

MINUTES

**SANTA BARBARA COUNTY SCHOOLS
SELF-INSURANCE PROGRAM FOR EMPLOYEES**

**January 27, 2020
North County Board Room
402 Farnel Road
Santa Maria, CA**

I. Call to Order

The meeting was called to order by President, Elysia Lewis, at 9:30 a.m.

The following members were present:

<u>Name</u>	<u>District</u>	<u>Member or Alternate</u>
Eric D. Smith	Allan Hancock Joint CC District	M
Dr. Randy Haggard	Buellton Union School District	M
Debbie Breck	SB County Education Office	M
Kim Hernandez	SB SELPA	A
Elysia Lewis	Santa Ynez Valley Union High SD	M
Araceli Vasquez	SB County Education Office	A
Scott Roy	Santa Maria-Bonita School District	A
Michael Thomson	Hope School District	A
Reese Thompson	Santa Maria Joint Union School District	M

Others Present:

David Foster	Eide Bailly, LLP
Keith Cox	SB County Education Office
Angela Hatley	Alliant Insurance Services, Inc.
Bruce White	WCA

II. Items to be Deleted or Added According to Government Code 54954.2

There were no items to be deleted from or added to the Agenda.

III. Comments from the Public

None

IV. Correspondence

On January 17, 2020, Angela Hatley from Alliant Insurance Services emailed information regarding a cyber security workshop sponsored by LACOE and Alliant to Debbie Breck. Debbie Breck passed that information along to the Board members and Angela briefed the Board on the information that would be covered in the workshop.

V. Approval of the Minutes of the January 27, 2020 Meeting

A motion was made by Eric Smith and seconded by Scott Roy to approve the November 18, 2019 minutes and carried with two abstentions.

Vote:

**Eric D. Smith- Aye
Dr. Randy Haggard – Aye
Debbie Breck- Aye
Kim Hernandez – Aye
Elysia Lewis – Aye
Scott Roy – Aye
Michael Thomson – Abstained
Reese Thompson - Abstained**

VI. Approval of Warrants

Araceli Vasquez presented the Commercial Warrant Report for the period November 21, 2019 to January 23, 2020 totaling \$1,196,579.37. Of interest for this period were the Department of Industrial Relations payment of \$246,425.27, the WCA quarterly administration fee in the amount of \$157,913.50 and a \$168,066.70 claims payment. A motion was made by Dr. Randy Haggard and seconded by Reese Thompson to approve the fund warrants in the amount of \$1,196,579.37 which was unanimously carried.

Vote:

**Eric D. Smith- Aye
Dr. Randy Haggard – Aye
Debbie Breck- Aye
Kim Hernandez – Aye
Elysia Lewis – Aye
Scott Roy – Aye
Michael Thomson – Aye
Reese Thompson – Aye**

VII. Financial Statement

David Foster of Eide Bailly, LLP presented the 2018-19 SIPE Financial Statements in detail. SIPE's ending fund balance decreased by \$7,947,405 in FY 2018-19. The decrease was intentional and due to the \$8,000,000 retrospective premium rebate provided to the member districts. The ending fund balance as of June 30, 2019 was \$27,804,404.

A motion was made by Eric Smith and seconded by Dr. Randy Haggard to accept the Financial Statements and unanimously carried.

Vote:

**Eric D. Smith- Aye
Dr. Randy Haggard – Aye
Debbie Breck- Aye
Kim Hernandez – Aye
Elysia Lewis – Aye
Scott Roy – Aye
Michael Thomson – Aye
Reese Thompson – Aye**

VIII. Financial Audit 2018-2019

Debbie Breck presented the Annual Financial Audit as of June 30, 2019. She pointed out that there were no Financial Statement Findings or Prior Year Audit Findings from the auditor. The auditors did not identify any deficiencies and issued an unqualified opinion. A motion was made by Eric Smith and seconded by Dr. Randy Haggard to accept the Annual Financial Audit Report and unanimously carried.

Vote:

**Eric D. Smith- Aye
Dr. Randy Haggard – Aye
Debbie Breck- Aye
Kim Hernandez – Aye
Elysia Lewis – Aye
Scott Roy – Aye
Michael Thomson – Aye
Reese Thompson – Aye**

IX. Rate Committee for 2020-2021

The Rate Committee will review SIPE's financial position and make a recommendation to the Board at the next scheduled meeting of March 16, 2020.

The Rate Committee will be comprised of Chair Debbie Breck, Eric Smith, Elysia Lewis, Kim Hernandez and Mike Thomson. Bruce White will be in attendance as a non-committee member. A motion was made by Dr. Randy Haggard and seconded by Scott Roy to form the Rate Committee with the above named individuals and unanimously carried.

Vote:

Eric D. Smith- Aye

Dr. Randy Haggard – Aye

Debbie Breck- Aye

Kim Hernandez – Aye

Elysia Lewis – Aye

Scott Roy – Aye

Michael Thomson – Aye

Reese Thompson – Aye

X. RFP For Consulting Services

The Board was updated on the status of the RFP for consulting services by the RFP subcommittee. Two responses to the posted RFP were received and the subcommittee will be interviewing both firms March 6, 2020. The subcommittee will report on the interviews to the Board at the March 16, 2020 Board meeting.

XI. Attorney Services

Debbie Breck reported information related to potential legal firms that might handle workers' compensation JPA related matters to the Board. The Board decided to delay further discussion on this item until the administrative services consultant is in place.

XII. Report by Claims Administrator

Bruce White presented his report to the Board. He indicated that there are a total of 415 open claims of which 42 are litigated claims.

Bruce also reported that he is now projecting the claim frequency for 2019/2020 to be 453. This represents no change when compared to last year's claims.

XIII. Report by Loss Control Manager

Keith Cox presented his report outlining his activities over the last two months. Keith reported that he continues to be very busy conducting ergonomic assessments for the SIPE JPA members. He also reported that he was working with Hope School District to help find contractors to do building surveys for asbestos, PCP's and mercury. He is continuing to reach out to the member districts to offer his services.

XIV. Items for Next Agenda

The next meeting is scheduled for Monday, March 16, 2020 at the Santa Ynez Valley Union High School District Board Room. In addition to the usual items, the 2020-21 Proposed Budget, the Rates Committee's recommendation on rates for 2020-2021, and information regarding the status of the RFP for Consultant Services.

XV. Adjournment

There being no further business to discuss, the meeting was adjourned at 10:52 a.m. on a motion made by Eric Smith, seconded by Dr. Randall Haggard and passed unanimously.

Vote:

Eric D. Smith- Aye

Dr. Randy Haggard – Aye

Debbie Breck- Aye

Kim Hernandez – Aye

Elysia Lewis – Aye

Scott Roy – Aye

Michael Thomson – Aye

Reese Thompson – Aye