

**NORTH BAY SCHOOLS INSURANCE AUTHORITY
EXECUTIVE COMMITTEE MEETING
August 22, 2018**

MINUTES

- Call To Order** The meeting was called to order at 12:18 p.m. by President Welch.
- Attendance** Those in attendance were:
Matt Best, Davis Joint Unified School District
Michelle Henson, Fairfield-Suisun Unified School District
Josh Schultz, Napa County Office of Education
Tommy Welch, Solano County Office of Education
- Staff and Guests** Janet Selby, NBSIA
Shelby Van Orsow, NBSIA
Mike Harrington, Bickmore (left at 1:20 pm)
Dick Huntington, The Huntington Group (left at 1:17 pm)
- Approval of Agenda** Motion made by Henson, seconded by Best, and carried unanimously to approve the agenda as presented. (*Ayes: Best, Henson, Schultz, Welch; Noes: none; Absent: none; Abstain: none*)
- Reports to Executive Committee**
Captive Feasibility Study
Mike Harrington of Bickmore and Dick Huntington of The Huntington Group performed the Phase II study on forming a workers' compensation captive. The study looked at two options: funding losses going forward, and funding all existing and future liabilities. While both would be financially feasible and provide advantageous transfer of risk, the study's recommendation is to start with future liabilities and consider transferring other liabilities once the captive is firmly in place.

Mr. Harrington and Mr. Huntington presented the results of the study at the meeting, including the process of creating a captive, potential benefits, and future management. The committee asked several questions about the study and the presentation was well-received by committee members.
- Member Reports and Collaboration**
Auditor Schultz shared that NCOE had recently completed site threat assessment and training with Secure Education Consultants (SEC), as part of the NBSIA pilot of this program. Schultz said that the training was well-received by staff participants and that the trainers were excellent. Selby said that staff plan to report to the board on the pilot in September.
- Executive Director's Report and Communications**
Selby reminded the committee about the upcoming workshop titled "Engaging Your School Community in a Changing World" happening October 17 in Napa. She also shared that the first School Technology Peer Group meeting is scheduled for 8/29/18.

ACTION ITEMS

Approval of Consent Calendar

Motion was made by Best, seconded by Schultz, and carried unanimously to approve all items listed on the Consent Calendar, including Regular Meeting Minutes May 30, 2018; Special Meeting Minutes June 6, 2018; Expenditure Reports April-June 2018; Personnel Actions June-July 2018;

Freeman, Mathis & Gary Agreement; and Mower Agreement. (*Ayes: Best, Henson, Schultz, Welch; Noes: none; Absent: none; Abstain: none*)

Finance/Operations

Formation of NBSIA Captive

Selby facilitated a discussion about the formation of a captive to fund the workers' compensation program. Following the thorough presentation by Mr. Harrington and Mr. Huntington, and good discussion among the committee members, the committee voted to recommend moving forward with formation of an NBSIA captive to fund future workers' compensation liabilities starting July 1, 2019. Mr. Harrington and Mr. Huntington will make a presentation to the Board of Directors, and Selby will prepare a project plan documenting next steps and a draft Board Resolution to present to the Board.

Motion was made by Best, seconded by Schultz, and carried unanimously to form a captive to fund future workers' compensation liabilities, for recommendation to the Board of Directors. (*Ayes: Best, Henson, Schultz, Welch; Noes: none; Absent: none; Abstain: none*)

Board Policy and Procedure Revisions

Selby shared that following a review of board policies and procedures, several changes were made. Most were minor technical changes to match current practices. One substantive change is a new policy – Board Policy 2.3: Underwriting – as required by CAJPA Accreditation. This new policy essentially consolidates current policies and practices related to evaluation of new and current members, rate setting, and allocation of pool contributions and funds.

Motion was made by Best, seconded by Schultz, and carried unanimously to approve the Board Policy and Procedure revisions, for recommendation to the Board of Directors. (*Ayes: Best, Henson, Schultz, Welch; Noes: none; Absent: none; Abstain: none*)

Final 2018/19 Budget

No material changes were proposed to the final budget.

Motion was made by Schultz, seconded by Best, and carried unanimously to approve the Final 2018/19 Budget, for recommendation to the Board of Directors. (*Ayes: Best, Henson, Schultz, Welch; Noes: none; Absent: none; Abstain: none*)

Annual Compensation Review

Each year the Executive Committee reviews NBSIA salary and benefit schedules, to ensure appropriate compensation and documentation.

Selby reported that a formal compensation study will be completed this fiscal year. The last formal study was in 2014. NBSIA will partner with two other local school pools to share in the costs of the study.

Motion was made by Schultz, seconded by Henson, and carried unanimously to accept and file the salary and benefit schedules. (*Ayes: Best, Henson, Schultz, Welch; Noes: none; Absent: none; Abstain: none*)

NON-ACTION DISCUSSION ITEMS

SELF Assessment Update

Selby reported on the SELF Excess Workers' Compensation assessment plan and progress made by SELF in finalizing claims. Former members are obligated to pay their proportional share of the assessment for each program year the member participated. We are in year six of the 10-year assessment plan. SELF staff will be reviewing the plan this fall. Based on conversations with SELF management, no change in the plan is expected for the remainder of the term.

VCUSD Dental

Selby reported that VCUSD desires to remain in the NBSIA dental program, and that staff have evaluated options to rate VCUSD separately based solely on their own enrollment and claim experience. This will shield the other program members from adverse cost effects based on VCUSD's open enrollment practices. The District has agreed to a tentative plan of a 3% across the board increase in rates starting 1/1/19. These new rates will be presented to the board for approval in September.

Authority for Legislative Advocacy

Selby stated that she often receives "call to action" requests to write letters on behalf of NBSIA, in support of or against specific legislation. There is no formal board policy permitting or prohibiting this behavior, and Selby sought clarification from the committee on her authority to advocate on behalf of NBSIA. Following discussion, it was agreed that Selby would draft a Board Policy stating that the Executive Director will seek authorization from the NBSIA Board President before writing position letters on behalf of NBSIA, and giving the President authority to approve such actions.

Adjournment

There being no further business, the meeting was adjourned at 1:49 p.m.

Respectfully submitted by:  8/22/18
Janet Selby, Executive Director Date

Approved by Committee: 11/7/18
Date