

**CONTRA COSTA COUNTY SCHOOLS INSURANCE GROUP
EXECUTIVE COMMITTEE MEETING MINUTES
Thursday, January 26, 2017
Contra Costa County Schools Insurance Group, Conference Room
550 Ellinwood Way, Pleasant Hill, CA**

Present were:

Executive Committee:

Sheri Gamba, President	West Contra Costa USD
Bill Clark, Secretary	COE
Julie Bautista	Acalanes Union High SD
Jessica Romeo	Antioch USD
Eugene Huff	CCC College District
Lenee Cadotte	Lafayette SD
Daniela Parasidis	Moraga SD

Staff:

Bridget Moore, Executive Director	CCCSIG
Joe Emmett, CFO	CCCSIG
Karen Ward, Claims Manager	CCCSIG
Erica Williamson, HR/Communications Mgr.	CCCSIG

Guests:

Marc Cohen, Attorney	Cohen & Associates
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Members of the Public:

Audrey Katzman	Walnut Creek SD
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1. CALL TO ORDER

The meeting was called to order at 8:05 a.m. by President Gamba.

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

A motion was made by Cadotte to approve the agenda as presented; second by Romeo. AYES: Gamba, Bautista, Huff, Parasidis. ABSENT: Clark, Gonzales & Deshler.

The Committee adjourned to Closed Session to consider Agenda Item 5.1.

5. CLOSED SESSION

5.1 Existing Litigation Conference with Counsel. Litigation Formally Initiated, Government Code § 54956.9(a), Hardy vs. Liberty Union High SD, WCAB #'s ADJ 7697985; 7697950; 7697994; 8228830

President Gamba reported out of closed session that the settlement was approved as presented.

6. CONSENT CALENDAR

- 6.1-6.6 Approve Minutes of Executive Committee Meeting Held on October 27, 2016; Ratify Expenditures for October–December 2016; Ratification of Annual State of California-Department of Industrial Relations Self-Insured Plans Assessment; Ratification of Expenditures for AON Maintenance and Support Agreement; Ratification of Executive Director’s Contract; Ratification of Claims Settlement Barajas vs. West Contra Costa USD WCAB #ADJ 9051994.**
A motion was made by Huff to approve all items on consent calendar as presented; second by Cadotte. AYES: Gamba, Clark, Bautista, Romeo & Parasidis.
ABSENT: Gonzales & Deshler.

7. FINANCIAL ITEMS

7.1 Financial Update as of November 30, 2016

The CFO presented the financial reports and update as of November 30, 2016. Net assets increased by \$2.4M (compared to last year) due to a \$2.7M increase from FY2016 operations, which were offset by a \$297k decrease from the current year’s operations. Group Total Assets and Deferred Outflows increased by \$5.2M (compared to last year) due to a \$4.4M increase in Cash, a \$73k increase in Interest Receivable, a \$495k increase in Accounts Receivable and a \$2.1M increase in Deferred Outflow on Pensions, which were offset by a \$65k decrease in Prepaid Expense, a \$147k decrease in Net Fixed Assets, and a \$1.7M decrease in Investments. Total cash and investment balance as of November 30, 2016 was \$102,759,448. There was no action necessary for this item.

7.2 Establishing Payroll Estimate for Determining Annual District Premium Contributions for FY 2017/2018

The CFO reviewed the methodology used last year to estimate payroll for districts that do not provide a payroll estimate. The Committee was asked to determine the COLA percentage for FY2017/18 and if the 4% COLA for FY2016/17 should remain the same, which will be applied to the actual FY2015/16 payroll for any district not providing an estimate. A motion was made by Huff to approve using a 2% COLA for both FY2016/17 and FY2017/18, and to restate “COLA” as “inflater” for future reference; second by Romeo. AYES: Gamba, Clark, Bautista, Cadotte & Parasidis. ABSENT: Gonzales & Deshler.

7.3 Workers’ Compensation Insurance Rating Bureau Changes in Ex-Mod Calculations

The CFO reviewed the methodology used by the Workers’ Compensation Insurance Rating Bureau (WCIRB) in determining Experience Modification Factor calculations, and discussed changes that the WCIRB has recently made to these calculations and how they may affect CCCSIG. Discussion followed and it was agreed that CCCSIG should provide a comparison to the Executive Committee in March to show how the changes would affect each district, once the information is available through the Actuarial Study, before any recommendation is made. It was noted that CCCSIG is not required to follow the WCIRB calculation, although historically it has. There was no action necessary for this item.

7.4 COLA Benchmark for 2017/18

The CFO reviewed the methodology used by the Executive Committee in the past few years to determine a potential COLA for CCCSIG for budgeting purposes (final COLA’s are approved by the Executive Committee prior to adopting). A motion was made by Romeo to use a 1% COLA for 2017/18 budgeting purposes, with the final COLA recommendation to be reviewed and approved by the Executive Committee; second by Bautista. AYES: Gamba, Clark, Huff, Cadotte & Parasidis. ABSENT: Gonzales & Deshler.

8. GENERAL ADMINISTRATIVE ITEMS

8.1 Consider Revisions to CCCSIG's Job Descriptions

The HR/Communications Manager reviewed proposed changes to CCCSIG's current job descriptions. The changes recommended are to ensure the job descriptions are in alignment with current practices, laws and regulations. A motion was made by Cadotte to approve the job descriptions as presented; second by Romeo. AYES: Gamba, Clark, Bautista, Huff & Parasidis. ABSENT: Gonzales & Deshler.

8.2 Proposed Solar Panel Project for the CCCSIG Parking Lot

The CFO reviewed information and quotes, as well as an analysis on the return on investment and total estimated savings over 25 years for the proposed solar panel project for the CCCSIG parking lot. Discussion by the Executive Committee followed regarding soft costs being included in the quotes, environmental studies that may be required, reviewing comparative projects, design elements, overall energy usage and cleaning/maintenance. A motion was made by Huff to approve the purchase of solar panels for the CCCSIG parking lot with final purchase structure to be determined by the CFO/Executive Director; second by Cadotte. AYES: Gamba, Clark, Bautista, Romeo & Parasidis. ABSENT: Gonzales & Deshler.

8.3 Earthquake Insurance Quote for CCCSIG Facilities

The CFO reviewed preliminary information on the approximate cost and terms available to purchase earthquake insurance for the CCCSIG building and assets. A motion was made by Cadotte to approve purchase of the policy through AON as presented, with the policy being reviewed and approved annually by the Executive Committee; second by Clark. AYES: Gamba, Bautista, Romeo, Huff & Parasidis. ABSENT: Gonzales & Deshler.

8.4 Executive Committee Standing/Ad Hoc Committees

The Executive Director reviewed CCCSIG's standing and ad hoc Committee's within the Executive Committee (Administrative Ad Hoc Committee, Finance Subcommittee and HR Ad hoc Committee) and asked for volunteers for each. A motion was made by Huff to approve Eugene Huff and Julie Bautista to the Administrative Ad Hoc Committee, Daniela Parasidis to the Finance Subcommittee (to join Bill Clark) and Jessica Romeo to the HR Ad Hoc Committee (to join Norma Gonzales), effective immediately; second by Romeo. AYES: Gamba, Clark, Bautista, Cadotte & Parasidis. ABSENT: Gonzales & Deshler.

8.5 Health & Safety Services Proposed Incentive Program Requirements for FY2017/18

The Executive Director presented the proposed Health & Safety Incentive Program Requirements for FY2017/18. Program is not adopted for the fiscal year until the budget is approved at the March 2017 meeting. A motion was made by Huff to approve the Health & Safety Services Incentive program Requirements for FY2017/18 as presented; second by Romeo. AYES: Gamba, Clark, Bautista, Cadotte & Parasidis. ABSENT: Gonzales & Deshler.

8.7 Health & Safety Services Activities Update

From July 1, 2016 to December 31, 2016 Health & Safety Services delivered services to a total of 6,312 district employees countywide, including 2,821 views of CCCSIG's on-demand videos. Updates on the following were provided: research into upgrading the technology for the Post Offer Pre-Placement Evaluation Program; research into a new online delivery and tracking system for on-demand videos; Crisis Prevention Institute (CPI) Instructor Certification Training taking place at CCCSIG in September; upcoming 2016/17 District Incentive Program deadlines; Safety by Design Services for new school construction/modernization; upcoming CPI training dates; upcoming new hire CalOSHA safety training dates (for Custodians, M&O and Grounds); upcoming deadline for the annual Slip, Trip, Fall Prevention Student Poster contest and CCCSIG's year-round, online employee wellness program. There was no action necessary for this item.

8.8 Claims Cost Containment Activities Update

Claims Department focus in reducing the Group's future liabilities through various cost containment strategies continues with positive outcomes. As of December 31, 2016, Compromise and Release Settlements of Future Medical Benefits reduced outstanding liabilities by \$292,154; Utilization Review savings were \$64,875; Pharmacy Benefit Management program savings were \$54,669; Company Nurse received 738 calls countywide with 323 resulting in non-medical referrals (44%) and "Return to Work" savings totaled \$457,073. Future Liabilities are \$64M with 1,332 open claims. Mid-year number of claims opened countywide has decreased in comparison to the last three years. Indemnity claims (more severe/costly) have also decreased in comparison to the prior three years. The open/close ratio of 119% (goal is to maintain 100%) is outstanding! There was no action necessary for this item

8.9 CCCSIG General Administrative Update

The Executive Director provided updates on the following: budget preparation; actuary study (currently in progress); Excess Workers' Compensation renewal (effective July 1, 2017); upcoming Executive Committee terms expiring which will be filled at the March Board of Director's meeting; CCCSIG's upcoming 40th anniversary; status of ManageWare (Claims Software that CCCSIG is reviewing/considering); Company Nurse and Telehealth project underway; changes to the Pharmacy Benefit Management Program and current status of CCCSIG's Health Benefits Program. There was no action necessary for this item.

8.10 Member Comments

Julie Bautista with Acalanes UHSD shared that CCCSIG's Health & Safety Services just presented at her district and did an excellent job.

8.11 Future Agenda Items

There were no future agenda items.

9. ADJOURNMENT

The meeting was adjourned at 9:40 a.m. The next Executive Committee Meeting is scheduled for **Thursday, March 16, 2017** at 8:00 a.m. and the Annual Board Meeting is scheduled for **Thursday, March 23, 2017** at 9:00 a.m.

Respectfully submitted,



Secretary of the Executive Committee
Contra Costa County School Insurance Group