



Monterey Educational Risk Management Authority

P.O. Box 3320, Salinas, CA 93912

www.merma.org

EXECUTIVE COMMITTEE MINUTES

January 9, 2019

The Executive Committee of the Monterey Educational Risk Management Authority met at 76 Stephanie Drive, Salinas, on January 9, 2019 at 1:30 p.m.

Executive Committee Members Present

Jerry Stratton, President, Salinas City Elementary School District
Rory Livingston, Vice President, King City Union School District
Veronica Flournoy, Spreckels Union School District
Colleen Stanley, Monterey County Office of Education

Executive Committee Members Absent

Ana Aguillon, Salinas Union High School District

Guests and Staff

Marcus Beverly, Alliant
Matt Gowan, Alliant
Marlene Richardson, Intercare
Connie Hampson, Intercare
Karen Callahan, Intercare
Julio Jauregui, MERMA
Hallie Pacheco, MERMA

A. CALL TO ORDER

Jerry Stratton called the meeting to order at 1:31 p.m.

B. ROLL CALL

Present: Jerry Stratton, Rory Livingston, Veronica Flournoy, Colleen Stanley
Absent: Ana Aguillon

C. APPROVAL OF AGENDA AS POSTED

Motion was made to approve the agenda as posted.

MOTION: Colleen Stanley	SECONDED: Rory Livingston	MOTION CARRIED
AYES: 4	NOES: 0	ABSTAIN: 0
ABSENT: 1		
AYES: Colleen Stanley, Rory Livingston, Veronica Flournoy, Jerry Stratton		
ABSENT: Ana Aguillon		

D. PUBLIC COMMENTS

None

E. CONSENT CALENDAR

The following items were presented:

1. Executive Committee Minutes – November 14, 2018
2. Payment Registers and Board Reports – November, December 2018
3. Treasurer’s Report – June 2018

Motion was made to approve items 1 through 3 as presented with a single motion.

MOTION: Veronica Flournoy	SECONDED: Colleen Stanley	MOTION CARRIED
AYES: 4	NOES: 0	ABSTAIN: 0
ABSENT: 1		
AYES: Veronica Flournoy, Colleen Stanley, Rory Livingston, Jerry Stratton		
ABSENT: Ana Aguillon		

F. ADMINISTRATIVE REPORTS

1. President’s Report

Jerry Stratton reported that he and Ana Aguillon met with Marcus Beverly and Matt Gowan on December 18th at Salinas Union High School District to go over the draft items pertaining to the Alliant Contract. He stated it was a very fruitful meeting with active discussion on methods of addressing out year increases. He stated Ana Aguillon did a fabulous job. She had some very pointed questions and some great comments.

Mr. Stratton stated he had one more comment regarding how we tabulate our OSHA 300 reports in terms of the number of people and number of hours worked. He would like to discuss at the end of the meeting so that we have some uniformity.

2. Pool Administrator’s Report

Marcus Beverly stated he had one follow-up item from the last meeting regarding accrued liabilities of \$65,000 as of 9/30/18. About \$13,000 of that is for vacation accrual. He stated thirty days is the maximum vacation that can be carried over into the next fiscal year.

Matt Gowan stated that PARMA is next month in Anaheim. Julio Jauregui of MERMA will be attending. The CASBO conference will be April 15-18 in San Diego. Alliant will be hosting a

dinner.

3. Claims Administrator's Report

Connie Hampson of Intercare provided the Executive Committee with the following reports:

- Annual and Monthly Claim Results – November and December 2018 with fiscal year to date comparison of year prior
- New Claim Analysis Received YTD 2018/19 – as of 12/31/18
- Monthly Frequency & Severity Reports Claims Reported 7/1/18 – 12/31/18
- Claim Closing Analysis YTD 2018/19 – as of 12/31/18
- Net Reserve Changes – YTD 2018/19 – as of 12/31/18
- MERMA Company Nurse Results for November and December 2018
- MERMA Bill Review Results for November and December 2018

4. Executive Committee Report

Colleen Stanley asked if Marcus Beverly received any feedback from other members regarding the format of the Annual Disclosure of Workers' Compensation Unfunded Liability that was sent out in November. Marcus Beverly stated we have not received any feedback from the members.

Veronica Flournoy stated she continues to receive emails from Origami Risk. Karen Callahan of Intercare stated it is a Claims Management System.

G. JPA Business

1. Deadly Weapons Response Coverage

Matt Gowan presented a Wall Street Journal article to the Executive Committee regarding Deadly Weapons Response Coverage.

Matt Gowan stated this item was brought back to the Executive Committee for further discussion and possible action. He reminded the Committee of what the coverage consists of. The policy limit is \$500,000 per incident and \$2,500,000 in aggregate for the entire JPA. He received an annual premium quote of \$18,000 with a pro-rated quote of \$10,813 for the coverage to start now through July 1, 2019, with a \$10,000 deductible per incident. It covers all locations, anything that is on your schedule, including buses that you schedule and own. The coverage provides instant access to the following with sub-limits of \$250,000:

- 1st Party Property Damage
- Business Interruption
- Crisis Management Services
- Public Relation Services
- Counseling Services for students and staff
- Additional Security if required
- Funeral Expenses
- Monitoring of Social Media
- Repairing Property Damage

- Creation of Memorial

Matt Gowan shared a story with the Committee on how this coverage was used for an incident that recently took place in December 2018 in Sacramento. This was the first active shooter claim in the country and they had this insurance coverage. He stated the coverage responded exactly how it was designed to. Crisis intervention responded within two hours, counseling was set up for employees, there were no issues on accepting the claim, and funeral expenses will be taken care of. Lengthy discussion held

Matt Gowan stated we will need a schedule of statement of values from all members for this policy to be effective.

Motion was made to accept the proposal for the Deadly Weapons Response Coverage as presented.

MOTION: Veronica Flournoy	SECONDED: Rory Livingston	MOTION CARRIED	
AYES: 4	NOES: 0	ABSTAIN: 0	ABSENT: 1
AYES: Veronica Flournoy, Rory Livingston, Colleen Stanley, Jerry Stratton			
ABSENT: Ana Aguillon			

2. Loss Control Services Quarterly Report

Julio Jauregui, MERMA Loss Control Manager, provided a quarterly report on his recent activities. He has provided ergonomic evaluations, created IIPP plans for schools, provided information for member districts in completing the Cal-OSHA Transportation 300A form and created a new safety injury prevention training for Transportation Department. He stated he has started coordination with safety representatives for support services and one district for training on AED, first aid and CPR. Mannequins will be ordered as soon as possible. He has provided information on school hazard compliance by EPA and evaluation of in-house emergency equipment. He stated he continues to send reminders every two months to the members regarding using their Matching Safety Funds.

3. Administrative Service Agreement

Marcus Beverly presented the draft Alliant Administrative Service Agreement. He stated the Ad Hoc Committee who are Jerry Stratton and Ana Aguillon met with him and Matt Gowan in December to review and make suggestions to update the agreement.

Marcus stated the primary change is to the term of the agreement, extending from July 1, 2019 to July 1, 2024, with two optional years. Also, additional time for notice of extension for the two optional years, from 60 to 90 days, and an extension from 30 days to 90 days for termination of the agreement. The Ad Hoc Committee recommended definitive language to state that Alliant staff will meet with newly assigned CBO's of member districts within 120 days of their date of appointment. They also recommended using the CPI currently projected by the School Services of California for the first three years and with the CPI published by June 30th of the previous calendar year for any increase in years four and five and the two optional years.

Motion was made to approve Alliant's Administrative Service Agreement for July 1, 2019 to July 1, 2024 as presented.

MOTION: Rory Livingston	SECONDED: Colleen Stanley	MOTION CARRIED	
AYES: 4	NOES: 0	ABSTAIN: 0	ABSENT: 1
AYES: Rory Livingston, Colleen Stanley, Veronica Flournoy, Jerry Stratton			
ABSENT: Ana Aguillon			

H. Closing Comments

Jerry Stratton stated he would like to discuss the Form 300 in order to be consistent. The form has number of people, number of hours worked and number of injuries. He asked, is a person a warm body or an FTE? Also, are the number of hours worked, the number of hours on contract or does it include overtime and other times? The Committee all agreed that it would be body count for number of people and hours worked by contract position and does not include overtime.

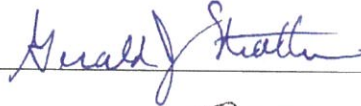
I. Upcoming Meetings


Executive Committee Meeting – March 13, 1:30 p.m.

J. ADJOURNMENT

Motion was made to adjourn the meeting at 2:43 p.m.

MOTION: Rory Livingston	SECONDED: Colleen Stanley	MOTION CARRIED	
AYES: 4	NOES: 0	ABSTAIN: 0	ABSENT: 1
AYES: Rory Livingston, Colleen Stanley, Veronica Flournoy, Jerry Stratton			
ABSENT: Ana Aguillon			

Gerald Stratton, President: 

Marcus Beverly, Executive Director: 

Date: 3/18/19