

North Bay Schools Insurance Authority

**Quarterly Board Meeting
September 23, 2015**

MINUTES

CALL TO ORDER The meeting was called to order at 12:02 p.m. by President Rahill.

ATTENDANCE Those in attendance were:
Tim Rahill, Benicia Unified School District
Adrian Vargas, Dixon Unified School District
Bruce Colby, Davis Jt. Unified School District
Kelly Bartel, Fairfield-Suisun Unified School District
Wade Roach, Napa Valley Unified School District
Joshua Schultz, Napa County Office of Education
Tommy Welch, Solano County Office of Education
Randy Henry, Vacaville Unified School District (Alternate)
Cecile Nunley, Vallejo City Unified School District

Staff and Guests:

Jaime Metcalf, Travis Unified School District
Jan DeGracia, NBSIA
Janet Selby, NBSIA
Suzanne Dillman, NBSIA
Colleen Abney, NBSIA
Ken Hearnberger, NBSIA

Absent:

Yulian Ligioso, Solano Community College

APPROVAL OF AGENDA

Motion to approve the agenda was made by Colby, seconded by Schultz, and approved as presented: *Ayes: Bartel, Colby, Henry, Nunley, Rahill, Roach, Schultz, Vargas, Welch; Noes: none; Abstained: none.*

REPORTS TO BOARD

Public Comments: None.

PRESENTATION: Kevin Bibler, Senior Vice President at Alliant Insurance Services, Inc. presented information regarding the new cyber liability policy available to members of the NBSIA Property/Liability Program. DeGracia will be forwarding a message to members with the information necessary to log into the Beazley resource page.

ACTION ITEMS

Approval of Consent Calendar:

Motion to accept the minutes of the June 10, 2015 Board Meeting, the Executive Director contract extension, the NBSIA Memorandum of Liability Coverage for 2015/16 and the financial statements at June 30, 2015 was made by Colby, seconded by Welch, and approved as follows: *Ayes: Bartel, Colby, Henry, Nunley, Rahill, Roach, Schultz, Vargas, Welch; Noes: none; Abstained: none.*

ACTION ITEMS

Finance/Operations

2015/16 Final Budget DeGracia presented the final budget for approval, noting that there were only two minor changes from the budget approved in June, both of which were absorbed by the contingency fund in their respective program.

Motion to approve the 2015/16 final budget was made by Schultz, seconded by Colby and carried unanimously as follows: *Ayes: Bartel, Colby, Henry, Nunley, Rahill, Roach, Schultz, Vargas, Welch; Noes: none; Abstained: none.*

NBSIA Policy 3.2: Investment of Funds

DeGracia presented the revised investment policy for discussion noting that the Investment Committee discussed and approved the addition of supranationals as authorized investments now that they are approved by the State of California for purchase by public entities. She further noted that this change is designed to create options in the event government securities become more difficult to find.

Motion to approve Policy 3.2 as revised, and to further authorize the delegation of authority for investments to the Executive Committee as Investment Committee was made by Schultz, seconded by Welch and carried unanimously as follows: *Ayes: Bartel, Colby, Henry, Nunley, Rahill, Roach, Schultz, Vargas, Welch; Noes: none; Abstained: none.*

Property/Liability

BASIC 2015/16 Memorandum of Excess Liability Coverage

DeGracia presented the BASIC MOELC, noting that it represents a shift from the old Industrial Indemnity format to a new excess MOLC which more clearly represents BASIC's role. She further noted that this new format will require members of BASIC to accept a new primary MOLC, but that for NBSIA, the changes will be minor and would be brought to the Board in January or possibly April.

Motion to approve the BASIC 2015/16 MOELC was made by Roach, seconded by Welch and carried unanimously as follows: *Ayes: Bartel, Colby, Henry, Nunley, Rahill, Roach, Schultz, Vargas, Welch; Noes: none; Abstained: none.*

Policy 5.25: Member Deductibles, Proposed Revision

With the new cyber policy, NBSIA staff proposed the addition of a new \$5,000 deductible for losses related to that policy. In addition, language was added to confirm existing practice of applying the deductible to the first dollar of a claim (rather than limiting it to a settlement or other portion of expense). Motion to accept revised Policy 5.25 was made by Colby, seconded by Shultz and carried unanimously as follows: *Ayes: Bartel, Colby, Henry, Nunley, Rahill, Roach, Schultz, Vargas, Welch; Noes: none; Abstained: none.*

Workers' Compensation

NBSIA WC Memorandum of Coverage 2015/16

DeGracia presented the proposed new WC MOC as drafted by counsel in anticipation of the pending CAJPA Accreditation process. Selby reviewed elements of additional clarification to the original language and confirmed that there was no intent in the documentation to make any changes to current coverage, however, in an effort to eliminate a coverage conflict, the Employer Liability portion was excluded from the proposed MOC. DeGracia explained that this separate and limited coverage part was provided to protect against a gap in older general liability policies that did not provide coverage for employment liability. This has since been corrected by most liability policies and since it has been rarely if ever used and may potentially create conflicting coverage, it was not added to the MOC.

Workers' Compensation

NBSIA WC Memorandum of Coverage 2015/16, continued

Following extended conversation motion to table the item to the January 2016 meeting was made by Schultz, seconded by Colby and carried unanimously as follows: *Ayes: Bartel, Colby, Henry, Nunley, Rahill, Roach, Schultz, Vargas, Welch; Noes: none; Abstained: none.*

CLOSED SESSION: The Board entered into closed session at 1:18 p.m. to discuss matters related to Government Code section 54956.95(a): Andres v. Fairfield-Suisun USD.

REPORT OF CLOSED SESSION ACTION:

President Rahill reported re: Andres v. Fairfield-Suisun USD that direction was given regarding further claim management and resolution. Motion to approve by Colby, seconded by Nunley and carried unanimously as follows: *Ayes: Bartel, Colby, Henry, Nunley, Rahill, Roach, Schultz, Vargas, Welch; Noes: none; Abstained: none.*

INFORMATION/DISCUSSION

Dental/Vision Claim Reports

DeGracia presented the FY 2015 reports of Claim Costs to Contribution noting that the vision program has stabilized at 88% and the dental program at 93% inclusive of the 3% discount.

SELF Update

DeGracia provided the Board with a copy of the latest SELF assessment letter and invoice, noting that SELF appears to be getting runoff WC claims inventory under control. This is year 3 of a 10 year assessment plan with a scheduled re-review at year 5 after which staff is hopeful we will see a reduction in the overall assessment based on the news shared with this invoice. For the next two years, however, NBSIA can expect to continue paying the \$271,580 on the attached invoice.

Format/Distribution Changes in Claims Reports

DeGracia noted that the quarterly workers' compensation claims reports provided to members have been modified to mitigate any risk of releasing confidential information, either by NBSIA or its members. The new format reports will be issued starting with the September 30 quarter end and will be distributed directly to Board Members and Board Alternates. As always, Members with concerns about particular safety issues are welcome to reach out to NBSIA staff for additional information in their effort to ensure a safe workplace.

Property/Liability Department Update:

Colleen Abney provided updates to the Board regarding several active topics including Internships, Boot Camp, preparation for the expected El Nino flooding, and Impact testing. Member interest in student accident coverage was also discussed and will be a topic on the upcoming BASIC Board agenda.

Member Services Department Update:

Suzanne Dillman listed the numerous training opportunities available to Members during October and November year and encouraged their participation.

Executive Director's Report

DeGracia noted that the CAJPA Re-accreditation process is underway and being coordinated by Janet Selby and that the Board could expect a report at the January meeting. In addition, she noted that staff will be contacting members over the next several weeks to arrange for an annual Stewardship Meeting to present updated Report Card Reports and insurance policy documentation for their files.

Executive Director's Report

DeGracia asked the Board for feedback on not sending paper copies of the board agenda and the board agreed that it was not necessary to send paper copies unless NBSIA received a specific request for that. DeGracia thanked the Board for their cooperation.

ADJOURNMENT: There being no further business, the meeting was adjourned at 2:07 p.m.

Respectfully submitted: Janet DeGracia (signature on file) January 29, 2016
Janet DeGracia, Executive Director Date

Approved: NBSIA Board of Directors