

**North Bay Schools Insurance Authority
Quarterly Board Meeting
April 20, 2016**

MINUTES

CALL TO ORDER The meeting was called to order at 12:03 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 (left 2:04)
Rob Martinez, 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
Ken Forrest, Travis Unified School District
Deo Persaud, Vacaville Unified School District
Cecile Nunley, Vallejo City Unified School District (12:40 – 2:12)

Staff and Guests:
Jamie Metcalf, Travis Unified School District
Jan DeGracia, NBSIA
Janet Selby, NBSIA
Suzanne Dillman, NBSIA
Kami Linan, NBSIA
Colleen Abney, NBSIA
Ken Hearnberger, NBSIA
Jo Ann Nelson, NBSIA

Absent:
Yulian Ligioso, Solano Community College

APPROVAL OF AGENDA

President Rahill requested the agenda be modified to include the item *Delgadillo v. DJUSD* to the Closed Session section 4.B. Motion was made by Colby and seconded by Welch to approve the modified agenda. Due to the expected late arrival of our Actuary, Rahill requested further modification to move the Closed Session Section 4 to immediately follow approval of the agenda. The amended motion was approved by Colby and Welch and approved as amended: Ayes: Rahill, Vargas, Colby, Martinez, Roach, Schultz, Welch, Forrest, Persaud; Noes: none; Abstained: none.

CLOSED SESSION: The Board entered into closed session at 12:05 p.m. to discuss the following matters:

In accordance with Government Code Section 54957:
Performance evaluation of the Assistant Executive Director.

In accordance with Government Code Section 54956.95(a):
Nancy Doe v. DJUSD
Banks v. FSUSD
Delgadillo v. DJUSD

REPORT OF CLOSED SESSION ACTION:

The Board returned to open session at 12:48 p.m. and President Rahill reported the following action taken:

Motion was made by Roach, seconded by Colby and carried unanimously to recommend an employment contract for J. Selby as NBSIA Executive Director effective July 1, 2016. (*Ayes: Rahill, Vargas, Colby, Martinez, Roach, Schultz, Welch, Forrest, Persaud; Noes: none; Abstained: none*) The contract will be placed on the agenda on June 15, 2016 for approval.

In regard to Nancy Doe v. DJUSD, direction was given regarding further claim management and resolution. Motion by Forrest, seconded by Welch and approved as follows: *Ayes: Rahill, Vargas, Colby, Martinez, Roach, Schultz, Welch, Forrest, Persaud; Noes: none; Abstained: none.*

In regard to Banks v. FSUSD, the Board confirmed the settlement authorization of \$250,000 with motion made by Schultz, seconded by Colby and approved as follows: *Ayes: Rahill, Vargas, Colby, Martinez, Roach, Schultz, Welch, Forrest, Persaud, Nunley; Noes: none; Abstained: none.*

REPORTS TO BOARD

Public Comments: None.

Presentation of 2016 Actuarial Studies:

John Alltop, FCAS, MAAA Managing Director, Bickmore, presented the NBSIA 2016 Actuarial Studies for both the Workers' Compensation (NBSIA and VCUSD) and Property/Liability Programs.

Alltop noted that NBSIA funds at an 85% confidence level and has a capital target policy to help ensure solvency. He further commented that the Workers' Compensation program continues to reflect strong performance and reduced expected losses. The projected WC rate is a reduction over the prior year rate for both NBSIA and VCUSD which has demonstrated a concerted effort to control its WC costs since it joined NBSIA in July 2014.

The Property/Liability program did suffer losses much greater than expected in the 2014/15 year, however it is projected to be very close to meeting the capital target funding policy for the first time since NBSIA increased the liability SIR to \$250,000. Members can expect reduced rates in workers' compensation and increases in the liability program.

NBSIA Accreditation with Excellence:

Selby explained the Accreditation process and goals, and shared with the Board NBSIA's most recent CAJPA Accreditation with Excellence Award which will be in effect through March 2019.

BOARD MEMBER REPORTS AND COLLABORATION

None

ACTION ITEMS

Approval of Consent Calendar:

Motion to accept the minutes of the January 29, 2016 Board Meeting, Meeting notes from January 28 Planning session, the 2016 Bickmore Actuarial Studies for the Workers' Compensation and Property/Liability Programs and Vallejo City USD, application for AGRIP Recognition program, and financial reports at December 31, 2015 was made by Welch, seconded by Roach, and approved as follows: *Ayes: Rahill, Vargas, Colby, Martinez, Roach, Schultz, Welch, Forrest, Persaud, Nunley; Noes: none; Abstained: none.*

Property/Liability Program

Student Accident Medical Support (SAMS) Program

Abney presented the SAMS pilot program for final approval by the Board. She confirmed that this program would not be shared widely with members, but through the Board of Directors and district contacts. Motion was made by Martinez, seconded by Welch approved as follows: Ayes: Rahill, Vargas, Colby, Martinez, Roach, Schultz, Welch, Forrest, Persaud, Nunley; Noes: none; Abstained: none.

Memorandum of Liability Coverage 2016/17

Abney explained that BASIC (Bay Area Schools Insurance Cooperative) was moving toward updated Memorandums of Liability Coverage for the excess layer as well as coordinating MOLCs for members at the primary layer. This requires a few changes to the NBSIA MOLC for 2016/17 and forward to make it more consistent with the other members of BASIC.

Following discussion about changes and means of communicating exclusions to members in a practical form, the Board directed staff to place this item on the June agenda for approval.

Workers' Compensation Program

2016/17 Proposed Pooled Rate

Selby reviewed the 2016/17 proposed pooled rates noting they are determined separately from Vallejo City USD for at least another year after which the Board will consider combining them with the pool. The proposed rate of \$1.80 to be continued for three years was recommended by the Executive Committee.

Motion to accept the proposed pooled rate for 2016/17 was made by Forrest, seconded by Welch and approved as follows: Ayes: Rahill, Vargas, Colby, Martinez, Roach, Schultz, Welch, Forrest, Persaud, Nunley; Noes: none; Abstained: none.

2016/17 VCUSD Proposed Rate

Selby reviewed the calculations for the 2016/17 manual rate for VCUSD. She noted that because VCUSD is in its first three years, there is no X-mod used, but rather the rates are derived from the actuarial study performed by Bickmore and a share of the administrative expense from NBSIA. The proposed rate at \$4.10/\$100 PR is a reduction from the prior year of approximately 21%, and DeGracia commended the district for their commitment to integrating nearly all the elements of a successful program. Selby noted that the Board would be asked to consider full membership of VCUSD into the pooled risk program at this time next year.

Motion to accept the VCUSD 2016/17 proposed rate as presented was made by Welch, seconded by Nunley, and approved as follows: Ayes: Rahill, Vargas, Colby, Martinez, Roach, Schultz, Welch, Forrest, Persaud, Nunley; Noes: none; Abstained: none.

Dental/Vision Program

2016/17 Proposed Dental Rates

DeGracia reviewed the proposed 2016/17 dental rates noting flat renewal overall, with individual members seeing reductions based on their individual experience. In addition, those members eligible for further 3% rate suppression will see an additional discount. She noted that the rates are effective in July for all members with the exception of VCUSD which has a January renewal. A revised rate sheet for 2016/17 was distributed to members at the meeting.

Motion to approve 2016/17 dental rates as presented in Column P of the revised schedule was made by Welch, seconded by Nunley and approved as follows: Ayes: Rahill, Vargas, Colby, Martinez, Roach, Schultz, Welch, Forrest, Persaud, Nunley; Noes: none; Abstained: none. DeGracia noted that those who were eligible for the additional 3% discount would pay that figure.

ACTION ITEMS, continued

Finance/Operations

Resolutions Adopting and Implementing California Uniform Public Construction Cost Accounting Standards
Selby presented the following resolutions for approval:

Resolution 16.01: A Resolution of the Board of directors of North Bay Schools Insurance Authority (NBSIA) Adopting California Uniform Public Construction Cost Accounting Standards

Resolution 16.02: A Resolution of the Board of directors of North Bay Schools Insurance Authority (NBSIA) To Provide For Informal Bidding Procedures Under the Uniform Public Construction Cost Accounting Act (Section 22000, Et Seq. of the Public Contract Code)

Motion to adopt Resolutions 16.01 and 16.02 was made by Nunley, seconded by Welch and approved unanimously by the following Roll Call vote:

Rahill:	Aye	Vargas:	Aye
Colby:	Aye	Martinez:	Aye
Roach:	Aye	Schultz:	Aye
Welch:	Aye	Forrest:	Aye
Persaud:	Aye	Nunley:	Aye
Noes:	None		
Abstained:	None		

INFORMATION/DISCUSSION

SB707 Concealed Weapons on Campus

Selby noted that schools across the state have taken different approaches to this legislation and Board members shared how their individual districts were responding.

Dental/Vision Claim Reports

Selby presented the year to date reports of Claim Costs to Contribution at December 31, 2015.

Safety Credit Fund Balances

Selby noted that as of March 31 there were 2 members at risk of losing safety credit funds due to limits on rollover amounts.

2016 Strategic Planning Report and Action Plan Draft

Selby shared the draft action plan for board review. The final will be available at the June meeting.

Annual Liability Deductible

Selby distributed the annual letter regarding member deductible options. The deadline for the determination to assume a new deductible is May 16, 2016, with a final board resolution to follow. Resolutions are only required for new deductibles or changes to existing deductibles. Members are encouraged to contact NBSIA if they have any questions.

Risk Management Updates

Regarding hoverboards, Selby addressed the fire risk presented by hoverboards and noted that they represent both a liability and a property hazard. Districts should consider policies to address the risks they present when used by students and confiscated by staff.

Program / Department Updates

Member Services Manager Dillman provided an update on training opportunities as well as group projects underway, including a lab safety inventory and cleanup project and the final class of the Certified Schools Risk Manager (CSRM) designation.

Executive Director's Report

Selby updated the Board regarding renewals for property, liability and cyber coverage noting that final rates would be available in late May and reviewed by the Executive Committee on June 6 with invoicing to members within 5 days of that meeting. With the exception of liability coverage, renewals are expected to be flat, however members should be prepared for a significant increase in the cost of our liability program, perhaps as much as 30%.

ADJOURNMENT: There being no further business, the meeting was adjourned at 2:23 p.m.

Respectfully submitted: Janet DeGracia (signature on file) June 15, 2016
Janet DeGracia, Executive Director Date

Approved: NBSIA Board of Directors