



## BOARD OF TRUSTEES MEETING

Wednesday, December 7, 2022

9:00am - 12:00pm

### OFFICIAL MEETING MINUTES

The Graduate Hotel  
66<sup>th</sup> E 6<sup>th</sup> Avenue  
Eugene, OR  
Meeting Room: Studio B  
Or via Zoom link

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#### **PACE Trustees:**

Brad Henry, Chief Ops & Financial Officer, Bend-La Pine 1; David Kruse, North Clackamas; Dawn Moorefield, Assistant Superintendent, Cascade 5; Paul Andrews, Superintendent, High Desert ESD; Belanger (Vice Chair), Business Services Director, Oregon Trail 46; John Rexford, Leadership Support Specialist, High Desert ESD; Dawn Watson, Board Member, Phoenix-Talent 4; Sharla Andresen, Director of Contracts and Risk, Central Oregon CC (virtual)

#### **OSBA Staff:**

Rachel Baker, Marketing and Communications Specialist; Dave Harvey, PACE Administrator; Haley Percell, Legal Services Director; Chris Davidson, Chief Financial Officer; Meghan Peterson, PACE Sr. Administrative Assistant; Jim Green, OSBA Executive Director; Richard Donovan, Legislative Services Specialist; Melissa Goff, Deputy Executive Director; Richard Donovan, Legislative Services Specialist

#### **Absent OSBA Staff:**

Alex Pulaski, Director of Communications; Lori Sattenspiel, Interim Deputy Director & Legislative Services Director

#### **SDAO Staff:**

Jens Jensen, Property Casualty Claims Manager (virtual); Brad Eastman, Risk Consultant (virtual); Meghan Howk, CC Risk Consultant; McKenzie Nix, Sex Abuse and Molestation Prevention Specialist, Chris Hill, Underwriting Manager; Frank Stratton, Executive Director; Michael Doherty, Chief Financial Officer; Scott Neufeld, Chief Operations Officer; Dan Davenport, Risk Manager



### Outside guests:

Kevin Wick Managing Director, PricewaterhouseCoopers LLC; James Marta, Managing Partner, James Marta & Company LLP

### Public Guests:

Tami Booth, Accounting Supervisor, Parkrose District (virtual); Sean Taggart, Rogue Community College (virtual)

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### Meeting called to order at 9:04am.

- I. Welcome - *Brett Yancey*
  - A. Introductions of guests
  
- II. Presentations
  - A. Actuary Report - *Kevin Wick PWC*
    - *Projection in 2023: long term average projection/statistics*
    - *Projected volatility (based on the past)*
    - *Bonds and equities weren't good this year*
    - *John asks where is the pooling industry? Kevin says there is still a big gap in that information, it's a pretty unregulated industry*
  
  - B. Financial Audit - *James Marta CPA*
    - *Investment income had a huge drop*
    - *Exposed to legislative risk, exposed to market risk, exposed to policy risk, but we invest in long-term businesses to stomach long term risk*
    - *Make sure to look at the opportunities you would've missed if you didn't invest*
    - *Inflation and just the nature of claims hit us this year*
    - *We are not generally over or underestimating, which is a good thing*

Break: 9:48am - 5 minute break

### III. Action Items



- A. September 26, 2022, meeting minutes  
a. *"I move approval of the September 26, 2022, PACE Trust meeting minutes"*

**David Kruse makes first motion. Tim Belanger seconds. No objections. Motion carries.\***

*\*Brad Henry was erroneously noted as in attendance, approved with revision.*

- B. OSBA evaluation report – *Dave Harvey*  
a. *Sample motion: "I move approval in accepting the OSBA evaluation for the 2021-2022 fiscal year."*

***Brad Henry makes first motion, Dawn Moorefield seconds. No objections. Motion carries.***

- C. PACE Trustee nomination  
a. *Sample motion: "I move approval of (nomination name) as the nomination from the PACE Trust Board to OSBA Board of Directors for appointment."*

***Dawn Moorefield makes first motion, David Kruse seconds. No objections. Motion carries.***

Jim returns at 10:08am.

#### **IV. Department Presentations**

- A. Legal Department – *Haley Percell*
- *PACE Legal tends to advise in a more conservative manner than districts' general counsel.*
  - *Seeing trends of terminations after medical leave*
  - *Trend of BOLI is more in favor of employees*
- B. Claims Report – *Jens Jensen*
- *We are seeing claims from COVID era*
- C. Financial Report – *Michael Doherty*

Tami Booth returns at 10:28am.

#### **V. Discussion Items**

- A. Board Activity Reports – *Trustees*
- B. PACE Administrator update – *Dave Harvey*
- *Dave is getting a lot of requests for SRO & STAT training, and may request a higher budget line next year.*



- *February Trust Meeting will be at the Salem Convention Center*
  - *Risk is looking at restraint and seclusion training next year*
  - *Frank mentions that data helps reinsurance levels. He also notes that all insurers will be facing increasing costs for lower coverage. PACE is still keeping good coverage with better costs than others.*
- C. Future Trustee topics and activities – All  
D. AGRiP Governance Conference attendance – Dave Harvey

Haley returns at 10:42am.

Jens taken for interview at 10:45am.

- VI. **Informational Reports** *Usually not discussed unless a Trustee has a question.*
- A. Underwriting Report – *Chris Hill*
  - B. Legislative Report – *Lori Sattenspiel*
  - C. Communications Report – *Alex Pulaski*
  - D. Risk Management Report – *Dan Davenport*
  - E. PACE Investment Report – *Russell Investments*

VII. **Future Trust Meetings and Trustee Attendance**

- A. February 13, 2023, Salem Convention Center **(CHANGED)**
- B. April 12, 2023, 10am Service Contract Committee Meeting, Sunriver OR
- C. April 12, 2023, Sunriver, OR
- D. April 13, 2023, PACE Day, Sunriver, OR
- E. July 27, 2023, Service Contract Committee Meeting, Sisters
- F. July 27 & 28, 2023, Sisters

VIII. **Trustee Training Opportunities**

- A. *Association of Governmental Risk Pools (AGRiP)*

Governance and Leadership Conference

Normally the PACE Trust Board is in attendance

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

- March 5 – 8, 2023 – Orlando, FL

- B. *Oregon Public Risk Management Association (OR-PRIMA)*

Spring and Fall Conference

Date and location TBD

OR-PRIMA is the only state association dedicated solely to the practice of risk management in the public sector, providing a one-stop local resource for educational programming, risk resources and networking opportunities to chapter members who coordinate risk management,



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purchase insurance, manage human resources, administer safety programs, manage labor issues, and much more.

c. *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 4-7, 2023 - Long Beach, CA

IX. Adjourn to lunch

A. Dine in same room

B. PACE professional pictures

Trust meeting adjourned at 11:01am.

1:00pm - 2:00pm Service contract committee meeting