

MINUTES

EXECUTIVE COMMITTEE MEETING December 7, 2017

SAN ANDREAS I/II CONFERENCE ROOMS

CALL TO ORDER

The meeting was called to order by President Joe Pandolfo at 10:24 a.m.

ATTENDANCE

Those in attendance were:

Executive Committee

Joe Pandolfo	President	Rincon Valley Union
Bob Raines	Vice President	Shoreline Unified
Mary Downey	Sec./Treasurer/Auditor	So. County Office of Ed.
Sue Field	Director	Bennett Valley U.S.D.
Eric Hoppes	Director	Wilmar Union
Lois Standing	Director	Windsor Unified

RESIG

Rose Burcina	Executive Director
Chris Spencer	Workers' Compensation Manager
Suzanne Pelz	Workers' Compensation Claims Supervisor
Will Davis	Director of Environmental Risk Services
Steven Fields	Property & Liability Risk Manager
Deborah Fraser	Property & Liability Senior Claims Adjuster
Ronda Bergesen	Business Manager
Diane Vieyra	Executive Secretary
Sheri Reed	Clerical Receptionist

Guests

Jim Wilkey	USI Insurance Services
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APPROVAL OF AGENDA

A motion was made by Bob Raines and seconded by Mary Downey to approve the agenda as presented. Ayes: Pandolfo, Raines, Downey, Field, Hoppes and Standing. Motion passed unanimously.

INTRODUCTIONS & RECOGNITIONS

None.

PUBLIC COMMENTS

None.

CONSENT CALENDAR

- A. Minutes Approval – October 19, 2017**
- B. Warrants Issued – October 2017**
- C. Quarterly Investment Report – September 30, 2017**
- D. Public Self-Insurer's Annual Report**

A motion was made by Bob Raines and seconded by Sue Field to approve the Consent Calendar as presented. Ayes: Pandolfo, Raines, Field, Downey, Hoppes and Standing. Motion passed unanimously.

ACTION

E. RESIG's Employee Handbook

As part of RESIG's Strategic Plan, Rose Burcina and Ronda Bergesen have been working on revising the Employee Handbook for the past several months, section-by-section. The Cal Chamber template is used, modifications are made, then presented to and reviewed by School & College Legal Services. The sections introduced are on Work Hours and Conditions, pages 83-96.

RESIG Staff recommended that the Executive Committee consider approving pages 83-96 of the amended Employee Handbook.

It was moved by Eric Hoppes and seconded by Sue Field that the Executive Committee approve pages 83-96 of the amended Employee Handbook. Ayes: Pandolfo, Hoppes, Field, Raines, Downey and Standing. Motion passed unanimously.

F. Workers' Compensation State Claims Audit

Rose Burcina reported that the Workers' Compensation State Claims Audit was performed over the summer. This is a mandatory audit required every five years by the state.

The final audit report was referenced in the agenda packet, pages 50-54. A failing score is 1.47886 or greater. Burcina stated that RESIG's score was less than half of that at .73048. Burcina thanked Chris Spencer and Suzanne Pelz, the management of the Workers' Compensation Department, for overseeing this process, and also the entire team.

RESIG Staff recommended that the Executive Committee accept the State of California's Department of Industrial Relations Division of Workers' Compensation 2017 Claims Audit Report.

President Pandolfo commended the Workers' Compensation Department and Rose Burcina for a job well done.

It was moved by Mary Downey and seconded by Bob Raines that the Executive Committee accept the State of California's Department of Industrial Relations Division of Workers' Compensation 2017 Claims Audit Report. Ayes: Pandolfo, Downey, Raines, Field, Hoppes and Standing. Motion passed unanimously.

G. Actuarial Services Contract

Rose Burcina reported that RESIG's Workers' Compensation Policy 1.2.106 and Property & Liability Policy 1.3.105 require actuarial studies to be performed at least annually.

Bay Actuarial Consulting has been performing the studies. The current contract will expire June 30, 2018. The contract provides an extension to cover four additional years with a fee limit increase of no more than 2% per year.

Fiscal Impact

The fiscal impact is:

2018/19:	\$9,800
2019/20:	\$10,000
2020/21:	\$10,200
2021/22:	\$10,400

RESIG Staff recommended that the Executive Committee extend the contract with Bay Actuarial Consulting for actuarial services for the Property & Liability and Workers' Compensation Programs for an additional 4 years – 2018/19, 2019/20, 2020/21 and 2021/22 as it is important for Actuaries to be consistent.

It was moved by Sue Field and seconded by Bob Raines that the Executive Committee extend the contract with Bay Actuarial Consulting for actuarial services for the Property & Liability and Workers' Compensation Programs for an additional 4 years – 2018/19, 2019/20, 2020/21 and 2021/22. Ayes: Pandolfo, Raines, Downey, Field, Hoppes and Standing. Motion passed unanimously.

REPORT/DISCUSSION

H. RESIG's Strategic Plan Update and Discussion

Rose Burcina expressed her appreciation for reading this section's information. She reported the following:

I. Technology

- No report

II. Finance and Facility

- Burcina reported that staff has been making great progress working on the Investment Policy with the Finance Sub-Committee comprised of Joe Pandolfo, Bob Raines and Mary Downey. The new policy is expected to be submitted for acceptance in the January 18 Executive Committee Meeting.
- The bidding process for the exterior building painting project has been completed and the painting will be done soon. The project has been awarded. RESIG Staff has been working with Dan Wells to complete the process.
- The repaving and restriping of the parking lot has been completed.

III. HR and Professional Development

- The 2017/18 Professional Development courses have been scheduled.
- The Employee Handbook update, pages 83-96, was presented earlier.

IV. Governance

- The job descriptions have been submitted to legal counsel for review.
- Burcina, Pandolfo and Sue Field attended the Schools Insurance Authority (SIA) Preventing Child Sexual Abuse and Adult Sexual Misconduct in Schools training kick-off meeting earlier this week.

Field initiated discussion and review of the training. Field stated that unlike the usual training provided to recognize and notice the signs of child abuse and mandated reporting, this training focused on preventing sexual abuse of school employees-to-students, and student-to-student abuse; e.g. the way a perpetrator may be seductive, might have a lot of teaching awards, and would possibly endear themselves to families. Fields thought

the information was well presented and would be very useful. She thought it would be beneficial to make the program available to everyone but to have a target audience and split up the training into parts. If this training is made available, Field suggested that perhaps the districts would pay a nominal fee to avoid additional costs on RESIG's liability insurance. She suggested using an incentive to reduce the deductible if a certain number of employees attended the training. The training that Field, Burcina and Pandolfo attended was four hours in length, but Field was told it could be done in 1.5 hours. She stated that this conversion would be acceptable.

President Pandolfo agreed with Field and added that this training really needs to be thought through in order to obtain the buy-in for people to want to participate.

Pandolfo said the liability industry for insurance is very cautious now in schools. In the past, the broker found a very limited number of carriers to buy reinsurance. Pandolfo noted that sexual liability claims can be filed up to age 26, which is a large risk. Pandolfo suggested there be future discussion to determine the best plan.

Mary Downey asked if this training could be mandatory. Burcina stated that there are some JPAs that have taken that approach. In San Mateo County, although the training was offered, it was not made mandatory. However, over a 2-3 year period of time the policies were mandatory. Their approach was when you apply policies such as not having a student in your room alone, not getting in a car with a student, not providing rides, it makes it easier for people to report that a policy had been broken without making a judgment on whether the action was inappropriate. People are often afraid to accuse others but when there's written policy, it can be pointed out that a policy was broken.

Downey suggested presentations be held during the Joint Powers Board Meetings.

Burcina said that other groups are also working on this effort but because it's taking so long, Schools Insurance Authority developed their own program. SIA plans to do webinars, online training and presentations.

There are many different features that could be used such as training at RESIG or different campuses, webinars, online training, etc.

Bob Raines suggested that this item be agendaized to allow the Executive Committee to discuss a long term plan and view some sample policies. He asked if there were other organizations that have a similar program and if RESIG could obtain a script as to how to talk to superintendents and CBO's to get their buy-in.

Burcina stated the JPAs have unique concerns about the excess insurance market's reaction to these types of liability claims. Excess carriers have talked about eliminating molestation coverage which would expose districts directly to those claims.

Jim Wilkey agreed with Rose. Every year, in the reinsurance market regarding renewal of excess liability programs, there are more questions asked by reinsurance underwriters. They are interested to know what programs are in place. Wilkey believes the reinsurers are going to limit coverage especially in California. It may not happen all at once, but JPAs may be forced to have a self-insured retention of \$1 million per claim and the reinsurers will provide excess above that. Wilkey stated this discussion to be healthy and timely. He strongly encouraged the Executive Committee to continue discussions and to develop a program to help address the issues of sexual molestation.

Downey suggested to roll out a new program in June 2018. Burcina agreed and thought that the Strategic Planning Session would be a good place to have this discussion.

Raines suggested that the Executive Committee and staff be mindful of employee-on-employee and employee-on-student, and student-on-student assaults and stressed the importance of this item.

Field commented that the presenter at SIA used an 8 step scenario that included the policy work. She suggested that this be presented when the trustees have legal training (i.e. at SCOE and/or SCLS) because they deal with policies and Superintendents sometimes go with their Boards to those legal update trainings.

Field agreed with Raines in regards to having sample policies ready to make simple modifications, similar to the way California School Boards Association does the policy updates.

Burcina appreciated the three prong approach of the presentation.

- The whole program is about preventing misconduct rather than how to recognize it when it has already happened.
- Empowering students to know that their district has a policy. Students may be afraid but if they understand that their district has a policy, and that there are people who are responsible for this, they may step forward knowing they will not be punished for it.
- The third prong is parent involvement, getting parents to understand that their school is engaged. The students receive reinforcement and empowerment from the school and their parents.

Burcina stated this was an important approach and different from what's been seen in other programs. This was a good presentation and a good starting point from which to start a conversation. This item will be further discussed during the Strategic Planning Review and Update in the January 18 meeting.

I. RESIG's Strategic Plan Review and Update Discussion

Due to the fires in October, the Strategic Plan Update was postponed. Discussion was held to determine when to regroup to review the update and remaining goals, but also begin to develop around the sexual misconduct issue. Pandolfo stressed the importance of the Strategic Plan for the Executive Director's position and the direction of the organization.

The following was determined for January 18th, 2018:

- 10:00 a.m. Finance Committee
- 11:00 a.m. Strategic Planning Session
- 12:30 p.m. Executive Committee Meeting

J. Executive Director's Report

In the interest of time, Burcina had nothing further to add to the report that was provided in the agenda packet.

BOARD COMMUNICATION

- BASIC Minutes—May 16, 2017; June 20, 2017, July 17, 2017; August 1, 2017; August 16, 2017; and September 8, 2017

ADJOURNMENT

The meeting was adjourned by President Joe Pandolfo at 10:48 a.m.

SUBMITTED BY:

APPROVED BY:

Rose R. Burcina, Executive Director

Joseph V. Pandolfo, Jr., Ed.D., President