

**North Bay Schools Insurance Authority
Board of Directors Meeting
September 26, 2018**

MINUTES

CALL TO ORDER The meeting was called to order at 12:01 pm by President Welch.

ATTENDANCE Those in attendance
John Calise, Dixon USD
Bruce Colby, Davis Joint USD
Laura Convento, Solano Community College
Hitesh Haria, Vallejo City USD
Michelle Henson, Fairfield-Suisun USD (left at 1:37 pm)
Tim Rahill, Benicia USD
Wade Roach, Napa Valley USD
Josh Schultz, Napa COE
Tommy Welch, Solano COE

Staff and Guests

Gigi Patrick, Ed.D., Vallejo City USD
Janet Selby, NBSIA
Suzanne Dillman, NBSIA
Ken Hearnberger, NBSIA
Kami Liñan, NBSIA
Shelby Van Orsow, NBSIA
Mike Harrington, Bickmore (left at 12:50pm)
Dick Huntington, The Huntington Group, LLC (via teleconference that concluded at 12:50 pm)

Absent

Janet Dietrich, Vacaville USD
Sonia Lasyone, Travis USD

APPROVAL OF AGENDA

Motion was made by Schultz, seconded by Colby, and carried unanimously to approve as presented. (*Ayes: Calise, Colby, Convento, Haria, Henson, Rahill, Roach, Schultz, Welch; Noes: none; Abstained: none.*)

PUBLIC COMMENTS

None.

REPORTS TO BOARD

Captive Feasibility Study

Mike Harrington of Bickmore and Dick Huntington of The Huntington Group performed the Phase II study on forming a captive. They presented their findings, focused on the proposal to form a captive to fund workers' compensation losses starting with the 2019/20 fiscal year. Presentation included detailed information on the process of creating and maintaining a captive, legal requirements, costs, potential benefits, and future opportunities to use the captive. Board Directors engaged in a healthy discussion, and posed several questions about the study and proposal, including the process for transferring funds between the pool and captive, the auditing and accounting functions, and the make-up of the captive Board of Directors. The presentation was well-received.

MEMBER REPORTS AND COLLABORATION

Selby asked about DonorsChoose.org and similar sites where school staff can post requests for public funding of school projects. Possible risks to Members were discussed. Director Colby also discussed a new type of football helmet that has been requested in his district called VICIS Zero 1, which appears to be gaining some traction in K-12 schools as a competitor to existing helmets.

ACTION ITEMS

Consent Calendar

Motion was made by Haria, seconded by Colby, and carried unanimously to approve the Consent Calendar. Consent items included: minutes of the June 6, 2018 regular meeting, Financial Statements at June 30, 2018 (unaudited), Renewal of Delegation of Authority for Investments, and the Strategic Plan Progress Report. *(Ayes: Calise, Colby, Convento, Haria, Henson, Rahill, Roach, Schultz, Welch; Noes: none; Abstained: none.)*

Finance/Operations

Formation of NBSIA Captive

Following the presentation by Mr. Harrington and Mr. Huntington, discussion continued regarding the formation of an NBSIA captive. Director Rahill proposed amending the proposed board resolution (Resolution No. 18-01) with new language stating that the seventh at-large member of the captive's Board of Directors shall be elected annually in accordance with the established Bylaws of the captive. The group also discussed names for the captive and decided on North Bay Schools Insurance Group.

Motion was made by Rahill, seconded by Schultz, and carried unanimously to adopt Resolution No. 18-01 as amended by Director Rahill with language about Board elections and with the agreed captive name, with such resolution authorizing the establishment of a single-parent captive insurance company domiciled in the state of Utah. *(Ayes: Calise, Colby, Convento, Haria, Henson, Rahill, Roach, Schultz, Welch; Noes: none; Abstained: none.)*

Board Policy and Procedure Revisions

Selby reviewed substantive changes to the Board Policy and Procedure documents, which were made following an annual review. Those changes included an amendment to Policy 1.2, designating the HR/Operations Supervisor as a position subject to the Conflict of Interest code; new Policy 2.3, an underwriting policy as required for CAJPA Accreditation; new Policy 2.4, which provides a process for the Executive Director to seek approval from the Board President to advocate on legislation that may significantly impact NBSIA and its Members; and an amendment to Policy 3.2, changing the process for notification to and action by the Executive Committee in the event of a security downgrade below an "A" rating.

Motion was made by Colby, seconded by Henson, and carried unanimously to approve all proposed changes to the Board Policy and Procedure documents. *(Ayes: Calise, Colby, Convento, Haria, Henson, Rahill, Roach, Schultz, Welch; Noes: none; Abstained: none.)*

Final 2018/19 Budget

No material changes were proposed to the final budget.

Motion was made by Haria, seconded by Rahill, and carried unanimously to approve the final budget as presented. (*Ayes: Calise, Colby, Convento, Haria, Henson, Rahill, Roach, Schultz, Welch; Noes: none; Abstained: none.*)

Dental/Vision

VCUSD Dental Rates

Selby reported that VCUSD worked with staff to evaluate options for rating VCUSD separately based solely on their own enrollment and claim experience, in light of VCUSD's open enrollment practices. Using this new model, VCUSD rates for January 1, 2019 have been recalculated. The result is an increase of just over 3% for all plans and tiers.

Motion was made by Schultz, seconded by Roach, and carried unanimously to approve the proposed amended dental rates for VCUSD effective 1/1/19. (*Ayes: Calise, Colby, Convento, Haria, Henson, Rahill, Roach, Schultz, Welch; Noes: none; Abstained: none.*)

NON-ACTION ITEMS

SELF Assessment Update

Selby reported on the SELF Excess Workers' Compensation assessment plan and progress made by SELF in finalizing claims. Former SELF members are obligated to pay their proportional share of the assessment for each program year in which the member participated. We are in year six of the 10-year plan. SELF staff will be reviewing the plan this fall. Based on early conversations with SELF management, no change in the plan was expected for the remainder of the term. However, Selby did advise of a recent change in the SELF chief executive position, which may impact this prediction. Director Rahill questioned whether SELF could approve another assessment following the end of the current one, and Selby advised it is possible.

National Cyber Security Awareness Month

NBSIA will again participate in National Cyber Security Awareness Month (NCSAM) in October. NBSIA is now a Champion of this program, reflecting a commitment to safe online and cyber practices. NBSIA staff will send weekly emails around a theme, with videos and suggestions for best practices.

Executive Director's Report

Selby reminded Members about the upcoming workshop, "Engaging Your School Community in a Changing World." She also provided an update on development of tools for child abuse prevention, and plans for the 2019 Strategic Planning meeting. Selby acknowledged Suzanne Dillman for an excellent presentation at CAJPA, and announced that Kami Liñan had joined the CAJPA Accreditation Committee. Lastly, Ken Hearnberger announced that he would be retiring from NBSIA later this year.

Staff Reports

Member Services Manager Dillman shared preliminary feedback from the site security assessment pilot performed at Benicia USD and Napa COE by Secure Education Consultants (SEC). This included letters from the primary contacts at each participant. Director Schultz shared that he received excellent feedback from NCOE staff about the training. The program was so well-received by Benicia USD that SEC President Jason Russell was invited to and will attend the Solano County Superintendents' Meeting in October to review and discuss the program. Dillman and Selby will also attend to gather feedback and answer questions.

Selby filled in for Maria Cantera and provided a report from the first NBSIA Technology Peer Group meeting on August 29, 2018. There were five attendees from four members, with additional interest expressed going forward. Discussion included the cyber claim process, and sharing of practices and data agreements. The plan is to hold meetings quarterly, with the next meeting scheduled for November 7, 2018 at 9am.

Workers' Compensation Claims Manager Liñan announced that NBSIA's telehealth program will be made available to all Members on October 1, 2018. A handful of Members participated in a pilot of the program, and based on the results, the program was expanded. Participation by injured workers is selective and voluntary. The goal is to fill medical provider availability gaps in certain specialties and geographical areas, and provide an option for injured workers.

ADJOURNMENT

There being no further business, the meeting was adjourned at 1:39 pm.

Respectfully submitted by: Janet Selby (signature on file) Date: 9/26/18

Approved by Board of Directors: 2/1/2019