



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY  
BOARD OF DIRECTORS MEETING MINUTES  
ZOOM MEETING  
June 10, 2021**

**MEMBERS PRESENT**

Delores Perley, Vice President, Los Gatos-Saratoga Joint Union High School District  
Mike Mathiesen, Treasurer, Mountain View-Los Altos Union High School District  
Kevin Franklin, Berryessa Union School District  
Victoria Knutson, Evergreen School District  
Sean Joyce, Lakeside Joint School District  
Rebecca Westover, Mountain View Whisman School District  
Mary Ann Dewan, Santa Clara County Office of Education  
Mark Schiel, Santa Clara Unified School District

**MEMBERS ABSENT**

Nelly Yang, Campbell Union School District  
Randy Kenyon, Los Altos School District  
Position Vacant, Metropolitan Education District  
Wendy Zhang, Milpitas Unified School District

**GUESTS & CONSULTANTS**

Matt Gowan, Alliant Insurance Services  
Joan Crossley, Alliant Insurance Services

**A. CALL TO ORDER**

The meeting was called to order at 10:02 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.**

<b>MOTION:</b> Mike Mathiesen	<b>SECOND:</b> Mary Ann Dewan	<b>MOTION CARRIED</b>
<b>AYES:</b> 8	<b>NOES:</b> 0	<b>ABSENT:</b> 3
	<b>ABSTAIN:</b> 0	

**AYES:** Perley, Mathiesen, Franklin, Knutson, Joyce, Westover, Dewan, Schiel

**NAYS:** None

**ABSENT:** Yang, Kenyon, Zhang

**D. PUBLIC COMMENT**

There were no public comments.



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY  
BOARD OF DIRECTORS MEETING MINUTES  
ZOOM MEETING  
June 10, 2021**

**E. CONSENT CALENDAR**

**1. Board of Directors Meeting Minutes – December 3, 2020**

**A motion was made to approve the items on the Consent Calendar as presented.**

**MOTION:** Mike Mathiesen                      **SECOND:** Mary Ann Dewan                      **MOTION CARRIED**  
**AYES:** 8                      **NOES:** 0                      **ABSTAIN:** 0                      **ABSENT:** 3

**AYES:** Perley, Mathiesen, Franklin, Knutson, Joyce, Westover, Dewan, Schiel  
**NAYS:** None  
**ABSENT:** Yang, Kenyon, Zhang

**F. FINANCIAL**

**1. Sublimit for Injunctive Relief Defense Costs**

Mr. Matt Gowan said injunctive relief is not an insurable risk. Some JPAs fund a sublimit for injunctive relief defense costs. Recently this JPA had an injunctive relief claim alleging denial of free appropriate public education for Special Ed students due to the COVID-19 shutdown. The Executive Committee discussed injunctive relief defense costs at its March meeting and decided to present to the Board for approval. The proposed sublimit would be \$100,000 for injunctive relief defense costs. The actuary reviewed school claims for the last 15 years and recommended annual funding of \$7,077; the low amount is because injunctive relief claims are not common. The actuary also recommended one year funding of \$50,000 to establish the fund as the JPA doesn't currently fund for this. After discussion, the Board decided to establish the fund.

**A motion was made to establish an Injunctive Relief Defense Costs fund at \$100,000 limit.**

**MOTION:** Mike Mathiesen                      **SECOND:** Mary Ann Dewan                      **MOTION CARRIED**  
**AYES:** 8                      **NOES:** 0                      **ABSTAIN:** 0                      **ABSENT:** 3

**AYES:** Perley, Mathiesen, Franklin, Knutson, Joyce, Westover, Dewan, Schiel  
**NAYS:** None  
**ABSENT:** Yang, Kenyon, Zhang

**F.2 Excess Liability Renewal, F.3 Excess Property and Boiler & Machinery Renewal, F.4 Crime Policy Renewal, F.5 Deadly Weapon Response Policy Renewal and F.6 Revenue and Expense Budget for July 1, 2021-2022.**

Mr. Gowan said he will go through the budget which will address action items F.2., F.3, F.4, F.5, and F.6 of the agenda.

Mr. Gowan stated the Liability and Property market is the hardest market in over 30 years. The JPA is a member of SELF and SELF is changing molestation coverage from occurrence to claims made; PRISM is also changing molestation coverage to claims made for its SELF members to avoid any



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY  
BOARD OF DIRECTORS MEETING MINUTES  
ZOOM MEETING  
June 10, 2021**

coverage gaps. Some pools are unable to obtain fire storm coverage, but that doesn't apply to this JPA. In the Property market, 2020 was one of the worst claim years in insurance history. The Cyber Liability market has been hit hard with ransomware claims and Cyber premiums are increasing dramatically.

Regarding the budget, the Liability funding has increased by 3.92%. The funding amount is determined by the actuary. The Excess Liability coverage with PRISM from \$250,000 to \$5 million is increasing by 35.2%. The Excess Liability coverage with SELF from \$5 million to \$55 million is increasing by 8%. The total Liability cost increased by 14.7% compared to last year.

The Property funding has increased by 8.5%. The funding amount is determined by the actuary. The Property rate increased by 37% plus an increase in total insured values due to the recent property appraisals caused the Property premium to increase by 57%. The total Property cost increased 47.5% compared to last year.

The Crime premium increased by 5%. The Deadly Weapon Response Program premium increased by 2.8%. The admin fees increased by 14% because the Executive Committee decided to schedule loss control of certified playground inspections and sports field impact tests for synthetic fields.

The overall budget increased by 26.8% from last year.

**2. Excess Liability Renewal**

**A motion was made to approve the Excess Liability renewal for the period of July 1, 2021-2022.**

**MOTION:** Mary Ann Dewan                      **SECOND:** Mike Mathiesen                      **MOTION CARRIED**  
**AYES:** 8                      **NOES:** 0                      **ABSTAIN:** 0                      **ABSENT:** 3

**AYES:** Perley, Mathiesen, Franklin, Knutson, Joyce, Westover, Dewan, Schiel  
**NAYS:** None  
**ABSENT:** Yang, Kenyon, Zhang

**3. Excess Property and Boiler & Machinery Renewal**

**A motion was made to approve the Excess Property and Boiler & Machinery renewal for the period of July 1, 2021-2022.**

**MOTION:** Mark Schiel                      **SECOND:** Mike Mathiesen                      **MOTION CARRIED**  
**AYES:** 8                      **NOES:** 0                      **ABSTAIN:** 0                      **ABSENT:** 3

**AYES:** Perley, Mathiesen, Franklin, Knutson, Joyce, Westover, Dewan, Schiel  
**NAYS:** None  
**ABSENT:** Yang, Kenyon, Zhang



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY  
BOARD OF DIRECTORS MEETING MINUTES  
ZOOM MEETING  
June 10, 2021**

**4. Crime Policy Renewal**

**A motion was made to approve the Crime policy renewal for the period of July 1, 2021-2022.**

**MOTION:** Mike Mathiesen                      **SECOND:** Mary Ann Dewan                      **MOTION CARRIED**  
**AYES:** 8                      **NOES:** 0                      **ABSTAIN:** 0                      **ABSENT:** 3

**AYES:** Perley, Mathiesen, Franklin, Knutson, Joyce, Westover, Dewan, Schiel

**NAYS:** None

**ABSENT:** Yang, Kenyon, Zhang

**5. Deadly Weapon Response Policy Renewal**

**A motion was made to approve the Deadly Weapon Response policy renewal for the period of July 1, 2021-2022.**

**MOTION:** Mike Mathiesen                      **SECOND:** Sean Joyce                      **MOTION CARRIED**  
**AYES:** 8                      **NOES:** 0                      **ABSTAIN:** 0                      **ABSENT:** 3

**AYES:** Perley, Mathiesen, Franklin, Knutson, Joyce, Westover, Dewan, Schiel

**NAYS:** None

**ABSENT:** Yang, Kenyon, Zhang

**6. Revenue and Expense Budget for July 1, 2021-2022**

**A motion was made to adopt the Revenue and Expense Budget for the period of July 1, 2021-2022 as presented.**

**MOTION:** Mike Mathiesen                      **SECOND:** Rebecca Westover                      **MOTION CARRIED**  
**AYES:** 8                      **NOES:** 0                      **ABSTAIN:** 0                      **ABSENT:** 3

**AYES:** Perley, Mathiesen, Franklin, Knutson, Joyce, Westover, Dewan, Schiel

**NAYS:** None

**ABSENT:** Yang, Kenyon, Zhang

**7. Review and Adoption of Liability Memorandum of Coverage**

Ms. Joan Crossley said annually the Board adopts the Liability Memorandum of Coverage. There are two changes to the MOC. It will be updated to include the injunctive relief defense costs sublimit of \$100,000. The other change is updating the policy period.

**A motion was made to approve the Liability Memorandum of Coverage for the period of July 1, 2021-2022 as presented.**



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY  
BOARD OF DIRECTORS MEETING MINUTES  
ZOOM MEETING  
June 10, 2021**

**MOTION:** Mark Schiel                      **SECOND:** Sean Joyce                      **MOTION CARRIED**  
**AYES:** 8                      **NOES:** 0                      **ABSTAIN:** 0                      **ABSENT:** 3

**AYES:** Perley, Mathiesen, Franklin, Knutson, Joyce, Westover, Dewan, Schiel  
**NAYS:** None  
**ABSENT:** Yang, Kenyon, Zhang

**8. Review and Adoption of Property Memorandum of Coverage**

Ms. Crossley said annually the Board adopts the Property Memorandum of Coverage. The only change is the policy period.

**A motion was made to approve the Property Memorandum of Coverage for the period of July 1, 2021-2022 as presented.**

**MOTION:** Mary Ann Dewan                      **SECOND:** Sean Joyce                      **MOTION CARRIED**  
**AYES:** 8                      **NOES:** 0                      **ABSTAIN:** 0                      **ABSENT:** 3

**AYES:** Perley, Mathiesen, Franklin, Knutson, Joyce, Westover, Dewan, Schiel  
**NAYS:** None  
**ABSENT:** Yang, Kenyon, Zhang

**G. GENERAL ADMINISTRATION**

**1. SBASIA Election of Officers and Executive Committee**

Ms. Delores Perley presented the slate of officers recommended by the Executive Committee for the 2021-2022 program year. They are as follows:

President: Mr. Mike Mathiesen, Mountain View-Los Altos Union High School District  
Vice President: Mr. Mark Schiel, Santa Clara Unified School District  
Treasurer: Ms. Delores Perley, Los Gatos-Saratoga Joint Union High School District  
Secretary: Ms. Rebecca Westover, Mountain View Whisman School District  
Member at Large: Ms. Wendy Zhang, Milpitas Unified School District

**A motion was made to elect the Officers and Executive Committee per the slate presented.**

**MOTION:** Mary Ann Dewan                      **SECOND:** Sean Joyce                      **MOTION CARRIED**  
**AYES:** 8                      **NOES:** 0                      **ABSTAIN:** 0                      **ABSENT:** 3

**AYES:** Perley, Mathiesen, Franklin, Knutson, Joyce, Westover, Dewan, Schiel  
**NAYS:** None  
**ABSENT:** Yang, Kenyon, Zhang



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY  
BOARD OF DIRECTORS MEETING MINUTES  
ZOOM MEETING  
June 10, 2021**

**2. Investment Authority**

Mr. Gowan stated that Government Code requires the delegation of the authority to invest or reinvest funds of SBASIA to the Treasurer. The delegation cannot exist beyond one year so the Board will need to authorize the delegation for the period of July 1, 2021 to June 30, 2022.

**A motion was made to adopt the Investment Authority as presented.**

**MOTION:** Mark Schiel                      **SECOND:** Mike Mathiesen    **MOTION CARRIED**  
**AYES:** 8                      **NOES:** 0                      **ABSTAIN:** 0                      **ABSENT:** 3

**AYES:** Perley, Mathiesen, Franklin, Knutson, Joyce, Westover, Dewan, Schiel

**NAYS:** None

**ABSENT:** Yang, Kenyon, Zhang

**3. Review of Investment Policy**

Mr. Gowan said that Government Code requires annual review of the Investment Policy. There have been no changes to the policy since it was adopted in 2003.

**A motion was made to adopt the Investment Policy as presented.**

**MOTION:** Sean Joyce                      **SECOND:** Mary Ann Dewan    **MOTION CARRIED**  
**AYES:** 8                      **NOES:** 0                      **ABSTAIN:** 0                      **ABSENT:** 3

**AYES:** Perley, Mathiesen, Franklin, Knutson, Joyce, Westover, Dewan, Schiel

**NAYS:** None

**ABSENT:** Yang, Kenyon, Zhang

**4. Resolution Establishing Meeting Dates for Fiscal Year 2021-2022**

Per Government Code, the Board should adopt a resolution establishing regular meeting dates for the fiscal year.

The following dates are proposed as Board meeting dates for the fiscal year 2021-2022:

December 2, 2021, 10:00 a.m.

June 9, 2022, 10:00 a.m.

**A motion was made to adopt the 2021-2022 Board meeting dates as presented.**

**MOTION:** Sean Joyce                      **SECOND:** Mary Ann Dewan    **MOTION CARRIED**  
**AYES:** 8                      **NOES:** 0                      **ABSTAIN:** 0                      **ABSENT:** 3

**AYES:** Perley, Mathiesen, Franklin, Knutson, Joyce, Westover, Dewan, Schiel

**NAYS:** None

*Approved 12/2/21*



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY  
BOARD OF DIRECTORS MEETING MINUTES  
ZOOM MEETING  
June 10, 2021**

**ABSENT:** Yang, Kenyon, Zhang

**H. COMMENTS FOR THE GOOD OF THE ORDER**

There were no comments for the good of the order.

**ADJOURNMENT**

The meeting was adjourned at 10:56 a.m.

Reviewed and Approved by: 

Date: 12-3-21