


FRESNO COUNTY
SELF INSURANCE GROUP

Quarterly Board Meeting

1:30 p.m. Tuesday, January 14, 2014

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

Kings Canyon Unified School District
Adele Nikkel
Dr. John Quinto

Kingsburg Joint Union School District (Elem)
Carol Williamson

Sanger Unified School District
Ken Marcantonio
Eduardo Martinez

Alvina Elementary School District
Mike Iribarren

Selma Unified School District
Larry Teixeira

Guests:
Sharon Castillo – *Tristar Risk Management*
Curt Crockett - *Tristar Risk Management*
LeAnn Nowlin – *Golden Valley Unified School District*
Dr. Henry Brock – *Brock's Loss Control*
Bill Tucker – *Tucker-Alexander Insurance*
Donna Murry – *Tucker-Alexander Insurance*

Central Unified School District
Kelly Porterfield
Mike Berg

Introductions The attending board members and guests introduced themselves.

Approval of Agenda The motion to approve the agenda was made by member Nikkel and seconded by member Teixeira.

Ayes: Members Cederquist, Nikkel, Quinto, Williamson, Marcantonio, Martinez, Iribarren, Teixeira, Porterfield and Berg. Nays: None. Abstentions: None. 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 Quinto and seconded by member Marcantonio to approve the consent agenda which included the following:

- A. Approval of the minutes from the October 08, 2013 meeting as emailed.
- B. Approval of expenditures for quarter ending December 31, 2013, (Attachment A).

Ayes: Members Cederquist, Nikkel, Quinto, Williamson, Marcantonio, Martinez, Iribarren, Teixeira, Porterfield and Berg. Nays: None. Abstentions: None. Motion carried.

Treasurer's Report Carol Williamson, the F.C.S.I.G. accountant presented the audited financial statement for quarter ending December 31, 2013, (Attachment B).

Broker's Report The broker, Bill Tucker, Jr. with Tucker-Alexander Insurance presented the claims cost analysis for period December 2013, (Attachment C). He reported the number of indemnity claims and their costs are higher than the year prior with the number of medical claims & associated costs decreasing. Legal and other expenses have also increased from the prior year.

Claims Cost
Analysis

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Broker's Report Cont.

Payroll Factor The broker queried the Board for their estimate on payroll increases for the 2014/2015 year. This is for the purpose of estimating the workers' comp deposit premium. With all things considered, it was the consensus of the Board to use a factor of five percent (5%) for an increase.

Form 700 Conflict of Interest Form 700, Conflict of Interest filings have been emailed to the Board of Director members. They are due back to Tucker-Alexander Insurance by April 1, 2014.

Administrator's Report

The F.C.S.I.G. claims administrator, Sharon Castillo stated for the newly reported claims reviewed of \$25,000 or greater, there appeared to be a trending up, both in the number and surgery required for the age range of 50 years and older. It appears as of the 2013/2014 year, the aging workforce is currently driving up the claim costs due to the types of injuries and the length of recovery.

Loss Control Report

F.C.S.I.G. risk manager, Dr. Henry Brock reported on current risk management activity. Mentioned were a food safety workshop recently held along with an upcoming forklift training class. An informational email on *Using Verbal De-escalation* was sent out to the district contacts for sharing with their staff. Updating the F.C.S.I.G. website was recently completed. A new area for forms inventory was established for their easy access.

Action Items

Actuarial Proposal The broker presented the proposal for 2014 actuarial services by Milliman, Inc. (Attachment D). The proposed amount has remained unchanged as from the prior year. The motion to approve the proposal as presented by the broker was made by member Teixeira and seconded by member Nikkel. Ayes: Members Cederquist, Nikkel, Quinto, Williamson, Marcantonio, Martinez, Iribarren, Teixeira, Porterfield and Berg. Nays: None. Abstentions: None. Motion carried.

TPA Contract (Tristar) Curt Crockett with Tristar Risk Management presented the renewal of their claims administration services for F.C.S.I.G. effective July 1, 2014 through June 30, 2017. Their proposal had two fee schedules, one with and one without Central Unified, (Attachment E). It was pointed out both proposals included telephonic *First Notice Of Incident* (FNOI) reporting of claims. The motion to accept the two Tristar fee proposals as presented was made by member Marcantonio and seconded by member Teixeira.

Ayes: Members Cederquist, Nikkel, Quinto, Williamson, Marcantonio, Martinez, Iribarren, Teixeira, Porterfield and Berg. Nays: None. Abstentions: None. Motion carried.

Investment Plcy The broker reported to the Board there were no changes to its current investment policy dated December 4, 2012. F.C.S.I.G. adopts as its own, the Investment Policy of the County of Fresno and the annual review is mandated by the accreditation process. The motion to approve the current County of Fresno Investment Policy dated December 4, 2012 for the 2014 calendar year was made by member Teixeira and seconded by member Nikkel.

Ayes: Members Cederquist, Nikkel, Quinto, Williamson, Marcantonio, Martinez, Iribarren, Teixeira, Porterfield and Berg. Nays: None. Abstentions: None. Motion carried.

The Investment Policy can be found on the F.C.S.I.G. website www.fcsiqweb.org

Claims Audit The broker presented the claims audit performed by Farley Consulting Services, LLC, (Attachment F). The motion to accept the claims audit as presented was made by member Williamson and seconded by member Berg.

Ayes: Members Cederquist, Nikkel, Quinto, Williamson, Marcantonio, Martinez, Iribarren, Teixeira, Porterfield and Berg. Nays: None. Abstentions: None. Motion carried.

Ltr of Withdrawal Central USD The broker presented Central Unified School District's (Central) conditional letter of intent to withdraw from F.C.S.I.G. effective July 1, 2014, (Attachment G). Before a vote was taken to accept Central's conditional withdrawal letter, President Cederquist addressed the Board giving them background information on a meeting held between Central and F.C.S.I.G. / Organization of Self Insured Schools (O.S.S.) representatives. The meeting highlighted services which Central felt would be beneficial

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Action Items Cont.

Ltr of Withdrawal Central Cont. in the area of risk management to help prevent claims and ultimately lower premiums. A summary of those services was handed out, (Attachment H). It was the consensus of the Board to move ahead with the committee for reviewing current services offered and those suggested by Central to evaluate their appropriateness. A complete list of volunteers to serve on this committee will be forthcoming. The motion to approve the conditional letter of withdrawal by Central Unified School District was made by member Williamson and seconded by member Nikkel.

Ayes: Members Cederquist, Nikkel, Quinto, Williamson, Marcantonio, Martinez, Iribarren, Teixeira, Porterfield and Berg. Nays: None. Abstentions: None. Motion carried.

Ltr of Withdrawal Burrel Elem The broker presented the conditional letter of intent to withdraw from F.C.S.I.G. effective July 1, 2014 his office received from Burrel Elementary School District, (Attachment I). The motion to approve the conditional letter of withdrawal by Burrel Elementary School District was made by member Qunto and seconded by member Iribarren.

Ayes: Members Cederquist, Nikkel, Quinto, Williamson, Marcantonio, Martinez, Iribarren, Teixeira, Porterfield and Berg. Nays: None. Abstentions: None. 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, May 06, 2014.** The motion to adjourn the meeting was made by member Nikkel and seconded by member Teixeira. Ayes: Members Cederquist, Nikkel, Quinto, Williamson, Marcantonio, Martinez, Iribarren, Teixeira, Porterfield and Berg. Nays: None. Abstentions: None. Motion carried.

The meeting adjourned at 2:32 p.m.

Prepared by,

Donna Murry

Donna Murry
EC:dm

Approved by,

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