



**Agenda Item E.1**

**CONSENT CALENDAR**

**ACTION ITEM**

**ISSUE:** The Executive Committee should review the Consent Calendar and pull any items that need discussion. Otherwise, the Executive Committee should adopt the Consent Calendar as presented.

**RECOMMENDATION:** The Program Administrator recommends adoption of the Consent Calendar Items as presented.

**FISCAL IMPACT:** None.

**BACKGROUND:** The following items are placed on the Consent Calendar for adoption by the Executive Committee. The Committee may accept the Consent Calendar as posted, or pull any item for discussion and a separate action will occur while accepting the remaining items.

1. **Executive Committee Meeting Minutes – May 5, 2016**
2. **Executive Committee Teleconference Minutes – June 2, 2016**

**ATTACHMENTS:** Executive Committee Meeting Minutes – May 5, 2016  
Executive Committee Teleconference Minutes – June 2, 2016



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY  
EXECUTIVE COMMITTEE MINUTES  
CAMPBELL, CALIFORNIA  
May 5, 2016**

**MEMBERS PRESENT**

James Crawford, President, Campbell Union School District  
Nelly Yang, Vice President, Evergreen School District  
Mark Allgire, Treasurer, Santa Clara Unified School District  
Barbara Coats, Secretary, Santa Clara County Office of Education

**MEMBERS ABSENT**

Phuong Le, Member at Large, Berryessa Union School District

**GUESTS & CONSULTANTS**

Matt Gowan, Alliant Insurance Services  
Joan Crossley, Alliant Insurance Services  
Tracey Smith-Reed, Gilbert Associates, Inc.  
Mark Davis, Davis & Young

**A. CALL TO ORDER**

The meeting was called to order at 9:34 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.**

**MOTION: Barbara Coats                      SECOND: Mark Allgire                      MOTION CARRIED**

**AYES: 4                      NOES: 0                      ABSTAIN: 0                      ABSENT: 1**

**AYES:** Crawford, Yang, Allgire, Coats  
**NAYS:** None  
**ABSENT:** Le

**D. PUBLIC COMMENT**

There were no comments from the public.



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY  
EXECUTIVE COMMITTEE MINUTES  
CAMPBELL, CALIFORNIA  
May 5, 2016**

**E. CONSENT CALENDAR**

1. Executive Committee Meeting Minutes – March 3, 2016
2. Executive Committee Teleconference Minutes – April 1, 2016
3. Financial Report for Quarter Ending March 31, 2016

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

**MOTION: Barbara Coats      SECOND: Nelly Yang      MOTION CARRIED**

**AYES: 4      NOES: 0      ABSTAIN: 0      ABSENT: 1**

**AYES:** Crawford, Yang, Allgire, Coats

**NAYS:** None

**ABSENT:** Le

**F. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.95  
Jane Doe vs. Santa Clara Unified School District**

The Executive Committee went into closed session at 9:43 a.m. The Executive Committee returned from closed session at 10:16 a.m. The closed session item was discussed and appropriate actions were taken.

**AYES:** Crawford, Yang, Allgire, Coats

**NAYS:** None

**ABSENT:** Le

**G. GENERAL ADMINISTRATION**

**1. Administration Contract**

Mr. Matt Gowan said the administration contract with Alliant Insurance Services expires on June 30, 2016. The expiring annual fee is \$150,000. In 2012-2013, the annual fee was \$158,194. Alliant reduced the fee to assist the districts during a reduced budget. Mr. Gowan stated the proposed renewal fee is \$160,000 per year for a three year term. There is an option to extend the contract for an additional two years at fee of \$164,800 per year. The Executive Committee said they will recommend approval of the administration contract renewal at the June Board of Directors meeting. The Executive Committee requested that the indemnification section be amended to read SBASIA, its directors, officers, employees and volunteers instead of just SBASIA.



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY  
EXECUTIVE COMMITTEE MINUTES  
CAMPBELL, CALIFORNIA  
May 5, 2016**

**2. Safety Credits**

Ms. Joan Crossley said safety credits were discussed at the March meeting, but the Executive Committee suggested it be brought back for further discussion. After discussing various models that could be used for safety credits, the Executive Committee thought it would be better to have a loss control plan instead. For example, a five year plan could be developed that would schedule facility inspections one year, playground inspections another year, etc. In addition, an idea was suggested to have a seminar presented by an attorney to HR staff on methods to handle liability claims, such as molestation claims. The Executive Committee said \$100,000 would be added to the budget to fund loss control.

**3. Underwriting Policy**

Ms. Crossley said the JPA was re-accredited with CAJPA for Full Accreditation status pending a few changes to the underwriting policy. The Executive Committee adopted the underwriting policy at the March meeting, but an amended underwriting policy is now being presented. A section called "Post Approval Process" has been added which references the JPA's governing documents. Also a reference to the JPA's Program Document has been added to "Review of Underwriting Policy."

**A motion was made to adopt the Underwriting Policy as amended.**

<b>MOTION: Mark Allgire</b>	<b>SECOND: Nelly Yang</b>	<b>MOTION CARRIED</b>
<b>AYES: 4</b>	<b>NOES: 0</b>	<b>ABSENT: 1</b>
	<b>ABSTAIN: 0</b>	

**AYES:** Crawford, Yang, Coats, Allgire

**NAYS:** None

**ABSENT:** Le

**4. Slate of Officers for June 16, 2016 Meeting**

Ms. Crossley asked the Executive Committee to review the slate of officers selected at the March meeting and confirm that this is the slate that will be presented to the Board of Directors.

President: Mr. James Crawford, Campbell Union School District

Vice President: Ms. Nelly Yang, Evergreen School District

Treasurer: Mr. Mark Allgire, Santa Clara Unified School District

Secretary: Ms. Barbara Coats, Santa Clara County Office of Education

Member at Large: Ms. Phuong Le, Berryessa Union School District

Mr. James Crawford said he will contact Ms. Phuong Le to see if she is still available to serve on the Executive Committee.



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY  
EXECUTIVE COMMITTEE MINUTES  
CAMPBELL, CALIFORNIA  
May 5, 2016**

**H. FINANCIAL**

**1. Preliminary Revenue and Expense Budget for July 1, 2016-2017**

Mr. Gowan presented the preliminary budget for 2016-2017. The Liability funding, which comes from the actuarial study, is up 38%. The CSAC EIA Liability premium, which had been estimated at 10% increase, came in at 3.5% increase. The SELF premium, which had been estimated at 10% increase, came in at 22.5% increase.

The Property funding, which comes from the actuarial study, has decreased by 16%. The Property rate is estimated as flat, but it's possible there may be a decrease. The Property premium is estimated to increase by 1.3% due to increase in total insured values. This is still an estimate as the Property insurance quote has not been received yet.

Admin fees are up by 23% as loss control has now been added to the budget. The overall budget is projected to increase by 8.3% or \$282,015 from last year.

Staff has not yet received the Cyber Liability quote for higher limits. Also, staff is obtaining an optional Crime quote with higher limits as a public entity recently had a \$4 million embezzlement loss.

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

There were no comments for the good of the order.

**ADJOURNMENT**

The meeting was adjourned at 11:08 a.m.



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY  
EXECUTIVE COMMITTEE TELECONFERENCE MINUTES  
June 2, 2016**

**MEMBERS PRESENT**

James Crawford, President, Campbell Union School District  
Nelly Yang, Vice President, Evergreen School District  
Mark Allgire, Treasurer, Santa Clara Unified School District  
Barbara Coats, Secretary, Santa Clara County Office of Education  
Phuong Le, Member at Large, Berryessa Union School District

**MEMBERS ABSENT**

None

**GUESTS & CONSULTANTS**

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

**A. CALL TO ORDER**

The meeting was called to order at 1:33 p.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.**

**MOTION: Barbara Coats                      SECOND: Phuong Le                      MOTION CARRIED**

**AYES: 5                      NOES: 0                      ABSTAIN: 0                      ABSENT: 0**

**AYES:** Crawford, Yang, Allgire, Coats, Le

**NAYS:** None

**ABSENT:** None

**D. PUBLIC COMMENT**

There were no comments from the public.

**E. FINANCIAL**

**1. Crime Insurance Options**

Mr. Matt Gowan said that due to a recent large crime loss for a public entity, staff obtained a Crime insurance quote with higher limits. The JPA currently has \$1 million limit for Crime; limits of \$3 million, \$5 million and \$10 million are also available.



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY  
EXECUTIVE COMMITTEE TELECONFERENCE MINUTES  
June 2, 2016**

Ms. Barbara Coats asked if coverage includes employees who steal property such as IT equipment; staff said that is covered under employee theft provision of the Crime insurance. Mr. Mark Allgire commented there is also an exposure in the construction area. After discussion, the Executive Committee decided to increase the Crime insurance limit to \$3 million. The Executive Committee asked staff to find out the process for obtaining Crime insurance quotes for members who may want a higher limit.

**A motion was made to increase the Crime insurance limit to \$3 million effective 7/1/16.**

**MOTION: Mark Allgire                      SECOND: Phuong Le                      MOTION CARRIED**

**AYES: 5                      NOES: 0                      ABSTAIN: 0                      ABSENT: 0**

**AYES:** Crawford, Yang, Allgire, Coats, Le

**NAYS:** None

**ABSENT:** None

**2.            Cyber Liability Enhancement Option**

Ms. Joan Crossley said staff obtained a quote for the Cyber Liability Enhancement option. The option has two parts; part one must be purchased in order to obtain part two. Currently the JPA members have \$1 million limit for privacy notification costs. This limit erodes the \$2 million Cyber Liability annual aggregate limit. Part one removes this dollar limit and changes it to a notified individual limit; you can choose to notify up to 50,000 individuals, 100,000 individuals, etc. per the quote in the agenda. Part one is outside the policy dollar limits so the annual aggregate is no longer eroded by privacy notification costs. Part two provides Excess Cyber Liability limits from \$1 million to \$5 million.

Mr. Gowan said the privacy notification costs can add up; one of his school district clients had to notify every employee and retiree of a privacy breach and set up credit monitoring for those employees and retirees.

The Executive Committee said they will need to further review the cyber exposure for the member districts. Santa Clara County Office of Education potentially has the largest exposure as they handle the financial systems for the school districts. Mr. Gowan said the cyber security auditor is attending the June meeting and perhaps can provide some guidance on the exposure. The Executive Committee will table this item and work with staff to research exposures and the potential need for additional cyber coverage.

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

None

**ADJOURNMENT**

The meeting was adjourned at 2:14 p.m.

*Draft*



**Agenda Item F.1**

**EXECUTIVE COMMITTEE MEETING DATES FOR FISCAL YEAR 2016-2017**

**ACTION ITEM**

**ISSUE:** The Executive Committee should adopt a schedule establishing regular meetings for the 2016-2017 fiscal year as presented in the attachment or as amended.

**RECOMMENDATION:** None.

**FISCAL IMPACT:** None.

**BACKGROUND:** The Bylaws do not establish days or dates for the regular meetings. The Bylaws require that the Executive Committee hold at least 4 regular meetings a year. The Executive Committee should adopt a schedule establishing meeting dates to facilitate JPA business.

**ATTACHMENTS:** Meeting Dates for Executive Committee for 2016-2017





**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY  
EXECUTIVE COMMITTEE MEETING DATES  
FISCAL YEAR 2016-2017**

<b>October 6, 2016</b>	<b>Thursday @ 9:30 a.m.</b>	<b>Campbell Union School District</b>
<b>December 1, 2016</b>	<b>Thursday @ 9:00 a.m. (BOARD @ 10:00 a.m.)</b>	<b>Campbell Union School District</b>
<b>March 2, 2017</b>	<b>Thursday @ 9:30 a.m.</b>	<b>Campbell Union School District</b>
<b>May 4, 2017</b>	<b>Thursday @ 9:30 a.m.</b>	<b>Campbell Union School District</b>
<b>June 15, 2017</b>	<b>Thursday @ 9:00 a.m. (BOARD @ 10:00 a.m.)</b>	<b>Campbell Union School District</b>



**Agenda Item F.2**

**REVIEW OF BOARD AGENDA ITEMS**

**ACTION ITEM**

**ISSUE:** The Executive Committee should make recommendations to the Board of Directors for those items on their agenda that require action.

**RECOMMENDATION:** None.

**FISCAL IMPACT:** Various. See the Board of Directors June 16, 2016 agenda.

**BACKGROUND:** The Board of Directors should take action on the following items:

- Excess Liability Renewal
- Review and Adoption of Liability Memorandum of Coverage
- Excess Property and Boiler & Machinery Renewal
- Alliant Property Insurance Program Claims Reporting Acknowledgement
- Crime Policy Renewal
- Review and Adoption of Property Memorandum of Coverage
- Accounting Contract
- Administration Contract
- Revenue and Expense Budget for July 1, 2016-2017
- SBASIA Election of Officers and Executive Committee
- Investment Authority
- Review of Investment Policy
- Conflict of Interest Code
- Resolution Establishing Meeting Dates for Fiscal Year 2016-2017

**ATTACHMENTS:** None