



Monterey Educational
Risk Management Authority
P.O. Box 3320
Salinas, CA 93912

EXECUTIVE COMMITTEE MINUTES
March 9, 2016

The Executive Committee of the Monterey Educational Risk Management Authority met at 76 Stephanie Drive, Salinas, on March 9, 2016 at 1:30 p.m.

Executive Committee Members Present

Rory Livingston, Vice President
Veronica Flournoy
Duane Wolgamott

Executive Members Absent

Jerry Stratton, President
Colleen Stanley

Guests and Staff

Mary Dawson, Gonzales U.S.D.
Jacinto Bernal, McGilloway, Ray, Brown, & Kaufman
Jamie Matthews, Gilbert & Associates – via teleconference
Thom Gilbert, Gilbert & Associates – via teleconference
Marcus Beverly, Alliant
Matt Gowan, Alliant
Karen Callahan, Intercare
Gary Metzler, Loss Control Manager
Connie Martin, Administrative Assistant

CALL TO ORDER

Rory Livingston called the meeting to order at 1:33 p.m.

ROLL CALL

Rory Livingston, Veronica Flournoy, Duane Wolgamott

APPROVAL OF AGENDA POSTED

Motion was made to approve the agenda as posted.

MOTION: Veronica Flournoy	SECONDED: Duane Wolgamott	MOTION CARRIED
AYES: 3	NOES: 0	ABSTAIN: 0
AYES: Veronica Flournoy, Duane Wolgamott, Rory Livingston		ABSENT: 2
ABSENT: Jerry Stratton, Colleen Stanley		

PUBLIC COMMENTS

None

CONSENT CALENDAR

The following items were presented:

1. Executive Committee Minutes – January 20, 2016
2. Payment Registers and Board Reports – January and February 2016,
3. Electronic Data Security Policy

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

MOTION: Veronica Flournoy	SECONDED: Duane Wolgamott	MOTION CARRIED
AYES: 3	NOES: 0	ABSTAIN: 0
ABSENT: 2		
AYES: Veronica Flournoy, Duane Wolgamott, Rory Livingston		
ABSENT: Jerry Stratton, Colleen Stanley		

ADMINISTRATIVE REPORTS

President’s Report

None

MERMA Administrative Update

Marcus Beverly reported:

1. Interactive Process Training – Marcus reported that the training held on February 19th was a big hit. It was a good turn out, received good feedback, it was well received. Marcus informed the Committee that he will keep looking for other topics for future trainings.
2. Meeting with Salinas Union High School District – Marcus met with Ana Anguillon and Lisa Gonzales to discuss workers’ comp issues along with discussion to get the Return-To-Work Program off the ground. Marcus informed the Committee that SUHSD will be moving the handling of their worker’s comp claims from the CBO’s office to the Human Resources office sometime in July.
3. Response to Claims Audit RFPs – Marcus informed the Committee that he has received a couple of responses to the RFPs. He will report on the responses at the next meeting.

Matt Gowan reported:

1. Matt stated that he would be attending the CASBO conference in Pasadena.

Claims Administrator's Report

Intercare provided the Executive Committee with the following reports:

1. Annual and Monthly Results on Claims,
2. New Claim Analysis – Received YTD 2015/2016,
3. Claim Closing Analysis – YTD 2015/2016,
4. Net Reserve Changes – YTD 2015/2016,
5. MERMA Company Nurse Results – February 2016 and,
6. MERMA Bill Review Results for February 2016.

Karen also reported on the Medical Provider Network (MPN). Karen informed the Committee that the MPN rollout was sent to all districts on February 9th. A second reminder was sent out on February 18th. Karen reported that to date, they have received notification acknowledging that information was sent to all of their employees from Greenfield USD, San Antonio USD, South Monterey JUHSD, Spreckels USD and King City USD is in the process of adding providers to their MPN. Discussion held and the Committee gave direction to send out another reminder to the districts that have not responded to the MPN rollout.

Executive Committee Report

Veronica Flournoy commented on the interactive training that was held on February 19th. She stated that their HR person attended the training and right away identified a staff member that the interactive process related to even though it was not a workers' comp case. Veronica stated it was great to see an immediate return on a training.

Financial Reports for Period Ending December 2015

Motion was made to accept and file the Financial Reports for Period Ending December 2015 as presented by Jacinto Bernal of McGilloway, Ray, Brown, & Kaufman. Jacinto mentioned in his report that he had met with Garry Bousum, MERMA's Treasurer. Garry informed Jacinto that he is working on making sure that MERMA gets a higher return on its investment income. Garry is trying to set up a separate fund just for the MERMA investments which would generate a higher return. Discussion held. Marcus and Jacinto will follow-up with Garry and will report back at a future meeting.

MOTION: Veronica Flournoy	SECONDED: Duane Wolgamott	MOTION CARRIED
AYES: 3	NOES: 0	ABSTAIN: 0
ABSENT: 2		
AYES: Veronica Flournoy, Duane Wolgamott, Rory Livingston		
ABSENT: Jerry Stratton, Colleen Stanley		

MERMA FY 14/15 Financial Audit

Motion was made to accept the draft FY 2014/15 audit as presented by Jamie Matthews and Thom Gilbert of Gilbert Associates and submit the final report for signature. MERMA will send final audit to Board of Directors.

MOTION: Veronica Flournoy	SECONDED: Duane Wolgamott	MOTION CARRIED	
AYES: 3	NOES: 0	ABSTAIN: 0	ABSENT: 2
AYES: Veronica Flournoy, Duane Wolgamott, Rory Livingston			
ABSENT: Jerry Stratton, Colleen Stanley			

JPA BUSINESS

Actuarial Review of the Self-Insured Workers' Compensation Program

Marcus Beverly provided the draft actuarial review report as prepared by Derek Burkhalter of Bickmore Risk Services. Marcus informed the Committee that Derek will present the final report via teleconference at the April meeting along with the individual premiums/Ex-Mods for each district. Marcus stated that the report is good news, the Expected rate dropped slightly from 1.43 per 100 payroll to 1.39. Marcus also mentioned that the outstanding liabilities have dropped by \$500,000 and assets are predicted to be \$36 million. Discussion held regarding history of confidence level and rate analysis on confidence level at 70%, 75% & 80%. Marcus also indicated the rates at different S.I.R. levels. Marcus stated that Matt will discuss the S.I.R. under the Workers' Comp Excess Insurance agenda item.

Workers' Compensation Excess Insurance Update

Matt Gowan reported on the Workers' Compensation Excess Insurance renewal. Matt stated that last year MERMA saved several hundred thousand dollars and lowered its risk level by layering coverage with two insurance companies. Matt informed the Committee that the renewal will most likely be a flat renewal with the possibility of lowering the S.I.R. Matt stated that he will have the final numbers for the Committee at the next meeting. Discussion held. Matt will report at the next meeting on the number of excess claims for the last five years.

Loss Control Services Report

Gary Metzler reported on an increase in human bite injuries. Gary reported that although there is a significant increase in bite injuries, the costs of treatment are low and cases are closed quickly. Gary stated that the treatment costs of human bites indicate that they have not been infected or caused scarring. Discussion held. Informational item only.

Matching Safety Grant Program Funding Update

Gary Metzler, Loss Control Manager, gave an update on the Matching Safety Grant Program Fund. Gary reported that Member Districts have only used 20% of the allocated funds to date. Gary will continue to periodically send out reminders to the member districts. The funds do not carryover to FY 2016-17. Discussion held. Informational item only.

Meeting Schedule FY 2016-17

Motion was made to pass a resolution establishing the Board and Executive Committee meeting dates for 2016-17.

MOTION: Veronica Flournoy	SECONDED: Duane Wolgamott	MOTION CARRIED	
AYES: 3	NOES: 0	ABSTAIN: 0	ABSENT: 2
AYES: Veronica Flournoy, Duane Wolgamott, Rory Livingston			
ABSENT: Jerry Stratton, Colleen Stanley			

Closing Comments

None

Upcoming Meeting

Next Executive Committee meeting will be held on April 13, 2016.

ADJOURNMENT

Motion was made to adjourn the meeting at 3:30 p.m.

MOTION: Veronica Flournoy	SECONDED: Duane Wolgamott	MOTION CARRIED	
AYES: 3	NOES: 0	ABSTAIN: 0	ABSENT: 2
AYES: Veronica Flournoy, Duane Wolgamott, Rory Livingston			
ABSENT: Jerry Stratton, Colleen Stanley			

President/Vice President



Executive Director



Date

4-13-16