



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
EXECUTIVE COMMITTEE MEETING MINUTES
WEBEX MEETING
March 26, 2020**

MEMBERS PRESENT

James Crawford, President, Campbell Union School District
Eric Dill, Vice President, Santa Clara Unified School District
Mike Mathiesen, Treasurer, Mountain View-Los Altos Union High School District
Ron Lebs, Secretary, Metropolitan Education District
Wendy Zhang, Member at Large, Milpitas Unified School District

MEMBERS ABSENT

None

GUESTS & CONSULTANTS

Matt Gowan, Alliant Insurance Services
Joan Crossley, Alliant Insurance Services
Angelique King, Carl Warren & Company
Rich McAbee, Carl Warren & Company
Joyce Fairley Ray, Carl Warren & Company
Kevin Wong, Gilbert Associates, Inc.

A. CALL TO ORDER

The meeting was called to order at 9:37 a.m.

B. ROLL CALL

The above-mentioned members were present constituting a quorum.

C. APPROVAL OF AGENDA

A motion was made to approve the agenda as presented.

MOTION: Wendy Zhang	SECOND: Ron Lebs	MOTION CARRIED
AYES: 5	NOES: 0	ABSENT: 0
	ABSTAIN: 0	

AYES: Crawford, Dill, Mathiesen, Lebs, Zhang
NAYS: None
ABSENT: None

D. PUBLIC COMMENT

There were no public comments.

E. CONSENT CALENDAR

- 1. Executive Committee Meeting Minutes – December 5, 2019**
- 2. Financial Report for Quarter Ending December 31, 2019**
- 3. Investment Report for Quarter Ending December 31, 2019**



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The Property funding, which is determined by the actuary, increased by 3.6%. The Property premium is estimated to increase by 22%; approximately 7% of that is due to increases in total insured values.

The overall budget is estimated to increase by 28.5% or approximately \$1,470,613.

Mr. Gowan said increasing the JPA's Liability SIR would also increase the Liability funding for that higher SIR and transfer more risk to the JPA; it would not reduce the budget. Mr. Gowan said staff looked at increasing the individual member deductible which is currently \$10,000 to see if that would significantly reduce the JPA's Liability funding. The JPA would save 2.6% by increasing the member deductible to \$20,000. The JPA would save 9.6% if the member deductible is \$50,000, but that higher deductible would be passed onto individual members. Mr. Mike Mathiesen commented that any savings would be a wash; the member premium would decrease somewhat, but when claims occur, the savings would be lost by paying the higher deductible. Mr. Dill said in the past he was a member of another JPA and chose a higher deductible, but the cost of claims at the higher deductible was greater than the savings on the premium.

Loss control is budgeted at \$198,000. The Executive Committee decided to postpone the scheduled loss control of playground inspections as it would reduce the budget by approximately 2.9%.

2. Monitoring Changes in Claims Payments and Reserves

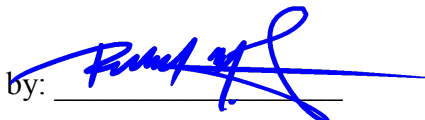
Ms. Joyce Fairley Ray said more claims were closed in the quarter ending December 31, 2019 than in the previous quarter. The total incurred increased by over \$1 million from the previous quarter because reserves needed to be increased on several claims including a claim for a student injured by a shot put and a molestation claim.

H. COMMENTS FOR THE GOOD OF THE ORDER

There were no comments for the good of the order.

ADJOURNMENT

The meeting was adjourned at 11:09 a.m.

Reviewed and Approved by: 

Date: June 15, 2020