



**Schools Program Alliance**

c/o Alliant Insurance Services

Corporation Insurance License No. 0C36861

2180 Harvard Street, Suite 460, Sacramento, CA 95815

**SCHOOLS PROGRAM ALLIANCE**

**August 20, 2024 Long Range Planning & Board Of Directors 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>  | Craig Schweikhard  |
| <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>              | 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 Authority (SIA)</b>              | Olivia Nelson      |
| <b>Schools Insurance Group (SIG)</b>                  | Kelli Hanson       |
| <b>Schools Insurance Group (SIG)</b>                  | Gabbi Daniel       |
| <b>Central California Schools Authority (CCSA)</b>    | Alan Caeton        |

**Consultants & Guests**

- |  |                       |
|--|-----------------------|
| Dan Madej, Alliant Insurance Services        | Jim Wilkey, Newfront  |
| Dan Howell, Alliant Insurance Services       | Mark Stokes, Newfront |
| Michelle Minnick, Alliant Insurance Services | Ryan Telford, AmWins  |
| Marcus Beverly, Alliant Insurance Services   | Brian Frost, AmWins   |
| Jenna Wirkner, Alliant Insurance Services    |                       |

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

Ms. Cindy Wilkerson called the meeting to order at 10:03 a.m. and welcomed the board. The above-mentioned members were present constituting a quorum. Cindy provided a brief welcome to the Board and noted that there are lots of items to discuss and members were encouraged to participate.

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

**MOTION: Christy Patterson      SECOND: Kim Santin      MOTION CARRIED UNANIMOUSLY**

**B. PUBLIC COMMENT**

There were no public comments.

**C. CONSENT CALENDAR**



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1. Minutes of SPA Board Meeting June 10, 2024

*A motion was made to approve the Consent Calendar.*

**MOTION: Alan Caeton**

**SECOND: Kelli Hanson**

**MOTION CARRIED  
UNANIMOUSLY**

### **D. REGULAR MEETING ITEMS**

#### **D.1.A. FINANCIAL REPORT – MANAGING MEMBER FINANCIAL UPDATE AS OF JUNE 30, 2024**

Phil Brown provided the Board with notice that the financial statements are not available at this time but he did provide a summary update. He indicated that outstanding is the final development of the combined loss runs that will lead to actuarial analysis. There are still a couple claims outstanding and so they made some conservative estimates regarding those claims – overall the net position is set to increase by \$1.2M and within the Property Retained Layer is expected to surplus of \$800k leaving us with an ending net position of about \$3.3M. There was a brief discussion of some outstanding property claims reserves.

#### **D.1.B. QUARTERLY PROPERTY CLAIMS REPORT**

Marcus Beverly noted that we can table this for tomorrow as part of the updated Loss Run discussion. Dan Howell noted that in the most recent Loss Run there are a fair number of losses.

#### **D.2.A. CONFLICT OF INTEREST CODE**

Marcus Beverly noted this is presented bi-annually and confirmed there are no changes being requested at this time.

*A motion was made to approve.*

**MOTION: Brooks Rice**

**SECOND: Kim Santin**

**MOTION CARRIED  
UNANIMOUSLY**

#### **D.2.B. SPA PROPERTY MOC**

Dan Madej provided a review of the SPA Property MOC and noted that members have received a redline copy previously. He noted the list of high risk locations was added to the table and noted the deductibles as part of the discussion.

*A motion was made to approve.*

**MOTION: Brooks Rice**

**SECOND: Christy Patterson**

**MOTION CARRIED  
UNANIMOUSLY**

#### **D.2.C. ADD SPA BOARD MEETING FOR MONDAY OCTOBER 14, 2024**

Cindy Wilkerson noted that there was a gap between meeting dates (August to November), so we are



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proposing another meeting on October 14, 2024. After a discussion it was noted that October 14<sup>th</sup> doesn't work for members and other dates were proposed.

***A motion was made to add October 21<sup>st</sup> at 10am, delete the November 18th meeting and add another meeting on December 9<sup>th</sup> at 10am.***

**MOTION: Christy Patterson**

**SECOND: Brooks Rice**

**MOTION CARRIED  
UNANIMOUSLY**

**E.1. REVIEW OF FY 23/24 STRATEGIC PLANNING ACTION ITEMS**

Marcus Beverly provided a review of the FY 23/24 Strategic Planning Items and noted the status of outstanding items. Dan Howell noted that we accomplished a lot.

***A motion was made to accept.***

**MOTION: Christy Patterson**

**SECOND: Kelli Hanson**

**MOTION CARRIED  
UNANIMOUSLY**

**E.2. SPA GOVERNING DOCUMENTS REVIEW**

Dan Howell introduced Greg Rolen who provided comments regarding his review of the SPA operating documents. Greg Rolen indicated that after his review it appears this JPA is operating well and that everyone likes flexibility. He indicated that transparency is key and SPA is being transparent, with audits, underwriting documents and there are specific checks and balances built into this partnership JPA. The memorandum notes that if SPA grew there could be some consideration to change from a partnership to an entity JPA and members participated in a discussion with Greg Rolen. After a discussion it was generally agreed that SPA should explore the costs and steps needed to transition from a partnership JPA to an entity JPA. Greg Rolen also provided a review of his recommendations including an amendment to Resolution 21-012 as well as the need to annually have an open discussion item about who could function as the Managing Member. Additionally, a recommendation of a more robust agenda was brought up.

***A motion was made to accept and file the report and bring back on a future agenda the recommendations provided by Greg Rolen and provide staff's recommendations to address the potential transition to an entity JPA which includes a budget cost estimate.***

**MOTION: Christy Patterson**

**SECOND: Kim Santin**

**MOTION CARRIED  
UNANIMOUSLY**

**E.3. DISCUSSION OF POLICIES AND PROCEDURES, ROLES AND RESPONSIBILITIES AND STANDING COMMITTEES/TASK GROUP**

Cindy Wilkerson noted that this is an opportunity to discuss the many task groups and standing committees and if they should become more permanent or stay as they are.

Craig Schweikhard will take over as the Property Claims Task Force member in place of Kim Santin. After a discussion Jim Wilkey noted that it may be prudent to add a Claims Task Force for Liability Claims to discuss claims reporting requirements into the Excess Liability layer. It was



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mentioned if there was a Liability Claims Task Force it may need to include a closed session and be part of a Brown Act compliant meeting. After a discussion it was noted that the Property Task Force will continue to operate as is, coverage review will remain with the Board and staff was directed to draft a resolution at the October meeting to establish a Liability Claims Committee including scope and responsibilities for reporting up to the Board.

Cindy Wilkerson noted that the Ad Hoc Loss Prevention Committee was started to help develop a list of items that would encourage members to utilize their Loss Control funds to help prevent claims. It was noted that all members have money available and were encouraged to spend.

### **E.4.A.1. PROPERTY PROGRAM – HIGH RISK AND REMOTE LOCATIONS – PROPERTY LOSS CONTROL TASK FORCE**

Cindy Wilkerson, Chair of the task force, summarized the discussion regarding the list of items for loss control and noted that the loss control reports are not applicable to all members as each has their own needs/exposures. After looking at the losses there is no trend and discussions related to grant writing services. Items that will make the most impact for all the members are tree studies which was highlighted as a common exposure and perhaps also the use of a grant writer to help secure funds. Ryan Telford indicated that we have been so focused on wildfire and we are now moving into a more stable property market environment. He noted that we are in a good place and we don't need to try and re-appease the re-insurance markets on that front. Members were provided with their Loss Control Balances and after a discussion it was requested to add this to the Strategic Plan. Direction was also provided to the Task Force and Alliant to request updated Corelogic wildfire scores and to set up a Zoom with CoreLogic to review the calculation of wildfire scores.

### **E.4.A.2. PROPERTY PROGRAM – EVALUATION OF RETAINED LAYER RESULTS AND OUTLOOK FOR PROGRAM YEAR 25/26**

Dan Madej provided a review of the retained layer results and provided a review of the outlook for FY 25/26. Ryan Telford provided some commentary about how the SPA losses have developed and if there is a need to explore different ways to keep the \$3M aggregate. After a discussion direction was provided to program staff to continue to look for alternatives on the retained layer.

### **E.4.A.3. PROPERTY PROGRAM – REVIEW OF VACANCY PERMIT PROCESS AND AUTHORITIES TO GRANT REQUESTS – REVISED VACANCY PERMIT REQUEST**

Dan Howell provided the members with a review of revised vacancy permit to include a description of the location, name of the member, and the removal of Alliant staff so that members can return the form directly to the underlying members before submission to SPA staff.

*A motion was made to approve the new form, approval of the permit for Georgia Drive and notify SIA that Chuckwagon Drive does not need a permit due to being vacant land and the Board should provide the Chair with authority to approve vacancy permits.*

**MOTION: Brooks Rice**

**SECOND: Kelli Hanson**

**MOTION CARRIED  
UNANIMOUSLY**



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### **E.4.A.3. PROPERTY PROGRAM – REVIEW OF VACANCY PERMIT PROCESS AND AUTHORITIES TO GRANT REQUESTS –VACANCY PERMIT REQUEST FOR SIA**

This item was reviewed and included in the prior item.

### **E.4.A.6. PROPERTY PROGRAM – CONSIDERATION OF NEW MEMBERS FOR PROGRAM YEAR 24/25**

Alan Caeton noted that he likes to evaluate Property annually, we have a couple programs and solicited each member to being in both programs and I see that here with SPA. San Mateo was originally not in a position to move and we can reach out again to see if they are interested. There was mention of looking into the formation of a captive and start to include additional school pools in other states – it was mentioned this may be more of a 2 year long range action plan item to determine if SPA wants to look at forming a captive and include additional states school pools.

**At 2:34 pm on Tuesday August 20, 2024 the Board agreed to break for the day and return on Wednesday August 21, 2024.**

### **CALL TO ORDER**

Ms. Cindy Wilkerson called the meeting to order on Wednesday, August 21, 2024 at 9:01 a.m. and welcomed the board.

### **E.4.A.4. PROPERTY PROGRAM – COST ALLOCATION – REVISITING WITH ACTUARY AND AD HOC COMMITTEE**

Dan Madej started the conversation regarding the cost allocation model and discussed the components (Experience, Exposure, Underwriting Judgment, “Other”) and mentioned this was brought up this in 2022 and needs to be revisited now that we have almost 5 yrs of data SPA Data. After a brief discussion it was recommended to form an Ad Hoc committee and including the Actuary Chris Nahas to help direct that review. Kelli Hanson was appointed as the Chair and the following will serve on the Ad Hoc Committee: Phil Brown, Christy Patterson, Kelli Hanson and Craig Schweikhard.

### **E.4.A.5 PROPERTY PROGRAM – PROPERTY CLAIMS SERVICE INSTRUCTIONS AND ADMINISTRATION**

Dan Howell noted that some items have come up on these claims as our claims seem to be more challenging claims so what has become apparent SPA needs something other than a Bob Frey to perform Broker Claims advocacy. Dan noted that we have drafted the Client Service Instructions which provides instructions on how to handle our Property Claims who understands Property losses and adjusting property claims to keep it moving forward so it won't get stuck also including an Administrative Role and making payments and reconciling the loss runs. Brooks Rice provided they have a person at SIA who may be able to start helping in this capacity. After a discussion it was generally agreed that the reinsurance relationship is between the pool and SPA and the carriers and members seemed in favor of using the SIA employee to act as the advocate for SPA. The Program Administration was provided with direction to bring the Claims Service Instructions back



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to the Board at a later meeting as well as a Resolution to memorialize the change and to set up a meeting with the McLarens team. Additionally, it was noted that SPA should consider retaining their own coverage council as a strategic item. Members were asked to share any input on the Claims Service Instructions to be incorporated into a future version presented at the October meeting.

### **E.4.A.7. PROPERTY PROGRAM – APPLICATION OF DEDUCTIBLES FOR MULTI-MEMBER CAT’S**

Dan Howell provided that one incident involved multiple members that have been impacted by one CAT loss and SIA choose not to trigger the excess coverage and instead treated the snow storm claims as individual members losses (not as one CAT loss). After a discussion it was agreed that Program Administration should provide some hypothetical modeling to be presented at the October meeting to determine approximately how much more the loss would have incurred and how much the impact would have been to SPA.

### **E.4.A.8. PROPERTY PROGRAM – APPROVAL OF PROPERTY PROGRAM CLAIMS PAYMENTS**

Phil Brown in the packet noted there are 2 claim payments have been approved by Board and is being presented for final approval.

*A motion was made to approve the claim payments as presented.*

**MOTION: Christy Patterson**

**SECOND: Kelli Hanson**

**MOTION CARRIED  
UNANIMOUSLY**

### **E.4.B.1. LIABILITY PROGRAM – SPA LOSS REVIEW**

Jim Wilkey provided the Board with an update regarding the Excess Liability Program (BASIC & SIA) and provided a presentation regarding the SPA Actuarial Liability Loss Trends. Brian Frost provided additional comments regarding how carriers are looking at loss history as compared to how actuaries view data. It was noted there is a difference between reporting a claim and putting a carrier on notice and they would like to help determine what qualifies as something that we need to put the carriers on notice.

### **E.4.B.2. LIABILITY PROGRAM –REVIEW OF 7/1/2024 RENEWAL**

Jim Wilkey and Brian Frost from AmWins led a discussion related to the Excess Liability program and what items went well and what could be improved for the next renewal. He noted that they focused on one carrier (USQ is an MGA) – Nationwide and it was determined that once we went through the chains when it got to the upper levels which then came back and said they are not comfortable with Public Entity exposure. It was mentioned the Newfront team will be working to secure quotes for the renewal. If we could improve our loss history we could see some better response. Jim indicated they were able to switch to renew the tower with a 10-11% increase and an increase of \$500k in limits. Brian and Jim indicated that they will be at CAJPA and they are still working on the alternative risk financing.



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### **E.4.B.3. LIABILITY PROGRAM – 7/1/2025 RENEWAL PLANNING**

Jim Wilkey provided the Board with a review of the cover letter that is submitted to the markets as it was noted that some underwriters need to be educated on JPA's and what they are, how they function. There was a discussion of marketing items that can be added to the submission to underwriters to show efforts being made by our members and how those are helping to control exposures. Jim Wilkey then provided a review (BASIC and SIA) of the renewal timeline as they are seeking to get all underlying members bound up to \$5M as soon as possible. He additionally noted any changes to underlying MOC's should be submitted prior to going to market. It was requested items be returned by 1/10/25. He indicated that by April 1 they should have quotes for all underlying \$5M members. There was mention of potentially moving SPA SAM coverage from Occurrence to Claims Made and after a discussion it was noted that no underlying JPAs' are considering a change from Occurrence basis to Claims Made coverage at this time and it was confirmed that there is no need to change to occurrence based coverage at this time.

### **E.4.B.4. LIABILITY PROGRAM – UPDATE ON ALTERNATIVE FINANCING OPTIONS**

Jim Wilkey noted that underlying members that their respective BOD's are requesting to look at higher limits for Liability and we were working to provide more limits at this renewal and at the next renewal we are shooting for more than \$32.5M. There was a discussion of potential structured deals that would help to support increasing the overall limit and they are exploring all options and they will bring alternatives for the Board to review.

### **E.4.B.5. LIABILITY PROGRAM – REVIEW OF AGGREGATE EROSION POLICY**

Jim Wilkey reminded members that this policy exists and in place.

### **E.4.B.6. LIABILITY PROGRAM – GROWTH OF EXCESS LIABILITY PROGRAM**

Jim Wilkey wanted to reconfirm that SPA is not seeking to grow with new members due to the aggregate in place. It was discussed and noted that any growth has to make sense and if it strengthened the pool it may be acceptable but new members need to be evaluated for an appropriate fit. It was mentioned a Liability Underwriting policy should be developed for the SPA group.

## **F. SPA COMMITTEE AND STAFFING**

### **F.1. SPA PROGRAM STAFF**

Dan Howell noted that we have discussed changing roles with Josh and what we are wanting to do is redo the organizational chart, one for each line of coverage (Property, Liability) and include in the agenda packets.

## **G. NEW PROGRAMS AND/OR SERVICES**

### **G.1. NEW PROGRAMS AND/OR SERVICES – DISCUSSION ON EMERGING RISKS AND IDEAS FOR CREATION OR MODIFICATION OF SPA**



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The Board participated in a freeform discussion and several ideas were discussed – the first mentioned was a rolling OCIP program to offer items to our members rather than having members go outside the program. Student Accident Program and Pollution was also discussed and members were asked to determine what the underlying members are doing so we can determine if we are able to offer this for the next academic year. Additionally, members discussed re-exploring the concept of a Cyber placement with more focus on Cyber security.

### **I. PROJECTS TO BE INCLUDED OF THE FY 23/24 SPA LONG RANGE ACTION PLAN**

Members quickly reviewed a list of action items that were discussed during the meeting – it was additionally noted that a Strategic Action Plan will be provided at the next SPA Board meeting in October.

### **H. INFORMATION ITEMS**

Items were shared with the Board to review – there was no discussion on this item.

### **I. REVIEW OF MEETING DISCUSSIONS AND IDENTIFICATION OF ITEMS FOR SPA LONG RANGE ACTION PLAN**

Dan Howell led the group in a discussion about the discussions over the course of the meeting and asked the Board to provide feedback and items of opportunity. Program Administration was provided with direction and will share the Strategic Planning List at the next Board meeting. Additionally, it was noted there are three Ad Hoc Committees created during the planning. Liability Claims Committee – separate from Property Task Group, Separate from Loss Control Ad Hoc.

**NEXT MEETING DATE: November 13, 2024 via Teleconference**

Respectfully Submitted,

Signed by:

*Cindy Wilkerson*

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Cindy Wilkerson, Secretary

4/3/2025

Date

### **J. ADJOURNMENT**

The meeting was adjourned at 1:38 P.M.