



Monterey Educational Risk Management Authority

P.O. Box 3320, Salinas, CA 93912

www.merma.org

**EXECUTIVE COMMITTEE
ZOOM/TELECONFERENCE
MEETING MINUTES
January 26, 2022**

The Executive Committee of the Monterey Educational Risk Management Authority held a Zoom/teleconference meeting on January 26, 2022, at 1:30 p.m.

Executive Committee Members Present via Zoom/Teleconference

Rory Livingston, President, King City Union School District
Colleen Stanley, Vice-President, Monterey County Office of Education
Ana Aguillon, Secretary, Salinas Union High School District
Veronica Flournoy, Spreckels Union School District
Yvonne Perez, Carmel Unified School District

Guests and Staff Present via Zoom/Teleconference

Marcus Beverly, Alliant
Matt Gowan, Alliant
Jacinto Bernal, McGilloway, Ray, Brown & Kaufman
Connie Hampson, Intercare
Marlene Richardson, Intercare
David deBernardi, CAJPA Representative
Kevin Wong, Gilbert CPAs
David Bolton, MERMA
Hallie Pacheco, MERMA

A. CALL TO ORDER

Rory Livingston called the meeting to order at 1:31 p.m.

B. ROLL CALL

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

C. APPROVAL OF AGENDA AS POSTED

Motion was made to approve the agenda as posted.

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

D. PUBLIC COMMENTS

None

E. CONSENT CALENDAR

The following items were presented:

1. Executive Committee Minutes – November 10, 2021
2. Payment Registers and Board Reports – November and December 2021
3. Xerox Financial Services – Lease Agreement
4. Kingsbridge Technologies – Print Service Agreement

Motion was made to approve items 1 through 4 as presented with a single motion.

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

F. ADMINISTRATIVE REPORTS

1. President’s Report

President, Rory Livingston had nothing to report.

2. Pool Administrator’s Report

Marcus Beverly stated he completed his Form 700 and asked the members to please complete theirs. This is done electronically now. Marcus also stated he was happy to report the new roof and HVAC system has now been installed and work completed on this project.

Matt Gowan asked if any of the members or any other school districts will be attending the CASBO conference on March 29th. Rory Livingston stated he has some staff members who will be attending. Matt stated he is thinking the meeting will be sparsely attended this year.

3. Claims Administrator’s Report

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

- Annual and Monthly Claim Results – November and December 2021
- New Claim Analysis Received FYTD – as of 12/31/21
- Frequency & Severity Reports FYTD Claims Reported - 7/1/21 – 12/31/21
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- Claim Closing Analysis FYTD – as of 12/31/21
- Net Reserve Changes – FYTD – as of 12/31/21
- MERMA Company Nurse Results – November and December 2021
- MERMA Bill Review Results – November and December 2021

Connie Hampson stated the team made a focused effort on closing claims and closed 65 for the month of December. She also stated the number of opened claims for fiscal year to date is significantly higher than the prior year, 188 more claims. The numbers of claims are going up but the total incurred doesn't seem to be following suit.

4. Loss Control Update

MERMA's new Loss Control Manager, David Bolton introduced himself to the Committee and provided an update on his activities and recommendations. David stated he will receive his First Aid/CPR/AED training certificate on 1/31/22 and will be able to train member district employees to be certified. He has completed five onsite ergonomic evaluations, currently reviewing IIPP policies, OSHA Summaries emailed to all districts, and new COVID-19 CDPH K-12 quarantine protocols have been sent to members.

David stated if the members need a site safety inspection, assistance with a serious accident or injury investigation, job hazard assessments, any type of safety training, or assistance with a Cal-OSHA inspection or investigation, please give him a call and he will provide.

David reminded the members to update their Labor Law posters. He stated if the members need assistance to contact him and let him know how many posters they may need. He will help to get those out to your sites. He stated you need to have the most current 2022 Labor Law posters at your site.

5. Executive Committee Report

Nothing to report.

G. PRESENTATIONS

1. CAJPA Accreditation Report

David deBernardi, CAJPA Representative for the Accreditation Committee, presented MERMA's Certificate of Accreditation with Excellence. MERMA was first granted the Certificate of Accreditation with Excellence in 2015. This is MERMA's third accreditation process and certificate received. Mr. deBernardi stated this approval went through very efficiently and is a real sign of the great work of staff.

Mr. deBernardi stated the purpose of the CAJPA Accreditation program is to assist managers of JPAs in achieving standards of quality for essential elements of JPA management to assure public officials, governing board members and the public that JPAs are operating with professionalism and meet industry standards of excellence. The standards address the concerns of state regulators and legislatures that JPAs are well managed, financially secure and effectively self-regulated. CAJPA has two designations, Full Accreditation and Accreditation with Excellence.

Colleen Stanley stated she is impressed, and it is amazing to be a part of a group that can get a certificate approved with excellence and thank you from this board member.

H. FINANCIAL REPORTS

1. Audited Financials as of June 30, 2021

Kevin Wong of Gilbert CPAs presented the Audited Financials as of June 30, 2021, and the Communications With Those Charged With Governance. He went over a PowerPoint summary of the audit results. He stated an unmodified opinion on the financial statements was issued which is the best opinion auditors can give.

Kevin stated there was an immaterial past adjustment that was not necessary to post but a provision was recorded. Marcus Beverly stated this is due to a claim where reinsurance receivable is overdue and we will continue efforts to recover.

Motion was made to accept and file the Audited Financials as of June 30, 2021, as presented.

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

I. JPA BUSINESS

1. Contract Renewal Review

Marcus Beverly updated the Committee on contracts that are due to expire at the end of this fiscal year. Marcus stated we may have an extra charge this year as we asked Derek Burkhalter to show us the impact of changing the ExMod from a 3-year period to a 5-year period. There will be extra work associated with that this year. The Committee gave direction to seek a renewal contract with Bickmore Actuarial Services.

Marcus stated Gilbert CPAs is on a year-to-year contract. The Committee gave direction to proceed with obtaining a new contract with Gilbert CPAs.

Marcus stated Intercare's contract expires June 30, 2023, but would like to give enough notice if we would like to extend the contract. Rory Livingston stated Intercare has performed beyond our expectations and would like to continue with them. The Committee gave direction to seek a renewal contract with Intercare for three more years.

Marcus Beverly stated the Alliant contract is still in force but stated there is an optional pricing in the agreement this year with a CPI increase based on the SSC dartboard. Marcus stated he is unsure of what factor to use on the dartboard. The Committee gave direction to an increase using the CPI of 3.96% for 2021-22 on the SSC dartboard as of July 22, 2021.

2. State of the Market

Matt Gowan provided highlights of the overall current state of the insurance market. He stated the main issues affecting the market are natural catastrophes, social inflation, civil unrest, COVID-19, inflation and cyber losses.

Matt stated he does not expect a significant increase in the Deadly Weapons Response coverage. Overall, the insurance market is in a strong financial position. Workers' Compensation remains relatively stable and don't foresee any significant changes in coverage or Self-Insured Retention.

J. CLOSING COMMENTS

None


K. UPCOMING MEETINGS

Executive Committee – March 16, 2022, 1:30 p.m.

L. ADJOURNMENT

Motion was made to adjourn the meeting at 2:59 p.m.

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

Rory Livingston, President: 

Marcus Beverly, Executive Director: 

Date: 3/17/22 _____