



SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY EXECUTIVE COMMITTEE ZOOM TELECONFERENCE AGENDA

DATE / TIME: June 9, 2022 at 9:00 a.m.

<https://alliantinsurance.zoom.us/j/93693074527?pwd=aXBqbUdLRXFHZ3dibXlINWNMWlBmQT09>

Meeting ID: 936 9307 4527

Passcode: 647630

Or Dial: 877 853 5257 (Toll Free) or 888 475 4499 (Toll Free)

This meeting agenda shall be posted at the address of the Zoom teleconference locations shown below with access for public via phone.

Los Gatos-Saratoga JUHSD

17421 Farley Rd West
Los Gatos, CA 95030

Milpitas Unified School District

1331 E Calaveras Blvd
Milpitas, CA 95035

Mountain View-Los Altos Union HS District

1299 Bryant Ave
Mountain View, CA 94040

Mtn View Whisman School District

1400 Montecito Ave
Mountain View, CA 94043

Santa Clara Unified School District

1889 Lawrence Rd
Santa Clara, CA 95051

Alliant Insurance Services

2180 Harvard St, Suite 460
Sacramento, CA 95815

A – Action I – Information 1 – Included 2 - Hand Out 3 – Separate 4 - Verbal

Per Government Code 54954.2, persons requesting disability related modifications or accommodations, including auxiliary aids or services, in order to participate in the meeting are requested to contact Joan Crossley at Alliant Insurance Services, Inc. at (916) 643-2708.

Documents and material relating to an open session agenda item that are provided to the SBASIA Executive Committee less than 72 hours prior to a regular meeting will be available for public inspection and copying at 2180 Harvard St, Suite 460, Sacramento, CA 95815.



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	A. CALL TO ORDER		
	B. ROLL CALL	A	4
	C. APPROVAL OF AGENDA	A	1
	D. PUBLIC COMMENT <i>This time is reserved for members of the public to address the Executive Committee on SBASIA business.</i>		
1	E. CONSENT CALENDAR	A	1
2-6	1. Executive Committee Meeting Minutes – May 12, 2022		
	F. GENERAL ADMINISTRATION		
7	1. Sublimit for Injunctive Relief Defense Costs <i>The Executive Committee should decide whether to amend the sub-limit for injunctive relief defense costs.</i>	A	1
8-9	2. Executive Committee Meeting Dates for Fiscal Year 2022-2023 <i>The Executive Committee will need to adopt meeting dates for July 1, 2022-2023.</i>	A	1
10	3. Review of Board Agenda Items <i>Staff will review the Board agenda items with the Executive Committee.</i>	A	3
	G. COMMENTS FOR THE GOOD OF THE ORDER		

ADJOURNMENT

NEXT MEETING

The next Executive Committee Meeting is set for October 13, 2022 at 9:30 a.m.



Agenda Item E.

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 Executive Committee may accept the Consent Calendar as posted, or pull any item for discussion and separate action while accepting the remaining items.

1. Executive Committee Meeting Minutes – May 12, 2022

ATTACHMENTS: Executive Committee Meeting Minutes – May 12, 2022



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
EXECUTIVE COMMITTEE MEETING MINUTES
ZOOM MEETING
May 12, 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
Rebecca Westover, Secretary, Mountain View Whisman School 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
Eric Bengtson, Davis & Young

A. CALL TO ORDER

The meeting was called to order at 9:32 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: Delores Perley	SECOND: Mark Schiel	MOTION CARRIED
AYES: 5	NOES: 0	ABSENT: 0
	ABSTAIN: 0	

AYES: Mathiesen, Schiel, Perley, Westover, Zhang

NAYS: None

ABSENT: None

D. PUBLIC COMMENT

There were no public comments.



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E. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.95

1. Doe v. Los Gatos-Saratoga Joint Union High School District
2. Martinez, et al v. Newsom, et al
3. Angel, et al v. Marten, et al

The Executive Committee entered closed session at 9:34 a.m. The Executive Committee returned from closed session at 9:56 a.m.

AYES: Mathiesen, Schiel, Perley, Westover, Zhang

NAYS: None

ABSENT: None

F. PRESIDENT’S REPORT ON ACTION FROM CLOSED SESSION

Mr. Mike Mathiesen reported that the closed session items were discussed and appropriate actions were taken.

G. CONSENT CALENDAR

1. Executive Committee Meeting Minutes – March 3, 2022
2. Executive Committee Meeting Minutes – April 14, 2022
3. Financial Report for Quarter Ending March 31, 2022

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

MOTION: Mark Schiel **SECOND:** Rebecca Westover **MOTION CARRIED**
AYES: 5 **NOES: 0** **ABSTAIN: 0** **ABSENT: 0**

AYES: Mathiesen, Schiel, Perley, Westover, Zhang

NAYS: None

ABSENT: None

H. GENERAL ADMINISTRATION

1. Administration Contract with Alliant Insurance Services

Mr. Matt Gowan stated the Executive Committee previously reviewed the option to extend the Administration Contract for two years at the March meeting and recommended the extension be placed on the next meeting agenda for approval. The administration fee will be \$164,800 annually for the next two years.

A motion was made to approve the two year extension to the Administration Contract with Alliant Insurance Services.



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MOTION: Delores Perley **SECOND:** Mark Schiel **MOTION CARRIED**
AYES: 5 **NOES: 0** **ABSTAIN: 0** **ABSENT: 0**

AYES: Mathiesen, Schiel, Perley, Westover, Zhang
NAYS: None
ABSENT: None

2. California Association of Joint Powers Authorities (CAJPA) Re-accreditation Update

Ms. Joan Crossley stated the JPA gets re-accredited with CAJPA every three years. CAJPA granted Full Accreditation to the JPA as long as two items are completed within the next six months. The first item is the prior 2019 accreditation report and the 2022 accreditation report are presented to the Board of Directors; Ms. Crossley said this will be on the June Board agenda. The second item is the Treasurer signs a statement of the JPA’s ability to meet expenditure requirements over the next six months. Ms. Crossley said the Treasurer already signs this statement, but CAJPA wants the signed statement included in the agenda.

CAJPA also made a few recommendations, not requirements, as follows:

1. Actuarial Study
 - Change to annual from every two years
 - Request discount factor costs at 1% and 0%.
 - Have the actuary provide one of the following confidence level factors: 99%, 98% or 99.5%
2. Target Surplus Funding Policy requires funding at 70% confidence level, but the JPA has been funding at 80% confidence level for the last three years so the policy should be updated.

Mr. Gowan commented the actuarial study already contains 95% confidence level factor and it’s not necessarily needed to include 99%, 98% or 99.5%. Mr. Gowan said the JPA should follow through on the other two recommendations for the actuarial study.

Ms. Crossley commented the recommendation about the Target Surplus policy is already on this agenda and will be discussed later in the meeting.

I. FINANCIAL

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

Mr. Gowan said staff received updated premium estimates and the PRISM Liability premium estimate has decreased by \$104,000 since the March meeting. The SELF premium estimate decreased by \$199,738.

Mr. Gowan recommends increasing the confidence level from the current 80%. This is due to claims received under AB 218 and new California case law that results in the JPA paying multiple SIRs for



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molestation claims. This new case law states there is one occurrence per claimant per policy period which also means there is one SIR per claimant per policy period.

Mr. Gowan noted the actuary said the AB 218 claims are from older years and the loss funding for those years was determined in those older actuarial studies before AB 218 was passed. The actuary said increasing the confidence level would be the way to obtain additional loss funding for the AB 218 claims coming to light now. Mr. Gowan said the higher the confidence level the better and recommends at least 90% Liability funding and 85% Property funding.

Mr. Mark Schiel commented that increasing to 85% may be better as the JPA can stair step the confidence level increases more gradually. He also noted the school districts have to allocate their budget over three years which means the 90% confidence level increase would show in the district budget for three years. Mr. Schiel recommends increasing the confidence level to 85% plus issuing a one time assessment.

Mr. Gowan noted that the overall March budget had a 10% increase. Due to the updated premium estimates, the budget at 80% confidence level is now a 4.9% increase. Increasing the confidence level to 90% would bring the overall increase back to 10%. The members have already budgeted for a 10% increase as they received the March estimate. Mr. Gowan stated the confidence level can be re-assessed again next year.

After discussion, the Executive Committee agreed to increase the confidence level to 90%.

A motion was made to increase the confidence level to 90% in the budget.

MOTION: Delores Perley	SECOND: Mark Schiel	MOTION CARRIED
AYES: 5	NOES: 0	ABSENT: 0
	ABSTAIN: 0	

AYES: Mathiesen, Schiel, Perley, Westover, Zhang
NAYS: None
ABSENT: None

2. Target Surplus Funding Policy

Ms. Crossley stated when the Target Surplus Funding policy was adopted in 2008, the JPA was using 70% confidence level to fund losses and that percentage is written in the policy. The JPA has since increased its confidence level and the CAJPA auditor recommended amending the Target Surplus Funding policy to show the updated confidence level. Ms. Crossley said she can amend the policy to show 90% confidence as the Executive Committee just approved that confidence level.

A motion was made to amend the Target Surplus Funding Policy to 90% confidence level.

MOTION: Delores Perley	SECOND: Rebecca Westover	MOTION CARRIED
AYES: 5	NOES: 0	ABSENT: 0
	ABSTAIN: 0	



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AYES: Mathiesen, Schiel, Perley, Westover, Zhang

NAYS: None

ABSENT: None

J. COMMENTS FOR THE GOOD OF THE ORDER

Mr. Mathiesen stated there is currently a spike in COVID-19 cases so he recommends the June Board meeting be a virtual meeting and the JPA can resume in person meetings in the fall. The Executive Committee agreed.

ADJOURNMENT

The meeting was adjourned at 10:52 a.m.



Agenda Item F.1

SUBLIMIT FOR INJUNCTIVE RELIEF DEFENSE COSTS

ACTION ITEM

ISSUE: The Executive Committee should decide whether to amend the sublimit for the injunctive relief defense fund.

RECOMMENDATION: None

FISCAL IMPACT: To be determined

BACKGROUND: The JPA established \$100,000 sublimit for injunctive relief defense costs effective July 1, 2021. At that time, the JPA had approximately two injunctive relief claims in 20 years. However, in only the last year and a half, the JPA received two injunctive relief claims. In light of increased litigation, the Executive Committee will review and discuss amending the sublimit for injunctive relief defense costs.

Here is the current MOC language for the sublimit for injunctive relief defense costs:

SBASIA will pay up to \$100,000 for defense of an action seeking solely injunctive relief or other nonmonetary recourse from a Member District, if no other defense coverage applies to the action. The inclusion of a demand for claimant's attorney fees and/or costs will not disqualify an action from this coverage, but SBASIA will not pay any such amounts awarded.

ATTACHMENTS: None



Agenda Item F.2

EXECUTIVE COMMITTEE MEETING DATES FOR FISCAL YEAR 2022-2023

ACTION ITEM

ISSUE: The Executive Committee should adopt a schedule establishing regular meetings for the 2022-2023 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 2022-2023



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
EXECUTIVE COMMITTEE MEETING DATES
FISCAL YEAR 2022-2023**

October 13, 2022	Thursday @ 9:30 a.m.	Mountain View-Los Altos UHSD
December 1, 2022	Thursday @ 9:00 a.m. (BOARD @ 10:00 a.m.)	Mountain View-Los Altos UHSD
March 16, 2023	Thursday @ 9:30 a.m.	Mountain View-Los Altos UHSD
May 11, 2023	Thursday @ 9:30 a.m.	Mountain View-Los Altos UHSD
June 15, 2023	Thursday @ 9:00 a.m. (BOARD @ 10:00 a.m.)	Mountain View-Los Altos UHSD



Agenda Item F.3

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 9, 2022 agenda.

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

- Excess Liability Renewal
- Excess Property and Boiler & Machinery Renewal
- Crime Policy Renewal
- Deadly Weapon Response Policy Renewal
- Accounting Contract
- Claims Service Contract with Carl Warren & Company
- Revenue and Expense Budget for July 1, 2022-2023
- Review and Adoption of Liability Memorandum of Coverage
- Review and Adoption of Property Memorandum of Coverage
- SBASIA Election of Officers and Executive Committee
- Investment Authority
- Review of Investment Policy
- Review of Conflict of Interest Code
- Resolution Establishing Meeting Dates for Fiscal Year 2022-2023

ATTACHMENTS: None