



Monterey Educational Risk Management Authority

P.O. Box 3320, Salinas, CA 93912

[www.merma.org](http://www.merma.org)

**EXECUTIVE COMMITTEE  
ZOOM/TELECONFERENCE  
MEETING MINUTES  
April 14, 2021**

The Executive Committee of the Monterey Educational Risk Management Authority held a Zoom/teleconference meeting on April 14, 2021 at 1:30 p.m.

**Executive Committee Members Present via Zoom/Teleconference**

Colleen Stanley, Vice-President, Monterey County Office of Education  
Veronica Flournoy, Spreckels Union School District  
Yvonne Perez, Carmel Unified School District  
Ana Aguillon, Secretary, Salinas Union High School District – *Joined meeting after roll call*

**Executive Committee Members Absent**

Rory Livingston, President, King City Union School District

**Guests and Staff Present via Zoom/Teleconference**

Catherine Reimer, San Ardo Union School District  
Marcus Beverly, Alliant  
Matt Gowan, Alliant  
Connie Hampson, Intercare  
Marlene Richardson, Intercare  
Jayne Miller, InterMed  
Maria Hernandez Sandoval, MERMA  
Hallie Pacheco, MERMA

**A. CALL TO ORDER**

Colleen Stanley called the meeting to order at 1:36 p.m.

**B. ROLL CALL**

Present: Colleen Stanley, Veronica Flournoy, Yvonne Perez  
Absent: Rory Livingston, Ana Aguillon

**C. APPROVAL OF AGENDA AS POSTED**

Motion was made to approve the agenda as posted.

<b>MOTION:</b> Veronica Flournoy	<b>SECONDED:</b> Yvonne Perez	<b>MOTION CARRIED</b>
<b>AYES: 3</b>	<b>NOES: 0</b>	<b>ABSTAIN: 0</b>
<b>ABSENT: 2</b>		
AYES: Veronica Flournoy, Yvonne Perez, Colleen Stanley		
ABSENT: Rory Livingston, Ana Aguillon		

**D. PUBLIC COMMENTS**

None

**E. CONSENT CALENDAR**

The following items were presented:

1. Executive Committee Minutes – March 10, 2021
2. Payment Register and Board Report – March 2021

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

<b>MOTION:</b> Veronica Flournoy	<b>SECONDED:</b> Colleen Stanley	<b>MOTION CARRIED</b>
<b>AYES: 3</b>	<b>NOES: 0</b>	<b>ABSTAIN: 0</b>
<b>ABSENT: 2</b>		
AYES: Veronica Flournoy, Colleen Stanley, Yvonne Perez		
ABSENT: Rory Livingston, Ana Aguillon		

**F. ADMINISTRATIVE REPORTS**

**1. President’s Report**

President Rory Livingston is absent, but Marcus Beverly stated he spoke to him before the meeting, and he had no comments.

**2. Pool Administrator’s Report**

Marcus Beverly presented a CalMatters article regarding activity in legislature this year. He stated the bottom line is workers’ compensation costs will be going up and the medical costs themselves will start going up. The new Med-Legal fee schedule will be discussed later in the meeting.

**3. Claims Administrator’s Report**

**A. Intercare’s Report**

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

- Annual and Monthly Claim Results – March 2021
- New Claim Analysis Received FYTD – as of 3/31/21

- Frequency & Severity Reports FYTD Claims Reported - 7/1/20 – 3/31/21
- Claim Closing Analysis FYTD – as of 3/31/21
- Net Reserve Changes – FYTD – as of 3/31/21
- MERMA Company Nurse Results – March 2021
- MERMA Bill Review Results – March 2021

Connie Hampson stated that at last month's meeting it was noted there were a couple of districts, Carmel Unified and MCOE, that had a high average incurred. She spoke with Colleen Stanley at MCOE and identified two claims that are driving most of those costs. She also looked into the Carmel Unified claims and there are three claims driving those costs with one having a \$60,000 total incurred value.

### **B. InterMed Report on New Med-Legal Fee Schedule**

Connie Hampson of Intercare stated at the last meeting there was discussion regarding the fee schedule changes that were going on. She asked Jayne Miller, Senior VP of Managed Care at InterMed, to go over the changes.

Ms. Miller presented information about the new Med-Legal fee schedule that went into effect April 1, 2021. She stated the changes in the fees are significant and the driving force behind it is record review. There has not been an increase in the Medical-Legal Fee Schedule since 2006. Discussion held.

*Ana Aguillon arrived at the meeting.*

### **4. Loss Control Report**

Maria Sandoval provided an update on Loss Control activity and provided the Committee with current stats on injuries. She presented two Office Ergonomics Trainings via Zoom to Salinas City Elementary School District. She highly recommends this training for all districts. She has provided five in person First Aid, CPR and AED trainings in the month of March.

Maria continues to provide in-person ergonomic evaluations. She stated she is finding that a lot of employees are now using strictly laptops. She stated laptops are great for mobile use when you are out and about traveling but working at a desk you should have an external mouse, keyboard and monitor to reduce injuries.

### **5. Executive Committee Report**

Ana Aguillon thanked Maria for the training she provided to Salinas Union High School District this last Saturday. She stated if you are not part of the Safety Committee most employees normally don't know about the IIPP. She stated her district is putting a virtual informational video together that covers CPP and within that video will include what an IIPP is as well. All employees will watch the video. She appreciates Maria's support.

## **G. JPA BUSINESS**

### **1. Workers' Compensation Excess Insurance Update**

Matt Gowan presented an update on the Workers' Compensation Excess Insurance renewal for FY 2021-22. He stated for the first layer, \$50,000 - \$500,000 with State National, he has not received a bindable quote, but he received a hard verbal which is essentially the number, and it will be increasing by 3% from last year. Matt stated it is still a better deal to buy the first layer of insurance. It would cost more to self-insure that layer than to transfer the risk to insurance. He stated it will save us 4.2% even with the increase in rate.

Matt Gowan stated for the second layer \$500,000 – Statutory he received a bindable quote from Safety National at a flat rate of no increase. He stated Arch Insurance accepted us into underwriting for this layer, but they couldn't beat Safety National's quote.

Discussion held regarding district's payroll estimates for FY 2021-22. It was stated that payroll will increase from this current fiscal year. Colleen Stanley stated she will take a look at the second interim reports and make sure the payroll estimates we have are solid.

A motion was made to recommend the Workers' Compensation Excess Insurance Renewal options as presented for FY 2021-22 with a Self-Insured Retention of \$50,000 to the Board of Directors. The first layer of Excess \$50,000 - \$500,000 with State National and the second layer of Excess \$500,000 – Statutory with Safety National.

<b>MOTION:</b> Veronica Flournoy	<b>SECONDED:</b> Ana Aguillon	<b>MOTION CARRIED</b>
<b>AYES: 4</b>	<b>NOES: 0</b>	<b>ABSENT: 1</b>
<b>ABSTAIN: 0</b>		
AYES: Veronica Flournoy, Ana Aguillon, Yvonne Perez, Colleen Stanley		
ABSENT: Rory Livingston		

### **2. Premium Contributions FY 2021-22**

Marcus Beverly presented the Premium Contributions for FY 2021-22. He stated these are the same rates presented at last month's meeting. Nothing has changed.

A motion was made to recommend the Premium Contributions as presented for FY 2021-22 to the Board of Directors.

<b>MOTION:</b> Veronica Flournoy	<b>SECONDED:</b> Ana Aguillon	<b>MOTION CARRIED</b>
<b>AYES: 4</b>	<b>NOES: 0</b>	<b>ABSENT: 1</b>
<b>ABSTAIN: 0</b>		
AYES: Veronica Flournoy, Ana Aguillon, Yvonne Perez, Colleen Stanley		
ABSENT: Rory Livingston		

### **3. Preliminary Budget FY 2021-22**

Marcus Beverly presented the updated Preliminary Budget for FY 2021-22.

A motion was made to recommend the Preliminary Budget as presented for FY 2021-22 to the Board of Directors.

<b>MOTION:</b> Ana Aguillon	<b>SECONDED:</b> Yvonne Perez	<b>MOTION CARRIED</b>
<b>AYES: 4</b>	<b>NOES: 0</b>	<b>ABSTAIN: 0</b>
<b>ABSENT: 1</b>		
AYES: Ana Aguillon, Yvonne Perez, Veronica Flournoy, Colleen Stanley		
ABSENT: Rory Livingston		

#### **4. Executive Committee Members Terms Ending June 30, 2021**

Marcus Beverly stated two members of the Executive Committee are up for election, Colleen Stanley and Veronica Flournoy. Solicitations were sent out to all members asking if they had interest in serving on the Executive Committee. Catherine Reimer of San Ardo Union School District has expressed interest. She stated she is happy to serve as a shadow member to gain knowledge on the process.

A motion was made to recommend to the Board of Directors to re-elect Colleen Stanley and Veronica Flournoy to continue serving on the Executive Committee and Catherine Reimer to serve as a shadow member of the Executive Committee pending vacancy.

<b>MOTION:</b> Ana Aguillon	<b>SECONDED:</b> Yvonne Perez	<b>MOTION CARRIED</b>
<b>AYES: 4</b>	<b>NOES: 0</b>	<b>ABSTAIN: 0</b>
<b>ABSENT: 1</b>		
AYES: Ana Aguillon, Yvonne Perez, Veronica Flournoy, Colleen Stanley		
ABSENT: Rory Livingston		

#### **5. Suggested Bylaw Change Regarding Officer Terms and Elections**

Marcus Beverly stated in reviewing the terms and expected officer rotations a provision in the Bylaws was discovered in Section 8.1.3, that is not current practice. If followed this would lead to a vacant position since Executive Committee terms begin in July but per 8.1.3 the officers' terms begin with the Board meeting in September, but now held in October. The suggested changes include electing the Executive Committee members to the Board prior to July 1 with three members elected in even numbered years and two members elected in odd numbered years. Three officers are elected to serve a two-year term commencing on July 1. It was also discussed to add reference to a shadow or intern position on the Executive Committee.

No Action was taken on this item. The Executive Committee gave direction to bring back to the Board of Directors with the suggested changes and with a reference to an Intern Executive Committee position. Marcus stated that given this is a Bylaw change the Board will need to agree and will then need to do a notice and finalize at the October Board meeting.

#### **H. CLOSING COMMENTS**

None


#### **I. UPCOMING MEETINGS**

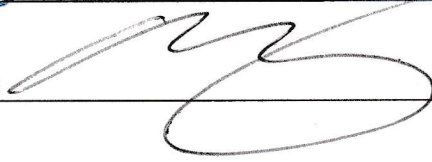
Board of Directors – May 12, 2021

**J. ADJOURNMENT**

Motion was made to adjourn the meeting at 3:10 p.m.

<b>MOTION:</b> Veronica Flournoy	<b>SECONDED:</b> Yvonne Perez	<b>MOTION CARRIED</b>
<b>AYES: 4</b> <b>NOES: 0</b>	<b>ABSTAIN: 0</b>	<b>ABSENT: 1</b>
<b>AYES:</b> Veronica Flournoy, Yvonne Perez, Ana Aguillon, Colleen Stanley		
<b>ABSENT:</b> Rory Livingston		

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Rory Livingston, President: 

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Marcus Beverly, Executive Director: 

Date: 8/12/21