

**CONTRA COSTA COUNTY SCHOOLS INSURANCE GROUP
ANNUAL BOARD OF DIRECTORS MEETING MINUTES
Thursday, April 12, 2018
Contra Costa County Schools Insurance Group, Conference Room
550 Ellinwood Way, Pleasant Hill, CA**

Present were:

Board of Directors:

Gene Huff, President	CCC College District
Norma Gonzales, Vice President	Pittsburg USD
Julie Bautista	Acalanes UHSD
Jessica Romeo	Antioch USD
Troy Miller	Arcohe USD
Roxane Jablonski-Liu	Brentwood Union SD
John Hild	CCC Office of Education
Bonnie Franzoni	John Swett USD
Cindy Friedmann	Knightsen SD
Liz Robbins	Liberty Union High SD
Helen Rossi	Martinez USD
Daniela Parasidis	Moraga SD
Mary Brakefield	Orinda Union SD
Greg Medici	San Ramon Valley USD
Trudy Barrington	Travis USD
Audrey Katzman	Walnut Creek SD
Chris Mount-Benites	West Contra Costa USD

Staff:

Bridget Moore, Executive Director	CCCSIG
Joe Emmett, Chief Financial Officer	CCCSIG
Karen Ward, Claims Manager	CCCSIG
Denise Schreiner, Health & Safety Services Manager	CCCSIG
Erica Williamson, HR/Communications Manager	CCCSIG

Guests:

Izac Chyou	PFM
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1. CALL TO ORDER

The meeting was called to order at 10:20 a.m. by President Huff.

2. OPENING PROCEDURES

2.1 Roll Call

3. PUBLIC COMMENT

3.1 Items on the Agenda

No public comment items.

3.2 Items of Interest to the Public

No items of interest to the public.

4. AGENDA REVIEW AND ADOPTION

Motion was made by Katzman to approve Agenda as presented; second by Romeo. AYES: Huff, Gonzales, Bautista, Miller, Jablonski-Liu, Hild, Franzoni, Friedmann, Robbins, Rossi, Parasidis, Brakefield, Medici, Barrington and Mount-Benites. ABSENT: Pedersen, Faircloth, Chan, Deshler, Cooksey and Peterson.

5. GENERAL FINANCIAL AND ADMINISTRATIVE ITEMS

5.1 PFM Investment Overview

Izac Chyou with Public Financial Management provided an overview of the Group's Investment Portfolio, current market conditions and information related to how changing the maximum maturity of investments would affect the Group's portfolio. Discussion followed regarding various investment portfolio options and how best to maximize the Group's portfolio, as well as how CCCSIG's CFO would remain involved should there be an increase to the maximum maturity allowable. Motion was made by Parasidis to modify the Group's investment policy to increase the maximum maturity to ten years, with the red-lined policy being brought forth to the Executive Committee at their next meeting for consideration; second by Miller. AYES: Huff, Gonzales, Bautista, Romeo, Jablonski-Liu, Hild, Franzoni, Friedmann, Robbins, Rossi, Brakefield, Medici, Barrington, Katzman and Mount-Benites. ABSENT: Pedersen, Faircloth, Chan, Deshler, Cooksey and Peterson.

5.2 Equity Allocation Report

The CFO reviewed the Equity Allocation Summary Report prepared by James Marta & Company as of June 30, 2016, which calculates each member's share of CCCSIG's Total Equity by policy year. There were five members of the workers' compensation program who ended this period with negative equity. This was due to the \$20 million of rebates paid in 1997, 1998 and 2000 being distributed using incorrect pro rata shares, where these members were paid too much. There was no action necessary for this item.

5.3 Overview of Program Rate for 10 FY and Program Rate and Ex-Mods for FY 2018/19

The Program Rates for the past 10 fiscal years, along with the current program rate and experience modification factors were reviewed with the Board of Directors. As the 2018/19 program rate was chosen to return some equity growth/equity to our members, the Executive Committee has decided not to return equity to the members with a negative equity position, with the intent of improving their equity position. There was no action necessary for this item.

5.4 Approve Workers' Compensation Administrative Budget for 2018/19

The CFO reviewed the 2018/19 Budget Assumptions/Changes that were reflected in the proposed budget worksheets. A request was made to include the percentage of the change, in addition to the dollar amount, for future budget review. Motion was made by Romeo to approve the 2018/19 Administrative budget as presented; second by Bautista. AYES: Huff, Gonzales, Miller, Jablonski-Liu, Hild, Franzoni, Friedmann, Robbins, Rossi, Parasidis, Brakefield, Medici, Barrington, Katzman and Mount-Benites. ABSENT: Pedersen, Faircloth, Chan, Deshler, Cooksey and Peterson.

5.5 Approve Minutes of Board Meeting Held on March 23, 2017

Motion was made by Katzman to approve minutes as presented; second by Friedmann. AYES: Huff, Gonzales, Bautista, Romeo, Miller, Jablonski-Liu, Hild, Franzoni, Robbins, Rossi, Parasidis, Brakefield, Medici, Barrington and Mount-Benites. ABSENT: Pedersen, Faircloth, Chan, Deshler, Cooksey and Peterson.

5.6 Election of Directors to the Executive Committee

Current Directors Robbins and Mount-Benites have terms expiring on June 30, 2018. Both incumbents have expressed interest in continuing on the Executive Committee. Motion was made by Jablonski-Liu to re-elect Robbins and Mount-Benites to new three-year terms (July 1, 2018 to June 30, 2021); second by Romeo. AYES: Huff, Gonzales, Bautista, Miller, Hild, Franzoni, Friedmann, Robbins, Rossi, Parasidis, Brakefield, Medici, Barrington, Katzman and Mount-Benites. ABSENT: Pedersen, Faircloth, Chan, Deshler, Cooksey and Peterson.

5.7 Election of Officers for FY2018/19

Incumbent Officers Huff (President) and Gonzales (Vice-President) have expressed interest in continuing their leadership roles as Officers of the Executive Committee. Clark (Secretary) will be stepping down from his role as Officer but will continue in his role on the Board of Directors. Bautista expressed interest in the Secretary position for the 2018/19 fiscal year. Motion was made by Robbins to re-elect Huff as President; Gonzales as Vice-President and elect Bautista as Secretary for FY2018/19; second by Romeo. AYES: Huff, Gonzales, Bautista, Miller, Jablonski-Liu, Hild, Franzoni, Friedmann, Rossi, Parasidis, Brakefield, Medici, Barrington, Katzman and Mount-Benites. ABSENT: Pedersen, Faircloth, Chan, Deshler, Cooksey and Peterson.

5.8 Executive Director Recruitment Process Update

The Board President presented an update on the recruitment process for the Executive Director position, which will need to be filled as the current Executive Director will be retiring in October 2018. The final candidate(s) were interviewed by the Executive Committee immediately prior to the Board of Directors meeting and it is anticipated that a new Executive Director will start in August/September. There was no action necessary for this item.

6. ADJOURNMENT

The meeting was adjourned at 11:57 a.m.

Respectfully submitted,

Secretary of the Board of Directors
Contra Costa County School Insurance Group