

TUESDAY, JULY 22, 2014

Double Tree by Hilton Hotel, 300 NW Franklin Ave., Bend, OR; Conference Room

PACE Trustee members in attendance at meeting start: Debbie Laszlo, Redmond Risk Manager; Craig Prewitt, Phoenix-Talent4 Board Member; Marie Knight, Vernonia 47J Fiscal Assistant; Mike Schofield, Forest Grove Chief Financial Officer; Sharla Andresen, Central Oregon Community College Director of Risk; Phil Wentz, Tigard-Tualatin 23J Facilities Manager; and John Rexford, High Desert ESD Superintendent.

SDAO staff in attendance at meeting start: Frank Stratton, Executive Director; Mike Doherty, Chief Financial Officer; Scott Neufeld, Director of Loss Control; Geoff Sinclair, Director of Claims Services; Jens Jensen, Property Casualty Claims Manager; and Dan Davenport, Risk Manager.

OSBA staff in attendance at meeting start: Betsy Miller-Jones, Executive Director; Rachel Fleenor, Marketing/Social Media/Communications Consultant; Tricia Yates, Director of Communications; Mike Robison, Director of Finance; Lisa Freiley, Director of Labor and PACE Services; Pamela Abernethy, Director of Litigation Services; Haley Percell, Attorney; and Ashley Town, Labor and PACE Services Assistant.

Co-Chair Mike Schofield called the meeting to order at 12:46p.m.

I. Welcome and introductions

Attendees go around the room and introduce themselves.

II. Action Items

A. Election of Chair and Vice-Chair

Motion: John Rexford nominated Adam Stewart for the 2014-15 PACE Trustee Chair; seconded by Phil Wentz.

The board voted on the motion and it passed unanimously.

Motion: Phil Wentz nominated Mike Schofield for the 2014-15 PACE Trustee Vice-Chair; seconded by John Rexford.

The board voted on the motion and it passed unanimously.

B. Approval of May 5, 2014 minutes

Motion: John Rexford moved the board to approve the May 5, 2014 PACE Trustees meeting minutes as presented; seconded by Debbie Laszlo.

The board voted on the motion and it passed unanimously.

III. Consent Agenda

Motion: Craig Prewitt moved the board to approve the consent agenda as presented; seconded by Phil Wentz.

The board voted on the motion and it passed unanimously.

IV. Presentations & Written Reports

A. Investment Update

Mike Robison reports out on Greg Coffey's behalf. He reported that since inception, the portfolio has generated 6.1% return. The total equity portfolio has returned 10.34%; slightly lagging on the custom benchmark. The total fixed income portfolio has returned 3.15% since inception and is outperforming the custom benchmark by .5%. In the last three months the value of the portfolio has increased by approximately 1 million dollars and since inception has increased by 2.5 million dollars.

B. Litigation Services Update

Pamela Abernethy, Director of OSBA's Litigation Services introduces herself to the Trustees and outlines the new staffing changes in litigation department. Pamela announces they just hired new preloss attorney, Margaret 'Meg' Rowe. Pamela outlines service to members as being provided through the member services department under Peggy Holstedt's guidance, with preloss being handled by Meg Rowe, and litigation being handled by John Stellwagen and Haley Percell. She explains she is really making an effort to bring the level of service up to a private firm level, in the way cases are defended for clients while also saving members money. Pamela informs the group she is currently working with Mike R. to provide software support to the litigation services department. Betsy thanks the Trustees for their support in the budget process to allow for the new hires and believes this will be an exciting opportunity for PACE.

C. PACE 101

Lisa presents PACE 101 to the Trustees. Topics covered include: the definition of what PACE is, who the Trustees are, staff who provide services to PACE members, PACE history, services provided by OSBA: preloss/legal-litigation/marketing/admin/contract oversight/training/financial monitoring/ investments/legislative, services provided by SDAO: claims/underwriting/policy/loss control/accounting/litigation management/reinsurance/ specialized safety administration, explanation on pooling, PACE legal and financial requirements, PACE financial overview, and

annual reporting.

D. Circle of a Claim & Acronym List

Geoff S. uses an example claim and walks the group through the Circle of a Claim and the processes used. He also walks the group through the list of acronyms.

Trustees Phil Wentz, Debbie Laszlo, Marie Knight explain the benefits of attending AGRiP Conferences.

E. PACE Video Update

Tricia Yates introduces Rachel Fleenor, new OSBA Marketing Consultant. Tricia introduces the newest PACE video on Best Practices for Hiring and the group watches the video.

V. New Business

A. 2015-16 Renewal and proposal to initiate 5% GL discount

Scott Neufeld explains the initial push of the Boundary Invasion Toolkit as being a great success. He proposes incentivizing the Toolkit for members, if members complete all seven items on the Toolkit checklist before May, 2015, PACE will offer members a 5% discount on their GL premium for the 2015-16 policy year. He is also proposing the discount be offered for the 2016-17 year for those districts who complete the checklist after the May, 2015 deadline.

Motion: Phil Wentz moved the board to adopt the 5% discount for General Liability the 2015-16 and 2016-17 policy years based on the completion of the 7 items listed on the Boundary Invasion Toolkit checklist; seconded by Marie Knight.

The board voted on the motion and it passed unanimously.

B. Review of Business Plan and Update

Lisa states the first two pages are the executive summaries of the highlights for each department, followed by the business plan and briefly runs through the summaries. She thanks Frank Stratton for his work in finding the Smartsheet program that allows both SDAO and OSBA to share and have access to the most current version of the business plan and update it as needed.

Motion: John Rexford moved the board to approve the business plan as presented; seconded by Craig Prewitt.

The board voted on the motion and it passed unanimously.

C. Approve new service agreements

Lisa states most of the changes to SDAO's service agreement was to some amounts as approved from the May budget and an update of the years. OSBA's agreement had more changes because of how the services are being provided and moving them into a service fee versus a billable fee due to personnel changes.

Motion: Craig Prewitt moved the board to approve the new service agreements as presented; seconded by Phil Wentz.

The board voted on the motion and it passed unanimously.

D. Appoint evaluation committee

Lisa states it is time for the Trustees to evaluate their service providers (OSBA/SDAO) and is looking for three volunteers to be on the evaluation committee. The timeline goal would be to have an evaluation to the Trustees by December for review and adoption.

Phil Wentz and Marie Knight volunteer and the Trustees as a group, nominate Adam Stewart to serve on the evaluation committee.

Co-Chair Mike Schofield adjourned the meeting at 2:37 p.m.