

**NORTH BAY SCHOOLS INSURANCE AUTHORITY
EXECUTIVE COMMITTEE MEETING
August 16, 2023**

MINUTES

- Call to Order** The meeting was called to order at 12:53 p.m. by President Page.
- Attendance** Those in attendance were:
Dana Page, Napa Valley USD
Maureen Hester, Calistoga Joint Unified School District
Michelle Henson, Solano County Office of Education
Matt Best, Davis Joint USD (via videoconference)
- Staff and Guests** Kim Santin, NBSIA
Carrie Green, NBSIA
Andrew Obando, NBSIA
Kevin Webb, RW Baird (via videoconference)
- Approval of Agenda** Motion made by Hester, seconded by Best, and carried unanimously to approve the agenda as presented. (*Ayes: Best, Henson, Hester, Page; Noes: none; Absent: none; Abstain: none*)
- Public Comments** No public present.
- Member Reports and Collaboration** Matt Best (Davis JUSD) reported that their District was visited by the First Amendment Auditor.
- ACTION ITEMS**
- Consent Calendar Motion made by Best, seconded by Henson, and carried unanimously to approve all items listed on the Consent Calendar, including the Regular Meeting Minutes May 24, 2023; Expenditure Report (April-June 2023); Q4 Investment Report (PFM); Coverage Structure for FY2023-24; Personnel Actions (May-August 2023); and contract for Strategic Planning venue (Napa River Inn) (*Ayes: Best, Henson, Hester, Page; Noes: none; Absent: none; Abstain: none*)
- Workers' Compensation**
- Revised Workers' Compensation Rates for
Butte Self-Funded Schools Programs (BSSP)
- Santin reported that when Butte Self-Funded Schools Programs joined NBSIA an actuarial study was completed to project the 2023-24 claim expenses. These estimates were based on historical experience for the program since July 1, 2016 and evaluated as of December 31, 2022. The actuaries projected the ultimate cost of claims and expenses for the FY2023-24 program year to be \$1,641,000 (rate of \$1.68) at the discounted 75% confidence level. In addition, BSSP contributed its share of unallocated expenses based on 11% of total payroll, which resulted in a combined rate of \$2.22. BSSP joined NBSIA intending to keep the capped rate and the ex-mods unchanged through FY2024-25 to develop an agreed methodology. Rates were updated to reflect the agreed upon cap rate of \$2.22 through FY2024-25.

Motion made by Hester, seconded by Best, and carried unanimously to approve the revised workers' compensation rates for Butte Self-Funded Schools Programs (BSSP) as presented. *(Ayes: Best, Henson, Hester, Page; Noes: none; Absent: none; Abstain: none)*

Property & Liability

Review and Determination of Actual

Property/Liability Rates for FY2023-24

Santin reminded the Committee that for the FY2022-23 program year, the Board opted to fund at a higher confidence level to strengthen program funding. The strategy was effective, and the program now fully meets all three components of the capital target policy (85% confidence level funding, rate stabilization, and catastrophic loss reserve). Final rates and funding scenarios were presented to the Executive Committee for discussion and direction.

Motion made by Best, seconded by Hester, and carried unanimously to recommend that the Board of Directors approve applying the property & liability surplus to fund the program between the 85-90% confidence levels. *(Ayes: Best, Henson, Hester, Page; Noes: none; Absent: none; Abstain: none)*

Finance/Operations

Final Annual Budget FY2023-24

The Final Annual Budget was presented inclusive of all coverages, programs, and services, as well as operational and administrative expenses. The final budget is the same preliminary budget as was presented and approved by the Board at the June Board Meeting. The Property & Liability rates have been finalized and included in this Final Budget. The Workers Compensation Program remains funded at the 85% confidence level and the Property/Liability program is funded at the 85% confidence level.

Motion made by Henson, seconded by Hester, and carried unanimously to recommend that the Board of Directors approve the Final Annual Budget for FY2023-24. *(Ayes: Best, Henson, Hester, Page; Noes: none; Absent: none; Abstain: none)*

DISCUSSION ITEMS

BASIC/NBSIA Financial Services Agreement

This matter was reported to the Board at the meeting in June. In May 2023, the BASIC Board acted not to renew the contract with Sedgwick for administrative and claims oversight. Instead, the Board decided to transition claims management to a consultant with administrative support provided by members. This arrangement has been done in the past, and NBSIA provided the financial oversight portion to BASIC. This included monitoring monthly transactions, budget and rate development, annual invoicing to members, quarterly and annual financial reporting and coordination with the financial auditors. With the proposed oversight, it is anticipated that the NBSIA Executive Director and Finance Manager would contribute an estimated 5-8 hours per month. BASIC and NBSIA general counsel are aware of this transition and drafted the agreement for these services to be presented to the NBSIA Board at the next meeting.

2024 Strategic Planning Session Update

Santin provided an update on the upcoming Strategic Planning session in January 2024. The program will follow a similar format as years prior and a venue has been secured at the Napa River Inn. Topics for the Strategic Planning session include a cybersecurity presentation and program assessment by KYND.

Executive Director’s Report / Board Briefing

Santin provided an update to the Executive Committee including a discussion about first amendment auditors, an update on upcoming conferences, and an update about this year’s annual Report Card process. Upcoming training dates were also provided.

ADJOURNMENT There being no further business, the meeting was adjourned at 1:31 p.m.

Respectfully submitted by: Kim Santin
Kim Santin, Executive Director

8/16/2023
Date

Approved by Committee: 11/8/2023
Date