



Executive Committee Meeting

11:00 a.m. Thursday, January 22, 2015

Favorito
115 N 6th
Fowler, CA 93625

Meeting Minutes

Call to Order

President Larry Teixeira called the meeting to order at 11:04 a.m.

Attendance

Selma Unified School District
Larry Teixeira

Los Banos Unified School District
Dean Bubar

Kings River-Hardwick Union Elem School Dist.
Trish Singh

Kingsburg Joint Union School District (Elem)
Carol Williamson

Island Union Elementary School District
Diane Augusto

Kerman Unified School District
Kraig Magnussen

Southwest Transportation Agency
Sandra Robles

Pacific Union Elementary School District
Annette Machado

Kings Canyon Unified School District
Dr. John Quinto
Adele Nikkel

Guests:
Erik Knak – *Knak & Associates*
Amy Dolson – *Poms & Associates*
Garth Maijala – *Fidelity Safety & Training*
Dennis Williams – *Keenan & Associates*
Tom Russo – *Keenan & Associates*
Dr. Henry Brock – *Brock's Loss Control*
Bill Tucker - *Tucker-Alexander Ins.*
Donna Murry – *Tucker-Alexander Ins.*

Fowler Unified School District
Eric Cederquist
Scott Griffin

Sanger Unified School District
Nick Taylor

Approval of Agenda

The motion to approve the agenda was made by member Bubar and seconded by member Magnussen.

Ayes: Members Teixeira, Bubar, Singh, Williamson, Augusto, Machado, Magnussen, and Robles.
Nays: None. Abstentions: None. Motion carried.

Public Hearing Session

President Teixeira asked if anyone wished to address the Committee. There was no response.

Consent Agenda

The motion was made by member Bubar and seconded by member Magnussen to approve the Consent Agenda which included the following:

- A. Approval of the minutes of the October 16, 2014 Executive Committee meeting as emailed.
- B. Approval of expenditures for quarter ending December 31, 2014, (Attachment A).

Ayes: Members Teixeira, Bubar, Singh, Williamson, Augusto, Machado, Magnussen, and Robles.
Nays: None. Abstentions: None. Motion carried.

Treasurer's Report

The O.S.S. accountant, Carol Williamson presented the financial statement for quarter ending December 31, 2014 (Attachment B).

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Broker's Report

- NCR Exec Meeting The broker, Bill Tucker reported on highlights from the Northern California ReLIEF (NCR) Executive meeting he attended the week prior:
- AB 2073** – Assembly Bill recently passed which allows alcohol on school premises for purpose of fund raisers provided no students are present and the district obtains the appropriate license permit from the Alcoholic Beverage Control (ABC). ABC is currently working on a fact sheet.
- CAL 200 Lawsuits** - Districts are starting to see the return of Cal 200 lawsuits, which requires 200 minutes of P.E. every 10 days. An attorney contacts teachers using a fictitious name asking if they are conducting the requirement. If the teacher replies no, suit is filed by the attorney. Legal fees for attorney are part of the settlement but are not covered by NCR.
- Market Conditions** – NCR is working on rates for the 7/1/15 renewal. The market is soft, equivalent to rates headed downward, but NCR has not had good experience for their liability.
- Matching Grant** – Two O.S.S. members will be receiving grants by default, Kingsburg Elementary and Los Banos.
- Ad Hoc Committee** – An ad hoc committee to review the coverages under the Memorandum of Coverage (MOC) will be formed and recommendations will be made to the underwriting committee. Both the broker (Bill Tucker) and the O.S.S. claims administrator (Erik Knak) have volunteered to be on this committee.
- Form 700 Conflict of Interest The broker mentioned the Form 700, Conflict of Interest filings have been emailed to the Executive Committee members, alternates and consultants. The forms are to be mailed back to Tucker-Alexander Insurance by April 1, 2015 as original signatures are needed.
- Renewal Questionnaires The NCR renewal questionnaires have been emailed to all brokers earlier this month. The districts will see new questions pertaining to cyber liability. All questionnaires are due back to Tucker-Alexander insurance by February 16, 2015.
- Bylaw Amend The broker presented a proposal for amending Article IX-B of the O.S.S. Bylaws which will allow the board to make exceptions to the \$50,000 minimum funding of the Withdrawal Reserve Account for withdrawing or terminated members if good cause is shown. The official amendment will be presented for the boards' consideration at the O.S.S. annual board meeting in May.

Members Quinto and Nikkel arrived.

Administrator's Report

The O.S.S. claims administrator Erik Knak from Knak & Company presented his report, *The O.S.S. Loss History Review – (Incurred)* as of 01-15-2015, years 2006-07 through 2014-15, (Attachment C). He said this was the worse report he has given to date to the O.S.S. Years 11/12 and 13/14 were horrific for claims across the board. Claim reserves are up \$700,000 from what they were a year ago.

Members Cederquist and Griffin arrived.

Loss Control Report

O.S.S. risk manager, Dr. Henry Brock presented his risk management report detailing the various areas of risk management he is currently involved, (Attachment D):

A new online class for safety officer training is being developed. This class will address the responsibilities related to the implementation of a district's Injury, Illness and Prevention Program (IIPP). Approximately one third of the O.S.S. districts have been provided a current IIPP. The newly designed user friendly O.S.S. website is now complete, allowing more correspondence to be ascertained through it such as the new quarterly O.S.S. newsletter. Revisions are also underway on the current Strategic Plan slated to be presented to the Executive Committee by the next quarterly meeting in April. New legislation, AB 2053 requires supervisors to receive training on the prevention of abusive employee conduct. Most importantly new legislation, AB 1432, effective January 1, 2015 has significantly changed the child abuse reporting requirements with new hires needing to be trained within six weeks of employment. Two online training sites that include child abuse reporting training areas are available. One site is through the Keenan Safe Schools and the second choice is through the O.S.S. website titled "Child Abuse Reporting for Educators" which is currently being reviewed by the JPA attorney. Districts will be appraised as the current circumstances change.

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OSS Website Presentation

Garth Maijala with Fidelity Safety & Training presented an overview of the newly designed O.S.S. website, highlighting its new user friendly features. The link to the O.S.S. website is <http://www.ossweb.org>

Action Items

Actuarial Proposal

The broker presented the proposal for 2015 actuarial services by Milliman, Inc. (Attachment E). The proposed amount has remained unchanged as from the prior year for their analysis and update services. Their ad hoc consulting took a very minor increase. The motion to approve the proposal as presented by the broker was made by member Quinto and seconded by member Machado.

Ayes: Members Teixeira, Bubar, Singh, Williamson, Augusto, Machado, Magnussen, Robles, Quinto, and Cederquist. Nays: None. Abstentions: None. Motion carried.

Investment Policy

The broker reported there were no changes to the investment policy for the O.S.S. dated December 4, 2012, (Attachment F). The O.S.S. 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 2015 calendar year was made by member Cederquist and seconded by member Quinto.

Ayes: Members Teixeira, Bubar, Singh, Williamson, Augusto, Machado, Magnussen, Robles, Quinto, and Cederquist. Nays: None. Abstentions: None. Motion carried.

The Investment Policy for the O.S.S. can also be located on their website www.ossweb.org

Claims Audit

The broker presented the O.S.S. Claims Audit report as prepared by Ken Maiolini with RMS, (Attachment G). In summary, the audit found the O.S.S. claims are handled in a manner that meets or exceeds both *Generally Accepted Claims Handling Standards* and *CAJPA Accreditation Standards*. The auditor found a high level of organization, mitigation, documentation and resolution in the handling of O.S.S. claims with no areas of deficiency revealed. The O.S.S. and its Members are well served and protected by the current claims handling by Knak and Company. The motion to accept the O.S.S. Claims Audit as presented was made by member Bubar and seconded by member Machado.

Ayes: Members Teixeira, Bubar, Singh, Williamson, Augusto, Machado, Magnussen, Robles, Quinto, and Cederquist. Nays: None. Abstentions: None. Motion carried.

Board Member Report

President Teixeira asked if any member had items to report. There was no response.

Next Meeting/Adjournment

The next scheduled meeting for the Executive Committee is **11:00 p.m., Thursday, April 16, 2015** at Favorito's, Fowler.

With no further business, the meeting adjourned at 12:04 p.m.

Prepared by,

Donna Murry

Donna Murry
TS:dm

Approved by,

Trish Singh/dm

Trish Singh
O.S.S. Secretary