



BOARD OF TRUSTEES MEETING Minutes

Monday February 3, 2025

9:00am – 1:00pm

AGENDA

Local Government Center, 113
1201 Court Street NE
Salem, OR 97301

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, Lane ESD; Jordan Ely, Chief Financial Officer, Northwest ESD; Brad Henry, 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;

OSBA Staff: Dave Harvey, PACE Administrator; Emily Welborn, PACE Sr. Administrative Assistant; Emielle Nischik, Executive Director; Haley Percel, Interim Deputy Executive Director; Michael Miller, Interim Legal Services Director; Jaime Conder, Director of Finance and Operations; Stacy Michaelson, Director of Government Relations and Communications; Henry van Vuuren, IT Analyst;

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

1) Welcome – *Tim Belanger called meeting to order at 9:01 am.*

a) Introductions of guests and new staff

2) Executive Session

a) ORS 192.660(2)(f) "To consider information or records that are exempt by law from public inspection," ORS 192.660(2)(d), ORS 192.355(9), and ORS 40.225

-Executive session called to begin by board chair at 9:06 am. Emily Welborn, Henry van Vuuren, Mike Doherty, Michael Miller, Dan Davenport, Troy DeYoung, Chris Hill exited for executive session.

-Regular meeting called back to order at 9:33 am, upon return Haley Percel had exited.

3) Readings

a) Retained Earnings Policy update – *Dave Harvey and Mike Doherty*

-Dave explained the minor wording changes throughout document to create consistency and cohesiveness.



-Trust would like some ambiguous language regarding when retained earnings are returned changed before approval. Mike Doherty will bring back at April Trust meeting.

b) PACE Investment Guideline update – Dave Harvey, Jaime Conder and Mike Doherty

- Dave explained the minor wording changed throughout this document as well to create consistency between this and the Retained Earnings document.
- David Kruse moved approval of update to the PACE Investment Guideline. Dawn Moorefield seconded. None opposed, none abstained. Motion passes unanimously.
- Investment Guideline will be added to consent agenda at a future OSBA BOD meeting for final approval.

4) Action Items

a) PACE Trust Meeting Calendar 2025-2026 – *Dave Harvey*

- Dave explained that the April meeting is being moved 2-weeks later to try and accommodate insurance renewals. Currently meeting at the beginning of April does not provide the full picture for renewals. This will also avoid any conflicts with partner conferences and help ensure Trust members are able to join in-person.
- Jordan Ely moved approval of the PACE Trust meeting calendar as presented. David Kruse seconded. None opposed, none abstained. Motion passes unanimously.

5) Department Reports

a) Legislative Report – *Stacy Michaelson*

- Key legislative highlights:
 - * 2,600 bills introduced * 600 bills tracked by OSBA * Significant focus on Senate Bill 60 (child abuse statute of limitations)
- discussion of potential financial impacts on school districts

b) Underwriting Report – *Chris Hill*

- Chris discussed potential changes to the coverage document
- Sex abuse coverage will be removed from liability and become its own separate endorsement. Requiring districts to qualify for coverage.
- potential restrictions on coverage language and more stringent underwriting requirements to come

c) Financial Report – *Michael Doherty*

- General liability claims are trending higher, with an increase of \$3.5 million in prior policy year claims primarily from the 2021-22 and 2022-23 periods.
- The property program is expected to exhaust its \$7.5 million SIR for the 2024-25 period, with \$1.5 million in additional claims booked.
- Total operating expenses are on target at 50%, resulting in a net coverage program income of \$1.6 million.



-Investment returns experienced volatility, with a loss of \$2.6 million for the quarter but net earnings of \$2.1 million for the six months (52% of budget).
- Six-month net income stands at \$300,000, bringing retained earnings to over \$52 million, within the target range of \$50-\$99 million.

6) Discussion Items

- a) Board Activity Reports - *Trustees*
- b) PACE Administrator update - *Dave Harvey*
- c) Future Trustee topics and activities - *All*

7) Informational Written Reports *Usually not discussed unless a Trustee has a question.*

- a) Risk Management Report - *Dan Davenport*
- b) Legal Department Report - *Michael Miller*
- c) Communications Report- *Gina Hutchinson*
- d) Claims Department Report - *Jens Jensen*
- e) Russell Investments Report- *Darin Hogsed*
- f) December 4, 2024 PACE Trust Board Meeting Minutes

8) Future Trust Meetings and Trustee Attendance

- a) April 9, 2025, Sunriver Conference Center
- b) April 10, 2025, PACE Day, Sunriver Conference Center
 - i) Aprox. 130 attendees registered so far
 - ii) Detective Mike confirmed as keynote speaker
- c) July 21 & 22, 2025, Riverhouse, Bend OR

9) Trustee Training Opportunities

- a) *Association of Governmental Risk Pools (AGRiP)*
 - Governance and Leadership Conference
 - PACE Trust Board attendance
 - A focus on education for pool governing bodies, with additional leadership and timely operational content.
 - March 16 - 19, 2025 - Las Vegas NV
 - March 1-4, 2026, Nashville TN
- 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.
 - June 1-4, 2025; Seattle, WA
 - June 7-10, 2026, Fort Lauderdale, FL

10) Adjourn to Lunch- meeting adjourned at 10:50 am