

**MARIN SCHOOLS INSURANCE AUTHORITY
MANAGEMENT COMMITTEE MEETING**

**Marin County Office of Education
1111 Las Gallinas Ave.
San Rafael, CA 94913
Thursday, June 4, 2009
9:00 a.m.**

MINUTES

1. CALL TO ORDER

The meeting was called to order by Board President, Ms. Chris Thomas, at 9:07 a.m.

MEMBERS PRESENT: Ms. Chris Thomas, President, *San Rafael City Schools*
Mr. Larry Enos, *Bolinas Stinson/Lagunitas (entered at 9:11 a.m.)*
Ms. Karen Maloney, Treasurer, *MCOE/Rurals*
Ms. Michele Rollins, *Mill Valley Elementary*
Mr. Robert Marical, *Dixie Elementary*
Ms. Lori Parrish, *Tamalpais Union High*

MEMBERS ABSENT: Mr. John Frick, *Reed Union Elementary*

OTHERS PRESENT: Mr. Rick Brush, *Executive Director, Bickmore Risk Services & Consulting*
Ms. Rahnisha Keith, *Analyst, Bickmore Risk Services & Consulting*
Mr. Tony Hayes, *Keenan & Associates (exited at 11:02 a.m.)*
Mr. Montgomery Stewart, *Keenan & Associates (exited at 11:02 a.m.)*
Ms. Sandra Keyes, *Keenan & Associates (exited at 11:02 a.m.)*
Mr. Anthony Cazem, *Bragg & Associates*
Mr. Tim Farley, *Farley Consulting Services (entered at 10:27 a.m.)*

2. INTRODUCTIONS

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

3. APPROVAL OF AGENDA

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

4. PUBLIC COMMENTS

None.

5. CONSENT CALENDAR

Mr. Robert Marical moved to approve the consent calendar. Ms. Karen Maloney seconded the motion. The motion passed unanimously.

6. CLOSED SESSION

The Committee convened to closed session at 9:10 a.m.

The Committee convened to open session at 9:50 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 numbers:

- 2006054262 – College of Marin
- 07226350079915 & 200706947 – Kentfield District
- 07226350057002 – San Rafael Elementary
- 3117-08-00004-01-23 – Mill Valley (Ratification)
- 3117-09-00001-01-23 – Mill Valley (Ratification)
- 3107-09-00002-01-23 – Mill Valley (Ratification)

8. JPA FINANCIAL MATTERS

A. Interim, Financial Statements (Unaudited) as of March 31, 2009

Mr. Rick Brush reported on the Interim, Financial Statements as of March 31, 2009, discussing the following highlights of the statement:

- Total assets have increased \$313,000 due to expensing of prepaid insurance
- Total liabilities have decreased \$3,160,000
- Overall net assets increased \$2,847,000
- Revenues are over budget due to the ESIS Settlement

Mr. Brush added there is a deficit in the current year of the dental program due to the rate as well as the rebates which were given last year; however, overall, the program was still in a surplus position. Ms. Chris Thomas stated she would be meeting with Mr. Brush and Ms. Debra DeSpain, Keenan & Associates, to discuss the dental rates as well as the application of the true-up rate and will report back to the Management Committee at its August meeting.

Ms. Michele Rollins moved to approve the Interim, Financial Statements (Unaudited) as of March 31, 2009. Mr. Robert Marical seconded the motion. The motion passed unanimously.

9. POOLED WORKERS' COMPENSATION PROGRAM

A. Risk Control Proposal – Implementation of IIPP, Keenan & Associates

Mr. Brush reported, in the 2008/2009 budget, \$18,000 was included for Keenan & Associates to develop the Injury and Illness Prevention Programs (IIPP) for member districts; this year the \$18,000 is still included in the budget, but has not been allocated to a specific program. Mr. Brush recommends these funds be used for risk control within the workers' compensation program as well as to fully implement the IIPPs.

Mr. Montgomery Stewart noted he would like to review MSIA's workers' compensation claims data to determine trends within the claims; this will help Keenan to better understand the groups' risk control needs while developing the proposal. Once reviewed, Keenan will provide a Risk Improvement Action Plan (RIAP) in which the funds can be directed toward each action item. The proposal will be presented to the full Board in September. Mr. Stewart noted Keenan will work to see how the time (approx. 150hrs) can be allocated.

In addition to implementing the IIPP, the Board suggested the following areas for consideration to allocate the funds:

- Conduct pre-employment physicals for custodians
- Training for custodians, maintenance, and safety employees
- Training for business and HR employees on discipline of employees
- District wide IIPP online training which will satisfy OSHA requirements

Mr. Stewart noted he has been working to open up additional areas of the online training regarding workers' compensation to MSIA. Currently only the property and liability online training modules are available to the group. Ms. Thomas noted perhaps the \$18,000 should remain in the budget next year also to continue with training within the member Districts.

Mr. Brush requested item 10.C. and 10.D. precede 10.A. to allow more time for Mr. Tim Farley to arrive.

10. POOLED PROPERTY AND LIABILITY PROGRAM

C. Discussion of Distribution of Discretionary Hours

Mr. Stewart noted an updated list of discretionary hours was included in the agenda package. Mr. Stewart stated some Districts have established a separate contract to have hours for ergonomic evaluations. This item was added to the agenda to discuss how the discretionary hours are distributed amongst each District. Mr. Brush recommended the following options for distributing the hours:

- Pro-rata based on contributions
- Base amount hours plus Pro-Rata
- Levels – as it is now but adding an additional level to spread the hours.
- Each District have the same amount of hours

Mr. Stewart noted an additional option could be Keenan's Rent a Safety Professional (RASP) program; with the program if a member doesn't use the hours they do not pay for them and if a member exceeds their hours it can be allocated to the next year or they can choose to pay for additional hours. The Board requested that Mr. Stewart provide a proposal for the base amount of hours plus the pro-rata option, including text on what will happen with unused hours.

D. Follow-up Discussion of Safety Meetings

Mr. Brush stated at the May 7, 2009, Board Meeting the Board requested staff research the OSHA requirements for conducting a Safety meeting and if it was satisfactory to hold the Safety Meeting as part of the District meetings. Mr. Stewart reported that it is fine to conduct the safety meetings within the District meeting; however, they should be held *at least* quarterly per the requirements.

A. Liability Claims Audit – Mr. Tim Farley, Farley Consulting Services

Mr. Tim Farley noted Mr. Tony Hayes provided him with all claims to review; which included 17 open claims, and all 9 claims with incurred costs in excess of \$25,000. Also reviewed were 18 closed claims that were chosen at random. In regards to staffing, Keenan currently has 104 claims per staff member; the maximum is 135 claims per staff member.

Mr. Farley stated there were two claims on which he thought the reserves should be reviewed; one of the claims now has increased legal action and reserves may be adequate. Mr. Farley noted Keenan complied with all investigation standards; however, there were some gaps in the time it took Districts to report losses to Keenan from when the member knew of the claim. Keenan is maintaining a detailed and active diary system on all but one of the claims reviewed; this claim had several reports from defense counsel but no assessment on liability potential which is crucial.

Overall, Mr. Farley was very pleased with the work provided by Keenan & Associates.

Ms. Michele Rollins moved to accept the Liability Claims Audit as presented. Mr. Robert Marical seconded the motion. The motion passed unanimously.

The Board requested that Mr. Farley eliminate the last sentence in item "T", as it is not a finding of the audit.

B. Responses to Liability Claims Audit – Mr. Tony Hayes, Keenan & Associates

Mr. Tony Hayes stated in regards to the two claims that had large reserves, one would be decreased, and the other has an additional lawsuit and the settlement has yet to be signed.

Mr. Hayes stressed the importance of notifying Keenan timely when an incident occurs so that all information is fresh. Mr. Rick Brush stated he can work with Keenan to develop an article on timely reporting which can be included in the agenda. The Board stated an incident check sheet would also be helpful and requested that both be placed on the website for easy access. The Board thanked Mr. Hayes for his work on managing the claims.

Ms. Larry Enos moved to accept the Response to the Liability Claims Audit. Ms. Karen Maloney seconded the motion. The motion passed unanimously.

11. JPA ADMINISTRATIVE MATTERS

A. President's Report – Chris Thomas

Ms. Chris Thomas stated her report had already been given within previous agenda items.

B. Executive Director's Report – Rick Brush

Mr. Rick Brush stated the Medicare reporting date has once again been pushed back, and noted he will continue to keep the Board updated. Mr. Brush informed the Board staff has been working with the auditors to get them all information needed to complete the financial audit, which will be presented at the September Board meeting.

Mr. Brush noted the vendor evaluations have been released and thus far only three responses have been received. Ms. Chris Thomas requested that the evaluation be re-sent to members with an extended deadline. Ms. Thomas thanked staff for their work on improving vendor relationships and communication over the last year.

C. Strategic Action Plan Update

Mr. Rick Brush reviewed some of the tasks completed on the strategic action plan, noting one of the biggest accomplishments were the revisions to the Bylaws. Once the Bylaws have been reviewed and accepted by the Board staff will begin development of the Policies & Procedures manual which will move the group toward CAJPA Accreditation.

Mr. Brush stated the Nominating Committee did a good job developing a slate of Officers; the next step for the Committee will be to develop a succession plan for the Board. The MSIA website is up and running and staff continues to look for

ways to add more content. Mr. Brush stated he will be developing an e-brief that can be sent to the Superintendents meetings for review.

Ms. Chris Thomas noted it may be helpful to meet in July to develop a list of tasks for the 2009-2010 year. The Board agreed to conduct an offsite meeting to discuss the 2009-2010 action steps.

D. Bylaws Update and Review

Mr. Brush stated this item will be discussed at the July meeting.

12. CLOSING COMMENTS

A. Management Committee

None.

B. Staff

None.

13. ADJOURNMENT

There being no further business the meeting was adjourned at 11:17 a.m.