



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

EXECUTIVE COMMITTEE MINUTES
April 11, 2018

The Executive Committee of the Monterey Educational Risk Management Authority met at 76 Stephanie Drive, Salinas, on April 11, 2018 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 – *Arrived at 1:43 p.m.*
Veronica Flournoy, Spreckels Union School District
Colleen Stanley, Monterey County Office of Education
Ana Aguillon, Salinas Union High School District

Guests and Staff

Marcus Beverly, Alliant
Matt Gowan, Alliant
Marlene Richardson, Intercare
Julio Jauregui, MERMA
Hallie Pacheco, MERMA

A. CALL TO ORDER

President Stratton called the meeting to order at 1:33 p.m.

B. ROLL CALL

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

C. APPROVAL OF AGENDA POSTED

Motion was made to approve the agenda as posted.

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

D. PUBLIC COMMENTS

None

E. CONSENT CALENDAR

The following items were presented:

1. Executive Committee Minutes – March 14, 2018
2. Payment Register and Board Report – March 2018
3. MCOE Agreement Regarding Electronic Distribution of Direct Deposit Pay Advices

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

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

F. ADMINISTRATIVE REPORTS

1. President's Report

Jerry Stratton reported that he asked Hallie Pacheco at MERMA to make placeholder room reservations for CAJPA this Fall. The reservations have been confirmed.

2. Pool Administrator's Report

Marcus Beverly reported that dividend checks are ready for the nine members who have responded. MERMA will be sending out a reminder for those who have not responded.

3. Claims Administrator's Report

Marlene Richardson of Intercare reported there was a spike in claims for the month of March with 60 new claims reported. The claims consisted of 5 first aid, 22 medical only, 12 indemnity and 21 information only.

Marlene stated there were 6 C&R settlements within the last three months which settles out all future medical and other issues. She stated this is a good result in a short period of time.

Claims Administrator’s Report continued

Marlene also reported that she attended a mediation for a claim from Soledad Unified School District and was successful in getting a recovery settlement in the amount of \$80,000.

Jerry Stratton stated he wanted to thank Marlene Richardson personally for working on a couple of sensitive cases with him. He really appreciates her professionalism.

Rory Livingston arrived at 1:43 p.m.

4. Executive Committee Report

Colleen Stanley thanked everyone on the Committee for their kindness and patience while working on the dividend process. She feels very pleased with all the work the Committee has done throughout this process.

G. FINANCIAL REPORTS

1. Workers’ Compensation Excess Insurance Update

Matt Gowan reported on the Excess Insurance renewal. He provided the Committee with three SIR options, \$75,000, \$100,000 and \$500,000. Matt stated the low excess insurance, the layer from \$75,000 - \$500,000, will be an increase of 8.5%. The high excess insurance will be an increase of 3%. Discussion held.

Motion was made to accept the recommendation to keep the SIR for the Workers’ Compensation Excess Insurance at \$75,000 for FY 2018-19.

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

2. Preliminary Budget FY 2018-19

Marcus Beverly presented the preliminary budget for FY 2018-19. Originally estimated the admin revenues could decrease but with increase in excess insurance that would create a deficit. Guidance was given to present a balanced budget for the Committee’s review and approval.

3. Funding Options for FY 2018-19

Marcus Beverly presented options for funding at various confidence levels for Fiscal Year 2018-19. Lengthy discussion held.

Motion was made to set the FY 2018-19 budget with a 75% Confidence Level and return to the actuary to increase the administration expenses back to \$5,000,000 to balance the budget.

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

4. Loss Control Update

Julio Jauregui provided an update on his recent activity and grant fund requests. He is providing districts with safety compliance training and certification, fall protection, hazard communication and forklift/heavy equipment certification. He has conducted over 81 ergonomic evaluations since September 2017. Julio reported that to date six members out of the 22 have used their Matching Safety Funds.

Julio stated he will be getting certified to conduct training on CPR, AED and First Aid. The Committee would like him to let all members know once he is certified and can start conducting this training.

Julio will be contacting the members to update their IIPP.

5. Volunteer Coverage

Marcus Beverly provided the Committee with the volunteer coverage letter to be sent out to all members along with a sample resolution.

6. Executive Committee Members Terms Ending June 30, 2018

Marcus Beverly reported that three Executive Committee member's terms will be expiring at the end of June. He asked if the members are interested in staying on the Executive Committee or if anyone has suggested nominees.

The Committee advised Marcus Beverly to send out a letter to the members asking for interest in serving on the Executive Committee and for nominees.

H. Closing Comments

None

I. Upcoming Meetings

Executive Committee Meeting – May 9, 2018

J. ADJOURNMENT

Motion was made to adjourn the meeting at 2:57 p.m.

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

Gerald Stratton, President: 

Marcus Beverly, Executive Director: 

Date: 5/9/18