

**MARIN SCHOOLS INSURANCE AUTHORITY
MANAGEMENT COMMITTEE MEETING**

**Marin County Office of Education
1111 Las Gallinas Ave.
San Rafael, CA 94913
Thursday, February 5, 2009
8:30 a.m. – 10:00 a.m.**

MINUTES

1. CALL TO ORDER

The meeting was called to order by Board President, Ms. Chris Thomas, at 8:35 a.m.

MEMBERS PRESENT: Ms. Chris Thomas, President, *San Rafael City Schools*
Mr. Larry Enos, *Bolinas Stinson/Lagunitas*
Ms. Karen Maloney, Treasurer, *MCOE/Rurals*
Ms. Michele Rollins, *Mill Valley Elementary (entered at 8:57a.m.)*
Mr. John Frick, *Reed Union Elementary (entered at 8:40 a.m.)*
Mr. Robert Marical, *Dixie Elementary*
Ms. Lori Parrish, *Tamalpais Union High*

MEMBERS ABSENT: None.

OTHERS PRESENT: Mr. Rick Brush, *Executive Director, Bickmore Risk Services Consulting*
Ms. Rahnesha Keith, *Analyst, Bickmore Risk Services Consulting*
Mr. Rob Kramer, *Director of Administration, Bickmore Risk Services Consulting*
Mr. Ron Martin, *Keenan & Associates*
Mr. Anthony Cazem, *Bragg & Associates*

2. INTRODUCTIONS

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

3. APPROVAL OF AGENDA

Ms. Karen Maloney moved to approve the agenda as presented. Ms. Lori Parrish seconded the motion. The motion passed unanimously.

4. PUBLIC COMMENTS

None.

5. CONSENT CALENDAR

Mr. Robert Marical moved to approve the consent calendar. Mr. John Frick seconded the motion. The motion passed unanimously.

6. CLOSED SESSION

The Committee convened to closed session at 9:23 a.m.

The Committee convened to open session at 9:34 a.m.

7. REPORT FROM CLOSED SESSION

Ms. Chris Thomas, Board President, reported that during closed session settlement authority was granted for the following claim number: 07226350086559 (Mill Valley Unified School District). Upon discussion, the Committee agreed to only include the claim number and school district on closed session items in the future.

8. POOLED WORKERS' COMPENSATION PLAN

A. Response to Workers' Compensation Claims Audit Report

Mr. Anthony Cazem presented the response by Bragg & Associates to the claims audit report given at the last Management Committee meeting by Ms. Susan Wright. Mr. Cazem discussed Bragg & Associates' action plan to improve service areas outlined in the audit report. Mr. Cazem noted Professional Dynamics Inc. (PDI) will help facilitate better communication with members and stated he has begun reviewing all incoming claims and monitoring examiners to ensure timeliness on benefit payments. The Committee asked for clarification on the score versus the composite noted on the action plan. Mr. Cazem explained the score is the rating for that specific item which is under a larger area and the composite is the rate of the entire area. Ms. Thomas noted that if there is ever an issue with Bragg's ability to support MSIA adequately, it should be discussed with the Board. Mr. Cazem stated there are no issues in the area of support for MSIA.

B. Claims Handling Program Process

Mr. Rick Brush noted requested revisions have been made to the Workers' Compensation flow chart. The Committee requested that the chart also be translated into Spanish when placed on the website and distributed to Districts. Mr. Cazem stated he would have the form translated. During the last meeting, the Committee also requested that Bragg & Associates get a legal opinion on whether it was lawful to have PDI complete the DWC-1 form, and if the form could be delivered via email. Mr. Cazem stated legal counsel suggested PDI not complete the DWC-1 form, and that email would not be sufficient for delivery of the form. Upon discussion, the Committee agreed to have PDI complete only the general information portion of the form and have the employee complete the incident portion and then sign and date the form. Mr. Brush stated once the flow chart has been revised, it will be added to the MSIA website.

C. Arthur J. Gallagher Broker Agreement

Mr. Brush stated because MSIA has a long-term agreement with NorCal ReLiEF for the property and liability programs, the group will only need brokerage services for the excess workers' compensation program. Arthur J. Gallagher was asked to provide a revised contract reflecting this change in services. The fees have been reduced from \$65,000 to \$38,000.

Mr. John Frick moved to approve the Arthur J. Gallagher Broker Agreement. Mr. Robert Marical seconded the motion. The motion passed unanimously.

9. **POOLED PROPERTY AND LIABILITY PROGRAM**

A. Tim Farley Property and Liability Claims Audit Proposal

Mr. Brush noted the property and liability claims audit is conducted biennially, and the last audit was completed in August 2007. A proposal from Tim Farley Consulting was distributed with the agenda and is similar to the 2007 agreement. The fee for services is \$6,200.

Mr. Larry Enos moved to approve the Tim Farley Property and Liability Claims Audit Proposal. Mr. Robert Marical seconded the motion. The motion passed unanimously.

10. **JPA ADMINISTRATIVE MATTERS**

A. President's Report – Chris Thomas

Ms. Thomas questioned if there has been any changes in cash flow due to changes in the collection of premiums. Mr. Brush stated there have been no changes thus far; however, staff is keeping a close watch on the figures.

B. Executive Director's Report – Rick Brush

Mr. Brush noted the MSIA website has been launched, and agendas will now be posted to the website. The Committee will need to register on the website in order to access the member's only section. Staff will use the website to build awareness of what MSIA is and what we do for members. The website will also be linked through the MCOE site.

Mr. Brush stated at the last Management Committee meeting staff was requested to set up a meeting with SELF. Mr. Brush reported staff has scheduled a meeting with Mr. Fritz Heirich, the CEO of SELF, for February 12, 2009, which Ms. Thomas, Ms. Lynn Cavalcanti, and he will attend.

The Board discussed the distribution of the upcoming Board of Directors' meeting agenda and noted that it should be delivered via email and that members can request a hard copy be sent to them if needed.

C. BRS Additional Services Fee – Rob Kramer

Mr. Rob Kramer voiced his appreciation of the relationship between MSIA and Bickmore Risk Services & Consulting (BRS). The types of services provided during the ESIS litigation were unusual and difficult to anticipate in the scope of the BRS' contract. Staff spent a total of 110 hours during the litigation process, representing a cost of \$14,000. BRS presented a reduced cost request for consideration of \$10,500. The issues regarding these costs were raised originally in January of 2008. At that time, the Board noted they would consider such fees in the future. The Committee voiced concern that a procedure be developed to address additional services performed by BRS and what additional fees would be incurred. Upon discussion, the Management Committee requested staff provide an amended agreement for additional services at a fee of \$7,500.

D. Nominating Committee

Mr. Brush noted the options for the Nominating Committee were presented at the last meeting and will be brought before the Board at the March meeting. One option is to have a slate of officers be approved and the other is to nominate from the floor. This will be further discussed at the Board meeting. Upon discussion, the Committee agreed that providing a slate of officers to elect would be best. Mr. Larry Enos noted that during the last Superintendents meeting it was discussed that one Superintendent, who has yet to be chosen, will be attending all four Board meetings in order to provide feedback.

E. Update on Actuarial Study Data Request

Mr. Brush updated staff is waiting on seven responses to the data request for the Actuarial Study; the due date for the information is February 13, 2009.

F. Board Policy Discussion

Mr. Brush stated staff is in the process of developing the policy and procedures manual which will be needed for the CAJPA accreditation with excellence. Mr. Brush also noted a sample policy on Records Retention was included in the agenda.

11. CLOSING COMMENTS

A. Committee

None.

B. Staff

None.

12. ADJOURNMENT

Mr. Robert Marical moved to adjourn the meeting. Ms. Lori Parrish seconded the motion. The motion passed unanimously.

There being no further business the meeting was adjourned at 10:26 a.m.