



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
EXECUTIVE COMMITTEE MEETING MINUTES
ZOOM TELECONFERENCE MEETING
March 14, 2024**

MEMBERS PRESENT

Mike Mathiesen, President, Mountain View-Los Altos Union High School District
Mark Schiel, Vice President, Santa Clara Unified School District
Rebecca Westover, Treasurer/Secretary, Mountain View Whisman School District
Wendy Zhang, Member at Large, Milpitas Unified School District

MEMBERS ABSENT

Position Vacant

GUESTS & CONSULTANTS

Dorothy Reconose, Milpitas Unified School District
Matt Gowan, Alliant Insurance Services
Joan Crossley, Alliant Insurance Services

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: Wendy Zhang	SECOND: Rebecca Westover	MOTION CARRIED
AYES: 4	NOES: 0	ABSENT: 0
	ABSTAIN: 0	

AYES: Mathiesen, Schiel, Westover, Zhang

NAYS: None

ABSENT: None

D. PUBLIC COMMENT

There were no public comments.

E. CONSENT CALENDAR

- 1. Executive Committee Meeting Minutes – December 7, 2023**
- 2. Financial Report for Quarter Ending December 31, 2023**

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



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MOTION: Wendy Zhang **SECOND:** Mark Schiel **MOTION CARRIED**
AYES: 4 **NOES: 0** **ABSTAIN: 0** **ABSENT: 0**

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

F. GENERAL ADMINISTRATION

1. Financial Auditor Contract with James Marta & Company

Mr. Matt Gowan said the contract with James Marta & Company for the annual financial audit expired on June 30, 2023. James Marta & Company offered a renewal contract for three years; the fee begins at \$17,500 and increases by 5% each year. The Executive Committee noted the fee is increasing by 13% from expiring and the fee increased by 3.5% each year in the expiring agreement, not 5%. Mr. Gowan commented this is a catch-up for rising staff costs. The Executive Committee asked staff to discuss the fees with the auditor and compare the fees to other JPA fees.

2. Administration Contract with Alliant Insurance Services

Mr. Gowan said the administration contract with Alliant Insurance Services expires on June 30, 2024. The annual fee has remained flat for the last two years at \$164,800. Mr. Gowan said he proposes a three year contract with annual fee of \$165,000 with an option to extend the contract for an additional two years at 3% increase. The Executive Committee said this is reasonable and the contract can be presented at the June Board meeting for approval.

3. Slate of Officers for June 20, 2024 Meeting

Mr. Mike Mathiesen said a discussion is needed to present a slate of officers at the June Board meeting. The Executive Committee is currently short an officer and Ms. Rebecca Westover is serving as both Treasurer and Secretary. Also, Ms. Wendy Zhang, the Member at Large, is retiring in June. Ms. Dorothy Reconose volunteered to serve as Member at Large. After discussion, the Executive Committee said Mr. Mathiesen will remain as President, Mr. Mark Schiel will remain as Vice President, Ms. Westover will serve as Treasurer and Ms. Reconose will be the Member at Large. Mr. Mathiesen will reach out to a few Board members to fill the remaining open position of Secretary.

G. FINANCIAL

1. Property Settlement Authority Request for Santa Clara Unified School District

Ms. Joan Crossley said a classroom was damaged at Washington Elementary School by a drunk driver on August 27, 2023 and a restitution demand has been made.

A motion was made to authorize payment of \$102,268.27.



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MOTION: Mark Schiel **SECOND:** Rebecca Westover **MOTION CARRIED**
AYES: 4 **NOES:** 0 **ABSTAIN:** 0 **ABSENT:** 0

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

2. Property Settlement Authority Request for Los Gatos-Saratoga Union High School District

Ms. Crossley said high winds damaged the modular surface of the sports court at Saratoga High School on March 14, 2023.

A motion was made to authorize payment of \$62,332.

MOTION: Mark Schiel **SECOND:** Wendy Zhang **MOTION CARRIED**
AYES: 4 **NOES:** 0 **ABSTAIN:** 0 **ABSENT:** 0

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

3. Property Settlement Authority Request for Evergreen School District

Ms. Crossley said an Evergreen School District bus was responsible for an accident involving five vehicles on May 4, 2023. One of the vehicles involved is a 2023 Tesla which has severe rear end and right side panel damage.

A motion was made to authorize payment of \$60,592.59.

MOTION: Rebecca Westover **SECOND:** Wendy Zhang **MOTION CARRIED**
AYES: 4 **NOES:** 0 **ABSTAIN:** 0 **ABSENT:** 0

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

4. Preliminary Revenue and Expense Budget for July 1, 2024-2025

Mr. Gowan presented the Preliminary Revenue and Expense budget for July 1, 2024-2025 at 90% confidence level. The Liability and Property markets remain hard especially the Liability market. The Liability funding, which is determined by the actuary, is decreasing 14.5% because losses developed better than expected. PRISM provides Liability coverage from \$250,000 to \$5 million and the premium is estimated to decrease by 5% due to a decrease in ex mod. PRISM is still in the underwriting process and negotiating with excess insurance carriers so it's an estimate only. SELF



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provides Liability coverage from \$5 million to \$55 million. The SELF premium is estimated to increase by 15%, but this is just an estimate as SELF hasn't established its rates yet.

The Property funding, which is determined by the actuary, increased by 7%. The Property premium is estimated to increase by 15%. The estimated Property rate increase is 10% and the rest of the increase is due to values being trended by the Marshall & Swift inflation trending factor of 5%. The overall budget is estimated to increase by 7.28% or approximately \$837,092.

H. COMMENTS FOR THE GOOD OF THE ORDER

There were no comments for the good of the order.

ADJOURNMENT

The meeting was adjourned at 10:38 a.m.

Reviewed and Approved by: _____

Date: 05/16/2024