

**NORTH BAY SCHOOLS INSURANCE AUTHORITY  
EXECUTIVE COMMITTEE MEETING  
November 13, 2019**

**MINUTES**

- Call to Order** The meeting was called to order at 12:00 p.m. by President Welch.
- Attendance** Those in attendance were:  
Matt Best, Davis Joint Unified School District (joined at 12:18 p.m. by videoconference)  
Michelle Henson, Fairfield-Suisun Unified School District  
Josh Schultz, Napa County Office of Education (by videoconference)  
Tommy Welch, Solano County Office of Education
- Staff and Guests** Janet Selby, NBSIA  
Carrie Green, NBSIA  
James Marta, Interim Finance Director
- Approval of Agenda** Motion made by Henson, seconded by Schultz, and carried unanimously to approve the agenda as presented. (*Ayes: Henson, Schultz, Welch; Noes: none; Absent: Best; Abstain: none*)
- Public Comments** No public present.
- Member Reports and Collaboration** Director Schultz shared that Napa COE is using an NBSIA-developed template for student compensation within their CTE intern program. They are pleased with it. Selby suggested that staff will look into posting on the Member Portal website.
- Board Briefing** In addition to the updates in the Executive Director's Report, Selby highlighted free Cal-STOP trainings made possible through the CDE. Two trainings will be offered through NBSIA, available to all members.
- ACTION ITEMS**
- Consent Calendar** Motion was made by Henson, seconded by Schultz, and carried unanimously to approve all items listed on the Consent Calendar, including Regular Meeting Minutes August 21, 2019; Investment Committee Meeting Minutes August 21, 2019; Personnel Actions August-October 2019; Quarterly Financial Reports at September 30, 2019; Contract, Bickmore Actuarial (2019-2020 studies); and List of Surplus Equipment. (*Ayes: Henson, Schultz, Welch; Noes: none; Absent: Best; Abstain: none*)
- Finance/Operations**
- September 2019 Investment Plan Report
- Selby reported that all portfolio benchmarks for liquidity, safety and return on investment are being managed according to our investment policy.
- Motion was made by Schultz, seconded by Henson, and carried unanimously to accept and file the September 2019 Investment Plan Executive Summary Report. (*Ayes: Henson, Schultz, Welch; Noes: none; Absent: Best; Abstain: none*)

### **Property/Liability Program**

#### Property/Liability Capital Target Funding at 6/30/19

Selby reported that the P/L claim environment for public schools has gotten more challenging and costly, and P/L trends are negatively impacting our rates, as well as the rates and coverage offered by excess carriers. Marta reiterated that he has seen this same trend in many other public risk pools, related to higher claim costs in recent years.

Selby further reported that PL program funding has been trending down for several years as a result of adverse claim development. The Board has historically taken a conservative approach to funding and, given the uncertainty of the future and decrease in reserves, should consider additional prudent steps to proactively strengthen program funding. (Matt Best joined the meeting at 12:18 p.m.)

Marta presented the capital target figures, and discussed short- and long-term options for funding, including borrowing funds between programs. Concerns were raised about ensuring that this was only done in certain circumstances, and with strict terms and conditions for repayment with interest. Staff was directed to create a draft policy for first read by the Board at the January meeting and potentially final approval in April.

Motion was made by Schultz, seconded by Henson, and carried unanimously to accept and file the Property/Liability Capital Target Funding report at 6/30/19. (*Ayes: Best, Henson, Schultz, Welch; Noes: none; Absent: none; Abstain: none*)

### **Workers' Compensation Program**

#### Workers' Compensation Capital Target Funding at 6/30/19

Selby highlighted the components of the workers' compensation capital target policy. The analysis shows program funding fully satisfies the confidence level, catastrophic loss reserve and rate stabilization components of the policy. The program is financially strong and stable. Equity presents opportunities to retain more risk, fund new programs and maintain stable rates.

Motion was made by Henson, seconded by Schultz, and carried unanimously to accept and file the Workers' Compensation Capital Target Funding report at 6/30/19. (*Ayes: Best, Henson, Schultz, Welch; Noes: none; Absent: none; Abstain: none*)

### **Dental/Vision Programs**

#### Dental Program Capital Target Funding at 6/30/19

Selby reported on the components of the dental capital target policy. Funding for the dental program satisfies both the confidence level and rate stabilization components of the policy. The program is financially strong, and equity opportunities exist to enhance benefits and discount rates.

Motion was made by Schultz, seconded by Best, and carried unanimously to accept and file the Dental Capital Target Funding report at 6/30/19. (*Ayes: Best, Henson, Schultz, Welch; Noes: none; Absent: none; Abstain: none*)

**NON-ACTION DISCUSSION ITEMS**

Independent Audit Results – WC and PL

Selby reported that both programs received excellent audit scores. Full audit reports will be shared with the Board in January. Directors congratulated the program managers and staff for these exceptional results.

Strategic Planning Meeting 2020

Selby reviewed the Strategic Planning Meeting 2020 outline, which met the approval of the Executive Committee. The Committee discussed a proposed theme of "20/20 Vision," including a governance training portion. Feedback also consisted of ensuring we reiterate the values that make NBSIA so successful to fellow new Board Members.

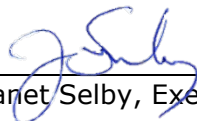
Captive Meeting – Spring 2020

Selby provided an update on scheduling the Captive Board meeting. Proposed location of Park City, Utah was discussed and approved, as was the time of year for both the first and ongoing annual meetings. Discussion centered around having the meeting in the Spring (March) this FY, but during early Fall (October) in subsequent years. Staff will do a short survey to gather additional feedback from the Captive Board Members on specific dates and other meeting details.

**Adjournment**

There being no further business, the meeting was adjourned at 12:54 p.m.

Respectfully submitted by:

  
\_\_\_\_\_  
Janet Selby, Executive Director

11/13/19  
Date

Approved by Committee:

3/25/2020  
Date