



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
ZOOM MEETING
June 9, 2022**

MEMBERS PRESENT

Mike Mathiesen, President, Mountain View-Los Altos Union High School District
Mark Schiel, Vice President, Santa Clara Unified School District
Delores Perley, Treasurer, Los Gatos-Saratoga Joint Union High School District
Kevin Franklin, Berryessa Union School District
Nelly Yang, Campbell Union School District
Randy Kenyon, Los Altos School District
Dorothy Reconose, Metropolitan Education District
Stephanie Gomez, Santa Clara County Office of Education

MEMBERS ABSENT

Victoria Knutson, Evergreen School District
Sean Joyce, Lakeside Joint School District
Wendy Zhang, Milpitas Unified School District
Rebecca Westover, Mountain View Whisman School District

GUESTS & CONSULTANTS

Matt Gowan, Alliant Insurance Services
Joan Crossley, Alliant Insurance Services
Ron Wheelehan, Mountain View Whisman School District
Craig Faitel, Safe 2 Play

A. CALL TO ORDER

The meeting was called to order at 10:03 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: Nelly Yang **SECOND:** Dorothy Reconose **MOTION CARRIED**
AYES: 8 **NOES:** 0 **ABSTAIN:** 0 **ABSENT:** 4

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

D. PUBLIC COMMENT

There were no public comments.



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
ZOOM MEETING
June 9, 2022**

E. CONSENT CALENDAR

- 1. Board of Directors Meeting Minutes – December 2, 2021**
- 2. Investment Report for Quarter Ending March 31, 2022**
- 3. 2019 and 2022 CAJPA Accreditation Reports**

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

MOTION: Nelly Yang **SECOND:** Mark Schiel **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

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

F. LOSS CONTROL

- 1. Playground Inspections including Sports Field Impact Tests**

Mr. Craig Faitel of Safe 2 Play summarized the results of the playground inspections including sports field impact tests performed to date. Mr. Faitel advised only two JPA members remain to be inspected and those inspections will take place this summer.

G. FINANCIAL

G.1 Excess Liability Renewal, G.2 Excess Property and Boiler & Machinery Renewal, G.3 Crime Policy Renewal, G.4 Deadly Weapon Response Policy Renewal, G.5 Accounting Contract, G.6 Claims Service Contract with Carl Warren & Company and G.7 Revenue and Expense Budget for July 1, 2022-2023.

Mr. Gowan said he will go through the budget which will address action items G.1., G.2, G.3, G.4, G.5, G.6 and G.7 of the agenda.

Mr. Gowan said the Executive Committee decided to increase the confidence level from 80% to 90% for funding losses. This is mainly due to increased claims caused by the passage of AB 218. Due to this, the Liability funding has increased by 19.45%. The funding amount is determined by the actuary. The Excess Liability coverage with PRISM from \$250,000 to \$5 million is decreasing by 14%. The Excess Liability coverage with SELF from \$5 million to \$55 million is increasing by 4.75%. The total Liability cost increased by 2.85% compared to last year.

The Property funding has increased by 49% due to the increase in confidence level from 80% to 90%. The funding amount is determined by the actuary. The Property premium is increasing by 14%. The total Property cost increased 19.48% compared to last year.



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
ZOOM MEETING
June 9, 2022**

The Crime premium increased by 5%. The Deadly Weapon Response Program premium increased by 15%. The admin fees decreased by 8.2%. Mr. Gowan said the accounting contract with Gilbert Associates is renewing as well as the claims service contract with Carl Warren & Company and these fees are included in the admin fees. The Executive Committee has already reviewed and approved the renewal contracts.

The overall budget increased by 9.5% from last year.

1. Excess Liability Renewal

A motion was made to approve the Excess Liability renewal for the period of July 1, 2022-2023.

MOTION: Stephanie Gomez **SECOND:** Mark Schiel **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

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

2. 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, 2022-2023.

MOTION: Stephanie Gomez **SECOND:** Nelly Yang **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

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

3. Crime Policy Renewal

A motion was made to approve the Crime policy renewal for the period of July 1, 2022-2023.

MOTION: Stephanie Gomez **SECOND:** Randy Kenyon **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

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



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
ZOOM MEETING
June 9, 2022**

4. Deadly Weapon Response Policy Renewal

A motion was made to approve the Deadly Weapon Response policy renewal for the period of July 1, 2022-2023.

MOTION: Dorothy Reconose **SECOND:** Randy Kenyon **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

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

5. Accounting Contract

Mr. Gowan said the accounting contract with Gilbert Associates, Inc. renews on July 1, 2022. The Executive Committee reviewed the accounting contract and recommends approval. The fees are as follows:

- \$35,000 for period of July 1, 2022 to June 30, 2023
- \$36,000 for period of July 1, 2023 to June 30, 2024
- \$37,000 for period of July 1, 2024 to June 30, 2025
- \$38,000 for period of July 1, 2025 to June 30, 2026 (optional extension)
- \$39,000 for period of July 1, 2026 to June 30, 2027 (optional extension)

A motion was made to approve the Accounting Contract with Gilbert Associates, Inc. for the period of July 1, 2022– June 30, 2025 with an optional two year extension.

MOTION: Stephanie Gomez **SECOND:** Delores Perley **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

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

6. Claims Service Contract with Carl Warren & Company

Mr. Gowan said the claims service contract with Carl Warren & Company renews on July 1, 2022. The annual fee for the first two years is \$83,892 per year for up to 70 claims a year, for the next two years is \$88,086 per year for up to 70 claims a year and for the last year is \$92,490 for up to 70 claims per year. If there are more than 70 claims per year, there will be a flat fee of \$1,260 per claim for the first two years, a flat fee of \$1,280 for the next two years and a flat fee of \$1,330 per claim for the last year. The Executive Committee has already reviewed the contract and recommends approval.

A motion was made to approve the Claims Service Contract with Carl Warren & Company for the period of July 1, 2022 – June 30, 2027.



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
ZOOM MEETING
June 9, 2022**

MOTION: Nelly Yang **SECOND:** Dorothy Reconose **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

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

7. Revenue and Expense Budget for July 1, 2022-2023

A motion was made to adopt the Revenue and Expense Budget for the period of July 1, 2022-2023 as presented.

MOTION: Nelly Yang **SECOND:** Delores Perley **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

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

8. Review and Adoption of Liability Memorandum of Coverage

Mr. Gowan said annually the Board adopts the Liability Memorandum of Coverage. There are two changes to the MOC. It will be updated to include the amended injunctive relief defense costs sublimit of \$50,000 per incident with \$200,000 aggregate for the JPA; the change in amount was decided by the Executive Committee. 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, 2022-2023 as presented.

MOTION: Nelly Yang **SECOND:** Mark Schiel **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

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

9. Review and Adoption of Property Memorandum of Coverage

Mr. Gowan 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, 2022-2023 as presented.

MOTION: Delores Perley **SECOND:** Nelly Yang **MOTION CARRIED**



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
ZOOM MEETING
June 9, 2022**

AYES: 8 NOES: 0 ABSTAIN: 0 ABSENT: 4

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

H. GENERAL ADMINISTRATION

1. SBASIA Election of Officers and Executive Committee

Mr. Mike Mathiesen presented the slate of officers recommended by the Executive Committee for the 2022-2023 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: Dorothy Reconose **SECOND:** Stephanie Gomez **MOTION CARRIED**
AYES: 8 NOES: 0 ABSTAIN: 0 ABSENT: 4

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

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, 2022 to June 30, 2023.

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

MOTION: Nelly Yang **SECOND:** Dorothy Reconose **MOTION CARRIED**
AYES: 8 NOES: 0 ABSTAIN: 0 ABSENT: 4

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



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
ZOOM MEETING
June 9, 2022**

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: Mark Schiel **SECOND:** Delores Perley **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

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

4. Review of Conflict of Interest Code

Mr. Gowan said that Government Code requires the Conflict of Interest Code to be reviewed and approved every even numbered year. There are no changes to the Conflict of Interest Code.

A motion was made to adopt the Conflict of Interest Code as presented.

MOTION: Dorothy Reconose **SECOND:** Randy Kenyon **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

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

5. Resolution Establishing Meeting Dates for Fiscal Year 2022-2023

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 2022-2023:

December 1, 2022, 10:00 a.m.
June 15, 2023, 10:00 a.m.

A motion was made to adopt the 2022-2023 Board meeting dates as presented.

MOTION: Nelly Yang **SECOND:** Stephanie Gomez **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

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

Approved 12/1/22



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
ZOOM MEETING
June 9, 2022**

I. COMMENTS FOR THE GOOD OF THE ORDER

Mr. Mathiesen said Randy Kenyon is retiring and thanked Randy for his many years of service on the JPA Board as well as serving as JPA President in the past.

ADJOURNMENT

The meeting was adjourned at 11:01 a.m.

Reviewed and Approved by: 

Date: January 18, 2023