



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 16, 2016**
- 2. Unaudited Financial Report for Quarter Ending June 30, 2016**
- 3. Investment Report for Quarter Ending June 30, 2016**
- 4. Financial Report for Quarter Ending September 30, 2016**

ATTACHMENTS: Board of Directors Meeting Minutes – June 16, 2016
Unaudited Financial Report for Quarter Ending June 30, 2016
Investment Report for Quarter Ending June 30, 2016
Financial Report for Quarter Ending September 30, 2016



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
CAMPBELL, CALIFORNIA
June 16, 2016**

MEMBERS PRESENT

James Crawford, President, Campbell Union School District
Nelly Yang, Vice President, Evergreen School District
Mark Allgire, Treasurer, Santa Clara Unified School District
Barbara Coats, Secretary, Santa Clara County Office of Education
Randy Kenyon, Los Altos School District
Kelly Ng, Milpitas Unified School District
Mike Mathiesen, Mountain View-Los Altos Union High School District

MEMBERS ABSENT

Phuong Le, Member at Large, Berryessa Union School District
Lisa Gonzales, Lakeside Joint School District
Greg Medici, Los Gatos-Saratoga Joint Union High School District
Marie dela Cruz, Metropolitan Education District
Robert Clark, Mountain View Whisman School District

GUESTS & CONSULTANTS

Matt Gowan, Alliant Insurance Services
Joan Crossley, Alliant Insurance Services
Andy Obuchowski, Jr., Director Security & Privacy Consulting, RSM US
Loras Even, Principal, RSM US
Kevin Wong, Gilbert Associates

A. CALL TO ORDER

The meeting was called to order at 10:04 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: Mark Allgire	SECOND: Barbara Coats	MOTION CARRIED
AYES: 7	NOES: 0	ABSENT: 5
	ABSTAIN: 0	

AYES: Crawford, Yang, Allgire, Coats, Kenyon, Ng, Mathiesen
NAYS: None
ABSENT: Le, Gonzales, Medici, dela Cruz, Clark

D. PUBLIC COMMENT

There were no public comments.



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
CAMPBELL, CALIFORNIA
June 16, 2016**

E. CONSENT CALENDAR

1. Board of Directors Meeting Minutes – December 3, 2015

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

MOTION: Mark Allgire **SECOND:** Randy Kenyon **MOTION CARRIED**
AYES: 7 **NOES:** 0 **ABSTAIN:** 0 **ABSENT:** 5

AYES: Crawford, Yang, Allgire, Coats, Kenyon, Ng, Mathiesen
NAYS: None
ABSENT: Le, Gonzales, Medici, dela Cruz, Clark

F. FINANCIAL

1. Cyber Security Audit Review

Mr. Matt Gowan introduced Mr. Andy Obuchowski, Jr and Mr. Loras Even from RSM US, the cyber security firm that performed a cyber audit for the JPA. Mr. Obuchowski said the cyber security audit was performed to try to identify security gaps and find ways to mitigate cyber exposure. Ways to mitigate exposure can be as simple as changing a setting in the computer system, providing updated training and establishing better internal policies. The audit was performed by talking to IT staff and reviewing current IT policies. A gap analysis and vulnerability testing was then performed for each JPA member. Mr. Obuchowski provided a summary of the positive items found during the cyber security audit as well as the items that need to be improved.

2. Excess Liability Renewal

Mr. Gowan said the Excess Liability insurance is renewing with CSAC EIA from \$250,000 to \$5 million, then with SELF from \$5 million to \$55 million. The Liability market is very hard due to an increase in molestation claims and settlement inflation in California. The CSAC EIA premium increased by 2.5% and the SELF premium increased by 22.5%.

A motion was made to approve the premium of \$830,583 for the Excess Liability renewal for the period of July 1, 2016-2017.

MOTION: Mark Allgire **SECOND:** Mike Mathiesen **MOTION CARRIED**
AYES: 7 **NOES:** 0 **ABSTAIN:** 0 **ABSENT:** 5

AYES: Crawford, Yang, Allgire, Coats, Kenyon, Ng, Mathiesen
NAYS: None
ABSENT: Le, Gonzales, Medici, dela Cruz, Clark



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
CAMPBELL, CALIFORNIA
June 16, 2016**

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, 2016- 2017 as presented.

MOTION: Mark Allgire **SECOND:** Mike Mathiesen **MOTION CARRIED**
AYES: 7 **NOES:** 0 **ABSTAIN:** 0 **ABSENT:** 5

AYES: Crawford, Yang, Allgire, Coats, Kenyon, Ng, Mathiesen

NAYS: None

ABSENT: Le, Gonzales, Medici, dela Cruz, Clark

4. Excess Property and Boiler & Machinery Renewal

Mr. Gowan said the Property and Boiler & Machinery coverage is renewing with APIP (Alliant Property Insurance Program). The Property market is soft and the Property premium has decreased by 9.9%. This decrease helped offset the Liability increase.

A motion was made to approve the premium of \$1,366,986 for the Excess Property and Boiler & Machinery renewal for the period of July 1, 2016 – 2017.

MOTION: Barbara Coats **SECOND:** Kelly Ng **MOTION CARRIED**
AYES: 7 **NOES:** 0 **ABSTAIN:** 0 **ABSENT:** 5

AYES: Crawford, Yang, Allgire, Coats, Kenyon, Ng, Mathiesen

NAYS: None

ABSENT: Le, Gonzales, Medici, dela Cruz, Clark

5. Alliant Property Insurance Program Claims Reporting Acknowledgement

Ms. Joan Crossley said the APIP program requires a review and acknowledgement of the Alliant Property Insurance Program Claims Reporting Acknowledgement which provides claim reporting instructions to the JPA. Ms. Crossley 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: Randy Kenyon **SECOND:** Mike Mathiesen **MOTION CARRIED**
AYES: 7 **NOES:** 0 **ABSTAIN:** 0 **ABSENT:** 5



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
CAMPBELL, CALIFORNIA
June 16, 2016**

AYES: Crawford, Yang, Allgire, Coats, Kenyon, Ng, Mathiesen
NAYS: None
ABSENT: Le, Gonzales, Medici, dela Cruz, Clark

6. Crime Policy Renewal

Mr. Gowan said the Executive Committee decided to increase the Crime insurance limit from \$1 million to \$3 million based on some large crime losses in California.

A motion was made to approve the premium of \$29,800 for the Crime renewal for the period of July 1, 2016-2017.

MOTION: Mark Allgire	SECOND: Kelly Ng	MOTION CARRIED
AYES: 7	NOES: 0	ABSENT: 5
	ABSTAIN: 0	

AYES: Crawford, Yang, Allgire, Coats, Kenyon, Ng, Mathiesen
NAYS: None
ABSENT: Le, Gonzales, Medici, dela Cruz, Clark

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, 2016-2017 as presented.

MOTION: Mike Mathiesen	SECOND: Kelly Ng	MOTION CARRIED
AYES: 7	NOES: 0	ABSENT: 5
	ABSTAIN: 0	

AYES: Crawford, Yang, Allgire, Coats, Kenyon, Ng, Mathiesen
NAYS: None
ABSENT: Le, Gonzales, Medici, dela Cruz, Clark

8. Accounting Contract

Mr. Kevin Wong from Gilbert Associates announced a staffing change. Tracey Smith-Reed is leaving the firm. A replacement, Cindy Conklin, has been hired and she has 30 years of experience. Mr. Wong said he will still be performing review and oversight of the accounting for the JPA.

The expiring annual accounting fee is \$23,000 and the renewal fees are as follows:

- \$23,500 for period of July 1, 2016 to June 30, 2017
- \$24,000 for period of July 1, 2017 to June 30, 2018
- \$24,500 for period of July 1, 2018 to June 30, 2019



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
CAMPBELL, CALIFORNIA
June 16, 2016**

A motion was made to approve the Accounting Contract with Gilbert Associates, Inc. for the period of July 1, 2016 – June 30, 2019.

MOTION: Randy Kenyon **SECOND:** Kelly Ng **MOTION CARRIED**
AYES: 7 **NOES:** 0 **ABSTAIN:** 0 **ABSENT:** 5

AYES: Crawford, Yang, Allgire, Coats, Kenyon, Ng, Mathiesen
NAYS: None
ABSENT: Le, Gonzales, Medici, dela Cruz, Clark

9. Administration Contract

Mr. Gowan said the Executive Committee reviewed the administration contract and is recommending approval of the contract. The expiring annual fee is \$150,000. In 2012-2013, the annual fee was \$158,194 and Alliant lowered the fee to assist the districts during a reduced budget. The renewal fee is \$160,000 per year for a three year term. There is an option to extend the contract for an additional two years at fee of \$164,800 per year.

A motion was made to approve the Administration Contract with Alliant Insurance Services, Inc. for the period of July 1, 2016 – June 30, 2019.

MOTION: Mark Allgire **SECOND:** Mike Mathiesen **MOTION CARRIED**
AYES: 7 **NOES:** 0 **ABSTAIN:** 0 **ABSENT:** 5

AYES: Crawford, Yang, Allgire, Coats, Kenyon, Ng, Mathiesen
NAYS: None
ABSENT: Le, Gonzales, Medici, dela Cruz, Clark

10. Revenue and Expense Budget for July 1, 2016-2017

Mr. Gowan said the insurance items in the budget were presented earlier in the meeting. Under administration fees, loss control has been budgeted at \$55,000 to replace the amount spent on the cyber security audit that was performed this year. The overall budget increased by 3.4% from last year.

A motion was made to adopt the Revenue and Expense Budget for July 1, 2016-2017 as presented.

MOTION: Randy Kenyon **SECOND:** Kelly Ng **MOTION CARRIED**
AYES: 7 **NOES:** 0 **ABSTAIN:** 0 **ABSENT:** 5

AYES: Crawford, Yang, Allgire, Coats, Kenyon, Ng, Mathiesen
NAYS: None
ABSENT: Le, Gonzales, Medici, dela Cruz, Clark



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
CAMPBELL, CALIFORNIA
June 16, 2016**

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 2016-2017 program year. They are as follows:

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: Randy Kenyon **SECOND:** Mike Mathiesen **MOTION CARRIED**
AYES: 7 **NOES:** 0 **ABSTAIN:** 0 **ABSENT:** 5

AYES: Crawford, Yang, Allgire, Coats, Kenyon, Ng, Mathiesen
NAYS: None
ABSENT: Le, Gonzales, Medici, dela Cruz, Clark

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, 2016 to June 30, 2017.

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

MOTION: Nelly Yang **SECOND:** Randy Kenyon **MOTION CARRIED**
AYES: 7 **NOES:** 0 **ABSTAIN:** 0 **ABSENT:** 5

AYES: Crawford, Yang, Allgire, Coats, Kenyon, Ng, Mathiesen
NAYS: None
ABSENT: Le, Gonzales, Medici, dela Cruz, Clark

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.



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
CAMPBELL, CALIFORNIA
June 16, 2016**

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

MOTION: Mark Allgire **SECOND:** Randy Kenyon **MOTION CARRIED**
AYES: 7 **NOES: 0** **ABSTAIN: 0** **ABSENT: 5**

AYES: Crawford, Yang, Allgire, Coats, Kenyon, Ng, Mathiesen
NAYS: None
ABSENT: Le, Gonzales, Medici, dela Cruz, Clark

4. Review of Conflict of Interest Code

Mr. Gowan said that Government Code requires the Conflict of Interest Code to be reviewed and approved every even numbered year. There are no changes to the Conflict of Interest Code.

A motion was made to adopt the Conflict of Interest Code as presented.

MOTION: Mark Allgire **SECOND:** Barbara Coats **MOTION CARRIED**
AYES: 7 **NOES: 0** **ABSTAIN: 0** **ABSENT: 5**

AYES: Crawford, Yang, Allgire, Coats, Kenyon, Ng, Mathiesen
NAYS: None
ABSENT: Le, Gonzales, Medici, dela Cruz, Clark

5. Resolution Establishing Meeting Dates for Fiscal Year 2016-2017

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 2016-2017:
December 1, 2016, 10:00 a.m., Campbell Union School District
June 15, 2017, 10:00 a.m., Campbell Union School District

A motion was made to adopt the 2016-2017 Board meeting dates as presented.

MOTION: Mike Mathiesen **SECOND:** Kelly Ng **MOTION CARRIED**
AYES: 7 **NOES: 0** **ABSTAIN: 0** **ABSENT: 5**

AYES: Crawford, Yang, Allgire, Coats, Kenyon, Ng, Mathiesen
NAYS: None
ABSENT: Le, Gonzales, Medici, dela Cruz, Clark



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
CAMPBELL, CALIFORNIA
June 16, 2016**

H. COMMENTS FOR THE GOOD OF THE ORDER

There were no comments for the good of the order.

ADJOURNMENT

The meeting was adjourned at 11:25 a.m.

South Bay Area Schools Insurance Authority
Statement of Net Position (Draft)
As of June 30, 2016 and June 30, 2015

	Jun 30, '16	Jun 30, '15
ASSETS		
Current Assets		
Checking/Savings		
WFB - Santa Clara County	3,735,397.19	3,711,409.09
WFB - Transfer Account	3,164.36	10,000.00
B of A Claims Trust Account	1,004,162.48	8,786.28
B of A - General Checking	451,395.61	920,026.48
Total Checking/Savings	5,194,119.64	4,650,221.85
Accounts Receivable		
Accounts Receivable		
Claim Recovery Receivable	1,162,202.22	788,849.54
Claims Deductibles	284,825.73	209,698.89
Total Accounts Receivable	1,447,027.95	998,548.43
Total Accounts Receivable	1,447,027.95	998,548.43
Total Current Assets	6,641,147.59	5,648,770.28
Other Assets		
Interest Receivable	7,567.32	5,091.38
Prepaid Expenses	450.00	-
Total Other Assets	8,017.32	5,091.38
TOTAL ASSETS	\$ 6,649,164.91	\$ 5,653,861.66
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable	\$ 719,617.70	\$ 9,844.98
Claims Reserves	1,635,628.00	633,574.00
Total Current Liabilities	2,355,245.70	643,418.98
Total Current Liabilities	2,355,245.70	643,418.98
Long Term Liabilities		
IBNR	1,250,185.00	2,160,750.93
Unallocated Loss Adjustment	289,000.00	267,000.00
Total Long Term Liabilities	1,539,185.00	2,427,750.93
Total Liabilities	3,894,430.70	3,071,169.91
NET POSITION		
Reserve for Shock Loss	2,500,000.00	2,500,000.00
Unrestricted Net Position	82,691.75	244,700.97
Net Revenue Over Expenditures	172,042.46	(162,009.22)
Total Net Position	\$ 2,754,734.21	\$ 2,582,691.75

South Bay Area Schools Insurance Authority
Statement of Revenue, Expenses, and Changes in Net Position (Draft)
For the Quarter and Year Ended June 30, 2016 and June 30, 2015

	<u>Apr '16 - Jun '16</u>	<u>Jul '15 - Jun '16</u>	<u>Jul '14 - Jun '15</u>
Revenue			
Member Contributions			
Liability Contributions	\$ 185,745.75	\$ 742,982.99	\$ 709,326.00
Property Contributions	379,342.75	1,517,371.00	1,691,005.00
Crime Policy	3,239.43	12,957.72	12,919.99
Administration	68,067.50	272,270.03	253,284.96
Loss Funding	205,250.01	821,000.07	782,999.89
Total Member Contributions	<u>841,645.44</u>	<u>3,366,581.81</u>	<u>3,449,535.84</u>
Interest Income	7,567.32	26,464.04	17,210.10
Total Income	<u>849,212.76</u>	<u>3,393,045.85</u>	<u>3,466,745.94</u>
Expense			
General & Administrative			
General Expenses			
Accounting Services	5,750.00	23,000.00	22,000.00
Accreditation Fee	-	4,500.00	-
Actuarial Study	-	5,200.00	-
Appraisal Services	-	-	-
Audit Expense - Claims	-	-	3,210.00
Audit Expense - Financial	-	12,110.00	11,870.00
Bank Service Charges	35.16	207.31	-
Conference	-	740.46	1,476.59
Dues & Membership	-	450.00	450.00
Legal Expense - JPA	-	18,366.90	-
Loss Control	22,500.00	55,000.00	-
Supplies, Postage, Misc Expense	-	-	40.40
Total Administration	<u>28,285.16</u>	<u>119,574.67</u>	<u>39,046.99</u>
Program Administration			
Claims Management Fees	26,469.11	78,667.36	56,966.92
Contract Administration	37,500.00	150,000.00	150,000.00
Total Program Administration	<u>63,969.11</u>	<u>228,667.36</u>	<u>206,966.92</u>
Total General and Administrative Expenses	<u>92,254.27</u>	<u>348,242.03</u>	<u>246,013.91</u>
Insurance Expense			
Excess Liability Policy	99,874.50	399,498.00	651,715.00
SELF Contributions	85,872.33	343,489.35	-
Excess Liability MOC/CSAC/EIA	-	-	57,611.00
Excess Property Policy	379,342.81	1,517,371.21	1,691,004.62
Crime Policy	3,239.50	12,958.00	12,920.00
Total Insurance Expense	<u>568,329.14</u>	<u>2,273,316.56</u>	<u>2,413,250.62</u>
Claims Expenses			
Claims Payments	257,601.04	609,700.62	643,581.69
Claims Adjustment Account	61,546.18	(10,255.82)	325,908.94
Total Claims Expenses	<u>319,147.22</u>	<u>599,444.80</u>	<u>969,490.63</u>
Dividends	-	-	-
Total Expenses	<u>979,730.63</u>	<u>3,221,003.39</u>	<u>3,628,755.16</u>
Net Revenue Over (Under) Expenses	<u>\$ (130,517.87)</u>	<u>\$ 172,042.46</u>	<u>\$ (162,009.22)</u>
Net Postion, Beginning		<u>\$ 2,582,691.75</u>	<u>\$ 2,744,700.97</u>
Net Position, Ending		<u>\$ 2,754,734.21</u>	<u>\$ 2,582,691.75</u>

South Bay Area Schools Insurance Authority
Statement of Revenues and Expenses - Budget vs. Actual (Draft)
For the Year to Date Ended June 30, 2016

	<u>Jul '15 -Jun '16</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Revenue				
Member Contributions				
Liability Contributions	\$ 742,982.99	\$ 742,983.00	-0.01	100.0%
Property Contributions	1,517,371.00	1,517,371.00	0.00	100.0%
Crime Policy	12,957.72	12,958.00	-0.28	100.0%
Administration	272,270.03	272,270.00	0.03	100.0%
Loss Funding	821,000.07	821,000.00	0.07	100.0%
Total Member Contributions	<u>3,366,581.81</u>	<u>3,366,582.00</u>	<u>-0.19</u>	<u>100.0%</u>
Interest Income	26,464.04	0.00	26,464.04	100.0%
Total Revenue	<u>3,393,045.85</u>	<u>3,366,582.00</u>	<u>26,463.85</u>	<u>100.79%</u>
Expense				
General and Administrative Expenses				
General Expenses				
Accounting Services	23,000.00	23,000.00	0.00	100.0%
Accreditation Fees	4,500.00	4,500.00	0.00	100.0%
Actuarial Study	5,200.00	7,210.00	-2,010.00	72.12%
Audit Expense - Financial	12,110.00	12,110.00	0.00	100.0%
Bank Service Charges	207.31	0.00	207.31	100.0%
Conference	740.46	2,500.00	-1,759.54	29.62%
Contingency	0.00	5,000.00	-5,000.00	0.0%
Dues & Membership	450.00	450.00	0.00	100.0%
Legal Expense - JPA	18,366.90	2,000.00	16,366.90	918.35%
Loss Control	55,000.00	100,000.00	-45,000.00	55.0%
Meeting Expense	0.00	500.00	-500.00	0.0%
Total General Expenses	<u>119,574.67</u>	<u>157,270.00</u>	<u>-37,695.33</u>	<u>76.03%</u>
Program Administration				
Claims Management Fees	78,667.36	65,000.00	13,667.36	121.03%
Contract Administration	150,000.00	150,000.00	0.00	100.0%
Total Program Administration	<u>228,667.36</u>	<u>215,000.00</u>	<u>13,667.36</u>	<u>106.36%</u>
Total General and Administrative Expenses	<u>348,242.03</u>	<u>372,270.00</u>	<u>-24,027.97</u>	<u>93.55%</u>
Insurance Expense				
Excess Liability Policy	742,987.35	742,983.00	4.35	100.0%
Excess Property Policy	1,517,371.21	1,517,371.00	0.21	100.0%
Crime Policy	12,958.00	12,958.00	0.00	100.0%
Total Insurance Expense	<u>2,273,316.56</u>	<u>2,273,312.00</u>	<u>4.56</u>	<u>100.0%</u>
Claims Costs				
Claims Payments	609,700.62	821,000.00	-211,299.38	
Claims Adjustment Account	-10,255.82	0.00	-10,255.82	
Total Claims Costs	<u>599,444.80</u>	<u>821,000.00</u>	<u>-221,555.20</u>	<u>73.01%</u>
Total Expense	<u>3,221,003.39</u>	<u>3,466,582.00</u>	<u>-245,578.61</u>	<u>92.92%</u>
Net Revenue Over Expenses	<u>\$ 172,042.46</u>	<u>\$ (100,000.00)</u>	<u>\$ 272,042.46</u>	<u>-172.04%</u>

South Bay Area Schools Insurance Authority
Transactions by Account
 April 1, 2016 - June 30, 2016

Type	Date	Num	Name	Memo	Split	Debit	Credit	Balance
Bank of America - 61312								
Check	04/16/2016			Service Charge			9.46	927,263.89
Check	05/04/2016	10203	Carl Warren & Company	February & March 2016	Claims Management Fees		9,202.68	927,254.43
Check	05/04/2016	10204	Santa Clara County Office of Education	Reimbursement for PARMA - Barbara Coats	Conference		740.46	918,051.75
Check	05/04/2016	10205	Carl Warren & Company	Replenishment	Replenishment		58,696.15	917,311.29
Deposit	05/13/2016			Deposit	-SPLIT-	22,067.20		858,615.14
Check	05/31/2016			Service Charge	Bank Service Charges		11.66	880,682.34
Deposit	06/13/2016			Deposit	Undeposited Funds	5,000.00		880,670.68
Bill Pmt -Check	06/14/2016	10206	Carl Warren & Company	Replenishment	Replenishment		98,709.62	885,670.68
Bill Pmt -Check	06/14/2016	10207	Gilbert Associates, Inc.	Second Quarter 2016	Accounting		5,750.00	786,961.06
Bill Pmt -Check	06/14/2016	10208	RSM US LLP	Information Security	Loss Control		22,500.00	781,211.06
Bill Pmt -Check	06/14/2016	10209	CAJPA	2016/2017 CAJPA Membership Renewal	Prepaid Expenses		450.00	758,261.06
Check	06/14/2016	10210	Carl Warren & Company		Claims Management Fees		6,851.41	751,409.65
Check	06/28/2016	10215	Carl Warren & Company	Prefund / Claim #1859899	B of A Claims Trust Account		300,000.00	451,409.65
Check	06/30/2016			Service Charge	Bank Service Charges		14.04	451,395.61
Total Bank of America - 61312								
TOTAL						27,067.20	502,935.48	451,395.61

South Bay Area Schools Insurance Authority
 Check Register - Carl Warren Trust Account
 April 1, 2016 - June 30, 2016

Check	Payee	Check Date	DOL	Claim	Cov	Claimant	Action Code	Amount	Loss	Expense
10777	KATHRYN DAVIS & ASSOCIATES	04/05/16	09/21/13	1894367	LPI	PERRIZO, KAYDEN	Payment	1,845.05	-	1,845.05
10778	SAMUELSON, WILSON & ROES G.J.M. & Corsiglia, McMahon & Allard, LLP as his attorneys of record & Trustees for GJ McElroy	04/05/16	09/21/13	1894367	LPI	PERRIZO, KAYDEN	Payment	8,236.96	-	8,236.96
10779	KATHRYN DAVIS & ASSOCIATES	04/07/16	07/31/12	1859899	LPI	MCELROY, GEORGE	Payment	50,000.00	50,000.00	-
10780	KATHRYN DAVIS & ASSOCIATES	04/07/16	09/21/13	1894367	LPI	PERRIZO, KAYDEN	Payment	417.10	-	417.10
10781	SACRAMENTO LEGAL VIDEO CENTER, LLC	04/21/16	09/21/13	1894367	LPI	PERRIZO, KAYDEN	Payment	1,291.00	-	1,291.00
10782	ENTERPRISE RENT A CAR	04/25/16	12/11/15	1927819	APD	MILLER, KIRA	Payment	97.14	97.14	-
10783	DAVIS & YOUNG, APLC	04/25/16	07/31/12	1859899	LPI	MCELROY, GEORGE	Payment	23,512.08	-	23,512.08
10784	DAVIS & YOUNG, APLC	04/25/16	09/21/13	1894367	LPI	PERRIZO, KAYDEN	Payment	10,389.32	-	10,389.32
10785	DAVIS & YOUNG, APLC	04/25/16	09/15/15	1924030	LPI	DOE-SPARKS, JANE	Payment	742.20	-	742.20
10786	DAVIS & YOUNG, APLC	04/25/16	01/27/15	1908841	LPI	URIZAR, ISMAEL	Payment	499.50	-	499.50
10787	DAVIS & YOUNG, APLC	04/25/16	03/04/15	1905223	LPI	MEHTA, KAMAL	Payment	780.00	-	780.00
10788	DAVIS & YOUNG, APLC	04/25/16	11/10/13	1886281	LPI	CRANDALL, CRAIG	Payment	145.60	-	145.60
10789	CASSANDRA SPACEK	04/27/16	01/25/16	1929701	LPD	SPACEK, CASSANDRA	Payment	2,820.42	2,820.42	-
10782	ENTERPRISE RENT A CAR	05/26/16	12/11/15	1927819	APD	MILLER, KIRA	Stop Payment	(97.14)	(97.14)	-
10790	James Eric Carrubba & Sandra Carrubba	05/06/16	10/29/15	1924896	LPD	Carruba, Eric	Payment	1,062.06	1,062.06	-
10791	ABRAHAM GARCIA	05/10/16	02/17/16	1931662	APD	GARCIA, ABRAHAM	Payment	1,482.35	1,482.35	-
10792	Jeff Gafford & Nicole Gafford as parent & guardian of Kaleh Gafford a minor	05/19/16	10/07/15	1927800	LBI	GAFFORD, KALEB	Payment	2,016.47	2,016.47	-
10793	GAGAN BAINS	05/19/16	11/01/15	1932386	LPD	BAINS, GAGAN	Payment	1,264.86	1,264.86	-
10794	SAMUELSON, WILSON & ROES	05/19/16	09/21/13	1894367	LPI	PERRIZO, KAYDEN	Payment	11,740.00	-	11,740.00
10795	KATHRYN DAVIS & ASSOCIATES	05/25/16	09/21/13	1894367	LPI	PERRIZO, KAYDEN	Payment	540.60	-	540.60
10796	DAVIS & YOUNG, APLC	05/31/16	09/15/15	1924030	LPI	DOE-SPARKS, JANE	Payment	490.00	-	490.00
10797	DAVIS & YOUNG, APLC	05/31/16	01/27/15	1908841	LPI	URIZAR, ISMAEL	Payment	1,152.78	-	1,152.78
10798	DAVIS & YOUNG, APLC	05/31/16	10/25/14	1924414	LBI	SANTOS, NANCY	Payment	647.50	-	647.50
10799	DAVIS & YOUNG, APLC	05/31/16	01/27/15	1908841	LPI	Quevedo, Emiliano	Payment	821.83	-	821.83
10800	DAVIS & YOUNG, APLC	05/31/16	01/27/15	1908841	LPI	Maldonado, Adrian	Payment	941.34	-	941.34
10801	DAVIS & YOUNG, APLC	05/31/16	05/01/14	1901060	LPI	Paredes, Angelina	Payment	1,560.00	-	1,560.00
10802	DAVIS & YOUNG, APLC	05/31/16	05/02/13	1860712	LBI	PACHECO,	Payment	224.88	-	224.88
10803	DAVIS & YOUNG, APLC	05/31/16	09/23/12	1867378	LBI	DOE, JANE	Payment	9,621.39	-	9,621.39
10804	DAVIS & YOUNG, APLC	05/31/16	07/31/12	1859899	LPI	MCELROY, GEORGE	Payment	7,537.97	-	7,537.97
10805	DAVIS & YOUNG, APLC	05/31/16	12/19/12	1858406	LBI	PETTO, ARIEL	Payment	173.48	-	173.48
10806	DAVIS & YOUNG, APLC	05/31/16	12/19/12	1858406	LBI	PETTO, ARIEL	Payment	3,069.38	-	3,069.38
10807	ENTERPRISE RENT A CAR	05/31/16	12/11/15	1927819	APD	MILLER, KIRA	Payment	97.14	97.14	-
10808	SACRAMENTO LEGAL VIDEO CENTER, LLC	05/31/16	09/21/13	1894367	LPI	PERRIZO, KAYDEN	Payment	1,002.00	-	1,002.00
10809	KAMERON HANDY	05/31/16	11/12/15	1931928	APD	HANDY, KAMERON	Payment	2,584.36	2,584.36	-

10810	DAVIS & YOUNG, APLC	06/28/16	07/31/12	1859899	LPI	MCELROY, GEORGE	Payment	1,553.65	-	1,553.65
10811	DAVIS & YOUNG, APLC	06/28/16	09/21/13	1894367	LPI	PERRIZO, KAYDEN	Payment	9,719.31	-	9,719.31
10812	DAVIS & YOUNG, APLC	06/28/16	01/27/15	1908841	LPI	URIZAR, ISMAEL	Payment	332.20	-	332.20
10813	VERITEXT WESTERN REGIONAL	06/28/16	09/21/13	1894367	LPI	PERRIZO, KAYDEN	Payment	1,177.55	-	1,177.55
10814	KATHRYN DAVIS & ASSOCIATES	06/28/16	09/21/13	1894367	LPI	PERRIZO, KAYDEN	Payment	467.00	-	467.00
10815	City of San Jose	06/30/16	12/19/14	1901169	SUB	Herrera, Jaime	Payment	16.00	16.00	-
10816	DAVIS & YOUNG, APLC	06/30/16	09/21/13	1894367	LPI	PERRIZO, KAYDEN	Payment	17,260.42	-	17,260.42
10817	DAVIS & YOUNG, APLC	06/30/16	10/25/08	P039-08-0	LBI	AVILA, RACHEL	Payment	15,240.00	-	15,240.00
10818	DAVIS & YOUNG, APLC	06/30/16	09/23/12	1867378	LBI	DOE, JANE	Payment	16,857.64	-	16,857.64
10819	SAMUELSON, WILSON & ROES	06/30/16	09/21/13	1894367	LPI	PERRIZO, KAYDEN	Payment	9,887.84	-	9,887.84
10820	DAVIS & YOUNG, APLC	06/30/16	07/31/12	1859899	LPI	MCELROY, GEORGE	Payment	537.50	-	537.50
10821	DANNIS WOLIVER KELLEY	06/30/16	09/25/14	1904142	LEP	MAZDEH, SHAHLA	Payment	100.00	-	100.00
10822	DANNIS WOLIVER KELLEY	06/30/16	09/25/14	1904143	LEP	ABRAHAMIAN, ASAI	Payment	240.00	-	240.00
10823	DAVIS & YOUNG, APLC	06/30/16	01/27/15	1908841	LPI	URIZAR, ISMAEL	Payment	300.00	-	300.00
10824	DAVIS & YOUNG, APLC	06/30/16	08/04/14	1935623	LPI	GIBBS, JAMES	Payment	2,108.74	-	2,108.74
10825	DAVIS & YOUNG, APLC	06/30/16	05/01/15	1932786	LBI	SUMMIT TAHOMA H	Payment	2,022.50	-	2,022.50
10826	DAVIS & YOUNG, APLC	06/30/16	09/15/15	1924030	LPI	DOE-SPARKS, JANE	Payment	385.00	-	385.00
10827	DAVIS & YOUNG, APLC	06/30/16	09/23/12	1867378	LBI	DOE, JANE	Payment	30,539.85	-	30,539.85
								257,454.82	61,343.66	196,111.16

Claims Checking Account

Beginning Bank Balance @ 4/1/16	\$ 104,211.53
Deposits - Transfers from general account	457,405.77
CSAC Excess Insurance Deposit (Doe, Jane)	700,000.00
Recoveries	-
Claim payments	-\$257,454.82
Ending Bank Balance @ 6/30/16	\$ 1,004,162.48



South Bay Area Schools Insurance Authority
Board of Directors
December 1, 2016

Agenda Item F.1.

AUDITED FINANCIAL REPORT AS OF JUNE 30, 2016

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, 2016.

Mr. Michael Manduca 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 1, 2016

Agenda Item G.1.

CLAIMS STEWARDSHIP REPORT

INFORMATION ITEM

EXPLANATION: Mr. Brandon Schlenker from Carl Warren & Company will present a claims stewardship report. This will provide an overview of claim frequency and severity, claim count by year, claims by cause and claims by member.

ATTACHMENTS: None



South Bay Area Schools Insurance Authority
Board of Directors
December 1, 2016

Agenda Item H.1.

TARGET SURPLUS FUNDING ANALYSIS AS OF JUNE 30, 2016

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, 2016



South Bay Area Schools Insurance Authority
Board of Directors
December 1, 2016

Agenda Item H.2.

AMENDMENT TO JOINT POWERS AGREEMENT

ACTION ITEM

ISSUE: The Board of Directors should review and adopt the proposed change to the Joint Powers Agreement.

RECOMMENDATION: The Executive Committee recommends amending the Joint Powers Agreement as presented.

FISCAL IMPACT: None.

BACKGROUND: CAJPA requires the Joint Powers Agreement to meet Government Code 6509 which states the agreement shall specify the member which restricts the manner of exercising the power of the JPA. The text of Government Code 6509 is:

6509. Such power is subject to the restrictions upon the manner of exercising the power of one of the contracting parties, which party shall be designated by the agreement.

The proposed amendment appears in bold lettering on the attached Joint Powers Agreement.

ATTACHMENTS: Joint Powers Agreement

This Agreement may be executed in counterparts and thereupon shall be effective to the same extent as if said signatures were obtained simultaneously on the same page.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their authorized officers thereunto duly authorized as set forth herein below.

District:

Date:

By:

Title:



South Bay Area Schools Insurance Authority
Board of Directors
December 1, 2016

Agenda Item H.3.

FPPC FORM 700 ELECTRONIC FILING

INFORMATION ITEM

EXPLANATION: The Fair Political Practices Commission (FPPC) has implemented an electronic filing system for the Form 700. Beginning in January 2017, the FPPC will email JPA members a link to the Form 700 website along with a Login ID and password. JPA members will then be able to file the Form 700 online.

ATTACHMENTS: None