



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

EXECUTIVE COMMITTEE MINUTES
August 16, 2017

The Executive Committee of the Monterey Educational Risk Management Authority met at 76 Stephanie Drive, Salinas, on August 16, 2017 at 1:30 p.m.

Executive Committee Members Present

Jerry Stratton, President
Rory Livingston, Vice President – via teleconference
Veronica Flournoy
Colleen Stanley
Ana Aguillon

Guests and Staff

Marcus Beverly, Alliant
Matt Gowan, Alliant
Karen Callahan, Intercare
Marlene Richardson, Intercare
Connie Hampson, Intercare
Gail Bowman
Alberto Verduzco, SUHSD
Julio Jauregui, Loss Control Manager
Hallie Pacheco, Administrative Assistant
Connie Martin, Administrative Assistant

A. CALL TO ORDER

President Stratton called the meeting to order at 1:30 p.m.

B. ROLL CALL

Present: Jerry Stratton, Rory Livingston (via teleconference), Veronica Flournoy, Colleen Stanley
Ana Aguillon

C. APPROVAL OF AGENDA POSTED

Motion was made to approve the agenda as posted.

MOTION: Veronica Flournoy	SECONDED: Colleen Stanley	MOTION CARRIED	
AYES: 5	NOES: 0	ABSTAIN: 0	ABSENT: 0
AYES: Veronica Flournoy, Colleen Stanley, Ana Aguillon, Rory Livingston, Jerry Stratton			
ABSENT: 0			

D. PUBLIC COMMENTS

Gail Bowman, retired teacher from Salinas City Elementary School District, addressed the Committee and asked to sit in on the meeting. President Stratton informed Ms. Bowman that she was more than welcome to attend the meeting.

E. CONSENT CALENDAR

The following items were presented:

1. Executive Committee Minutes – April 12, 2017,
2. Payment Registers and Board Reports – April, May, June & July 2017,
3. FYE 2017 Financial Audit – Engagement Letter,
4. Workers’ Compensation Memorandum of Coverage
5. Memorandum of Understanding – County Treasurer & MERMA.

Motion was made to approve items 1 through 5 as presented with a single motion.

MOTION: Colleen Stanley	SECONDED: Veronica Flournoy	MOTION CARRIED	
AYES: 5	NOES: 0	ABSTAIN: 0	ABSENT: 0
AYES: Veronica Flournoy, Colleen Stanley, Rory Livingston, Ana Aguillon, Jerry Stratton			
ABSENT: 0			

F. ADMINISTRATIVE REPORTS

1. President’s Report

President Stratton reported that he and Marcus Beverly met with Garry Bousum at MCOE. President Stratton stated that Garry Bousum has been concerned about the level of excess reserves that MERMA has and the amount that Garry believes MCOE is owed and should receive. President Stratton informed the Committee the meeting wasn’t totally pleasant, it got a bit contentious at times but they left with some constructive criticism. They went back and looked at some options that will be presented at the meeting, under item G-1 for information and discussion. After discussion President Stratton stated that he looks forward to the general meeting in October to discuss with the full Board.

2. MERMA Administrative Update

Matt Gowan invited the Executive Committee to a dinner that is hosted by Alliant during the CAJPA conference.

Matt also discussed non-member districts that are eligible to join MERMA. Discussion held. President Stratton stated that he will contact two non-member districts to discuss the possibility of them joining MERMA.

Marcus stated that Connie Martin would be addressing the EC. Connie announced that she is planning on retiring on December 30, 2017. Connie thanked the Executive Committee for her 27 years of employment. The Executive Committee congratulated Connie on her upcoming retirement.

3. Claims Administrator's Report

Intercare provided the Executive Committee with the following reports:

- Annual and Monthly Claim Results,
- New Claim Analysis YTD 2016/17 – as of 6/30/17 & 7/31/17,
- Monthly Frequency & Severity Reports as 7/31/17,
- Claim Closing Analysis YTD 2016/17 – as 7/31/17,
- Net Reserve Changes – YTD 2016/17 – as of 6/30/17 & 7/31/17,
- MERMA Company Nurse Results for June and July 2017,
- MERMA Bill Review Results for June and July 2017.

4. Executive Committee Report

Ana Aguillon reported that this was her first EC meeting. She stated that she has a lot to learn, and is looking forward to attending the CAJPA conference next year.

Alberto Verduzco, HR Director, for Salinas Union High School District, mentioned that his district would be conducting safety training for the custodial staff on October 9th. He asked the Committee if they had any ideas on safety training or safety presenters for October 9th. Julio Jauregui, MERMA Control Manager will assist Mr. Verduzco with the safety training on October 9th. *(Mr. Verduzco is shadowing Ms. Aguillon this year. He will eventually take over handling of workers' comp for SUHSD)*

G. JPA BUSINESS

1. Options For Use of Net Position Above Funding Benchmarks

Marcus Beverly started his report stating that \$25 million has been transferred into the custodial bank account for longer-term investment, and that impacts the amount of money available for distribution. Mary Zeeb, Monterey County Treasurer, will make a presentation at the Board meeting in October regarding the new investment fund.

The Executive Committee is considering options for use of Net Position above the funding benchmarks established in MERMA’s Funding Policy. The Committee discussed how much money to distribute, how to use the funds, and how to allocate the amount between the members. Marcus Beverly provided the Committee with different options.

After a lengthy discussion, motion was made to take information to full Board in October as presented minus North Monterey County on Option 2 chart with 1 million (right hand column only) with their recommendation of 3 million for distribution.

MOTION: Rory Livingston	SECONDED: Veronica Flournoy	MOTION CARRIED
AYES: 5	NOES: 0	ABSTAIN: 0
		ABSENT: 0
AYES: Rory Livingston, Veronica Flournoy, Colleen Stanley, Ana Aguillon, Jerry Stratton		
ABSENT: 0		

2. Loss Control Update

Julio Jauregui, Loss Control Manager provided the Committee with reports on the Matching Safety Allocations for FY 2017-18 and on recent site visits at MCOE, South Monterey County JUHSD, King City Union, Carmel USD, Salinas HSD, and Spreckels USD.

Julio conducted training, ergo evaluations and various safety support to the districts. Julio also reported on his “work in progress” projects along with his action plan for FY 2017-18. Discussion held. Information item only.

3. Topics for the October Board Meeting

Marcus Beverly provided the Committee with a draft board agenda for their review and input for the October 18th meeting. The Committee reviewed the agenda and added item. Information item only.

Colleen Stanley left the meeting at 2:40 p.m.

4. Meeting Date Review and Confirmation

Motion was made to approve the revised meeting calendar to reflect moving the October Board meeting from October 11th to October 18th.

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

H. Closing Comments

None

I. Upcoming Meeting

Next Executive Committee meeting will be held on November 8, 2017.

J. ADJOURNMENT

Motion was made to adjourn the meeting at 2:52 p.m.

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

Gerald Stratton, President: 

Marcus Beverly, Executive Director: 

Date: 10/18/17