

**NORTH BAY SCHOOLS INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING
September 29, 2021**

MINUTES

- Call to Order** The meeting was called to order at 12:01 p.m. by Vice President Best.
- Attendance** Voting Board Members in person:
 Laneia Grindle, Fairfield-Suisun USD
 Josh Schultz, Napa COE (left at 1:30 p.m.)
 Mike Minahen, Solano COE
 Trudy Barrington, Travis USD (left at 1:00 p.m.)
Voting Board Members by Zoom:
 Tim Rahill, Benicia USD
 Matt Best, Davis Joint USD
 Tonja Kutz, Dixon USD
 Dana Page, Napa Valley USD
 Chris Hulett, Vacaville USD (left at 12:55 p.m.)
 Rosa Loza, Vallejo City USD (arrived at 12:11 p.m.; left at 1:10 p.m.)
Board Alternates and District representatives in attendance:
 Brian Dolan, Dixon USD (in person) (left at 1:24 p.m.)
Absent (voting):
 Calistoga JUSD
 Solano Community College District
 St. Helena USD
Staff and Guests in attendance
 Janet Selby, NBSIA
 Carrie Green, NBSIA
 Karen Antunes, NBSIA
 Kami Liñan, NBSIA
 Suzanne Dillman, NBSIA
 Brandon Schlenker, NBSIA
 Vahé Hovakimian, NBSIA
 Dr. Paul Porter (presentation under Item 6(A))
 Rebecca Ryan, NEXT Gen (presentation under Item 6(C))
 Dr. Creston Burse, NEXT Gen (presentation under Item 6(C))
- Approval of Agenda** Motion made by Schultz, seconded by Rahill, and carried unanimously to approve the agenda. (*Ayes: Rahill, Best, Kutz, Grindle, Schultz, Page, Minahen, Barrington, Hulett; Noes: none; Absent: Hester, Abbate, Stubbs, Loza; Abstain: none*)
- Public Comments** No public present and no comments received.
- Member Reports and Collaboration**
 Board Members discussed the issues around obtaining and retaining adequate substitute teachers and paraprofessionals. Selby added a reminder to have NBSIA review any contracts for sub staffing, as we have seen issues with certain recently reviewed contracts.
- ACTION ITEMS**
- Consent Calendar Motion was made by Barrington, seconded by Grindle, and carried unanimously to approve all items listed on the Consent Calendar, including Strategic Planning Meeting Minutes (June 22, 2021), Regular Meeting Minutes (June 23, 2021), Renewal of Delegation of Authority for

Investments, Declaration of Surplus Equipment, Financial Reports at June 30, 2021 (unaudited), and Property/Liability Program Rates (final billed version). *(Ayes: Rahill, Best, Kutz, Grindle, Schultz, Page, Minahen, Barrington, Hulett, Loza; Noes: none; Absent: Hester, Abbate, Stubbs; Abstain: none)*

Finance/Administration

Captive Loss Portfolio Transfer Funding and Business Documents

Selby presented an update on Phase II planning. The loss portfolio transfer (LPT) is on track for completion by the target date of January 2022. Transfer of assets and claim liabilities from NBSIA to NBIG will be reflected starting with the fiscal third quarter financial reports. Staff recommended approval of funding the LPT at 85%, consistent with the NBSIA capital target funding policy. Selby also presented the proposed business plan amendment and reinsurance agreement endorsement for approval. These actions (funding and business documents) require concurrent approval by the NBIG Board. A special board meeting is scheduled for October 22.

Motion made by Schultz, seconded by Rahill, and carried unanimously to approve captive loss portfolio transfer funding at the 85% confidence level, and to approve the business plan amendment and reinsurance agreement endorsement as presented. *(Ayes: Rahill, Best, Kutz, Grindle, Schultz, Page, Minahen, Barrington, Hulett, Loza; Noes: none; Absent: Hester, Abbate, Stubbs; Abstain: none)*

Final 2021/22 Budget

The Board of Directors approved the preliminary budget for FY 2021/22 at its June meeting. JPA Bylaws require the Board to approve the final budget no later than October 1.

Two minor changes were noted in the final budget: under Assumptions, the cyber retention increased from \$100k to \$250k; and the Property/Liability contribution was adjusted down slightly to match the approved 90% confidence level funding and actual billed rates.

Motion made by Rahill, seconded by Grindle, and carried unanimously to approve the final FY 2021/22 budget as presented. *(Ayes: Rahill, Best, Kutz, Grindle, Schultz, Page, Minahen, Barrington, Hulett, Loza; Noes: none; Absent: Hester, Abbate, Stubbs; Abstain: none)*

Workers' Compensation Program

Reallocation of Site Security Grant Funds

Selby provided an accounting of funds for the site security assessment grant program. To date, just over \$23,000 of the \$300,000 allocated has been utilized, and none in the current or prior year. In January, the Board approved reallocation of \$100,000 of these funds toward a new mental health grant program. All those funds have been distributed based on qualified applications from seven Members.

The need for mental health resources is evidenced by the volume of requests for grant funding. Because NBSIA is in the final year of the site security grant program, and to help Members meet current needs, Selby recommended repurposing an additional \$75,000 from the site security

program to further fund the mental health grant program. This would leave about \$100,000 in the site security fund for the remaining year.

Motion was made by Grindle, seconded by Barrington, and carried unanimously to approve repurposing an additional \$75,000 from the site security grant program to the mental health grant program. *(Ayes: Rahill, Best, Kutz, Grindle, Schultz, Page, Minahen, Barrington, Hulett, Loza; Noes: none; Absent: Hester, Abbate, Stubbs; Abstain: none)*

Property/Liability Program

Biennial Claims Audit

Property/Liability Manager Schlenker presented the biennial claims audit report conducted by Farley Consulting Services, LLC. No major deficiencies were noted. There were noted issues with claim diary and documentation, and Schlenker provided detail and his plans to address those issues. With no further questions from the Board, the report was received and filed.

NON-ACTION ITEMS

Executive Director Succession Planning

Dr. Porter updated the Board on the succession planning process and presented the core competency themes gathered from his board and staff interviews. Dr. Porter also reviewed his process matrix, which goes through placement and includes timing and responsibility for application reviews, interviews, candidate screening, and final decisions. Application review will be done by staff, with committee involvement as needed for maybes. Interviews will be done by two panels: Executive Committee members and leadership team staff. The two panels will meet at the end to debrief. Video is okay for round one. Reference checks of finalists will be done by staff, subject to guidelines provided by HR and legal.

Selby reported that the position profile and webpage were done, and the job posted on several industry sites including AGRiP, CAJPA, PARMA, PRIMA and CASBO. Application deadline is October 15, 2021.

The Board asked to be involved in finalist interviews and to be kept informed of progress during the process.

Cyber Security and Insurance Coverage

Selby and Schlenker presented the Board with information gleaned from the recently completed cyber insurance applications. Staff are focusing on certain critical areas as defined by cyber underwriters, including training, encryption, backups, and policies and procedures. These will be areas of opportunity to support members in securing data and systems, and positioning NBSIA for cyber coverage in the current hard markets. Staff are developing options and resources, including sample policies, training resources, and best practices, using economies of scale where possible.

Strategic Planning Update 2021

Selby provided a progress report on the current strategic foresight project initiated at the June planning meeting. This included subsequent work done by staff and consultants to develop future scenarios.

Rebecca Ryan and Dr. Creston Burse were in attendance to provide additional information on the work done with staff since June and engaged the Board in discussion on the future scenarios. Following feedback from the Board, Ms. Ryan and Dr. Burse will work to finalize the scenarios and then pivot toward impact on NBSIA, with the goal of developing a 5-year strategic plan for NBSIA at the January 2022 meeting.

Brown Act Teleconference Meeting Requirements

Selby provided an update to the Board regarding the expiration of Executive Order N-29-20 and the passage of AB 361, which takes effect immediately and amends the Brown Act to allow special teleconferencing rules during a state of emergency. The new law under AB 361 requires the board to renew its decision to meet under the special rules every 30 days. Since the NBSIA Board and Executive Committee do not meet this frequently, a special meeting would be required. If the Board opts not to adopt the special rules under AB 361, normal teleconferencing rules will apply, including the requirement to list each teleconference site address in the agenda and allow public access from each site.

After thorough discussion, there was a consensus amongst the Board that they will not adopt the AB 361 special rules at this time.

Staff Reports

Member Services

Member Services Manager Dillman presented an update, including COVID-19 on-site meeting guidelines and a reminder about the availability of child sexual abuse prevention training through Praesidium.

Property/Liability

Schlenker provided an update, including his recent contacts meeting/training and property appraisals that will be conducted by Duff & Phelps in mid-January. Schlenker also reminded Members to immediately notify NBSIA of any new properties valued at over \$25m.

Executive Director's Report

Selby reminded members that we continue to update our website, including COVID resources, a new webpage with wildfire resources, and our weCARE webpage with child abuse prevention resources. Selby also promoted the upcoming PARMA conference in Anaheim.

INFORMATION ONLY

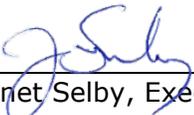
Board Briefing

The briefing included articles of interest, an alert on mask policies, a new Cabinet Briefing with risk management information and updates, and a legislative update with key bill outcomes and upcoming trainings.

ADJOURNMENT

There being no further business, the meeting was adjourned at 1:36 p.m.

Respectfully submitted by:



Janet Selby, Executive Director

9/29/2021
Date

Approved by Board:

1/28/2022
Date