



Monterey Educational Risk Management Authority

P.O. Box 3320, Salinas, CA 93912

www.merma.org

BOARD OF DIRECTORS MINUTES

October 2, 2024

The Board of Directors of the Monterey Educational Risk Management Authority met on October 2, 2024, 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
Bernard Burchette, Spreckels USD
Irene Kahn, Big Sur USD
Ofelia Navarro, Carmel USD – Alternate
Ana Perez, Gonzales USD - Alternate
Joannie Lumbra, King City USD
Joshua Jorn, Pacific Grove USD
Jeremy Shipman, SMCJUHS
Tracie Corpuz, Washington USD

Board of Directors Absent

Josh Van Norman, Bradley USD
Martha Contreras, Chualar USD
Michelle Ross, Graves USD
Annette Mooneyham, Greenfield USD
Daniel Stonebloom, Lagunita USD
Dr. Ricardo Espinoza, Mission USD
Nikki Herring, Salinas City Elementary SD
Amy Sweet, San Antonio USD
Catherine Reimer, San Ardo USD
Lizette Jimenez, San Lucas USD
Claudia Arellano, Santa Rita USD
Sarah Doherty, Soledad USD

Guests and Staff Present

Betty Medina, King City USD
Lupe Reyes, County of Monterey Treasurer-Tax Collector's Office
Jake Stroud, County of Monterey Treasurer-Tax Collector's Office
Michael Kronbetter, PFM Asset Management
Kevin Stratton, Cover & Care
Joshua Whiteside, Lozano Smith Attorneys at Law
Jacinto Acosta Bernal, McGilloway, Ray, Brown & Kaufman
Joe Gettelman, Shiield Eco-Safe Environmental Solutions
Kyle Sherman, Shiield Eco-Safe Environmental Solutions

Mike Lien, Shiield Eco-Safe Environmental Solutions
Connie Hampson, Intercare
Marlene Richardson, Intercare
Jeff Trussler, Intercare
Matt Gowan, Alliant
Marcus Beverly, Alliant
Maria Lorenzana, MERMA
Angela Murguia, MERMA
Hallie Pacheco, MERMA

A. CALL TO ORDER

President, Colleen Stanley called the meeting to order at 9:03 a.m.

B. ROLL CALL

Board of Directors Present: Colleen Stanley, Ana Aguillon, Bernard Burchette, Irene Kahn, Ofelia Navarro, Ana Perez, Joannie Lumbra, Joshua Jorn, Jeremy Shipman, Tracie Corpuz

Ten Board members present, and twelve 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: Jeremy Shipman	MOTION CARRIED
AYES: 10	NOES: 0	ABSENT: 12
ABSTAIN: 0		
AYES:	Ana Aguillon, Jeremy Shipman, Colleen Stanley, Bernard Burchette, Irene Kahn, Ofelia Navarro, Ana Perez, Joannie Lumbra, Joshua Jorn, Tracie Corpuz	
ABSENT:	Josh Van Norman, Martha Contreras, Michelle Ross, Annette Mooneyham, Daniel Stonebloom, Dr. Ricardo Espinoza, Nikki Herring, Amy Sweet, Catherine Reimer, Lizsette Jimenez, Claudia Arellano, Sarah Doherty	

D. PUBLIC COMMENTS

None

E. CONSENT CALENDAR

The following items were presented:

1. Board of Directors Minutes – May 1, 2024
2. Treasurer’s Report – June 30, 2024

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

MOTION: Jeremy Shipman	SECONDED: Irene Kahn	MOTION CARRIED
AYES: 10	NOES: 0	ABSTAIN: 0
ABSENT: 12		
AYES: Jeremy Shipman, Irene Kahn, Colleen Stanley, Ana Aguillon, Bernard Burchette, Ofelia Navarro, Ana Perez, Joannie Lumbra, Joshua Jorn, Tracie Corpuz		
ABSENT: Josh Van Norman, Martha Contreras, Michelle Ross, Annette Mooneyham, Daniel Stonebloom, Dr. Ricardo Espinoza, Nikki Herring, Amy Sweet, Catherine Reimer, Lizsette Jimenez, Claudia Arellano, Sarah Doherty		

F. ADMINISTRATIVE REPORTS

1. President’s Report

Colleen Stanley thanked everyone for being here. She mentioned this annual event is amazing and nice to get together in person.

2. Board of Directors Report

Nothing to report.

Moved ahead to Item I.2.

I. FINANCIAL REPORTS II

2. MERMA Annual Report / Financial Benchmark Performance

Marcus Beverly and Matt Gowan presented the MERMA Annual Report and shared that it is MERMA’s 50th Anniversary with MERMA being one of the oldest Pools in California. Matt Gowan walked the Board through the highlights of the Annual Report. The Financial Benchmark Performance update will be presented later in the meeting.

G. FINANCIAL REPORTS I.

Moved ahead to Item G.2.

2. Investment Policy

Jake Stroud of the County of Monterey Treasurer-Tax Collector’s Office presented an updated Investment Policy and discussed the minor revisions.

Motion was made to approve the Investment Policy as presented.

MOTION: Ana Aguillon	SECONDED: Jeremy Shipman	MOTION CARRIED
AYES: 10	NOES: 0	ABSTAIN: 0
ABSENT: 12		
AYES: Ana Aguillon, Jeremy Shipman, Colleen Stanley, Bernard Burchette, Irene Kahn, Ofelia Navarro, Ana Perez, Joannie Lumbra, Joshua Jorn, Tracie Corpuz		
ABSENT: Josh Van Norman, Martha Contreras, Michelle Ross, Annette Mooneyham, Daniel Stonebloom, Dr. Ricardo Espinoza, Nikki Herring, Amy Sweet, Catherine Reimer, Lizsette Jimenez, Claudia Arellano, Sarah Doherty		

1. Investment Portfolio

Michael Kronbetter of PFM Asset Management presented an overview report of MERMA’s investment portfolio.

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

MOTION: Ana Aguillon	SECONDED: Joshua Jorn	MOTION CARRIED
AYES: 10	NOES: 0	ABSTAIN: 0
ABSENT: 12		
AYES: Ana Aguillon, Joshua Jorn, Colleen Stanley, Bernard Burchette, Irene Kahn, Ofelia Navarro, Ana Perez, Joannie Lumbra, Jeremy Shipman, Tracie Corpuz		
ABSENT: Josh Van Norman, Martha Contreras, Michelle Ross, Annette Mooneyham, Daniel Stonebloom, Dr. Ricardo Espinoza, Nikki Herring, Amy Sweet, Catherine Reimer, Lizette Jimenez, Claudia Arellano, Sarah Doherty		

H. PRESENTATIONS

1. Cover & Care

Kevin Stratton provided a presentation on his company’s insurance-backed coverage for all staff absence costs, eliminating budget volatility by covering those expenses above your desired threshold. The comprehensive coverage reimburses the costs for absences, or substitutes and additional staffing, tailored to the district’s policies and needs. The program provides cost flexibility per staff category and has a client portal which saves districts time and money by managing absence data and claims reimbursement in one place.

The Board of Directors took a break at 10:25 a.m. – Reconvened at 10:34 a.m.

2. Legal Update

Joshua Whiteside of Lozano Smith, Attorneys at Law, provided a legal update presentation on Back to School and New Legislation/Laws that may affect schools. Topics included Board Members in the Digital Age, Student Access to Recess, Water Bottles, and Phones, Healthy Homework Act, LGBTQ+ Issues, Employee Salaries, Hiring and Training.

I. FINANCIAL REPORTS II

1. Financial Statements for FYE 2024 and 2023

Jacinto Acosta Bernal of McGilloway, Ray, Brown & Kaufman presented the Financial Statements for Fiscal Year Ending 2024 and 2023.

Motion was made to accept and file the Financial Statements for Fiscal Year Ending 2024 and 2023 as presented.

MOTION: Jeremy Shipman	SECONDED: Joshua Jorn	MOTION CARRIED
AYES: 10	NOES: 0	ABSTAIN: 0
ABSENT: 12		
AYES: Jeremy Shipman, Joshua Jorn, Colleen Stanley, Ana Aguillon, Bernard Burchette, Irene Kahn, Ofelia Navarro, Ana Perez, Joannie Lumbra, Tracie Corpuz		
ABSENT: Josh Van Norman, Martha Contreras, Michelle Ross, Annette Mooneyham, Daniel Stonebloom, Dr. Ricardo Espinoza, Nikki Herring, Amy Sweet, Catherine Reimer, Lizette Jimenez, Claudia Arellano, Sarah Doherty		

2. MERMA Annual Report / Financial Benchmark Performance

Marcus Beverly presented the Financial Benchmark Performance as of June 30, 2024, along with the Funding Policy for review. Marcus reported that the Net Position continues to increase while liabilities decrease. MERMA continues to meet and exceed the financial benchmarks.

The Board of Directors broke for lunch at 12:10 p.m. – Reconvened at 1:04 p.m.

J. JPA BUSINESS

1. Loss Control Update

Maria Lorenzana provided an update on recent activities/trainings. She also provided suggestions for use of the Risk Management Funds with discussion including the Shoes for Crews Program. No action taken at this time.

2. Shield Eco-Safe Environmental Solutions

Joe Gettelman and Kyle Sherman presented an FDA approved and EPA registered anti-microbial defense system for protection against harmful pathogens, viruses, bacteria, and fungi that works 24 hours around-the-clock and lasts at least 30 days. The product works mechanically, not chemically and so eliminates harmful chemicals and is completely safe to use in food preparation areas.

3. Intercare Claims Management Stewardship Report

Connie Hampson of Intercare presented the Claims Management Stewardship Report for Fiscal Year Ending 2024. The following are key indicators and successes.

- Reportable claims submitted decreased 18%
- Denial rate for new claims decreased 5%
- Litigation rate for new claims decreased 2%
- Total paid on first year claims increased 9%
- Utilization Review achieved estimated savings of \$785,416
- Settled 58 claims with a 52% increase in settlements
- Closed 363 reportable claims
- Excess Recoveries obtained \$3,208,171
- Subrogation Recoveries obtained \$791
- InterMed achieved an overall savings of \$6,413,124

Bernard Burchette and Joshua Jorn left the meeting.

4. Options for Return of Funds

Marcus Beverly discussed MERMA's Net Position and the good financial condition that continues. Discussion held regarding declaring a dividend, funding additional loss control measures or extending coverage to other areas. No action taken as there was no longer a quorum of members present. This item may be presented at an upcoming meeting for further discussion and/or action.

5. Underwriting Policy

Marcus Beverly presented the Underwriting Policy with updated language to address current members as suggested as part of the CAJPA Re-Accreditation process. No action taken as there was no longer a quorum of members present. This item will be presented again at an upcoming meeting for approval.

6. Intern Executive Committee Member

Discussion regarding designating an Intern Executive Committee Member. No action taken as there was no longer a quorum of members present. The item will be presented again at the next Board of Directors meeting.

7. Roundtable Discussion

Discussion held regarding issues with Doctors on Duty not updating work status reports for injured workers. Intercare mentioned Doctors on Duty could be taken off the employer's list of providers.

K. CLOSING COMMENTS

Ana Aguillon thanked everyone for all their work in putting this meeting together. Irene Kahn mentioned that she was very impressed.

L. UPCOMING MEETINGS

Board of Directors Meeting – May 21, 2025

M. ADJOURNMENT

President, Colleen Stanley adjourned the meeting at 2:57 p.m.

Colleen Stanley, President:

Colleen Stanley

Marcus Beverly, Executive Director:

Marcus Beverly

Date:

1/27/25