

**MINUTES OF THE
BOARD OF DIRECTORS**

March 18, 2024

VOTING MEMBERS PRESENT:

Allan Hancock Joint Community College District	Dennis Curran	Alternate
Buellton Union School District	Melissa Maxwell	Alternate
Hope School District	Mike Thomson	Director
Lompoc Unified School District	Doug Sorum	Director
Santa Barbara County Education Office (SBCEO)	Nicole Evenson	Vice President
	Araceli Vasquez	Treasurer
Santa Maria Joint Union High School District	Reese Thompson	Director
Santa Ynez Valley Union High School District	Elysia Lewis	President
Solvang School District	Sierra Loughridge	Director

VOTING MEMBERS ABSENT:

Ballard School District
Blochman Union School District
Carpinteria Unified School District
Cold Spring School District
College School District
Cuyama Joint Unified School District
Goleta Union School District
Guadalupe Union School District
Los Olivos School District
Montecito Union School District
Orcutt Unified School District
Santa Maria-Bonita School District
Special Education Local Plan Area (SELPA)
Vista Del Mar Union School District

OTHERS PRESENT:

Alliant Insurance Services	Angela Hatley
Eide Bailly	Kelly Kavanaugh (<i>via teleconference – left at 10:15 a.m.</i>)
Johnson Schachter & Lewis	Kellie Murphy
Risk Program Administrators	Amber Anderson
Risk Program Administrators	Nilsa Quandt
Risk Program Administrators	Michelle Carter
Risk Program Administrators	Danielle Rogacki
SBCEO	Keith Cox
Workers' Compensation Administrators	Bruce White

1. CALL TO ORDER

Board President Elysia Lewis called the meeting to order at 9:17 a.m.

2. ESTABLISHMENT OF QUORUM

Amber Anderson, Program Administrator, performed a roll call and quorum was established.

3. PUBLIC COMMENTS

There were no public comments.

4. APPROVAL OF THE AGENDA AS POSTED

Motion made by Reese Thompson, Santa Maria Joint Union High School District, seconded by Doug Sorum, Lompoc Unified School District, to approve the agenda as posted.

Motion passed unanimously by all voting members present, with representatives from Allan Hancock Joint Community College District, Buellton Union School District, Hope School District, Lompoc Unified School District, SBCEO, Santa Maria Joint Union High School District, Santa Ynez Valley Union High School District and Solvang School District voting “aye.”

5. CONSENT CALENDAR

Motion made by Sierra Loughridge, Solvang School District, seconded by Reese Thompson, Santa Maria Joint Union High School District, to approve: A) Minutes of the January 22, 2024 Board Meeting, and receive and file: B) Approved Minutes of the October 26, 2023 Safety and Health Committee Meeting, C) Warrants for January through February 2024, D) Education & Training Opportunities, and E) Annual Agenda Items Overview.

Motion passed unanimously by all voting members present, with representatives from Allan Hancock Joint Community College District, Buellton Union School District, Hope School District, Lompoc Unified School District, SBCEO, Santa Maria Joint Union High School District, Santa Ynez Valley Union High School District and Solvang School District voting “aye.”

6. STRATEGIC PLANNING SESSION

Michelle Carter, National Communication & Initiatives Leader for Risk Program Administrators, facilitated SIPE’s 2024-25 strategic planning session. Topics of the mission statement, how SIPE communicates with its members, and how the JPA identifies, and inspires member participation in loss control to help reduce claims costs were discussed, as well as setting goals for the coming program year.

SB SIPE Mission & Vision

The board agreed to amend the SB SIPE Mission Statement to read as follows:

Our mission is to ensure the safety and well-being of every employee entrusted in our care.

It was further noted that the statement may be followed by clarifying bullet points when further detail is required.

We do this by:

- *Delivering comprehensive workers' compensation coverage*
- *Offering safety programs for employees and*
- *Supporting compliance inspections for members*
- *Board Member 101*

SB SIPE 2024 Goals

The following are priorities discussed and agreed upon for the coming year:

- Conduct a communications audit to determine what's working, what isn't working and where improvements can be made.
- Identify and disseminate loss control resources addressing issues affecting schools.
- Identify and disseminate loss control resources addressing custodial risks and losses.
- Explore how/if SIPE can help districts meet SB 553 requirements.
- Ascertain largest claim cost driver and identify corresponding risk management resources to minimize loss.

7. OPEN SESSION

A. Financial Statements Compilation Report & Audited Financial Statements: June 30, 2023

Kelly Kavanaugh, Eide Bailly, presented, via teleconference, the Financial Audit for the program year ending June 30, 2023. Ms. Kavanaugh pointed out that the confidence level increased from 55% to 70% indicating that the liability for complaints has increased from year to year. Overall, the audit did not have any qualifications or problems.

Motion made by Reese Thompson, Santa Maria Joint Union High School District, seconded by Sierra Loughridge, Solvang School District, to accept the Financial Statements Compilation Report & Financial Audit as of June 30, 2023.

Motion passed unanimously by all voting members present, with representatives from Allan Hancock Joint Community College District, Buellton Union School District, Hope School District, Lompoc Unified School District, SBCEO, Santa Maria Joint Union High School District, Santa Ynez Valley Union High School District and Solvang School District voting "aye."

B. Rates Committee Recommendation for 2024-25 Funding

Nicole Evenson along with Reese Thompson summarized the activities of the Rates Committee following their meetings completed in recent weeks to consider funding the program for the coming year. Ms. Evenson advised that the following factors were considered when determining the recommendation to the Board:

- Meet the cash flow needs of SIPE for claims paid in fiscal year 2024/25.
- Recognize an excess insurance self-retention level of \$1M, which means SIPE retains liability up to \$1M on each claim.
- Maintain actuarial confidence level at 70%.
- Anticipate payroll fluctuations due to negotiated increases; COVID assistance ending and budget reductions.
- Ending fund balance target level to \$10M minimum.

- Progress toward having the base premium rate in line with the actuarial recommendation for the fiscal year rate.
- Anticipate State budget funding reductions due to the State budget deficits. The final recommendation was for the 2023/24 base premium rate to remain at \$1.12, with individual rates varying due to claims experience.

Motion made by Doug Sorum, Lompoc Unified School District, seconded by Reese Thompson, Santa Maria Joint Union High School District to approve the Rates Committee recommendations for 2024-25 program year.

Motion passed unanimously by all voting members present, with representatives from Allan Hancock Joint Community College District, Buellton Union School District, Hope School District, Lompoc Unified School District, SBCEO, Santa Maria Joint Union High School District, Santa Ynez Valley Union High School District and Solvang School District voting “aye.”

C. Excess Workers’ Compensation Market Update & 2024-25 Renewal

Angela Hatley, Broker, Alliant Insurance Services, provided a presentation on the projections for the Excess Workers’ Compensation market in the coming year, covering recent claims trends and local statistics for comparison.

No action – review and file only.

D. Loss Control Update

Keith Cox, Loss Control Manager, presented an update on training and services provided to Members since the last Board meeting.

Information only, no action was required.

E. Claims Administration Update

Bruce White, Workers’ Compensation Administrators, presented a claims update for the Board, reviewing the number and type of open claims and closed claims.

Information only, no action was required.

8. CLOSING COMMENTS

None.

9. ADJOURNMENT

The meeting was adjourned at 11:40 a.m.