

**North Bay Schools Insurance Authority
Board of Directors Meeting
June 6, 2018**

MINUTES

CALL TO ORDER The meeting was called to order at 12:00 pm by President Welch.

ATTENDANCE Those in attendance
John Calise, Dixon USD
Bruce Colby, Davis Joint USD
Robert Diamond, Solano College
Michelle Henson, Fairfield-Suisun USD
Sonia Lasyone, Travis USD (arrived at 12:02 pm)
Gigi Patrick, Vallejo City USD
Tim Rahill, Benicia USD
Wade Roach, Napa Valley USD
Josh Schultz, Napa COE
Tommy Welch, Solano COE

Staff and Guests
Hitesh Haria, Vallejo City USD
Rob Martinez, Fairfield-Suisun USD (arrived at 12:11 pm)
Janet Selby, NBSIA
Suzanne Dillman, NBSIA
Ken Hearnberger, NBSIA
Kami Liñan, NBSIA
Colleen Abney, NBSIA
Karen Antunes, NBSIA
Shelby Van Orsow, NBSIA
Rob Cutbirth, Freeman Mathis & Gary, LLP

Absent
Janet Dietrich, Vacaville Unified School District

APPROVAL OF AGENDA
Motion was made by Colby, seconded by Schultz, and carried unanimously to approve as presented. (*Ayes: Calise, Colby, Diamond, Henson, Lasyone, Patrick, Rahill, Roach, Schultz, Welch*); *Noes: none; Abstained: none.*)

PUBLIC COMMENTS
None.

REPORTS TO BOARD
Property/Liability Coverage Review
Rob Cutbirth of Freeman Mathis & Gary, LLP and NBSIA General Counsel, reviewed NBSIA's Memorandum of Liability Coverage (MOLC), the agreement that provides the terms and conditions for pooled risk sharing among member entities. Mr. Cutbirth discussed the history of the MOLC, including its emphasis on risk management; who and what is covered; coverage types and limits; exclusions; and changes made to the document for the new fiscal year, including the inclusion of a hammer clause. Members asked several questions regarding coverage for associated non-profits, E&O coverage and drones.

MEMBER REPORTS AND COLLABORATION
No reports.

ACTION ITEMS

Approval of Consent Calendar

Motion was made by Schultz, seconded by Calise, and carried unanimously to approve the Consent Calendar. Consent items included: minutes of the April 18, 2018 regular Board Meeting, Quarterly Financial Statements at March 31, 2018 (Unaudited), 2018/19 Memorandum of Workers' Compensation Coverage, and the Strategic Plan Progress Report. *(Ayes: Calise, Colby, Diamond, Henson, Lasyone, Patrick, Rahill, Roach, Schultz, Welch); Noes: none; Abstained: none.)*

Property/Liability Program

2018/19 Memorandum of Coverage

Selby reported that two changes were made to the MOLC for 2018/19. The first is an amendment to the definition of "Wrongful Act" to incorporate the definition of "occurrence" to avoid confusion between the two. The second change is the addition of a "Hammer Clause" to limit member and NBSIA liability in certain circumstances. These were discussed in detail during Mr. Cutbirth's earlier presentation.

A motion was made by Roach, seconded by Colby, and carried unanimously to approve the Memorandum of Liability Coverage with amendments as presented. *(Ayes: Calise, Colby, Diamond, Henson, Lasyone, Patrick, Rahill, Roach, Schultz, Welch); Noes: none; Abstained: none.)*

Finance/Operations

2018/19 Preliminary Annual Budget

Selby reported that staff continues to focus on controlling the frequency and severity of claims, as this accounts for 70% of total budgeted expenses. NBSIA invests in a variety of innovative, cost-effective programs and services to prevent and mitigate claims, and continues to work on efficiently implementing Board strategic objectives. Proposed total expenses are up 1.7% and total income is up 6.6% over the prior year. A report detailing assumptions, substantive changes, major programs and equity-funded projects was presented.

A motion was made by Lasyone, seconded by Henson, and carried unanimously to approve the preliminary budget as presented and recommended by the Executive Committee. *(Ayes: Calise, Colby, Diamond, Henson, Lasyone, Patrick, Rahill, Roach, Schultz, Welch); Noes: none; Abstained: none.)*

NBSIA Personnel Handbook

Selby shared that the NBSIA Personnel Handbook had not been thoroughly reviewed or updated since 2008. HR/Operations Supervisor Karen Antunes outlined some of the changes, which included revisions to vague language, updating of policies and procedures to comply with current laws and regulations, and an adjustment to the maximum vacation leave accrual. A full description of substantive changes was included in the agenda packet.

A motion was made by Rahill, seconded by Schultz, and carried unanimously to approve changes to the Handbook as presented and recommended by the

Executive Committee. (Ayes: Calise, Colby, Diamond, Henson, Lasyone, Patrick, Rahill, Roach, Schultz, Welch); Noes: none; Abstained: none.)

2018/19 Election of Officers

The NBSIA Bylaws do not designate specific term limits for Officers and Executive Committee members, but practice has been two-year terms of service. All Officers and members of the current Committee – Welch, President; Henson, Vice President; Schultz, Auditor; and Best, Member-at-large – were agreeable to serving in their current positions for another year.

A motion was made by Rahill, seconded by Colby, and carried unanimously to nominate the current slate of Officers/Executive Committee Members to serve again for 2018/19. (Ayes: Calise, Colby, Diamond, Henson, Lasyone, Patrick, Rahill, Roach, Schultz, Welch); Noes: none; Abstained: none.)

2018/19 Meeting Schedule

The proposed 2018/19 meeting dates for the Executive Committee and Board of Directors were reviewed. No conflicts were noted.

A motion was made by Rahill, seconded by Calise, and carried unanimously to approve the proposed meeting schedule for 2018/19. (Ayes: Calise, Colby, Diamond, Henson, Lasyone, Patrick, Rahill, Roach, Schultz, Welch); Noes: none; Abstained: none.)

NON-ACTION ITEMS

Executive Director's Report

Selby highlighted the upcoming CAJPA Conference in September, which will include a governance track designed for risk pool Board Members. She encouraged attendance and reminded members that NBSIA pays for primary and alternate Board members to attend. Selby also thanked the Officers, Executive Committee and Board Members for their consistent support.

Program Manager Reports

Member Services Manager Suzanne Dillman shared the 2018/19 training schedule as it stands, and invited suggestions for future training topics.

Property & Liability Risk Manager Colleen Abney shared a liability claim case study and some lessons learned on contractual risk transfer. She encouraged members to allow themselves time to review contracts, and forward contracts to NBSIA for review of indemnity language. On suggestion from Director Lasyone, Ms. Abney also agreed to facilitate a working group from within the pool to develop a checklist for members to utilize when reviewing contracts.

ADJOURNMENT

There being no further business, the meeting was adjourned at 1:01 pm

Respectfully submitted by: Janet Selby (signature on file) Date: 6/6/18

Approved by Board of Directors: 9/26/18