

MINUTES

EXECUTIVE COMMITTEE MEETING October 20, 2016

RODGERS CREEK I/II AND SAN ANDREAS I/II CONFERENCE ROOMS

CALL TO ORDER

The meeting was called to order by President Steve Jorgensen at 11:09 a.m.

ATTENDANCE

Those in attendance were:

Executive Committee

Steve Jorgensen	President	Windsor Unified
Joe Pandolfo	Vice President	Rincon Valley Union
Mary Downey	Sec./Treasurer/Auditor	So. County Office of Ed.
Bob Raines	Director	Shoreline Unified
Sue Field (arrived 11:13 a.m.)	Director	Bennett Valley U.S.D.
Eric Hoppes	Director	Wilmar Union

RESIG Staff

Rose Burcina	Executive Director
Chris Spencer	WorkersqCompensation Claims Manager
Suzanne Pelz	WorkersqCompensation Claims Supervisor
Will Davis	Director of Environmental Risk Services
Patty Baumunk	Director of Employee Benefits
Steven Fields	Property & Liability Risk Manager
Deborah Fraser	Property & Liability Senior Claims Adjuster
Ronda Bergesen	Business Manager
Diane Vieyra	Executive Secretary

Guests

Eileen Massa	Wells Fargo Insurance Services
Dennis Mitchell	Bickmore Risk Services
Jack Joyce	Bay Actuarial Consultants
Dr. Paul Porter	Facilitator

APPROVAL OF AGENDA

A motion was made by Bob Raines and seconded by Joe Pandolfo to approve the agenda as presented. Ayes: Jorgensen, Pandolfo, Downey, Raines, and Hoppes. Absent: Eichman and Field. Motion passed.

INTRODUCTIONS & RECOGNITIONS

- Jack Joyce- Bay Actuarial Consultants, will present the WorkersqCompensation Actuarial Report (Item G) once he arrives instead of via conference call.
- Dr. Paul Porter was introduced; following the Executive Committee Meeting he will be facilitating RESIG's Strategic Planning Session.
- Dennis Mitchell- Bickmore, will present the 2016 WorkersqCompensation Claims Audit (Item F).
- Eileen Massa- Wells Fargo Insurance Services was introduced.
- RESIG's new employee was introduced- Madeleine LaBonte, Workersq Compensation Clerical Assistant.

PUBLIC COMMENTS

None

CONSENT CALENDAR

- A. Minutes Approval – September 22, 2016**
- B. Warrants Issued – September 2016**
- C. Financial Reports – Quarter ending June 30, 2016 and September 30, 2016**
- D. Public Self-Insurer's Annual Report**
- E. Internal Complaint Report – July through September 2016**

A motion was made by Joe Pandolfo and seconded by Mary Downey that the Executive Committee approve the Consent Calendar as presented. Ayes: Jorgensen, Pandolfo, Downey, Raines, and Hoppes. Absent: Eichman and Field. Motion passed.

ACTION

F. 2016 Workers' Comp. Claims Audit (Handout)

Dennis Mitchell, Bickmore distributed and reviewed the results from the 2016 Workers Compensation Claims Audit. The following was highlighted:

- Page 2 . Audit Facts
 - 70 claims were reviewed
 - Industry best practices are reviewed as a measure of performance.
 - There were 10 claims administration components
 - For each of the 70 claims, 84 questions were answered.
 - Total incurred was approximately \$2.5 million
 - Total paid was just under \$1 million
 - Total reserves remaining were almost \$1.5 million; a cushion is desired between incurred and paid.
 - Total recommended reserve increase was \$4,000 which is less than 1%

(11:13 a.m. . Sue Field arrived.)

- Pages 3 and 4 . Results
 - Majority of the results ranged from 86%-100%
 - Litigation Management scored 68%
 - Industry best practice includes the following:
 - A written referral to the defense attorney
 - An initial status within 30-45 days
 - A forecast for the life of the claim
- Page 5 . Overall
 - RESIG's Workers Compensation Department received a 93% which is a commendable score. This score is reached by totaling the total results from all the components.

- Pages 6 and 7 . Highlights
 - The staff experience level is excellent from new examiners. He thought that the experience helped, especially since RESIG had a period of pretty significant turnover and it looked like everyone chipped in.
 - RESIG scored 92% for timely member reporting on indemnity claims; 96% if medical only claims were not included, which at times are reported a bit later. Member reporting is being done well. Mitchell stated that there are plenty of studies in the industry that indicate claims become more costly the longer it takes to report them.
 - Payments were timely and accurate. 66 of the 70 claims reviewed had timely and accurate payments. A lot of this was attributed by bill review which is very efficient. Bills were being paid well under 30 days, usually two weeks, which is excellent.
 - There were eight reserve adjustments that were recommended; five were decreases and three increases.
 - Superior utilization review (UR) management . this helps control the cost of the treatment. At one time everything went to UR which is very expensive. He believes the Workers Compensation Department has a clear understanding as to when to send it to UR and what they can approve. They approve some very common procedures. Bickmore did not see anything that should've gone to UR, instead of the examiner approving. There were only 44 claims that were involved in UR; this category scored 100%.
 - Return-to-Work (RTW) efforts were excellent. RESIG's RTW Specialist works with the member district and the claims adjuster from the beginning of the claim. There were notes all over the files. The RTW Specialist also follows up on the ergonomic recommendations which is very good.
- Pages 8-11 . Recommendations
 - Mitchell referenced Table I-3 of the audit report for the specific recommendations but mainly revolve around updating claims procedures. He stated that written procedures are important. they provide guidance, consistency among the staff, and communicates performance expectations. It improves the quality of claims handling and the service to members.
 - Written practices would be helpful for reserve review, adjustments, and documentation practices as there weren't any set frequency as to when reserves were reviewed or an outline of what will be required as far as documentation is involved.

- Additional documentation of supervisory oversight of claims and caseloads was thought to really help improve performances. For instance, CSAC (California State Association of Counties) the supervisor reviews a claim file every 120 days (medical only 180 days) and documents that the file was reviewed.
- Three-point contacts were pretty good; however, written standards were suggested. The examiners have adopted industry best practices by contacting people right away. He suggested formalizing the time frame and follow-up requirements.
- Updating written procedures on litigation management is another item that was recommended to set the standards.
- Updating guidelines was recommended, to be in compliance with MMSEA (Medicare, Medicaid, and State Children's Health Insurance Program Extension Act), by adding requirements to written procedures.
- Bickmore recommended that RESIG adjust the claim assignment workflow so that the examiner receives the claim within one business day. To have one person handling the claims from the initial onset, send the initial payment out within 14 days and have the investigation completed well before that.
- Page 12 . Systems Evaluation
 - This was not incorporated into the score of the audit. Diary, subrogation and litigation management were reviewed as well as what the system was doing to help the adjuster and workflow of the department. These three items are vital to management of the claims operation because they do consist of workflows and processes, requiring written procedures.

The consensus of the Executive Committee and RESIG Staff was to do a follow-up in 90 days.

Mary Downey expressed her appreciation of the report; it was very thorough and detail-oriented which was very helpful. The Executive Committee thanked Rose Burcina and RESIG Staff for their efforts in doing a great job, particularly during the time when there was staff turnover.

President Jorgensen thanked Mitchell for the report and attendance.

Overall, RESIG received a commendable score and the report indicated that the Workers' Compensation Department needs to update written procedures and standards. Chris Spencer stated that the department is already working on it.

It was moved by Bob Raines and seconded by Sue Field that the Executive Committee accept the 2016 Workers Compensation Claims Audit performed by Bickmore, as presented. Ayes: Jorgensen, Pandolfo, Downey, Raines, Field and Hoppes. Absent: Eichman. Motion passed.

G. Workers' Comp. Actuarial Report as of 6/30/16 (Handout)

H. Return of Equity

- **Workers' Compensation**
- **Property & Liability**

Rose Burcina reported that the return of equity in RESIG's Workers Compensation and Property & Liability Programs is reviewed annually as outlined in RESIG's Capital Target and Return of Equity policies. In the Workers Compensation Program, the capital target is met. Based on the Workers Compensation Actuarial Report, there is a potential return of equity of \$4,505,125. The last return of equity from this program was in November 2015 when \$1.7 million was returned.

In the Property & Liability Program, the capital target is met up to 90%. However, the policy formula does not allow for return of equity at this time or last year.

RESIG Staff reviews the equity every year based on the Workers Compensation Actuarial Report and this year the report was very good and the claims are trending very well right now. However, she cautioned the Executive Committee about releasing all of the monies because of a short trend so she requested the Committee consider that when considering equity distribution. She promised with certainty that RESIG will not always have good claims experience; that RESIG is bound to have a bad claims year sooner or later. Because of that Burcina has always taken a position to not distribute equity, however, she understands that member districts could be in need of money and she suggested considering distribution of 50% of equity which is what has been done the last two times. Burcina reiterated to be cautious and prudent when considering distribution of equity based on reports from short time spans.

RESIG Staff recommended that the Executive Committee approve a return of equity from the Workers Compensation Program and forward it to the Board of Directors for approval at the November 17, 2016 meeting. Burcina requested that the Executive Committee determine the amount of equity they would like to recommend to the Board of Directors for distribution.

President Jorgensen referenced page 155 of the agenda packet- RESIG W/C Program Return of Equity, indicating the distribution of equity by member district.

2015/16. Page 154 of the agenda packet was referenced illustrating the formula used to calculate the program equity.

Joe Pandolfo stated that RESIG has a history of returning 50% of equity vs. RESIG's policy of 100%. He suggested that the policy be reviewed. Burcina mentioned that one of the items to discuss during the Strategic Planning Session is updating RESIG's policies.

Mary Downey stated that she was not comfortable with a 100% refund.

Ronda Bergesen referenced page 151 illustrating the Projected Net Position After Return of Equity at \$16,277,846 and the Projected Return of Equity Per Policy at \$4.5 million which is \$16 million over and above what is projected as needed, per RESIG policy. She mentioned that every year when Jack Joyce prepares an actuarial report, prior years' numbers will change.

(11:45 a.m. - Jack Joyce arrived.)

Jorgensen questioned if there have been years that 100% of equity has been distributed back to its members. It was mentioned that five years ago approximately \$1.2 million was returned to member districts.

Pandolfo stated that the staff's reserving practices have been very good over the last few years. He didn't believe there would be too many horrific surprises due to the good job staff has done with reserving. Burcina mentioned that the reserving is strong for current claims; it's the future development of claims (old and new) that is of concern.

Bergesen informed the Executive Committee that the increase in fund balance is due to the last couple of years where Jack Joyce has decreased RESIG's liability so it increases the fund balance; RESIG has not over-collected. The last few actuarial reports have been very good. The change in liabilities is a result of closing claims, lowering reserves, and the Workers' Compensation Senior Examiners doing a very good job and it's reflected in the reduction of liabilities.

Bob Raines was supportive of being conservative and prudent in returning 50% of total available equity in the Workers' Compensation Program.

It was moved by Bob Raines and seconded by Mary Downey that the Executive Committee approve the return of equity of \$2,252,562 (which is 50% of total available equity \$4,505,125) from the Workers Compensation Program and forward it to the Board of Directors for approval at their November 17, 2016 meeting.

Since Jack Joyce arrived, it was requested that he present the Workers Compensation Actuarial Report as of 6/30/16 at this time.

Joyce stated that RESIG has had two extraordinary years as far as development and improvement of open claims. Typically claims increase in value; RESIG has had two years in a row where they've gone down in value which is not normal. RESIG has had really good experience and it's not normal to have several years of good experience. Joyce stated that it would be prudent to be conservative on the distribution because the good experience won't continue forever. Sue Field asked what the factors were that contributed towards having such good experience so that RESIG can replicate it. Joyce explained the average reserve for the claim that is set by the workers compensation staff. For years it was increasing and it peaked two years ago at \$43,900 per claim but over the last few years it's decreased by 10% and that's what's driving the reduction in claims, but it will not continue forever.

Joyce reviewed the Workers Compensation Actuarial Report beginning on page 94 of the agenda packet and highlighted the following:

- Chart 1: Loss Reporting by Fiscal Year . The green portion shows the new losses that occurred during the fiscal year while the black portion shows the development that took place on existing claims and the changes on the reserves. Total incurred value of all losses reported through 6/30/15 declined by \$355,000.
- Page 95, Chart 2: Fiscal Years Claims Expenditures . For 2015/16 there were \$4.06 million of claims expenditures.
- Page 96
 - Table I . Estimated Liability as of June 30, 2016 . The Central Estimate is \$24,794,000; discounted at 1% is \$22,760,000. The 85% probability estimate, per RESIG's policy, is \$27,923,000 or discounted is \$25,632,000.
 - Chart 3: 6/30/16 Liabilities by Program Year . There is \$0.75 of IBNR (Incurred But Not Reported) liability for every \$1.00 of reserves.

- Page 97
 - Chart 4: Past Actual %Gross+IBNR to Case Reserves Ratio . This is a measure of how strong the reserves are. As of June 30, 2016 it increased to \$0.82 which is the highest number since 2008. This is an indicator of the confidence in reserves.
 - Chart 5: Average Case Reserve . The claims reserve had been increasing up until two years ago and it peaked at \$43,900 and then it decreased by 10% over the last 1 ½ years. There has been some really good experience over the last few years which feeds into this. He reiterated that the prudent thing is not to give all the money back because RESIG is coming off of two really good years which will likely not continue.
- Page 98 . Chart 6: Comparison with Prior Estimates . This is the actual estimates of the limited ultimate losses.
- Page 99 (Handout) . This page was replaced due to a couple of words changed: Joyce referred to a \$1 million SIR rate where it was really an unlimited rate.
 - Table II: Projected 2016/17 Discounted Loss Rates. These numbers are actually lower than what RESIG is currently funded at, due to extraordinary good six months of experience (January through June).
 - Chart 7: Estimated Rates of Loss (Unlimited) . The rates have come down due to the 2003 and 2004 reforms. Rates have been steady since 2008/09. The \$1.35 for 2016/17 is fairly consistent with what is being seen due to medical inflation.
- Page 100
 - Chart 8: Indemnity Claim Frequency . The claim frequency has been fairly steady since 2007/08.
 - Chart 9: Indemnity Claim Amount . RESIG is extraordinarily good where most employers are seeing some pretty steep increases.

In regards to how much money RESIG should return, Joyce reiterated that RESIG is coming off two really good years and it will not continue. His advice was to be prudent.

Sue Field asked Joyce if it was prudent to return 50% of the \$4.5 million, or \$2.2 million. He replied, %es+.

Burcina responded to Field's questions as to the attributing factors for the positive years:

- Recent restructure of the Workers' Compensation Department so all three of the Workers' Compensation Claims Examiners are senior level results in closing and moving cases, and more strategizing.
- Caseloads have been adjusted to allow more time for the examiners to be strategic.

She'd like to think that these factors are reflected in the claims experience.

Joyce mentioned that there was a period about 10 years ago where RESIG was lightly reserved, and then in a matter of 2-3 years the reserves doubled which was due to a change in reserving practices. This is not the case now, with the decreasing by 10% over the past two years.

Pandolfo asked Joyce if returning 50% of the available equity is typically seen with other JPAs. Joyce stated that he liked the existing return of equity policy- the first five years the equity balance is 0% because those years are really uncertain. As the years get older and older you get more and more certain about the equity. He thought that it was a sensible way to calculate the equity. Some other JPAs calculate the equity in the same manner and others don't.

Jorgensen thanked Joyce for the report and presentation.

It was moved by Bob Raines and seconded by Sue Field that the Executive Committee accept the Workers' Compensation Actuarial Report as of June 30, 2016 as presented. Ayes: Jorgensen, Pandolfo, Downey, Raines, Field, and Hoppes. Absent: Eichman. Motion passed.

There was a motion on the floor from Bob Raines and seconded by Mary Downey that the Executive Committee approve the return of equity of \$2,252,562 (which is 50% of total available equity \$4,505,125) from the Workers' Compensation Program and forward it to the Board of Directors for approval at their November 17, 2016 meeting. Ayes: Jorgensen, Pandolfo, Downey, Raines, Field, and Hoppes. Absent: Eichman. Motion passed.

REPORT/DISCUSSION

I. Executive Director's Report

Rose Burcina stated that there wasn't anything significant to report. In the interest of time she will email the report to the Executive Committee.

LUNCH BREAK – 12:18 p.m.

12:40 p.m. - STRATEGIC PLANNING SESSION

J. RESIG's Strategic Plan

Agenda

- Lunch . informal discussion
- Discussion & Review
 - Guiding principles
 - Current Strategic Plan review
 - Supplemental Survey . Distributed at DBUG Meeting; approximately 20 district employees in attendance
 - Staff Ideas/Feedback
- Group brainstorming
- Discussion & Review
- Setting priorities
- Implementation process
- Next steps

During the lunch break, Dr. Porter led an informal discussion with the group.

What's keeping you up at night?

- Healthcare costs
- Liability . Proactive vs. Reactive
- Lack of in-house IT support
- Emergency response
- Adequate staffing
- Special Education
- Budget
- Facility surprises
- Aging workforce/multiple generations
- Liability coverage
- Develop staff leadership/succession planning
- Staff fatigue
- Bullying
- Responding to new transgender legislation

(1:10 p.m. . Eric Hoppes left the meeting.)

Guiding Principles

Dr. Porter then explained that the group would establish guiding principles to structure the Strategic Planning Session's discussion for the afternoon. The following is the list of principles that the group developed to guide the discussion.

- Think like a JPA
- Be futuristic
- Learn from the past
- Be responsive to our member district needs
- Be conservative
- Be transparent and clear
- Be education-minded (member perspective)
- Remember that it's always about the kids
- Make sure it matters
- Be interactive and participate

Current Strategic Plan Review

Rose Burcina provided an update of the current strategic plan developed in October of 2014 with four goal areas: Technology, HR & Professional Development, Finance & Facility, and Governance. The group was impressed with the many items that were completed in the last two years.

Technology

- Scanned hard-copy records into the system
- Created an online tool for site safety inspections
- Implemented cyber liability coverage member-wide
- Implemented an online member training program (Target Solutions)

HR & Professional Development

- Executed an Early Retiree Incentive Program (ERIP) resulting in net savings of \$44,046
- Filled the vacant positions due to the ERIP
- Provided additional professional development for the Workersq Compensation Claims Assistant
- Provided presentation skills and leadership training for RESIG staff
- Added one FTE position to the Benefits Department
- Conducted an independent desk audit in the WorkersqComp. Dept.
- Restructured and reclassified the following positions:
 - Clerical support staff in the WorkersqCompensation Department
 - Fiscal Analyst position to Business Manager
 - Property & Liability Claims Adjuster to a Senior Claims Adjuster

- Combined the Return-to-Work and Ergonomic Advisor positions to one
- Hired all three Workers Compensation Claims Examiners at the senior level

Finance and Facility

- Updated the HVAC system and assumed the management of the system
- Provided a Member Outreach Program (StopIt!)
- Combined workshops for staff and members with other JPAs
- Department-wide development of procedure manuals
- Transferred the Health Plan Program to one carrier to stabilize rates

Governance

- Implemented an Orientation Program for New Superintendents and CBOs
- Implemented an Onboarding Program for New Executive Committee Members

The outstanding items of the current Strategic Plan are listed below:

Technology

- Update RESIG's Website

Finance and Facility

- Create and implement a Building Maintenance Plan
- Complete updating and marketing efforts of the conference rooms
- Present investment portfolio options to the Board for consideration

Governance

- Update Documents:
 - Staff job descriptions (including exempt vs. non-exempt status)
 - Employee Handbook
 - JPA Agreement, Bylaws and policies
- Create and implement a marketing effort to educate members on RESIG's services and programs

The consensus of the group was to include the outstanding items or %carry-over+into the new Strategic Plan as suggested by Sue Field. Dr. Porter congratulated staff on the accomplishments made in the current Strategic Plan. There being no further discussion on the current Strategic Plan, Dr. Porter asked Burcina to review the results of the Supplemental Survey.

Supplemental Survey

Rose Burcina and Patty Baumunk presented the Strategic Planning Survey previously distributed to the members superintendents during the September 30, 2016 DBUG

Meeting held at SCOE as directed by the Executive Committee. Burcina presented the results of the Supplemental Survey which are outlined below.

Engagement

- “ Nine of the twenty participants of DBUG returned the survey; three were on time, and six were late.
- “ The responses were from small and medium districts.
- “ All but one responded that they attended at least one of RESIG’s workshops in 2015-2016. The most-attended workshops were held by the Benefits Department.
- “ All of the respondents indicated that they would like more training.

Services

What other services would you recommend for consideration?

(The following responses were provided by one district.)

- “ A program to train maintenance heads to complete three-year asbestos inspections.
- “ Trainings should be offered during break times like summer, winter or spring break so that custodians and other workers can attend without missing a day they are needed to perform their jobs.
- “ Trainings such as the recent OSHA should be divided into 2 sessions if the amount of material warrants it.
- “ It seems like Loss Prevention is staffed at levels where they could provide more in-services to school districts.
- “ Consider annual regional seminars on back safe training, ladder safety, etc.

How can RESIG improve services to your district?

(The following responses were provided by one district.)

- “ Establish a tiered rate for Property & Liability. We have been asking for this for several years with no response as to why that is not done. Larger district doesn’t need such a small deductible and raising it could save staff time.
- “ Develop a program to review all power tools and equipment (table saws, chop saws, grinders) and document what is required to be replaced.
- “ On an auto claims, we had to front the repair and wait for reimbursement; RESIG should pay the body shop directly or pay us at the time of loss. A private insurer would pay the body shop or us and not require us to wait for a reimbursement check.
- “ Continue to explore ways to reduce medical insurance rates . very difficult for classified families to pay the premium.

Feedback

(The following responses were provided by one district.)

- “ The purchase of promotional material seems to us like a waste of resources; we would rather get the funds spent on these items back in a return of equity. It does not seem to help encourage attendance at the biannual meetings.
- “ Deborah Fraser is great to work with. Very responsive, and helpful.

- “ Consider looking into whether RESIG can change the rules for the amount of members needed for a quorum so that there is not a mad rush to get a majority of districts to attend. If the majority of ADA is present would that be legal? This way if you had SRCS, Petaluma and a couple of larger districts to attend, there would not be an issue.
- “ Loss Prevention has been much more effective the last few years. Good work!
- “ In general, the RESIG staff does good work and helps meet the insurance needs of member districts and we thank the staff for their efforts.

(The following responses were provided by five different districts.)

- “ Would like RESIG insurance services to be made available to other charters. I have one charter in RESIG and two that can't get in.
- “ We rely on RESIG for all the help they are able to provide in all the programs and workshops offered. RESIG is greatly appreciated.
- “ We really appreciate being able to access the one-to-one training, especially in this time of transition. Thank you!
- “ Awesome! Quick responses from all staff! Thank you!
- “ RESIG needs to be very considerate of programs it institutes ~~on~~ behalf of districts. Before starting a program and charging all districts the cost (whether we want or will even utilize the program). RESIG should gather a consensus from all members. Districts should not be charged for programs that will not benefit them. Case in point: Bullying program . may be used more at secondary level but all districts were charged. We polled principals and none of them were willing to use this program. A waste of resources for our district. Many districts have programs that they wish to use, not RESIG's program. These kinds of programs that benefit our students are researched, well thought out and district supported and paid for. We do not need to be paying for an unwanted program for our students.

Discussion among the group was held on the following responses:

Other Services

- Will Davis had conducted a survey of members this year to ask if there was interest in participating in a program to train heads of maintenance to complete the Three-Year Asbestos Training Program and there was minimal interest with only three districts responding. RESIG can look into this again periodically and provide the training if there is more interest in the future.
- Many of RESIG's process-type workshops are held over the summer for district administrative staff and the asbestos training is typically held when school is dismissed. However, RESIG will consider what additional workshops can be held for M&O over the summer as well.
- There were mixed reviews on the recent OSHA training with some participants suggesting splitting the class up to two sessions and some suggesting that the time be extended. RESIG is considering holding this workshop again and will consider its length then. The overall review of the workshop content was very positive.

- Loss Prevention is always willing to conduct more in-service for districts. Mary Downey also expressed a need for in-service training to include the reasons why RESIG has policies for certain activities (i.e. this is what liability looks like for a jump house).
- Regional workshops are on RESIG's radar and in fact, being considered for many workshops.

Further discussion followed about how to increase participation in RESIG's meetings and workshops. The number one reason that RESIG hears for not participating in workshops is %don't have the time,+and trying to provide training closer to the districts may help to resolve that issue. Additionally, the time of meetings must be considered. RESIG has better participation in meetings and workshops when they are held first thing in the morning or at the end of the day. It appears very difficult for people to pull away from their desks in the middle of the day. Also, Windsor is in the north corner of Sonoma County and it can take as long as 45 - 60 minutes to get to RESIG from some districts. It can be very difficult to attend workshops and meetings at RESIG when the drive time is added to the workshop time. It was opined that it may not be worth it to drive 45 . 60 minutes to attend a workshop that is only an hour long. Piggy-backing on other meetings may help participation.

There was discussion regarding how the delivery of education is changing with online programs, videos and webinars being so main stream now. RESIG will continue to explore ways to improve the delivery of workshops and training opportunities.

Improving Services

- The current Property & Liability structure has one deductible tier for all of its members in the self-insured retention (SIR) layers (i.e. \$100k Property, \$250k Liability) as well as in the excess insurance layers above RESIG's SIR. The only option for tiering deductibles is in the SIR layers. Burcina stated that it would be an actuarial nightmare to establish a tiered approach to the two deductibles with 45 member districts. Each of the six JPAs in Northern California offer one tier structure for Property & Liability deductibles; however, if there continues to be an interest, the Executive Committee may consider conducting an actuarial study to determine the cost and tiers.
- RESIG's school site inspections include high-risk machinery to make sure that guards are in place; however, RESIG does not have the trained personnel to conduct power tool inspections and consider this a function of each district's Maintenance & Operations Department and the instructor.
- RESIG originally developed the process to reimburse member districts for auto repairs at the end of the claim because it was the preferred method for the districts at that time. Districts tell RESIG that they prefer to control their claims from beginning to end and that the process works better when they request reimbursement once the claim is closed. This is the first feedback of this type for this process but RESIG will consider changes if needed.
- RESIG recently moved all of the health plans to one carrier in an effort to stabilize rates and recognizes that health plan costs are a concern to member

districts, and every employee, especially those with families. However, the contribution made by each district for each category of employee and dependent tier must also be considered. RESIG continues to be diligent in exploring ways to reduce health care costs.

Feedback

- While it may or may not encourage participation in the bi-annual meetings, RESIG does receive regular feedback from meetings that attendees appreciate the raffles and giveaways (as well as the food) that RESIG regularly provides. It is also critical from a marketing standpoint to recognize that many interactions with RESIG are as a result of a claim, injury or accident so it is important that from time-to-time, a district employee gets a more positive reminder of RESIG. As a matter of practice, swag is only given to participants of meetings or workshops; no one gets swag unless they participate in a RESIG activity. RESIG must never underestimate the value of someone being asked "hey, where did you get that from?" or "What is RESIG?"
- The requirement for a quorum will be reviewed during the upcoming review and update of policies. Alternate ideas included video conferencing and teleconferencing. Staff will review and report the Brown Act requirements for participation from other sites.
- The positive feedback was very much appreciated and did not result in specific discussion.
- The very basic concept of JPA pooling is that all costs (i.e. operations, programs and claims) are shared and spread amongst the membership. Pooling considers that every member may not participate in every program every time as much as it considers that every member does not cause every claim. To apply costs differently in a pool would erode the pool concept and the very reason for pooling altogether. Many times the cost of programs is based on the whole pool and carving out districts would result in higher costs.

There being no further comments or questions about the Supplemental Survey, Burcina continued to the Staff Ideas and Feedback item of the Strategic Planning Agenda.

Staff Ideas/Feedback

Staff was previously directed by the Executive Committee to provide their ideas and feedback on the upcoming Strategic Plan. Burcina reported the results of that meeting below:

- The carry-over items should be continued to the new plan.
- Think into the future when developing the Strategic Plan
- Consider succession planning for RESIG's aging workforce (Silver Tsunami).
- Cyber Security should be a high level concern to RESIG and its members.
- Member engagement and participation must be improved.
- Delivery of member education and training must be addressed.
- The Property & Liability claims system is in need of updating.

- Keeping pace with technology and providing in-house tech support is critical.
- Legislation will continue to change for every department.

A lengthy discussion was held on in-house tech support for RESIG. RESIG does not have any tech savvy staff so issues ranging from the system stalling to passwords and programs not working must be called into the IT Help Desk and every issue cannot be resolved immediately. RESIG's managers must then take it on and sometimes spend hours in a day or week on systems issues. There were suggestions to share IT support with a district or SCOE considering that RESIG would likely only need 15-20 hours weekly.

Brainstorming

Dr. Porter moved the meeting onto the brainstorming item considering that the discussion concluded on Staff Feedback.

The group preferred to remain in one large group as opposed to splitting out into smaller groups for the brainstorming session. Dr. Porter reviewed how the last Strategic Plan had four goal areas (Technology, HR and Professional Development, Finance and Facility, Governance) and asked for input and comments on the current goal areas. It was agreed that the four goal areas are still relevant and should be included in the new plan. However, a new goal area for Member Services should be added.

Sue Field and Bob Raines commented that we need to identify the focus and purpose of the Strategic Plan which is to reduce risk and liability to the pool and to provide insurance and coverage to the pool members. There are then strategies and actions taken in each goal area to achieve the overarching focus of the Strategic Plan and to operationalize the goals. With that in mind, the five goal areas were discussed and developed including the outstanding items from the current Strategic Plan.

Technology

- Upgrade the website (consider more training options)
- Develop a Technology Plan including in-house support
- Upgrade the Property & Liability claims software
- Develop a Cyber Security Risk Program for districts (i.e. provide policies, procedures and training to minimize exposure)

Finance & Business

- Create and implement a long range Building Maintenance Plan
- Complete updating and marketing efforts of the conference rooms
- Present investment portfolio options to the Board for consideration

Human Resources & Professional Development

- Succession planning including staff training and creating opportunities for advancement and career paths
- Continue RESIG staff training

Governance

- Conduct periodic program reviews
- Create a system to catch (radar) potential liability issues
- Develop an advocacy role with local government (assembly and congressional) and with other local and statewide JPA's and associations
- Update Documents:
 - Staff job descriptions (including exempt vs. non-exempt status)
 - Employee Handbook
 - JPA Agreement, Bylaws and policies
- Create and implement a marketing effort to educate members on RESIG's services and programs.
- Legislation: Continue to be the hub of information for legislative changes affecting RESIG's pool and as it pertains to the day-to-day governance of the pool

Member Services

Dr. Porter led further discussion on what types of member service training and ideas the group had considering this is a new goal area.

- Reduce Liability Risks
 - Training (i.e. high deductible risks and activities, Certified Schools Risk Manager Program)
 - Continue inspections
 - Upgrade website
- Develop a training program considering the following concepts.
 - Regionalization (identify different areas in the county)
 - Incentives for participation (reduce deductibles, increase safety funds)
 - Update the delivery of training (road shows, online programs, webinars, videos)
- Health Fairs and Flu Shot Clinics
 - Create a training course specifically for CBO's.
 - Mental Health/Stress Training:
 - At school sites for all employees
 - Stress reduction
 - Recognizing others' behaviors
 - Employee Assistance Program (EAP) for non-health plan members

- Research the district low participation issue and develop plans to address it
- Add a RESIG liability session to CASBO's CBO Bootcamp Program
- Create a training model for district staff (i.e. RESIG Academy) and consider providing live samples of cases for discussion at trainings

The development of the five goal areas led to discussion on how they may be achieved. First and foremost, the group agreed that it is necessary to meet the needs of the member districts and considered the following ideas:

- Evaluate programs regularly
- Investigate how to increase participation
- Offer different incentives for certain risk practices (reward good practices)
- Stress the importance of a CBO Extended Training Program (they're our Boots-on-the-Ground! and there is a lot of turn-over in this position)

Setting Priorities

Dr. Porter asked the group what they would consider to be the priorities of the goal areas previously reviewed. Discussion on priorities included the following:

- Technology, both keeping pace and in-house support
- Member services- developing training and increasing participation
- Updating the website
- Updating the Property & Liability claims software
- CBO training
- Annual review of policies
- Building Maintenance Plan
- Staffing
- Annual evaluation of programs
- Advocacy
- Investment portfolio

Mary Downey stated that additional staffing may be necessary to accomplish all of the goals and activities that are being added to the Strategic Plan.

Steve Fields was asked about the priority of acquiring a new Property and Liability claims management system and he commented that it could probably wait a year at this point considering there may be higher priorities. The group discussed how delaying this important task a year would mean that implementation would likely be two years from now and that may not be advisable.

President Jorgensen added that a regular review of policies to make sure that they comply with changing legislation and coverage. For instance, the new alcohol legislation allows alcohol on campus when students are not present; however, it is still not advisable. RESIG should have policies to address specific laws.

Joe Pandolfo stated that while he believes that the restructure of the school site inspections is an improvement to the process, the program should be regularly reviewed to make sure it is current and evolving as needed.

Rose Burcina was asked what she considers to be the most critical and highest priorities of today's discussion for RESIG's operations. Burcina responded that she considers the following to be of the highest priority:

- In-House Technology Support. Currently the Executive Secretary and Department Managers manage all of technology issues and needs with our IT company and vendors which drains our resources.
- Developing Member Services for training and reducing risk and liability. She also stated that increased district participation and engagement is a priority.
- Acquiring a new Property and Liability claims management system. Currently, the Property & Liability Department is using the same claims system as the Workers' Compensation Department. The claims system was designed for the Workers' Compensation Department but is not designed for the needs of the Property & Liability Department.

Pandolfo stated that staffing should be addressed and considered a priority. Burcina stated that she sees two new positions will be necessary to achieve the new goals. The in-house technology support position would likely be 15-20 hours per week.

(3:10 p.m. . Joe Pandolfo left the meeting.)

Dr. Porter asked the Executive Committee if the consensus was for Burcina to proceed with staffing a part-time, in-house IT support position. The consensus of the Executive Committee was ~~yes~~ yes, especially if the position cost is comparable to the current cost through the services of a vendor.

Burcina was also directed to develop a staff position for Member Services for the Executive Committee to consider and to start the research of acquiring a new Property and Liability Claims management system.

Burcina was also directed to present a preliminary 2-year Strategic Plan outline during the November 17, 2016 Executive Committee Meeting and to anticipate bringing back the complete Strategic Plan to the January 19, 2017 Executive Committee Meeting for approval.

The group agreed that the Strategic Planning Session was well done today and staff stated that there was good direction provided. Jorgensen thanked Dr. Porter for facilitating the session and thanked everyone else for their participation and for wearing their school apparel for today's School Spirit Day!

ADJOURNMENT

The meeting was adjourned by President Steve Jorgensen at 3:23 p.m.

SUBMITTED BY:

APPROVED BY:

Rose R. Burcina, Executive Director

Steve Jorgensen, President