 2005/06 year as presented, (Attachment F). Motion carried.

FCSIG Restated Agreement

Bill Tucker presented the Restated Joint Powers Agreement of the F.C.S.I.G. He mentioned it was mostly clean up instead of a substance change. The motion to approve the restated agreement as presented was made by member Mulligan and seconded by member Nikkel. Motion carried.

The signature page for the *Restated Joint Powers Agreement* will be included with the minutes of the authorized district representative.

NOTE: The Restated Joint Powers Agreement was mailed in the agenda packet. A copy can also be obtained through the F.C.S.I.G. website: www.fcsigweb.org

FCSIG Restated Bylaws

With the need to amend the F.C.S.I.G. Bylaws further, the motion only to adopt the revisions to Article 1 and Article 6 of the Bylaws was made by member Ford and seconded by member Steagall. Article 1 amends the probationary member status and Article 6 addresses the late payment penalty. Districts late in making their premium payments will be sent a reminder by the F.C.S.I.G. accountant, (Attachment G). Motion carried. With direction by the Board to the F.C.S.I.G. attorney John Phillips, the other changes will be revisited at the next meeting of the Board in October.

Action Items

Cont. The motion was made by member Mulligan and seconded by member Ford to reelect the current slate of officers. Motion carried.
Election of Officers
The officers are:
President - Eric Cederquist; Fowler Unified School District
Vice President – Paul Canon; Alvina Elementary Charter District
Treasurer – Michelle Steagall; Clay Joint Elementary School District
Secretary – Marc Johnson; Sanger Unified School District

Board Member Report President Cederquist asked if any members had items to report. There was no response.

The motion to end open session and go into closed session was made by member Canon and seconded by member Ford. Motion carried.

The Board recessed at 2:48 p.m. and reconvened at 2:49 p.m.

Closed Session The Board went into closed session at 2:49 p.m. and reconvened at 2:55 p.m.

Claims Administrator Contract It was moved by member Nikkel and seconded by member Ford to accept the claims administrator contract with Tristar Risk Management (Attachment H). Motion carried.

Next Meeting/Adjournment The next quarterly meeting is scheduled for 1:30 p.m. on **Tuesday, October 11, 2005**. With no further business, the motion to adjourn the meeting was made by member Teixeira and seconded by member Canon. Motion carried and the meeting adjourned at 2:56 p.m.

Prepared by,

Approved by,

Donna Murry
EC:dm

Eric Cederquist
F.C.S.I.G. Acting Secretary