

**CONTRA COSTA COUNTY SCHOOLS INSURANCE GROUP
EXECUTIVE COMMITTEE MEETING MINUTES
Thursday, May 25, 2006
Contra Costa County Schools Insurance Group
550 Ellinwood Way, Pleasant Hill, CA**

Present were:

Executive Committee:

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|-------------------------------------|------------------------|
| Ellen Elster, President | CCCOE |
| Roberta Silverstein, Vice President | San Ramon Valley USD |
| Margaret Kruse | Brentwood Union SD |
| Chris Learned | Acalanes Union High SD |
| Lenee Cadotte | Lafayette SD |
| Mark Bonnett | Pittsburg USD |
| Ruth Vedovelli | West Contra Costa USD |
| Bryan Richards | John Swett USD |

Staff:

| | |
|---|--------|
| Bridget Moore, Interim Executive Director | CCCSIG |
| Timothy O'Keefe, Chief Financial Officer | CCCSIG |
| Erica Williamson, Human Resources Manager | CCCSIG |
| Michael Clark, Claims Manager | CCCSIG |
| Denise Cifelli, Executive Assistant | CCCSIG |

Guests:

| | |
|----------------------------|-----------------|
| Warren Pulley, Attorney | Pulley & Cohen |
| Michael Delehunt, Attorney | Foley & Lardner |
| Elizabeth Myers | |

1. CALL TO ORDER

The meeting was called to order by President Elster at 1:00 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 Richards to move to Closed Session to consider items 3.1, 3.2 and 3.3 at 1:02 p.m. Second by Vedovelli. Motion was approved unanimously.

3. CLOSED SESSION

3.1 Existing Litigation Conference with Legal Counsel. Litigation Formally Initiated, Government Code, § 54956.9(a), Olson vs. Contra Costa Community College District, WCAB #SFO 0465895; 0465896; 4070640

The Executive Committee will consider approval of a claims settlement.

3.2 Existing Litigation Conference with Legal Counsel. Litigation Formally Initiated, Government Code, § 54956.9(a), Campbell vs. Antioch Unified School District, WCAB #WCK 0061579

The Executive Committee will consider approval of a claims settlement.

**3.3 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 Cadotte at 1:40 p.m.; second by Kruse. Motion was approved unanimously.

President Elster reported out of closed session that there was nothing to report on items 3.1, 3.2 and 3.3.

4. CONSENT CALENDAR

4.1 and 4.2 Approve Minutes of Executive Committee Meeting Held on March 30, 2006 and Ratify Expenditures for March – April 2006.

Motion was made by Vedovelli to approve the minutes of the March 30, 2006 Executive Committee meeting and March – April 2006 expenditures as presented, second by Richards. Motion was approved unanimously.

5. FINANCIAL ITEMS

5.1 Financial Update as of March 31, 2006

The CFO presented the financial reports and update as of March 31, 2006. The Deficit Recovery Assessment was booked this month which eliminated the Group's deficit. It was noted that due to legislative changes claims payments were down approximately \$1.5M compared to last year and investment income is up \$1M over last year. Cash (\$13.0 million) and Investments (\$49.3 million) were nearly \$7 million higher than on this date a year ago. So far this year, the Workers Comp program has accumulated a \$159k surplus and the Health Benefits program has accumulated a \$34k surplus YTD. There was no action necessary for this item.

5.2 Review forecasted Fiscal Year 2006 Final Premium

At the March 9, 2006 Executive Committee meeting the \$2.29 base rate with Deficit Recovery Plan (DRP) was approved and brought to the Board of Directors at their annual meeting held on March 30, 2006. The premium spreadsheet outlined the forecasted 2005-06 rate for each district and the additional Surplus Funding Assessment (SFA). The CFO recapped the methodology used to calculate the forecasted premium and reminded the Committee that the grand total in column AA would change based on the final year-end payrolls. There was no action necessary for this item.

5.3 Health Benefits Program Funding

A revised detail sheet for this item was handed out. The CFO reminded the Committee that the Health Benefits Program was initially funded via a loan from the Workers' Compensation bank account which was approved at the April 14, 2005 Executive Committee meeting. A funding mechanism needs to be established to repay the loan. A recommendation for repayment will be brought forth for discussion to the July 25, 2006 Executive Committee meeting. There was no action necessary for this item.

6. GENERAL ADMINISTRATIVE

6.1 Consider Revisions to Current Job Descriptions

The HR Manager presented updated job descriptions to the Group for each of CCCSIG's job titles as approved by the HR Ad-Hoc Subcommittee. A motion was made by Learned to approve the revised job descriptions as presented, second by Silverstein; motion approved unanimously.

6.2 Consider Approval of Administrative Regulation 408.8 – Longevity Plan

At the March 9, 2006 Executive Committee meeting, the Committee approved the Longevity Plan. The HR Manager presented the Administrative Regulation for this plan for approval. To ensure consistency and understanding Richards suggested adding the words “an additional” in front of each 2% depicting years of

service the differential will be paid. A motion was made by Vedovelli to approve the regulation and adding the words “in addition” as specified by Richards; second by Silverstein. Motion was approved unanimously.

6.3 New CCCSIG Health Benefits Program Membership

The Executive Director brought forth a recommendation from the Health Benefits Program Committee to approve membership into the program for the following districts: Liberty, John Swett, Martinez and Acalanes should rates quotes be favorable. A motion was made by Silverstein to approve membership to as presented; second by Bonnett. Motion was approved unanimously.

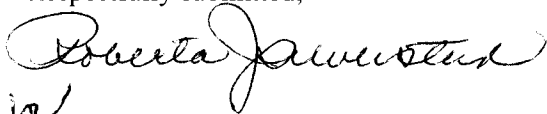
6.4 General Administrative Update

The Executive Director provided a general update of the Group’s operational activities since the last Executive Committee Meeting in March and highlighted items taking place between now and the next Executive Committee meeting in July. There was no action necessary for this item.

7. ADJOURNMENT

There being no further business, a motion was made by Learned and seconded by Kruse to adjourn the meeting; motion approved unanimously. Meeting adjourned at 2:37 p.m. The next regularly scheduled Executive Committee meeting will be held Thursday, July 27, 2006 from 11:30 – 2:00 p.m.

Respectfully submitted,



Secretary of the Board of Directors
Contra Costa County Schools Insurance Group