

**MARIN SCHOOLS INSURANCE AUTHORITY
MANAGEMENT COMMITTEE MEETING**

**Marin County Office of Education
1111 Las Gallinas Ave.
San Rafael, CA 94913
Thursday, December 3, 2009
9:00 a.m.**

MINUTES

MEMBERS PRESENT: Ms. Chris Thomas, President, *San Rafael City Schools*
Mr. Larry Enos, Vice President, *Bolinas Stinson/Lagunitas*
Ms. Karen Maloney, Treasurer, *MCOE/Rurals*
Ms. Kathleen Clow, *Ross Valley Elementary*
Ms. Michele Rollins, *Mill Valley Elementary*
Mr. Robert Marical, *Dixie Elementary*

MEMBERS ABSENT: Ms. Lori Parrish, *Tamalpais Union High*

OTHERS PRESENT: Mr. Rick Brush, *Executive Director, Bickmore Risk Services & Consulting*
Ms. Adrienne Beatty, *Assistant Manager, Bickmore Risk Services & Consulting*
Ms. Rahnisha Keith, *Analyst, Bickmore Risk Services & Consulting*
Ms. Gail Gibson, *Accounting Manager, Bickmore Risk Services & Consulting*
Mr. Rob Kramer, *Director of Administration, Bickmore Risk Services & Consulting*
Ms. Sandra Keyes, *Keenan & Associates*
Mr. John Bell, *Mercer*
Mr. Sean Markham, *Mercer*

1. CALL TO ORDER

The meeting was called to order by Board President, Ms. Chris Thomas, at 9:06 a.m.

2. INTRODUCTIONS

Those in attendance introduced themselves and it was determined a quorum was present.

3. APPROVAL OF AGENDA

Mr. Rick Brush noted that Mr. Monty Stewart would not be in attendance to present the Risk Management Update, item 6A, and requested that item 9C be addressed in its place.

Mr. Robert Marical moved to approve the agenda as amended. Ms. Karen Maloney seconded the motion. The motion passed unanimously.

4. PUBLIC COMMENTS

None.

5. CONSENT CALENDAR

Ms. Kathleen Clow moved to approve the consent calendar. Ms. Michele Rollins seconded the motion. The motion passed unanimously.

6. RISK MANAGEMENT PROGRAM

A. Risk Management Update – Mr. Monty Stewart

This item will be discussed at the next Management Committee meeting.

9. JPA MANAGEMENT COMMITTEE MATTERS

C. Presentation of Potential EAP Coverage Options for MSIA

Mr. John Bell reported he currently assists some members of MSIA with placement of their employee benefits. In review of their programs, members requested that he discuss the benefits of an Employee Assistance Program (EAP) with the Management Committee of MSIA. Mr. Bell provided an outline regarding the value of the program as well as the discounts that would be received by participating Districts. Mr. Bell noted Mercer went out to market and received information from two EAP providers; MHN, Inc. (MHN), and Concern. Mercer selected MHN as the provider and the decision was based on the needs of the group, level and amount of services, and premium costs. Mercer has also had outside experience with MHN. Mr. Bell stated the program will provide many services including:

- Clinical Counseling
- Work/Life Services
 - Legal Consultation
 - Financial Consultation
 - Identity Theft Assistance
 - Dependent Care Assistance
 - Daily Living
- Online Member Services
- Employer Services
 - Management Consultation
 - Critical Incident Stress Management
 - Job Performance Referrals
 - Anger Self-Management
 - Domestic Violence
 - Training/Workshops/Brown Bags

- Program Promotion
 - Supervisor & Employee Orientations/Health Fairs
 - Communication Materials
 - Utilization Reports

Mr. Bell noted MHN's EAP program will allow for three or five counseling sessions per "incident"; incident being any traumatic or potentially traumatic occurrence whether it is work related or personal. Mercer would like to extend these services to all MSIA members who may want to participate in the program. This would require MSIA to execute a master agreement where each member will be billed directly based on their exposure.

The Committee questioned how MHN would handle members joining and leaving the program, as the rate is based on the amount of employees participating. Mr. Bell stated a date would be set for each member to agree to participate in the program and they would need to commit to participating in the program for a minimum of either two or three years. The Committee requested Mr. Bell provide a draft master agreement to present to the Board in March for a possible October 1st start date. Mr. Bell stated he would distribute a brochure to the members via email to review and noted he would bring a representative from MHN to the March meeting to answer any questions the Board may have. The Committee requested that Mr. Rick Brush provide a timeline for implementing this program to the Management Committee in February.

7. FINANCIAL MATTERS

A. Financial Statements for the Three Months Ended September 30, 2009

Ms. Gail Gibson reported the following highlights from the Financial Statements for the three months ended September 30, 2009:

- Cash is down due to payment for excess insurance
- Reserves have remained flat since 6/30/09
- Net assets are at a \$42,546 deficit due to income being down; this is typical after summer months when employees are out of the office
- Member deposits are at 21% due to the workers' compensation program being low throughout the summer
- Interest income is at 10% of the budget and staff will change this in February with the budget revision

Ms. Gibson noted that some other groups include the Financial Statements on the consent calendar for approval. Staff recommends the Committee consider putting the first and third quarter Financial Statements in the consent calendar as there typically isn't much activity to report. Upon discussion, the Management Committee noted they would like to keep the Financial Statements as an agenda item for each quarter at this time and discuss the possibility of not presenting the first and third quarter statements this time next year.

Ms. Karen Maloney moved to approve the Financial Statements for the Three Months Ended September 30, 2009, as presented. Ms. Michele Rollins seconded the motion. The motion passed unanimously.

B. James Marta & Company Agreement for Financial Auditing Services

Mr. Rick Brush reported the contract between MSIA and James Marta & Company expires this year. Staff has been in communication with James Marta & Company to negotiate the renewal fees. Upon discussions, James Marta & Company agreed to a flat renewal for 2010 and a 3% increase for the next two years. The Management Committee expressed appreciation for the flat renewal.

Mr. Larry Enos moved to approve the agreement with James Marta & Company for Financial Auditing Services. Ms. Michele Rollins seconded the motion. The motion passed unanimously.

C. Update Regarding Investment Management Firm Request for Proposal Process

Mr. Brush reported that due to the amount of funds currently in the Local Agency Investment Fund (LAIF) at the November meeting the Board approved the release of a request for proposal (RFP) for investment management services. Ms. Adrienne Beatty reported that staff released the RFP on November 16, 2009, and responses are due on January 4, 2010. As part of the RFP process, a Subcommittee will need to be formed to review the submitted proposals, interview selected firms, and recommend a firm to the Management Committee and Board of Directors. Staff requested volunteers or nominees from the Management Committee to serve on the Ad Hoc Subcommittee. President, Chris Thomas, volunteered to serve on the Committee and Ms. Lori Parrish, Ms. Amy Prescott, and Mr. Ken Benny were identified as candidates to fulfill this role on behalf of MSIA. Staff will contact potential candidates to check their availability to serve on the committee.

Mr. Brush noted Ms. Gibson will develop a summary matrix of all RFP responses which will be reviewed by the subcommittee at a meeting to be held the week of January 18, 2010. The interviews of selected providers will take place either the week of January 25, 2010, or February 1, 2010.

8. LIABILITY MATTERS

A. Proposed Revision to Keenan & Associates Agreement for Medicare Reporting Agent Services

Ms. Adrienne Beatty reported that Keenan & Associates legal department is currently reviewing the contract for appropriate changes regarding the reporting of MSIA's Medicare claims. Ms. Beatty noted that the contract revisions will be sent to staff within the next few weeks. Staff will forward the revised contract to Mr. Bob Henry, legal counsel, prior to bringing it before the Management Committee.

9. JPA MANAGEMENT COMMITTEE MATTERS

A. President's Report – Chris Thomas

Ms. Thomas stated that in the interest of time there would be no President's report.

B. Executive Director's Report – Rick Brush

Mr. Brush reported on the following activities on which staff have been working since the last meeting:

- CAJPA Accreditation – Staff was able to obtain the original certificate of consent to self-insure from the Department of Industrial Relations for MSIA. The policies and procedures subcommittee will meet in January to review and revise the JPA Agreement and other policies as needed for accreditation.
- Dental Subcommittee – Staff has met with Ms. Debra DeSpain to discuss additional components to the eligibility requirements as well as how the rates are built for the dental program. The Committee will meet following this meeting to discuss these and other items.
- Annual Report – Staff has drafted the MSIA annual report and will be forwarding it to Ms. Thomas to include the President's Message. The report will be presented at a future meeting.

D. Bickmore Risk Services & Consulting Contract Renewal

Mr. Rob Kramer, Bickmore Risk Services & Consulting (BRS), reported that the contract between MSIA and BRS will expire on June 30, 2010; typically, the renewal process begins early to allow the group time to review their options as well as the renewal contract language. BRS is proposing a flat fee for the first year, 2010-2011, and a rounded 3.5% increase for the subsequent two years. Ms. Rollins noted that due to rounding the increase reflects approximately 3.5% and 3.7% for the subsequent two years.

Mr. Kramer noted the language regarding termination has been further defined and staff has defined "good cause" within the contract. BRS's preference would be to remove the "without cause" provision for termination from the contract.

The Management Committee asked if there would be any changes to the team that was currently servicing the group. Mr. Kramer noted no changes to the team are anticipated and should a change arise, it would be discussed with the group ahead of time. The Committee voiced some concern regarding the termination language and noted they would like Mr. Bob Henry to review the contract before the Committee approves it to move forward to the Board. Ms. Thomas stated she would forward the contract to Mr. Henry for review so there is no conflict with correspondence with BRS in this matter. Ms. Thomas noted she and Mr. Larry Enos would meet with Mr. Kramer to discuss the changes to the contract. The

Committee directed staff to forward language to Ms. Thomas regarding how changes to staff servicing the group will be addressed by BRS.

Ms. Thomas noted that the partnership between BRS and MSIA has been very positive and has allowed MSIA to achieve many of the goals that were set at the start of the initial contract.

10. CLOSING COMMENTS

A. Management Committee

None.

B. Staff

None.

9. ADJOURNMENT

There being no further business the meeting was adjourned at 10:37 a.m.