



BOARD OF TRUSTEES
Board Meeting
Monday, July 22, 2024
12:00pm – 4:30pm
AGENDA

Eagle Crest Conference Center
1522 Cline Falls Road
Redmond Oregon

Lunch to be served 11:30am – 12:00pm (updated)
Meeting starts at 12:00pm (updated)

PACE Trustees: Tim Belanger (Chair), Business Director, Oregon Trail 46; Dawn Moorefield (Vice Chair), Interim Superintendent, Jefferson SD; David Kruse, Director of Safety & Risk, North Clackamas; Dawn Watson, OSBA Board Member, Phoenix-Talent 4; Olivia Meyers-Buch, Director of Operations and Finance, Corvallis; Jordan Ely, Chief Financial Officer, Jefferson County SD; John Rexford (Trustee Emeritus), Leadership Support Specialist, High Desert ESD; Sean Taggart, Director of Risk Management, Rogue Community College; George Mendoza, Superintendent, La Grande 1.

OSBA Staff: Dave Harvey, PACE Administrator; Emily Welborn, PACE Sr. Administrative Assistant; Meghan Peterson, Membership; Emielle Nischik, Acting Executive Director; Haley Percell, Chief Legal Officer; Michael Miller, interim Legal Services Director; Alex Pulaski, Communications Director; Jaime Conder, Director of Finance and Operations; Henry van Vuuren, IT Analyst; Charissa Geib, Events Specialist; Adrienne Anderson, Efren Zamudio

SDAO Staff: Frank Stratton, Executive Director; Scott Neufeld, Deputy Executive Director; Jens Jensen, Property Casualty Claims Manager; Chris Hill, Underwriting Manager; Michael Doherty, Chief Financial Officer; Troy DeYoung, Sr. Risk Management Consultant; Brad Eastman, Risk Management Consultant.

Guests: Darin Hogsed, Client CIO, Russell Investments.

- I. Welcome – *Tim Belanger called meeting to order at 12:09 pm.*
 - A. New PACE Board Member- George Mendoza
 - B. Introductions of Trustees, staff and guests

- II. Action Items 12:14
 - A. April 10, 2024, meeting minutes
 - a. *“I move approval of the April 10, 2024, PACE Trust meeting minutes.”*
David Kruse motions, Brad Henry seconds. None opposed.
None abstained. Motion passes unanimously.



III. Presentations

A. Russell Investment Report – *Darrin Hogsted, Director Russell Investments*

- FYTD portfolio up 6.4%, exceeded 4.75% target rate
 - “Magnificent Seven” large tech stocks dominating the market, making up 32% of the S&P 500
 - Economic outlook is uncertain, Russell Investments recommends staying close to benchmark allocations
 - Private credit allocation has performed well projected returns ranging 7-15 % depending on aggressiveness of the manager
- Darin exits 12:58*

B. PACE Trust Board Self-Evaluation Report – *Dave Harvey*

- Overall showed agreement
- Board would like to conduct survey every other year

C. SWOCC Update – *Haley Percell*

- PACE will end up being fully reimbursed for appeal
- Ninth circuit upheld the breach of contract but agreed there should not have been non-economic damages awarded.
- Ruling from Ninth circuit upholding breach of contract sets a precedent for colleges with possible implications in K-12

IV. Trust chair opened executive Session at 1:45 pm

A. ORS 192.660(2)(h) To consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.

- a. Following executive session the board will enter back into the regular meeting.

V. PACE Trust Board action (if any) from the executive session

- a. No actions required

Regular session resumes at 3:20 pm

VI. Department Year End Reports (oral reporting 5-15 minutes each department)

A. Oregon School Boards Association – *Emielle Nischik*

- BOD is meeting frequently to move forward with permanent replacement of exec director. BOD considering director appointment of interim exec director.
- OSBA is in the midst of a 3-5 year strategic planning process, which has included member feedback through focus groups and a survey. This has identified priorities such as potentially increasing member dues.
- Director of People Operations position filled with Stephon Kibbs
- Chair asks what the timeline on appointment of director is



Emielle states it is expected within one to two meetings so by September

- B. Financial Report – *Michael Doherty*
 - revenues are on track and claims were coming in below budget, particularly on the property side where losses were covered by reinsurance.
 - liability claims are on budget, and PACE is projecting to add \$7.4 million to retained earnings this year due to favorable claims development and investment earnings.
 - the actuary's initial estimates for future claims years have been trending down, which is a positive sign, though they will get an updated projection from the actuary in June.

- C. Legal Department Year End Report – *Michael Miller*
 - *The legal department has handled over 5,300 pre-loss inquiries from members this year, in addition to 63 litigated matters. They have also provided numerous trainings and presentations.*

- D. Underwriting Report – *Chris Hill*
 - *Membership count dropped by 2*
 - *The PACE had a successful renewal, with an average contribution increase of around 11%. There were some challenges around communicating cybersecurity requirements, particularly with ESDs.*

- E. Legislative Report – *Efren Zamudio*
 - *The legislative team was able to secure some fixes to problematic education legislation in the last session, and is continuing to work on issues like recreational immunity.*

- F. Claims Report – *Jens Jensen*
 - *950 Claims turned in FY 23-24*
 - *500 claims closed*

- G. Risk Management Year End Report – *Troy DeYoung*
 - risk management team has been focused on back-to-basics training for new staff and increasing the number of walk-throughs and sex abuse prevention trainings conducted.
 - The team has started a new "mitigation minutes" series, which includes topics like property inspections, playground inspections, and cybersecurity.
 -

- H. Communications Year End Report – *Alex Pulaski*



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*-examples of the communications work include the PACE annual report, quick reference guides on different topics, and social media promotion of PACE events and services.
-communications team also works with the legal department to craft messages for members in crisis situations, helping to align communication with the legal strategy.*

- VII. Committee Appointments - *Dave Harvey*
 - A. 2024-25 FY Budget Committee, 2 Trustees (2023-24 FY Dawn Moorefield & Olivia Meyers Buch) - *Dave Harvey*
-Olivia Meyers-Buch will remain on the committee and George Mendoza will join for 2024-2025 FY.

- VIII. Discussion Items
 - A. 2024-25 SDAO and OSBA Evaluation of Services Process - *Dave Harvey*
 - a. *Outline of eval process*
 - B. PACE Trust Board future written minutes - *Dave Harvey and Haley Percell*
 - a. No requirement of written minutes, can use recording, no legal requirement to approve minutes.
 - b. Continue written minutes, no approval
 - C. Board Activity Reports - *Trustees*
 - D. PACE Administration Update - *Dave Harvey*
 - E. Future Trustee topics and activities - *All*

- IX. Annual Trust Board Requirements
 - A. Acceptance of Trust Agreement as a PACE Trustee - *Dave Harvey*
 - B. Conflict of Interest Forms - *Dave Harvey*

- X. Informational Reports *Usually not discussed unless a Trustee has a question.*
 - A. PACE Trust Board Priorities 2021-2024 Review - *Dave Harvey*

- XI. Future Trust Meetings and Trustee Attendance
 - A. September 23, 2024, OSBA Offices
 - B. December 4, 2024, Gordon Hotel (COSA Law Conference)
 - C. February 3, 2025, OSBA Offices
 - D. April 9, 2025, Sunriver Conference Center
 - E. April 10, 2025, PACE Day, Sunriver Conference Center
 - F. July 21 & 22, 2025, Riverhouse, Bend OR

- XII. Trustee Training Opportunities
 - A. *Association of Governmental Risk Pools (AGRiP)*
Governance and Leadership Conference
PACE Trust Board attendance



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A focus on education for pool governing bodies, with additional leadership and timely operational content.

- March 16 - 19, 2025 - Las Vegas NV (Change in traditional days)

B. *Public Risk Management Association (PRIMA)*
Annual Convention

The Association's mission is to promote effective risk management in the public interest as an essential component of public administration.
Seattle WA, June 1-4, 2025

XIII. Adjourn (4:49)

- A. Social 5:30pm
- B. Dinner 6:30pm

BOARD OF TRUSTEES

Workshop Session

Tuesday, July 23, 2024

9:00am - 11:00am

AGENDA

- I. Breakfast 8:00am - 9:00am
- II. PACE Trust Board Priorities - *John Rexford*
 - a. Review past priorities 2021-2024. (Handout)
 - b. Establish future PACE Trust Board Priorities
 - i. Establish a three-to-five-year period.