

**APPROVED MINUTES
ALLIANCE OF SCHOOLS FOR COOPERATIVE INSURANCE PROGRAMS
(ASCIPI)**

EXECUTIVE COMMITTEE MEETING

Thursday, May 29, 2014

A meeting of the ASCIP Executive Committee was held on Thursday, May 29, 2014, at 10:00 a.m. at ASCIP Office, 16550 Bloomfield Avenue, Cerritos, California 90703.

I. CALL TO ORDER –President Fine

The ASCIP Executive Committee (Executive Committee) Meeting was called to order at 10:00 a.m. by President Fine.

II. ROLL CALL - Clerk of the Executive Committee

Members Present

Mr. Michael Fine, President
Ms. Corinne Kelsch, Vice President
Mr. John Vinke, Treasurer
Ms. Lydia Cano, Member
Mr. John Didion, Member
Mr. Phil Hillman, Alternate
Ms. Susan Hume, Alternate
Mr. Michael Johnston, Member
Ms. Angela Jones, Member
Ms. Janece Maez, Member
Mr. Vahe Markarian, Member
Mr. Kris Olafsson, Member
Ms. Barbara Ott, Alternate
Mr. Fred Williams, Member

Mr. Fritz J. Heirich, ex officio

Members Absent

Mr. Rick Bagley, Alternate
Ms. Claudia Delgadillo, Alternate
Ms. Teresa Dreyfuss, Alternate
Ms. Mays Kakish, Alternate
Ms. Karen Kimmel, Alternate
Ms. Thuy Nguyen, Alternate
Dr. Nancy Nien, Alternate
Ms. Cheryl Plotkin, Member
Ms. Andrea Reynolds, Alternate
Dr. Joanne Schultz, Alternate
Ms. Ann Sparks, Member

Others Present

Ms. Nancy Anderson
Ms. Veronica Campos
Mr. John Chino
Mr. Reshan Cooray
Ms. Coni Hernandez
Mr. Kevin Hobby
Mr. Jonathan Lackey
Mr. Russell O'Donnell
Mr. Brian Pelham
Mr. Dan Sanger
Ms. Lynn Truong
Ms. Felicia Williams

III. APPROVAL OF AGENDA – President Fine

Mr. Heirich commented that Item #XIV.A on the agenda should read 2014/15 Property and Liability Reinsurance.

On **MOTION** of Mr. Vinke, **SECONDED** by Ms. Kelsch, and **CARRIED**, the Agenda was approved as amended.

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Aye: Fine, Kelsch, Vinke, Cano, Didion, Johnston, Jones, Maez, Markarian, Olafsson, Williams

Nay: 0

Abstentions: 0

IV. Minutes of the Regular Executive Committee Meeting of April 25, 2014

Ms. Williams reported that the Minutes should be corrected to reflect that there were no abstentions on all votes and to delete the reference of absences.

On **MOTION** of Mr. Olafsson, **SECONDED** by Mr. Johnston and **CARRIED**, the Minutes of the Regular Executive Committee Meeting of April 25, 2014, were approved as amended.

Aye: Fine, Kelsch, Vinke, Cano, Didion, Johnston, Jones, Maez, Markarian, Olafsson, Williams

Nay: 0

Abstentions: 0

V. PUBLIC COMMENTS – President Fine

There were no attendees from the public.

VI. PRESIDENT'S REPORT – President Fine

President Fine reported that he would forego a President's report.

VII. COMMITTEE REPORTS

A. RISK CONTROL COMMITTEE – Chair Ott

Chair Ott reported that the Risk Control Committee met on May 15, 2014 and reviewed ASCIP's contracted risk management, loss control, and training services. She reported the Committee had an extended discussion related to the new training platform provided by In2Vate and migration from the previous platform, Syntrio. The Committee also reviewed the risk control budget and recommended it be approved by the Executive Committee.

B. FINANCE/INVESTMENT COMMITTEE – Chair Olafsson

Chair Olafsson reported that the Finance/Investment Committee met on May 22, and recommend the approval of the following:

Action items included:

- Investment Policy
- 2014 First Quarter Investment Summary Report

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The Committee also reviewed the preliminary 2014/15 budget and recommended it be approved by the Executive Committee.

C. CLAIMS/COVERAGE COMMITTEE – Chair Cano

Chair Cano reported that the Claims/Coverage Committee met earlier in the morning and reviewed a number of claims in Closed Session and gave direction to staff regarding approvals and recommendations. Additionally, the Committee reviewed the property/liability and workers' compensation trends.

VIII. TREASURER'S REPORT –Mr. Vinke

Mr. Vinke submitted the Treasurer's report for the period ending April 30, 2014, requesting the Executive Committee receive and file. In addition, Mr. Vinke highlighted ASCIP expenditures, members' contributions, and cash balances.

On **MOTION** of Mr. Vinke, **SECONDED** by Mr. Olafsson, and **CARRIED**, Item #VIII was approved as presented.

Aye: Fine, Kelsch, Vinke, Cano, Didion, Johnston, Jones, Maez, Markarian, Olafsson, Williams

Nay: 0

Abstentions: 0

IX. CHIEF EXECUTIVE OFFICER'S REPORT – Fritz J. Heirich, CEO

Mr. Heirich reported on the operational activities since the last Committee meeting. His report included comments regarding the membership retention and he recommended retention of a consultant to assist with rating and underwriting activities.

X. SCHOOLS EXCESS LIABILITY FUND (SELF) REPORT – Ms. Anderson

There was no report.

XI. BOARD MEMBER COMMENTS

There were no board member comments.

XII. CONSENT ITEMS

A. Approval of Investment Policy

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B. ASCIP 2014 First Quarter Investment Summary Report

On **MOTION** of Mr. Didion, **SECONDED** by Mr. Johnston and **CARRIED**, Item #XII.A through Item #XII.B were approved as presented.

Aye: Fine, Kelsch, Vinke, Didion, Johnston, Jones, Maez, Markarian, Olafsson, Williams

Nay: 0

Abstentions: 0

XIII. INFORMATION AND DISCUSSION ITEMS

A. Proposed Revisions to Bylaws

The Executive Committee discussed the proposed revision to the ASCIP Bylaws and identified two changes: to replace the reference to the County attendance report in Article IV with a reference to the District's attendance and to make the terminology in Article VII more consistent with accounting principles. The Committee recommended the final Bylaws be brought forward to the next meeting for adoption.

B. Reinsurance Marketing Report

Mr. John Chino presented the results and recommendations for ASCIP's liability reinsurance purchase for 2014/15 and renewal options for property, equipment breakdown, crime, and ancillary coverages.

XIV ACTION ITEMS

A. 2014/15 Property/Liability Reinsurance

The Executive Committee approved the purchase of the property and liability reinsurance and ancillary coverages for 2014/15 as presented.

On **MOTION** of Mr. Didion, **SECONDED** by Mr. Johnston and **CARRIED**, Item #XIV.A was approved as presented.

Aye: Fine, Kelsch, Vinke, Didion, Johnston, Jones, Maez, Markarian, Olafsson, Williams

Nay: 0

Abstentions: 0

B. New ASCIP Member Application

The Executive Committee approved the proposal for Anaheim City School District to join ASCIP and participate in the property/liability and workers' compensation programs effective July 1, 2014 as presented.

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On **MOTION** of Mr. Didion, **SECONDED** by Ms. Jones and **CARRIED**, Item #XIV.B was approved as presented.

Aye: Fine, Kelsch, Vinke, Didion, Johnston, Jones, Maez, Markarian, Olafsson, Williams

Nay: 0

Abstentions: 0

C. ASCIP Employee Handbook

The Executive Committee approved the proposed employee handbook effective July 1, 2014.

On **MOTION** of Mr. Markarian, **SECONDED** by Mr. Johnston and **CARRIED**, Item #XIV.C was approved as presented.

Aye: Fine, Kelsch, Vinke, Didion, Johnston, Jones, Maez, Markarian, Olafsson, Williams

Nay: 0

Abstentions: 0

D. Master Service Agreement: Horizon Interntainment, LLC.

The Executive Committee approved the Master Service Agreement with Horizon Interntainment for a 27-month period.

On **MOTION** of Ms. Maez, **SECONDED** by Mr. Markarian and **CARRIED**, Item #XIV.D was approved as presented.

Aye: Fine, Kelsch, Vinke, Didion, Johnston, Jones, Maez, Markarian, Olafsson, Williams

Nay: 0

Abstentions: 0

XIV. ADJOURNMENT TO CLOSED SESSION – 11:52 a.m.

By order of **GENERAL CONSENSUS**, the Executive Committee adjourned to Closed Session for discussion of the following matters.

A. Summary of Open Claims Reported to ASCIP's excess insurers and reinsurers: SELF, MARP, Markel, and Brit

This item was for information only. No action was taken.

B. Chief Executive Officer Performance Evaluation

This item was for discussion only. No action was taken.

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XV. RETURN TO OPEN SESSION

By order of **GENERAL CONSENSUS**, the Executive Committee returned to Open Session at 12:20 p.m.

XVII. FUTURE MEETINGS

XVIII. ADJOURNMENT

By order of **GENERAL CONSENSUS**, the Executive Committee adjourned at 12:20 p.m.

The next regular meeting of the Executive Committee will be held on Wednesday June 25, 2014, at the ASCIP Office, 16550 Bloomfield Avenue, Cerritos, CA 90703.