


FRESNO COUNTY
SELF INSURANCE GROUP

Quarterly Board Meeting

1:30 p.m. Tuesday, October 09, 2012

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 1:30 p.m.

Attendance

Fowler Unified School District
Eric Cederquist

Kingsburg Joint Union School District (Elem)
Carol Williamson

Kings Canyon Unified School District
Adele Nikkel

Sanger Unified School District
Ken Marcantonio

Riverdale Unified School District
Pete Faragia

Guests:
Gustavo Corona – *Borchardt, Corona, & Faeth*
Mary Boyer – *SETECH Div of Keenan & Associates*
Sharon Castillo – *Tristar Risk Management*
Curtis Crockett - *Tristar Risk Management*
Dr. Henry Brock – *Brock's Loss Control*
Bill Tucker – *Tucker-Alexander Insurance*
Donna Murry – *Tucker-Alexander Insurance*

Central Unified School District
Kelly Porterfield

Selma Unified School District
Larry Teixeira

Approval of Agenda The motion to approve the agenda was made by member Nikkel and seconded by member Teixeira. 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 June 12, 2012 meeting as emailed.
B. Approval of audited expenditures for quarter and year ending June 30, 2012, (Attachment A) and quarter ending September 30, 2012, (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, 2012, (Attachment C) and for quarter ending September 30, 2012, (Attachment D).

Broker's Report

Claims Cost
Analysis

The broker, Bill Tucker, Jr. with Tucker-Alexander Insurance presented the claims cost analysis for period September 2012, (Attachment E).

SB863 The broker reported on the SB863 reforms going into effect January 1, 2013. In essence, the law tackles two major issues. It raises permanent disability (PD) payments to injured workers by approximately \$740 million a year over a two year period. Through a series of changes in the way claims are handled, it should decrease cost to employers anywhere from \$1.3 billion to \$2.7 billion to offset the increase in PD costs as estimated by the Department of Industrial Relations (DIR). The broker cautioned that the later could a hopeful estimate.

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- Administrator's Report** The F.C.S.I.G. claims administrator, Sharon Castillo with Tristar Risk Management presented a year end claims summary report, comparing the 11/12 year to that from 10/11, (Attachment F). She mentioned there was a thirteen percent (13%) overall gross savings for the 11/12 year in total paid. She also presented the same report comparing the year to date 12/13 year to 11/12 and reported a five percent (5%) gross savings, (Attachment G).
- Loss Control Report** F.C.S.I.G. risk manager, Dr. Henry Brock presented three reports which he provides to the districts each year showing how their loss experience affects their bottom line. The reports are: **3 Year Dollar Loss/Savings by District; 3 Year Claims/ADA Ratio; Dollar Loss incurred/ADA Ratio** (Attachment H).
- Claims Experience
- Food Service Certification A workshop for the certification of food service personnel will be held at Fowler Unified School District.
- District Visits Dr. Brock, together with Bill Tucker, Jr. will be making visits to districts with new superintendents to familiarize them with the workings of the F.C.S.I.G. JPA.
- Training CD Dr. Brock reported on the insurance training / risk management CD he is producing. When completed, he will hand deliver a copy to each member district.
- Action Items**
- Financial Audit Gustavo Corona with the firm, Borchardt, Corona & Faeth presented the F.C.S.I.G. financial audit for years ending June 30, 2012 and 2011, (Attachment I). He declared all items were fairly stated, noting internal controls working properly. The motion to accept the F.C.S.I.G. financial audit report as presented was made by member Teixeira and seconded by member Faragia. Motion carried.
- SETECH Rpt The SETECH Report, *A Financial Management Information Report For the Fiscal Years Ended June 30, 2012*, (Attachment J) was presented by Mary Boyer from the SETECH Division of Keenan & Associates. She mentioned F.C.S.I.G. is continuing to enjoy secure finances and a stable rate structure. The motion to accept the report as presented was made by member Nikkel and seconded by member Teixeira. Motion carried.
- Ann'l Rpt The Public Self Insurer's Annual Report was presented by the broker, (Attachment K). This report is filed annually with the State of California, Department of Industrial Relation Self Insurance Plans and is used to determine the User Funding and Fraud Assessments to name just a few of the assessments made by the state. Member Teixeira made the motion which was seconded by member Faragia to accept the report as presented. Motion carried.
- Board Member Report** President Cederquist asked if any member had items to report. There was no response.
- 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, January 08, 2013**. The motion to adjourn the meeting was made by member Nikkel and seconded by member Teixeira, meeting adjourned at 2:16 p.m.

Prepared by,

Donna Murry

Donna Murry

EC:dm

Approved by,

Eric Cederquist

Eric Cederquist

F.C.S.I.G. President – Acting Secretary