



BOARD OF DIRECTORS' MINUTES
October 5, 2016

The Board of Directors of the Monterey Educational Risk Management Authority met at the Monterey Peninsula Yacht Club in Monterey, CA.

Board of Directors Present

Jerry Stratton, President, Salinas City ESD
Rory Livingston, Vice President
Colleen Stanley, MCOE
Veronica Flournoy, Spreckels USD
Tracie Corpuz, Washington USD
Ana Aguillon, Salinas USD
Roxanne Regules, Santa Rita USD – Alternate
Letty Diaz, Soledad USD - Alternate

Board Members Absent

Ian Trejo, Bradley USD
Rick Blanckmeister, Carmel USD
Gordon Piffero, Big Sur USD
Eva Contreras, Chualar USD
Mary Dawson, Gonzales USD
Annette Mooneyham, Greenfield
Rosemary Grounds, Graves SD
Nadene Dermody, Lagunita SD
Tim Ryan, Mission USD
Rick Miller, Pacific Grove USD
Pam Hernandez, San Antonio USD
Catherine Reimer, San Ardo USD
Nicole Hester, San Lucas USD
Claudia Arellano, SMCJUSD

Guests and Staff

Lise Belton, Spreckels USD
Alberto Verduzco, Salinas USD
Marcus Beverly, Alliant
Matt Gowan, Alliant
Derek Barkhalter, Bickmore Risk Services
Greg Rolen, Haight, Brown Bonesteel
Karen Callahan, Intercare
Marlene Richardson, Intercare
Danielle Buri, Intercare
Gary Metzler, MERMA
Connie Martin, MERMA
Hallie Pacheco, MERMA

CALL TO ORDER

President Stratton called the meeting to order at 9:30 a.m.

ROLL CALL

8 Board members present & 14 Board members absent

Introduction of Board of Directors and Guests

APPROVAL OF AGENDA AS POSTED

Motion was made to approve the agenda as amended changing item number 7 to information item from action item.

MOTION: Veronica Flournoy	SECONDED: Tracie Corpuz	MOTION CARRIED
AYES: 8	NOES: 0	ABSTAIN: 0
		ABSENT: 14
AYES: Veronica Flournoy, Tracie Corpuz, Ana Anguillon, Roxanne Regules, Letty Diaz, Rory Livingston, Colleen Stanley, Jerry Stratton		
ABSENT: Ian Trejo, Gordon Piffero, Eva Contreras, Mary Dawson, Rosemary Grounds, Nadene Dermody, Tim Ryan, Rick Miller, Pam Hernandez, Catherine Reimer, Nicole Hester, Rick Blanckmeister, Annette Mooneyham, Claudia Arellano		

PUBLIC COMMENTS

None

CONSENT CALENDAR

The following item was approved:

1. Board of Directors' Minutes – May 25, 2016

MOTION:	Veronica Flournoy	SECONDED:	Tracie Corpuz	MOTION CARRIED			
AYES:		NOES:	0	ABSTAIN:	0	ABSENT:	13
AYES:	Veronica Flournoy, Tracie Corpuz, Ana Anguillon, Roxanne Regules, Letty Diaz, Rory Livingston, Colleen Stanley, Jerry Stratton						
ABSENT:	Ian Trejo, Gordon Piffero, Eva Contreras, Mary Dawson, Rosemary Grounds, Nadene Dermody, Tim Ryan, Rick Miller, Pam Hernandez, Catherine Reimer, Nicole Hester, Rick Blanckmeister, Annette Mooneyham, Claudia Arellano						

ADMINISTRATIVE REPORTS

President's Report

President Stratton report that he attended the CAJPA Conference. President Stratton encourages everyone to attend if possible. President Stratton stated the conference is really educational. The classes were very informative and the motivation speakers were excellent. President Stratton overall, it was a great conference.

Board of Directors

Veronica Flournoy reported that she also attend the CAJPA conference. She stated that it is a good opportunity for members to attend the conference. She thanked Marcus Beverly and Matt Gowan for making the recommendation for board members to attend the conference because it was never offered to board members to attend the conference in the past.

JPA BUSINESS

MERMA Overview 2016

Marcus Beverly and Matt Gowan provided to the Board an overview of MERMA's coverage, services, Company Nurse, and positive development in financial condition. The investment returns with County Treasurer and Return to Work Program were also discussed.

Marcus Beverly also reported on the CAJPA Accreditation. MERMA established new policies and resolutions in order to receive the CAJPA Accreditation. MERMA applied for CAJPA Accreditation in June 2015, achieved conditional accreditation in November 2015 and received CAJPA Accreditation with Excellence in March 2016. Information item only. Discussion held.

Rating Plan Options

Derek Burkhalter of Bickmore Risk Services presented a number of options for MERMA's loss funding rating plan.

The Board of Directors reviewed and discussed at length the options for revising MERMA's rating plan by changing the method of calculating member experience modification factors.

Motion was made to approve the proposed WCIRB formula that will become effective on January 1, 2017. The new formula maintains the three-year loss history but changes the capped amount of the losses based on a member's size. This method should reduce the impact of a bad loss or year on the smaller members of MERMA.

The Board of Directors also requested the Executive Committee have a separate discussion regarding a plan or policy to use reserve funds to reduce funding swings, with a payback plan, to support MERMA's smaller districts as needed.

MOTION: Veronica Flournoy	SECONDED: Ana Anguillon	MOTION CARRIED
AYES: 7	NOES: 1	ABSTAIN: 0
		ABSENT: 14
AYES:	Veronica Flournoy, Ana Anguillon, Colleen Stanley, Letty Diaz, Roxanne Regules, Tracie Corpuz, Jerry Stratton,	
NOES:	Rory Livingston (<i>liked the 5-year option & does not like to set aside funds</i>)	
ABSENT:	Ian Trejo, Gordon Piffero, Eva Contreras, Mary Dawson, Rosemary Grounds, Nadene Dermody, Tim Ryan, Rick Miller, Pam Hernandez, Catherine Reimer, Nicole Hester, Rick Blanckmeister, Annette Mooneyham, Claudia Arellano	

Public Records Act Requests

Greg Rolen of Haight Brown & Bonesteel, MERMA's Board counsel, presented the fundamental of the Public Records Act, with tips for how to respond to public record requests. Discussion held. Information item only, no action.

MERMA's Future

Risk Control Services

Marcus Beverly informed the Board that Gary Metzler, Loss Control Manager, has indicated that he will retire within the first quarter of 2017. Marcus provided the Board with the Loss Control Manager Job Description, Summary of Loss Control Services for fiscal year 2015/16 and the Loss Control Policy. Discussion was held as to whether to hire an in-house Loss Control Manager or contract out for Loss Control services. After lengthy discussion held.

Motion was made to maintain the Loss Control Manager Position as an in-house position, set date pending and open to until filled for 30 days.

MOTION: Veronica Flourmoy	SECONDED: Roxanne Regules	MOTION CARRIED	
AYES: 9	NOES: 0	ABSTAIN: 0	ABSENT: 13
AYES:	Veronica Flourmoy, Roxanne Regules, Colleen Stanley, Tracie Corpuz, Roxanne Regules, Letty Diaz, Ana Anguillon, Rory Livingston, Jerry Stratton		
ABSENT:	Ian Trejo, Gordon Piffero, Eva Contreras, Mary Dawson, Rosemary Grounds, Nadene Dermody, Tim Ryan, Rick Miller, Pam Hernandez, Catherine Reimer, Nicole Hester, Rick Blanckmeister, Annette Mooneyham, Claudia Arellano		

Member Growth

Marcus Beverly reported that MERMA was approached by a potential new member, Sun Rise House. Marketing new members was discussed. Rory Livingston stated that he would like to see more school districts join the JPA but no desire in law enforcement or firefighters. Matt Gowan informed the Board that he is meeting with a school district that is outside of Monterey County. Veronica Flourmoy stated that Matt should contact Alisal, MPUSD and NMCUSD and to consider the junior colleges also. Information only, no action.

Future Trends and Response

Marcus Beverly provided a copy of the Future Ready publication by AGRIP to the Board to review trends that will or could have an impact on MERMA's operations for discussion and direction regarding trends. Marcus stated that he focused on the major topics. Some of the edited trends categories provided were society, technology, economy, environment and politics. President Stratton encouraged the Board to read the excellent document, give it some thought and to please share their thoughts when the Board reconvenes again. Information only, no action.

Intercare Claims Management Stewardship Report

Intercare provided the Board with their Stewardship Report. The report provides the JPA with an analysis of:

- the past and current loss trends,
- cause and cost drivers,
- review and evaluates current program initiatives,
- measures progress against the JPA's specific organizational objects,
- risk management goals and service goals.

Intercare reported that the closing results for 2015-16 was excellent at 97%, their goal is to reach 100%. Litigation rate decrease by 50%, settled 24 cases by Compromise and Release in 2015-16 and reduced future medical claims from 310 to 255.

Intercare reported that their goal is to provide value to the partnership with the JPA by taking care of the injured workers so they may return to work as soon as appropriate, control cost and close claims as quickly as possible. Discussion held. Information item only, no action.

The Brown Act – What You Don't Know Can Hurt You!

Greg Rolen of Haight, Brown & Bonesteel, MERMA's Board counsel, presented an overview of the Brown Act and key provisions that the Board members need to be aware of. Greg stated that the Brown Act is law. He stated that he is focusing on promoting more stability and training for Board Members. Greg stated that the only changes in the Brown Act have been in technology. Discussion held. Information item, no action.

Roundtable Discussion

President Stratton asked the following questions:

- was the meeting meaningful?
- how can we make it better?
- is the format okay?
- is the location?

The Board discussed that they learned a lot, the information is great, the location is great, and format is wonderful. The Board thanked President Stratton for all his work. President Stratton asked the Board if they had any further comments to please send them to him via email.

CLOSING COMMENTS

None

UPCOMING MEETING - May 24, 2017

ADJOURNMENT

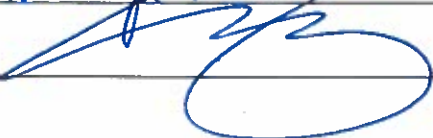
Motion was made to adjourn the meeting at 2:55 p.m.

MOTION: Rory Livingston	SECONDED: Veronica Flournoy	MOTION CARRIED	
AYES: 8	NOES: 0	ABSTAIN: 0	ABSENT: 14
AYES:	Rory Livingston, Veronica Flournoy, Colleen Stanley, Tracie Corpuz, Ana Anguillon, Roxanne Regules, Letty Diaz, Jerry Stratton		
ABSENT:	Ian Trejo, Gordon Piffero, Eva Contreras, Mary Dawson, Rosemary Grounds, Nadene Dermody, Tim Ryan, Rick Miller, Pam Hernandez, Catherine Reimer, Nicole Hester, Rick Blanckmeister, Annette Mooneyham, Claudia Arellano		

Jerry Stratton President



Marcus Beverly, Executive Director



Date

5/24/17