



**The Dentists Insurance Company**  
1201 K Street, 17<sup>th</sup> Floor, Sacramento, CA 95814  
800.733.0633

## **Minutes of the TDIC Board of Directors Meeting**

201 K Street, Sacramento, CA 95814  
August 11, 2023

### **Welcome and Call to Order**

1. Call to Order: Chair, Dr. Natasha Lee called the board meeting to order at 8:01 a.m. on August 11.
2. Establishment of Quorum: Secretary/Treasurer, Dr. Steven Kend determined that a quorum was present. See attached attendance sheet.
3. Approval of the Agenda: The agenda was approved as presented.
4. Officer Reports:
  - Chair Report: Dr. Natasha Lee welcomed the board and introduced the new student representative.
  - Executive Director: Peter DuBois add a new item to the agenda and provided a verbal report to the board.
  - President/CEO: Bob Spinelli welcome the new student representative and provided a verbal report.

**Consent Agenda:** The following items were approved as presented.

1. May 11-12, 2023 – TDIC Closed Session Minutes
2. May 12, 2023 – TDIC Minutes
3. Investment Managers' Transactions: The following resolution was approved unanimously:  
Resolution 24-2023-TDIC:  
Resolved, that the investment transactions of Eaton Vance Management, Northern Trust Global Investments and SLC Management on behalf of the company be accepted.
4. Appointment of Crowe LLP as Auditors for the 2023 Financial Statements: The following resolution was approved unanimously:  
Resolution 25-2023-TDIC:  
Resolved, that the audit committee engage Crowe LLP as the auditors for the TDIC financial statements as of and for the year ending December 31, 2023.
5. Board of Directors Compensation: The following resolution was approved unanimously:  
Resolution 26-2023-TDIC:  
Resolved, that the annual TDIC Board of Director compensation for 2024 be approved:  
  
Chair – \$70,000  
Public Members – \$20,000  
Directors – \$15,000

And be it further,

Resolved that those directors receiving compensation from another part of the CDA organization are not eligible for this compensation, and be it further

Resolved, that the compensation be reviewed by an external third-party consultant at least every three years, and be it further

Resolved, that the actual expenses be reimbursed according to the company policy.

6. TDIC/IS Investment Policy: The following resolution was approved unanimously:

Resolution 27-2023-TDIC:

Resolved, that the TDIC Investment Policy be approved as submitted.

7. TDIC/IS Bylaws Amendments: The following resolution was approved unanimously:

Resolution 28-2023-TDIC:

Resolved, that The Dentists Insurance Company and TDIC Insurance Solutions bylaws be amended to reflect these changes.

### **Regular Business:**

1. Revised Governance Process: The board received an overview of the revised governance process for a less formal approach to actions for the board of directors that CDA implemented. The new process includes removing the formal language such as "Resolved, that" and "be it further" to allow for a more relaxed debate. The overview was to provide information to the TDIC board of directors should the board want to make similar changes to board actions.
2. Board Education: Balancing Risk/Reward and Worker's Compensation Changes: The board was provided with an education on the TDIC/IS decision making process and how it was applied to recommendations being made for the worker's compensation program. At the end of the presentation, the board was provided with an action item to approve updates to the workers' compensation procedures and eligibility requirements. The following resolution was approved unanimously:

Resolution 29-2023-TDIC:

Resolved, that TDIC adopt the following renewal and eligibility requirements:

- Non-renew workers' compensation policies for failure to report audit payroll after three estimated audits.
  - The estimated audit increase for those that do not provide their required payroll remain at 35% of the policy payroll.
  - Authorize TDIC to file for a 10% surcharge to be applied to new submissions for three consecutive policy terms when an employer is applying for coverage with TDIC but has not maintained workers' compensation insurance for a period of time immediately preceding the submission for coverage and is otherwise eligible.
3. Reinsurance Renewal: TDIC completed its reinsurance renewal with an effective date of July 1, 2023. There has been a hardening of the market over the last several years. However, this year the property line has been particularly impacted due to the heightened concern over wildfire risks. Some reinsurers pulled out of the property market completely in California. Rates increased on all coverages except worker's compensation which remained unchanged.
4. Royalty Payments to Endorsing States: The following resolution was approved unanimously:
- Resolution 30-2023-TDIC:
- Resolved, that the current royalty amounts remain the same for Alaska, Hawaii, Illinois, Nevada, and New Jersey, and increase the royalty for Oregon to \$60,000 for 2024.
5. CA Workers' Compensation Rate Setting: The following resolution was approved unanimously.

Resolution 31-2023-TDIC:

Resolved, that the California Workers' Compensation rates for the 2024 policy year remain the same.

- 6. DOI Report: The board received an informational presentation on the recent DOI examination on TDIC.

**Committee Reports:**

- 7. Finance and Investment: The board received a report on the discussions held by the finance committee, including financial statements as of June 30, 2023.
- 8. Audit Report: The board received a report on the discussions held by the audit committee.
- 9. Sales, Service & Marketing: The board received a report on the discussions held by the sales, service, and marketing committee.
- 10. Underwriting Report: The board received a report on the discussions held by the underwriting committee.
- 11. Claims and Risk Management: The board received a report on the discussions held by the claims and risk management committee.

**New Business:**

- 1. Contribution to Hawaii Wildfire Relief: The following resolution was approved unanimously:  
Resolution 32-2023-TDIC:  
Resolved, that a \$10,000 donation be approved to assist with the relief and recovery efforts following the Hawaii 2023 wildfires.

**Adjournment:** There being no further business, the board meeting adjourned at 11:14 a.m. and went immediately into a closed session. The next meeting of the TDIC board of directors is scheduled for November 2-3.

DocuSigned by:  
Steven Kend, DDS  
Steven Kend, DDS  
Secretary/Treasurer

11/3/2023  
Date Signed

11/3/23  
Date Approved

**Attendance Sheet**  
**TDIC Board of Directors**

August 11, 2023

**Board Members**

Natasha Lee, DDS, Chair  
Daniel Davidson, DMD, Past Chair  
Steven Kend, DDS, Secretary/Treasurer  
Peter DuBois, Executive Director/Vice Chair  
Bob Spinelli, President/CEO  
Teri Barichello, DMD  
Wallace Bellamy, DMD  
Dennis De Tomasi, DDS  
Clelan Ehrlar, DDS  
Bijan Modjtahedi, DDS  
Sharine Thenard, DDS  
Mark Taira, DDS  
Princy Rekhi, DDS  
Mr. Kenneth Jones  
Mr. Kevin Stockton  
Richard Nagy, DDS  
Leland Panec, DDS

**Staff**

Kevin Roach, Chief Financial Officer  
Heidi Stevens, VP, Finance  
Paul Duguay, Senior Corporate Counsel  
Todd Lewis, VP, Insurance Operations  
Dora Earls, VP, Underwriting & Prod. Development  
Brad Reager, VP, Claims & Risk Management  
Jack McKinney, VP, Sales & Service  
Traci Ward, Chief Marketing Officer  
Blia Vang, Executive Assistant  
Alison Sandman, Chief Legal Officer (partial)

**Guests**

Steffi Chen, Student Representative  
Jacob Lubben, Student Representative