

MINUTES

JOINT POWERS BOARD MEETING

June 8, 2017

RESIG CONFERENCE CENTER

San Andreas I/II

CALL TO ORDER

The meeting was called to order by President Steve Jorgensen at 8:37 a.m.

ATTENDANCE

Sue Field	Bennett Valley Union
Anne Barron	Cotati-Rohnert Park Unified
Christin Barkas	Dunham School District
Dana Pedersen	Guerneville School District
Steve Barekman	Healdsburg Unified
Patti Pomplin	Horicon School District
Patti Pomplin	Kashia School District
Patricia Petzar	Liberty School District
Susan Donner	Piner-Olivet Charter
Jeanine Thibeau	Piner-Olivet Union
Joe Pandolfo	Rincon Valley Union
Yolanda Reynoso	Roseland School District
Jason Lea	Santa Rosa City Schools – Elem.
Jason Lea	Santa Rosa City Schools – High
John Azzizzi	Sebastopol Independent Charter
Linda Irving	Sebastopol Union
Bob Raines	Shoreline Unified
Mary Downey	Sonoma County Office of Education
John Bartolome	Sonoma Valley Unified
Barbara Bickford	Twin Hills Union
Rebecca Rosales	Waugh School District
Chad Barksdale/Lori Vernier	West County Transportation Agency
Steven Kellner	West Sonoma County UHSD
Eric Hoppes	Wilmar Union
Steve Jorgensen/Lois Standing	Windsor Unified

RESIG Staff:

Rose Burcina	Executive Director
Chris Spencer	Workers' Compensation Claims Manager
Suzanne Pelz	Workers' Compensation Claims Supervisor
Deborah Keeran	Workers' Comp. Resource Coordinator
Steve Fields	Property & Liability Risk Manager
Deborah Fraser	Property & Liability Senior Claims Adjuster
Will Davis	Director of Environmental Risk Services
Patty Baumunk	Director of Employee Benefits
Ronda Bergesen	Business Manager

Guests:

Loren Soukup	School & College Legal Services
Jim Wilkey	Wells Fargo Insurance
Eileen Massa	Wells Fargo Insurance
Eryn Elola	Alliant Insurance Services
Tom Sher	Alliant Insurance Services

Those not in attendance were:

Alexander Valley Union	Bellevue Union
Cinnabar School District	Cloverdale Unified
Forestville Union	Fort Ross School District
Geyserville Unified	Gravenstein Union
Harmony Union	Kenwood School District
Live Oak Charter	Mark West Union
Monte Rio Union	Montgomery School District
Oak Grove Union	Old Adobe Union
Petaluma City Schools – Elem	Petaluma City Schools – High
Sonoma Charter School	Two Rock Union
West Side Union	Woodland Star Charter
Wright School District	

APPROVAL OF AGENDA

A motion was made by Joe Pandolfo and seconded by Sue Field to approve the agenda as presented. Ayes: Field, Barron, Barkas, Pedersen, Barekman, Pomplin, Pomplin, Petzar, Donner, Thibeau, Pandolfo, Reynoso, Lea, Lea, Azzizzi, Irving, Raines, Downey, Bartolome, Bickford, Rosales, Barksdale, Kellner, Hoppes, and Jorgensen. Motion passed unanimously.

INTRODUCTIONS & RECOGNITIONS

President Jorgensen introduced:

- New Board Member—Jason Lea, Santa Rosa City Schools
- Jim Wilkey—Wells Fargo Insurance
- Tom Sher—Alliant Insurance Services

Rose Burcina announced Steve Jorgensen's retirement at the end of this month; this is the last meeting that he will chair.

Joe Pandolfo, Sue Field, and Bob Raines recognized Jorgensen's accomplishments throughout his 30+ years of service in public schools. Jorgensen has served in many roles in Sonoma County from the business office to superintendent. He has also served on many boards and is well-known and respected. He is a role model of great leadership and will be missed in the community.

Burcina presented Jorgensen with his gavel in recognition of his service on RESIG's Board for the past 6 years, including being the President for nearly 3 years.

Jorgensen expressed his appreciation for the recognitions and commented that the reason he joined RESIG's Board was to learn more about the organization as its programs are key to the districts operations and budgets. He encouraged everyone to consider getting more involved in the RESIG Board.

PUBLIC COMMENTS

None

CONSENT CALENDAR

A. Minutes Approval – November 17, 2016

B. Quarterly Investment Reports as of:

- December 31, 2016
- March 31, 2017

C. 2017/18 Final Budget

Mary thanked Ronda Bergesen for an excellent presentation of the final budget.

A motion was made by Bob Raines and seconded by Mary Downey to approve the Consent Calendar as presented. Ayes: Field, Barron, Barkas, Pedersen, Barekman, Pomplin, Pomplin, Petzar, Donner, Thibeau, Pandolfo, Reynoso, Lea, Lea, Azzizzi, Irving, Raines, Downey, Bartolome, Bickford, Rosales, Barksdale, Kellner, Hoppes, and Jorgensen. Motion passed unanimously.

ACTION

D. Executive Committee Elections

President Jorgensen announced that the seats for Joe Pandolfo and Mary Downey are expiring on June 30, 2017, and both individuals have expressed their desire to continue to serve on the Board.

Another seat will be open as a result of Jorgensen's retirement. This seat has two years remaining, through June 30, 2019. Lois Standing, Chief Business Official at Windsor Unified School District is the only candidate who expressed interest in this seat.

Ballots were handed out and RESIG Staff Members Ronda Bergesen and Deborah Fraser counted the votes. The results were: Downey and Pandolfo received the most votes and will thereby fill the two 3-year positions and Standing was elected to fill the remaining two years of Jorgensen's seat.

It was moved by Bob Raines and seconded by Sue Field to approve the election of Mary Downey and Joe Pandolfo for three year terms on the Executive Committee, and Lois Standing for a two year term, effective July 1, 2017. Ayes: Field, Barron, Barkas, Pedersen, Barekman, Pomplin, Pomplin, Petzar, Donner, Thibeau, Pandolfo, Reynoso, Lea, Lea, Azzizzi, Irving, Raines, Downey, Bartolome, Bickford, Rosales, Barksdale, Kellner, Hoppes, and Jorgensen. Motion passed unanimously.

E. 2017/18 Program Rates

• Workers' Compensation

Rose Burcina reviewed the proposed 2017/18 renewal rates and explained that the base rate per \$100/payroll decreased from \$2.30 to \$2.12. The confidence level increased to 80% from 75%. The rate structure per district was included in the agenda packet for reference. Burcina was asked if the rate structure sheet, page 63 of the agenda packet, could be taken back to district CBOs today and she responded that it could be and that they should refer to the Experience Modification Factor and Modified Rate columns to calculate the new rates for budgeting purposes. Several members expressed their appreciation for the decreased base rate.

It was moved by Eric Hoppes and seconded by Mary Downey that the Board of Directors approve the 2017/18 Workers' Compensation Program base rate of \$2.12 per \$100/payroll, resulting in a decrease in the base rate, and an increase in confidence level to 80% (per policy) effective July 1, 2017. Ayes: Field, Barron, Barkas, Pedersen, Barekman, Pomplin, Pomplin, Petzar, Donner, Thibeau, Pandolfo, Reynoso, Lea, Lea, Azzizzi,

Irving, Raines, Downey, Bartolome, Bickford, Rosales, Barksdale, Kellner, Hoppes, and Jorgensen. Motion passed unanimously.

- **Property & Liability/Loss Prevention**

Burcina reviewed the proposed 2017/18 renewal rates for the Property & Liability Program and explained some of the contributing factors: the continuing withdraw of excess carriers from public pools in California, increased claims, increase of TIV (total insured values of property), decreasing ADA (average daily attendance) the pool's overall increase in X-Mod (experience modifier), and the increase of RESIG's X-Mod in BASIC's excess coverage. The overall increase in contribution for the Property & Liability Program is approximately 15%. The district-by-district contribution sheet was included in the agenda packet for reference.

The proposed Loss Prevention Program rates will continue to be \$3.50 per ADA.

Bob Raines encouraged members to take advantage of RESIG's trainings to reduce claims and commented that RESIG anticipates adding training to address trends.

It was moved by Bob Raines and seconded by Mary Downey that the Board of Directors approve the 15% contribution increase for the 2017/18 Property & Liability Program and \$3.50 per ADA for the 2017/18 Loss Prevention Program. Ayes: Field, Barron, Barkas, Pedersen, Barekman, Pomplin, Pomplin, Petzar, Donner, Thibeau, Pandolfo, Reynoso, Lea, Lea, Azzizzi, Irving, Raines, Downey, Bartolome, Bickford, Rosales, Barksdale, Kellner, Hoppes, and Jorgensen. Motion passed unanimously.

- **Health & Dental Renewals**

Burcina reviewed the proposed 2017/18 SISC (Self-Insured Schools of California) renewal rates. The renewal rate sheets were provided in the agenda packet for reference.

- **Blue Shield of CA**

Active Employees and Early Retirees—overall decrease of 1%.

Medicare Supplement Plan, Retirees 65+ —increase of 3.8-6.5%.

It was moved by Eric Hoppes and seconded by Bob Raines that the Board of Directors approved the 2017/18 Blue Shield renewal rates and additional Family Friendly 3 & 4-tier structure as presented.

Ayes: Field, Barron, Barkas, Pedersen, Barekman, Pomplin, Pomplin, Petzar, Donner, Thibeau, Pandolfo, Reynoso, Lea, Lea, Azzizzi, Irving, Raines, Downey, Bartolome, Bickford, Rosales, Barksdale, Kellner, Hoppes, and Jorgensen. Motion passed unanimously.

- **Kaiser Permanente**

Active Employees and Early Retirees—overall increase of 4.7%. Senior Advantage Plans, Retirees 65+ —increase of 4.1-4.3%.

It was moved by Eric Hoppes and seconded by Sue Field that the Board of Directors approve the 2017/18 Kaiser Permanente rates and Family Friendly 3 & 4-tier structure as presented. Ayes: Field, Barron, Barkas, Pedersen, Barekman, Pomplin, Pomplin, Petzar, Donner, Thibeau, Pandolfo, Reynoso, Lea, Lea, Azzizzi, Irving, Raines, Downey, Bartolome, Bickford, Rosales, Barksdale, Kellner, Hoppes, and Jorgensen. Motion passed unanimously.

- **Delta Dental**

Burcina reviewed the proposed 2017/18 Delta Dental renewal rates of an overall decrease of 11.7%.

It was moved by Bob Raines and seconded by Jason Lea that the Board of Directors approve the 2017/18 Delta Dental renewal rates with an overall decrease of 11.7% as presented. Ayes: Field, Barron, Barkas, Pedersen, Barekman, Pomplin, Pomplin, Petzar, Donner, Thibeau, Pandolfo, Reynoso, Lea, Lea, Azzizzi, Irving, Raines, Downey, Bartolome, Bickford, Rosales, Barksdale, Kellner, Hoppes, and Jorgensen. Motion passed unanimously.

F. Amendment to RESIG's Bylaws

Section II.F.2. Executive Committee Vacancies—Vacated Terms

President Jorgensen explained that past practice for vacancies on the Executive Committee have been to either fill the seat by election of the Board of Directors during their next regular meeting or to have the Executive Committee appoint a member, depending on the timing of the vacancy. The proposed amendment to the Bylaws will provide for the Executive Committee to appoint a member to fill the balance of a vacated term or for the Board of Directors to vote at the next regular meeting and will align with past practice.

It was moved by Sue Field and seconded by Joe Pandolfo that the proposed amendment to RESIG's Bylaws, Section II.F.2. Executive Committee Vacancies-Vacated Terms be approved. Ayes: Field, Barron, Barkas,

Pedersen, Barekman, Pomplin, Pomplin, Petzar, Donner, Thibeau, Pandolfo, Reynoso, Lea, Lea, Azzizzi, Irving, Raines, Downey, Bartolome, Bickford, Rosales, Barksdale, Kellner, Hoppes, and Jorgensen. Motion passed unanimously.

G. 2017/18 Staff Compensation

President Jorgensen explained that RESIG's policy provides for staff representatives to meet with two Executive Committee Members to present their compensation desires for the upcoming year. Staff met with Mary Downey and Bob Raines and requested a 2% COLA in 2017/18 which represents a \$136,244 fiscal impact. Raines stated that staff was well prepared and fair, and a pleasure to work with; Downey agreed.

It was moved by Patti Pomplin and seconded by Mary Downey that the Board of Directors approve the 2017/18 RESIG Staff compensation package of 2% to all staff salary ranges as recommended by the Executive Committee. Ayes: Field, Barron, Barkas, Pedersen, Barekman, Pomplin, Pomplin, Petzar, Donner, Thibeau, Pandolfo, Reynoso, Lea, Lea, Azzizzi, Irving, Raines, Downey, Bartolome, Bickford, Rosales, Barksdale, Kellner, Hoppes, and Jorgensen. Motion passed unanimously.

H. 2017/18 Officers

President Jorgensen explained that three officers are elected every year to serve as both the officers of the Board of Directors and the Executive Committee. Jorgensen presented the following 2017/18 slate of officers:

President: Joe Pandolfo
Vice President: Bob Raines
Secretary/Treasurer/Auditor: Mary Downey

It was moved by Anne Barron and seconded by John Azzizzi to approve the above mentioned slate of officers for 2017/18. Ayes: Field, Barron, Barkas, Pedersen, Barekman, Pomplin, Pomplin, Petzar, Donner, Thibeau, Pandolfo, Reynoso, Lea, Lea, Azzizzi, Irving, Raines, Downey, Bartolome, Bickford, Rosales, Barksdale, Kellner, Hoppes, and Jorgensen. Motion passed unanimously.

REPORT/DISCUSSION

I. Legislative Update (Handout)

Loren Soukup, Sr. Associate General Counsel—School & College Legal Services presented a review of several important updates previously

distributed to the membership regarding recent developments to California law.

1. Private Email and Similar Electronic Communications Held Subject to the Public Records Act
2. Schools Serving Grades Seven Through Twelve Required to Adopt Suicide Prevention Policies—Assembly Bill 2246, effective July 1, 2017
3. Title IX Notifications—Senate Bill 1375, effective July 1, 2017
4. District of Choice—Education Code Section 4800-48315 and Assembly Bill 185
5. Supreme Court Establishes New Substantive Standard for IDEA (Individuals with Disabilities Education Act)
6. Website Accessibility—U.S. Department of Education's Office for Civil Rights (OCR)
7. Adult Use of Marijuana Act—Proposition 64
8. Employment Decisions and Criminal History—Title 2 of the California Code of Regulations, Article 2, effective July 1, 2017

J. Health Plan Update

Tom Sher, Sr. Vice President—Alliant Insurance Services, provided an overview of the ACA (Affordable Care Act, often referred to as Obama-Care) and the AHCA (American Health Care Act) which passed in the House and was recently sent to the Senate.

Medical coverage expanded under the ACA by 25 million participants with 11 million of those citizens enrolled in Medicaid. About 90% of ACA participants receive subsidies from the Federal Government.

If the new AHCA passes, the Federal Government could realize savings of about \$350 million, however, it is anticipated that it would impact ESI (Employer Sponsored Insurance) with increases to rates.

Sher shared that the future of the ACA and AHCA is uncertain at this time, however, he is happy to provide RESIG with updates as new information becomes available.

K. Property & Liability Program Review (Handout)

Steve Fields, RESIG's Property & Liability Risk Manager presented the 2016/17 Property & Liability Year-At-A-Glance. The overview included the following information:

1. Services provided by the Property & Liability Department for members
2. Settled cases
3. Open claims
4. Claims and lawsuit trends
5. Recommendations to prevent claims

6. The Memorandum of Coverage for Employer/Employee Claims
7. The Safety Equation
8. Remember—Document, Document, and Document!

L. 2017/18 RESIG's Meeting Calendar

President Jorgensen presented RESIG's 2017/18 Meeting Calendar.

M. Executive Director's Report

Rose Burcina reported the following:

- RESIG Staffing Changes in 2016/17 – The following position vacancies were filled:
 - Workers' Compensation – Senior Claims Examiner
 - Workers' Compensation – Clerical Assistant
 - Employee Benefits – Benefits Coordinator
 - The vacant Injury Triage Nurse position was outsourced to a Telephone Triage Company.

The net impact to the 2016/17 payroll was a savings of \$57,180.

ADJOURNMENT

The meeting was adjourned by President Jorgensen at 10:34 a.m.

SUBMITTED BY:

APPROVED BY:

Rose R. Burcina, Executive Director
President

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