

North Bay Schools Insurance Authority  
Quarterly Board Meeting  
September 16, 2005

**MINUTES**

**Call To Order**

The meeting was called to order at 9:10 A.M. by President Lettie Allen. Introductions were requested by Lettie Allen.

**Roll Call**

Those in attendance were:

Lettie Allen, Solano County Office of Education  
J.R. Perkiss, Napa County Office of Education  
Kimberly Dennis, Benicia Unified School District  
John Niederkorn, Vacaville Unified School District  
Susan Rinne, Dixon Unified School District  
Bill Taylor, Travis Unified School District (9:14)  
Kari Sousa, Fairfield-Suisun Unified School District (9:16)  
Solveig Monson, Davis Joint Unified School District (9:17)

**Staff and Guests:**

Jan DeGracia, NBSIA  
Suzanne Dillman, NBSIA  
Gordon Templeton, NBSIA  
Peggy Kech, NBSIA  
Ron Cohea, NBSIA  
Lewis Lawrence, NBSIA  
Kami Liñan, NBSIA  
John Paul Acac, NBSIA

**Approval of Agenda**

Motion was made by Kimberly Dennis, seconded by JR Perkiss, and carried unanimously to approve the agenda as presented.

**Reports to Board:**

Public Comments: None.

**Reports from Board Members:**

None.

**ACTION ITEMS:**

**Approval of Consent Calendar**

Motion was made by Kimberly Dennis, seconded by JR Perkiss, and carried unanimously to accept the consent calendar as presented. Consent calendar consists of the minutes of the June 17, 2005 NBSIA Board Meeting.

**OPERATIONS:**

**2005/2006 Final Budget:**

DeGracia presented the 2005/06 final budget and noted that the "Adjustments from Proposed" column reflects proposed changes within programs, but the total budget expense figures remain the same. The floor was open for questions but none were presented. Motion was made by JR Perkiss, seconded by Kimberly Dennis, and carried unanimously to accept the Final Budget for fiscal year 2005/2006 as presented.

**NBSIA Building Purchase:**

DeGracia reviewed the previous building discussion from the Executive Committee Meeting. Fifty percent of the current building is presently occupied by NBSIA and the total space available for the whole building is roughly 16K square feet. DeGracia suggested funding the space currently leased by NBSIA with tax free financing and using cash reserves to pay for the other half.

DeGracia stated that NBSIA will need to obtain a broker in order to rent the other vacant areas. NBSIA will also need to upgrade and maintain the current spaces, pay for common area maintenance, and other costs of ownership that will no longer be pro-rated.

Allen stated that the impact on the member Districts is expected to be very minimal. The cost would be approximately \$230K per year if financed at 100% and currently that amount is about \$150K per year.

DeGracia stated that our broker indicates that \$1.50/ sq. ft. rent is a reasonable rate. Allen added that the board should be cognizant that if NBSIA cannot rent immediately then the board may incur a cost, hopefully not a significant cost.

DeGracia also stated that it may be an option to use the newly acquired space for member district meetings. She plans to speak to the current tenant to discuss his intentions at the end of their two year contract. A discussion took place regarding catastrophic claims. DeGracia stated it would take a series of catastrophic claims for any severe impact on our member Districts. Gordon Templeton agreed to check if an earthquake is classified as a single event or multiple events.

Motion was made by Kari Sousa, seconded by Kimberly Dennis, and carried unanimously to endorse further action on the building purchase to be undertaken by the Executive Committee on the Board's behalf.

**OPERATIONS, continued**

Proposed Policy 2.2:

Code of Conduct/Ethics: DeGracia drafted the Code of Conduct/Ethics policy as requested by the financial auditor. Having a formal policy clarifies expectations for both board and staff in regard to their respective fiduciary responsibilities.

Motion was made by Susan Rinne, seconded by JR Perkiss, and carried unanimously to accept the Proposed Policy 2.2: Code of Conduct/Ethics as presented.

**PROPERTY & LIABILITY**

Analysis of Annual

Financial Position:

DeGracia presented the analysis of annual financial position valued at 06/30/2005 indicating an available refund of \$335,396. She clarified that each policy year stands on its own so that regardless of when a payment is made, it is charged to the policy year in which the claim occurred.

Return of Surplus Funds:

DeGracia reviewed the proposed equity distribution of \$335,000 based upon the report just reviewed.

Motion was made by Kari Sousa, seconded by JR Perkiss, and carried unanimously to accept the proposed equity distribution as presented. Payments will be delivered in December at the Strategic Planning Meeting.

**DENTAL**

Analysis of Annual Financial

Position @ 06/30/2005

DeGracia presented the Analysis of Annual Financial Position report for the dental program and noted that while the balance thru policy year 2003/04 is negative at (\$109,170) it does not account for the most recent year in which 10% rate increase was implemented, increasing cash flows.

**EXECUTIVE DIRECTORS' REPORT**

Dental Reenrollment

DeGracia stated she is planning a new project to track employee and dependents for better accuracy of the dental program. She noted that the seven member districts involved will be participating in a re-enrollment process. The effective date is targeted for 01/01/2006. DeGracia requested that the Districts support the re-enrollment program in efforts to contain costs and keep contributions low.

**EXECUTIVE DIRECTORS' REPORT, continued**

**Strategic Planning:** DeGracia reminded the Board that the annual Strategic Planning session is scheduled for December 5 and 6 in Yountville. Paul Porter, EdD will be facilitating the program and will be working with Lettie Allen, JR Perkiss, and DeGracia to begin developing the agenda.

**Sexual Harassment Training:** Suzanne Dillman reminded the Board that on November 2, 2005 there will be a Sexual Harassment training held at North Bay Schools Insurance Authority.

**ADJOURNMENT**

There being no further business, motion was made by Kimberly Dennis, seconded by JR Perkiss and carried unanimously to adjourn. The meeting adjourned approximately at 10:00A.M.

Respectfully submitted by:

  
\_\_\_\_\_  
Jan DeGracia, Executive Director

10-13-05  
Date