



Monterey Educational Risk Management Authority

P.O. Box 3320, Salinas, CA 93912

www.merma.org

**EXECUTIVE COMMITTEE
ZOOM/TELECONFERENCE
MEETING MINUTES
March 16, 2022**

The Executive Committee of the Monterey Educational Risk Management Authority held a Zoom/teleconference meeting on March 16, 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

Ofelia Navarro, Carmel Unified School District
Marcus Beverly, Alliant
Matt Gowan, Alliant
Jacinto Bernal, McGilloway, Ray, Brown & Kaufman
Connie Hampson, Intercare
Marlene Richardson, Intercare
Derek Burkhalter, Bickmore Actuarial
Dennis Downing, Future Industrial Technologies
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: Yvonne Perez	MOTION CARRIED
AYES: 5	NOES: 0	ABSTAIN: 0
ABSENT: 0		

D. PUBLIC COMMENTS

None

E. CONSENT CALENDAR

The following items were presented:

1. Executive Committee Minutes – January 26, 2022
2. Payment Registers and Board Reports – January and February 2022
3. Treasurer’s Report – December 2021
4. Amador Registry, Inc. – New Building Maintenance Agreement

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

MOTION: Veronica Flournoy	SECONDED: Ana Aguillon	MOTION CARRIED
AYES: 5	NOES: 0	ABSTAIN: 0
ABSENT: 0		

F. ADMINISTRATIVE REPORTS

1. President’s Report

President, Rory Livingston had nothing to report.

2. Pool Administrator’s Report

Matt Gowan stated the CASBO conference is in Sacramento at the end of this month. He is hosting a dinner at the Sutter Club and would like to invite the MERMA Board of Director members and will have Hallie Pacheco send out the invitation.

3. Claims Administrator’s Report

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

- Annual and Monthly Claim Results – January and February 2022
- New Claim Analysis Received FYTD – as of 02/28/22
- Frequency & Severity Reports FYTD Claims Reported - 7/1/21 – 02/28/22
- Claim Closing Analysis FYTD – as of 02/28/22

- Net Reserve Changes – FYTD – as of 02/28/22
- MERMA Company Nurse Results – January and February 2022
- MERMA Bill Review Results – January and February 2022

4. Loss Control Update

David Bolton reported on Loss Control activity and provided some stats on fiscal year to date claim history. David attended the PARMA conference which he stated is great for seminars, networking and exploring new technologies. He has updated the Loss Control page on the MERMA website. He stated he has resumed the Loss Control newsletter to help with training and development and will continue to email those out and will put on the website.

David stated he helped with a Cal-OSHA citation support. He mentioned as a reminder to give him a call if an OSHA inspector visits your facility and he will assist and is here to support the members. David stated he has finished the Red Cross First Aid, CPR, AED certified trainer course and can set up a class to certify employees.

David did some work with Future Industrial Technologies (FIT) / eBacksafe. He stated he is working on a plan of action to help address some areas for injury prevention and this will be discussed later in the meeting. He continues to perform ergonomic evaluations. The COVID-19 Prevention Plans have been updated. Any guidance needed after member's review their plan, he is here to help and offer advice. David reminded the members to utilize their Matching Safety Funds and will continue to send reminder emails.

5. Executive Committee Report

Nothing to report.

G. FINANCIAL REPORTS

1. Financial Statements for Period Ending December 31, 2021

Jacinto Bernal of McGilloway, Ray, Brown and Kaufman presented the Financial Statements for Period Ending December 31, 2021.

Motion was made to accept and file the Financial Statements for Period Ending December 31, 2021, as presented.

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

H. JPA BUSINESS

1. Actuarial Review of the Self-Insured Workers' Compensation Program

Derek Burkhalter of Bickmore Actuarial presented the annual Actuarial Review of MERMA's Self-Insured Workers' Compensation Program and the 2022-23 funding guidelines.

Derek stated MERMA’s estimated outstanding liabilities are projected to decrease from \$15,973,000 to \$14,478,000. The projected funding rate for FY 2022-23 at the current 80% Confidence Level and \$50,000 SIR is \$2.35 which is a decrease from last year’s rate of \$2.46. The results are due to favorable loss development across most historical years.

No action was taken on this item. The Committee gave direction to request a final report and present to the Board of Directors at the May meeting.

2. Funding Allocation Analysis

Derek Burkhalter of Bickmore Actuarial presented an analysis of the changes in member modification factors and funding if the formula is changed to extend the experience period from three to five years. The analysis was to see if this would result is less variance in member results from year to year. Discussion held.

No action was taken on this item. The Committee gave direction to continue discussion with the Actuary and bring suggestions to the Board of Directors at the October meeting.

3. Contract Renewals

a. Bickmore Actuarial

Marcus Beverly presented the Bickmore Actuarial 3-year Engagement Letter contract which covers fiscal years 2022-23, 2023-24 and 2024-25.

b. Gilbert CPAs

Marcus also presented Gilbert CPAs 1-year Engagement Letter for the annual financial audit.

A motion was made to approve the Bickmore Actuarial and Gilbert CPAs contracts as presented with a single motion.

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

4. eBacksafe Virtual Interactive Training Program

David Bolton, MERMA’s Loss Control Manager stated he is very excited about this opportunity to proactively reduce injuries and accidents in a way that is flexible and convenient for employees. He introduced Dennis Downing, CEO of Future Industrial Technologies (FIT).

Dennis Downing provided an overview and a proposal to customize the eBacksafe Interactive Training Program for teachers and paraeducators. He stated the focus is to help organizations to reduce loss time and injuries. A plan of action has been developed to address areas of opportunities in the form of two separate virtual interactive training programs. One specifically for teachers and one specifically for paraeducators. The virtual training is less than 1 hour each. FIT will produce the training with input and guidance from real teachers and paraeducators.

A motion was made to approve the program in concept and authorize administration to enter into an agreement for the program with the final contract to be ratified by the Executive Committee at the next meeting.

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

5. Workers' Compensation Excess Insurance Update

Matt Gowan updated the Committee on the Excess Workers' Compensation renewal. He stated we are in the underwriting process at this time. He asked to have quotes back by the end of this month. No expected SIR changes and no significant rate change. Matt stated with inflation and medical costs continuing to rise that he is guessing a 5% rate increase.

6. Preliminary Budget FY 2022-23

Marcus Beverly presented the preliminary budget for FY 2022-23. He stated there really is not a lot of changes. He mentioned the Loss Control Services line was added to account for the eBacksafe Program. Although if needed, we do have the budget for it in this year's budget. Marcus stated he will present a more final budget for the next meeting.

7. Meeting Schedule FY 2022-23

Marcus Beverly presented the Resolution to establish Board of Director and Executive Committee meeting dates for FY 2022-23 along with the calendar schedule of meeting dates. Discussion held to change the Board of Directors meeting in October to October 26, 2022.

A motion was made to pass and adopt Resolution No. 22-01 to set meeting dates for FY 2022-23 with the revised date change to the October Board of Directors meeting.

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

8. Executive Committee Members Terms Ending June 30, 2022

Marcus Beverly stated three Executive Committee member's terms will be expiring June 30, 2022, President Rory Livingston, Secretary Ana Aguillon and Member Yvonne Perez. Rory Livingston is retiring, and we will need someone to replace his vacancy. Ana Aguillon and Yvonne Perez both stated they are interested in staying on the Executive Committee. Marcus stated we will send out a solicitation to all Board members to see if we can find someone who may be interested in serving on the Executive Committee.

I. CLOSING COMMENTS

Marcus Beverly mentioned that he participated in the PARMA session about RFP's with Agnes Hoerberling of Intercare.

J. UPCOMING MEETINGS

Executive Committee – April 13, 2022
Board of Directors – May 11, 2022

K. ADJOURNMENT

Motion was made to adjourn the meeting at 3:40 p.m.

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

Rory Livingston, President:



Marcus Beverly, Executive Director:



Date: 4/14/22