



**Schools Program Alliance**

c/o Alliant Insurance Services

Corporation Insurance License No. 0C36861

2180 Harvard Street, Suite 460, Sacramento, CA 95815

**SCHOOLS PROGRAM ALLIANCE**

**November 7, 2022 Teleconference Board Meeting Minutes**

**Members Present:**

- |                                                       |                    |
|-------------------------------------------------------|--------------------|
| <b>Butte Schools Self-Funded Programs (BSSP)</b>      | Christy Patterson  |
| <b>Butte Schools Self-Funded Programs (BSSP)</b>      | Nicole Strauch     |
| <b>North Bay Schools Insurance Authority (NBSIA)</b>  | Kim Santin         |
| <b>North Bay Schools Insurance Authority (NBSIA)</b>  | Brandon Schlenker  |
| <b>Redwood Empire Schools Insurance Group (RESIG)</b> | Cindy Wilkerson    |
| <b>Redwood Empire Schools Insurance Group (RESIG)</b> | Sandy Manzoni      |
| <b>Schools Insurance Authority (SIA)</b>              | Martin Brady       |
| <b>Schools Insurance Authority (SIA)</b>              | Debrah Sherrington |
| <b>Schools Insurance Authority (SIA)</b>              | Phil Brown         |
| <b>Schools Insurance Authority (SIA)</b>              | Amy Russell        |
| <b>Schools Insurance Authority (SIA)</b>              | Brooks Rice        |
| <b>Schools Insurance Group (SIG)</b>                  | Kelli Hanson       |
| <b>Schools Insurance Group (SIG)</b>                  | Nancy Mosier       |
| <b>Central California Schools Authority (CCSA)</b>    | Alan Caeton        |

**Consultants & Guests**

- |                                              |                                    |
|----------------------------------------------|------------------------------------|
| Dan Howell, Alliant Insurance Services       | Bob Green, Gilbert Associates      |
| Dan Madej, Alliant Insurance Services        | David Shew, Wildfire Defense Works |
| Marcus Beverly, Alliant Insurance Services   | James Wilkey, New Front Insurance  |
| Michelle Minnick, Alliant Insurance Services | Eric Dahlen, Sedgwick              |

**A. CALL TO ORDER, ROLL CALL, QUORUM**

Mr. Martin Brady called the meeting to order at 10:01 a.m. The above-mentioned members were present constituting a quorum.

**B. APPROVAL OF THE AGENDA AS POSTED**

*A motion was made to approve the Agenda as posted.*

**MOTION: Cindy Wilkerson      SECOND: Christy Patterson      MOTION CARRIED UNANIMOUSLY**

**C. PUBLIC COMMENT**

There were no public comments.

**D. CONSENT CALENDAR**

- 1. Minutes of SPA Board Long Range Planning Meeting September 12-13, 2022

It was noted that the attendee list did not include a couple members who did attend and it was

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requested those members be added to the minutes of the September 12-13, 2022 meeting.

*A motion was made to approve the Consent Calendar with the changes that were noted.*

**MOTION: Alan Caeton**

**SECOND: Kim Santin**

**MOTION CARRIED  
UNANIMOUSLY**

## **E. MEMBER SHOW & TELL**

Initially it was requested to move this item after Item F. After Item F it was noted that due to the timing of the meeting it was requested to move this item to the January meeting as the first item after the consent calendar.

## **F. GENERAL ADMINISTRATION**

### **F.1. SPA AUDIT PRESENTATION**

Bob Green from Gilbert Associates provided the Board with a review of the SPA Audit and noted it was a success. He noted that they have issued an unmodified opinion, which is the highest rating. The Management Representation letter was included and it states that everything that was asked for was provided.

*A motion was made to approve the Financial Audit as presented.*

**MOTION: Kim Santin**

**SECOND: Cindy Wilkerson**

**MOTION CARRIED  
UNANIMOUSLY**

### **F.2. WILDFIRE DEFENSE**

David Shew from Wildfire Defense led the SPA group in a discussion regarding Wildfire Mitigation and efforts for reducing wildfire exposure and we can discuss the services that we can provide. He noted that about 90% of what causes fires is due to embers that ignite the structure – when structures do ignite there is a 90% chance they will not survive the fire. Dan Howell noted that what we are seeking is something that we can use to tell a story to the underwriters and show that we are actively trying to address our wildfire risk exposure. Using the CoreLogic risk score as a way to identify the highest risk locations and then look at the individual campuses to develop a long-term plan to prevent wildfires.

### **F.3. STRATEGIC PLANNING OBJECTIVES**

Marcus Beverly provided a quick review of the Strategic Planning Objectives that came out of the September meeting. There was a discussion of the need for ground up loss runs as well as the need for quarterly loss runs, as well as if there should be a process for the Property program related to loss reporting for the Retained Layer. It was noted that we can continue to develop after the meeting and bring back to the January meeting.

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#### **F.4. PROPERTY PROGRAM RENEWAL & TRENDING UPDATE**

Dan Madej provided a quick discussion as we get ready for the FY 23/24 Renewal and we will request data from members as we get closer to the renewal. Dan Howell noted that APIP has decided on 7.5% for Real Property and 7.5% for Personal Property and noted that we will have appraised values coming on after the new year. It was requested the SPA members determine the trend factors at the next meeting.

#### **F.5. TRANSITION TO ALLIANT CONNECT**

Michelle Minnick reminded the Board as the appraisals are completed and approved by each of the SPA members we are requesting that members transition to use of Alliant Connect Property Schedules and Alliant Connect Vehicle Schedules for property changes over the course of the year. Members were provided resources regarding the Alliant Connect Property Schedules and Alliant Connect Vehicle Schedules that can be distributed to your staff and membership. The Board was also notified that Michelle will be sending out a request to members to determine who maintains the schedule to set them up on the new platform as well as provide any training as needed.

#### **F.6. SPA MEMORANDUM OF UNDERSTANDING**

Marcus Beverly provided the Board with a quick review of the SPA MOU and noted that the purpose was intended as a group purchase arrangement and noted that SPA has now started to share risk in the Property Program. Program Administration was provided with direction to bring this back to the LRP meeting with the language cleaned up to match our other SPA documents. It was noted that you must join one of the two programs (either Liability or Property) in order to join other programs. Program Administration was provided with direction to bring this back to the January meeting on the Consent Calendar.

*A motion was made to approve the SPA MOU with the changes noted.*

**MOTION:** Cindy Wilkerson

**SECOND:** Christy Patterson

**MOTION CARRIED  
UNANIMOUSLY**

#### **F.7.A. PROPERTY PROGRAM POLICY & PROCEDURE – CLAIM PAYMENTS**

Dan Madej provided the Board with a review of the draft Policy & Procedure for review. He noted there is a need for policy related to the managing member advancing payment for losses that occur within the Retained Layer. It was noted that we will bring this back at the January Board meeting for final decision.

#### **F.7.B. PROPERTY PROGRAM POLICY & PROCEDURE – COC**

Dan Madej noted this is an action item as we are seeking to modify the Underwriting Policy rather than the MOC and the Board was asked to discuss the updated Policy. He noted that the SPA MOC allows for automatic inclusion of Course of Construction (COC) risks under \$25M but anything over that amount may need to be reviewed by the Board for review of the risk exposure and be considered for approval prior to adding it to the property program. After a discussion, direction

was provided to the Program Administration and it was requested that this item be brought back at the January Board meeting for final decision.

### **F.8. COST ALLOCATION: CONCEPTUAL QUESTIONS LTP**

It was mentioned that if we bring this item back in January we will not have received the updated loss data and members were advised to review the questions listed in the agenda in anticipation of this being presented at the January Board meeting for final decision.

### **F.9. LIABILITY PROGRAM UPDATE**

Jim Wilkey provided an update and mentioned that we previously talked about aggregate limits and the challenges that the market is still presenting to us.

### **G. FINANCIALS AS OF SEPTEMBER 30, 2022**

Phil Brown provided the Board with a review of the Financials as of September 30, 2022. The Audit was not yet available for this meeting as they were labeled as draft.

- Total assets of \$23.9 million (AR & prepaid insurance); total liabilities of \$19.6 million noting that the majority is deferred contributions
- The financial statements reflect an increase in net position of \$832,182
- Combined revenues recognized were \$6.4 million (\$4.7M property, \$1.7M liability)
- Combined expenses of \$5.6 million are mostly insurance premiums recognized (\$3.9M property, \$1.7M liability)
- Accrual of actuarial liabilities are not recorded at this time in addition to accruals from the June 30, 2022 actuarial report

There was a question regarding the appraisal process that RESIG is currently going through and noted a couple members with negative balances, it was noted that SPA started collecting on a 5-year collection schedule and since they were only 1-2 years into the 5-year collection of Appraisal cost they will pay the difference over time. It was also requested that any invoices that have been received for the appraisals be sent over. Lastly it was noted that RESIG appraisals should be completed by Thanksgiving, SIG has started and is on track to complete SIG by end of the year.

*A motion was made to approve the Financials as of September 30, 2022.*

**MOTION:** Cindy Wilkerson

**SECOND:** Kim Santin

**MOTION CARRIED  
UNANIMOUSLY**

### **H. INFORMATION ITEMS AND DISCUSSION**

There was no discussion.

### **I. ADJOURNMENT**

*A motion was made to Adjourn.*



## Schools Program Alliance

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**MOTION: Cindy Wilkerson**

**SECOND: Christy Patterson**

**MOTION CARRIED  
UNANIMOUSLY**

The meeting was adjourned at 12:44 P.M.

**NEXT MEETING DATE: January 9, 2023 via Teleconference**

Respectfully Submitted,

A handwritten signature in blue ink that reads 'Martin Brady'. The signature is written in a cursive style and is positioned above a horizontal line.

Martin Brady, Secretary  
3/1/2023

Date