



FRESNO COUNTY  
**SELF INSURANCE GROUP**

**Quarterly Board Meeting**

1:30 p.m. Tuesday, October 11, 2016

**J. Frank Parks Education Center  
Selma Unified School District  
3036 Thompson Ave.  
Selma, CA 93662**

**Meeting Minutes**

**Call to Order** President Eric Cederquist called the meeting to order at 1:31 p.m.

**Attendance**

Fowler Unified School District  
Eric Cederquist

Selma Unified School District  
Larry Teixeira

Alvina Elementary School District  
Mike Iribarren

Southwest Transportation Agency  
Sandra Robles

Firebaugh-Las Deltas Jt Unified School District  
Russell Freitas

Kingsburg Joint Union School District (Elem)  
Dr. Wesley Sever  
Carol Bray

**Guests:**

Nick Schumacher – *SETECH Div of Keenan & Associates*  
Gustavo Corona – *Borchardt, Corona & Faeth*  
Sharon Castillo – *Tristar Risk Management*  
Curt Crockett – *Tristar Risk Management*  
Amy Dolson – *Poms & Associates*  
Susan Hendrickson – *Focus on Intervention*  
Dr. Henry Brock – *Brock's Loss Control*  
Bill Tucker - *Tucker-Alexander Ins.*  
Donna Murry – *Tucker-Alexander Ins*

**Approval of Agenda**

The motion to approve the agenda was made by member Sever and seconded by member Freitas.

Ayes: Members Cederquist, Sever, Bray, Teixeira, Iribarren, Robles and Freitas. 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 Freitas and seconded by member Sever to approve the consent agenda which included the following:

- A. Approval of the minutes from the June 14, 2016 meeting as emailed.
- B. Approval of audited expenditures for quarter and year ending June 30, 2016, (Attachment A) and quarter ending September 30, 2016, (Attachment B).

Ayes: Members Cederquist, Sever, Bray, Teixeira, Iribarren, Robles and Freitas. Nays: None.  
Abstentions: None. Motion carried.

**Treasurer's Report**

Carol Bray, the F.C.S.I.G. accountant presented the audited financial statement for year ending June 30, 2016, (Attachment C) and quarter ending September 30, 2016, (Attachment D).

Ayes: Members Cederquist, Sever, Bray, Teixeira, Iribarren, Robles and Freitas. Nays: None.  
Abstentions: None. Motion carried.

**JPA Manager's Report**

Claims Cost  
Analysis

The JPA manager, Bill Tucker with Tucker-Alexander Insurance presented the Claims Cost Analysis for period ending September, 2016, (Attachment E). He mentioned the claims count is continuing the downward turn, though the average cost per claim is rising slightly.

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### Administrator's Report

The F.C.S.I.G. claims administrator, Sharon Castillo with Tristar Risk Management presented a news release from the Department of Industrial Relations on SB 1160, legislation which helps speed care to injured workers, (Attachment F). She mentioned this new legislation would not affect F.C.S.I.G. due to the 24 hour reporting already implemented by the JPA. Also reported on was the announcement by the Division of Workers' Compensation (DWC) of the Temporary Total Disability (TTD) rates for 2017. Effective January 1, 2017 TTD rates will increase from \$169.26 to \$175.88 with the maximum TTD rate increasing from \$1,128.43 to \$1,172.57 per week. The State Average Weekly Wage (SAWW) will also see an increase of just under 3.912 percent, (Attachment G).

### Loss Control Report

F.C.S.I.G. risk manager, Dr. Henry Brock reported on the risk management areas he and Amy Dolson from Poms & Associates have recently been involved, (Attachment H).

Phase I of *The Return to Work* (RTW) pilot study has been completed and under the \$21,000 allocated in the 15/16 budget. Phase II will include three staff training sessions to be held at three different locations. Phase III will make additional RTW assistance available to districts at their own expense.

Amy Dolson presented to the Board a report outlining the assistance she has provided to the JPA as a Poms' Rent-a-Risk Manager, namely the development of an Injury & Illness Prevention Program (IIPP) to all member districts, strategic planning, claims analysis, evaluation of loss exposures, safety training, and a list of support services, (Attachment I).

It was mentioned the online training provider, School Insurance Program for Employees (SIPE), would be continuing its services for this fiscal year with a requirement that each district has an online training coordinator.

An update of the Strategic Plan was also provided, (Attachment J).

### 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, 2016 and 2015 (Attachment K). The motion to approve the F.C.S.I.G. financial audit for years ending June 30, 2016 and 2015 was made by member Sever and seconded by member Freitas.

Ayes: Members Cederquist, Sever, Bray, Teixeira, Iribarren, Robles and Freitas. Nays: None. Abstentions: None. Motion carried.

Member Sever left the meeting.

#### SETECH Rpt

*The SETECH Report, A Financial Management Information Report For The Fiscal Years Ended June 30, 2015 And June 30, 2016*, (Attachment L) was presented by Nick Schumacher from the SETECH Division of Keenan & Associates. He mentioned F.C.S.I.G. has been conservative in reserving and returning equity in the older program years to the members. It has declared, to date, net returns to the members of \$8,519,462 while continuing to enjoy secure finances and a stable rate structure. The motion to accept the report as presented was made by member Teixeira and seconded by member Iribarren.

Ayes: Members Cederquist, Bray, Teixeira, Iribarren, Robles and Freitas. Nays: None. Abstentions: None. Motion carried.

Member Sever returned to the meeting.

#### Accreditation Rpt.

The JPA manager mentioned F.C.S.I.G. recently went through its accreditation review conducted by the California Association of Joint Powers Authorities (CAJPA) and presented the subsequent report with its findings for discussion to the Board, (Attachment M). The motion to acknowledge and approve the CAJPA accreditation report as presented was made by member Freitas and seconded by member Teixeira.

Ayes: Members Cederquist, Sever, Bray, Teixeira, Iribarren, Robles and Freitas. Nays: None. Abstentions: None. Motion carried.

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## Action Items – cont.

- Target Equity Plcy The JPA manager presented the Contingency Fund & Net Position Policy (Target Equity Policy) as required for full accreditation, (Attachment N). The motion to accept the Target Equity Policy as presented was made by member Sever and seconded by member Iribarren.
- Ayes: Members Cederquist, Sever, Bray, Teixeira, Iribarren, Robles and Freitas. Nays: None.  
Abstentions: None. Motion carried.
- Underwriting Plcy The JPA manager presented the Underwriting Policy for the Board's consideration as required for full accreditation, (Attachment O). The motion to accept the Underwriting Policy as presented was made by member Freitas and seconded by member Robles.
- Ayes: Members Cederquist, Sever, Bray, Teixeira, Iribarren, Robles and Freitas. Nays: None.  
Abstentions: None. Motion carried.
- Ann'l Rpt The Public Self Insurer's Annual Report was presented by the JPA manager, (Attachment P). This report is filed annually with the State of California, Department of Industrial Relations Self Insurance Plans and is used to determine the User Funding and Fraud Assessments to name a few of the main assessments made by the state. Member Teixeira made the motion which was seconded by member Sever to accept the report as presented.
- Ayes: Members Cederquist, Sever, Bray, Teixeira, Iribarren, Robles and Freitas. Nays: None.  
Abstentions: None. Motion carried.
- Conflict of Interest Code Review A biennial review of an agency's conflict-of-interest code is required by the Fair Political Practice Commission. The code was reviewed by legal counsel for the JPA – John Phillips of Wild, Carter, and Tipton and found no amendments were necessary, (Attachment Q). The motion stating no amendments to the conflict-of-interest code for Fresno County Self Insurance Group were necessary was made by member Sever and seconded by member Teixeira.
- Ayes: Members Cederquist, Sever, Bray, Teixeira, Iribarren, Robles and Freitas. Nays: None.  
Abstentions: None. Motion carried.
- RFP for Legal Counsel The JPA manager mentioned three of the six request for proposals sent out to obtain quotes for legal services for the JPA had responded back. The three firms responding; Lozano Smith, Liebert Cassidy Whitmore, and the incumbent, John Phillips with Wild, Carter and Tipton did have offices in Fresno and experience in servicing public entities, namely school districts. All three firms upon review, had qualifications which were equal to that of the other. The incumbent had a lower hourly rate that those of the other two. With the consideration given to the lower hourly rate, the motion was made by member Teixeira and seconded by member Sever to choose the firm Wild, Carter, and Tipton to continue serving as legal counsel for F.C.S.I.G.
- Ayes: Members Cederquist, Sever, Bray, Teixeira, Iribarren, Robles and Freitas. Nays: None.  
Abstentions: None. Motion carried.
- Rebates After discussion, it was the consensus of the Board, to table payment of the 15/16 rebates.
- Risk Manager Resignation F.C.S.I.G. risk manager, Dr. Henry Brock tendered his resignation to the Board effective October 31, 2016, (Attachment R). He reiterated the fact that he would enjoy retirement, but would miss the people and his involvement with F.C.S.I.G. which has been since its formation in 1983. The motion to accept the resignation of the F.C.S.I.G. risk manager effective October 31, 2016 was made by member Freitas and seconded by member Sever
- Ayes: Members Cederquist, Sever, Bray, Teixeira, Iribarren, Robles and Freitas. Nays: None.  
Abstentions: None. Motion carried.
- Poms & Assoc Risk Management Consulting Agrmnt The amended Risk Management Consulting Agreement for Poms & Associates (Poms) was presented by the JPA manager, (Attachment S). The new duties for Poms would provide for a loss control/risk management program to be split between F.C.S.I.G. and the Organization of Self Insured Schools. The period of the agreement would be in effect from November 1, 2016 through June 30, 2017. The motion to accept the Poms contract as presented was made by member Teixeira and seconded by member Sever.
- Ayes: Members Cederquist, Sever, Bray, Teixeira, Iribarren, Robles and Freitas. Nays: None.  
Abstentions: None. Motion carried.

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JPA Manager Agramnt Amendment An amendment to the JPA Manager Agreement was presented to the Board for their consideration, (Attachment T). The amendment adds a disclosure of conflicts provision as required by the F.C.S.I.G. Accreditation Report. The motion to accept the amendment to the JPA Manager Agreement was made by member Freitas and seconded by member Sever.

Ayes: Members Cederquist, Sever, Bray, Teixeira, Iribarren, Robles and Freitas. Nays: None.  
Abstentions: None. Motion carried.

Tristar Service Agramnt Amendment The JPA manager presented the Fourth Amendment to the Tristar Service Agreement, (Attachment U). The amendment adds a disclosure of conflicts provision as required by the F.C.S.I.G. Accreditation Report. The motion to accept the Fourth Amendment to the Tristar Service Agreement was made by member Teixeira and seconded by member Sever.

Ayes: Members Cederquist, Sever, Bray, Teixeira, Iribarren, Robles and Freitas. Nays: None.  
Abstentions: None. Motion carried.

## Board Member Report

Member Teixeira expressed his gratitude to Dr. Brock and appreciation for his service to F.C.S.I.G. which encompassed in one role or another, a period of over 33 years.

## Next Meeting

The next quarterly meeting is scheduled for 1:30 p.m. on **Tuesday, January 10, 2017**, in Selma at their district office.

## Adjournment

The motion to adjourn the meeting was made by member Sever and seconded by member Freitas.

Ayes: Members Cederquist, Sever, Bray, Teixeira, Iribarren, Robles and Freitas. Nays: None.  
Abstentions: None. Motion carried and the meeting adjourned at 3:09 p.m.

Prepared by,

*Donna Murry*

Donna Murry  
MI:dm

Approved by,

*Mike Iribarren/dm*

Mike Iribarren  
F.C.S.I.G. Secretary