

**SHASTA-TRINITY SCHOOLS INSURANCE GROUP
BOARD OF DIRECTORS MEETING MINUTES**

December 15, 2006
Best Western Hilltop Inn

ATTENDANCE

Members Present:

Vice President, Donna Heller, Black Butte & Columbia Elementary School District
RoseAnne Adams, French Gulch, Igo Ono, Shasta Union & Redding Elementary SDs
Art Schmitt, Shasta Union High School District
Patricia Demo, Shasta College
Adam Hillman, Shasta County Office of Education
De'An Miller, Enterprise Elementary School District
Harley North, Evergreen Union School District
Sue Wallick, Bella Vista Elementary School District
Linda Kinsinger, Shasta-Trinity Regional Occupational Program
Mindy Whitman, Junction Elementary School District
Laura Merrick, Cottonwood Union Elementary School

Ex-Officio:

Patrick Casey, Executive Consultant

Staff:

DeDe Davis, Benefits Administrator

Others Present:

See Attendance Sheet

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1.0 **CALL TO ORDER** – The meeting was called to order at 9:10 a.m. by Vice President, Donna Heller.

2.0 **APPROVAL OF AGENDA** – It was moved by Art Schmitt, SUHSD, seconded by Harley North, Evergreen and unanimously approved to accept the agenda.

3.0 **APPROVAL OF MINUTES** – The minutes of the April 21, 2006 Board of Directors meeting were presented for approval. It was moved by Art Schmitt, AUHSD, seconded by Harley North, Evergreen, and unanimously approved to accept the minutes as presented.

4.0 **PUBLIC COMMENTS** – There were no comments at this time.

5.0 **CORRESPONDENCE/EXECUTIVE COMMITTEE/EXECUTIVE CONSULTANT COMMENTS**

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Pat Casey updated the Board on the JPA web site. The IIPP, Safety Posters, Blood Borne Pathogens, Hazardous Materials Plan and PPE Plan are available for download off of the web site.

Pat Casey also informed the Board that Columbia Elementary School District Management employees have inquired about joining the JPA. There are approximately nine members. Pat recommended a health questionnaire be completed by the members. Bordan Darm, Mercer noted that important information would be disclosed on the questionnaire. Lorie Hauser, Blue Cross commented that to consolidate, all current Teamsters members would have to move. Harley North, Evergreen stated the JPA needs to be prepared for more districts to ask to move. Bordan Darm, Mercer also commented that since the JPA is now self-funded, an Interplan can be established contracting with a Third Party Administrator.

6.0 **GENERAL BUSINESS**

6.1 Year-End Financial Reports (2005/2006) – Pat Casey reviewed the Year-End Financial Reports and noted that all programs ended where we would hope they would however there will be audit adjustments.

6.2 November 2006 Financial Report – Pat Casey reviewed the November 2006 Financial Report. JPA Admin will need a budget revision. Dental is reflecting a negative number because of the \$300,000 transferred into the Self-Insured Medical Account. Vision is also reflecting a negative number due to the \$100,000 transferred into the Self-Insured Medical Account. The Self-Insured Medical Account is doing well. Self-Insured Workers' Comp is looking good. The Old Group Workers' Comp Account will change with audit adjustments. The JPA has sufficient funds for old claims. Donna Heller, Columbia inquired about the financial status of SAWCXII.

6.3 Quarterly Investment Report – Pat Casey reviewed the Quarterly Investment Report included in the Board Packet.

6.4 Executive Committee Elections – Art Schmitt, SUHSD recommended a questionnaire/survey be sent out to all member districts to find out if anyone is interested in running for a position on the Executive Committee before holding another election to fill upcoming openings. Pat Casey recommended that De'An Miller be appointed to replace Adam Hillman as the Large Elementary School representative on the Executive Committee. RoseAnn Adams moved that De'An Miller be appointed the Large Elementary School Representative on the Executive Committee. The motion was seconded by Art Schmitt, SUHSD and Unanimously approved by the Board.

- 6.5 Approve Resolution to Withdraw from the Schools Excess Liability Fund JPA – Pat Casey explained that NCSIG has requested a resolution to withdraw from SELF. Harley North, Evergreen moved to approve the NCSIG Resolution to withdraw from Self. The motion was seconded by Art Schmitt, SUHSD and unanimously approved by the Board.

7.0 WORKERS' COMPENSATION PROGRAM

7.1 Self-Insured Program-Claims Prior to July 1, 1995

- 7.1.1 Review of Claims through November 2006 – LWP – A summary of LWP claims through November 2006 was presented for the Board's information. Pat Casey commented that we are in good shape.

Self-Insured Program – Claims After July 1, 2003

- 7.1.2 Review of Claims through November 2006 – LWP – Pat Casey reviewed a \$300,000 incurred claim. The individual injured their back and three months later was re-injured and will be declared 100% disabled. The claim has moved to \$925,000. There was no hold harmless agreement. Pat recommended that hold harmless agreements be used any time a contractor comes onto the site for construction. He also recommended a new medical exam through Redding Physical Therapy for a fit for work analysis to return to work. Danté Bellino recommended the JPA create a checklist for districts to use for employees returning to work from an injury. Danté will work to put together a checklist for the districts to implement for returning employees. Patricia Demo, Shasta College commented that this is a good idea because of the requirement to have an interactive process. Jeff Keena, LWP commented that the interactive process needs to be the responsibility of the districts vs. the JPA. Jeff also noted that there are only \$17,000 in claims for 2006-07. Pat Casey noted that we are still o.k. with regards to claims for 2003-04.

- 7.1.3 Actuarial Report – Pat Casey reviewed the Actuarial and commented that there is a reduction from previous

year and we are hoping the large claim does not impact the next Actuarial. Harley North, Evergreen moved to approve the Actuarial Report. Art Schmitt, SUHSD seconded the motion and it was unanimously approved by the Board.

- 7.1.4 Ex-Mod Committee – Pat Casey suggested that he would like to meet with the Ex-Mod Committee to review the large claim and discuss any impact that it might have on projected ex-mods in the future. Art Schmitt, SUHSD, Adam Hillman, SCOE and RoseAnn Adams, Redding volunteered to be on the Committee.

- 7.2 Risk Management Program** – Pat Casey reviewed Risk Management and Loss Control services provided. Pat emphasized slips and falls being a problem this time of year. Pat and Danté Bellino will put on a workshop regarding how to maintain one's balance. There is a large population of employees over 50 that do not have as quick of reflexes. Danté Bellino, InterWest recommended that if there are any questions about possible needs for change, to feel free to call him and he will be happy to come out and look at the site. Danté also noted that there are trainings available for lifting and moving wheelchair bound students.

8.0 Health Benefits Programs

8.1 Medical Plan

- 8.1.1 Medical Cost Trend – Pat Casey stated that we began the year with a 9.7 increase in premium. The monthly average cost is approximately \$468 per claim. Bordan Darm, Mercer reviewed the claims experience report. We are currently below the reserve for IBNR (Incurred But Not Reported) required by Blue Cross while we were fully insured. We are heading in the right direction. Blue Cross is experiencing a 12-13% trend in the industry. Pat discussed a large claim that has gone into Stop Loss.
- 8.1.2 Grievance Procedure Claims – Pat Casey reviewed our Grievance Procedure which will remain the same as it is except under Binding Arbitration will be the JPA Board in lieu of Blue Cross. Blue Cross will use their medical experts to address claims appeals. Harley North, Evergreen moved to reaffirm the Grievance Procedure for claims and substitute the JPA in lieu of Blue Cross in Binding Arbitration. The motion was seconded by Art Schmitt, SUHSD and approved unanimously by the Board.
- 8.2 Dental Program – Pat Casey commented that trend for dental is down and looking good. We may want to discuss a dividend this year.
- 8.3 Vision Program – Like the Dental Program, Vision's trend is also down and looking good. We may want to discuss a dividend for Vision as well.

- 9.0 ADJOURNMENT** – Pat Casey recommended that the Board meet in January next year instead of December. There being no further business to come before the Board, a motion was made by Art Schmitt, SUHSD and seconded by Pat Demo, Shasta College to adjourn the meeting. The meeting was adjourned at approximately 11:00 a.m.

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Respectfully submitted,

DeDe Davis
Benefits Administrator

Patrick H. Casey, Executive Consultant
Shasta-Trinity Schools Insurance Group

James B. French, President
Shasta-Trinity Schools Insurance Group