


FRESNO COUNTY
SELF INSURANCE GROUP

Quarterly Board Meeting

1:30 p.m. Tuesday, January 12, 2010

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 1:32 p.m.

Attendance

Fowler Unified School District Eric Cederquist	Kings Canyon Joint Unified School District Ron Hudson
Kingsburg Joint Union School District (Elem) Dr. Mark Ford Carol Williamson	Sanger Unified School District Marc Johnson
Alvina Elementary School District Larry Wilson	Guests: Gus Corona – <i>Borchardt, Corona & Faeth</i> Mary Boyer - <i>SETECH</i> Curt Crockett – <i>Tristar Ins. Group</i> Sharon Castillo – <i>Tristar Ins. Group</i> Bill Tucker - <i>Tucker-Alexander Ins.</i> Donna Murry – <i>Tucker-Alexander Ins.</i>
Riverdale Jt Unified School District Elaine Cash	
Selma Unified School District Mark Sutton	

Approval of Agenda The motion to approve the agenda was made by member Ford and seconded by member Hudson. 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 Ford and seconded by member Hudson to approve the consent agenda which included the following:
A. Approval of the minutes of the October 13, 2009 meeting as mailed.
B. Approval of expenditures for year ending June 30, 2009, (Attachment A) and for quarter ending December 31, 2009, (Attachment B).
Motion carried.

Treasurer's Report Carol Williamson, the F.C.S.I.G. accountant presented the audited financial statements for year ending June 30, 2009, (Attachment C) and for quarter ending December 31, 2009, (Attachment D). She reported to the Board all of the 2nd installment deposit premium payments had been received for the current fiscal year.

Broker's Report The broker, Bill Tucker Jr. presented the claims cost analysis for period ending December 2009, (Attachment E). He pointed out the number of claims and their costs are down for this current fiscal year as compared to the three years prior.

Claims Cost
Analysis

**Broker's Report
Cont.**

DIR Assessment The broker reported on the recent assessment of F.C.S.I.G. by the Department of Industrial Relations. The JPA was assessed using the claim information from their 2008/2009 Public Self Insurer's Annual Report. The combination of the F.C.S.I.G. claims' cost, increase of all of the statewide rating factors, and a newly created assessment were responsible for the higher than normal assessment of \$95,389.54.

Payroll Factoring The Board felt the estimated payrolls for the 10/11 year would be lower than from the prior audited year. It was decided to wait until the end of the current third quarter to estimate the overall payroll for the JPA. This figure is given to the excess workers' comp carrier and the actuary for the determination of the rates, in addition to using it for invoicing the deposit premium installment payments for the districts.

**Administrator's
Report**

Early Intervention Program The F.C.S.I.G. claims administrator, Sharon Castillo reported on the progress of the Early Intervention Program (EIP). She mentioned the program had been in operation for six months. In comparing the same time period from last year to the current, it was found the claims were closing quicker -109 days for last year verses 64 days with the EIP. There are also fewer litigated claims, 15 claims from last year verses 5 litigated claims with the EIP in operation.

Sharon Castillo mentioned the quarterly reports had just been sent out to the member districts. She also reported on the recent changes which took effect in 2010. Though the mileage reimbursement decreased from \$0.55 to \$0.50 per mile, the temporary disability maximum payout increased the beginning of 2010.

**Loss Control
Report**

F.C.S.I.G. risk manager, Dr. Henry Brock was attending a three day playground certification workshop in Los Angeles. No report was available.

Action Items

Financial Audit Gus Corona, from the firm of Borchardt, Corona, & Faeth presented the F.C.S.I.G. financial audit for years ending June 30, 2009 and 2008, (enclosed). He mentioned the JPA is reserving properly. Their year ending June 30, 2009 was a positive one since F.C.S.I.G. was able to withdraw equity in the form of rebates to the member districts. The motion to accept the F.C.S.I.G. financial audit as presented, which included the management letter, was made by member Cash and seconded by member Ford. Motion carried.

SETECH Report The SETECH Report; *A Financial Management Information Report For The Fiscal Years Ended June 30, 2008 and June 30, 2009*, (enclosed), was presented by Mary Boyer from the SETECH Division of Keenan & Associates. She stated F.C.S.I.G. has a well run program and over the course of its existence, \$6.2 mil has been returned to its members, one of only a few workers' comp groups that has been able to return money. The motion to accept the SETECH Report as presented was made by member Cash and seconded by member Ford. Motion carried.

Claims Audit The broker presented the claims audit performed by Helling & Associates, (Attachment F). He mentioned it was a favorable audit with the services provided by Tristar getting an aggregate score of 97%, which was 1% point higher than the audit conducted two years ago. The motion to accept the claims audit as presented was made by member Johnson and seconded by member Cash. Motion carried.

Investment Policy The Board reviewed the changes to its investment policy as presented by the broker, (Attachment G). Such an annual review is mandated by the accreditation process. The motion to accept the December 1, 2009 revision of the Investment Policy of the County of Fresno as the investment policy for F.C.S.I.G. was made by member Ford and seconded by member Wilson. Motion carried.

NOTE: A copy of the December 1, 2009 revision of the Investment Policy of the County of Fresno as adopted by F.C.S.I.G. can be found online at the F.C.S.I.G. website: www.fscigweb.org

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Action Items

Cont.

Actuary Proposal

The motion to approve the proposal for providing actuarial services for the 10/11 fiscal year by Milliman, Inc. was made by member Cash and seconded by member Ford, (Attachment H). The cost of the actuarial services remains unchanged from the prior contract year. Motion carried.

Board Member Report

Member Ford congratulated Elaine Cash on her future retirement and wished her well.

Closed Session

There were no items for closed session.

Next Meeting/Adjournment

The next quarterly meeting is scheduled for 1:30 p.m. on **Tuesday, May 04, 2010**. With no further business, the motion to adjourn the meeting was made by member Ford and seconded by member Cash. Motion carried and the meeting adjourned at 2:11 p.m.

Prepared by,

Approved by,

Donna Murry
MJ:dm

Marc Johnson
O.S.S. Secretary