

**CONTRA COSTA COUNTY SCHOOLS INSURANCE GROUP
EXECUTIVE COMMITTEE MEETING MINUTES
Thursday, January 25, 2007
Contra Costa County Schools Insurance Group
550 Ellinwood Way, Pleasant Hill, CA**

Present were:

Executive Committee:

Ellen Elster, President	CCCOE
Chris Learned, Vice President	Acalanes Union High SD
Margaret Kruse	Brentwood Union SD
Lenee Cadotte	Lafayette SD
Ruth Vedovelli	West Contra Costa USD
Mark Bonnett	Pittsburg USD
Tim Rahill	Martinez USD
Bryan Richards	John Swett USD

Staff:

Bridget Moore, Executive Director	CCCSIG
Joe Emmett, Chief Financial Officer	CCCSIG
Denise Cifelli, Executive Assistant	CCCSIG
Michael Clark, Claims Manager	CCCSIG
Erica Williamson, Human Resources Manager	CCCSIG

Guests:

Michael Delehunt, Attorney	Foley & Lardner
Michael Prochelo, VP Operations	Company Nurse
Doug Johnson, President	Johnson & Associates

1. CALL TO ORDER

The meeting was called to order by President Elster at 12:12 p.m.

2. PUBLIC COMMENT

2.1. Items on the Agenda

No public comment items.

2.2. Items of Interest to the Public

No items of interest to the public.

A motion was made by Learned to move to Closed Session to consider Item 3.1 at 12:13 p.m.; second by Vedovelli. Motion was approved unanimously.

3. CLOSED SESSION

**3.1 Conference with Legal Counsel - Existing Litigation, Case #04AS02351,
Pursuant to Government Code, § 54956.9**

One case.

A motion to return to open session was made by Learned at 12:47 p.m.; second by Kruse. Motion was approved unanimously.

President Elster reported out of closed session that there was nothing to report.

4. **CONSENT CALENDAR**

4.1 - 4.2: Approve Minutes of Executive Committee Meeting Held on November 30, 2006; Ratify Expenditures for November - December 2006.

Motion was made by Kruse to approve Items 4.1 – 4.2 stated above as presented; second by Cadotte. Motion was approved unanimously.

5. **FINANCIAL ITEMS**

5.1 Financial Update as of November 30, 2006

The CFO presented the financial reports and update as of November 30, 2006. Net assets have increased by \$11.4M. Group total assets increased by \$16.6M (compared to November 2005) to \$88,983,333. Total cash and investment balance was \$67,314,473. There was no action necessary for this item.

5.2 Approve Transfer of Funds to Investments

The Finance Subcommittee recommended the Committee transfer excess operating cash funds to investments similar to what was done last year to rebalance the operating and reserve accounts. Motion was made by Bonnett to approve the transfer of funds as presented; second by Richards. Motion was approved unanimously.

5.3 Approve Method of Establishing Payroll Estimate for Determining Annual District Premium Rates

The Finance Subcommittee recommends utilizing the same formula as last year to determine FY2007/08 premium rates and annually thereafter. A memo to each Board Member will be sent out by February 1, 2007, with the June 30, 2006 actual payroll numbers adjusted with the published California State 06/07 COLA of 5.18% and the 07/08 COLA of 4.04% and invite districts to modify the payroll amount to be used for the FY2007/08 premium calculation. Responses will need to be received no later than February 15, 2006 or the COLA-adjusted wage calculation will be used to determine the estimated payroll." A motion was made by Learned to approve the recommended calculation for FY2007/08 and annually thereafter; second by Vedovelli. Motion was approved unanimously.

6. **GENERAL ADMINISTRATIVE**

6.1 Consider Approval of the Implementation of a New Claims Reporting System (*time certain – 1:00pm*)

Claims Manager, Michael Clark introduced Mike Prochelo from Company Nurse. Mike presented a high level overview sighting program benefits and savings. This new program will benefit the employee, reduce and in some cases eliminate the paper work at the site and district levels. This in turn will free up those previously involved in the process to proactively assist the employee and CCCSIG in returning the employee to work, immediately after the injury occurs, should the employee have *temporary work limitations*. This program will assist in reducing the Groups base rate, and will enhance the savings from utilization of the Return to Work Program, as we will be able to reduce Temporary Total Disability TTD exposure, with more timely information around an employee's injury. Motion was made by Kruse to approve implementation of the Company Nurse program for the Workers' Compensation program; second by Vedovelli. Motion was approved unanimously.

6.2 Review and Approve Benefits & Compensation Subcommittee Recommendations

The Benefits & Compensation Subcommittee provided a summary of recommended changes which included a market adjustment for all staff January 1, 2007 with additional adjustments for the Accounting Specialist, IS Coordinator and Executive Assist positions; COLA for all staff effective July 1, 2007; adjustment to employee only level of the benefit tier plan; flexibly staff the Claims/Sr. Claims Examiner and Bill Review/Sr. Bill Review positions; and adopt a bonus pay system for staff. Doug Johnson, the subcommittee's consultant was also on hand to field questions and provide additional information. A motion was made by Learned to accept the recommendations of staff relating to benefits and salary except the establishment of a bonus pay system for staff; second by Kruse. Motion was approved unanimously.

6.3 Consider Recommendations from Key Stakeholder's Survey

Preliminary results of the Stakeholder Survey were presented to the Committee. Learned wanted to ensure the focus areas that came out of the survey fit into the core business strategy. CCCSIG management team will meet with the Executive Committee for a Strategic Planning Session in March to discuss the results of the survey in more depth and look to future planning for the Group as we go into CCCSIG's 30th year of pooling

