

MINUTES

JOINT POWERS BOARD MEETING

June 9, 2016

RESIG CONFERENCE CENTER

San Andreas I/II

CALL TO ORDER

The meeting was called to order by President Steve Jorgensen at 9:08 a.m.

ATTENDANCE

Bob Raines	Alexander Valley Union/Shoreline Unified
Matt Reno	Alexander Valley Union
Sue Field	Bennett Valley Union
Jeremy Decker	Cloverdale Unified
Anne Barron	Cotati-Rohnert Park Unified
Patti Pomplin	Horicon School District/Kashia School District
Bob Bales	Kenwood School District
Chris Rafanelli	Liberty School District
Regina Cuculich	Mark West Union
Debbie Costello	Oak Grove Union
Becky Leffew/Jeanine Thibeau	Piner-Olivet Union
Joe Pandolfo	Rincon Valley Union
Steve Eichman	Santa Rosa City Schools . Elem.
Steve Eichman	Santa Rosa City Schools . High
John Azzizzi	Sebastopol Independent Charter
Linda Irving	Sebastopol Union
Jim Cerreta	Sonoma County Office of Education
Barbara Bickford	Twin Hills Union
Rebecca Rosales	Waugh School District
Mike Rea/Chad Barksdale	West County Transportation Agency
Steven Kellner	West Sonoma County UHSD
Eric Hoppes	Wilmar Union
Steve Jorgensen	Windsor Unified

RESIG Staff:

Rose Burcina	Executive Director
Steve Fields	Property & Liability Risk Manager
Deborah Fraser	Property & Liability Senior Claims Adjuster
Will Davis	Director of Environmental Risk Services
Erin Tarkhanian	Loss Prevention Coordinator
Chris Spencer	WorkersqCompensation Claims Manager
Suzanne Pelz	WorkersqComp. Senior Claims Examiner
Kelly Cook	WC Sr. Return-To-Work/Ergonomic Resource Advisor
Patty Brown Baumunk	Director of Employee Benefits
Ronda Bergesen	Business Manager
Diane Vieyra	Executive Secretary

Guests:

Frank Zotter	School & College Legal Services
Sharon Carlin	County of Sonoma
Eryn Elola	Alliant Insurance Services
Lola Nickell	SISC

Those not in attendance were:

Bellevue Union	Cinnabar School District
Dunham School District	Forestville Union
Fort Ross School District	Geyserville Unified
Gravenstein Union	Guerneville School District
Harmony Union	Healdsburg Unified
Live Oak Charter	Monte Rio Union
Montgomery School District	Old Adobe Union
Petaluma City Schools . Elem.	Petaluma City Schools . High
Piner-Olivet Charter	Roseland School District
Sonoma Valley Unified	Sonoma Charter School
Two Rock Union	West Side Union
Wright School District	Woodland Star Charter

APPROVAL OF AGENDA

A motion was made by Bob Raines and seconded by Anne Barron to approve the agenda as presented. Ayes: Raines, Field, Decker, Barron, Pomplin, Pomplin, Bales, Rafanelli, Cuculich, Costello, Leffew, Pandolfo, Eichman, Eichman, Cerreta, Irving, Azzizzi, Raines, Bickford, Rosales, Rea, Kellner, Hoppes, Jorgensen. Motion passed unanimously.

INTRODUCTIONS & RECOGNITIONS

Rose Burcina introduced Frank Zotter- School & College Legal Services; Sharon Carlin- County of Sonoma; Lola Nickell- SISC; and Eryn Elola- Alliant Insurance Services.

PUBLIC COMMENTS

None

CONSENT CALENDAR

- A. Minutes Approval – November 12, 2015**
- B. Quarterly Investment Reports as of:**
 - **December 31, 2015**
 - **March 31, 2016**
- C. 2016/17 Final Budget**
- D. CAJPA Accreditation Report**

A motion was made by Anne Barron and seconded by Bob Bales to approve the Consent Calendar as presented. Ayes: Raines, Field, Decker, Barron, Pomplin, Pomplin, Bales, Rafanelli, Cuculich, Costello, Leffew, Pandolfo, Eichman, Eichman, Cerreta, Irving, Azzizzi, Raines, Bickford, Rosales, Rea, Kellner, Hoppes, Jorgensen. Motion passed unanimously.

REPORT/DISCUSSION

- E. Legislative Update - (Handout)**

Frank Zotter handed out a legislative update and briefly discussed each item on the handout.

- F. SoCoAlert - (Handouts)**

Sharon Carlin, Emergency Coordinator- County of Sonoma distributed information regarding the SoCoAlert and informed the Board of Directors about the free emergency notification system that provides Sonoma County first responders the ability to notify residents and businesses of emergency notifications. She requested that the information be disseminated to register

phones at www.socoalert.com. Carlin will also collaborate with SCOE to disseminate the information to all school districts.

G. Liability Program Review - (Handout)

Steve Fields and Deborah Fraser- RESIG's Property & Liability Department, distributed and reviewed the Year At-A-Glance for 2015/16+which demonstrated the trends in employment claims and litigation expense. Fields explained that under the Memorandum of Coverage (MOC), for employment claims, there is no coverage for damages for lost wages, back-pay or employee benefits, and a deductible for the cost of defense and indemnification is shared by the district and RESIG.

RESIG will be sending out a new Property & Liability MOC in the Fall.

H. Classroom Fire Hazards - (Handouts)

Will Davis and Erin Tarkhanian- RESIG's Loss Prevention Department, handed out and reviewed information regarding classroom fire hazards, which has been a topic they receive questions about regularly, and the services offered by the department. Several examples were presented to enforce NFPA (National Fire Protection Association) 101 Life Safety Codes:

- 18 inches of clearance is required to allow sprinkler heads to come down if there was a fire.
- Nothing combustible should be 5 feet of the exit door and there should be clear access of exit doors.
- Excessive paper coverage on classroom walls is cited frequently.
- Art work and teaching material shall not exceed 20% of the wall area in a building not protected by an automatic sprinkler system. If a school building has an automatic sprinkler system you're allowed 50% wall coverage. The 20/50 rule is a nationwide issue that's being encountered. Flame spread is a big deal with paper on the walls.
- Curtains need to meet certain fire retardant requirements.
- Teachers bringing in furniture from their homes, such as sofas, have to meet certain combustibility requirements, fire retardant requirements. This is why it is not recommended that furniture from home is brought into classrooms. RESIG does recommend that districts develop a policy about bringing items from home for the classroom.

Davis clarified that these are not RESIG's requirements; they're federal and state safety law.

A video was also viewed, produced by a fire marshall, which demonstrated how quickly a fire can develop due to excessive paper on the walls.

GIVEAWAYS

In an effort to mitigate risk, Kelly Cook, RESIG Senior Return-To-Work/Ergonomic Resource Advisor explained the purpose for the inexpensive items that were placed in a bag at the seat of each attendee:

- Pencil grips - to help mitigate the pinch grip, at a fraction of the cost compared to an ergo pen costing approximately \$8.
- Zip ties to help mitigate slips/trips and fall injuries. It was recommended that zip ties be used to manage cords under a desk. Nationally, the average amount of days off of work due to a slip and fall injury is 38.

RAFFLE ITEMS

- A container of zip ties went to Sue Field, Bennett Valley Union.
- Cook discussed ways to mitigate vibration. Vibration is a big issue for maintenance and custodial staff. There are anti-vibration gloves that can help absorb some vibration at the cost of approximately \$78/pair of gloves or a less expensive alternative is to wrap the handles with foam and duct tape.

She stated that a CT claim cost approximately \$30,000.

A pair of gloves went to Jeremy Decker and Eric Hoppes. A package of foam wrap went to Jim Cerreta.

- Lastly, it was stated that laptops can be a challenge ergonomically. Cook explained the benefits of a laptop stand costing approximately \$29.

A laptop stand went to Regina Cuculich and Debbie Costello.

She stated that an upper extremity claim cost approximately \$30,000.

ACTION

I. Executive Committee Elections

Effective July 1, 2016 there will be three Executive Committee seats up for election due to expiring terms for:

- Steve Jorgensen, Superintendent . Windsor Unified School District
- Sue Field, Superintendent . Bennett Valley Union School District

- Steve Eichman, Asst. Supt. of Business . Santa Rosa City Schools

Each member was given a ballot as they signed in/entered the meeting. RESIG Staff and the Executive Committee recommended that each member district representative or alternate cast their vote for no more than three candidates.

The meeting continued on, with the outcome of the election pending, as the ballots were collected and tallied by Ronda Bergesen and Deborah Fraser.

J. 2016/17 Program Rates

- **Workers' Compensation**

Rose Burcina reference page 112 of the agenda packet. The current base rate is \$2.37/\$100 of payroll at a 70% confidence level. As a result of the workersqcompensation actuarial study, a reduction in claims development, and closure of key claims, a reduction in the base rate of \$2.30 was proposed for 2016/17 and to increase the confidence level to 75%.

The breakdown of the rate development was illustrated on page 113; page 114 provided the rates by district; and page 115 illustrated the net position for the WorkersqCompensation Program.

RESIG Staff and the Executive Committee recommended the 2016/17 workersqcompensation total average base rate of \$2.30 per \$100/payroll (resulting in a decrease in the current base rate of \$2.37/\$100 of payroll) and an increase in the confidence level to 75% (from 70%) to the Board of Directors. The base rate is the overall average program rate and individual district rates will be adjusted based on the districts experience modification factor (x-mod).

It was moved by Becky Leffew and seconded by Patti Pomplin that the Board of Directors approve the 2016/17 WorkersqCompensation Program base rate of \$2.30 per \$100 of payroll with a 75% confidence level effective July 1, 2016. Ayes: Raines, Field, Decker, Barron, Pomplin, Pomplin, Bales, Rafanelli, Cuculich, Costello, Leffew, Pandolfo, Eichman, Eichman, Cerreta, Irving, Azzizzi, Raines, Bickford, Rosales, Rea, Kellner, Hoppes, Jorgensen. Motion passed unanimously.

- **Property & Liability/Loss Prevention**

Rose Burcina reported that Property & Liability did receive a significant increase in the rate this year largely due to the excess coverage increasing. The excess carrier, Genesis, considered no longer offering coverage to public entities in California. The insurance community is a little weary of

JPA's. As a result, the BASIC (Bay Area Schools Insurance Cooperative) broker Wells Fargo conducted a market search and a different carrier was selected Great American. As a result, rates were increased significantly. Overall, the combined rate for 2016/17 is a 17.2% increase from 2015/16 and the overall premium increase is about 10.9% or \$409,000. Of that \$409,000 premium, \$376,000 is due to the excess liability insurance premium increase, demonstrating the impact. In addition to the increased rate, the self-insured retention was increased from \$350,000 to \$500,000 in response to the market.

Page 118 demonstrated how the rate was developed; page 119 showed each member's premium contributions; and on page 120 provides the net position of the Property & Liability Program.

RESIG Staff and the Executive Committee recommended to the Board of Directors the following total base rates for adoption for the 2016/17 fiscal year:

Liability Program total base rate:	\$39.86
Property Program total base rate:	\$0.1833 per \$100 TIV
Loss Prevention rate:	\$3.50 per ADA (no increase from 2015/16)

The recommended base rates are the overall average program rates and individual district rates will be adjusted based on the district's experience modification factor (x-mod).

It was moved by Anne Barron and seconded by Debbie Costello that the Board of Directors approve the 17.2% rate increase for the 2016/17 Property & Liability Program and \$3.50 per ADA for the 2016/17 Loss Prevention Program. Ayes: Raines, Field, Decker, Barron, Pomplin, Pomplin, Bales, Rafanelli, Cuculich, Costello, Leffew, Pandolfo, Eichman, Eichman, Cerreta, Irving, Azzizzi, Raines, Bickford, Rosales, Rea, Kellner, Hoppes, Jorgensen. Motion passed unanimously.

- **Health Renewals**

- **Blue Shield of CA, Kaiser Permanente**
- **Rate Structure and Plan Options**

Last year RESIG transitioned all health insurance coverages to SISC Blue Shield PPO and Kaiser Permanente Programs. Rose Burcina referenced pages 121-137, demonstrating a reduction in rates for the Blue Shield Program and Kaiser rates increasing.

Also included in this year's renewal for the health plans is the option for districts to select a 4-tier plan, if they prefer, over a 3-tier. RESIG will offer benefits training that is scheduled during the summer. Burcina requested member districts to contact Baumunk should they have questions.

Districts will also be given the option to mix-and-match their coverages through SISC. RESIG currently offers four PPO coverages and four Kaiser coverages. Each bargaining unit will now be able to select any of the plans that are in the SISC suite of options, up to four PPO and four Kaiser plans.

- **Delta Dental**

There are 26 districts in RESIG's Dental Program. A Stakeholders Meeting was held on April 7, 2016 when the following information was reviewed with them. Rose Burcina reported that a significant amount of reserves has been established in that program now; five years ago the program was in the red. There have been very good results with the strategy used for rates throughout the last few years. The stakeholders decided not to take their equity this time in dividends and to put it back into the program resulting in a 0% rate increase, add implants to the plans, and to increase the orthodontic limits for the districts that already have it, but at their own cost.

RESIG Staff and the Executive Committee recommended to the Board of Directors the 2016/17 Blue Shield, Kaiser Permanente and Delta Dental renewal rates, with the additional tier structure and plan improvements for approval.

It was moved by Debbie Costello and seconded by Bob Raines that the Board of Directors approve the 2016/17 Blue Shield renewal rates, with the additional tier structure and available plan selections. Ayes: Raines, Field, Decker, Pomplin, Bales, Rafanelli, Cuculich, Costello, Leffew, Pandolfo, Cerreta, Azzizzi, Raines, Bickford, Rosales, Kellner, Hoppes. Motion passed unanimously.

It was moved by Steve Eichman and seconded by Bob Raines that the Board of Directors approve the 2016/17 Kaiser Permanente rates, with the additional tier structure and available plan selections. Ayes: Raines, Field, Decker, Pomplin, Bales, Rafanelli, Cuculich, Costello, Leffew, Pandolfo, Cerreta, Azzizzi, Raines, Bickford, Rosales, Kellner, Hoppes. Motion passed unanimously.

It was moved by Jeremy Decker and seconded by Barbara Bickford that the Board of Directors approve the 2016/17 Delta Dental renewal rates, and addition of implants to the plans, and increased orthodontic limits at district/member cost.

Ayes: Raines, Field, Pomplin, Bales, Rafanelli, Cuculich, Costello, Leffew, Azzizzi, Bickford, Rosales, Hoppes. Motion passed unanimously.

K. 2016/17 Staff Compensation

President Jorgensen stated that RESIG employees are not represented by any employee union or bargaining unit for purposes of salary and benefits matters. Instead, RESIG Staff and the Executive Committee representatives meet and confer.

The Executive Committee recommended to the Board of Directors approval of the 2016/17 RESIG Staff compensation packet of a 3% COLA to all staff salary ranges, effective July 1, 2016.

Jorgensen referenced page 140, demonstrating the fiscal impact of the 3% COLA of \$67,896 and the total compensation of \$132,934.

It was moved by Patti Pomplin and seconded by Steve Kellner that the Board of Directors approve the 2016/17 RESIG Staff compensation package of 3% to all staff salary ranges as recommended by the Executive Committee. Ayes: Raines, Field, Decker, Barron, Pomplin, Pomplin, Bales, Rafanelli, Cuculich, Costello, Leffew, Pandolfo, Eichman, Eichman, Cerreta, Irving, Azzizzi, Raines, Bickford, Rosales, Rea, Kellner, Hoppes, Jorgensen. Motion passed unanimously.

I. Executive Committee Elections (continued)

The results of the election were tallied. The three candidates on the ballot- Steve Jorgensen, Sue Field, and Steve Eichman were all re-elected for another term of three years.

It was moved by Bob Raines and seconded by Patti Pomplin to approve the election of Steve Jorgensen, Sue Field, and Steve Eichman for a three year term on the Executive Committee, effective July 1, 2016. Ayes: Raines, Field, Decker, Barron, Pomplin, Pomplin, Bales, Rafanelli, Cuculich, Costello, Leffew, Pandolfo, Eichman, Eichman, Cerreta, Irving, Azzizzi, Raines, Bickford, Rosales, Rea, Kellner, Hoppes, Jorgensen. Motion passed unanimously.

L. 2016/17 Officers

The Executive Committee recommended that the Board of Directors elect the following slate of offers to serve as both the officers of the Board of Directors and the Executive Committee for 2016/17:

President . Steve Jorgensen
Vice President . Joe Pandolfo
Secretary/Treasurer/Auditor . Mary Downey

It was moved by Anne Barron and seconded by Jeremy Decker to approve the following slate of officers for 2016/17:

President . Steve Jorgensen
Vice President . Joe Pandolfo
Secretary/Treasurer/Auditor . Mary Downey

Ayes: Raines, Field, Decker, Barron, Pomplin, Pomplin, Bales, Rafanelli, Cuculich, Costello, Leffew, Pandolfo, Eichman, Eichman, Cerreta, Irving, Azzizzi, Raines, Bickford, Rosales, Rea, Kellner, Hoppes, Jorgensen. Motion passed unanimously.

REPORT/DISCUSSION

M. Member Outreach – Risk Management Tool

Rose Burcina referenced page 144 of the agenda packet which outlined the new STOPit Program that was included in the Property & Liability Program. This is a program that came through to RESIG by the excess carrier- BASIC (Bay Area Schools Insurance Cooperative). BASIC was so impressed with this program that they considered it to be a strong risk management program. Great American (new liability insurance coverage) also supported it and negotiated a discounted rate. Originally the cost was \$0.95/student; it was then negotiated to \$0.69/student for a total cost of \$35,356 which was included in the Property & Liability Program rate that was just approved.

The STOPit Program will be rolled out, effective July 1, 2016. There will be about 10 webinars for training on this program. Burcina stated that the rollout of the program is very easy, well thought out and efficient.

The program does allow for students grades 4-12 to have access to a mobile app-based program where they can record anonymously concerns they have about bullying, weapons, assaults, behaviors, etc. There will be more information that will be distributed but the jest of it was already included in the agenda packet.

N. Executive Director's Report

Rose Burcina reported the following:

- There is one open position at RESIG that was recently vacated- Benefits Coordinator position. The position will be posted/announced next week and distributed to the districts.

- The Benefits Department will be holding two plan education seminars. There will be a lot of review on the 4-tier vs. 3-tier, plan options, and open enrollment process. These seminars will be held at Oak Grove- Willowside School, on June 13th at 2:00p.m. and at RESIG at 3:00 p.m. on June 16th.
- The New Superintendent/CBO Orientation will be held on July 26th. RESIG has held three meetings and has received very positive feedback. Please advise Diane Vieyra at RESIG if there is change in leadership so they can be advised of this orientation.
- RESIG Staff Changes- Staff changes since November 2015 were presented on page 172 of the agenda packet. Last November a savings of approximately \$44,000 was reported for the first half of the fiscal year. Burcina was pleased to report that RESIG's staff change strategy has really been paying off; RESIG has received great replacements for these positions. Since November the total savings in salary is approximately \$52,000. There were three positions that were vacant for several months resulting in an additional savings of \$139,000. Therefore, the total savings from November 2015 through June 2016 is approximately \$191,000 and \$250,000 for the entire 2015/16 fiscal year for RESIG.
- President Jorgensen acknowledged Jim Cerreta as he will be retiring and therefore this being his last meeting.

ADJOURNMENT

The meeting was adjourned by President Bower at 10:52 a.m.

SUBMITTED BY:

APPROVED BY:

Rose R. Burcina, Executive Director

Steve Jorgensen, President