

**North Bay Schools Insurance Authority
Board of Directors Meeting
February 1, 2019**

MINUTES

CALL TO ORDER The meeting was called to order at 9:01 a.m. by President Welch.

ATTENDANCE Those in attendance
Matt Best, Davis-Joint Unified School District
Hitesh Haria, Vallejo City Unified School District
Michelle Henson, Fairfield-Suisun Unified School District
Victoria Lamica, Solano Community College
Sonia Lasyone, Travis Unified School District
Tim Rahill, Benicia Unified School District
Josh Schultz, Napa County Office of Education
Tommy Welch, Solano County Office of Education

Staff and Guests
Laura Convento, Solano Community College
Janet Selby, NBSIA
Suzanne Dillman, NBSIA
Kami Liñan, NBSIA
Colleen Abney, NBSIA
Karen Antunes, NBSIA
Shelby Van Orsow, NBSIA
Kevin Webb, Piper Jaffray (left 9:39 am)
James Marta, James Marta & Company (left at 10:00 am)

Absent
Alejandro Hogan, Napa Valley Unified School District
Leanee Medina-Estrada, Dixon Unified School District
Vacaville Unified School District

APPROVAL OF AGENDA

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

PUBLIC COMMENTS

None.

REPORTS TO BOARD

NBSIA Investment Portfolio Review

Kevin Webb of Piper Jaffray, reviewed NBSIA's Investment Portfolio. Mr. Webb reported that the portfolio is performing well against plan benchmarks. Graphs reviewed included the Investment Plan Executive Summary and Effective Duration versus Purchase Yield.

MEMBER REPORTS AND COLLABORATION

None.

ACTION ITEMS

Approval of Consent Calendar

Motion was made by Best, seconded by Schultz, and carried unanimously to approve the Consent Calendar. Consent items included: minutes of the September 26, 2018 Regular Board Meeting and the Quarterly Financial Statements at September 30, 2018 (unaudited). (*Ayes: Best, Haria, Henson, Lamica, Lasyone, Rahill, Schultz, Welch; Noes: none; Abstained: none.*)

Finance/Operations

Financial Audit for fiscal year end June 30, 2018

James Marta from James Marta and Company, LLP presented the results of the 2017/18 financial audit, noting no concerns or findings. Mr. Marta highlighted the widespread trend of increasing claim costs in liability and property, and the negative impact on pool equity.

Motion was made by Schultz, seconded by Best, and carried unanimously to accept and file the 2017/18 audit report. (*Ayes: Best, Haria, Henson, Lamica, Lasyone, Rahill, Schultz, Welch; Noes: none; Abstained: none.*)

Property/Liability Program

Status of Capital Target Funding at 6/30/18

Selby reported Property/Liability Program funding of (\$2.4 million) after application of the capital target policy. Funding satisfies the confidence level and rate stabilization components of the policy, but does not fully cover the minimum catastrophic loss reserve. Adverse loss development for the past several years has significantly eroded program funding. The Board will consider action to address the reduction when it sets funding rates for the coming year. This may include funding at a higher confidence level or a multi-year plan to build back capital.

Motion to accept and file the report was made by Lasyone, seconded by Best, and carried unanimously. (*Ayes: Best, Haria, Henson, Lamica, Lasyone, Rahill, Schultz, Welch; Noes: none; Abstained: none.*)

Workers' Compensation Program

Status of Capital Target Funding at 6/30/18

Selby reported that the Workers' Compensation Program retains funding of \$9.5 million after application of the capital target policy. Funding fully satisfies the confidence level, catastrophic loss reserve, and rate stabilization components of the policy. Equity is up approximately \$600,000 from this time last year.

Motion to accept and file the report was made by Rahill, seconded by Best, and carried unanimously. (*Ayes: Best, Haria, Henson, Lamica, Lasyone, Rahill, Schultz, Welch; Noes: none; Abstained: none.*)

Member Services Program

Firestorm Grant Program

On January 26, 2018, the Board approved funding for a site security pilot program, working with Secure Education Consultants (SEC). Two Members – Benicia USD and NCOE – participated. Based on the positive results of the pilot, staff proposed a three-year grant in the amount of \$300,000, funded by

WC equity. This grant would allow Members to access funds to engage SEC (now Firestorm) for site security and critical incident training.

Motion to approve the allocation of \$300,000 in equity from the workers' compensation program for the Firestorm Grant Program was made by Rahill, seconded by Best, and carried unanimously. (Ayes: Best, Haria, Henson, Lamica, Lasyone, Rahill, Schultz, Welch; Noes: none; Abstained: none.)

Dental/Vision Programs

Status of Capital Target Funding at 6/30/18

The Dental program analysis identified funding of \$2.2 million after application of the capital target policy, a slight decrease from the previous reporting period. Funding fully satisfies both the confidence level and rate stabilization components of the dental capital target policy. Selby reported that equity is currently being used to fund the addition of implants to the program effective 7/1/17, through the current fiscal year.

Motion to accept and file the report was made by Best, seconded by Haria, and carried unanimously. (Ayes: Best, Haria, Henson, Lamica, Lasyone, Rahill, Schultz, Welch; Noes: none; Abstained: none.)

CLOSED SESSION

Benson v. Davis Joint Unified School District

Pursuant to Government Code Section 54956.95(a), the Board entered into Closed Session at 10:07 am.

REPORT FROM CLOSED SESSION

Benson v. Davis Joint Unified School District

The Board returned to Open Session at 10:23 am. No action was taken in Closed Session.

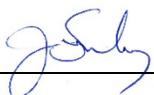
NON-ACTION DISCUSSION ITEMS

SELF Assessment Update

Selby reported that the SELF committee evaluated the current assessment plan and recommended no changes. The plan will run through 2023 as scheduled, after which SELF will re-evaluate funding and the impact of the assessment.

ADJOURNMENT

There being no further business, the meeting was adjourned at 10:32 am.

Respectfully submitted by:  (signature on file) Date: 2/1/19

Approved by Board of Directors: 4/24/19