
MINUTES OF THE
BOARD OF DIRECTORS

September 23, 2024

VOTING MEMBERS PRESENT:

Allan Hancock Joint Community College District	Dennis Curran	Alternate
Buellton Union School District	Randy Haggard	Director
Carpinteria Unified School District	James Pettit	Director
Cold Spring School District	Maureen Fitzgerald	Director
Cuyama Joint Unified School District	LeAnn Zayasbazan	Director
Goleta Union School District	Conrad Tedeschi	Director
Montecito Union School District	Anthony Ranii	Director
Santa Barbara County Education Office (SBCEO)	Araceli Vasquez	Treasurer
Santa Maria Joint Union High School District	Cesar Lugo	Alternate
Santa Maria-Bonita School District	Javier Cavazos	Alternate
Santa Ynez Valley Union High School District	Elysia Lewis	President
Solvang School District	Carla Benevedo	Director
Special Education Local Plan Area (SELPA)	Rachel Wigle	Alternate
Vista Del Mar Union School District	Bree Valla	Director

VOTING MEMBERS ABSENT:

Ballard School District
Blochman Union School District
College School District
Guadalupe Union School District
Hope School District
Lompoc Unified School District
Los Olivos School District
Orcutt Unified School District

OTHERS PRESENT:

Alliant Insurance Services	Angela Hatley
Johnson Schachter & Lewis	Kellie Murphy
Perr & Knight	Mitch Paden
	Davin Hines
	Stephen Yao
Risk Program Administrators	Amber Anderson
	Nilsa Quandt
SBCEO	Keith Cox
Solvang School District	Hector Herrera
Workers' Compensation Administrators	Bruce White

1. CALL TO ORDER

Board President Elysia Lewis called the meeting to order at 9:34 a.m.

2. ESTABLISHMENT OF QUORUM & INTRODUCTIONS

Amber Anderson, Program Administrator, performed a roll call and quorum was established.

Ms. Anderson introduced the following Board Members as first time attendees:

- James Pettit, a new Director representing Carpinteria Unified School District.
- Maureen Fitzgerald, former Director returning to now represent Cold Spring School District.
- Cesar Lugo, a new board member representing Santa Maria Joint Union High School District.
- Carla Benevedo, a current Director representing Solvang School District.

3. PUBLIC COMMENTS

There were no public comments.

4. APPROVAL OF THE AGENDA AS POSTED

Motion made by Randy Haggard, Buellton Union High School District, seconded by Anthony Ranii, Montecito Union School District, to approve the agenda as posted.

Motion passed unanimously by all voting members present, with representatives from Allan Hancock Joint Community College District, Buellton Union School District, Carpinteria Unified School District, Cold Spring School District, Cuyama Joint Unified School District, Goleta Union School District, Montecito Union School District, SBCEO, Santa Maria Joint Union High School District, Santa Maria-Bonita School District, Santa Ynez Valley Union High School District, Solvang School District, SELPA, and Vista Del Mar Union School District voting “aye.”

5. CONSENT CALENDAR

Motion made by Anthony Ranii, Montecito Union School District, seconded by James Pettit, Carpinteria Unified School District, to approve: A) Minutes of the May 13, 2024 Board Meeting, and B) Warrants for May through August 2024 and receive and file items: C) Actuarial Reporting - Agreement for Services, D) Excess Workers Compensation Premium Audit Update for 2023-24, E) Approved Safety & Health Management Minutes - April 18, 2024, F) Annual Safety Awards for 2023-24, G) Safety Incentive Program Funds Usage as of June 30, 2024, H) Education & Training Opportunities, and I) Annual Agenda Items Overview.

Motion passed unanimously by all voting members present, with representatives from Allan Hancock Joint Community College District, Buellton Union School District, Carpinteria Unified School District, Cold Spring School District, Cuyama Joint Unified School District, Goleta Union School District, Montecito Union School District, SBCEO, Santa Maria Joint Union High School District, Santa Maria-Bonita School District, Santa Ynez Valley Union High School District, Solvang School District, SELPA, and Vista Del Mar Union School District voting “aye.”

6. OPEN SESSION

A. Draft Actuarial Report as of June 30, 2024

Mitch Paden, Perr & Knight Actuarial Consultant, briefed the Board as to his findings on the draft SB SIPE Actuarial Analysis as of June 30, 2024. He stated that the actuarial estimate of the SIPE's total outstanding liabilities as of June 30, 2024 is \$20.2 million. This amount consists of \$14.0 million in case reserves, \$5.5 million in IBNR reserves, and \$0.7 million in unallocated loss adjustment expense reserves. Any adverse development was at least partially offset by an increase in the discount rate from 2.2% to 3% due to large increases in the government bond yields since prior analysis.

Staff confirmed that the report would be finalized as-is and delivered at the following meeting.

Motion made by Anthony Ranii, Montecito Union School District, seconded by Randy Haggard Buellton Union High School District, to finalize the SIPE Workers' Compensation Actuarial Report as of June 30, 2024.

Motion passed unanimously by all voting members present, with representatives from Allan Hancock Joint Community College District, Buellton Union School District, Carpinteria Unified School District, Cold Spring School District, Cuyama Joint Unified School District, Goleta Union School District, Montecito Union School District, SBCEO, Santa Maria Joint Union High School District, Santa Maria-Bonita School District, Santa Ynez Valley Union High School District, Solvang School District, SELPA, and Vista Del Mar Union School District voting "aye."

B. Election of Officers

Ms. Anderson reminded the Board that every two years an election is held to approve the slate of officers new two-year terms. The current officers terms were elected on September 19, 2022, with terms expiring on June 30, 2024. The current officers, Elysia Lewis (Board President), Nicole Evenson (Vice President) and Araceli Vasquez (Secretary/Treasurer) have all agreed to continue to service in their respective roles.

No alternative members were nominated.

Motion made by Randy Haggard, Buellton Union High School District, seconded by Anthony Ranii, Montecito Union School District, to approve Elysia Lewis as Board President, Nicole Evenson as Vice President and Araceli Vasquez as Secretary/Treasurer for one two-year term expiring on June 30, 2026.

Motion passed unanimously by all voting members present, with representatives from Allan Hancock Joint Community College District, Buellton Union School District, Carpinteria Unified School District, Cold Spring School District, Cuyama Joint Unified School District, Goleta Union School District, Montecito Union School District, SBCEO, Santa Maria Joint Union High School District, Santa Maria-Bonita School District, Santa Ynez Valley Union High School District, Solvang School District, SELPA, and Vista Del Mar Union School District voting "aye."

C. Ratification of Trustees Errors & Omissions Coverage for 2024-25

Ms. Anderson stated that at the time of the last board meeting held on May 13, 2024, a final quote was not yet available for the Trustees Errors and Omissions Coverage for the 2024-25 program year. During the May meeting, Angela, Hatley, Broker, provided an estimate of a 10% increase upon renewal of the coverage line with Alliant Insurance Services via the Alliant Public Pool Liability

Program (APPL). Ms. Anderson advised that the renewal came in flat and an invoice was delivered totaling \$19,346.

Ms. Hatley provided an overview of the Trustees Errors and Omission coverage for new board members present.

Motion made by James Pettit, Carpinteria Unified School District, seconded by Dennis Curran, Allan Hancock Joint Community College District, to ratify the Trustees Errors & Omissions coverage with the APPL program for the 2024-25 program year.

Motion passed unanimously by all voting members present, with representatives from Allan Hancock Joint Community College District, Buellton Union School District, Carpinteria Unified School District, Cold Spring School District, Cuyama Joint Unified School District, Goleta Union School District, Montecito Union School District, SBCEO, Santa Maria Joint Union High School District, Santa Maria-Bonita School District, Santa Ynez Valley Union High School District, Solvang School District, SELPA, and Vista Del Mar Union School District voting “aye.”

D. Medicare Claims Reporting Update - CMS Conditional Payments

Bruce White, Workers' Compensation Administrators, stated SIPE had received sixteen Conditional Payment Notices by CMS in 2024. Mr. White reviewed the reporting requirements, obligations and discussed how to respond moving forward. After some discussion the board directed Mr. White to follow his current procedures and revisit this topic at its March 2025 Strategic Planning and Board Meeting.

Information only, no action required.

E. Discussion of AB 1870 – Updates to “Employee Notice”

Ms. Hatley reminded the Board that all employers are required under Labor Code to provide every new employee, either at the time of hire or by the end of the first pay period, written notice about their workers' compensation rights and obligations regarding workers' compensation. In July 2024, Assembly Bill 1870 passed, making changes to the DWC-7 Employee Notice (also known as the “Posting Notice”). While changes are minimal, it mandates updates to language advising employees that they have the right to retain counsel for workers' compensation injuries and that attorney fees will be paid from the injured employee's recovery. The revised “Employee Notice” is required to be posted in English and Spanish in a conspicuous place beginning January 1, 2025.

Stall will be monitoring the DIR website for AB 1870 language and will provide it to the Board once it's available.

Information only, no action required.

F. Loss Control Update

Keith Cox, Loss Control Manager, presented an update on training and services provided to Members since the last Board meeting.

Information only, no action required.

G. Claims Administration Update

Mr. White provided a claims update for the Board, reviewing the number and type of open claims and closed claims.

Information only, no action required.

7. CLOSING COMMENTS

None

8. ADJOURNMENT

The meeting was adjourned at 11:15 a.m.