



**BOARD OF DIRECTORS' MINUTES**  
**May 27, 2015**

The Board of Directors of the Monterey Educational Risk Management Authority met at the 76 Stephanie Drive, Salinas CA and via teleconference at Bradley USD Office, Pacific Grove USD Office and Big Sur USD Office.

**Board of Directors Present**

Sara Perez, President, Gonzalez USD  
Jerry Stratton, Vice President, Salinas City ESD  
Veronica Flournoy, Spreckels USD  
Colleen Stanley, MCOE  
Duane Wolgamott, SMCJHSD  
Jeanette Ayala, Soledad USD  
Tracie Corpuz, Washington USD  
Gordon Piffero, Big Sur USD – via teleconference  
Rick Miller, Pacific Grove USD – via teleconference

**Board Members Absent**

Ian Trejo, Bradley USD  
Rick Blanckmeister, Carmel USD  
Eva Contreras, Chualar USD  
Melody Canady, Greenfield USD  
Rosemary Grounds, Graves SD  
Rory Livingston, King City USD  
Nadene Dermody, Lagunita SD  
Tim Ryan, Mission USD  
Ana Aguillon, Salinas UHSD  
Eli Johnson, San Antonio USD  
Catherine Reimer, San Ardo USD  
Nicole Hester, San Lucas USD  
Shelly Morr, Santa Rita USD

**Guests and Staff**

Marcus Beverly, Alliant  
Matt Gowan, Alliant  
Danielle Buri, Intercare  
Karen Callahan, Intercare  
Katy Busby, Intercare  
Connie Martin, MERMA

**CALL TO ORDER**

Sara called the meeting to order at 2:10 p.m.

**ROLL CALL**

Introduction of Board of Directors and Guests

**APPROVAL OF AGENDA AS POSTED**

Motion was made to approve the agenda as presented.

<b>MOTION:</b> Jerry Stratton	<b>SECONDED:</b> Colleen Stanley	<b>MOTION CARRIED</b>	
<b>AYES:</b> 9	<b>NOES:</b> 0	<b>ABSTAIN:</b> 0	<b>ABSENT:</b> 13
<b>AYES:</b>	Jerry Stratton, Veronica Flournoy, Colleen Stanley, Duane Wolgamott, Jeanette Ayala, Tracie Corpuz, Sara Perez, Gordon Piffero, Rick Miller		
<b>ABSENT:</b>	Ian Trejo, Rick Blanckmeister, Eva Contreras, Melody Canady, Rosemary Grounds, Rory Livingston, Nadene Dermody, Tim Ryan, Ana Aguillon, Eli Johnson, Catherine Reimer, Nicole Hester, Shelly Morr		

**PUBLIC COMMENTS**

None

**CONSENT CALENDAR**

The following item was approved:

1. Board of Directors' Minutes – October 8, 2015

<b>MOTION:</b> Jerry Stratton	<b>SECONDED:</b> Veronica Flournoy	<b>MOTION CARRIED</b>	
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<b>AYES: 9</b>	<b>NOES: 0</b>	<b>ABSTAIN: 0</b>	<b>ABSENT: 13</b>
<b>AYES:</b>	Jerry Stratton, Veronica Flournoy, Colleen Stanley, Duane Wolgamott, Jeanette Ayala, Tracie Corpuz, Sara Perez, Gordon Piffero, Rick Miller		
<b>ABSENT:</b>	Ian Trejo, Rick Blanckmeister, Eva Contreras, Melody Canady, Rosemary Grounds, Rory Livingston, Nadene Dermody, Tim Ryan, Ana Aguillon, Eli Johnson, Catherine Reimer, Nicole Hester, Shelly Morr		

**ADMINISTRATIVE REPORTS**

1. President's Report

None

2. Administrative Report

Marcus Beverly kept his report brief due to a long agenda, but mentioned that items 5,6, & 7 are items that are needed for the CAJPA accreditation. Marcus stated if the items are approved, then MERMA will proceed with the CAJPA application for accreditation.

3. Claim's Administrator's Report

Intercare provided the Board with Program Review from May 1, 2014 to April 30, 2015. They closed 521 claims from May 1, 2014 to April 30, 2015, and 12 claims were settled by Compromise & Release settlements. Intercare reported that they have received \$371,446 in recovery from May 1, 2014 to April 30, 2015. Discussion held. Katy Busby, Claims Manager was introduced to the Board.

4. Board of Directors

None

**JPA BUSINESS**

1. Workers' Compensation Excess Insurance Proposals – FY 2015-16

The Executive Committee reviewed a number of options available. They decided to recommend to the Board for adoption, Option 1 with a \$100,000 SIR with Great American and State National Insurance.

Motion was made to approve Option 1 with Great American and State National with Self-Insured Retention of \$100,000.

<b>MOTION:</b> Veronica Flournoy <b>SECONDED:</b> Colleen Stanley <b>MOTION CARRIED</b>			
<b>AYES:</b> 9	<b>NOES:</b> 0	<b>ABSTAIN:</b> 0	<b>ABSENT:</b> 13
<b>AYES:</b>	Jerry Stratton, Veronica Flournoy, Colleen Stanley, Duane Wolgamott, Jeanette Ayala, Tracie Corpuz, Sara Perez, Gordon Piffero, Rick Miller		
<b>ABSENT:</b>	Ian Trejo, Rick Blanckmeister, Eva Contreras, Melody Canady, Rosemary Grounds, Rory Livingston, Nadene Dermody, Tim Ryan, Ana Aguillon, Eli Johnson, Catherine Reimer, Nicole Hester, Shelly Morr		

**2. Loss Funding for FY 2015-16**

Motion was made to approve FY 2015-16 premiums based on a 70% Confidence level, \$100,000 SIR, 1.5% discount rate and the base rate of \$2.548.

<b>MOTION:</b> Veronica Flournoy <b>SECONDED:</b> Jerry Stratton <b>MOTION CARRIED</b>			
<b>AYES:</b> 9	<b>NOES:</b> 0	<b>ABSTAIN:</b> 0	<b>ABSENT:</b> 13
<b>AYES:</b>	Jerry Stratton, Veronica Flournoy, Colleen Stanley, Duane Wolgamott, Jeanette Ayala, Tracie Corpuz, Sara Perez, Gordon Piffero, Rick Miller		
<b>ABSENT:</b>	Ian Trejo, Rick Blanckmeister, Eva Contreras, Melody Canady, Rosemary Grounds, Rory Livingston, Nadene Dermody, Tim Ryan, Ana Aguillon, Eli Johnson, Catherine Reimer, Nicole Hester, Shelly Morr		

**3. Budget for FY 2015-16**

Motion was made to adopt the FY 2015-16 Budget as presented.

<b>MOTION:</b> Veronica Flournoy <b>SECONDED:</b> Jerry Stratton <b>MOTION CARRIED</b>			
<b>AYES:</b> 9	<b>NOES:</b> 0	<b>ABSTAIN:</b> 0	<b>ABSENT:</b> 13
<b>AYES:</b>	Jerry Stratton, Veronica Flournoy, Colleen Stanley, Duane Wolgamott, Jeanette Ayala, Tracie Corpuz, Sara Perez, Gordon Piffero, Rick Miller		
<b>ABSENT:</b>	Ian Trejo, Rick Blanckmeister, Eva Contreras, Melody Canady, Rosemary Grounds, Rory Livingston, Nadene Dermody, Tim Ryan, Ana Aguillon, Eli Johnson, Catherine Reimer, Nicole Hester, Shelly Morr		

**4. Election of Executive Committee Members**

Veronica Flournoy and Rory Livingston terms expired. The floor was opened for nominations. Veronica Flournoy and Colleen Stanley were nominated to serve on the Executive Committee from July 1, 2015 to June 30, 2017.

<b>MOTION:</b> Sara Perez	<b>SECONDED:</b> Jerry Stratton	<b>MOTION CARRIED</b>	
<b>AYES:</b> 9	<b>NOES:</b> 0	<b>ABSTAIN:</b> 0	<b>ABSENT:</b> 13
<b>AYES:</b>	Sara Perez, Jerry Stratton, Veronica Flournoy, Colleen Stanley, Duane Wolgamott, Jeanette Ayala, Tracie Corpuz, Gordon Piffero, Rick Miller		
<b>ABSENT:</b>	Ian Trejo, Rick Blanckmeister, Eva Contreras, Melody Canady, Rosemary Grounds, Rory Livingston, Nadene Dermody, Tim Ryan, Ana Aguillon, Eli Johnson, Catherine Reimer, Nicole Hester, Shelly Morr		

**5. Funding Policy**

The Executive Committee recommended to the Board to repeal the three prior resolutions regarding funding and replace them with the Funding Policy presented to them. This policy provides a framework and benchmarks for annual premium assessments and funding of outstanding liabilities.

Motion was made to approve the Funding Policy as presented.

<b>MOTION:</b> Jerry Stratton	<b>SECONDED:</b> Colleen Stanley	<b>MOTION CARRIED</b>	
<b>AYES:</b> 9	<b>NOES:</b> 0	<b>ABSTAIN:</b> 0	<b>ABSENT:</b> 13
<b>AYES:</b>	Jerry Stratton, Colleen Stanley, Veronica Flournoy, Duane Wolgamott, Jeanette Ayala, Tracie Corpuz, Sara Perez, Gordon Piffero, Rick Miller		
<b>ABSENT:</b>	Ian Trejo, Rick Blanckmeister, Eva Contreras, Melody Canady, Rosemary Grounds, Rory Livingston, Nadene Dermody, Tim Ryan, Ana Aguillon, Catherine Reimer, Nicole Hester, Shelly Morr		

**6. Resolution of Coverage and Claim Disputes**

The Board approved the resolution of Coverage and Claims Disputes. The resolution will be adopted into the MERMA Bylaws.

<b>MOTION:</b> Veronica Flournoy	<b>SECONDED:</b> Jeanette Ayala	<b>MOTION CARRIED</b>	
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<b>AYES: 9</b>	<b>NOES: 0</b>	<b>ABSTAIN: 0</b>	<b>ABSENT: 13</b>
<b>AYES:</b> Veronica Flournoy, Jeanette Ayala, Colleen Stanley, Duane Wolgamott, Jerry Stratton, Tracie Corpuz, Sara Perez, Gordon Piffero, Rick Miller			
<b>ABSENT:</b> Ian Trejo, Rick Blanckmeister, Eva Contreras, Melody Canady, Rosemary Grounds, Rory Livingston, Nadene Dermody, Tim Ryan, Ana Aguillon, Eli Johnson, Catherine Reimer, Nicole Hester, Shelly Morr			

**7. Underwriting Policy**

Motion was made to approve the Underwriting Policy which outlines the process for approving new members, calculating premiums and setting funding requirements.

<b>MOTION:</b> Jerry Stratton	<b>SECONDED:</b> Tracie Corpuz	<b>MOTION CARRIED</b>	
<b>AYES: 9</b>	<b>NOES: 0</b>	<b>ABSTAIN: 0</b>	<b>ABSENT: 13</b>
<b>AYES:</b> Jerry Stratton, Tracie Corpuz, Veronica Flournoy, Jeanette Ayala, Colleen Stanley, Duane Wolgamott, Sara Perez, Gordon Piffero, Rick Miller			
<b>ABSENT:</b> Ian Trejo, Rick Blanckmeister, Eva Contreras, Melody Canady, Rosemary Grounds, Rory Livingston, Nadene Dermody, Tim Ryan, Ana Aguillon, Eli Johnson, Catherine Reimer, Nicole Hester, Shelly Morr			

**8. Matching Safety Funds**

The Matching Safety Fund allocations for FY 2015-16 were provided to the Board. Along with the percentage of funds used by member district for FY 2014-15. The fund allocations for FY 2015-16 increased by 25% from FY 2014-15. Information item, no action taken.

**9. Meeting Schedule for FY 2015-16**

The Meeting Schedule for FY 2015-16 (adopted by the Executive Committee) was provided to the Board for their information. Information item, no action taken.

**CLOSING COMMENTS**

None

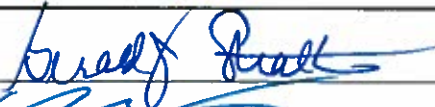
**UPCOMING MEETING -** October 7, 2015


**ADJOURNMENT**

Motion was made to adjourn the meeting at 2:46 p.m.

<b>MOTION:</b> Jerry Stratton <b>SECONDED:</b> Veronica Flournoy <b>MOTION CARRIED</b>			
<b>AYES:</b> 9	<b>NOES:</b> 0	<b>ABSTAIN:</b> 0	<b>ABSENT:</b> 13
<b>AYES:</b>	Jerry Stratton, Veronica Flournoy, Colleen Stanley, Duane Wolgamott, Jeanette Ayala, Tracie Corpuz, Sara Perez, Gordon Piffero, Rick Miller		
<b>ABSENT:</b>	Ian Trejo, Rick Blanckmeister, Eva Contreras, Melody Canady, Rosemary Grounds, Rory Livingston, Nadene Dermody, Tim Ryan, Ana Aguillon, Eli Johnson, Catherine Reimer, Nicole Hester, Shelly Morr		

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President/Vice President 

Executive Director 

Date 5-25-16

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