

**NORTH BAY SCHOOLS INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING
September 30, 2020**

MINUTES

CALL TO ORDER: The meeting was called to order at 12:05 p.m. by President Henson.

ATTENDANCE: Board Members

In person:

Michelle Henson, Fairfield-Suisun USD

Via videoconference/Zoom:

Matt Best, Davis Joint USD

Josh Schultz, Napa County Office of Education

Adrian Vargas, Vallejo City USD

Trudy Barrington, Travis USD

Chris Hulett, Vacaville USD (left meeting at 12:57 p.m.)

Victoria Lamica, Solano Community College

Mike Minahen, Solano County Office of Education

Dana Page, Napa Valley USD

Tim Rahill, Benicia USD

Absent: Monique Stovall, Dixon USD

Staff and Guests

In person:

Janet Selby, NBSIA

Carrie Green, NBSIA

Via videoconference/Zoom:

Karen Antunes, NBSIA

Suzanne Dillman, NBSIA

Kami Liñan, NBSIA

Brandon Schlenker, NBSIA

Vahé Hovakimian, NBSIA

Bill Davis, Hanna Brophy (presentation under Item 4)

Juli Broyles, Strategic Research and Communications (presentation under Item 9(C))

APPROVAL OF AGENDA

Motion was made by Rahill, seconded by Schultz, and carried unanimously to approve the agenda as presented. (*Ayes: Henson, Best, Schultz, Vargas, Barrington, Hulett, Lamica, Minahen, Page, Rahill; Noes: none; Abstained: none; Absent: Stovall*)

PUBLIC COMMENTS

None.

REPORTS TO BOARD OF DIRECTORS

Legal Update – SB 1159

Attorney Bill Davis presented a high-level overview of SB 1159, which creates a rebuttable presumption of injury under workers' compensation for COVID-19 and includes new reporting and tracking requirements for positive COVID-19 tests. Additional information and trainings are planned.

MEMBER REPORTS AND COLLABORATION

None.

CLOSED SESSION

Pursuant to Government Code Section 54956.95(a), the Board entered Closed Session at 12:42 p.m. to discuss JT v. de Blasio and Martinez v. Newsom.

REPORT FROM CLOSED SESSION

The Board returned to Open Session at 12:48 p.m. No reportable action was taken in Closed Session.

ACTION ITEMS

Approval of Consent Calendar

Motion was made by Rahill, seconded by Best, and carried unanimously to approve the Consent Calendar. Consent items: Minutes of Regular Meeting June 10, 2020; Minutes of Special Meeting July 30, 2020; Quarterly Financial Statements at June 30, 2020 (unaudited); Strategic Plan 2019-2022 Progress Report; Renewal of Delegation of Authority for Investments. (Ayes: Henson, Best, Schultz, Vargas, Barrington, Hulett, Lamica, Minahen, Page, Rahill; Noes: none; Abstained: none; Absent: Stovall)

Finance/Administration

Captive Reinsurance Agreement Renewal

Selby presented the Reinsurance Agreement with North Bay Insurance Group (our captive), including two proposed changes for FY20-21. The first change was to Article 5 to lower the deposit premium from 85% to 75% confidence level, to ensure that NBSIA retains adequate funding for operations. The second change was to Article 7, changing the frequency of claims reporting to quarterly as previously agreed by the captive board.

Motion made by Schultz, seconded by Best, and carried unanimously to approve the Captive Reinsurance Agreement for FY 2020-21 with changes as presented, and as recommended by the Executive Committee. (Ayes: Henson, Best, Schultz, Vargas, Barrington, Hulett, Lamica, Minahen, Page, Rahill; Noes: none; Abstained: none; Absent: Stovall)

Final 2020/21 Budget

Selby presented the final budget with two changes from the preliminary budget approved in June. The first was a change in the workers' compensation insurance expense, to match funding to the captive at the 75% confidence level, consistent with the revised Reinsurance Agreement (prior item). This change results in a corresponding increase to the Captive, Member Contributions line. The second change is an increase of approximately \$180,000 to Property/Liability contributions as a net result of a decrease in final excess premiums and an increase in funding to the 90% confidence level as previously approved by the board.

Motion made by Rahill, seconded by Best, and carried unanimously to approve Final 2020/21 Budget as presented and recommended by the Executive Committee. (Ayes: Henson, Best, Schultz, Vargas, Barrington, Hulett, Lamica, Minahen, Page, Rahill; Noes: none; Abstained: none; Absent: Stovall)

Property/Liability Program

Amendment to Memorandum of Property Coverage

Selby reported that staff recently learned the SPA property coverage package includes flood insurance, and because our pool Memorandum of Property Coverage (MOPC) follows form with the SPA Memorandum of Coverage, this effectively added flood

liability to the pool. Flood insurance has not historically been part of our pooled property coverage and this liability was not considered in the rates. It is therefore necessary to modify the MOPC to exclude flood losses, except loss from fire/explosion following a flood, to maintain the status quo for the current year. An Endorsement and conforming changes to the MOPC were presented for approval.

It was noted in the discussion that several Members purchase separate flood coverage. Staff will help those Members evaluate whether the SPA coverage is a complement or replacement for current coverage.

Motion made by Schultz, seconded by Best, and carried unanimously to approve the amended Memorandum of Property Coverage as presented and recommended by the Executive Committee. (*Ayes: Henson, Best, Schultz, Vargas, Barrington, Hulett, Lamica, Minahen, Page, Rahill; Noes: none; Abstained: none; Absent: Stovall*)

Endorsement to Memorandum of Liability Coverage – Class Action

Selby reported two class action lawsuits against California school districts claiming declaratory and/or injunctive relief. Typically, these types of action-only claims are not covered by our Memorandum of Liability Coverage (MOLC). Working with general counsel Rob Cutbirth, an endorsement to the MOLC was presented to allow NBSIA to assist with defense-only coverage for class action-type claims that are brought against more than half of our Members.

Program funding is expected to be sufficient for this expense, and the Board discussed and approved a \$2,500 per-Member deductible. (Board Member Chris Hulett left the meeting before the vote).

Motion made by Best, seconded by Vargas, and carried unanimously to approve Endorsement #4 to the Memorandum of Liability Coverage as presented. (*Ayes: Henson, Best, Schultz, Vargas, Barrington, Lamica, Minahen, Page, Rahill; Noes: none; Abstained: none; Absent: Hulett, Stovall*)

NON-ACTION ITEMS: Discussion

Praesidium Training Program Update

Selby provided an update to the Board regarding implementation of Praesidium's child sexual abuse prevention trainings. Trainings will be ready for roll-out in October or November. Selby asked for guidance from the Board on an implementation plan, most importantly how to engage District/COE leadership for a successful roll-out. Schultz commented on the timing, with schools still under distance learning programs and dealing with the effects of the recent wildfires. Selby indicated that she and staff will discuss further and communicate with Members individually.

Executive Director's Report

Selby presented an update to the Board including NBSIA office status, COVID resources for hybrid and returning to in-person teaching, the most recent Northern California wildfires and its impacts on our Members, this year's annual report card process and a new wellness initiative aimed at providing self-care resources to all of our District and COE staff.

Legislative Session Update

Juli Broyles, owner of Strategic Research and Communications, provided the status of several bills in her legislative end-of-session update. She encouraged any of the Members to contact her directly for additional information.

Staff Reports

Workers' Compensation: Workers' Compensation Manager Liñan provided an update to the Board on SB 1159, including future informational trainings for District/COE workers' compensation staff. Online reporting of COVID-19 claims under this new law is live via the Origami portal and working well. We have designated staff to be our point person for related claims, reports, and questions from Members.

Property/Liability: Property Liability Manager Schlenker reported on the known impacts of the recent wildfires. A negotiated contract has been entered into with a remediation firm to evaluate and correct damage due to fire or smoke, and on-site assessments are in progress. Schlenker also provided information on an optional device coverage policy through the pool's property broker, to provide coverage to new and existing devices. Members interested in this coverage were encouraged to contact NBSIA.

NON-ACTION ITEMS: Information Only

Board Briefing

Included COVID-19 updates, articles, alerts, legislative updates, and a list of upcoming NBSIA trainings.

Dental Premium and Claims Report at June 30, 2020

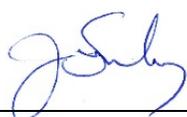
A Dental Claims Report for FY 2019-20 was provided to the Board, detailing total contributions and net claims expenses.

CSBA Board Policy 4119.24/4219.24/4319.24 (as modified)

Selby reminded the Board that proposed modifications to the policy were presented in September 2019 as information. Since then, at least one Member has adopted the modified policy. Members were encouraged to consider adopting the policy or something similar at their Districts/COEs as part of our efforts at child sexual abuse and molestation prevention.

ADJOURNMENT

There being no further business, the meeting was adjourned at 1:43 p.m.

Respectfully submitted by:  (signature on file) Date: 9/30/2020

Approved by Board of Directors: 01/29/2021