

**North Bay Schools Insurance Authority  
Quarterly Board Meeting  
April 22, 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  
John Calise, Dixon Unified School District (Alternate)  
Bruce Colby, Davis Jt. 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:  
Jan DeGracia, NBSIA  
Suzanne Dillman, NBSIA  
Kami Linan, NBSIA  
Colleen Abney, NBSIA  
Ken Hearnberger, NBSIA  
Susan Mays, NBSIA

Absent:  
Kelly Bartel, Fairfield-Suisun Unified School District  
Yulian Ligioso, Solano Community College

**APPROVAL OF AGENDA**  
Motion was made by Rahill, seconded by Schultz, and approved as presented: Ayes: Calise, Colby, Henry, Nunley, Rahill, Roach, Schultz, Welch; Noes: none; Abstained: none.

**REPORTS TO BOARD**  
Public Comments:      None.

Presentation:      John Alltop, FCAS, MAAA Managing Director, Bickmore, presented the NBSIA 2015 Actuarial Studies for both the Workers' Compensation and Property/Liability Programs. Alltop noted that NBSIA funds at an 85% confidence level and has a capital target policy to ensure solvency. He further commented that the Workers' Compensation program study reflected strong performance, particularly in light of disappointing results from SB863. The projected WC rate is a reduction over the prior year rate. The Property/Liability program also showed strong performance and is projected to be very close to meeting the capital target funding policy in 2015/16 for the first time since NBSIA increased the liability SIR to \$250,000.

**REPORTS FROM BOARD MEMBERS**  
None

## **ACTION ITEMS**

### Approval of Consent Calendar:

Motion to accept the minutes of the January 30, 2015 Board Meeting as presented as well as the 2015 Bickmore Actuarial Studies for the Workers' Compensation and Property/Liability Programs and Vallejo City USD was made by Colby, seconded by Welch, and approved as follows: Ayes: Calise, Colby, Henry, Nunley, Rahill, Roach, Schultz, Welch; Noes: none; Abstained: none.

### **Workers' Compensation Program**

#### 2015/16 Proposed Pooled Rate

DeGracia reviewed the 2015/16 proposed pooled rates noting they are determined separate from Vallejo City USD for at least another 2 years after which the Board will consider combining them with the pool. The proposed rate of \$1.85 is suppressed for 2015/16 from the indicated \$2.10/\$100 PR rate as directed by the Board in January 2015.

Motion to accept the proposed pooled rate for 2015/16 was made by Roach, seconded by Colby and carried as follows: Ayes: Calise, Colby, Henry, Nunley, Rahill, Roach, Schultz, Welch; Noes: none; Abstained: none

#### 2015/16 VCUSD Proposed Rate

Hearnberger reviewed the calculations for the 2015/16 manual rate for VCUSD. He 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 \$5.20/\$100 PR is a reduction from the prior year of approximately 20%, and DeGracia commended the district for their commitment to integrating nearly all the elements of a successful program. Nunley commented it has been a great help working with NBSIA and having a Risk Manager at the district. She thanked DeGracia for all her support.

Motion to accept the VCUSD 2015/16 proposed rate as presented was made by Nunley, seconded by Welch, and approved as follows: Ayes: Calise, Colby, Henry, Nunley, Rahill, Roach, Schultz, Welch; Noes: none; Abstained: none

### **Property/Liability Program**

#### Baseline Testing Group Purchase

Abney explained that a number of school districts are developing concussion management programs including Vacaville USD, and that such a program is becoming one of the best options for protecting both students and our members from injury and losses. Several districts throughout the nation already have these programs including others nearby in Sacramento.

Abney explained that while NBSIA is not in a position to manage such a program on behalf of its members, it does have the ability to achieve cost savings through the purchase of a large number of tests that do not expire. This would support districts who conduct baseline tests and protect both students and the district in the event an injury were to occur. Staff proposed the purchase of 10,000 tests at \$1.45 each, however later determined that if NBSIA purchased 20,000 tests at \$1.30, any future purchases would be capped at that \$1.30 rate. These tests would be made available to all NBSIA P/L Program members and could be offered at cost to other members who do not participate in the P/L Program.

The Board discussed its concerns, including the challenges of implementing such a program and whether it should be mandated or voluntary and how it is best communicated to parents and athletes. Staff was requested by Colby to survey members to determine what they were doing now and whether they had plans to implement a more formal program and present that information for further discussion and action at the June meeting.

### **Property/Liability Program**

#### Baseline Testing Group Purchase, continued

It was suggested by Welch that the purchase of these tests was not cost prohibitive and supported the organization's goals over the long term and that action to purchase the tests would be appropriate at this time.

Motion to approve purchasing 20,000 baseline tests at \$1.30/test was made by Welch, seconded by Henry, and approved as follows: Ayes: Calise, Colby, Henry, Nunley, Rahill, Roach, Schultz, Welch; Noes: none; Abstained: none

#### NBSIA Procedure 1.11: Minimum Risk Management Standards Revision

DeGracia proposed the revision to Procedure 1.11: Minimum Risk Management Standards to eliminate unnecessary restatement of statute or otherwise general information contained in the procedure. She further noted that this proposed revision follows that of the Policy 1.11 which was updated at the January Board meeting, and that most of what is outlined as expectations is in fact already in place for most all NBSIA members.

Colby suggested that the term "Risk Management" is often construed as insurance based and just protecting an investment as opposed to safety. DeGracia agreed that it could be perceived as such and suggested adding an opening sentence that focused on the safety component of the procedure.

Motion to accept the revisions of NBSIA Procedure 1.11 with safety statement modification was made by Colby, seconded by Nunley, and approved as follows: Ayes: Calise, Colby, Henry, Nunley, Rahill, Roach, Schultz, Welch; Noes: none; Abstained: none.

### **Dental/Vision Program**

#### 2015/16 Proposed Dental Rates

DeGracia reviewed the proposed 2015/16 dental rates noting an overall pool reduction of .7% as well as the continuation of a 3% rate suppression as approved by the Board last year.

Motion to approve 2015/16 dental rates as presented was made by Welch, seconded by Colby and approved as follows: Ayes: Calise, Colby, Henry, Nunley, Rahill, Roach, Schultz, Welch; Noes: none; Abstained: none.

#### 2015/16 Proposed Vision Rates

DeGracia noted that NBSIA is a member of Schools Insurance Authority (SIA) for vision benefits and that the rate setting is conducted by SIA. The proposed 2015/16 vision rates indicate no change for Fairfield-Suisun and NBSIA, a 5% increase for SCOE and a 7.5% increase for Vacaville USD

Motion to approve 2015/16 vision rates as presented was made by Welch, seconded by Nunley and approved as follows: Ayes: Calise, Colby, Henry, Nunley, Rahill, Roach, Schultz, Welch; Noes: none; Abstained: none.

### **INFORMATION/DISCUSSION**

#### **Dental/Vision Claim Reports**

DeGracia presented the year to date reports of Claim Costs to Contribution at December 31, 2014. She noted no irregular activity.

**INFORMATION/DISCUSSION, continued**

**Safety Credit Fund Carryover Limits**

DeGracia noted that as of March 31 there were 3 members at risk of losing safety credit funds due to limits on rollover amounts. Dillman added that she has already been in contact with the three members and does not expect those funds will be lost, but confirmed with Hearnberger that fund requests are accepted up to June 30, 2015.

**Model Messaging:** DeGracia distributed the final notes developed at the January 2014 Board training regarding model messaging in crisis situations for members to share as they determined appropriate. .

**Annual Liability Deductible for 2015/16:**

DeGracia noted that the annual letter regarding assumption of a liability deductible was sent several days ago. The deadline for the determination to assume a new deductible is May 15, 2015, with a final board resolution to follow. Members are encourage to contact DeGracia if they have any questions.

**Program / Department Updates**

Program Managers Dillman (Member Services), Linan (Workers' Compensation) and Abney (Property/Liability) each provided an update and related discussion regarding their respective departments reflecting on training programs as well as challenges and opportunities ahead.

**Executive Director's Report**

DeGracia 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 May 27 with invoicing to members within 5 days of that meeting. Renewals are expected to be generally flat, however cyber coverage is still being actively marketed.

DeGracia also reminded the Board of the need to have an MD, DO or PA sign off on student athlete participation forms and to hold those forms for three years. Chiropractors are not authorized to sign off on these forms. She also expressed concern that coaches are aware and following the new standards to prevent concussion and she will be drafting an Alert to address those issues as well as the risk of personal liability for coaches.

She noted that the CAJPA Conference is September 16-18 and that both Board Members and Alternates are encouraged to attend. The cost of Board Member and Alternate attendance is covered by NBSIA.

**CLOSED SESSION:** The Board entered into closed session at 1:37 p.m. to discuss matters in accordance with Government Code Section 54956.95(a) in the case of Franklin v. SCOE.

**REPORT OF CLOSED SESSION ACTION:**

The Board returned to open session at 1:40 p.m. and President Rahill reported that in keeping with prior authority, the board confirms the settlement with Claimant Franklin for the sum of \$237,500.

**ADJOURNMENT:** There being no further business, the meeting was adjourned at 1:43 p.m.

Respectfully submitted: Janet DeGracia (signature on file)  
Janet DeGracia, Executive Director

June 10, 2015  
Date

Approved: NBSIA Board of Directors