



Agenda Item E.1.

CONSENT CALENDAR

ACTION ITEM

ISSUE: The Board of Directors should review the Consent Calendar and pull any items that need discussion. Otherwise, the Board of Directors 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 Board. The Board may accept the Consent Calendar as posted, or pull any item for discussion and separate action while accepting the remaining items.

- 1. Board of Directors Meeting Minutes – June 18, 2015**
- 2. Unaudited Financial Report for Quarter Ending June 30, 2015**
- 3. Investment Report for Quarter Ending June 30, 2015**
- 4. Financial Report for Quarter Ending September 30, 2015**
- 5. Investment Report for Quarter Ending September 30, 2015**

ATTACHMENTS: Board of Directors Meeting Minutes – June 18, 2015
Unaudited Financial Report for Quarter Ending June 30, 2015
Investment Report for Quarter Ending June 30, 2015
Financial Report for Quarter Ending September 30, 2015
Investment Report for Quarter Ending September 30, 2015



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
CAMPBELL, CALIFORNIA
June 18, 2015**

MEMBERS PRESENT

James Crawford, President, Campbell Union School District
Phuong Le, Treasurer, Berryessa Union School District
Barbara Coats, Secretary, Santa Clara County Office of Education
Mark Allgire, Member at Large, Santa Clara Unified School District
Greg Medici, Los Gatos-Saratoga Joint Union High School District
Marie dela Cruz, Metropolitan Education District
Wendy Zhang, Milpitas Unified School District
Mike Mathiesen, Mountain View-Los Altos Union High School District

MEMBERS ABSENT

Nelly Yang, Vice President, Evergreen School District
Eric Bitter, Lakeside Joint School District
Randy Kenyon, Los Altos School District
Terese McNamee, Mountain View Whisman School District

GUESTS & CONSULTANTS

Matt Gowan, Alliant Insurance Services
Joan Crossley, Alliant Insurance Services

A. CALL TO ORDER

The meeting was called to order at 10:18 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.

| | | |
|--------------------------|-----------------------------|-----------------------|
| MOTION: Phuong Le | SECOND: Mark Allgire | MOTION CARRIED |
| AYES: 7 | NOES: 0 | ABSENT: 5 |
| | ABSTAIN: 0 | |

AYES: Crawford, Le, Coats, Allgire, dela Cruz, Zhang, Mathiesen

NAYS: None

ABSENT: Yang, Bitter, Kenyon, Medici, McNamee

D. PUBLIC COMMENT

There were no public comments.



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
CAMPBELL, CALIFORNIA
June 18, 2015**

E. CONSENT CALENDAR

1. **Board of Directors Meeting Minutes – December 4, 2014**
2. **Financial Report for Quarter Ending March 31, 2015**
3. **Investment Report for Quarter Ending March 31, 2015**

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

MOTION: Barbara Coats **SECOND:** Phuong Le **MOTION CARRIED**
AYES: 7 **NOES:** 0 **ABSTAIN:** 0 **ABSENT:** 5

AYES: Crawford, Le, Coats, Allgire, dela Cruz, Zhang, Mathiesen
NAYS: None
ABSENT: Yang, Bitter, Kenyon, Medici, McNamee

F. FINANCIAL

Mr. Matt Gowan said he will go through the budget which will address action items F.1. through F.8 of the agenda.

The Liability funding has increased by 5.8%. The funding amount is determined by the actuary. The JPA will have Liability coverage with CSAC EIA from its SIR of \$250,000 to \$5 million. The Executive Committee recommends joining SELF for Liability coverage from \$5 million to \$55 million. This is an increase from the current limit of \$35 million. The SELF premium for coverage over \$5 million is significantly lower than what it would cost to remain in CSAC EIA for coverage over \$5 million. The total Liability cost increased by 5.1% compared to last year. Mr. Gowan commented that the Liability insurance market is hardening.

The Property funding has increased by 3.7%. The funding amount is determined by the actuary. The Property premium has decreased by 10.2%. The total Property cost decreased 7.7% compared to last year. This decrease helped offset the Liability increase.

The Crime premium is flat. The admin fees increased by 7.4%. The JPA has an actuarial study performed every two years so the study will need to be performed this year. There is also a CAJPA accreditation fee as every 3 years the JPA has to be re-accredited with CAJPA.

The overall budget decreased by 2.4% from last year.

Mr. Greg Medici arrived at the meeting at 10:35 a.m.

F.1. Excess Liability Renewal

Ms. Joan Crossley said the Excess Liability insurance will be with CSAC EIA from \$250,000 to \$5 million, then with SELF from \$5 million to \$55 million.

A motion was made to approve the premium of \$742,983 for the Excess Liability renewal for the period of July 1, 2015-2016.

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CAMPBELL, CALIFORNIA
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MOTION: Phuong Le **SECOND:** Mark Allgire **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

AYES: Crawford, Le, Coats, Allgire, Medici, dela Cruz, Zhang, Mathiesen
NAYS: None
ABSENT: Yang, Bitter, Kenyon, McNamee

F.2. Resolution to Join Schools Excess Liability Fund (SELF)

Mr. Gowan said SELF is a JPA so they require a resolution to join. SELF has a 3 year membership commitment. The only coverage difference from CSAC EIA is that SELF doesn't cover trampolines.

A motion was made to adopt the resolution to join Schools Excess Liability Fund (SELF).

MOTION: Mike Mathiesen **SECOND:** Mark Allgire **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

AYES: Crawford, Le, Coats, Allgire, Medici, dela Cruz, Zhang, Mathiesen
NAYS: None
ABSENT: Yang, Bitter, Kenyon, McNamee

F.3. Review and Adoption of Liability Memorandum of Coverage

Mr. Gowan said annually the Board adopts the Liability Memorandum of Coverage. The only change is the policy period.

A motion was made to approve the Liability Memorandum of Coverage for the period of July 1, 2015- 2016 as presented.

MOTION: Barbara Coats **SECOND:** Mark Allgire **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

AYES: Crawford, Le, Coats, Allgire, Medici, dela Cruz, Zhang, Mathiesen
NAYS: None
ABSENT: Yang, Bitter, Kenyon, McNamee

F.4. Excess Property Renewal and Boiler & Machinery Renewal

Mr. Gowan said the Property and Boiler & Machinery coverage is renewing with PEP (Public Entity Property Insurance Program).

A motion was made to approve the premium of \$1,517,371 for the Excess Property and Boiler & Machinery renewal for the period of July 1, 2015 – 2016.



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
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MOTION: Barbara Coats **SECOND:** Mark Allgire **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

AYES: Crawford, Le, Coats, Allgire, Medici, dela Cruz, Zhang, Mathiesen
NAYS: None
ABSENT: Yang, Bitter, Kenyon, McNamee

F.5. Alliant Property Insurance Program Claims Reporting Acknowledgement

Mr. Gowan said the JPA will need to approve the Alliant Property Insurance Program Claims Reporting Acknowledgement which provides claim reporting instructions to the JPA. Mr. Gowan said the Board can give the JPA president authority to sign.

A motion was made to authorize the JPA President to sign the Claims Reporting Acknowledgement on behalf of the JPA.

MOTION: Mike Mathiesen **SECOND:** Mark Allgire **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

AYES: Crawford, Le, Coats, Allgire, Medici, dela Cruz, Zhang, Mathiesen
NAYS: None
ABSENT: Yang, Bitter, Kenyon, McNamee

F.6. Crime Policy Renewal

Mr. Gowan said Crime premium is flat as previously discussed. The limits remain the same.

A motion was made to approve the premium of \$12,958 for the Crime renewal for the period of July 1, 2015-2016.

MOTION: Mike Mathiesen **SECOND:** Mark Allgire **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

AYES: Crawford, Le, Coats, Allgire, Medici, dela Cruz, Zhang, Mathiesen
NAYS: None
ABSENT: Yang, Bitter, Kenyon, McNamee

F.7. Review and Adoption of Property Memorandum of Coverage

Mr. Gowan said annually the Board adopts the Property Memorandum of Coverage. The only change is the policy period.

A motion was made to approve the Property Memorandum of Coverage for the period of July 1, 2015-2016 as presented.



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MOTION: Mark Allgire **SECOND:** Phuong Le **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

AYES: Crawford, Le, Coats, Allgire, Medici, dela Cruz, Zhang, Mathiesen
NAYS: None
ABSENT: Yang, Bitter, Kenyon, McNamee

F.8. Revenue and Expense Budget for July 1, 2015-2016

Mr. Gowan said this is the total budget that he presented earlier in the meeting.

A motion was made to adopt the Revenue and Expense Budget for July 1, 2015-2016 as presented.

MOTION: Phuong Le **SECOND:** Mark Allgire **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

AYES: Crawford, Le, Coats, Allgire, Medici, dela Cruz, Zhang, Mathiesen
NAYS: None
ABSENT: Yang, Bitter, Kenyon, McNamee

F.9. Carl Warren & Company Trust Account

Ms. Crossley said the JPA currently replenishes the Carl Warren & Company trust account in \$50,000 increments. The JPA accountant receives two to three requests per month from Carl Warren to replenish the account. The JPA accountant has asked that the replenishment amount be increased to \$100,000.

A motion was made to increase the replenishment amount to \$100,000 for the Carl Warren & Company trust account.

MOTION: Greg Medici **SECOND:** Marie dela Cruz **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

AYES: Crawford, Le, Coats, Allgire, Medici, dela Cruz, Zhang, Mathiesen
NAYS: None
ABSENT: Yang, Bitter, Kenyon, McNamee

G. GENERAL ADMINISTRATION

1. SBASIA Election of Officers and Executive Committee

Mr. James Crawford presented the slate of officers recommended by the Executive Committee for the 2015-2016 program year. They are as follows:



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BOARD OF DIRECTORS MEETING MINUTES
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President: Mr. James Crawford, Campbell Union School District
Vice President: Ms. Nelly Yang, Evergreen School District
Treasurer: Mr. Mark Allgire, Santa Clara Unified School District
Secretary: Ms. Barbara Coats, Santa Clara County Office of Education
Member at Large: Ms. Phuong Le, Berryessa Union School District

There were no nominations from the floor.

A motion was made to elect the Officers and Executive Committee per the slate presented.

MOTION: Barbara Coats **SECOND:** Mike Mathiesen **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

AYES: Crawford, Le, Coats, Allgire, Medici, dela Cruz, Zhang, Mathiesen
NAYS: None
ABSENT: Yang, Bitter, Kenyon, McNamee

2. Investment Authority

Mr. Gowan stated that Government Code requires the delegation of the authority to invest or reinvest funds of SBASIA to the Treasurer. The delegation cannot exist beyond one year so the Board will need to authorize the delegation for the period of July 1, 2015 to June 30, 2016.

A motion was made to adopt the Investment Authority as presented.

MOTION: Mark Allgire **SECOND:** Greg Medici **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

AYES: Crawford, Le, Coats, Allgire, Medici, dela Cruz, Zhang, Mathiesen
NAYS: None
ABSENT: Yang, Bitter, Kenyon, McNamee

3. Review of Investment Policy

Mr. Gowan said that Government Code requires annual review of the Investment Policy. There have been no changes to the policy since it was adopted in 2003.

A motion was made to adopt the Investment Policy as presented.

MOTION: Mike Mathiesen **SECOND:** Greg Medici **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

AYES: Crawford, Le, Coats, Allgire, Medici, dela Cruz, Zhang, Mathiesen
NAYS: None
ABSENT: Yang, Bitter, Kenyon, McNamee



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4. Resolution Establishing Meeting Dates for Fiscal Year 2015-2016

Per Government Code, the Board should adopt a resolution establishing regular meeting dates for the fiscal year.

The following dates are proposed as Board meeting dates for the fiscal year 2015-2016:
December 3, 2015, 10:00 a.m., Campbell Union School District
June 16, 2016, 10:00 a.m., Campbell Union School District

A motion was made to adopt the 2015-2016 Board meeting dates as presented.

MOTION: Mark Allgire **SECOND:** Marie dela Cruz **MOTION CARRIED**
AYES: 8 **NOES: 0** **ABSTAIN: 0** **ABSENT: 4**

AYES: Crawford, Le, Coats, Allgire, Medici, dela Cruz, Zhang, Mathiesen
NAYS: None
ABSENT: Yang, Bitter, Kenyon, McNamee

5. CSAC EIA LABOR LAW/EMPLOYMENT PRACTICES PROGRAM

CSAC EIA hired an attorney that its members can consult with on Employment Practices questions. There is no charge to call. The attorney has 30 years experience. The districts would have to authorize a person to contact the attorney. Ms. Crossley will email the contact information form to members.

H. COMMENTS FOR THE GOOD OF THE ORDER

There were no comments for the good of the order.

ADJOURNMENT

The meeting was adjourned at 11:00 a.m.

South Bay Area Schools Insurance Authority
Statement of Net Position
As of June 30, 2015 and June 30, 2014

| | <u>Jun 30, '15</u> | <u>Jun 30, '14</u> |
|------------------------------------|-------------------------------|-------------------------------|
| ASSETS | | |
| Current Assets | | |
| Checking/Savings | | |
| B of A - Santa Clara County | 3,711,409.09 | 3,695,665.97 |
| B of A - Transfer Account | 10,000.00 | 10,000.00 |
| B of A Claims Trust Account | 8,786.28 | 43,053.97 |
| B of A - General Checking | 920,026.48 | 661,226.96 |
| Total Checking/Savings | <u>4,650,221.85</u> | <u>4,409,946.90</u> |
| Accounts Receivable | | |
| Accounts Receivable | | |
| Claim Recovery Receivable | 788,849.54 | 375,909.87 |
| Claims Deductibles | 209,698.89 | 222,812.88 |
| Total Accounts Receivable | <u>998,548.43</u> | <u>598,722.75</u> |
| Total Accounts Receivable | <u>998,548.43</u> | <u>598,722.75</u> |
| Total Current Assets | 5,648,770.28 | 5,008,669.65 |
| Other Assets | | |
| Interest Receivable | 5,091.38 | 3,624.40 |
| Total Other Assets | <u>5,091.38</u> | <u>3,624.40</u> |
| TOTAL ASSETS | <u><u>\$ 5,653,861.66</u></u> | <u><u>\$ 5,012,294.05</u></u> |
| LIABILITIES & EQUITY | | |
| Liabilities | | |
| Current Liabilities | | |
| Accounts Payable | \$ 9,844.98 | \$ 3,479.08 |
| Claims Reserves | 633,574.00 | 275,634.00 |
| Total Current Liabilities | <u>643,418.98</u> | <u>279,113.08</u> |
| Total Current Liabilities | 643,418.98 | 279,113.08 |
| Long Term Liabilities | | |
| IBNR | 2,160,750.93 | 1,712,480.00 |
| Unallocated Loss Adjustment | 267,000.00 | 276,000.00 |
| Total Long Term Liabilities | <u>2,427,750.93</u> | <u>1,988,480.00</u> |
| Total Liabilities | 3,071,169.91 | 2,267,593.08 |
| NET ASSETS | | |
| Reserve for Shock Loss | 2,500,000.00 | 2,500,000.00 |
| Unrestricted Net Assets | 244,700.97 | (203,959.93) |
| Net Revenue Over Expenditures | (162,009.22) | 448,660.90 |
| Total Net Assets | <u><u>\$ 2,582,691.75</u></u> | <u><u>\$ 2,744,700.97</u></u> |

South Bay Area Schools Insurance Authority
Statement of Revenue, Expenses, and Changes in Net Position
For the Quarter and Year Ended June 30, 2015

| | <u>Apr '15 - Jun '15</u> | <u>Jul '14 - Jun '15</u> | <u>Jul '13 - Jun '14</u> |
|--|--------------------------|--------------------------|--------------------------|
| Revenue | | | |
| Member Contributions | | | |
| Liability Contributions | \$ 177,331.50 | \$ 709,326.00 | \$ 549,933.00 |
| Property Contributions | 422,751.25 | 1,691,005.00 | 1,469,391.00 |
| Crime Policy | 3,229.99 | 12,919.99 | 12,920.12 |
| Administration | 63,321.24 | 253,284.96 | 255,370.00 |
| Loss Funding | 195,749.98 | 782,999.89 | 849,000.12 |
| Total Member Contributions | <u>862,383.96</u> | <u>3,449,535.84</u> | <u>3,136,614.24</u> |
| Interest Income | 9,377.95 | 17,210.10 | 15,589.93 |
| Total Income | <u>871,761.91</u> | <u>3,466,745.94</u> | <u>3,152,204.17</u> |
| Expense | | | |
| General & Administrative | | | |
| General Expenses | | | |
| Accounting Services | 6,250.00 | 22,000.00 | 21,000.00 |
| Actuarial Study | - | - | 5,000.00 |
| Appraisal Services | - | - | 92,324.84 |
| Audit Expense - Claims | - | 3,210.00 | - |
| Audit Expense - Financial | - | 11,870.00 | 11,470.00 |
| Bank Service Charges | - | - | 465.58 |
| Conference | - | 1,476.59 | 403.41 |
| Dues & Membership | - | 450.00 | - |
| Supplies, Postage, Misc Expense | - | 40.40 | - |
| Total Administration | <u>6,250.00</u> | <u>39,046.99</u> | <u>130,663.83</u> |
| Program Administration | | | |
| Claims Management Fees | 18,528.11 | 56,966.92 | 78,311.71 |
| Contract Administration | 37,500.00 | 150,000.00 | 150,000.00 |
| Total Program Administration | <u>56,028.11</u> | <u>206,966.92</u> | <u>228,311.71</u> |
| Total General and Administrative Expenses | <u>62,278.11</u> | <u>246,013.91</u> | <u>358,975.54</u> |
| Insurance Expense | | | |
| Excess Liability Policy | 162,928.75 | 651,715.00 | 215,473.00 |
| Excess Liability MOC/CSAC/EIA | 14,402.75 | 57,611.00 | 334,460.00 |
| Excess Property Policy | 422,751.14 | 1,691,004.62 | 1,469,391.00 |
| Crime Policy | 3,230.00 | 12,920.00 | 12,920.00 |
| Total Insurance Expense | <u>603,312.64</u> | <u>2,413,250.62</u> | <u>2,032,244.00</u> |
| Claims Expenses | | | |
| Claims Payments | 328,698.48 | 643,581.69 | 1,058,222.12 |
| Claims Adjustment Account | 541,523.23 | 325,908.94 | (745,898.39) |
| Total Claims Expenses | <u>870,221.71</u> | <u>969,490.63</u> | <u>312,323.73</u> |
| Dividends | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Expenses | <u>1,535,812.46</u> | <u>3,628,755.16</u> | <u>2,703,543.27</u> |
| Net Revenue Over (Under) Expenses | <u>\$ (664,050.55)</u> | <u>\$ (162,009.22)</u> | <u>\$ 448,660.90</u> |
| Net Postion, Beginning | | <u>\$ 2,744,700.97</u> | <u>\$ 2,296,040.07</u> |
| Net Position, Ending | | <u>\$ 2,582,691.75</u> | <u>\$ 2,744,700.97</u> |

South Bay Area Schools Insurance Authority
Statement of Revenues and Expenses - Budget vs. Actual
For the Quarter and Year Ended June 30, 2015

| | <u>Jul '14 - Jun '15</u> | <u>Budget</u> | <u>\$ Over Budget</u> | <u>% of Budget</u> |
|--|--------------------------|------------------------|-----------------------|--------------------|
| Revenue | | | | |
| Member Contributions | | | | |
| Liability Contributions | \$ 709,326.00 | \$ 709,326.00 | 0.00 | 100.0% |
| Property Contributions | 1,691,005.00 | 1,691,005.00 | 0.00 | 100.0% |
| Crime Policy | 12,919.99 | 12,920.00 | -0.01 | 100.0% |
| Administration | 253,284.96 | 253,285.00 | -0.04 | 100.0% |
| Loss Funding | 782,999.89 | 783,000.00 | -0.11 | 100.0% |
| Total Member Contributions | <u>3,449,535.84</u> | <u>3,449,536.00</u> | <u>-0.16</u> | <u>100.0%</u> |
| Interest Income | 17,210.10 | 0.00 | 17,210.10 | 100.0% |
| Total Revenue | <u>3,466,745.94</u> | <u>3,449,536.00</u> | <u>17,209.94</u> | <u>100.5%</u> |
| Expense | | | | |
| General and Administrative Expenses | | | | |
| General Expenses | | | | |
| Accounting Services | 22,000.00 | 22,000.00 | 0.00 | 100.0% |
| Audit Expense - Claims | 3,210.00 | 3,500.00 | -290.00 | 91.71% |
| Audit Expense - Financial | 11,870.00 | 12,285.00 | -415.00 | 96.62% |
| Conference | 1,476.59 | 2,500.00 | -1,023.41 | 59.06% |
| Contingency | 0.00 | 5,000.00 | -5,000.00 | 0.0% |
| Dues & Membership | 450.00 | 500.00 | -50.00 | 90.0% |
| Legal Expense - JPA | 0.00 | 2,000.00 | -2,000.00 | 0.0% |
| Loss Control | 0.00 | 100,000.00 | -100,000.00 | 0.0% |
| Meeting Expense | 0.00 | 500.00 | -500.00 | 0.0% |
| Supplies, Postage, Misc Expense | 40.40 | 0.00 | 40.40 | 100.0% |
| Total General Expenses | <u>39,046.99</u> | <u>148,285.00</u> | <u>-109,238.01</u> | <u>26.33%</u> |
| Program Administration | | | | |
| Claims Management Fees | 56,966.92 | 55,000.00 | 1,966.92 | 103.58% |
| Contract Administration | 150,000.00 | 150,000.00 | 0.00 | 100.0% |
| Total Program Administration | <u>206,966.92</u> | <u>205,000.00</u> | <u>1,966.92</u> | <u>100.96%</u> |
| Total General and Administrative Expenses | <u>246,013.91</u> | <u>353,285.00</u> | <u>-107,271.09</u> | <u>69.64%</u> |
| Insurance Expense | | | | |
| Excess Liability Policy | 709,326.00 | 709,326.00 | 0.00 | 100.0% |
| Excess Property Policy | 1,691,004.62 | 1,691,005.00 | -0.38 | 100.0% |
| Crime Policy | 12,920.00 | 12,920.00 | 0.00 | 100.0% |
| Total Insurance Expense | <u>2,413,250.62</u> | <u>2,413,251.00</u> | <u>-0.38</u> | <u>100.0%</u> |
| Claims Costs | | | | |
| Claims Payments | 643,581.69 | 783,000.00 | -139,418.31 | |
| Claims Adjustment Account | 325,908.94 | 0.00 | 325,908.94 | |
| Total Claims Costs | <u>969,490.63</u> | <u>783,000.00</u> | <u>186,490.63</u> | <u>123.82%</u> |
| Total Expense | <u>3,628,755.16</u> | <u>3,549,536.00</u> | <u>79,219.16</u> | <u>102.23%</u> |
| Net Revenue Over Expenses | <u>\$ (162,009.22)</u> | <u>\$ (100,000.00)</u> | <u>\$ (62,009.22)</u> | <u>162.01%</u> |

South Bay Area Schools Insurance Authority General Checking Account Activity

April 1, 2015 - June 30, 2015

| Type | Date | Num | Name | Memo | Split | Debit | Credit | Balance |
|--------------------------------|------------|---------|--------------------------|---------------------------------------|-----------------------------|------------------|-------------------|-------------------|
| Bank of America - 61312 | | | | | | | | |
| Deposit | 04/10/2015 | | | Deposit | -SPLIT- | 11,020.14 | | 1,218,919.95 |
| Check | 04/14/2015 | 10153 | Carl Warren & Company | | B of A Claims Trust Account | | 84,054.78 | 1,229,940.09 |
| Check | 04/14/2015 | 10154 | Carl Warren & Company | | B of A Claims Trust Account | | 23,450.00 | 1,145,885.31 |
| Check | 04/14/2015 | 10155 | Carl Warren & Company | Replaces damaged check # 10147 | Claims Management Fees | | 5,342.73 | 1,122,435.31 |
| Gener... | 04/14/2015 | JE # 96 | | Voided Check # 10147 Replace With ... | Claims Management Fees | 5,342.73 | | 1,117,092.58 |
| Check | 04/30/2015 | 10156 | Carl Warren & Company | Inv # 1672880 - 1672907 | Claims Management Fees | | 7,495.72 | 1,114,939.59 |
| Check | 04/30/2015 | 10157 | Carl Warren & Company | Replenishment | B of A Claims Trust Account | | 48,408.15 | 1,066,531.44 |
| Check | 05/22/2015 | 10158 | Carl Warren & Company | Inv # 1681213 - 1681240 | Claims Management Fees | | 2,603.92 | 1,063,927.52 |
| Check | 05/22/2015 | 10159 | Carl Warren & Company | | B of A Claims Trust Account | | 37,387.53 | 1,026,539.99 |
| Check | 06/18/2015 | 10160 | Carl Warren & Company | Replenishment | B of A Claims Trust Account | | 44,184.30 | 982,355.69 |
| Check | 06/18/2015 | 10161 | Carl Warren & Company | Increase Fund Balance | B of A Claims Trust Account | | 50,000.00 | 932,355.69 |
| Check | 06/18/2015 | 10162 | Gilbert Associates, Inc. | April - June 2015 - Inv # 309966 | Accounting Services | | 5,250.00 | 927,105.69 |
| Check | 06/18/2015 | 10163 | Carl Warren & Company | Inv # 1687289 - 1687312 | Claims Management Fees | | 7,079.21 | 920,026.48 |
| Total Bank of America - 61312 | | | | | | 16,362.87 | 315,256.34 | 920,026.48 |
| TOTAL | | | | | | 16,362.87 | 315,256.34 | 920,026.48 |

South Bay Area Schools Insurance Authority
 Check Register - Carl Warren Trust Account
 April 1, 2015 - June30, 2015

| Check | Payee | Check Dt | DOL | Claim | Cov | Claimant | Amount | Loss | Expense |
|-------|--|----------|----------|---------|-----|----------------------------|-------------|-------------|-------------|
| 10642 | DAVIS & YOUNG, APLC | 6/2/15 | 8/24/11 | 1868927 | LBI | VILLARREAL, ISABEL (MINOR) | \$17,144.49 | \$0.00 | \$17,144.49 |
| 10643 | DAVIS & YOUNG, APLC | 6/2/15 | 9/5/12 | 1867378 | LBI | DOE, JANE | \$646.36 | \$0.00 | \$646.36 |
| 10644 | DAVIS & YOUNG, APLC | 6/2/15 | 8/23/11 | 1865109 | LBI | DUONG, BECKY (MINOR) | \$12,604.40 | \$0.00 | \$12,604.40 |
| 10645 | DAVIS & YOUNG, APLC | 6/2/15 | 12/19/12 | 1858406 | LBI | PETTITTO, ARIEL | \$2,266.73 | \$0.00 | \$2,266.73 |
| 10646 | DAVIS & YOUNG, APLC | 6/2/15 | 8/9/10 | 1860076 | LBI | LEON, ARLETH | \$11,522.32 | \$0.00 | \$11,522.32 |
| 10647 | DAVIS & YOUNG, APLC | 6/29/15 | 8/9/10 | 1614389 | LBI | Pham, Wendy | \$14,300.73 | \$0.00 | \$14,300.73 |
| 10648 | CAMPBELL UNION SCHOOL DISTRICT | 6/29/15 | 12/19/14 | 1901169 | SUB | Herrera, Jaime | \$3,565.61 | \$3,565.61 | \$0.00 |
| 10649 | DAVIS & YOUNG, APLC | 6/29/15 | 12/2/12 | 1847819 | LBI | OH, GREEN | \$277.21 | \$0.00 | \$277.21 |
| 10650 | SIE POOK LAW AS PARENT AND LEGAL GUARDIAN OF BENNETT LAW | 6/29/15 | 11/3/14 | 1899784 | LBI | LAW, Bennett | \$948.20 | \$948.20 | \$0.00 |
| 10651 | LOS ALTOS SCHOOL DISTRICT | 6/29/15 | 11/24/14 | 1899720 | FPT | LOS ALTOS SCH DIST, . | \$20,189.31 | \$20,189.31 | \$0.00 |
| 10652 | DOUGLAS E. TUCKER MD | 6/29/15 | 8/9/10 | 1614389 | LBI | Pham, Wendy | \$9,303.12 | \$0.00 | \$9,303.12 |
| 10653 | DECISION ANALYSIS, INC. | 6/29/15 | 8/9/10 | 1614389 | LBI | Pham, Wendy | \$9,100.06 | \$0.00 | \$9,100.06 |
| 10654 | DAVIS & YOUNG, APLC | 6/29/15 | 1/1/13 | 1852921 | LBI | SHENE, HARLEY | \$1,100.37 | \$0.00 | \$1,100.37 |
| 10655 | DAVIS & YOUNG, APLC | 6/29/15 | 8/9/10 | 1614389 | LBI | Pham, Wendy | \$27,065.10 | \$0.00 | \$27,065.10 |
| 10627 | ANLEE D. KUO | 5/8/15 | 8/9/10 | 1860076 | LBI | LEON, ARLETH | \$9,125.00 | \$0.00 | \$9,125.00 |
| 10628 | ANLEE D. KUO | 5/8/15 | 8/23/11 | 1865109 | LBI | DUONG, BECKY (MINOR) | \$1,750.00 | \$0.00 | \$1,750.00 |
| 10629 | ANLEE D. KUO | 5/8/15 | 8/24/11 | 1868927 | LBI | VILLARREAL, ISABEL (MINOR) | \$6,875.00 | \$0.00 | \$6,875.00 |
| 10630 | THE CHILDREN'S PSYCHOLOGICAL HEALTH CENTER INC. | 5/8/15 | 8/9/10 | 1614389 | LBI | Pham, Wendy | \$1,500.00 | \$0.00 | \$1,500.00 |
| 10631 | THE CHILDREN'S PSYCHOLOGICAL HEALTH CENTER INC. | 5/8/15 | 8/9/10 | 1860076 | LBI | LEON, ARLETH | \$1,500.00 | \$0.00 | \$1,500.00 |
| 10632 | THE CHILDREN'S PSYCHOLOGICAL HEALTH CENTER INC. | 5/8/15 | 8/23/11 | 1865109 | LBI | DUONG, BECKY (MINOR) | \$1,500.00 | \$0.00 | \$1,500.00 |
| 10633 | DOUGLAS E. TUCKER MD | 5/8/15 | 8/9/10 | 1614389 | LBI | Pham, Wendy | \$3,209.38 | \$0.00 | \$3,209.38 |
| 10634 | DOUGLAS E. TUCKER MD | 5/8/15 | 8/9/10 | 1860076 | LBI | LEON, ARLETH | \$3,209.39 | \$0.00 | \$3,209.39 |
| 10635 | DOUGLAS E. TUCKER MD | 5/8/15 | 8/23/11 | 1865109 | LBI | DUONG, BECKY (MINOR) | \$3,209.38 | \$0.00 | \$3,209.38 |
| 10636 | DOUGLAS E. TUCKER MD | 5/8/15 | 8/24/11 | 1868927 | LBI | VILLARREAL, ISABEL (MINOR) | \$3,209.38 | \$0.00 | \$3,209.38 |
| 10637 | THE CHILDREN'S PSYCHOLOGICAL HEALTH CENTER INC. | 5/8/15 | 8/24/11 | 1868927 | LBI | VILLARREAL, ISABEL (MINOR) | \$2,300.00 | \$0.00 | \$2,300.00 |
| 10638 | HEATHER COBURN | 5/19/15 | 1/8/15 | 1902900 | LBI | COBURN, HEATHER | \$591.15 | \$591.15 | \$0.00 |
| 10639 | DAVIS & YOUNG, APLC | 5/26/15 | 3/4/15 | 1905223 | LPI | MEHTA, KAMAL | \$1,467.00 | \$0.00 | \$1,467.00 |
| 10640 | DAVIS & YOUNG, APLC | 5/26/15 | 11/7/13 | 1885371 | LBI | PERRY, AUSTIN | \$2,565.43 | \$0.00 | \$2,565.43 |
| 10641 | DAVIS & YOUNG, APLC | 5/26/15 | 9/21/13 | 1894367 | LPI | PERRIZO, KAYDEN | \$740.43 | \$0.00 | \$740.43 |
| 10594 | PARK DIETZ & ASSOCIATES, INC. | 4/1/15 | 8/9/10 | 1614389 | LBI | Pham, Wendy | -\$5,000.00 | \$0.00 | -\$5,000.00 |
| 10596 | PARK DIETZ & ASSOCIATES, INC. | 4/1/15 | 8/9/10 | 1860076 | LBI | LEON, ARLETH | -\$5,000.00 | \$0.00 | -\$5,000.00 |
| 10598 | PARK DIETZ & ASSOCIATES, INC. | 4/1/15 | 8/23/11 | 1865109 | LBI | DUONG, BECKY (MINOR) | -\$5,000.00 | \$0.00 | -\$5,000.00 |
| 10599 | DOUGLAS E. TUCKER MD, MEDICAL CORP., INC. | 4/14/15 | 8/23/11 | 1865109 | LBI | DUONG, BECKY (MINOR) | \$1,625.00 | \$0.00 | \$1,625.00 |
| 10600 | PARK DIETZ & ASSOCIATES, INC. | 4/14/15 | 8/24/11 | 1868927 | LBI | VILLARREAL, ISABEL (MINOR) | \$5,000.00 | \$0.00 | \$5,000.00 |
| 10600 | PARK DIETZ & ASSOCIATES, INC. | 4/23/15 | 8/24/11 | 1868927 | LBI | VILLARREAL, ISABEL (MINOR) | -\$5,000.00 | \$0.00 | -\$5,000.00 |
| 10601 | DOUGLAS E. TUCKER MD | 4/14/15 | 8/24/11 | 1868927 | LBI | VILLARREAL, ISABEL (MINOR) | \$1,625.00 | \$0.00 | \$1,625.00 |
| 10602 | ECONOMIC SOLUTIONS, INC. | 4/14/15 | 8/9/10 | 1614389 | LBI | Pham, Wendy | \$300.00 | \$0.00 | \$300.00 |
| 10603 | ECONOMIC SOLUTIONS, INC. | 4/14/15 | 8/9/10 | 1860076 | LBI | LEON, ARLETH | \$300.00 | \$0.00 | \$300.00 |
| 10604 | ECONOMIC SOLUTIONS, INC. | 4/14/15 | 8/23/11 | 1865109 | LBI | DUONG, BECKY (MINOR) | \$300.00 | \$0.00 | \$300.00 |
| 10605 | ECONOMIC SOLUTIONS, INC. | 4/14/15 | 8/24/11 | 1868927 | LBI | VILLARREAL, ISABEL (MINOR) | \$300.00 | \$0.00 | \$300.00 |

South Bay Area Schools Insurance Authority
 Check Register - Carl Warren Trust Account
 April 1, 2015 - June30, 2015

| Check | Payee | Check Dt | DOL | Claim | Cov | Claimant | Amount | Loss | Expense |
|-------|--|----------|----------|---------|-----|----------------------------|---------------------|--------------------|---------------------|
| 10606 | SAN MIN LEE, GUARDIAN AD LITEM FOR GREEN OH & THEIR ATTORNEY DAVID KRAFT | 4/14/15 | 12/2/12 | 1847819 | LBI | OH, GREEN | \$29,000.00 | \$29,000.00 | \$0.00 |
| 10607 | DAVIS & YOUNG, APLC | 4/14/15 | 8/9/10 | 1860076 | LBI | LEON, ARLETH | \$13,278.72 | \$0.00 | \$13,278.72 |
| 10608 | DAVIS & YOUNG, APLC | 4/14/15 | 1/1/13 | 1852921 | LBI | SHENE, HARLEY | \$2,732.82 | \$0.00 | \$2,732.82 |
| 10609 | DAVIS & YOUNG, APLC | 4/15/15 | 12/19/12 | 1858406 | LBI | PETTITTO, ARIEL | \$1,641.13 | \$0.00 | \$1,641.13 |
| 10610 | JENNIFER TIMMERMANN | 4/15/15 | 10/8/14 | 1901162 | LBI | TIMMERMANN, JESSE | \$1,254.93 | \$1,254.93 | \$0.00 |
| 10611 | DAVIS & YOUNG, APLC | 4/15/15 | 7/31/12 | 1859899 | LPI | MCELROY, GEORGE | \$240.00 | \$0.00 | \$240.00 |
| 10612 | DAVIS & YOUNG, APLC | 4/15/15 | 5/1/14 | 1901060 | LPI | Paredes, Angelina | \$980.00 | \$0.00 | \$980.00 |
| 10613 | DAVIS & YOUNG, APLC | 4/15/15 | 5/2/13 | 1860712 | LBI | PACHECO, FREDERIC | \$836.82 | \$0.00 | \$836.82 |
| 10614 | DAVIS & YOUNG, APLC | 4/15/15 | 9/5/12 | 1867378 | LBI | DOE, JANE | \$1,221.90 | \$0.00 | \$1,221.90 |
| 10615 | DAVIS & YOUNG, APLC | 4/23/15 | 8/9/10 | 1614389 | LBI | Pham, Wendy | \$13,726.64 | \$0.00 | \$13,726.64 |
| 10616 | DAVIS & YOUNG, APLC | 4/23/15 | 8/24/11 | 1868927 | LBI | VILLARREAL, ISABEL (MINOR) | \$17,742.06 | \$0.00 | \$17,742.06 |
| 10617 | DAVIS & YOUNG, APLC | 4/23/15 | 8/23/11 | 1865109 | LBI | DUONG, BECKY (MINOR) | \$10,307.36 | \$0.00 | \$10,307.36 |
| 10618 | DAVIS & YOUNG, APLC | 4/23/15 | 8/9/10 | 1860076 | LBI | LEON, ARLETH | \$14,030.38 | \$0.00 | \$14,030.38 |
| 10619 | DAVIS & YOUNG, APLC | 4/23/15 | 8/9/10 | 1614389 | LBI | Pham, Wendy | \$11,558.18 | \$0.00 | \$11,558.18 |
| 10620 | DAVIS & YOUNG, APLC | 4/23/15 | 1/1/13 | 1852921 | LBI | SHENE, HARLEY | \$4,748.63 | \$0.00 | \$4,748.63 |
| 10621 | DAVIS & YOUNG, APLC | 4/23/15 | 9/12/12 | 1851064 | LBI | Pott, Audrie | \$1,155.00 | \$0.00 | \$1,155.00 |
| 10622 | DAVIS & YOUNG, APLC | 4/23/15 | 8/23/11 | 1865109 | LBI | DUONG, BECKY (MINOR) | \$16,315.54 | \$0.00 | \$16,315.54 |
| 10623 | DAVIS & YOUNG, APLC | 4/23/15 | 8/24/11 | 1868927 | LBI | VILLARREAL, ISABEL (MINOR) | \$10,893.17 | \$0.00 | \$10,893.17 |
| 10624 | DAVIS & YOUNG, APLC | 4/23/15 | 11/10/13 | 1886281 | LPI | CRANDALL, CRAIG | \$4,799.65 | \$0.00 | \$4,799.65 |
| 10625 | ANLEE D. KUO | 4/23/15 | 8/24/11 | 1868927 | LBI | VILLARREAL, ISABEL (MINOR) | \$5,000.00 | \$0.00 | \$5,000.00 |
| 10626 | ANLEE D. KUO | 4/23/15 | 8/23/11 | 1865109 | LBI | DUONG, BECKY (MINOR) | \$5,000.00 | \$0.00 | \$5,000.00 |
| | | | | | | | \$328,698.48 | \$55,549.20 | \$273,149.28 |

Claims Checking Account

| | |
|---|--------------------|
| Beginning Bank Balance @ 3/31/15 | \$ 50,000.00 |
| Deposits - Transfers from general account | 287,484.76 |
| Claim Payments | -\$328,698.48 |
| Ending Balance @ 9/30/15 | \$ 8,786.28 |



South Bay Area Schools Insurance Authority
Board of Directors
December 3, 2015

Agenda Item F.1.

AUDITED FINANCIAL REPORT AS OF JUNE 30, 2015

ACTION ITEM

ISSUE: The Board of Directors should review and, if appropriate, approve the audited financial report.

RECOMMENDATION: The Program Administrator recommends approval of the audited financial report.

FISCAL IMPACT: None

BACKGROUND: SBASIA is required to have an audit of its books done each year and to file such audit with the County in which its primary office is located. It must also file the audit with the State Controller. SBASIA had James Marta & Company perform its audited financials for the year ending June 30, 2015.

Robin Zane of James Marta & Company will be present to review the report with the Board and answer any questions.

ATTACHMENTS: None



South Bay Area Schools Insurance Authority
Board of Directors
December 3, 2015

Agenda Item G.1.

CLAIMS BY CLASS CODE

INFORMATION ITEM

EXPLANATION: Staff will present graphs showing the frequency and severity of claims paid by class code for the previous five years. A claims coding system was developed to track SBASIA claims for various loss types and incidents to assist its members in determining where special efforts in loss control should be concentrated.

ATTACHMENTS: SBASIA Claims by Class Code



South Bay Area Schools Insurance Authority
Board of Directors
December 3, 2015

Agenda Item H.1.

TARGET SURPLUS FUNDING ANALYSIS AS OF JUNE 30, 2015

INFORMATION ITEM

EXPLANATION: The Board of Directors annually reviews the Target Surplus Funding Analysis. The Target Surplus Funding Analysis indicates at what confidence level claims liabilities are being funded and how many full limit losses SBASIA can absorb. The ratios shown are similar to those used by the insurance companies to evaluate their financial strength, but altered to more appropriately reflect the strength of a self-insured pool. SBASIA established the Target Surplus goal to be the actuarially determined 70% confidence level, discounted for investment, subject to a minimum surplus of \$2.5 million.

ATTACHMENTS: Target Surplus Funding Analysis as of June 30, 2015



South Bay Area Schools Insurance Authority
Board of Directors
December 3, 2015

Agenda Item H.2.

UPDATE ON CYBER SECURITY AUDIT

INFORMATION ITEM

BACKGROUND: At its March 5, 2015 meeting, the Executive Committee decided to contract with McGladrey to provide a Cyber Security Audit consisting of internal network vulnerability testing and security controls review. McGladrey has completed most of the cyber audits at member districts. Staff will provide an update on status of the audit.

ATTACHMENTS: None