



SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY EXECUTIVE COMMITTEE MEETING AGENDA

LOCATION: Zoom

A - Action
I - Information

DATE/TIME: March 11, 2021
9:30 A.M.

1 - Included
2 - Hand Out
3 - Separate
4 - Verbal

Per Government Code 54954.2, persons requesting disability related modifications or accommodations, including auxiliary aids or services, in order to participate in the meeting are requested to contact Joan Crossley at Alliant Insurance Services, Inc. at (916) 643-2708.

Documents and material relating to an open session agenda item that are provided to the SBASIA Executive Committee less than 72 hours prior to a regular meeting will be available for public inspection and copying at 2180 Harvard St, Suite 460, Sacramento, CA 95815.

Page

A. CALL TO ORDER

B. ROLL CALL **A 4**

C. APPROVAL OF AGENDA **A 1**

D. PUBLIC COMMENT

This time is reserved for members of the public to address the Executive Committee on SBASIA business.

1 **E. CONSENT CALENDAR** **A 1**

- 2-3* **1. Executive Committee Meeting Minutes – December 3, 2020**
4-10 **2. Financial Report for Quarter Ending December 31, 2020**

F. GENERAL ADMINISTRATION

11-22 **1. Financial Auditor Contract with James Marta & Co.** **A 1**
Staff will present the renewal contract for the financial audits as of June 30, 2021, 2022 & 2023.



South Bay Area Schools Insurance Authority
Executive Committee Meeting
March 11, 2021

- | | | | |
|---------------------|---|---|---|
| 23 | 2. Slate of Officers for June 10, 2021 Meeting
<i>Staff and the Executive Committee will discuss developing a slate of officers for the June Board meeting.</i> | I | 1 |
| 24-33 | 3. COVID-19 Update
<i>Staff will discuss impact of COVID-19 on insurance and whether the JPA would like any COVID-19 related training.</i> | I | 1 |
| G. FINANCIAL | | | |
| 34-40 | 1. Hard Insurance Market Overview
<i>Staff will present an overview of the hard insurance market.</i> | I | 1 |
| 41 | 2. Preliminary Revenue and Expense Budget for July 1, 2021-2022
<i>Staff will present a preliminary budget for the July 1, 2021-2022 program year.</i> | I | 1 |
| 42 | 3. Sublimit for Injunctive Relief Defense Costs
<i>The Executive Committee should decide whether the JPA wants to add a sublimit for injunctive relief defense costs.</i> | A | 1 |
| 43-44 | 4. Five Year Loss Control Plan – Year 4
<i>Staff and the Executive Committee will discuss issuing a RFP for the fourth year of the loss control plan.</i> | I | 1 |

H. COMMENTS FOR THE GOOD OF THE ORDER

ADJOURNMENT

NEXT MEETING

The next Executive Committee Meeting is set for May 6, 2021 at 9:30 a.m.



Agenda Item E.

CONSENT CALENDAR

ACTION ITEM

ISSUE: The Executive Committee should review the Consent Calendar and pull any items that need discussion. Otherwise, the Executive Committee should adopt the Consent Calendar as presented.

RECOMMENDATION: The Program Administrator recommends adoption of the Consent Calendar items as presented.

FISCAL IMPACT: None.

BACKGROUND: The following items are placed on the Consent Calendar for adoption by the Executive Committee. The Executive Committee may accept the Consent Calendar as posted, or pull any item for discussion and separate action while accepting the remaining items.

- 1. Executive Committee Meeting Minutes – December 3, 2020**
- 2. Financial Report for Quarter Ending December 31, 2020**

ATTACHMENTS: Executive Committee Meeting Minutes – December 3, 2020
Financial Report for Quarter Ending December 31, 2020



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
EXECUTIVE COMMITTEE MEETING MINUTES
WEBEX MEETING
December 3, 2020**

MEMBERS PRESENT

Eric Dill, President, Santa Clara County Office of Education
Delores Perley, Vice President, Los Gatos-Saratoga Joint Union High School District
Mike Mathiesen, Treasurer, Mountain View-Los Altos Union High School District
Ron Lebs, Secretary, Metropolitan Education District
Wendy Zhang, Member at Large, Milpitas Unified School District

MEMBERS ABSENT

None

GUESTS & CONSULTANTS

Matt Gowan, Alliant Insurance Services
Joan Crossley, Alliant Insurance Services
Eric Bengtson, Davis & Young

A. CALL TO ORDER

The meeting was called to order at 9:33 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: Mike Mathiesen	SECOND: Ron Lebs	MOTION CARRIED
AYES: 5	NOES: 0	ABSENT: 0
	ABSTAIN: 0	

AYES: Dill, Perley, Mathiesen, Lebs, Zhang

NAYS: None

ABSENT: None

D. PUBLIC COMMENT

There were no public comments.

E. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.95

- 1. Adams v. Metropolitan Education District**
- 2. Doe v. Milpitas Unified School District**

The Executive Committee went into closed session at 9:34 a.m.

The Executive Committee returned from closed session at 9:59 a.m.



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
EXECUTIVE COMMITTEE MEETING MINUTES
WEBEX MEETING
December 3, 2020**

AYES: Dill, Perley, Mathiesen, Lebs, Zhang
NAYS: None
ABSENT: None

F. PRESIDENT’S REPORT ON ACTION FROM CLOSED SESSION

Mr. Eric Dill reported that the Executive Committee took appropriate action to approve settlement.

G. CONSENT CALENDAR

1. Executive Committee Meeting Minutes – October 8, 2020

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

MOTION: Mike Mathiesen	SECOND: Ron Lebs	MOTION CARRIED
AYES: 5	NOES: 0	ABSENT: 0
	ABSTAIN: 0	

AYES: Dill, Perley, Mathiesen, Lebs, Zhang
NAYS: None
ABSENT: None

H. GENERAL ADMINISTRATION

1. Review of Board Agenda Items

The meeting came to an end before this item could be discussed.

I. COMMENTS FOR THE GOOD OF THE ORDER

There were no comments for the good of the order.

ADJOURNMENT

The meeting was adjourned at 10:00 a.m.

South Bay Area Schools Insurance Authority
Statement of Net Position
As of December 31, 2020 and December 31, 2019

	<u>December 31, '20</u>	<u>December 31, '19</u>
ASSETS		
Current Assets		
Checking/Savings		
WFB - Santa Clara County	\$ 4,003,661.81	\$ 3,934,212.87
WFB - Transfer Account	3,164.36	3,164.36
B of A Claims Trust Account	79,020.13	96,200.05
B of A - General Checking	3,271,186.67	2,141,914.22
Total Checking/Savings	<u>7,357,032.97</u>	<u>6,175,491.50</u>
Accounts Receivable		
Accounts Receivable		
Claim Recovery Receivable	461,873.96	1,042,348.51
Member Premiums	-	-
Claims Deductibles	382,509.85	298,083.58
Total Accounts Receivable	<u>844,383.81</u>	<u>1,340,432.09</u>
Total Accounts Receivable	<u>844,383.81</u>	<u>1,340,432.09</u>
Total Current Assets	8,201,416.78	7,515,923.59
Other Assets		
Interest Receivable	-	-
Prepaid Expenses		
Prepaid Contract Administration	119,000.00	119,000.00
Prepaid Excess Insurance	2,149,048.33	1,579,158.68
Total Prepaid Expenses	<u>2,268,048.33</u>	<u>1,698,158.68</u>
Total Other Assets	<u>2,268,048.33</u>	<u>1,698,158.68</u>
TOTAL ASSETS	<u>\$ 10,469,465.11</u>	<u>\$ 9,214,082.27</u>

South Bay Area Schools Insurance Authority
Statement of Net Position
As of December 31, 2020 and December 31, 2019

	<u>December 31, '20</u>	<u>December 31, '19</u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable	\$ -	\$ -
Dividends Payable	-	-
Claims Reserves	1,773,840.25	2,471,374.66
Deferred Revenue	3,267,929.41	2,579,339.96
Total Current Liabilities	<u>5,041,769.66</u>	<u>5,050,714.62</u>
Total Current Liabilities	5,041,769.66	5,050,714.62
 Long Term Liabilities		
IBNR	3,086,262.95	2,922,081.81
Unallocated Loss Adjustment	486,000.00	539,000.00
Total Long Term Liabilities	<u>3,572,262.95</u>	<u>3,461,081.81</u>
Total Liabilities	<u>\$ 8,614,032.61</u>	<u>\$ 8,511,796.43</u>
 NET POSITION		
Reserve for Shock Loss	2,500,000.00	2,500,000.00
Unrestricted Net Position	(633,205.12)	(1,219,894.78)
Net Revenue Over Expenditures	(11,362.38)	(577,819.38)
Total Net Position	<u><u>\$ 1,855,432.50</u></u>	<u><u>\$ 702,285.84</u></u>

South Bay Area Schools Insurance Authority
Statement of Revenue, Expenses, and Changes in Net Position
For the Quarter and Year to Date Ended December 31, 2020 and December 31, 2019

	<u>Oct '20 - Dec '20</u>	<u>Jul '20 - Dec '20</u>	<u>Jul '19 -Dec '19</u>
Revenue			
Member Contributions			
Liability Contributions	\$ 4,039.00	\$ 1,150,164.00	\$ 452,500.00
Property Contributions	575,082.00	973,545.00	744,213.50
Crime Policy	486,772.50	17,194.00	16,375.00
Deadly Weapon Response Program	8,597.00	8,078.00	7,601.50
Administration	111,974.75	223,949.50	256,962.50
Loss Funding	447,500.00	895,000.00	1,101,687.50
Member Contributions - Other			
Total Member Contributions	<u>1,633,965.25</u>	<u>3,267,930.50</u>	<u>2,579,340.00</u>
Interest Income	<u>14,009.11</u>	<u>30,303.02</u>	<u>43,034.80</u>
Total Income	<u>1,647,974.36</u>	<u>3,298,233.52</u>	<u>2,622,374.80</u>
Expense			
General & Administrative			
General Expenses			
Accounting Services	8,450.61	16,887.01	16,310.72
Accreditation Fee	-	-	-
Actuarial Study	-	-	-
Administrative Consulting	-	-	7,500.00
Audit Expense - Financial	9,965.00	13,965.00	12,000.00
Audit Expense - Claims	-	-	-
Bank Service Charges	-	50.14	10.26
Conference	-	-	-
Contingency	-	-	-
Dues & Membership	1,500.00	1,500.00	1,250.00
Miscellaneous	-	-	-
Legal Expense - JPA	20,050.56	20,050.56	96.00
Loss Control	-	-	152,250.00
Supplies, Postage, Misc Expense	-	-	-
Website	-	-	-
Total Administration	<u>167,856.17</u>	<u>226,842.71</u>	<u>189,416.98</u>
Program Administration			
Claims Management Fees	19,500.00	39,000.00	39,000.00
Contract Administration	40,000.00	80,000.00	80,000.00
Total Program Administration	<u>59,500.00</u>	<u>119,000.00</u>	<u>119,000.00</u>
Total General and Administrative Expenses	<u>227,356.17</u>	<u>345,842.71</u>	<u>308,416.98</u>
Insurance Expense			
Excess Liability Policy	272,033.75	544,067.50	451,280.50
SELF Contributions	303,082.03	606,164.06	359,687.58
Excess Property Policy	486,772.50	973,545.00	744,213.90
Crime Policy	8,597.00	17,194.00	16,375.00
Deadly Weapons Response Program	4,038.88	8,077.76	7,601.72
Total Insurance Expense	<u>1,074,524.16</u>	<u>2,149,048.32</u>	<u>1,579,158.70</u>
Claims Expenses			
Claims Payments	442,583.76	636,306.04	658,370.08
Claims Adjustment Account	(68,722.14)	178,398.83	654,248.42
Total Claims Expenses	<u>373,861.62</u>	<u>814,704.87</u>	<u>1,312,618.50</u>
Dividends	-	-	-
Total Expenses	<u>1,675,741.95</u>	<u>3,309,595.90</u>	<u>3,200,194.18</u>
Net Revenue Over (Under) Expenses	<u><u>\$ (27,767.59)</u></u>	<u><u>\$ (11,362.38)</u></u>	<u><u>\$ (577,819.38)</u></u>
 Net Postion, Beginning		<u><u>\$ 1,866,794.88</u></u>	<u><u>\$ 1,280,105.22</u></u>
 Net Position, Ending		<u><u>\$ 1,855,432.50</u></u>	<u><u>\$ 702,285.84</u></u>

South Bay Area Schools Insurance Authority
Statement of Revenues and Expenses - Budget vs. Actual
Year to Date Ended December 31, 2020

	Jul '20 - Dec '20	Budget	\$ Over Budget	% of Budget
Revenue				
Member Contributions				
Liability Contributions	\$ 1,150,164.00	\$ 2,300,328.00	\$ (1,150,164.00)	50.0%
Property Contributions	973,545.00	1,947,090.00	(973,545.00)	50.0%
Crime Policy	17,194.00	34,388.00	(17,194.00)	50.0%
Deadly Weapons Response Program	8,078.00	16,156.00	(8,078.00)	50.0%
Administration	223,949.50	447,899.00	(223,949.50)	50.0%
Loss Funding	895,000.00	1,790,000.00	(895,000.00)	50.0%
Total Member Contributions	3,267,930.50	6,535,861.00	(3,267,930.50)	50.0%
Interest Income	30,303.02	-	30,303.02	0.0%
Total Income	3,298,233.52	6,535,861.00	(3,237,627.48)	50.5%
Expense				
General & Administrative				
General Expenses				
Accounting Services	16,887.01	33,516.00	(16,628.99)	50.4%
Actuarial Study	-	-	-	0.0%
Appraisal Services	174,390.00	155,000.00	19,390.00	112.5%
Administrative Consulting	-	-	-	0.0%
Audit Expense - Financial	13,965.00	13,965.00	-	100.0%
Audit Expense - Claims	-	4,000.00	(4,000.00)	0.0%
Bank Service Charges	50.14	-	50.14	0.0%
Conference	-	-	-	0.0%
Contingency	-	-	-	0.0%
Dues & Membership	1,500.00	1,250.00	250.00	120.0%
Legal Expense - JPA	20,050.56	2,000.00	18,050.56	1002.5%
Loss Control	-	-	-	0.0%
Meeting Expense	-	-	-	0.0%
Website	-	168.00	(168.00)	0.0%
Total Administration	226,842.71	209,899.00	16,943.71	108.1%
Program Administration				
Claims Management Fees	39,000.00	78,000.00	(39,000.00)	50.0%
Contract Administration	80,000.00	160,000.00	(80,000.00)	50.0%
Total Program Administration	119,000.00	238,000.00	(119,000.00)	50.0%
Total General and Administrative Expenses	345,842.71	447,899.00	(102,056.29)	77.2%
Insurance Expense				
Excess Liability Policy	1,150,231.56	2,300,328.00	(1,150,096.44)	50.0%
Excess Property Policy	973,545.00	1,947,090.00	(973,545.00)	50.0%
Crime Policy	17,194.00	34,388.00	(17,194.00)	50.0%
Deadly Weapons Response Program	8,077.76	16,156.00	(8,078.24)	50.0%
Total Insurance Expense	2,149,048.32	4,297,962.00	(2,148,913.68)	50.0%
Claims Expenses				
Claims Payments	636,306.04	1,790,000.00	(1,153,693.96)	35.5%
Claims Adjustment Account	178,398.83	-	178,398.83	0.0%
Total Claims Expenses	814,704.87	1,790,000.00	(975,295.13)	45.5%
Dividends	-	-	-	0.0%
Total Expenses	3,309,595.90	6,535,861.00	(3,226,265.10)	50.6%
Net Revenue Over (Under) Expenses	\$ (11,362.38)	\$ -	\$ (11,362.38)	0.0%

South Bay Area Schools Insurance Authority
Check Register - Carl Warren Trust Account
Oct 1, 2020 - Dec 31, 2020

Check	Payee	Check Date	DOL	Claim	Cov	Claimant	Action Code	Amount	Loss	Expense
20133	SAMUELSON, WILSON & ROE	10/6/2020	5/5/2016	1937203	BODIL	1 AZARCON, JOMAR	Payment	\$11,037.00	\$0.00	\$11,037.00
20134	MADSEN, KNEPPERS & ASSOCIATES, INC.	10/13/2020	11/30/2017	1973698	ALL R	1 SARATOGA HIGH SCHOOL, .	Payment	\$3,461.00	\$0.00	\$3,461.00
20135	MADSEN, KNEPPERS & ASSOCIATES, INC.	10/13/2020	11/30/2017	1973698	ALL R	1 SARATOGA HIGH SCHOOL, .	Payment	\$520.00	\$0.00	\$520.00
20136	MILPITAS UNIFIED SCHOOL DISTRICT	10/13/2020	6/2/2020	3004150	AUTO	1 MILPITAS USD	Payment	\$3,071.03	\$3,071.03	\$0.00
20137	DAVIS & YOUNG, APLC	10/13/2020	12/1/2014	1916921	EMPLC	1 ADAMS, MARK	Payment	\$1,882.30	\$0.00	\$1,882.30
20138	DAVIS & YOUNG, APLC	10/13/2020	12/3/2016	1972826	BODIL	1 GARNICA, JESUS	Payment	\$14,672.95	\$0.00	\$14,672.95
20139	JML LAW, A.P.L.C. Client Trust Account	10/20/2020	4/29/2019	1994906	EMPLC	1 CARDOZO, PAULA	Payment	\$20,000.00	\$20,000.00	\$0.00
20140	SANTA CLARA UNIFIED SCHOOL DISTRICT	10/20/2020	4/4/2016	1934380	FIRST	1 SANTA CLARA HIGH SCH, .	Payment	\$263,438.44	\$263,438.44	\$0.00
20141	AUTOCLAIMS DIRECT, INC.	10/20/2020	10/1/2020	3005459	PROPE	1 LEON, MANUEL	Payment	\$155.00	\$0.00	\$155.00
20142	SANTA CLARA UNIFIED SCHOOL DISTRICT	10/20/2020	4/4/2016	1934380	FIRST	1 SANTA CLARA HIGH SCH, .	Payment	\$10,000.00	\$10,000.00	\$0.00
20143	DAVIS & YOUNG, APLC	10/27/2020	3/21/2017	1965253	BODIL	1 ANDERSON, NICHOLAS	Payment	\$80.00	\$0.00	\$80.00
20144	DAVIS & YOUNG, APLC	10/27/2020	3/21/2017	1965253	BODIL	1 ANDERSON, NICHOLAS	Payment	\$60.00	\$0.00	\$60.00
20145	DAVIS & YOUNG, APLC	10/27/2020	3/29/2019	1999110	LIABIL	1 PATEL, DINESH	Payment	\$7,553.02	\$0.00	\$7,553.02
20146	DAVIS & YOUNG, APLC	10/27/2020	5/7/2018	1981763	EMPLC	1 CASERTA, DOMINIC	Payment	\$113.30	\$0.00	\$113.30
20147	LOS GATOS-SARATOGA UNION HIGH SCHOOL	10/27/2020	11/30/2017	1973698	ALL R	1 SARATOGA HIGH SCHOOL, .	Payment	\$33,775.92	\$33,775.92	\$0.00
20148	DAVIS & YOUNG, APLC	10/29/2020	11/20/2018	1988188	EMPLC	1 BANWART, MIA	Payment	\$2,167.00	\$0.00	\$2,167.00
20149	DAVIS & YOUNG, APLC	10/29/2020	4/29/2019	1994906	EMPLC	1 CARDOZO, PAULA	Payment	\$1,605.00	\$0.00	\$1,605.00
20150	DAVIS & YOUNG, APLC	10/29/2020	5/2/2019	1994990	EMPLC	1 FLOWERS-HAYWOOD, CRYSTI	Payment	\$1,241.15	\$0.00	\$1,241.15
20151	DAVIS & YOUNG, APLC	10/29/2020	10/3/2018	1995198	BODIL	1 DOE, JANE	Payment	\$4,297.10	\$0.00	\$4,297.10
20152	DAVIS & YOUNG, APLC	10/29/2020	5/23/2018	1998764	EMPLC	1 SODER, TRACIE	Payment	\$1,665.60	\$0.00	\$1,665.60
20153	DAVIS & YOUNG, APLC	10/29/2020	3/29/2019	1999110	LIABIL	1 PATEL, DINESH	Payment	\$1,678.65	\$0.00	\$1,678.65
20154	DAVIS & YOUNG, APLC	10/29/2020	10/4/2019	2008529	EMPLC	1 REDD-OYEDELE, ANN	Payment	\$468.20	\$0.00	\$468.20
20155	DAVIS & YOUNG, APLC	10/29/2020	8/1/2019	2003871	BODIL	2 GOULART, TIMOTHY M.	Payment	\$2,979.12	\$0.00	\$2,979.12
20156	DAVIS & YOUNG, APLC	10/29/2020	7/15/2020	3004007	EMPLC	1 DI SALVO, JOSEPH	Payment	\$7,629.80	\$0.00	\$7,629.80
20157	DAVIS & YOUNG, APLC	10/29/2020	2/8/2020	3003491	LIABIL	1 LOZOYA, MIA	Payment	\$787.80	\$0.00	\$787.80
20158	MANUEL LEON	11/3/2020	10/1/2020	3005459	PROPE	1 LEON, MANUEL	Payment	\$2,353.97	\$2,353.97	\$0.00
20159	DAVIS & YOUNG, APLC	11/10/2020	12/1/2017	1977073	EMPLC	1 GOMEZ, KATHERINE	Payment	\$2,389.70	\$0.00	\$2,389.70
20160	DAVIS & YOUNG, APLC	11/10/2020	4/30/2020	3001957	EMPLC	1 SCHIRLE , ELIZABETH	Payment	\$5,017.50	\$0.00	\$5,017.50
20161	DAVIS & YOUNG, APLC	11/17/2020	3/21/2017	1965253	BODIL	1 ANDERSON, NICHOLAS	Payment	\$80.00	\$0.00	\$80.00
20162	DAVIS & YOUNG, APLC	11/17/2020	2/1/2016	1988097	LIABIL	1 A.M., .	Payment	\$516.00	\$0.00	\$516.00
20163	DAVIS & YOUNG, APLC	11/17/2020	11/20/2018	1988188	EMPLC	1 BANWART, MIA	Payment	\$1,378.00	\$0.00	\$1,378.00
20164	DAVIS & YOUNG, APLC	11/17/2020	4/29/2019	1994906	EMPLC	1 CARDOZO, PAULA	Payment	\$1,056.50	\$0.00	\$1,056.50
20165	DAVIS & YOUNG, APLC	11/19/2020	12/1/2014	1916921	EMPLC	1 ADAMS, MARK	Payment	\$4,246.10	\$0.00	\$4,246.10
20166	DAVIS & YOUNG, APLC	11/19/2020	5/1/2018	1981380	BODIL	1 MINHAS, GURMUKH S.	Payment	\$390.10	\$0.00	\$390.10
20167	DAVIS & YOUNG, APLC	11/19/2020	1/1/2003	1993775	LIABIL	1 LEWIN, RACINE	Payment	\$270.00	\$0.00	\$270.00
20168	DAVIS & YOUNG, APLC	11/19/2020	10/3/2018	1995198	BODIL	1 DOE, JANE	Payment	\$3,064.50	\$0.00	\$3,064.50
20169	DAVIS & YOUNG, APLC	11/19/2020	8/30/2018	1985104	BODIL	1 GAMBOA, JOSEPHINE	Payment	\$2,534.19	\$0.00	\$2,534.19
20170	DAVIS & YOUNG, APLC	11/19/2020	7/17/2018	1997240	LIABIL	1 KRISHNAN, VINEETH	Payment	\$625.00	\$0.00	\$625.00
20171	DAVIS & YOUNG, APLC	11/19/2020	10/4/2019	2008529	EMPLC	1 REDD-OYEDELE, ANN	Payment	\$1,682.50	\$0.00	\$1,682.50
20172	DAVIS & YOUNG, APLC	11/19/2020	12/1/2017	1977073	EMPLC	1 GOMEZ, KATHERINE	Payment	\$3,927.45	\$0.00	\$3,927.45
20173	DAVIS & YOUNG, APLC	11/19/2020	8/1/2019	2003871	BODIL	2 GOULART, TIMOTHY M.	Payment	\$2,960.70	\$0.00	\$2,960.70

Check	Payee	Check Date	DOL	Claim	Cov	Claimant	Action Code	Amount	Loss	Expense
20174	DAVIS & YOUNG, APLC	11/19/2020	1/4/2019	3004439	EMPLC	1 SHETTY, NIKETHA	Payment	\$3,385.00	\$0.00	\$3,385.00
20175	DAVIS & YOUNG, APLC	11/19/2020	3/6/2020	3005066	EMPLC	1 REIMER, BROOKE	Payment	\$3,667.50	\$0.00	\$3,667.50
20176	AUTOCLAIMS DIRECT, INC.	11/20/2020	10/21/2020	3005978	AUTO	1 SCUSD VEHICLE	Payment	\$155.00	\$0.00	\$155.00
20177	ADR SERVICES, INC.	12/1/2020	12/3/2016	1972826	BODIL	1 GARNICA, JESUS	Payment	\$2,250.00	\$0.00	\$2,250.00
20178	DAVIS & YOUNG, APLC	12/8/2020	3/29/2019	1999110	LIABII	1 PATEL, DINESH	Payment	\$1,757.80	\$0.00	\$1,757.80
20179	DAVIS & YOUNG, APLC	12/8/2020	10/17/2017	1979251	BODIL	1 LOPEZ, MARY	Payment	\$2,977.55	\$0.00	\$2,977.55
20180	ANLEE KUO, M.D., A MEDICAL CORPORATION	12/10/2020	10/3/2018	1995198	BODIL	1 DOE, JANE	Payment	\$7,000.00	\$0.00	\$7,000.00
20181	DAVIS & YOUNG, APLC	12/18/2020	2/1/2016	1988097	LIABII	1 A.M., .	Payment	\$6,994.52	\$0.00	\$6,994.52
Total								\$ 455,018.96		

Claims Checking Account

Balance at beginning of the quarter	\$ 35,865.97
Deposits - Transfers from general account	497,891.12
Voided Checks	282.00
Recoveries	-
Claim Payments	(455,018.96)
Ending Bank Balance	\$ 79,020.13

South Bay Area Schools Insurance Authority
Transactions - Main Checking
Oct 1, 2020 - Dec 31, 2020

Type	Date	Num	Name	Memo	Clr	Split	Debit	Credit	Balance
									3,925,988.96
General Journal	10/08/2020	Claim Rec	James Marta & Company	Bill.com 10/08/20 Payables Funding	√	Bill.com Money Out Clearing		8,000.00	3,917,988.96
Deposit	10/13/2020		Deposit	Deposit	√	Undeposited Funds	10,000.00		3,927,988.96
General Journal	10/13/2020		Carl Warren & Co - ATF SBASIA	Bill.com 10/13/20 Payables Funding	√	Bill.com Money Out Clearing		43,775.92	3,884,213.04
General Journal	10/13/2020		Carl Warren & Co - ATF SBASIA	Bill.com 10/13/20 Payables Funding	√	Bill.com Money Out Clearing		263,438.44	3,620,774.60
General Journal	10/13/2020		Carl Warren & Co - ATF SBASIA	Bill.com 10/13/20 Payables Funding	√	Bill.com Money Out Clearing		64,134.03	3,556,640.57
General Journal	11/04/2020		CAJPA	Bill.com 11/04/20 Payables Funding	√	Bill.com Money Out Clearing		1,500.00	3,555,140.57
General Journal	11/13/2020		Carl Warren & Co - ATF SBASIA	Bill.com 11/13/20 Payables Funding	√	Bill.com Money Out Clearing		86,843.02	3,468,297.55
General Journal	11/24/2020		Duff & Phelps	Bill.com 11/24/20 Payables Funding	√	Bill.com Money Out Clearing		127,890.00	3,340,407.55
General Journal	11/27/2020		Deposit	Deposit	√	Undeposited Funds	945.00		3,341,352.55
General Journal	12/04/2020		James Marta & Company	Bill.com 12/04/20 Payables Funding	√	Bill.com Money Out Clearing		1,965.00	3,339,387.55
General Journal	12/07/2020		Atkinson, Andelson, Loya, Ruud & Romo	Bill.com 12/07/20 Payables Funding	√	*Accounts Payable		11,987.28	3,327,400.27
General Journal	12/07/2020		Gilbert Associates, Inc.	Bill.com 12/07/20 Payables Funding	√	*Accounts Payable		8,450.61	3,318,949.66
General Journal	12/14/2020		Carl Warren & Co - ATF SBASIA	Bill.com 12/14/20 Payables Funding	√	Bill.com Money Out Clearing		39,699.71	3,279,249.95
General Journal	12/18/2020		Atkinson, Andelson, Loya, Ruud & Romo	Bill.com 12/18/20 Payables Funding	√	Bill.com Money Out Clearing		8,063.28	3,271,186.67
							<u>10,945.00</u>	<u>665,747.29</u>	<u>3,271,186.67</u>



Agenda Item F.1

FINANCIAL AUDITOR CONTRACT WITH JAMES MARTA & CO.

ACTION ITEM

ISSUE: The Executive Committee should review and, if appropriate, approve the renewal contract with James Marta & Company for the audited financial report.

RECOMMENDATIONS: None

FISCAL IMPACT: \$14,450 for June 30, 2021 financial audit
\$14,955 for June 30, 2022 financial audit
\$15,475 for June 30, 2023 financial audit

The expiring fee for the June 30, 2020 audit was \$13,965.

BACKGROUND: James Marta & Company has performed the annual financial audit for the last twelve years. Their contract expires with the June 30, 2020 audit.

ATTACHMENTS: James Marta & Co. Contract for June 30, 2021, 2022 & 2023 Financial Audits

**FINANCIAL AUDIT SERVICES AGREEMENT BETWEEN
SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
AND JAMES MARTA & COMPANY**

This Agreement is made this 11th day of March 2021, by and between the South Bay Area Schools Insurance Authority ("SBASIA") and James Marta & Company LLP ("Auditor") concerning services.

WHEREAS, SBASIA desires to retain the services of Auditor to provide annual financial audit and Auditor desires to perform such services on the terms and conditions set forth below,

NOW, THEREFORE, the parties agree as follows:

- A. *Description of Work* – See Scope of Work on attached engagement letter.
- B. *Compensation* – See Fees on attached engagement letter.
- C. *Term* – This agreement is for the financial audits as of June 30, 2021, 2022 and 2023.
- D. *Compliance with Laws* - Auditor agrees that the work will be conducted and the services will be performed in compliance with all laws and regulations, with the policies, procedures and directives of SBASIA, particularly those related to fiscal and management matters, and with generally accepted accounting principles applicable to governmental entities.
- E. *Termination* - This Agreement may be terminated at any time by either party upon ninety days advance written notice to the other party. Upon termination by either party, Auditor shall be compensated for all work performed through the date of termination.
- F. *Disclosures of Conflicts* – Auditor shall be responsible for disclosing financial interests that may be a conflict. Disclosure may be satisfied through completion of the related Fair Political Practices Commission form on an annual basis.
- G. *Insurance* – Auditor shall maintain Commercial General Liability on an occurrence basis with limits no less than \$1,000,000 per occurrence and general aggregate limit no less than \$2,000,000; Auto Liability with limit no less than \$1,000,000 per accident; Workers' Compensation with Statutory limits and Employer's Liability with limits of no less than \$1,000,000 per accident for bodily injury or disease; Professional Liability insurance with limit no less than \$1,000,000 per occurrence or claim and aggregate no less than \$2,000,000.

- H. *Indemnification* – Auditor agrees to indemnify, defend and hold harmless SBASIA, its officers, directors and member agencies from any liability arising from Auditor’s negligence or willful misconduct or omissions in the performance of this agreement. SBASIA, its officers, directors and member agencies agree to indemnify, defend and hold harmless Auditor from any liability arising from the negligence, willful misconduct or omissions of SBASIA, its officers, directors and member agencies.
- I. *Independent Contractor* – It is expressly agreed by the parties that Auditor’s relationship to SBASIA is that of an independent contractor. As such, SBASIA will not be providing any Workers’ Compensation coverage or benefits to Auditor.
- J. *Other Obligations of Parties* – See Management’s Responsibilities, Our Responsibility and Character and Limitations of an Audit in attached engagement Letter.
- K. *Entire Agreement* - This writing constitutes the entire agreement between the parties relative to the services specified herein, and no modifications shall be effective unless and until such modification is evidenced by a writing signed by both parties.
- L. *Successors and Assignment* - Auditor agrees that it will not assign, transfer, convey, or otherwise dispose of this Agreement or any part thereof, or its rights, title, or interest therein, without the prior written consent of SBASIA.
- M. *Waiver* - The waiver by either party of a breach by the other of any provision of this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of either of the same or a different provision of this Agreement.
- N. *Severability* - Should any part of this Agreement be declared unconstitutional, invalid, or beyond the authority of either party to enter into or carry out, such decision shall not affect the validity of the remainder of this agreement, which shall continue in full force and effect; provided that the remainder of this contract can, absent the excised portion, be reasonably interpreted to give effect to the intentions of the parties.
- O. *Headings* - The descriptive headings used in this Agreement are for convenience only and shall not control or affect the meaning or construction of any of its provisions.
- P. *Working Papers*- See attached engagement letter.

IN WITNESS WHEREOF, the parties execute this Agreement on the day and year first above written.

SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY

BY _____

DATE _____

TITLE _____

JAMES MARTA & COMPANY LLP

BY _____

DATE _____

TITLE _____



James Marta & Company LLP
Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

January 7, 2021

Joan Crossley
South Bay Area Schools Insurance Authority

To the Board of Directors of South Bay Area Schools Insurance Authority:

Objective and Scope of the Audit

You have requested that we audit the Statement of Net Position of South Bay Area Schools Insurance Authority (SBASIA) as of June 30, 2021, 2022, and 2023, and the related Statements of Revenues, Expenditures and Changes in Net Position and Cash Flows for the years then ended and the related notes to the financial statements, which collectively comprise SBASIA's basic financial statements and provide assistance with the preparation of the financial statements. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of the District's Proportionate Share of the Net Pension Liability, and the Schedule of Pension Contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board (GASB) who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI.

The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussion and Analysis
- Claims Development Information
- Notes to the Required Supplementary Information

Supplementary information other than RSI will accompany SBASIA's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and perform certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on the following supplementary information in relation to the financial statements as a whole.

- Graphical Summary of Claims

The responsibilities of the auditor

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) and in accordance with Government Auditing Standards, and the State Controller's Minimum Audit Requirements for California Special Districts. As part of an audit in accordance with GAAS, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about SBASIA's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk exists that some material misstatements (whether caused by errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations) may not be detected by our firm, even though our audit is properly planned and performed in accordance with GAAS and in accordance with Government Auditing Standards, and the State Controller's Minimum Audit Requirements for California Special Districts.

Compliance with Laws and Regulations

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of SBASIA's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Management Responsibilities

At the outset, it is imperative that we state the scope of your responsibilities in connection with this engagement:

- a. The financial statements are the responsibility of SBASIA's management.
- b. Encompassed in that responsibility is the establishment and maintenance of effective internal control over financial reporting, the establishment and maintenance of proper accounting records, and the selection of appropriate accounting principles.
- c. Management is responsible for the design and implementation of programs and controls to prevent or detect fraud, and for informing us about all known or suspected fraud affecting the organization involving (a) management, (b) individuals who have significant roles in internal control, and (c) others where the fraud could have a material effect on the financial statements.
- d. Management is also responsible for informing us of its knowledge of any allegations of fraud or suspected fraud affecting the organization received in communications from members, regulators, or others. In addition, management is responsible for identifying and ensuring that the entity complies with applicable laws and regulations.
- e. Management is responsible
 - i. for the identification of the applicable reporting framework;
 - ii. for the preparation and fair presentation of financial statements in accordance with accounting principles generally accepted in the United States of America; and
 - iii. for the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- f. Management is responsible to provide us with
 - i. access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters;
 - ii. additional information that we may request from management for the purpose of the audit; and
 - iii. unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

We will assist in the preparation of your financial statements, but the responsibility for the financial statements remains with you. You are responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

As part of our engagement, we may propose standard, adjusting, or correcting journal entries to your financial statements. You are responsible for reviewing the entries and understanding the nature of any proposed entries and the impact they have on your financial statements. Further, you are responsible for designating a qualified management-level individual to be responsible and accountable for overseeing these activities.

Reporting

We will issue a written report upon completion of our audit of SBASIA's basic financial statements. Our report will be addressed to the board of directors of SBASIA. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances it may be necessary for us to modify our opinion, add an emphasis-of-matter paragraph or other-matter paragraph to our auditor's report, or if necessary, withdraw from the engagement.

We also will issue a written report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standard upon completion of our audit.

Other Stipulations

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Provisions of Engagement Administration, Timing and Fees

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

We expect to begin our audit in September and to complete and issue our report no later than October.

James Marta, CPA is the engagement partner for the audit services specified in this letter. His responsibilities include supervising James Marta & Company LLP's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Our liability as auditors shall be limited to the period covered by our audit and shall not extend to later periods for which we are not engaged as auditors.

Record Retention

It is our policy to keep records related to this engagement for seven (7) years. However, James Marta & Company LLP does not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies.

By your signature below, you acknowledge and agree that upon the expiration of the 7-year period, James Marta & Company LLP shall be free to destroy our records related to this engagement.

Fees

Our fees for the audit will be \$14,450, \$14,955, and \$15,475 for the years ended June 30, 2021, 2022, and 2023. We will bill you on a monthly basis for our services and invoices are payable upon presentation. Unpaid fee balances 30 days overdue will bear interest at 18 percent per annum. This fee is based upon the assumption that the closing journal entries will be made and accounting will be finalized and closed before the year end audit fieldwork. If compliance requirements change, or if the Group is involved in issuing an exempt offering, additional fees and an amended engagement letter may be required. Additional time and billing charges will be charged at our standard hourly rates and costs in the event of the following:

- Account reconciliations are not completed for, (example but not limited to):
 - Cash Accounts
 - Accounts Receivable and Allowance for Doubtful Accounts
 - Investments
 - Prepaid Expenses
 - Accounts Payable
 - Accrued Expenses
 - Unearned Revenue
 - Deposits
 - Claims Liabilities
- Accounting system or account group changes from prior year
- Allocation of expenses not completed
- Allocation of investments not completed
- Allocation of income not completed
- Changes in accounts after beginning of audit work that necessitates additional or redo of audit work.
- Changes or revision of the initial trial balance
- Addition of new activities

- New funding sources
- New funds
- New debt

Whenever possible, we will attempt to use your personnel to assist in the preparation of schedules and analyses of accounts. We understand that your employees will prepare all cash or other confirmations we request and will locate any invoices selected by us for testing. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit.

Our initial fee estimate assumes we will receive the aforementioned assistance from your personnel and unexpected circumstances will not be encountered. In the event that the GASB, FASB, AICPA, GAO, OMB, or the State of California issues additional standards or audit procedures that require additional work during the audit period, we will discuss these requirements with you before proceeding further. Before starting the additional work, we will prepare an estimate of the time necessary, as well as the fee for performing the additional work. Our fee for addressing the additional requirements will be at our standard hourly rates for each person involved in the additional work.

In the event we are required to respond to discovery requests, subpoenas, and outside inquiries, we will first obtain your permission unless otherwise required to comply under the law. Our time and expense to comply with such requests will be charged at our standard hour rates in addition to the stated contract.

We agree to retain our audit documentation or work papers for a period of at least seven years from the date of our report.

At the conclusion of our audit engagement, we will communicate to the governing board the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of James Marta & Company LLP and constitutes confidential information. However, we may be requested to make certain audit documentation available pursuant to authority given to any regulator by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the

supervision of James Marta & Company LLP's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to any regulator. They may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Reports

We will provide you with up to 15 copies of the report. If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

The intended users of the report are the board of directors of SBASIA. You agree to be responsible to distribute the reports to those charged with governance and to the appropriate officials of the responsible party.

Working Papers

The audit documentation for this engagement is the property of James Marta & Company LLP and constitutes confidential information. However, we may be requested to make certain audit documentation available pursuant to authority given to any regulator by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of James Marta & Company LLP's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to any regulator. They may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

We agree to retain our work papers related to this audit for a period of at least seven (7) years from the date of our report.

Mediation Provision

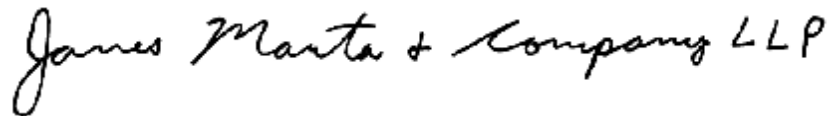
Disputes arising under this agreement (including scope, nature, and quality of services to be performed by us, our fees and other terms of the engagement) shall be submitted to mediation. A competent and impartial third party, acceptable to both parties shall be appointed to mediate, and each disputing party shall pay an equal percentage of the mediator's fees and expenses. No suit or arbitration proceedings shall be commenced under this agreement until at least 60 days after the mediator's first meeting with the involved parties. If the dispute requires litigation, the court shall be authorized to impose all defense costs against any non-prevailing party found not to have participated in the mediation process in good faith.

Several technical accounting and auditing words and phrases have been used herein. We presume you to understand their meaning or that you will notify us otherwise so that we can furnish appropriate explanations.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. This letter will continue in effect until canceled by either party.

Please sign and return the attached copy of this letter to indicate your acknowledgement of, and agreement with, the arrangements for our audit of the financial statements including our respective responsibilities.

Respectfully,

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP
Certified Public Accountants
Sacramento, California

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of South Bay Area Schools Insurance Authority.

Authorized Signature: _____

Name: _____

Title: _____

Date: _____



Agenda Item F.2

SLATE OF OFFICERS FOR JUNE 10, 2021 MEETING

INFORMATION ITEM

EXPLANATION: Each June, the Board of Directors elects the Executive Committee officers and a Member at Large for the annual term of office beginning July 1.

Staff and the Executive Committee will discuss developing a slate of officers to present to the Board of Directors at the June 10, 2021 meeting.

The current officers are:

President: Mr. Eric Dill, Santa Clara County Office of Education

Vice President: Ms. Delores Perley, Los Gatos-Saratoga Joint Union High School District

Treasurer: Mr. Mike Mathiesen, Mountain View-Los Altos Union High School District

Secretary: Mr. Ron Lebs, Metropolitan Education District

Member at Large: Ms. Wendy Zhang, Milpitas Unified School District

ATTACHMENTS: None



Agenda Item F.3

COVID-19 UPDATE

INFORMATION ITEM

EXPLANATION: Staff will discuss the impact of COVID-19 on insurance coverage, recommended waiver forms for COVID-19 vaccinations and whether the JPA would like any additional training.

Resources available:

PRISM TV

- The Coronavirus Crisis: FAQs for Public Entity Healthcare Providers, Programs, Clinics & Hospitals
- Legal Requirements and Practical Strategies for Workplace Investigations in the Midst of COVID 19
- What to do when facing a COVID-19 Employment Law Risk in your Workplace
 - Part 1
 - Part 2
- Performing Remote Employee Ergonomic Assessments
- Home Office Ergonomics: Savvy Health
- Simple Ergonomic Rules for the Home Office: Occumetric
- Best Practices for Successful Telecommuting
- Returning to Workplaces Amidst COVID-19: Proactive Planning and Best Practices: Evers Law Group
- Tools for Tense Situations: Reducing Workplace Conflicts as We Return to the New Normal
- *New* Stress Management

TargetSolutions

- Coronavirus 101: What You Need to Know
- Coronavirus 102: Preparing Your Household
- Coronavirus 103: Managing Stress and Anxiety



South Bay Area Schools Insurance Authority
Executive Committee Meeting
March 11, 2021

- Coronavirus 104: Transitioning to a Remote Workforce
- Coronavirus 105: Cleaning & Disinfecting Common Spaces
- Coronavirus 106: DIY Cloth Face Coverings and Best Practices
- Coronavirus 107: Reopening Your Organization

ATTACHMENTS: Sample Waivers

COVID 19 VACCINATION CONSENT,
WAIVER, RELEASE AND HOLD HARMLESS AGREEMENT

The _____ District, a public entity (the “District”) is making available approved and authorized vaccinations through District staff to _____ (“Vaccine Recipients”), with authorization and approval by state and local public health agencies, to assist in efforts in vaccinating those eligible and interested individuals to assist in addressing the COVID-19 pandemic and to assist federal, state and other agencies, as well as health care providers and other parties in seeking to protect the public health. The District’s program is entirely voluntary, and to be vaccinated review of the entirety of this COVID-19 Vaccination Consent, Waiver, Release and Hold Harmless Agreement (“Vaccination Agreement”) and initialing and signature is required.

District Disclosures

1. The District has secured state and local approval to provide vaccinations on District facilities as described in this Vaccination Agreement, and will comply with all state and local directions as to the storage, administration and handling of the COVID-19 vaccinations to and for the Vaccine Recipients.

2. The District shall only use COVID-19 vaccinations approved and authorized for use by federal and state agencies, specifically including the Food and Drug Administration (“FDA”). That presently includes two vaccines receiving Emergency Use Authorizations (“EUA”) and may include additional vaccines as later FDA approved and authorized. No COVID-19 vaccine shall be administered to Vaccine Recipients absent FDA approval and authorization. Each Vaccine Recipient shall, on request, be informed as to which vaccine is being utilized.

3. The District shall coordinate with federal, state and local agencies for a supply of the COVID-19 vaccines, and for all items needed for their safe use and administration. No vaccines shall be acquired for any source not approved by federal, state and local public health agencies or authorized distributors. The District has secured as needed storage facilities and refrigeration units, as well as power supplies, to assure safe storage once the COVID-19 vaccinations are in the possession of the District.

4. The District’s vaccinations shall be on District property, and conducted by District personnel trained in and authorized to administer COVID-19 vaccinations. To the extent additional staff is added, the District shall confirm with them and with third parties as appropriate that they are trained in and authorized to administer COVID-19 vaccinations. No other person shall be involved in the administration of vaccinations.

5. The District shall coordinate with state and local agencies, or directly, on vaccination appointments and administration of the vaccine, including on the scheduling of first and second doses where required. In addition, as the vaccinations will be administered on the premises of the District, including one or more schools within the District, access to District

premises will be involved. The Vaccine Recipient and signatory below agrees to follow all directions to the vaccine site when on District premises and not to access any other District or school locations, to carry on while masked and maintain social distancing when in any lines, to follow directions of District or school personnel at all times, and to be responsible to observe all personal care and safety measures while on District premises to safely enter, be on, and exit District and school premises with all due care.

Warnings and Notice

1. The District is aware of publicly available information, as is the general public, that the FDA has granted EUAs for two COVID-19 vaccines which have been reported to be shown to be safe and effective as determined by data from the manufacturers and findings from clinical trials. The District has been informed, as has the general public, that these data demonstrate that the known and potential benefits of the vaccines outweigh the known and potential harms of becoming infected with COVID-19. The District makes no such direct or other representation as to these matters, and like the general public is relying on the actions of federal, state and local public health agencies as to the readiness of the approved vaccines for use.

2. The District is aware of publicly available information, as is the general public, that the Center for Disease Control (“CDC”) has reported that some people have experienced severe allergic reactions—also known as anaphylaxis—after getting a COVID-19 vaccination. CDC has also publicly reported that some people have experienced non-severe allergic reactions within four (4) hours after getting vaccinated including, but not limited to, hives, swelling, and wheezing or respiratory distress. The District makes no such direct or other representation as to these matters, but provides this publicly available information to bring it to your attention and to suggest that you consult immediately with doctor or other authorized medical provider in the event of any adverse or potentially adverse reactions.

3. This District is aware of publicly available information, as is the general public, that the COVID-19 vaccines are not completely effective like all other medicines, and that the degree of efficacy reportedly varies as well. Public information is to the effect that if in two doses, protection is enhanced by receiving both doses and not stopping after the first dose (unless it is an approved single dose vaccine). The vaccines are also not reportedly immediately effective, and it can take a few weeks for you to build up a degree of protection from COVID-19 after being vaccinated. Also reported publicly is that there is a chance you may still get infected even with the vaccine, which may still lessen the severity of any infection. The District makes no such direct or other representation as to these matters, but provides this publicly available information to bring it to your attention and to suggest that you consult immediately with doctor or other authorized medical provider if you have questions or concerns.

4. The District is aware of publicly available information, as is the general public, that even if vaccinated you still need to follow the health instructions in your school or workplace and in public areas, such as wearing a mask and keeping a social distance from others. The vaccine, it is reported, assists in your protection, but federal, county and local health authorities recommend even if vaccinated, that wearing a mask, social distancing, washing hands

and other personal protection steps should still be followed. The District makes no such direct or other representation as to these matters, but provides this publicly available information to bring it to your attention and to suggest that you consult immediately with doctor or other authorized medical provider if you have questions or concerns.

5. The District is aware of publicly available information, as is the general public, that the presently approved and authorized COVID-19 vaccines have some side effects, but not everyone gets them. The most likely side effects that you may experience include, but are not limited to, fever, pain at the injection site, redness and hardness of the skin at the injection site, headache, muscle aches or pain, joint aches or pain, fatigue (tiredness), nausea/vomiting, chills and underarm gland swelling on the side of vaccination. The District makes no such direct or other representation as to these matters, but provides this publicly available information to bring it to your attention and to suggest that you consult immediately with doctor or other authorized medical provider if you experience any side effects, no matter how minor.

Representations and Agreements for Individuals to be Vaccinated

1. Prior to being vaccinated, the undersigned Vaccine Recipient and signatory below has consulted with his or her physician or authorized medical provider, has made full disclosure of all pre-existing conditions, health and all other health-related and medical history, and has been informed by his or her physician or authorized medical provider that he or she can be vaccinated, and also advised of all known or potential side effects and reactions to the vaccine(s).

2. The Vaccine Recipient and signatory below acknowledges that the District, in making available vaccinations of approved and authorized vaccines, is doing so to facilitate COVID-19 vaccinations being available to those who want them and voluntarily elect to get them as a public service. The Vaccine Recipient and signatory below further acknowledges that the District is not a manufacturer, distributor or retailer of the vaccine, and is not a medical provider or medical institution, but has facilities and staff authorized to administer the COVID-19 vaccinations and has received state and local public health authorization to do so. The Vaccine Recipient and signatory below, in electing to avail himself or herself of the District facilities and vaccination assistance, releases and discharges the District, and all associated staff and personnel, of and from any claims or liabilities associated with the approved and authorized COVID-19 vaccine and vaccination.

3. The Vaccine Recipient and signatory below acknowledges that he or she, in visiting and accessing District and school property, may be unfamiliar with school grounds and access and exit points to the vaccination site. He or she acknowledges and agrees to exercise due care at all times on District and school property, to be careful while walking paths or on stairs, or in entering and exiting building(s) used for the vaccinations, and to exercise attention and care in watching where he or she is going, in doing so peaceably and calmly, in avoiding any areas of risk, and to avail themselves of access to all ADA compliant locations and to staff assistance to assure safe entry on, being on, and leaving District and school premises.

4. The Vaccine Recipient and signatory below represents and affirms that he or she has read the above, and the entirety of this Vaccination Agreement, and understands the potential

risks incidental to receiving a COVID-19 vaccine, some of which may be dangerous and which may expose him or her to the risk of bodily injuries, illness, property damage, disability, economic or emotional loss or even death. The Vaccine Recipient and signatory below also represents and affirms that he or she understands that these COVID-19 vaccines may also include other and different risks that are unknown at this time or are otherwise not reasonably foreseeable at this time. The Vaccine Recipient and signatory below KNOWINGLY AND VOLUNTARILY ASSUMES ALL SUCH RISKS, KNOWN AND UNKNOWN, EVEN IF ARISING FROM THE NEGLIGENCE OF THE DISTRICT OR DISTRICT PERSONNEL IN REGARD TO RECEIVING, STORING AND MAINTAINING VACCINES AND ALSO IN ADMINISTERING VACCINES, and assumes sole and full responsibility for his or her participation in receiving a vaccine from or through the District. The Vaccine Recipient and signatory below further understands and agrees that the District WILL NOT BE RESPONSIBLE FOR ANY MEDICAL COSTS OR DAMAGES ASSOCIATED WITH ANY INJURY OR ILLNESS IN ANY WAY RESULTING FROM OR RELATING IN ANY WAY TO HIS OR HER RECEIPT OF THE COVID-19 VACCINATION.

5. The Vaccine Recipient and signatory below, in signing this Vaccination Agreement, does so voluntarily, after full consideration of all information provided and terms recited, and consents to and gives permission to the District to be vaccinated, and represents and warrants that he or she understand the risks and benefits of getting the COVID-19 vaccination and willingly and voluntarily provides informed consent to the District to receive the vaccination.

6. The Vaccine Recipient and signatory below, in consideration and return for receiving the COVID-19 vaccination from the District, and as a condition precedent to receiving the vaccination, hereby RELEASES, WAIVES, DISCHARGES, AGREES TO HOLD HARMLESS AND COVENANTS NOT TO SUE the District, its governing board, officers, employees, agents, servants, volunteers and vendors, from any and all liability, claims, demands, actions and causes of action whatsoever arising out of or related to any loss, damage, injury, or illness including, without limitation, any loss, damage, injury, or illness caused by or related to receiving the COVID-19 vaccination, including death, that may be sustained by the undersigned or other family members or any person who may contract COVID-19 from the undersigned or such participating individuals or from any property or condition of property belonging to the District, WHETHER CAUSED BY NEGLIGENCE or otherwise, in any way connected to or arising out of receiving the COVID-19 vaccination.

7. The Vaccine Recipient and signatory below, does for him/herself, his/her heirs, executors, administrators and assigns hereby release, waive, discharge and relinquish any claims or actions or causes of action, aforesaid, which may hereafter arise for him/herself and for his/her estate, and agrees that under no circumstances will he/she or his/her heirs, executors, administrators and assigns prosecute, present any claim for personal injury, bodily injury, property damage or wrongful death, regardless of name or nature, against the District, its governing board, officers, employees, agents, servants, volunteers and vendors arising out of or in any way related to my access to, being on District or school property, and receiving the COVID-19 vaccination.

Review, Understanding, Approval and Voluntary Execution

Initials _____

1. In signing below, and prior to doing so, I represent and warrant that I have read the entirety of this Vaccination Agreement, and have been advised by District personnel to do so prior to signing. I further state and represent that I understand the information provided, including the District Disclosures, Warnings and Notice, and the Representations and Agreements for Individuals to be Vaccinated.

2. In signing below, and prior to doing so, I further represent and warrant that I have the opportunity to consult with my doctor, other authorized medical personnel, family, counsel or any other advisors prior to signing this Vaccination Agreement and being vaccinated. I further confirm that I have consulted with my doctor or other qualified medical provider, and confirmed that I have no health or other condition which disqualifies me from receiving the vaccination or increases my risk in being vaccinated.

3. In signing below, and prior to doing so, I further state and represent that I am doing so voluntarily. My decision is also predicated upon my own knowledge, information and belief as to the risks of COVID-19, the risks and benefits of the available vaccinations, including side effects, and that I make the decision to sign the Vaccination Agreement based on my own personal knowledge, information and belief. The District has not, and no District employee, agent, officer, servant, vendor or other person, has made any representations to me to lead to my decision to be vaccinated, and the information provided above is consistent with what I already knew prior to signing.

4. In signing below, and immediately prior to doing so, state and represent that I am over the age of eighteen (18), of sound mind and capacity, and am under no legal prohibitions, contractual limitations or Orders, guardianships or conservatorships, or anything else which in any way involves upon my mental capacity to sign or precludes me from signing the Vaccination Agreement and receiving a COVID-19 Vaccination from the District.

Print Name

Date

Signature

Initials _____

District Premises Use – Vaccinations Agreement

This District Premises Use - Vaccinations Agreement (the “Agreement”) is entered into by and between _____ District as premises owner (the “District”), and _____, an insurance carrier, as proposed vaccine administrator (“Vaccinating Party”), and concerns the terms and conditions for the Vaccinating Party to be able to conduct vaccinations of authorized drugs for COVID-19 at the District’s premises in an area set aside for Vaccinating Party’s use agreeable to the District, and is contingent upon full compliance by Vaccinating Party with the conditions recited.

1. The District wishes to support governmental efforts to expand sites for permissible and authorized FDA approved vaccinations for COVID-19 as being in the best interests of the public. Vaccinating Party wishes to use District property, per the terms below, to expand its outreach for available public vaccinations, and represents it has the authorized vaccines, personnel and expertise to safely and effectively carry out vaccinations.

2. Vaccinating Party represents and warrants that it has all requisite legal authority and medical authorization and certifications necessary to administer COVID-19 vaccinations in the State of California, and has and will maintain those certifications, licensure, and other required authorizations in place during the duration of this Agreement. Vaccinating Party shall on request of District shall provide written confirmation and copies of same.

3. Vaccinating Party has also represented that it will or expects to have sufficient supplies for vaccinations, and will be solely responsible for scheduling of appointments, tracking of same, and communications with the public. In addition, Vaccinating Party shall provide refrigeration facilities and consistent power supply as needed for the safe transport and storage of vaccines on District Property, which shall at all times be supervised and guarded by Vaccinating Party’s staff.

4. Vaccinating Party has requested and District has consented to Vaccinating Party conducting vaccinations on members of the public at a District owned property located at _____. Vaccinating Party has met with District representatives and identified, inspected and accepted _____ as an area which shall be quartered off for Vaccinating Party’s use in administering vaccines. Vaccinating Party has inspected and accepted the condition of the area for vaccinations as is. Vaccinating Party may not engage in vaccinations in any area not formally approved in writing by District. District reserves the right to inspect the location and limit the area for Vaccinating Party’s use of necessary for the health safety and protection of students, staff, teachers and other District personnel.

5. To the extent Vaccinating Party seeks to use parking or open spaces on District property vaccination efforts, District has agreed to parking area facilities located at _____ and which shall be quartered off and limited to _____ square feet to not impede safe operation and vehicles entering in or leaving the parking area. Vaccinating Party shall notify District of the requested area for vaccinations, and the District shall inspect and approve the area requested or require modifications to secure approval in the District’s sole discretion and document it before Vaccinating Party may undertake any vaccinations. Vaccinating Party shall submit to District a

written plan for vehicle access and exiting District property to assure safe vehicle operation and protection of vaccinating and District personnel. Vaccinating Party shall not engage in vaccinations in any area not formally approved in writing by District. District reserves the right to inspect the location and limit the area for Vaccinating Party's vaccinations, as well as make other changes as needed for health, safety and District operations.

6. Vaccinating Party's use of the designated premises shall be limited to normal business hours of 8:00 a.m. to 5:00 p.m. Monday through Friday, Saturdays and Sundays as well as holidays excluded. Vaccinating Party shall be solely responsible for assuring safe ingress to and egress from the vaccination site in a safe and efficient manner, and shall assure that the vaccination area is at all times properly maintained and kept safe for Vaccination Party's personnel and individuals there to be vaccinated.

7. Vaccinating Party shall assure that it has in force liability insurance in regard to the COVID-19 vaccinations being done, and for the safety and protection of any individual availing himself or herself of the vaccinations. Vaccinating Party shall name the District as an Additional Insured on all such policies which shall carry limits of liability of no less than \$1,000,000 per claim.

8. Vaccinating Party agrees to defend, indemnify, and hold harmless the District from any and all claims, demands, losses or other matters in any way arising out of Vaccinating Party's use of the District's premises, the vaccinations themselves, and any management and direction to participating individuals on the premises for the purpose of vaccinations, and for any actions or omissions of the Vaccinating Party in regard to safe and prudent vaccinations and as needed care for and safety of individuals being vaccinated.

9. Vaccinating Party represents and warrants that it has inspected the District's property and the specific District premises where individuals will go, access, wait, be vaccinated and leave, and has found the premises to be acceptable, has found ingress and egress to be acceptable, and accepts the premises as is and waives any and all issues associated with the condition of the premises, whether latent or patent, as against the District, and assumes full legal responsibility for the premise condition.

10. Vaccinating Party, as a precondition to any testing, shall submit to District a written plan for those interested in vaccinations entering, being tested, and exiting the District premises and any required parking facilities in a manner to be safe, and also to not interfere with the rights and use of others.

11. Vaccinating Party acknowledges that District is not involved in, a participant in, or benefitting in any way from the proposed vaccinations, but is making the premises available as a public service and benefit to facilitate Vaccinating Party's efforts and vaccinations,, and that District is not and shall not be responsible for any actions or omissions of Vaccinating Party.

12. Vaccinating Party and District further agree that Vaccinating Party, in being provided the opportunity to do COVID-19 vaccinations is doing so only by reason of the discretion and permission of the District and is otherwise not authorized to do so but for this

Agreement. Vaccinating Party and District further agree that District may immediately terminate this Agreement, with or without cause, and that on receipt of oral or written notification Vaccinating Party shall immediately cease vaccinations, depart the District property, and shall conduct no further vaccinations on District property.

District and Vaccinating Party agree that they have reviewed this Agreement with counsel, and all necessary parties for approval, and enter into it effective this __ day of _____, 2021. The undersigned warrant and represent that they have legal authority to execute this Agreement on behalf of the party represented.

[DISTRICT]

Dated:

[VACCINATING PARTY]

Dated:



South Bay Area Schools Insurance Authority
Executive Committee Meeting
March 11, 2021

Agenda Item G.1

HARD INSURANCE MARKET OVERVIEW

INFORMATION ITEM

EXPLANATION: Staff will update the Board of Directors on the hard insurance market conditions.

ATTACHMENTS: State of the Insurance Market

MEMORANDUM

Date: March 4, 2021

From: Matt Gowan | Alliant Insurance Services

Re: State of the Property and Casualty Insurance Market Place

We are in the midst of a very challenging insurance market for both property and liability insurance. This memo provides a brief overview of what's happening in the insurance marketplace and a few of the mitigating factors impacting the marketplace.

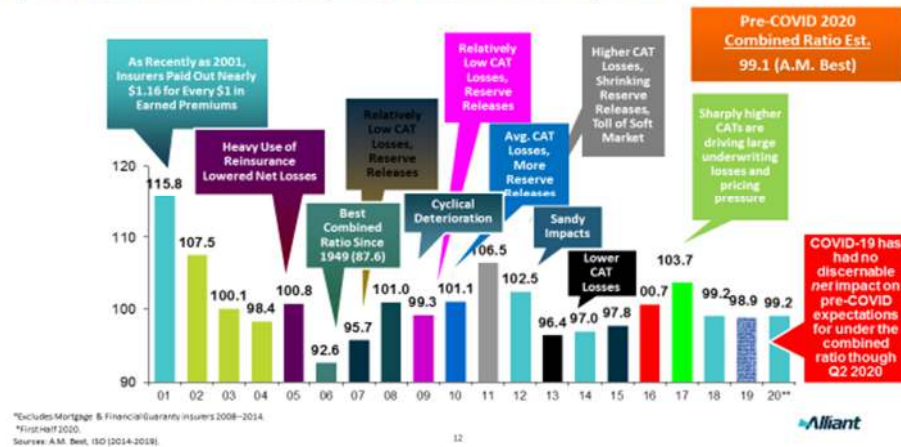
Insurance Market Update

The property market has deteriorated over the last several years and continues to be a very difficult renewal environment for insured Schools. The market has been impacted by years of catastrophic events including wildfires in California, hurricanes in the Southeast and the Gulf of Mexico, convective storms in the Midwest and, now, uncertainty surrounding COVID-19 business interruption property claims and other COVID related losses on the carrier's books.

Over the past few years, Reinsurance carriers have begun to play a much larger role in rate setting, capacity and terms as carriers continue to improve their book composition and move towards the use of underwriting pricing. Public Entity Insurers saw rate hikes upwards of 20% to 50% to renew their treaties at year-end 2020 on top of midyear rate increases averaging 25% to 35%. And while, the reinsurance rates charged to insurance carriers have climbed substantially, their losses continue outpace the rate increases. Swiss Re Institute estimates USD 83 billion global insured catastrophe losses in 2020, the fifth-costliest on record. The insurance industry covered 45% of global economic losses in 2020, above the ten-year-average of 37%. Unsurprisingly, global commercial insurance prices rose significantly in the third quarter of 2020, up 20% -- the largest year-over-year increase since the beginning of Marsh's Global Insurance Market Index in 2012.

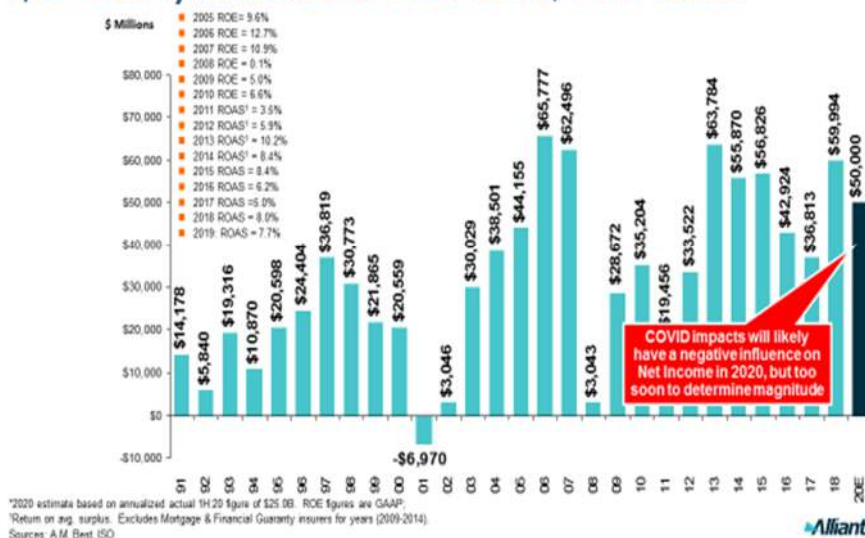
As you know, the insurance marketplace relies heavily on investment income to improve their combined ratios. As interest rates have dropped to record lows, insurance carrier investments have taken a steep dive. Insurers have relied on this income historically. Poor performance coupled with rising claims have greatly impacted carrier net income. Over the past 4 years, insurance companies are paying out more in claims costs than they are collecting in premium.

P/C Insurance Industry Combined Ratio, 2001–2020:H1*



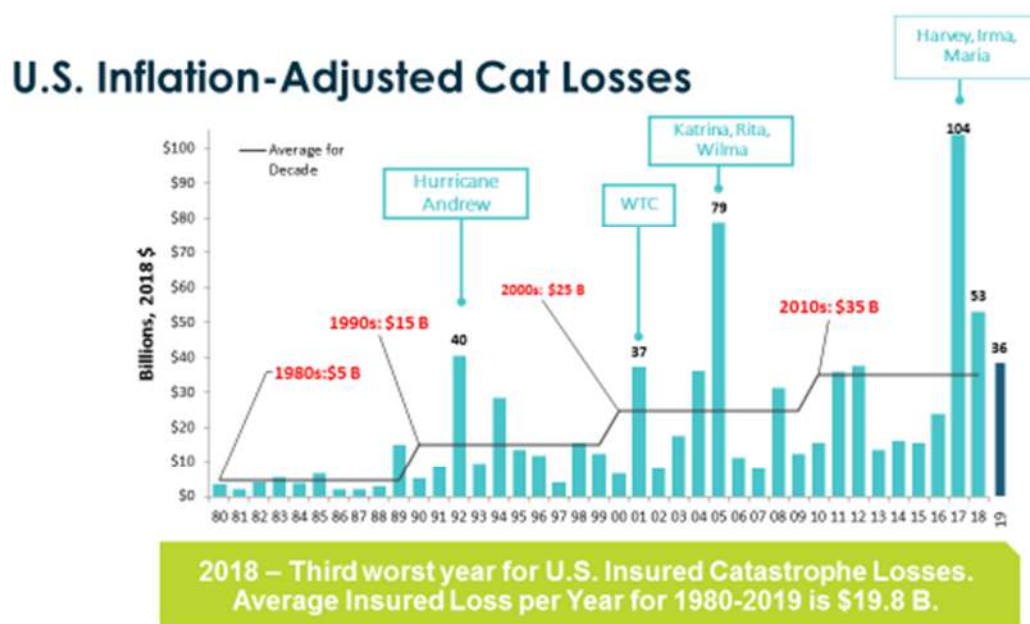
In addition, insurance companies must invest in less risky investments and often tend to invest in properties. The current investment environment has low investment income compared to 2008 and prior. Thus, insurance carriers began significantly increasing their premiums to offset the loss of investment income. However, COVID-19 is expected to have a large and negative influence in the next few years. Underwriters do not like uncertainty and COVID-19 is exactly that. Consequently, COVID-19 premium credits, coverage presumptions, compounded by natural catastrophe losses helped to drive the U.S. property/casualty insurance industry's net underwriting income down by 86% in the first nine months of 2020, according to a special report issued by A.M. Best.

P/C Industry Net Income After Taxes, 1991–2020E*



The property market has also been affected by climate. More than 800 wildfires in California, Oregon and Washington burned over 5.5 million acres, while destroying several thousand structures and causing over 90 billions of dollars in insured claims in 2020. The insurance market is reacting to increasing CAT events.

In response, the standard property markets pulled out of wide swaths of the west and in areas prone to catastrophic losses, and while the E&S market is available to cover many of these losses, premiums are “much higher than most insurance buyers are willing to pay”. Recent losses from tornadoes and convective windstorms in the Midwest have also exceeded insurers’ expectations, leading to double-digit rate increases and restrictions on capacity, the report said. Last year’s Atlantic hurricane season was also especially active with 12 hurricanes making U.S. landfall and 2020 set a record with 30 named storms, when the average is 12, which required NOAA to move into the Greek alphabet for naming. Underwriter concern has grown considerably as the frequency of large catastrophic events have occurred. Predictive modeling, although helpful, failed to do just that and could not predict what are typically considered rare events, creating an alarming trend.



Sources: Property Claims Service, a Verisk Analytics business; Insurance Information Institute.

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In the upcoming renewal, capacity will be especially tight for buyers in catastrophe-prone regions, requiring many of these insureds to layer coverage from multiple insurers to get the excess limits they need. We are experiencing requirements for mandatory increases in retention for specific risk exposures; such as hail and wildfire. Other terms and conditions of note in the wake of COVID-19 include new communicable disease and riot exclusions, and more restrictions on time element, ingress/egress business interruption cover. Insurance carriers are proposing increases in property rates going into 2021, and thus, insurance carriers have become inundated with new business submissions from the marketplace. Hardening market conditions include restrictions to carrier’s willingness to write specific risk exposures and to provide limits/capacity. The once competitive market is now officially a hard market. This means that underwriters in the 2021 renewal cycle will be very selective in what accounts they want to underwrite and the importance of quality

submissions (including complete and accurate data) will be very important. The property insurance market faces a "crisis of profitability" and rate increases are expected to continue until the industry has recovered from an extended soft market, according to a panel of underwriting executives speaking during Advisen's virtual Property Insights Conference.

Liability

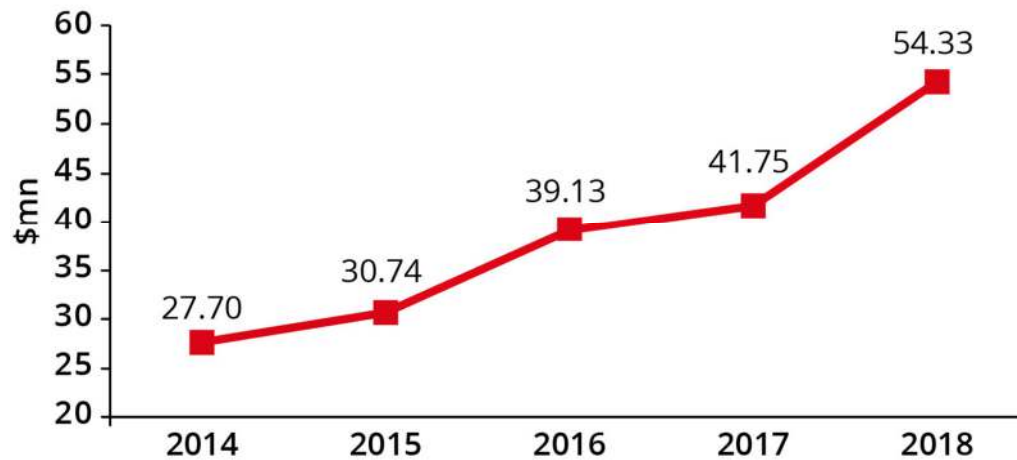
California has suffered additional liability risk and location specific issues.

-Settlement Inflation: Average settlements have gone up millions of dollars.

Company	Issue	Jurisdiction	Amount
Monsanto Company	Roundup	Superior Court of Alameda County, CA	\$2,055M
Johnson & Johnson	Pinnacle hip replacements	Federal - Northern District of Texas	1,000M
Johnson & Johnson	Opioids	Cleveland County District Court, OK	570M
PG&E	Camp Fire Losses	Butte County Superior Court, CA	569.5M
PG&E	Camp Fire Losses	Butte County Superior Court, CA	415M
Bayer	Xarelto	Federal - Eastern District of Louisiana	387.5M
Johnson & Johnson	Xarelto	Federal - Eastern District of Louisiana	387.5M
Johnson & Johnson	Talcum Powder	New York Supreme	325M
Sherwin-Williams	Lead Paint	Superior Court of Santa Clara County, CA	305M
Monsanto	Roundup	Superior Court of San Francisco County, CA	289M
Schnitzer Steel Industries	Trucking Accident	Muscogee County State Court, GA	280M
Purdue Pharma L.P.	Opioids	Cleveland County District Court, OK	270M
Jefferson Trucking, LLC	Motor vehicle crash	Upshur County Court, TX	\$260M
Taishan Gypsum Co.	Chinese Drywall	Federal - Eastern District of LA	248M
University of Southern CA	Sexual Assault	California Central District Court	215M
Ford Motor Company	Ford Explorer Turnover	Dallas County Circuit Court, AL	151.8M
Columbia Gas of MA	Gas Line Explosion	Essex Superior Court, MA	143M
Navistar International	Maxxforce Engines	Federal - Northern District of IL	135M
Ralston GA	Living Conditions	Muscogee County, State Court, GA	125M
Ride the Ducks Of Seattle	Bus crash	Superior Court, King County, WA	123M
Johnson & Johnson	Vaginal Mesh	Philadelphia County Court of Common Pleas	120M
San Bernardino County	Child Abuse	Superior Court, San Bernardino County, CA	113.4M
New York City Transit Authority	Construction Accident	Kings Supreme, NY	110.2M

Social Inflation

Median average – top 50 US verdicts



Source: Shaub, Ahmuty, Citrin & Spratt

- Sexual Assault and Molestation: SAM claims have increased in frequency and ultimate insured cost.
- Active Assailant Risk
- Increased Cyber Breach risk targeting public entities.
- AB 218: Has opened insurers to new claims going back decades.

This has led to insurers dropping coverages, eliminating SAM specific coverage, moving from Occurrence coverage to Claims Made coverage and lowering limits or entirely leaving the market.

We spoke to all viable excess liability insurers for public entity risk. As the following chart shows, School Risk Liability capacity has dropped by two thirds. This means the competitive environment has disappeared. SBASIA or programs we access (SELF, PRISM, etc.) have to purchase excess insurance and reinsurance from multiple carriers at dramatically higher premiums.

Please see the following capacity reduction list:

Carrier	CA Capacity 2015 \$ Millions	CA Capacity 2020 \$ Millions
AIG	25	5
Argonaut	10	0
Berkley	5	5
Brit	10	0
Chubb	10	10
Genesis	5	3
Munich	20	10
Old Republic	10	0
Great American	10	5
Everest Re	5	5
Allied Public Risk	10	5
Safety National	10	5
Ironshore	10	0
Civic Risk	10	0
Total	150	53

1. Business Insurance, January 26, 2021



South Bay Area Schools Insurance Authority
Executive Committee Meeting
March 11, 2021

Agenda Item G.2

PRELIMINARY REVENUE AND EXPENSE BUDGET FOR JULY 1, 2021 - 2022

INFORMATION ITEM

EXPLANATION: Staff will present a preliminary revenue and expense budget showing allocation of premium, loss funding and expenses for the insurance renewals and administrative contracts effective July 1. This document will provide preliminary indications of cost to members. This preliminary budget will be distributed to members as soon as possible to assist them in development of their own district budgets.

ATTACHMENTS: None



Agenda Item G.3

SUBLIMIT FOR INJUNCTIVE RELIEF DEFENSE COSTS

ACTION ITEM

ISSUE: The Executive Committee should decide whether the JPA wants to establish an injunctive relief defense fund with \$100,000 sublimit.

RECOMMENDATIONS: None

FISCAL IMPACT: Bickmore Actuarial reviewed injunctive relief program funding for SBASIA by reviewing claims from its K-12 school clients for the last 15 years. Their recommendation is annual funding of \$7,077 plus one year funding of \$50,000 to establish the fund.

BACKGROUND: The JPA members recently received a lawsuit alleging denial of free appropriate public education for Special Ed students due to the COVID-19 shutdown. The lawsuit is for injunctive relief which is not an insurable risk. The Executive Committee directed staff to explore the establishment of a JPA fund to cover injunctive relief defense costs.

Sample MOC language on injunctive relief defense costs:

Northern California Relief, Southern California Relief, Statewide Association of Community Colleges

Injunctive Relief/Non-Monetary Claims: \$100,000 Limit of Coverage per Member with \$10,000 Member Retained Limit

The total of Loss Adjustment Expense coverage available for a Claim of Injunctive/Non-Monetary Relief brought against multiple Members shall not exceed two hundred fifty thousand dollars (\$250,000) in the aggregate.

Injunctive/Non-Monetary Relief means a Claim against a Covered Agency or Covered Individual seeking non-monetary recourse, relief or redress, and which does not include a demand for the payment of damages caused to other third parties, other than the payment of legal fees and costs awarded to the complaining party or its legal counsel.

San Mateo County SIG

SMCSIG will pay up to \$100,000 for defense of an action seeking solely injunctive relief or other non-monetary recourse from a covered party, if no other defense coverage applies to the action. The inclusion of a demand for claimant's attorney fees and/or costs will not disqualify an action from this coverage, but SMCSIG will not pay any such amounts awarded.

ATTACHMENTS: None



Agenda Item G.4

FIVE YEAR LOSS CONTROL PLAN – YEAR 4

INFORMATION ITEM

EXPLANATION: The Executive Committee developed a five year loss control plan in 2017. Years 1-3 of the plan have been completed. Year 4 is for playground inspections including sports fields. Staff and the Executive Committee will discuss whether to issue a Request for Proposal (RFP) for Year 4.

ATTACHMENTS: Five Year Loss Control Plan



SBASIA RISK CONTROL PLANNING

Loss Control Inspections

-) Year 1 - Exterior of buildings including crime prevention through environmental design
-) Year 2 - Interior of buildings (all rooms) including chemical inspection
-) Year 3 - Fire/Electrical inspection including infrared testing for hot spots
-) Year 4 - Playground inspection including sports fields
-) Year 5 - Cyber audit