
SCHOOLS PROGRAM ALLIANCE

August 30, 2021 Teleconference Board Meeting Minutes

Members Present:

Butte Schools Self-Funded Programs (BSSP)	Christy Patterson
North Bay Schools Insurance Authority (NBSIA)	Janet Selby
North Bay Schools Insurance Authority (NBSIA)	Brandon Schlenker
Redwood Empire Schools Insurance Group (RESIG)	Rose Burcina
Redwood Empire Schools Insurance Group (RESIG)	Steven Fields
Redwood Empire Schools Insurance Group (RESIG)	Sandy Manzoni
Schools Insurance Authority (SIA)	Martin Brady
Schools Insurance Authority (SIA)	Debrah Sherrington
Schools Insurance Authority (SIA)	Brooks Rice
Schools Insurance Group (SIG)	Cindy Wilkerson
Schools Insurance Group (SIG)	Nancy Mosier (late)

Consultants & Guests

Dan Madej, Alliant Insurance Services	Jim Wilkey, ABD (now Newfront Insurance)
Michelle Minnick, Alliant Insurance Services	Mark Stokes, ABD (now Newfront Insurance)
Dennis Mulqueeney, Alliant Insurance Services	Ryan Telford, AmWins
Jaesa Cusamino, Sedgwick	

A. CALL TO ORDER, ROLL CALL, QUORUM

Mr. Martin Brady called the meeting to order at 11:01 a.m. The above-mentioned members were present constituting a quorum.

A motion was made to approve the Agenda as posted.

MOTION: Christy Patterson SECOND: Janet Selby MOTION CARRIED UNANIMOUSLY

Dennis Mulqueeney provided notice that we inadvertently omitted an item and we will discuss the Active Shooter item later in the agenda.

B. PUBLIC COMMENT

There were no public comments.

C. CONSENT CALENDAR

1. Minutes of SPA Board Meeting August 2, 2021
2. Conflict of Interest Code

A motion was made to approve the Minutes.

MOTION: Janet Selby SECOND: Christy Paterson MOTION CARRIED UNANIMOUSLY

A motion was made to approve the Conflict of Interest Code.

MOTION: Janet Selby

SECOND: Cindy Wilkerson

**MOTION CARRIED
UNANIMOUSLY**

D. TOPICS FOR DISCUSSION

1. Potential Shared Services

a. Learning Management System (LMS) Shared Procurement

Members generally discussed services that could be shared amongst the membership. The first topic was a Learning Management System or Online Training that could be purchased by the SPA group instead of individual members of SPA purchasing different software from different vendors. Program Administration was provided with direction to investigate the companies the members are currently using for services: HourZero, VectorSolutions (parent company of Safe Schools which is only available to Keenan members), Public School Works to determine what services are offered and if it would be possible to create a one-stop shop for all the training needs.

Another service needed by the SPA Members was an HR Hotline as it was noted that several members use Patty Ayres who will be retiring in the future, date unknown at this time – members discussed the potential cost to replace those services and noted that additional information about the timing of retirement would help determine the next steps.

Members discussed the need of Shared Services for Building Systems to have a better understanding of what is needed as well as a SPA Wildfire Checklist (what to do in response to approaching wildfire) as well as a shared library of resources on the SPA website.

b. Enhanced Loss Control Services for Property Inspection

Members discussed the potential for enhanced loss control services such as the use of drones to complete roof cleanup and members were encouraged to reach out to the Program Administration if there are any members seeking to purchase a drone for this type of purpose. It was also noted that XMR has completed some assessments but the reports have not been delivered so it may be prudent to seek another vendor to complete these inspections to ensure timely receipt of the corresponding report, a suggested vendor was IEC.

2. Coverage Program Reviews, Development and Marketing

a. Liability Program

Jim Wilkey commended the board on their ability to launch the liability program and provided members with an opportunity to share thoughts about how the program is working for all participating members. Overall members expressed that they were very pleased with the outcome of the renewal due to the economies of scale and thanked the team for thinking of ways to keep dollars in our pockets.

Jim provided a review of the Excess Liability Program layers of coverage. Cindy Wilkerson noted that SIG group is thinking about approaching SPA to join the Excess Liability program excess of \$5M and members discussed if SPA can accommodate any new members for 2022 as the market is insisting upon aggregate limits and it is unclear if we are able to increase those at this time due to the hard market. After a general discussion, it was noted that SPA might need to create a Policy and Procedure that addresses the underwriting process. It was also noted that SPA may want to consider purchasing excess aggregates in addition to what is currently purchased. Lastly it was noted that SPA would need to develop an MOC which incorporates BASIC & SIA's MOC's so the market has just one MOC to review rather than 3 MOC's to review with a goal to complete by January 2023.

b. Property, APD, & Terrorism Program

Dan Howell noted that there are some losses that occurred but highlighted that we are not completely through the fire season yet. Members discussed the valuation of buildings and it was noted that Marshall and Swift have provided trend factors of 13% for Real and 6% for Personal which may change as the next quarter of trend factors is released. However, members were reminded that these trend factors are related to the cost of lumber, cost of labor, as well as demand for contractors and this may be a new normal for the foreseeable future. As a potential remedy it was discussed to move up the scheduled appraisals so they are completed sooner (rather than later) and use those in place of trended data. It was noted that once Fire and Hurricane season conclude we will have a better idea of what the market is going to do.

After a discussion members requested that Program Administration work to move up the scheduled appraisals with the intent to possibly use the appraisal data in place of a trend factor. Members additionally requested to review the Marshall & Swift Trend Factors going back 10 years.

c. Alliant Connect Property Schedules & Vehicle Schedules

It was noted that as we are still in a hard market the Program Administration would like to have consistency in the data to allow us to better market coverage for the coming year. After a discussion about the cost associated with Duff & Phelps trending the data in their system (while Alliant does not) members generally agreed to use the Alliant Connect Property Schedules to house the SPA Property Data and that members will transition to using the platform to make changes to their schedules. It was also noted that the Program Administration will be requesting the garaging addresses for all vehicles to help with marketing the coverage for FY 22/23.

d. Active Shooter Coverage/Alliant Deadly Weapons Response Program

Dennis Mulqueeny provided a review of the current Active Shooter Coverage in SPA Property Program and commented that the Alliant Deadly Weapons Response Program was created to address all the issues that come along with Active Shooter is not comparable to the coverage that SPA purchases currently. Members were asked to consider if the current property program coverage is sufficient or if the group was seeking broader coverage for additional premium dollars. After a discussion members generally agreed that this should be brought back at a future meeting as a potential enhancement in coverage at the SPA level.

e. New Member Marketing

Members discussed the potential to add new members to the SPA program and it was mentioned that it is always better if new members reached to the current membership rather than seeking out new members to join as loss history needs to be considered.

3. Financial Report

- a. Financials as of June 30, 2021**
- b. Ownership of Funds in the Retained Layer**
- c. Property Program Retained Layer Funding**
- d. Administration of Property Program**
- e. Administration of Liability Program**

Dan Howell provided the Board with the financial position of each member as of June 30, 2021 and members have asked about how the group would like to treat the Retained Risk Layer. The discussion centralized around the retained layer and if it is treated as a shared retained layer or a banking plan – as it stands funds are booked as an asset of each member and if treated as a shared layer then it would be booked as an expense. After a discussion, it was generally agreed that this would be a shared risk layer and a resolution would need to be drafted in the interim, to be presented to the Board for approval at the October meeting. It was also noted that the JPA Agreement could be restated to clarify the intent at a later date to include this change and so any additional changes can be incorporated, if needed, at that time. It was also

note that the Program Administration will draft and send out a letter to all, including Gilbert & Associates to notify of this clarification and separately SPA should consider a Target Funding Plan.

4. Property Program Loss Control Allocation

Dan Howell noted that members have been seeking a way to use more services and need to determine the amount available to members. Members were asked to consider if the Loss Control Fund is a shared bucket of funds available to any member who asks or if the funds should be member specific. It was asked if Alliant should track the overall expenses for the year, the overall general allocated expense of the loss control program and the amount delivered to members which would allow the group to annually amend, if needed, based on utilization rates. Members generally agreed that expenses should be tracked in this fashion. Lastly it was noted that the Appraisal budget was selected to ensure we had fund available to pay for the service but now that we are aware of the cost Program Administration would like to go back to see if the proposed allocation (based on TIV) is comparable to what was charged to members.

5. General Administration

a. SPA FY 21/22 Board Meeting Schedule

Members were notified that the meetings have not yet been set for the remainder of FY 21/22. After a discussion, it was generally agreed that the meetings shall occur on the second Monday of the month for the remainder of the fiscal year to be held via teleconference and cancelled if there is not enough substance. Program Administration agreed to send out teleconference invites after the meeting.

b. Discussion of Policies and Procedures, Roles and Responsibilities and Standing Committee/Task Groups

IT was noted that Marcus Beverly has been working on this list to ensure there is a queue of items including SIA's Policy & Procedure for Target Funding. The members were reminded that the policy and procedure each member has exist separate from SPA but there may be some that we would want to establish as SPA specific policies that relate to the Roles & Responsibilities of standing committee/task groups such as the Risk Management Committee. It was noted that as SPA won't exist as a separate legal entity so it's not subject to the CAJPA standards but we used their Accreditation process as a guide to model some of the SPA Policy & Procedures that apply to SPA separately (e.g. record retention policy).

c. Emerging Risks and Potential for SPA to Support New Members

Members were provided this time to discuss any potential emerging risks that members are concerned with. It was noted that Cyber is a large emerging risk as we are already seeing claims which is affecting the market. Members generally discussed drought/water issues, Pandemic, Fire and COVID-19. It was noted as we move toward the renewal members may be required to provide more detailed information (or items that should be addressed prior to 7/1) in order to quote coverages and avoid large premium increases. Members requested a task group be formed to identify the items that are mandatory and required for renewal so that information can be shared with the group as soon as possible. Members also were asked to consider the formation of a cyber pool, perhaps with a self-insured layer to help address the increases in the market that everyone is seeing and generally agreed this could address the issue. It was mentioned that Alliant is working on a common cyber application that can be used for all carriers.

E. SPA Committee and Staffing

1. SPA Program Staff

The Board was provided with a review of the staff servicing members for the SPA group.



Schools Program Alliance

c/o Alliant Insurance Services

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F. New Programs and/or Services

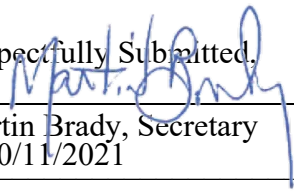
1. Ideas for Creation or Modification of SPA Program and/or Services

The Board discussed ideas for creation or modification of SPA programs and/or services. Cyber coverage and/or cyber services was discussed as a potential new coverage or service that would benefit members. It was mentioned there are self-assessment tools that are available online as well as on-site assessments where security experts develop a list of recommendations, which the member can take action on, it was noted this may require more coordination with the IT Managers and security experts to identify the highest priority items that will be most impactful on premiums.

A recess was called at 3:25pm and the Board will re-convene on August 30, 2021 at 8am.

NEXT MEETING DATE: Tuesday August 31, 2021 8 A.M.

Respectfully Submitted,



Martin Brady, Secretary
10/11/2021

Date