



Monterey Educational Risk Management Authority

P.O. Box 3320, Salinas, CA 93912

www.merma.org

BOARD OF DIRECTORS MINUTES
October 4, 2023

The Board of Directors of the Monterey Educational Risk Management Authority met on October 4, 2023, at Intercontinental The Clement Hotel, 750 Cannery Row, Monterey, CA 93940.

Board of Directors Present

Colleen Stanley, President, MCOE
Ana Aguillon, Vice President, Salinas UHSD
Yvonne Perez, Secretary, Carmel USD
Becky Moore, Santa Rita USD
Joannie Lumbrá, Gonzales USD
Annette Mooneyham, Greenfield USD
Joshua Jorn, Pacific Grove USD
Nikki Herring, Salinas City Elementary SD
Jeremy Shipman, SMCJUHSD
Bernard Burchette, Spreckels USD
Tracie Corpuz, Washington USD
Sandra Shreve, Mission USD – *arrived after roll call*

Board of Directors Absent

Lisa Gering, Big Sur USD
Josh Van Norman, Bradley USD
Martha Contreras, Chualar USD
Michelle Ross, Graves USD
Patricia Garfoot, King City USD
Daniel Stonebloom, Lagunita USD
Amy Sweet, San Antonio USD
Catherine Reimer, San Ardo USD
Jessica Riley, San Lucas USD
Dr. Conny Santa Cruz, Soledad USD

Guests and Staff Present

Ofelia Navarro, Carmel USD
Norma Yanez, Greenfield USD
Lupe Reyes, County of Monterey Treasurer-Tax Collector's Office
Sarah Meacham, PFM Asset Management
Patricia Kaufman, McGilloway, Ray, Brown & Kaufman
Connie Hampson, Intercare
Marlene Richardson, Intercare
Danielle Buri-Beaton, Intercare
Joshua Whiteside, Lozano Smith Attorneys at Law

Matt Gowan, Alliant
Marcus Beverly, Alliant
Angela Murguia, MERMA
Hallie Pacheco, MERMA

A. CALL TO ORDER

President, Colleen Stanley called the meeting to order at 9:32 a.m.

B. ROLL CALL

Introduction of Board of Directors and guests.

Board of Directors Present: Colleen Stanley, Ana Aguillon, Yvonne Perez, Becky Moore, Joannie Lumbrá, Annette Mooneyham, Joshua Jorn, Nikki Herring, Jeremy Shipman, Bernard Burchette, Tracie Corpuz

Eleven Board members present, and eleven Board members absent. Since a quorum of the Board was not present, the Executive Committee is empowered to act as the governing body on all matters to be considered at the meeting. A quorum of the Executive Committee was present.

C. APPROVAL OF AGENDA AS POSTED

Motion was made to approve the agenda as posted.

MOTION: Ana Aguillon	SECONDED: Joshua Jorn	MOTION CARRIED
AYES: 11 NOES: 0	ABSTAIN: 0	ABSENT: 11
AYES:	Ana Aguillon, Joshua Jorn, Colleen Stanley, Yvonne Perez, Becky Moore, Joannie Lumbrá, Annette Mooneyham, Nikki Herring, Jeremy Shipman, Bernard Burchette, Tracie Corpuz	
ABSENT:	Lisa Gering, Josh Van Norman, Martha Contreras, Michelle Ross, Patricia Garfoot, Daniel Stonebloom, Amy Sweet, Catherine Reimer, Jessica Riley, Dr. Conny Santa Cruz, Sandra Shreve	

D. PUBLIC COMMENTS

None

E. CONSENT CALENDAR

The following items were presented:

1. Board of Directors Minutes – May 10, 2023
2. Treasurer’s Report – June 30, 2023

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

MOTION: Yvonne Perez	SECONDED: Becky Moore	MOTION CARRIED
AYES: 11 NOES: 0	ABSTAIN: 0	ABSENT: 11
AYES:	Yvonne Perez, Becky Moore, Colleen Stanley, Ana Aguillon, Joannie Lumbrá, Annette Mooneyham, Joshua Jorn, Nikki Herring, Jeremy Shipman, Bernard Burchette, Tracie Corpuz	
ABSENT:	Lisa Gering, Josh Van Norman, Martha Contreras, Michelle Ross, Patricia Garfoot, Daniel Stonebloom, Amy Sweet, Catherine Reimer, Jessica Riley, Dr. Conny Santa Cruz, Sandra Shreve	

F. ADMINISTRATIVE REPORTS

1. President's Report

Colleen Stanley commented that she is so happy we are here meeting in person. She thanked everyone for taking the time to show up and stated we really appreciate it.

2. Board of Directors Report

Nothing to report.

G. FINANCIAL REPORTS

1. Investment Portfolio

Sarah Meacham of PFM Asset Management presented an update on the current economic market and MERMA's investment portfolio.

Motion was made to accept and file the Investment Portfolio Report as presented.

MOTION: Ana Aguillon	SECONDED: Becky Moore	MOTION CARRIED
AYES: 11 NOES: 0	ABSTAIN: 0	ABSENT: 11
AYES:	Ana Aguillon, Becky Moore, Colleen Stanley, Yvonne Perez, Joannie Lumbrá, Annette Mooneyham, Joshua Jorn, Nikki Herring, Jeremy Shipman, Bernard Burchette, Tracie Corpuz	
ABSENT:	Lisa Gering, Josh Van Norman, Martha Contreras, Michelle Ross, Patricia Garfoot, Daniel Stonebloom, Amy Sweet, Catherine Reimer, Jessica Riley, Dr. Conny Santa Cruz, Sandra Shreve	

2. Investment Policy

Lupe Reyes of the County of Monterey Treasurer-Tax Collector's office presented the updated Investment Policy and discussed the minor revisions that were made.

Motion was made to approve the Investment Policy as presented.

MOTION: Joshua Jorn	SECONDED: Yvonne Perez	MOTION CARRIED
AYES: 11 NOES: 0	ABSTAIN: 0	ABSENT: 11
AYES:	Joshua Jorn, Yvonne Perez, Colleen Stanley, Ana Aguillon, Becky Moore, Joannie Lumbrá, Annette Mooneyham, Nikki Herring, Jeremy Shipman, Bernard Burchette, Tracie Corpuz	
ABSENT:	Lisa Gering, Josh Van Norman, Martha Contreras, Michelle Ross, Patricia Garfoot, Daniel Stonebloom, Amy Sweet, Catherine Reimer, Jessica Riley, Dr. Conny Santa Cruz, Sandra Shreve	

3. Financial Statements for FYE 2023 and 2022

Patricia Kaufman of McGilloway, Ray, Brown & Kaufman presented the Financial Statements for Fiscal Year Ending 2023 and 2022.

Motion was made to accept and file the Financial Statements for Fiscal Year Ending 2023 and 2022 as presented.

MOTION: Joshua Jorn	SECONDED: Becky Moore	MOTION CARRIED
AYES: 11	NOES: 0	ABSTAIN: 0
AYES:	Joshua Jorn, Becky Moore, Colleen Stanley, Ana Aguillon, Yvonne Perez, Joannie Lumbrá, Annette Mooneyham, Nikki Herring, Jeremy Shipman, Bernard Burchette, Tracie Corpuz	
ABSENT:	Lisa Gering, Josh Van Norman, Martha Contreras, Michelle Ross, Patricia Garfoot, Daniel Stonebloom, Amy Sweet, Catherine Reimer, Jessica Riley, Dr. Conny Santa Cruz, Sandra Shreve	

Sandra Shreve of Mission USD arrived at the meeting.

4. MERMA Annual Report / Financial Benchmark Performance

Marcus Beverly presented MERMA’s Annual Report which summarizes the year’s activities and provides the history of MERMA.

The Financial Benchmark Performance as of June 30, 2023, was presented along with the Funding Policy for review. Marcus Beverly reported MERMA maintains annual funding at 80% Confidence Level and \$50,000 Self-Insured Retention. The Net Position increased by \$2.1 million over the last fiscal year and investment earnings are \$833,980. Liabilities decreased (-\$1,268) and claim payments increased to \$4.1 million from \$3.4 million. He stated this is all very good news.

5. Dividend Policy Review

An analysis of the distribution model in the Dividend Policy was presented for the Board’s review. The Net Position was reviewed by the Executive Committee at their last meeting, and they gave direction to model potential member distributions to present to the Board. Marcus Beverly stated MERMA is in a strong financial position as has sufficient assets if the Board would like to declare a dividend. Discussion held.

Motion was made to approve \$3 million for dividend distribution.

MOTION: Ana Aguillon	SECONDED: Nikki Herring	MOTION CARRIED
AYES: 12	NOES: 0	ABSTAIN: 0
AYES:	Ana Aguillon, Nikki Herring, Becky Moore, Colleen Stanley, Yvonne Perez, Joannie Lumbrá, Annette Mooneyham, Joshua Jorn, Jeremy Shipman, Bernard Burchette, Tracie Corpuz, Sandra Shreve	
ABSENT:	Lisa Gering, Josh Van Norman, Martha Contreras, Michelle Ross, Patricia Garfoot, Daniel Stonebloom, Amy Sweet, Catherine Reimer, Jessica Riley, Dr. Conny Santa Cruz	

Moved forward to item H.4.

H. JPA BUSINESS

4. Loss Control Update

An update was provided regarding the recruitment of a new Loss Control Manager and discussion of hiring a personnel recruiter. Staff is actively recruiting for the position and has posted the job announcement on several websites. MERMA is still providing Loss Control services with the assistance of outside consultants.

The Board gave direction to move forward with hiring a personnel recruiter to increase the pool of qualified candidates.

The Board of Directors broke for lunch at 11:30 a.m. – Reconvened at 12:34 p.m.

1. Legal Update

Joshua Whiteside of Lozano Smith Attorneys at Law provided a legal update presentation on Back to School and New Legislation/Laws.

2. Insurance Update

Matt Gowan presented a coverage overview of the Alliant Deadly Weapons Response Program MERMA provides to our members. It is a rapid response post-incident program that assists with crisis management and related support services for incidents involving an assailant where a weapon has been used or brandished.

Matt also provided an Insurance Market Update and discussed current market conditions and trends.

3. Intercare Claims Management Stewardship Report

Connie Hampson of Intercare presented the Claims Management Stewardship Report for Fiscal Year Ending 2023. The following are key indicators and successes over the fiscal year.

- Reportable first year claims increased 6%
- First year claim payment increased 31%
- All claims payments increased 25%
- Pending claim inventory is down 4%
- First year claim closing increased from 53% in FY 2022 to 61% in FY 2023
- Frequency rate per 100 employees is down 2%
- Bill review savings achieved \$5,014,303 net savings from total medical charges
- Pharmacy benefit management achieved \$66,427 net savings from total pharmacy charges
- Utilization review savings achieved \$471,701 net savings
- Closed 471 reportable claims during the program year
- Obtained excess reimbursements in the amount \$3,819,940
- Obtained subrogation recovery in the amount of \$18,964
- Developed Conditional Payment Referral Checklist with Optum

5. Roundtable Discussion

Colleen Stanley stated it was a great day and meeting. She asked the members if they had ideas or suggestions of items of interest related to MERMA they would like discussed at next year's meeting, just let us know. She thanked everyone for being here today.

I. CLOSING COMMENTS

Ofelia Navarro of Carmel Unified School District thanked Marlene Richardson, Intercare Claims Supervisor, for all that she does. Marlene put together and scheduled an appointment for us to meet with one of our medical providers. Ofelia stated the appointment with the provider went well and really helped overall with communication and connection.

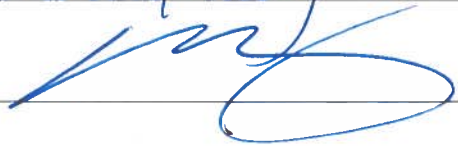
J. UPCOMING MEETINGS

Board of Directors Meeting – May 1, 2024

K. ADJOURNMENT

President, Colleen Stanley adjourned the meeting at 2:45 p.m.

Colleen Stanley, President: 

Marcus Beverly, Executive Director: 

Date: 5/1/24