



**SCHOOLS EXCESS LIABILITY FUND
BOARD OF DIRECTORS MEETING
MINUTES**

Time: Friday, December 13, 2019, 8:30 A.M.

Location: SELF Office, 1531 I Street, Suite 300, Sacramento, CA, 95814

MEMBERS

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|---|---|
| Peter Hardash, Chair | Southern California Community Colleges Representative |
| Toan Nguyen, Comptroller | Area VI Representative |
| Christina Aragon (voting for Karla Rhay) | Area VI Representative |
| Craig Schweikhard, Member-at-Large | Area V Representative |
| | |
| Cindy Wilkerson (voting for Ryan Robison) | Area III Representative |
| Nancy Anderson | Area VI Representative |
| Tony Nahale | Area VI Representative |
| Steven Salvati | Area VI Representative |
| Susan Harrison | Northern California Community Colleges Representative |
| Bernata Slater | Northern California Community Colleges Representative |

ALTERNATES

| | |
|----------------------------------|---|
| Terese McNamee | Area V Representative |
| Janet King (via teleconference) | Area VI Representative |
| George Landon | Area VI Representative |
| Phil Hillman | Area VI Representative |
| Wael Elatar | Area VI Representative |
| Lisa Bailey (via teleconference) | Southern California Community Colleges Representative |

GUESTS

| | |
|---------------|-------------------|
| Simon David | WillisRe |
| Marco Guardi | Gallagher |
| Tim Jaggs | Jeama |
| Shawn McCall | RPS |
| Rick Phillips | Community Matters |
| Erica Vogel | Community Matters |
| Phil Williams | WillisRe |
| Mary Wray | WillisRe |

SELF STAFF

| | |
|--------------|--|
| Dave George | Chief Executive Officer |
| Phil Brown | Chief Fiscal Officer |
| Lois Gormley | Director of Communications and Member Services |
| Jimmy Rowe | Director of Claims |
| Susan Casey | Executive Assistant |
| Jessica Vega | Member Services Specialist |

EX OFFICIO

Michael Yarber
Janet Finley

California Community Colleges Chancellor's Office
California Department of Education

I. CALL TO ORDER

Board Chair Peter Hardash called the meeting to order at 8:30 a.m. and welcomed everyone.

II. INTRODUCTIONS

Board members, alternates, staff, and guests took turns introducing themselves.

Hardash asked Cindy Wilkerson to vote in place of Ryan Robison, and Christina Aragon to vote in place of Karla Rhay. He welcomed Bernata Slater, a new Board member replacing Susan Harrison.

III. AGENDA –December 13, 2019

A. Amendments/Adjustments

None.

B. Approval

Salvati made a motion, seconded by Anderson, to adopt the agenda as proposed.

Vote: Hardash – aye
Nguyen – aye
Aragon – aye
Schweikhard – aye
Wilkerson – aye
Anderson – aye
Nahale – aye
Salvati – aye
Harrison – aye
Slater – aye

Motion passed.

IV. MINUTES – October 3 & 11-12, 2019

A. Amendments/Adjustments

Referring to the minutes of the October 11 meeting, Salvati clarified that he left the meeting early and did not participate in the vote on Pages 6 and 7.

B. Approval

Schweikhard made a motion, seconded by Aragon, to approve the minutes of October 3 and October 11-12 meetings as amended.

Vote: Hardash – aye
Nguyen – aye
Aragon – aye
Schweikhard – aye
Wilkerson – aye
Anderson – aye
Nahale – aye
Salvati – aye
Harrison – aye
Slater – aye

Motion passed.

V. PUBLIC COMMENTS

There were no members of the public who wished to address the Board.

VI. COMMITTEE REPORTS

A. Executive Committee

1. September 10 & November 14, 2019

Committee Chair Peter Hardash said the committee met on September 10 at the CAJPA conference, and met again jointly with the Finance Committee on November 14 to discuss potential effects of AB 218. He stated that the committee also reviewed claims, reserve levels, and financial reports.

B. Finance Committee

1. September 26 & November 14, 2019

Committee Chair Toan Nguyen reported that the Finance Committee reviewed the financial statements for the two quarters ending June 30 and September 30, the investment reports and compliance reports; reviewed and accepted the financial audit, and discussed the proposed target equity policy, AB 218, and the relativity factor.

C. Liability Claims and Coverage Committee

1. August 15, October 3 & December 12, 2019

Committee Vice Chair Craig Schweikhard said the committee met in closed session and granted settlement authority, but no action was taken on any other items.

Schweikhard noted that the committee reviewed and discussed the attorney panel list, and he invited Board members to submit additional names for the committee to consider.

D. Member Services and Communications Committee

1. October 3 & December 12, 2019

Committee Chair Nancy Anderson reported that the committee heard a presentation from CPS HR Consulting, the firm that assisted with the CEO search. She said SELF is working with CPS to develop training programs for members and conference workshops.

Anderson advised that the committee discussed SELF's participation in various conferences, reviewed a draft annual report focusing on the theme of "Transforming the

Future,” and looked at a draft crisis toolkit for members to use as part of their disaster planning.

Anderson said the committee discussed SELF’s recent annual legislative Webinar, the implications of AB 5 changes in how independent contractors are defined, AB218 and the upcoming Good Schools Workshop on special education transportation issues.

E. Workers’ Compensation Claims & Coverage Committee
1. October 3 & December 12, 2019

Committee Chair Tony Nahale reported that at the October 3 meeting, the committee heard a presentation with Sharon Poston, ESM Solutions, about their progress in assisting a couple targeted member districts. He indicated that the committee reviewed the recent Travelers audit, discussed the proposed target equity policy, and discussed one claim in closed session.

Nahale said the December 12 meeting featured another presentation from Sharon Poston about ESM’s work with two member districts and their successes in clearing up legacy claims.

VII. PRESENTATIONS

A. Reinsurance Marketing/Renewal

Chief Executive Officer Dave George introduced Mary Wray, WillisRe Pooling. He said SELF had an extensive full-day meeting with WillisRe in October, and they assisted with the kick-off of SELF’s MOC review. He expressed his confidence that WillisRe is well qualified to help guide SELF through what is likely to be a tough insurance environment for a while.

Wray said WillisRe Pooling was very excited to serve as SELF’s new broker and consultant. She indicated that she was the person at WillisRe responsible for delivering service to SELF and sharing resources. She described her background and experience serving the pooling community. She introduced her colleagues, Phil Williams and Simon David, as other members of SELF’s team.

Wray described WillisRe’s pooling operation, its marketing plan, and its strategy for dealing with the challenges in the coming years. She noted that the appendix to the written presentation includes additional information on structured reinsurance and a marketing list.

Wray explained that WillisRe is 100 percent focused on serving pools across the country. She said the company has a 35-year history and currently serves over 30 pools from coast to coast. She noted the company has developed strong relationships with every market globally, as well as a number of analytic tools to help clients control costs.

Williams discussed some of the major challenges in the reinsurance market facing SELF during the coming year. He observed that the market is hardening, especially on the casualty excess and reinsurance side, and insurers are looking at reducing limits. He reviewed SELF’s loss activity and pointed out a few recent large claims.

David discussed WillisRe's approach to marketing SELF's 2020 renewal. He noted that the reinsurance market has four components: pooling specialists, traditional reinsurers, excess insurers, and structured program reinsurers. He observed that SELF already has a couple pooling specialists, a couple of traditional reinsurers, and one excess reinsurer in its existing program, but no structured program reinsurers, so WillisRe will be exploring that part of the market as well. David said WillisRe is working with SELF and Bickmore to analyze the actuarial data and develop a structured program for the layers beyond the \$5 million excess of \$5 million layer.

David reviewed the steps WillisRe has taken so far and a proposed timeline for the 2020 renewal. He indicated that WillisRe has been in discussions with SELF's incumbent reinsurers, and the next step will be to reach out to at least 70 reinsurers in the global market in early January. He said the list will be narrowed down in February, and then in-person meetings will be arranged. David advised that WillisRe expects to have a proposed structure and pricing estimate in early March, and the placement will be finalized in early April.

Wray stated that WillisRe has talked at length with SELF's incumbent insurance panel underwriters, and as of November, the majority were comfortable with their current levels of participation. She reviewed prospective reinsurance carriers for each excess level. She added that some reinsurers expressed interest in the \$5 million excess of \$5 million layer, so WillisRe will explore that possibility as well.

Wray noted that with respect to sexual abuse and molestation (SAM) claims and AB 218, most reinsurers plan to wait until after the first of the year to see how things play out. She remarked that SELF should expect a rate increase in any event.

Wray concluded by emphasizing that WillisRe is committed to leaving no stone unturned in the marketplace and looks forward to assisting SELF.

Hardash expressed support for exploring the possibility of purchasing insurance for the \$5 million excess of \$5 million. He said he was pleased the market was taking a wait-and-see approach to AB 218 claims, but he cautioned that there could be a huge volume of old claims.

Hardash thanked Wray, Williams, and David for their presentation.

B. Community Matters Update

Director of Communications and Member Services Lois Gormley said SELF has been partnering with Community Matters for about ten years, and its Safe School Ambassador Program was the first product to be inducted into SELF's Risk Management Clearinghouse. She introduced Erica Vogel, Community Matters, and invited her to provide an update.

Vogel introduced Rick Phillips, founder of Community Matters, a nonprofit organization working in schools across the world to combat bullying, and asked him to describe the program in more detail.

Phillips said the mission of Community Matters is school safety -- protecting children and ensuring that they go to schools where they feel safe, welcome, and included. He noted that schools with climates of tolerance, compassion, and connection have fewer behavioral

problems because highly engaged students attend school more, achieve more, and avoid risky behavior. He explained that Community Matters wants to stop hatred, violence, meanness, and other problems in schools.

Phillips gave a brief description of his background as a school principal and superintendent, as director of the Healthy Kids – Healthy California initiative, and in a consulting capacity to nonprofits.

Phillips said Community Matters has a sustainable, successful, effective, evidence-based program and model that can transform schools from the inside out. He noted that Community Matters program has reduced discipline incidents, reduced suspensions, and saved lives. Phillips stated that the Safe School Ambassadors program was created after the Columbine shooting in 1999 to foster healthy school environments. He added that the problem was not so much locking trouble out, like banning guns from school campuses, but changing behaviors in schools that lead people to want to do harm.

Phillips advised that the Safe School Ambassador program is in hundreds of schools in California and has trained thousands of kids to see, hear, and know what to do when they see trouble. In addition, he noted, the program has built-in mechanisms for measuring changes over time to demonstrate the efficacy of the model. Phillips stated that the principle of the model is to wake up the courage of students to access empathy and provide them with the competence to know what to do safely and effectively when they see trouble.

Phillips observed that young people are driven by three things: a sense of purpose, a sense of power, and a sense of place. He said the Safe School Ambassadors program channels the developmental need for power into something more effective and appropriate and beneficial for a school. He noted that this program taps into the innate courage of kids and their desire to make a difference in their school.

Phillips emphasized the importance of cultivating a sense of engagement so students perform better and do not participate in risky behavior. He said the program teaches decision-making skills and fosters more active citizen-like behaviors. He stated that research data shows that only about 12 to 15 percent of students are engaged in problem behavior as either a perpetrator or a victim, and most other kids are watching, so the challenge was engaging them to take helpful actions to combat problems. Phillips commented that the program teaches that silence is a form of permission and consent, so a focus on encouraging bystanders to speak up has resulted in measurable improvement in important indicators.

Phillips said the Safe School Ambassador program is a model based on identifying young people who had a predisposition to being socially influential, and then training them to respond to problems in helpful ways. He noted that a series of individual actions then begins to change the social dynamics, starting with influential leaders believing that “Each one teaches one, each one reaches one.”

Phillips stated that Community Matters starts by sending a six-question questionnaire to students and teachers to identify the leaders, and then those students are approached and invited to participate in the Safe School Ambassador program. He noted that more than 90 percent of the students volunteer to participate. He said the ambassadors are trained in two-day sessions in role-playing, practicing, and simulations so they learn what to say or

do when others say or do mean things and have the tools to intervene safely and confidently without retaliation.

Phillips said Community Matters has learned that the structure works, and it remains one of a handful of evidence-based programs the federal government has reviewed and endorsed. He remarked that the program strategically identifies the proper students, trains them well, and makes sure they have regular small-group follow-up training meetings. He stated that schools using this model have a 33 percent reduction in suspensions, while non-participating schools had an increase in suspensions. Phillips observed that if the goal is to reduce behaviors that lead to losses and pain, the best way is to utilize the student body, a workforce willing to work for free and provide inside information that can save lives.

Phillips thanked SELF for its support. He said Community Matters hopes to expand its training more so more schools can implement the Safe School Ambassadors program to create more positive environments for everyone. He pointed out that the program is light investment that will yield significant sustainable long-term change that fits into every school culture.

Elatar said he observed this program at the Chino School District, where it was very successful. He noted that ASCIP is looking into the program for its members.

Phillips observed that Community Matters believes in early prevention and early intervention.

Hardash thanked Phillips for his presentation.

C. Jigsaw

George introduced Marco Guardi, Gallagher, to discuss an insurance product that might be helpful for SELF members.

Guardi gave a presentation on Jigsaw, a program that provides independent counselors and therapists who contract with school districts with \$3 million of SAM coverage. He introduced his colleagues, Tim Jaggs and Shawn McCall, to elaborate on the benefits Jigsaw provides to school districts.

Jaggs explained that Jigsaw provides protection in the layer below SELF where there is no reinsurance. He said that based on experience with Catholic Church dioceses in California in 2003, opening a window in the statute of limitations could result in a huge increase in SAM claims. He added that the average value of the claims in 2003 was \$1.3 million per claim.

Jaggs remarked that starting with counselors and therapists in schools can be an effective way of dealing with a hard-to-manage and volatile set of exposures for JPAs. He noted that the purpose of Jigsaw is reducing the underlying risk. He said Jigsaw requires participating counselors and therapists to provide \$3 million worth of SAM insurance. Jaggs explained that counselors can go online and answer a few questions to obtain a coverage quote, and then the premium can be paid by credit card or bank transfer. He talked about premiums and coverage, and displayed a list of current users.

Anderson pointed out that many of these independent consultants need general liability as well as SAM coverage. She noted that having a combined product would make it easier for them. Guardi responded that many counselors and therapists purchase general liability and malpractice insurance through their membership in professional organizations. He said Gallagher can use its program to obtain GL coverage in addition to SAM for those who need both.

Salvati asked if independent professionals were able to obtain \$3 million worth of SAM coverage in the market. Guardi said coverage is available, but would cost much more. Salvati said most larger districts probably hire companies and professional groups rather than individuals to provide counselors and therapists. He suggested contacting CASBO to discuss how Jigsaw can help address their levels of exposure.

Aragon questioned whether a \$4,000 policy would be worthwhile for an independent contractor. She asked about the availability of policies districts can purchase to cover their independent contractors. Jaggs observed that the market may be conducive to that kind of approach, and he said Gallagher will explore that option.

Hardash noted that SELF is an excess program, and he encouraged Jigsaw to work with underlying JPAs to raise this issue at a local level.

Hardash thanked Gallagher representatives for the presentation.

VIII. STAFF REPORTS

A. Chief Executive Officer

George reviewed and discussed follow-up items from strategic planning meeting. He displayed a chart showing the progress toward each goal estimated timelines. He said SELF plans to implement an amended MOC by July 1, 2021; and the Board will be considering changes in retention levels effective July 1, 2021. George observed that the staff will also be analyzing the effects of AB 218 and developing ways of providing guidance to members.

George provided information on the CAJPA accreditation process. He noted that SELF has been working with CAJPA for about three years to satisfy two “corrective items” and one recommendation. He advised that the financial stability requirement has been removed, and CAJPA is satisfied that SELF’s funding model and rate increases over the last three years is satisfactory.

George reported that CAJPA clarified that the instructions SELF had received earlier regarding signed JPA agreements were incorrect, and it was determined that SELF has been in compliance with the requirement all along. He said SELF amended the JPA agreement to designate the Orange County Office of Education as a successor organization. He added that the staff has been collecting the signed agreements and expects the accreditation process will be concluded in January.

George reported that all new Board members have completed their orientations.

B. Chief Fiscal Officer

Brown said the staff was busy planning for AB 218. He reported that the financial audit was completed, and he thanked Kevin Wong and Gilbert Associates for their excellent work. He provided financial summaries for the period ending September 30, 2019, and he reviewed the net position of both programs. He noted that revenues for the rest of the year will offset some of the early claims reserving, resulting in a year-end projected surplus of about \$6.4 million, not counting the impacts of AB 218.

Brown reviewed a chart showing the performance of investment portfolios. He noted that with respect to the building fund, SELF expanded the ASCIP suite, added tenant improvements, and upgraded the Wi-Fi.

Brown advised that the target equity policy will come back to the Finance Committee in February and to the Board in March for final approval. He said the Finance Committee concluded that there should be a closer nexus between the equity target and rate-setting and confidence levels, and the staff should diligently monitor pool coverage equity, and all of these points have been incorporated in the policy.

Brown said he attended the CASBO event in Redding, met with community college people at the ACBO conference, and has been visiting with members. He noted that in discussion with his peers, it is clear that the financial pressures facing SELF are facing everyone else. He stated that both two other JPA's did loss portfolio transfers within the past year, and a competitor SAFER has implemented a "liability funding initiative," which is an assessment. Brown observed that SELF is still acknowledging and holding on to its liabilities, and the net position of the Excess Liability Program has dropped.

Brown reported that the staff has been examining the effects of AB 218 on coverage and membership, including a detailed review of SELF's history to clarify how each policy year was funded in the past.

Hardash commented that one of the down sides of a portfolio transfer would be that SELF would no longer manage claims on behalf of members. He said risk transfer was considered for the tail of the Excess Workers' Compensation Program, but the conclusion was that the best way to serve member districts was for SELF to continue managing the portfolio.

C. Director of Communications and Member Services

Gormley reported that the staff has been busy meeting with JPAs and individual members, making presentations at meetings, and attending conferences to make them aware of the ways SELF can assist with their training and service needs.

Gormley noted that the staff has been meeting with members who may be at risk for withdrawal. She said SELF has received a few withdrawal notices, and the staff will reach out to them offering to provide further information.

Gormley indicated that SELF is working with CharterSafe to provide the information WillisRe will need to market their coverage to reinsurers, should that organization decide to bring the rest of its membership into SELF at July 1.

Gormley advised that besides AB 218, a couple other bills opposed by SELF had been signed into law, including the bills pertaining to gun violence restraining orders. She said SELF will continue working with School Services and the author of the bill that proposes allowing homeless students to camp on community college parking lots. She noted that another pending bill would expand the definition of “peace officer” to include school police.

Gormley said the crisis communication toolkit Anderson mentioned earlier is an adaptable draft plan for members who do not have access to this information through their JPAs. She noted that some of the JPAs have PR firms on retainer, and then send them out when a crisis occurs, but the toolkit is a way to help member districts develop a written plan in the event of an emergency, and to integrate this plan with the rest of their emergency plan. Gormley advised that the committee provided input yesterday that will be conveyed to 25th Hour Communications, and then the toolkit will be polished and rolled out to members.

Elatar noted that although AB 302 only applies to colleges, his district and others are looking at implementing a similar program. He asked about the possibility of obtaining a legal opinion and advice about whether this is something schools could provide for minors. George indicated that San Francisco actually implemented this program for homeless families, and he offered to provide further information.

D. Director of Claims

Rowe displayed a series of slides showing liability and workers’ compensation claims activity.

Rowe reported that the staff has been meeting with specific members and third-party administrators (TPAs) to review claims and discuss claims reporting and handling, litigation management, and SELF’s involvement and resources. He noted that SELF can provide members with recommendations for attorneys who specialize in certain areas and specific vendors.

Rowe said he participated in the reinsurance quarterly conference call on November 26 to discuss particular claims and reserves. He advised that some calls have had more than 25 participants, while others had fewer than 10, but general feedback has been good and questions are fairly minimal. He stated that the quarterly conference calls will continue and WillisRe will be included.

Rowe presented a slide showing new claims reported since July 1 by policy year. He said SELF received 62 new claims, including 28 from 2018-19, and with 55 percent representing SAM cases. He reviewed claim reserves over recent quarters, and noted the overall reduction. He displayed a slide depicting total incurred within SELF layers by policy year, and noted the spikes in 2014-15 and 2016-17.

Hardash thanked Rowe for his report.

IX. ACTION ITEM

A. Approve Financial Audit

Nguyen made a motion, seconded by Anderson, to accept the financial audit.

Brown introduced Kevin Wong, Gilbert Associates, and invited him to discuss the results of the financial audit.

Wong said he presented the financial audit results to the Finance Committee on November 14. He thanked the SELF staff for their cooperation and assistance throughout the audit process. He stated that the auditors issued an unmodified opinion, the best possible opinion.

He noted that the audit report includes a management discussion and analysis section, a comparative analysis of financial data, and graphs showing changes in net position.

Wong advised that SELF's overall net financial position improved by about \$1.8 million. He said there was a \$3.5 million increase in net assets for the Excess Workers' Compensation Program and a \$1.7 million decrease for the Excess Liability Program. He indicated that the audit report includes commentary on budgeted and actual amounts. He noted operating revenue was slightly higher than the budgeted amounts, but the program expenses exceeded budget expenses. Wong added that nonoperating revenue was about \$2.9 million more than anticipated, primarily due to investment earnings and increases in market value of investments.

Wong drew attention to the statement of net position on Page 9 of the audit report. He pointed out the significant increase in current assets, mostly from cash generated by operations. He noted that receivables decreased as members continued to pay down assessments. Wong said changes in claims liabilities from year to year are illustrated in Note 5 of the financial statements.

Wong reviewed the statement of revenues, expenses, and changes in net position on Page 10. He noted that member contributions increased as well as claims expenses increased, but they were partially offset by investment income. He drew attention to the statement of cash flows. He said the footnotes and supplementary information provide more details about the items in the financial statement.

Wong suggested that Board members read Note 5 carefully for an explanation of claims liabilities. He said Pages 30 and 31 show how claims and ultimate losses have developed from year to year. He indicated that Pages 34 through 37 are financial statements for each program.

Wong advised that the auditors found no internal control issues or compliance findings.

Nguyen thanked Wong and commended the staff for their work leading to this clean audit report with no adjustments or findings.

Vote: Hardash – aye
Nguyen – aye
Aragon – aye
Schweikhard – aye
Wilkerson – aye
Anderson – aye
Nahale – aye
Salvati – aye
Harrison – aye
Slater – aye

Motion passed.

X. CONSENT ITEMS

- A. Accept Investment Report –First Quarter 2019/2020
- B. Accept Financial/Treasurer’s Report Ending September 30, 2019
- C. Accept Investment Compliance Report – Month Ending September 30, 2019
- D. Accept Resignation of NCC Board Member – Susan Harrison
- E. Appoint Area NCC Board Member – Bernata Slater
- F. Appoint Area II Board Alternate – Heather Brown

Wilkerson made a motion, seconded by Salvati, to approve the Consent Items as presented.

Vote: Hardash – aye
Nguyen – aye
Aragon – aye
Schweikhard – aye
Wilkerson – aye
Anderson – aye
Nahale – aye
Salvati – aye
Harrison – aye
Slater – aye

Motion passed.

Hardash welcomed Bernata Slater, new Board member. He thanked Harrison for her service to SELF. He presented her with a small gift and wished her well in her retirement. Harrison thanked Board members and staff and said her participation in SELF has been both professionally and personally rewarding.

XI. INFORMATION/DISCUSSION ITEM

- A. AB 218 Planning

George discussed the steps the staff is taking to prepare for the implementation of AB 218. He explained that AB 218 moved the statute of limitations from age 26 to 40 and opened a three-year window for any claims for any time period. He noted that a risk manager colleague recently told him that she had received a claim from 44 years ago.

Board members asked if settled claims could be reopened as a result of AB 218. George replied that settled claims would not be reopened. He said claims that had been rejected by the court because the statute of limitations can return, and any currently open claims can be amended to add treble damages.

George commented that SELF may have greater exposure than any other type of entity in the state, and the staff wanted to estimate potential losses. He pointed out that SELF covered either \$9 million or \$14 million of its own risk through 2007, and he displayed a chart showing SELF’s insurance and reinsurance structure for each year.

George stated that the staff looked at random policy years and correlated that data with membership numbers in those years. He said there were years when SELF insured a substantial portion of all schools in California. He reviewed his calculation of potential liability per ADA.

Aragon asked if former members would share in a portion of claims for years in which they were a SELF member. George confirmed that former members would have exposure in certain years.

George said the staff is working on developing communications with current members and former members reminding them to report claims to SELF. He noted that many members have been asking for their coverage history, and the staff has devoted considerable time to recreating the coverage details for each member.

George stated that he has instructed the staff to track all time and expenses associated with handling any influx of claims from AB 218. He said this data will be useful in calculating the true costs and impacts of the law. He noted the claims system has been updated with new codes so all AB 218 claims are easily identifiable.

George said SELF will continue to partner with statewide coalitions to guide schools throughout the process. He noted that although insurers are taking a wait-and-see approach now, SELF needs to set rates within the next few months. He observed that SELF needs to set rates based on the best information available, even if that information is incomplete and imperfect at the time. George suggested scheduling special meetings or establishing an ad hoc committee next spring to address the impacts of AB 218.

Nguyen said the January School Services budget workshop and the May revision should both include projections of potential AB 218 implementation costs. He added that members should expect that their premiums will go up as a result.

Gormley said SELF often provides School Services with slides for its budget workshops. She stated that she would talk to Leilani to develop a slide.

Hardash emphasized the importance of education and messaging to members. He agreed with George that the Board may need to hold special meetings or create a subcommittee to work on AB 218 issues.

Wilkerson stated that Mark Priven is part of a group of actuaries working to quantify the impacts of AB 218 on behalf of the JPA community. George reported that he and Brown had a conference call with Priven and asked him to break out this topic in a separate section of his report. He said the actuaries have had the financial data for the period ending October 31 for over a month, so their report should be ready soon.

XII. CHAIR'S REPORT

Hardash wished everyone a safe and happy holiday season.

XIII. FUTURE MEETINGS

The Board reviewed the schedule of upcoming meetings.

XIV. ADJOURNMENT

There being no further business, Wilkerson made a motion, seconded by Anderson, that the meeting be adjourned.

Vote: Hardash – aye
Nguyen – aye
Aragon – aye
Schweikhard – aye
Wilkerson – aye
Anderson – aye
Nahale – aye
Salvati – aye
Harrison – aye
Slater – aye

Motion passed. The meeting was adjourned at 11:31 a.m.