



Monterey Educational Risk Management Authority

P.O. Box 3320, Salinas, CA 93912

www.merma.org

**BOARD OF DIRECTORS
WebEx/TELECONFERENCE
MEETING MINUTES
May 13, 2020**

The Board of Directors of the Monterey Educational Risk Management Authority held a WebEx/teleconference meeting on May 13, 2020 at 1:30 p.m.

Board of Directors Present via WebEx/Teleconference

Rory Livingston, President, King City USD
Colleen Stanley, Vice-President, MCOE
Ana Aguillon, Secretary, Salinas UHSD
Veronica Flournoy, Spreckels USD
Elizabeth Wilson, Soledad USD
Lindsay Lopez, Bradley USD
Yvonne Perez, Carmel USD
Mary Dawson, Gonzales USD
Rosemarie Grounds, Graves USD – *Arrived after Roll Call*
Daniel Stonebloom, Lagunita USD
Alejandro Hogan, Salinas City Elementary SD
Catherine Reimer, San Ardo USD
Becky Moore, Santa Rita USD

Board of Directors Absent

Jonathan Sison, Big Sur USD
Martha Eva Contreras, Chualar USD
Annette Mooneyham, Greenfield USD
Dr. Jinane Annous, Mission USD
Song Chin-Bendib, Pacific Grove USD
Jose Garcia, San Antonio USD
Jessica Riley, San Lucas USD
Sherrie Castellanos, SMCJUHSD
Tracie Corpuz, Washington USD

Guests and Staff Present via WebEx/Teleconference

Marcus Beverly, Alliant
Matt Gowan, Alliant
Marlene Richardson, Intercare
Connie Hampson, Intercare
Karen Callahan, Intercare
Jacinto Bernal, McGilloway, Ray, Brown & Kaufman
Angela Murguia, MERMA
Maria Hernandez Sandoval, MERMA
Hallie Pacheco, MERMA

A. CALL TO ORDER

Rory Livingston called the meeting to order at 1:36 p.m.

B. ROLL CALL

Present: Rory Livingston, Colleen Stanley, Ana Aguillon, Veronica Flournoy, Elizabeth Wilson, Lindsay Lopez, Yvonne Perez, Mary Dawson, Daniel Stonebloom, Alejandro Hogan, Catherine Reimer, Becky Moore

12 Board members present, and 10 Board members absent.

Rosemarie Grounds arrived after roll call was taken.

C. APPROVAL OF AGENDA AS POSTED

Motion was made to approve the agenda as posted.

MOTION: Colleen Stanley	SECONDED: Ana Aguillon	MOTION CARRIED
AYES: 12	NOES: 0	ABSENT: 10
ABSTAIN: 0		
AYES: Veronica Flournoy, Colleen Stanley, Ana Aguillon, Elizabeth Wilson, Rory Livingston, Lindsay Lopez, Yvonne Perez, Mary Dawson, Daniel Stonebloom, Alejandro Hogan, Catherine Reimer, Becky Moore		
ABSENT: Jonathan Sison, Martha Eva Contreras, Rosemarie Grounds, Annette Mooneyham, Dr. Jinane Annous, Song Chin-Bendib, Jose Garcia, Jessica Riley, Sherrie Castellanos, Tracie Corpuz		

D. PUBLIC COMMENTS

None

E. CONSENT CALENDAR

The following items were presented:

1. Board of Directors Minutes – October 9, 2019
2. Lease Agreement between MERMA and Intercare

Motion was made to approve items 1 and 2 as presented with a single motion.

MOTION: Elizabeth Wilson	SECONDED: Colleen Stanley	MOTION CARRIED
AYES: 12	NOES: 0	ABSTAIN: 0
		ABSENT: 10
AYES:	Elizabeth Wilson, Colleen Stanley, Veronica Flournoy, Ana Aguillon, Rory Livingston, Lindsay Lopez, Yvonne Perez, Mary Dawson, Daniel Stonebloom, Alejandro Hogan, Catherine Reimer, Becky Moore	
ABSENT:	Jonathan Sison, Martha Eva Contreras, Rosemarie Grounds, Annette Mooneyham, Dr. Jinane Annous, Song Chin-Bendib, Jose Garcia, Jessica Riley, Sherrie Castellanos, Tracie Corpuz	

F. ADMINISTRATIVE REPORTS

1. President's Report

Rory Livingston stated that he is assuming that some of the Executive Orders by the Governor will have an impact on us in the long term, but we'll worry about that at a later date.

2. Pool Administrator's Report

Marcus Beverly stated schools are supposed to start July 1st and the whole California State Universities are going to be shut down for the rest of the year. Not sure what to make of this.

Rory Livingston stated there was discussion between the Superintendents and County about reopening schools and what may or may not be required and what has to be approved by the County Health Officer. Then he received a breaking news flash that the top county officials are projecting the surge to occur in Monterey County in late summer and early fall.

3. Claims Administrator's Report

Connie Hampson of Intercare provided the Executive Committee with the following reports:

- Annual and Monthly Claim Results – April 2020
- New Claim Analysis Received FYTD – as of 4/30/2020
- Frequency & Severity Reports FYTD Claims Reported - 7/1/19 – 4/30/2020
- Claim Closing Analysis FYTD – as of 4/30/2020
- Net Reserve Changes – FYTD – as of 4/30/2020
- MERMA Company Nurse Results – April 2020
- MERMA Bill Review Results for April 2020

Discussion held regarding the Governor's Executive Order regarding COVID-19 workers' compensation claims.

Rosemarie Grounds arrived at the meeting.

4. Loss Control Report

Maria Hernandez Sandoval reported that she is ready to provide training to all managers and supervisors on incident investigation, team building and safety culture, and injury and illness prevention programs. This is scheduled for June 22nd at MCOE. She stated she will be sending out an email to invite the members and start the registration process. She would also like to find a location on the peninsula and south county to hold trainings. If members have a site available please let her know.

Maria stated she is currently not able to conduct in person ergonomic evaluations. She is trying to get a Zoom program going so if anyone has any needs or concerns to please contact her and she can assist them this way. Information has been sent out to all members with the ergonomic job safety analysis.

Maria is working on an Infectious Disease Preparedness and Response Plan addressing COVID-19 to assist the members with prevention and being prepared for when employees go back to work. If the members already have a program that addresses pandemic situations in place that just needs to be revamped, she asked that they please send them to her, and she can review and update the program.

She is in the process of scheduling meetings with all the members to introduce herself and discuss what she can do to assist with their loss prevention program and what can be done to reduce injury rates.

Maria stated that more districts have recently sent in their requests for the Matching Safety Funds. One member is in the process of having plexiglass installed at several of their locations. These funds can be used for that purpose and anything having to do with prevention of the contagion of COVID-19. The funds may also be used for an incentive program.

Rory Livingston stated that he thinks all classrooms across the entire County will be required to have thermometers to take students' temperatures before entering the classroom. This could be an item that could be purchased with these funds as it would be protecting the health and welfare of our employees. Marcus Beverly stated we do still have the Risk Management Reserve fund that the Board set aside if there is a need and can consider this down the road as well.

5. Executive Committee Report

Nothing to report.

G. FINANCIAL REPORTS

1. Financial Statements for Period Ending March 31, 2020

Jacinto Bernal of McGilloway, Ray, Brown & Kaufman presented the Financial Statements for Period Ending March 31, 2020.

A motion was made to accept and file the Financial Statements for Period Ending March 31, 2020 as presented.

MOTION: Colleen Stanley	SECONDED: Elizabeth Wilson	MOTION CARRIED
AYES: 13	NOES: 0	ABSTAIN: 0
ABSENT: 9		
AYES: Colleen Stanley, Elizabeth Wilson, Veronica Flournoy, Ana Aguillon, Rory Livingston, Lindsay Lopez, Yvonne Perez, Mary Dawson, Daniel Stonebloom, Alejandro Hogan, Catherine Reimer, Becky Moore, Rosemarie Grounds		
ABSENT: Jonathan Sison, Martha Eva Contreras, Annette Mooneyham, Dr. Jinane Annous, Song Chin-Bendib, Jose Garcia, Jessica Riley, Sherrie Castellanos, Tracie Corpuz		

H. JPA BUSINESS

1. Workers’ Compensation Excess Insurance Proposal FY 20-21

Matt Gowan presented the Board of Directors with the results of the excess Workers’ Compensation renewal quotes and terms for FY 20-21. He stated the coverage has already been bound because due to COVID-19 claims and recent changes about compensability of those claims other pools have had their quotes pulled. After discussion with the President and Executive Committee it was recommended to bind the quote immediately.

Matt Gowan stated for the first layer, \$50,000 per occurrence to \$500,000 per occurrence, we received a renewal that was absolutely flat with no increase.

For the second layer, \$500,000 per occurrence up to \$100,000,000, State National was giving us an increase of about 20%. We decided to go out to bid on that layer of insurance because of the large increase. We received a quote from Safety National which was slightly cheaper than our expiring. Instead of a limit of \$100,000,000 they gave us statutory limits, which means they will pay as high as the claim goes. This will be essentially a flat rate of renewal and this is very good news, with better coverage and a larger excess carrier.

Colleen Stanley stated Matt Gowan did an excellent job with this and she really appreciates his diligence and attention. Elizabeth Wilson stated that she appreciates all of the effort Matt has put into this renewal.

Motion was made to approve and ratify the bound Workers’ Compensation Excess Insurance for FY 20-21 with a Self-Insured Retention of \$50,000. The first layer of Excess \$50,000-\$500,00 with State National and the second layer \$500,000 – Statutory with Safety National.

MOTION: Colleen Stanley	SECONDED: Elizabeth Wilson	MOTION CARRIED
AYES: 13	NOES: 0	ABSTAIN: 0
ABSENT: 9		
AYES: Colleen Stanley, Elizabeth Wilson, Veronica Flournoy, Ana Aguillon, Rory Livingston, Lindsay Lopez, Yvonne Perez, Mary Dawson, Daniel Stonebloom, Alejandro Hogan, Catherine Reimer, Becky Moore, Rosemarie Grounds		
ABSENT: Jonathan Sison, Martha Eva Contreras, Annette Mooneyham, Dr. Jinane Annous, Song Chin-Bendib, Jose Garcia, Jessica Riley, Sherrie Castellanos, Tracie Corpuz		

2. Budget for FY 20-21

Marcus Beverly presented the budget for FY 20-21. He stated it is overall a very straightforward budget with not a lot of changes. Discussion held.

Motion was made to approve the budget for FY 20-21 as presented.

MOTION: Veronica Flournoy	SECONDED: Colleen Stanley	MOTION CARRIED
AYES: 13	NOES: 0	ABSTAIN: 0
ABSENT: 9		
AYES: Veronica Flournoy, Colleen Stanley, Elizabeth Wilson, Ana Aguillon, Rory Livingston, Lindsay Lopez, Yvonne Perez, Mary Dawson, Daniel Stonebloom, Alejandro Hogan, Catherine Reimer, Becky Moore, Rosemarie Grounds		
ABSENT: Jonathan Sison, Martha Eva Contreras, Annette Mooneyham, Dr. Jinane Annous, Song Chin-Bendib, Jose Garcia, Jessica Riley, Sherrie Castellanos, Tracie Corpuz		

3. Program Funding FY 20-21

Marcus Beverly presented the Program Funding for FY 20-21. He stated the rate is at an 80% Confidence Level with only a 1% increase, from \$2.4401 to \$2.4621. This is really good news that reflects on the management of the underlying claims and the results in marketing the excess insurance.

Motion was made to approve the Program Funding and Premium Contribution Rates for FY 20-21, based on an 80% Confidence Level, \$50,000 Self Insured Retention, 1.5% discount rate and with a base rate of \$2.4621.

MOTION: Veronica Flournoy	SECONDED: Ana Aguillon	MOTION CARRIED
AYES: 13	NOES: 0	ABSTAIN: 0
ABSENT: 9		
AYES: Veronica Flournoy, Ana Aguillon, Colleen Stanley, Elizabeth Wilson, Rory Livingston, Lindsay Lopez, Yvonne Perez, Mary Dawson, Daniel Stonebloom, Alejandro Hogan, Catherine Reimer, Becky Moore, Rosemarie Grounds		
ABSENT: Jonathan Sison, Martha Eva Contreras, Annette Mooneyham, Dr. Jinane Annous, Song Chin-Bendib, Jose Garcia, Jessica Riley, Sherrie Castellanos, Tracie Corpuz		

4. Election of Executive Committee Members

Marcus Beverly stated three Executive Committee members are up for election, Rory Livingston, Ana Aguillon and Elizabeth Wilson. Yvonne Perez, CBO of Carmel Unified has expressed interest in serving on the Executive Committee. It has been suggested to have Yvonne Perez come on board as a shadow Executive Committee member for a year to learn the ropes. Yvonne stated she would be happy to shadow the Committee for a year.

Motion was made to nominate and re-elect Rory Livingston, Ana Aguillon and Elizabeth Wilson to serve on the Executive Committee from July 1, 2020 to June 30, 2022.

MOTION: Veronica Flournoy	SECONDED: Colleen Stanley	MOTION CARRIED
AYES: 13	NOES: 0	ABSTAIN: 0
ABSENT: 9		
AYES: Veronica Flournoy, Colleen Stanley, Elizabeth Wilson, Ana Aguillon, Rory Livingston, Lindsay Lopez, Yvonne Perez, Mary Dawson, Daniel Stonebloom, Alejandro Hogan, Catherine Reimer, Becky Moore, Rosemarie Grounds		
ABSENT: Jonathan Sison, Martha Eva Contreras, Annette Mooneyham, Dr. Jinane Annous, Song Chin-Bendib, Jose Garcia, Jessica Riley, Sherrie Castellanos, Tracie Corpuz		

5. Selection of Officers

Elizabeth Wilson nominated Rory Livingston to serve in the position as President for the next two years. Veronica Flournoy asked if she could modify the motion and appoint the slate of officers as they currently serve, President Rory Livingston, Vice-President Colleen Stanley, and Secretary Ana Aguillon. Elizabeth Wilson stated she would accept that as her motion.

MOTION: Elizabeth Wilson	SECONDED: Veronica Flournoy	MOTION CARRIED
AYES: 13	NOES: 0	ABSENT: 9
ABSTAIN: 0		
AYES: Elizabeth Wilson, Veronica Flournoy, Colleen Stanley, Ana Aguillon, Rory Livingston, Lindsay Lopez, Yvonne Perez, Mary Dawson, Daniel Stonebloom, Alejandro Hogan, Catherine Reimer, Becky Moore, Rosemarie Grounds		
ABSENT: Jonathan Sison, Martha Eva Contreras, Annette Mooneyham, Dr. Jinane Annous, Song Chin-Bendib, Jose Garcia, Jessica Riley, Sherrie Castellanos, Tracie Corpuz		

6. Meeting Schedule for FY 20-21

Marcus Beverly presented the meeting schedule for FY 20-21. He stated the next Board of Directors meeting will be October 14th at the Monterey Peninsula Yacht Club.

Rory Livingston stated he would like to schedule an Executive Committee meeting in June or July. It was agreed and a meeting has been scheduled now for July 15th to discuss 3rd and 4th quarter claims. The meeting calendar will be updated to reflect this added meeting and sent out to the board members.

I. Closing Comments

Ana Aguillon wanted to say thank you for the support and confidence to the Board and to Veronica Flournoy for making the motion to nominate her to continue to serve on the Executive Committee. She stated she has really enjoyed being a part of this. She said it was a great idea to have Yvonne Perez shadow the Committee as there is so much to learn.

J. Upcoming Meetings

Board of Directors Meeting – October 14, 2020 9:00 a.m. – 3:00 p.m.
 Location: Monterey Peninsula Yacht Club

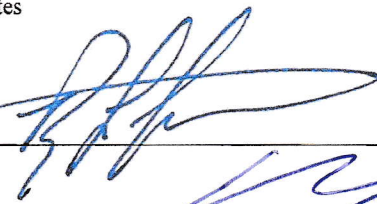
K. ADJOURNMENT

Motion was made to adjourn the meeting at 3:02 p.m.

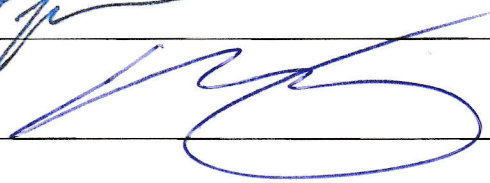
MOTION: Veronica Flournoy	SECONDED: Elizabeth Wilson	MOTION CARRIED
AYES: 13	NOES: 0	ABSENT: 9
ABSTAIN: 0		
AYES: Veronica Flournoy, Elizabeth Wilson, Colleen Stanley, Ana Aguillon, Rory Livingston, Lindsay Lopez, Yvonne Perez, Mary Dawson, Daniel Stonebloom, Alejandro Hogan, Catherine Reimer, Becky Moore, Rosemarie Grounds		
ABSENT: Jonathan Sison, Martha Eva Contreras, Annette Mooneyham, Dr. Jinane Annous, Song Chin-Bendib, Jose Garcia, Jessica Riley, Sherrie Castellanos, Tracie Corpuz		

MERMA Board of Directors Minutes
May 13, 2020

Rory Livingston, President:



Marcus Beverly, Executive Director:



Date: 10/14/20