

**NORTH BAY SCHOOLS INSURANCE AUTHORITY
EXECUTIVE COMMITTEE MEETING
August 21, 2019**

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
Josh Schultz, Napa County Office of Education
Tommy Welch, Solano County Office of Education
- Staff and Guests** Janet Selby, NBSIA
Colleen Abney, NBSIA
James Marta, Interim Finance Director
- Approval of Agenda** President Welch requested that the quarterly financial statements at June 30, 2019 be pulled from consent for separate discussion and action.
- Motion made by Schultz, seconded by Welch, and carried unanimously to approve the agenda as amended. (*Ayes: Best, Schultz, Welch; Noes: none; Absent: Henson; Abstain: none*)
- Public Comments** No public present.
- Member Reports and Collaboration** Director Best shared that his district is currently considering a parcel tax for employee compensation. Welch shared that the county office is working on training for all county districts on student safety and threat assessment. They are forming a countywide team.
- Board Briefing** Selby highlighted a few areas of her report and briefing: early work on the property coverage renewal for next fiscal year; preparing members for Public Safety Power Shutoffs, including practices to reduce risk and loss; the status of AB 218; and the upcoming communications workshop.
- Closed Session** The Committee entered into closed session at 12:34pm to discuss two cases currently in litigation.
- Report from Closed Session** The Committee returned to open session at 12:50pm. Welch reported that no action was taken during closed session.
- ACTION ITEMS**
- 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 29, 2019; Disbursement Report April-June 2019; Personnel Actions June-July 2019; Gilbert CPAs Agreement; and Compensation and Benefit Review. (*Ayes: Best, Schultz, Welch; Noes: none; Absent: Henson; Abstain: none*)
- Finance/Operations**
Quarterly Financial Statements at June 30, 2019 (unaudited)
Having been pulled from consent, Marta reviewed the June 30 financial report. He highlighted a 12% increase in the total net position of the pool,

as well as the reduction in net position for the Property/Liability program due to adverse loss development. This loss was not unexpected, and Selby stated that the board will need to discuss recapitalization options at its January meeting.

Motion was made by Best, seconded by Schultz, and carried unanimously to receive and file the Financial Report for June 30, 2019 and 2018. (*Ayes: Best, Schultz, Welch; Noes: none; Absent: Henson; Abstain: none*)

AGRIIP Recognition Application

Selby explained that AGRiP requires the NBSIA Board to approve the application for recognition, done every three years in conjunction with CAJPA Accreditation.

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

Board Policy and Procedure Revisions

Selby reviewed two minor proposed revisions to Board Procedures. She also recommended further review of Policy and Procedure 4.14, which provides coverage for loss of personal property. The policy/procedure is over 20 years old and is no longer in sync with the current property coverage policy. Selby stated that pools handle coverage of personal property differently, some following their property coverage and others with optional coverage above and beyond the insurance. Selby suggested that the issue be discussed at the January strategic planning meeting, with a goal of deciding whether to eliminate the optional coverage or keep it and update the policy and procedure to reflect current circumstance. The Committee agreed.

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

Transfer of Funds to Captive

Selby reported that the workers' comp program is currently funded at the 99.5% confidence level. In order to begin capitalizing the NBIG captive in anticipation of moving all program liabilities to the captive at a future point, it is prudent to begin transferring funds to the captive periodically. Funds would be subject to transfer back to NBSIA at the discretion of the Board/parent as long as the captive complies with Utah funding rules, per captive legal counsel. Marta confirmed that the requested figure could be moved to the captive while maintaining funding at a 99% confidence level.

Motion was made by Best, seconded by Schultz, and carried unanimously to approve the transfer of \$5 million in workers' compensation fund to the NBIG captive, for recommendation to the Board of Directors. (*Ayes: Best, Schultz, Welch; Noes: none; Absent: Henson; Abstain: none*)

Final 2018/19 Budget

Marta reviewed reductions in claims expense for the workers' comp, property/liability and Vallejo City USD funds, consistent with accounting at the expected level. There were two other minor increases to workers' comp expenses. No other material changes were proposed to the final budget.

Motion was made by Schultz, seconded by Best, and carried unanimously to approve the Final 2019/20 Budget as presented, for recommendation to the Board of Directors. (*Ayes: Best, Schultz, Welch; Noes: none; Absent: Henson; Abstain: none*)

NON-ACTION DISCUSSION ITEMS

New CSBA Board Policy 4119.24/4219.24/4319.24

Selby reported that CSBA had released a suggested policy on appropriate adult-student interactions, aka boundaries. This policy could be useful as part of our SAM prevention efforts. The Committee discussed the challenges in balancing healthy relationship building between staff and students with creating consistent and reasonable boundaries. Pool legal counsel is currently reviewing and will attend the September Board meeting to assist in further discussion.

Event Coverage

Abney presented a new option for districts to secure special event coverage. The cost is \$100. Coverage requires 2-4 weeks lead time. She will send notice to members with a copy of the application form and instructions.

Strategic Planning 2020

The Committee discussed a proposed theme of "20/20 Vision" including a back-to-basics presentation on coverage (current and options), the how and why of underwriting and allocation/funding formulas, program funding and capitalization needs, and governance training. This was thought to be good subject matter considering our current active strategic plan (no need for a new plan) and the number of new(er) Board Members.

Adjournment

There being no further business, the meeting was adjourned at 1:52 p.m.

Respectfully submitted by:  8/21/19
Janet Selby, Executive Director Date

Approved by Committee: 11/13/19
Date