

CONFLICT OF INTEREST**AP207**

The Agency shall adopt a Conflict of Interest Code pursuant to California Government Code, Section 81000 et seq., Political Reform Act and Government Code, Section 87300 thereafter.

The Agency is a separate public entity formed pursuant to a joint exercise of powers agreement and within the meaning of the Government Code.

CONFLICT OF INTEREST

AR207.1

PROCEDURES

The Political Reform Act, Government Code sections 81000 *et seq.*, requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation, Title 2 California Code of Regulations section 18730, which contains the terms of a standard Conflict of Interest Code, which can be incorporated by reference and which may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings. Therefore, the terms of Title 2 California Code of Regulations section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission, along with the attached Appendix in which officials and employees are designated and disclosure categories are set forth, are hereby incorporated by reference and constitute the Conflict of Interest Code of the Contra Costa County Schools Insurance Group.

Designated officials and employees who are required to file statements of economic interests under any other agency's conflict of interest code, or under Article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions; and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original.

Pursuant to section (b)4 of the standard Code, designated officials and employees shall file statements of economic interests with the Executive Director of the Agency who will make the statements available for public inspection and reproduction (Gov. Code Section 81008). The original statements submitted by the Executive Director, Board members, and Alternate Board members will be forwarded to the Clerk of the Board of Supervisors of Contra Costa County and the original statements of all other designated employees will be retained by the Contra Costa County Schools Insurance Group.

CONFLICT OF INTEREST

AR207.1 (cont.)

APPENDIX

<u>Designated Employees</u>	<u>Disclosure Categories</u>
Directors of the Board	All
Board Alternates	All
Executive Director	All
Chief Financial Officer	All
Health & Safety Services Manager.....	All
Human Resources/Communications Manager	All
Claims Manager.....	All
Claims Supervisor	All
Consultants*	All
Accountant.....	All
Senior Claims Examiner	Two
Claims Examiner.....	Two
Executive Assistant	Two
IS Coordinator	Two

DISCLOSURE CATEGORIES

General Rule

An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income or source of income may foreseeably be affected materially by any decision made or participated in by the designated employee by virtue of the employee's position.

- **Designated Employees in Category "1" must report:**
 - All investments, interests in real property, and income, and any business entity in which the employee is a director, officer, partner, trustee, employee, or holds any position of management. These financial interests are reportable only if located within Contra Costa County or if the business entity is doing business or planning to do business in the County (and such plans are known by the designated employee) or has done business within the County at any time during the two years prior to the filing of the statement.
 - Investments in any business entity, income from any source and status as a director, officer, partner, trustee, employee, or holder of a position of management in any business entity, which has within the last two years contracted or foreseeably may contract with the Agency, or with any public agency within Contra Costa County, to provide services, supplies, materials, machinery or equipment to either party.

CONFLICT OF INTEREST

AR207.1 (cont.)

- **Designated Employees in Category "2" must report:**
 - Investments in any business entity, income from any source, and status as a director, officer, partner, trustee, employee, or holder of a position of management in any business entity, which has within the last two years contracted, or foreseeably may contract, with the Contra Costa County Schools Insurance Group to provide services, supplies, materials, machinery or equipment to the Agency.

**With respect to Consultants, the Chairperson of the Board or the Executive Director, however, may determine in writing that a particular consultant, although a "designated person", is hired to perform a range of duties that are limited in scope and thus is not required to comply with the disclosure requirements described in this Section. Such determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. A copy of this determination shall be retained by Contra Costa County Schools Insurance Group. Nothing herein excuses any such consultant from any other provision of the Conflict of Interest Code.*

WRITTEN EXPLANATION OF REASONS FOR DESIGNATIONS & DISCLOSURE RESPONSIBILITIES FOR THE AGENCY

Designations

The positions noted under "Designated Employees" have been designated as those positions subject to provisions of the Conflict of Interest Code in that those positions are the only positions having any substantial responsibility relative to the Agency's decision-making process or policy.

Disclosure Responsibilities

The categories relative to the types of interests that must be disclosed are based upon the types of financial interests relevant to the Agency business which is confined to providing Workers' Compensation and Health Benefits coverage to member districts.

Revised: August 30, 2018

**CONTRA COSTA COUNTY SCHOOLS INSURANCE GROUP
EXECUTIVE COMMITTEE MEETING MINUTES
Thursday, August 30, 2018
Contra Costa County Schools Insurance Group, Conference Room
550 Ellinwood Way, Pleasant Hill, CA**

Present were:

Executive Committee:

Eugene Huff, President
Norma Gonzales, Vice President
Julie Bautista, Secretary
Jessica Romeo
Liz Robbins
Daniela Parasidis
Audrey Katzman

CCC College District
Pittsburg USD
Acalanes Union High SD
Antioch USD
Liberty UHSD
Moraga SD
Walnut Creek SD

Staff:

Bridget Moore, Executive Director
Juerg Morach, Interim Deputy Director
Joe Emmett, CFO
Erica Williamson, HR/Communications Mgr.
Karen Hurd, WC Claims Manager

CCCSIG
CCCSIG
CCCSIG
CCCSIG
CCCSIG

Guests:

Marc Cohen, Attorney

Cohen & Associates

1. CALL TO ORDER

The meeting was called to order at 9:16 a.m. by President Huff.

2. OPENING PROCEDURES

2.1 Roll Call

3. PUBLIC COMMENT

3.1. Items on the Agenda

No public comment items.

3.2. Items of Interest to the Public

No items of interest to the public.

4. AGENDA REVIEW AND ADOPTION

A motion was made by Romeo to approve the agenda as presented; second by Robbins. AYES: Huff, Gonzales, Bautista and Parasidis. ABSENT: Katzman.

The Committee adjourned to Closed Session to consider Agenda Item 5.1.

5. CLOSED SESSION

5.1 Existing Litigation Conference with Counsel. Litigation Formally Initiated, Government Code § 54956.9(a), McGaugh vs. Antioch USD, WCAB Nos. ADJ10431351 and ADJ10431337

The Committee reconvened to open session. President Huff reported out of closed session that the agenda item was approved as presented.

6. CONSENT CALENDAR

6.1 Approve Minutes of Special Executive Committee Meeting Held on June 14, 2018

A motion was made by Katzman to approve the minutes as presented; second by Gonzales. AYES: Huff, Bautista, Romeo, Robbins and Parasidis. ABSENT: None.

6.2 Ratify Expenditures for March–July 2018

A motion was made by Robbins to ratify the expenditures as presented; second by Bautista. AYES: Huff, Gonzales, Romeo, Parasidis and Katzman. ABSENT: None.

6.3 Ratify Settlement Grimes v. Contra Costa Community College District Govt. Code 54956.9(a) WCAB #ADJ2704370

A motion was made by Romeo to ratify the settlement as presented; second by Gonzales. AYES: Huff, Bautista, Robbins, Parasidis and Katzman. ABSENT: None.

6.4 Ratify Settlement Muller v. Contra Costa County Office of Education Govt. Code 54956.9(a) WCAB #ADJ10733749

A motion was made by Romeo to ratify the settlement as presented; second by Robbins. AYES: Huff, Gonzales, Bautista, Parasidis and Katzman. ABSENT: None.

7. FINANCIAL ITEMS

7.1 Financial Update as of June 30, 2018

The CFO presented the financial reports and update as of June 30, 2018. Net assets increased by \$5.4M (compared to last year) due to a \$5.4M increase from the current year's operations. Group Total Assets and Deferred Outflows increased by \$2.5M (compared to last year) due to a \$4.5M increase in Cash, a \$61k increase in Interest Receivable, a \$188k increase in Accounts Receivable, a \$56k increase in Prepaid Expense and a \$284k increase in Net Fixed Assets, which were offset by a \$2.6M decrease in Investments (a decrease of \$7.7M in Investments, Current, offset by a \$5.1M increase in Investments). Total cash and investment balance as of June 30, 2018 was \$104,161,575. There was no action necessary for this item.

8. GENERAL ADMINISTRATIVE ITEMS

8.1 Independent Workers' Compensation Claims Audit Findings

CCCSIG's independent claims audit is conducted by Captiva Risk Management every other year. CCCSIG's Claims manager presented the findings. CCCSIG achieved excellent scores receiving "A" or "A+" grades on all 15 audit elements. CCCSIG has implemented practices to address each recommendation made in the audit and these were shared with the Committee. Motion made by Bautista to accept the audit as presented; second by Katzman. AYES: Huff, Gonzales, Romeo, Robbins and Parasidis. ABSENT: None.

8.2 Consider Appointment of Executive Committee Members

There are currently two vacancies on the Executive Committee. An interest email was sent out, and three Board Members responded with their interest. The Committee discussed the representation spread between HR and CBO's on the Committee, as well as the number of Health Benefit Program members. A motion was made by Robbins to elect Bill Clark, Associate Superintendent/Contra Costa County Office of Education to the term ending June 30, 2021; second by Gonzales. AYES: Huff, Bautista, Romeo, Parasidis and Katzman. ABSENT: None. A motion was made by Katzman to elect Roxane Jablonski-Liu, Assistant Superintendent HR/Brentwood Union SD to the term ending June 30, 2020; second by Romeo. AYES: Huff, Gonzales, Bautista, Robbins and Parasidis. ABSENT: None.

8.3 Biennial Review of CCCSIG's Conflict of Interest Code

A motion was made by Gonzales to approve CCCSIG's Conflict of Interest Code with the changes as presented, which clarify two position titles and categories; second by Katzman. AYES: Huff, Bautista, Romeo, Robbins and Parasidis. ABSENT: None.

8.4 CCCSIG's Revisions to CCCSIG's Administrative Policies

Every three years, the Group reviews its Administrative Policies. Staff presented a limited number of changes (clarifying language), which were previously reviewed and approved by Contra Costa County Counsel. A motion was made by Robbins to approve the proposed policy changes with one revision to AP 602 (add in "training typically includes, but is not limited to" after Equipment Operator in the third to last bullet); second by Parasidis. AYES: Huff, Gonzales, Bautista, Romeo and Katzman. ABSENT: None.

8.5 Consider Revisions to CCCSIG's Job Descriptions

CCCSIG's HR/Communications Manager presented changes to three of the Group's job descriptions to accurately reflect the amount of state-mandated training hours to match the current practice of ensuring all hours are met, as noted in the Sr. Claims Examiner and Claims Examiner job descriptions and to document clerical functions performed by the part-time Strength Testing Technician. A motion was made by Gonzales to approve the revisions to the job descriptions as presented; second by Romeo. AYES: Huff, Bautista, Robbins, Parasidis and Katzman. ABSENT: None.

8.6 Discuss Cash Benefit Tier Plan for 2019

The Committee reviewed information on the benefit tier plan levels for CCCSIG staff. A motion was made by Katzman to make changes to each level of the benefit tier plan, effective 1/1/19 as presented in the last column of the spreadsheet which was handed out during the meeting (continue to cover the difference in the employee only cost and 50% of the remaining difference for employee plus one and family tier levels); second by Parasidis. AYES: Huff, Gonzales, Bautista, Romeo and Robbins. ABSENT: None.

8.7 Consider Addition of a Voluntary Vision Plan

The HR/Communications Manager reviewed a recommendation to add a voluntary vision plan for CCCSIG employees through the Schools Self Insurance of Contra Costa County (SSICCC) JPA, of which CCCSIG is a member for the dental program. A motion was made by Katzman to approve a voluntary vision offering through SSICCC for CCCSIG employees, effective January 1, 2019; second by Bautista. AYES: Huff, Gonzales, Romeo, Robbins and Parasidis. ABSENT: None.

8.8 Approve Executive Director's Contract

Following the Executive Committee appointment at their last meeting of Jürg Morach as Executive Director, effective October 1, 2018, and subsequent contract negotiation between Jürg and the Board President, the final contract was presented for approval. A motion was made by Gonzales to approve the contract as presented; second by Robbins. AYES: Huff, Bautista, Romeo, Parasidis and Katzman. ABSENT: None.

President Huff reported that the Executive Director contract employs Juerg (Jürg) Morach for the term October 1, 2018 through June 30, 2021 with an annual salary of \$172,500.00. Benefits are commensurate with the benefits provided to other employees of the Group through an IRC-125 cafeteria plan.

8.9 CCCSIG's Strategic Priorities Update

The Committee reviewed the Group's current Strategic Priorities, which was handed out at the meeting, and discussed the plan going forward. A motion was made by Katzman to direct CCCSIG staff to schedule a Strategic Planning session for CCCSIG management and the Executive Committee, sometime before the end of the fiscal year; second by Gonzales. AYES: Huff, Bautista, Romeo, Robbins and Parasidis. ABSENT: None.

8.10 Health & Safety Services Activities Update

From July 1, 2017 to June 30, 2018 Health & Safety Services delivered services to over 7,400 district employees countywide, including 1,636 views of CCCSIG's on-demand videos. Updates on the following were provided: April 18, 2018 Countywide H&S Coordinator Meeting; Hoop it Up for Health Fitness Challenge Results; 2017/18 Incentive Program results; Summer Program 2018 training topics; 2018/19 Incentive Program upcoming deadlines; New Hire CalOSHA Safety Training dates; 2018 CPI Nonviolent Crisis Intervention Training for employees; upcoming CPI Instructor Certification Training at CCCSIG; upcoming Healthy lifestyle program; Safety by Design Services for new school construction/modernization; Fitness Club discounts and new IIPP and Ladder Safety on-demand videos. There was no action necessary for this item.

8.11 Claims Cost Containment Activities Update

Claims Department focus in reducing the Group's future liabilities through various cost containment strategies continues with positive outcomes. As of June 30, 2018, Compromise and Release Settlements of Future Medical Benefits reduced outstanding liabilities by \$999,827, which were further reduced by \$152,165 due to the apportionment of Permanent Disability; Utilization Review savings were \$58,411; Pharmacy Benefit Management program savings were \$11,163; Durable medical equipment service program savings were \$394,321; Company Nurse received 1,637 calls countywide with 676 resulting in non-medical referrals (41%) and "Return to Work" savings totaled \$1,045,621. Future Liabilities are \$61.8M with 1,311 open claims. There was no action necessary for this item.

8.12 CCCSIG General Administrative Update

The Executive Director provided updates on the following: scheduling of Annual District Meetings; annual financial audit; the Group's solar project; claims software system; and the Health Benefits Program. There was no action necessary for this item.

9. MEMBER COMMENTS

There were no member comments.

10. FUTURE AGENDA ITEMS

There were no future agenda items.

11. ADJOURNMENT

The meeting was adjourned at 11:02 a.m. The next Executive Committee Meeting is scheduled for **Thursday, October 18, 2018** at 9:00 a.m.

Respectfully submitted,

Secretary of the Executive Committee
Contra Costa County School Insurance Group