



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
EXECUTIVE COMMITTEE**

LOCATION: Campbell Union School District
155 N. Third Street
Campbell, CA 95008

DATE / TIME: March 8, 2018
9:30 AM

A - Action
I - Information

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 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 matters of the SBASIA Executive Committee business.
- E. CONSENT CALENDAR** A 1
 - 1* **1. Executive Committee Meeting Minutes – December 7, 2017**
 - 2-4*
 - 5-10* **2. Financial Report for Quarter Ending December 31, 2017**
- 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, 2018, 2019 & 2020.



- | | | | |
|---------------------|---|----------|----------|
| 23 | 2. Electronic Bill Payments
<i>Staff will discuss using an electronic bill payment system.</i> | A | 1 |
| 24-25 | 3. Five Year Loss Control Plan – Year 2
<i>Staff and the Executive Committee will discuss issuing a RFP for the second year of the loss control plan.</i> | I | 1 |
| 26-27 | 4. JPA Mission Statement
<i>Staff and the Executive Committee will discuss adopting a mission statement.</i> | A | 1 |
| 28 | 5. Litigation Management Policy
<i>Staff and the Executive Committee will discuss whether it's necessary to increase the maximum hourly attorney rate.</i> | A | 1 |
| 29 | 6. Slate of Officers for June 14, 2018 Meeting
<i>Staff and the Executive Committee will discuss developing a slate of officers for the June Board meeting.</i> | I | 1 |
| G. FINANCIAL | | | |
| 30 | 1. Monitoring Changes in Claims Payments and Reserves
<i>Staff will review a report generated by Carl Warren & Company that can be used to monitor changes in claims payments and reserves.</i> | I | 2 |
| 31 | 2. Preliminary Revenue and Expense Budget for July 1, 2018-2019
<i>Staff will present a preliminary budget for the July 1, 2018-2019 program year.</i> | I | 2 |

H. COMMENTS FOR THE GOOD OF THE ORDER

ADJOURNMENT

NEXT MEETING

The next Executive Committee Meeting is set for Thursday, May 3, 2018 at 9:30 a.m. The Location will be at Campbell Union School District, 155 N. Third Street, Campbell, CA 95008.



Agenda Item E.1

CONSENT CALENDAR

ACTION ITEM

ISSUE: The Executive Committee should review the Consent Calendar and pull any item that needs 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.

1. **Executive Committee Meeting Minutes – December 7, 2017**
2. **Financial Report for Quarter Ending December 31, 2017**

ATTACHMENTS: Executive Committee Meeting Minutes – December 7, 2017
Financial Report for Quarter Ending December 31, 2017



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
EXECUTIVE COMMITTEE MEETING MINUTES
CAMPBELL, CALIFORNIA
December 7, 2017**

MEMBERS PRESENT

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

MEMBERS ABSENT

None

GUESTS & CONSULTANTS

Matt Gowan, Alliant Insurance Services
Joan Crossley, Alliant Insurance Services
Mark Davis, Davis & Young
Terrie Norris, Bickmore
Jennifer Zraick, Gilbert Associates, Inc.
Eric Lucero, CSAC EIA

A. CALL TO ORDER

The meeting was called to order at 9:02 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: Mike Mathiesen	SECOND: Mark Allgire	MOTION CARRIED
AYES: 5	NOES: 0	ABSENT: 0
	ABSTAIN: 0	

AYES: Crawford, Allgire, Mathiesen, Coats, Yang
NAYS: None
ABSENT: None

D. PUBLIC COMMENT

Ms. Barbara Coats announced her retirement at the end of December 2017.

E. CONSENT CALENDAR

- 1. Executive Committee Meeting Minutes – June 15, 2017**
- 2. Engagement Letter for SBASIA Actuarial Study as of 12/31/17**

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

Draft



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
EXECUTIVE COMMITTEE MEETING MINUTES
CAMPBELL, CALIFORNIA
December 7, 2017**

MOTION: Barbara Coats **SECOND:** Nelly Yang **MOTION CARRIED**
AYES: 4 **NOES:** 0 **ABSTAIN:** 1 **ABSENT:** 0

AYES: Crawford, Allgire, Coats, Yang
ABSTAIN: Mathiesen
NAYS: None
ABSENT: None

F. CLAIMS

- 1. Closed Session Pursuant to Government Code Section 54956.95**
 - a. Jane Doe vs. Mountain View-Los Altos Union High School District**

The Executive Committee went into closed session at 9:10 a.m.

The Executive Committee returned from closed session at 9:35 a.m. Mr. James Crawford reported that the closed session item was discussed and appropriate action was taken.

AYES: Crawford, Allgire, Mathiesen, Coats, Yang
NAYS: None
ABSENT: None

- 2. Settlement Authority Request for Santa Clara Unified School District**

Mr. Matt Gowan said there was water damage to George Mayne Elementary School due to a water supply line that failed and caused flooding on August 14, 2017. The expenses include structural repairs and business income loss.

A motion was made to approve the settlement authority request in the amount of \$195,771.21 for Santa Clara Unified School District.

MOTION: Barbara Coats **SECOND:** Nelly Yang **MOTION CARRIED**
AYES: 4 **NOES:** 0 **ABSTAIN:** 1 **ABSENT:** 0

AYES: Crawford, Mathiesen, Coats, Yang
ABSTAIN: Allgire
NAYS: None
ABSENT: None

G. GENERAL ADMINISTRATION

- 1. Property Appraisal**

Ms. Joan Crossley said property appraisals are recommended every five to seven years. The JPA had its last property appraisal performed in 2013 so it's coming up on five years. Ms. Crossley



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
EXECUTIVE COMMITTEE MEETING MINUTES
CAMPBELL, CALIFORNIA
December 7, 2017**

said the JPA waited seven years prior to the appraisal performed in 2013. Mr. Gowan noted that the property schedules are reviewed annually by the members and they are also trended annually for inflation using Marshall & Swift construction cost estimators. The Executive Committee said to budget having appraisals performed in the 2018-2019 fiscal year.

2. Selection of Auditor for Fiscal Year Ending June 30, 2018

Ms. Crossley said the JPA's three year contract with James Marta & Co. to perform the annual financial audit expires with the June 30, 2017 audit. The JPA can solicit a new contract with Mr. Marta or issue a Request for Proposal for Auditor.

A motion was made to obtain a renewal contract for financial audit with James Marta & Co.

MOTION: Nelly Yang	SECOND: Barbara Coats	MOTION CARRIED
AYES: 5	NOES: 0	ABSENT: 0
	ABSTAIN: 0	

AYES: Crawford, Allgire, Mathiesen, Coats, Yang
NAYS: None
ABSENT: None

3. Review of Board Agenda Items

Mr. Crawford said the audited financial shows the net position decreased from \$2.7 million to \$1.59 million. The JPA's target minimum surplus is \$2.5 million. Mr. Crawford said the JPA will need to look at ways to increase the surplus such as increasing the confidence level from the current 70%. Mr. Gowan said the JPA is having a new actuarial study performed in 2018 so the loss funding amount will probably increase based on recent claims activity. The Executive Committee asked about a way to find out sooner if there is a large increase in claims payments and reserves. Mr. Gowan said he will discuss with the claims administrator, Carl Warren & Co.

H. COMMENTS FOR THE GOOD OF THE ORDER

There were no comments for the good of the order.

ADJOURNMENT

The meeting was adjourned at 9:58 a.m.

South Bay Area Schools Insurance Authority
Statement of Net Position
As of December 31, 2017 and December 31, 2016

	Dec 31, '17	Dec 31, '16
ASSETS		
Current Assets		
Checking/Savings		
WFB - Santa Clara County	\$ 3,792,029.71	\$ 3,751,546.81
WFB - Transfer Account	3,164.36	3,164.36
B of A Claims Trust Account	119,435.31	97,240.53
B of A - General Checking	1,844,161.71	1,804,180.49
Total Checking/Savings	5,758,791.09	5,656,132.19
Accounts Receivable		
Accounts Receivable		
Claim Recovery Receivable	251,656.51	-
Claims Deductibles	190,609.94	490,414.10
Total Accounts Receivable	442,266.45	490,414.10
Total Accounts Receivable	442,266.45	490,414.10
Total Current Assets	6,201,057.54	6,146,546.29
Other Assets		
Interest Receivable	-	8,761.57
Prepaid Expenses		
Prepaid Contract Administration	117,500.00	79,999.99
Prepaid Excess Insurance	1,194,804.42	1,125,960.98
Total Prepaid Expenses	1,312,304.42	1,205,960.97
Total Other Assets	1,312,304.42	1,214,722.54
TOTAL ASSETS	\$ 7,513,361.96	\$ 7,361,268.83

South Bay Area Schools Insurance Authority
Statement of Net Position
As of December 31, 2017 and December 31, 2016

	Dec 31, '17	Dec 31, '16
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable	\$ -	\$ 12,443.26
Dividends Payable	-	-
Claims Reserves	2,411,781.05	1,635,628.00
Total Claims Reserves	2,411,781.05	1,635,628.00
Deferred Revenue	1,919,358.67	1,741,084.49
Total Current Liabilities	4,331,139.72	3,389,155.75
Total Current Liabilities	4,331,139.72	3,389,155.75
Long Term Liabilities		
IBNR	1,373,016.87	1,250,185.00
Total IBNR	1,373,016.87	1,250,185.00
Unallocated Loss Adjustment	349,000.00	289,000.00
Total Long Term Liabilities	1,722,016.87	1,539,185.00
Total Liabilities	\$ 6,053,156.59	\$ 4,928,340.75
NET POSITION		
Reserve for Shock Loss	2,500,000.00	2,500,000.00
Unrestricted Net Position	(903,445.25)	254,734.21
Net Revenue Over Expenditures	(136,349.38)	(321,806.13)
Total Net Position	\$ 1,460,205.37	\$ 2,432,928.08

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, 2017 and December 31, 2016

	<u>Oct '17 - Dec '17</u>	<u>Jul '17 - Dec '17</u>	<u>Jul '16 - Dec '16</u>
Revenue			
Member Contributions			
Liability Contributions	\$ 262,201.50	\$ 524,403.00	\$ 415,291.50
Property Contributions	334,562.25	669,124.50	683,493.00
Crime Policy	8,187.59	16,375.17	14,900.00
Administration	117,228.03	234,456.06	164,900.00
Loss Funding	237,499.97	474,999.95	462,500.02
Member Contributions - Other			
Total Member Contributions	<u>959,679.34</u>	<u>1,919,358.68</u>	<u>1,741,084.52</u>
Interest Income	11,983.29	22,596.55	17,343.87
Total Income	<u>971,662.63</u>	<u>1,941,955.23</u>	<u>1,758,428.39</u>
Expense			
General & Administrative			
General Expenses			
Accounting Services	6,000.00	12,000.00	11,750.00
Accreditation Fee	-	-	-
Actuarial Study	2,000.00	2,000.00	-
Appraisal Services	-	-	-
Audit Expense - Financial	14,000.00	14,000.00	12,350.00
Bank Service Charges	-	89.10	119.44
Conference	-	-	-
Dues & Membership	-	450.00	450.00
Miscellaneous	-	-	-
Legal Expense - JPA	5,760.00	5,760.00	-
Loss Control	181,312.50	181,312.50	-
Supplies, Postage, Misc Expense	-	-	-
Total Administration	<u>209,072.50</u>	<u>215,611.60</u>	<u>24,669.44</u>
Program Administration			
Claims Management Fees	18,750.00	38,862.42	34,868.78
Contract Administration	40,000.00	80,000.00	80,000.01
Total Program Administration	<u>58,750.00</u>	<u>118,862.42</u>	<u>114,868.79</u>
Total General and Administrative Expenses	<u>267,822.50</u>	<u>334,474.02</u>	<u>139,538.23</u>
Insurance Expense			
Excess Liability Policy	143,806.50	289,510.65	204,717.00
SELF Contributions	110,845.94	221,691.88	222,850.80
Excess Property Policy	334,562.28	669,124.56	683,493.12
Crime Policy	8,187.50	16,375.00	14,900.04
Total Insurance Expense	<u>597,402.22</u>	<u>1,196,702.09</u>	<u>1,125,960.96</u>
Claims Expenses			
Claims Payments	150,323.03	344,451.32	1,059,120.84
Claims Adjustment Account	261,644.76	202,677.18	(244,385.51)
Total Claims Expenses	<u>411,967.79</u>	<u>547,128.50</u>	<u>814,735.33</u>
Dividends	-	-	-
Total Expenses	<u>1,277,192.51</u>	<u>2,078,304.61</u>	<u>2,080,234.52</u>
Net Revenue Over (Under) Expenses	<u>\$ (305,529.88)</u>	<u>\$ (136,349.38)</u>	<u>\$ (321,806.13)</u>
Net Postion, Beginning		<u>\$ 1,596,554.75</u>	<u>\$ 2,754,734.21</u>
Net Position, Ending		<u>\$ 1,460,205.37</u>	<u>\$ 2,432,928.08</u>

South Bay Area Schools Insurance Authority
Statement of Revenues and Expenses - Budget vs. Actual
Year to Date Ended December 31, 2017

	<u>Jul '17 - Dec '17</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Revenue				
Member Contributions				
Liability Contributions	\$ 524,403.00	\$ 1,048,806.00	\$ (524,403.00)	50.0%
Property Contributions	669,124.50	1,338,249.00	(669,124.50)	50.0%
Crime Policy	16,375.17	32,750.00	(16,374.83)	50.0%
Administration	234,456.06	468,912.00	(234,455.94)	50.0%
Loss Funding	474,999.95	950,000.00	(475,000.05)	50.0%
Total Member Contributions	<u>1,919,358.68</u>	<u>3,838,717.00</u>	<u>(1,919,358.32)</u>	<u>50.0%</u>
Interest Income	22,596.55	-	22,596.55	0.0%
Total Income	<u>1,941,955.23</u>	<u>3,838,717.00</u>	<u>(1,896,761.77)</u>	<u>50.6%</u>
Expense				
General & Administrative				
General Expenses				
Accounting Services	12,000.00	24,000.00	(12,000.00)	50.0%
Actuarial Study	2,000.00	5,400.00	(3,400.00)	37.0%
Audit Expense - Financial	14,000.00	12,595.00	1,405.00	111.2%
Bank Service Charges	89.10	-	89.10	0.0%
Conference	-	2,500.00	(2,500.00)	0.0%
Contingency	-	5,000.00	(5,000.00)	0.0%
Dues & Membership	450.00	450.00	-	100.0%
Legal Expense - JPA	5,760.00	2,000.00	3,760.00	288.0%
Loss Control	181,312.50	181,312.00	0.50	100.0%
Meeting Expense	-	500.00	(500.00)	0.0%
Website	-	155.00	(155.00)	0.0%
Total Administration	<u>215,611.60</u>	<u>233,912.00</u>	<u>(18,300.40)</u>	<u>92.2%</u>
Program Administration				
Claims Management Fees	38,862.42	75,000.00	(36,137.58)	51.8%
Contract Administration	80,000.00	160,000.00	(80,000.00)	50.0%
Total Program Administration	<u>118,862.42</u>	<u>235,000.00</u>	<u>(116,137.58)</u>	<u>50.6%</u>
Total General and Administrative Expenses	<u>334,474.02</u>	<u>468,912.00</u>	<u>(134,437.98)</u>	<u>71.3%</u>
Insurance Expense				
Excess Liability Policy	511,202.53	1,048,806.00	(537,603.47)	48.7%
Excess Property Policy	669,124.56	1,338,249.00	(669,124.44)	50.0%
Crime Policy	16,375.00	32,750.00	(16,375.00)	50.0%
Total Insurance Expense	<u>1,196,702.09</u>	<u>2,419,805.00</u>	<u>(1,223,102.91)</u>	<u>49.5%</u>
Claims Expenses				
Claims Payments	344,451.32	950,000.00	(605,548.68)	36.3%
Claims Adjustment Account	202,677.18	-	202,677.18	0.0%
Total Claims Expenses	<u>547,128.50</u>	<u>950,000.00</u>	<u>(402,871.50)</u>	<u>57.6%</u>
Dividends	-	-	-	0.0%
Total Expenses	<u>2,078,304.61</u>	<u>3,838,717.00</u>	<u>(1,760,412.39)</u>	<u>54.1%</u>
Net Revenue Over (Under) Expenses	<u>\$ (136,349.38)</u>	<u>\$ -</u>	<u>\$ (136,349.38)</u>	<u>0.0%</u>

South Bay Area Schools Insurance Authority
 Check Register - Carl Warren Trust Account
 October 1, 2017 - December 31, 2017

Check	Payee	Check Date	DOL	Claim	Cov	Claimant	Action Code	Amount	Loss	Expense
11002	PROPERTY DAMAGE APPRAISERS, INC.	10/3/2017	9/14/2017	1970146	APD	KAUR, DAVINDER	Payment	\$ 143.00	\$ -	\$ 143.00
11003	DAVIS & YOUNG, APLC	10/3/2017	5/5/2016	1948331	LBI	AZARCON, JOMAR	Payment	\$ 745.60	\$ -	\$ 745.60
11004	DAVINDER KAUR	10/17/2017	9/14/2017	1970146	APD	KAUR, DAVINDER	Payment	\$ 3,750.84	\$ 3,750.84	\$ -
11005	STATE FARM MUTUAL AUTOMOBILE INSURAN	10/17/2017	2/29/2016	1933183	APD	., STATE FARM Beautrow	Payment	\$ 13,035.52	\$ 13,035.52	\$ -
11006	DAVIS & YOUNG, APLC	10/24/2017	9/25/2014	1904143	LEP	ABRAHAMIAN, ASAD	Payment	\$ 1,280.00	\$ -	\$ 1,280.00
11007	DAVIS & YOUNG, APLC	10/24/2017	9/15/2015	1924030	LPI	DOE-SPARKS, JANE	Payment	\$ 202.40	\$ -	\$ 202.40
11008	DAVIS & YOUNG, APLC	10/24/2017	3/8/2015	1928784	LBI	RAAD, ELISSAR	Payment	\$ 311.00	\$ -	\$ 311.00
11009	DAVIS & YOUNG, APLC	10/24/2017	11/8/2015	1935665	LBI	BLANCO, DAVID	Payment	\$ 312.20	\$ -	\$ 312.20
11010	ENTERPRISE RENT-A-CAR	10/31/2017	9/14/2017	1970146	APD	KAUR, DAVINDER	Payment	\$ 250.23	\$ 250.23	\$ -
11011	DAVIS & YOUNG, APLC	10/31/2017	8/26/2016	1957920	LBI	PIPA, KATELYN	Payment	\$ 1,722.70	\$ -	\$ 1,722.70
11012	DAVIS & YOUNG, APLC	10/31/2017	8/26/2016	1957920	LBI	PIPA, KATELYN	Payment	\$ 691.10	\$ -	\$ 691.10
11013	DAVIS & YOUNG, APLC	10/31/2017	12/1/2014	1916921	LEP	ADAMS, MARK	Payment	\$ 2,273.60	\$ -	\$ 2,273.60
11014	DAVIS & YOUNG, APLC	10/31/2017	6/13/2017	1966024	LPI	TOMBLIN, TYLER	Payment	\$ 4,719.90	\$ -	\$ 4,719.90
11015	DAVIS & YOUNG, APLC	10/31/2017	5/5/2016	1948331	LBI	AZARCON, JOMAR	Payment	\$ 568.10	\$ -	\$ 568.10
11016	STATE FARM INSURANCE asoc. Marcy Jane Darcy	11/1/2017	6/20/2017	1966781	APD	D'ARCY, MARY JANE	Payment	\$ 5,665.81	\$ 5,665.81	\$ -
11017	DAVIS & YOUNG, APLC	11/2/2017	8/25/2015	1918976	LBI	CASTRO, ANGEL	Payment	\$ 247.50	\$ -	\$ 247.50
11018	ALLRED, MAROKO & GOLDBERG	11/9/2017	8/2/2015	1928671	LEP	MEDINA, MARIBEL	Payment	\$ 320,000.00	\$ 320,000.00	\$ -
11019	DANNIS WOLLIVER KELLEY	11/9/2017	1/26/2016	1941513	LBI	MIZE, JULIA	Payment	\$ 6,772.18	\$ -	\$ 6,772.18
11020	DANNIS WOLLIVER KELLEY	11/9/2017	1/26/2016	1941513	LBI	MIZE, JULIA	Payment	\$ 1,833.25	\$ -	\$ 1,833.25
11021	DANNIS WOLLIVER KELLEY	11/9/2017	1/26/2016	1941513	LBI	MIZE, JULIA	Payment	\$ 8,555.61	\$ -	\$ 8,555.61
11022	WILLIAM & CHRISTY HAGENAU as Parent & Gual	11/14/2017	4/10/2017	1970108	LBI	HAGENAU, DIETRICH	Payment	\$ 2,725.92	\$ 2,725.92	\$ -
11023	VJB VENTURES, INC.	11/21/2017	4/4/2016	1934380	PPT	SANTA CLARA HIGH SCH. .	Payment	\$ 15,504.15	\$ 15,504.15	\$ -
11024	ADAMS MIKELS	11/22/2017	4/7/2017	1960530	LPD	MIKELS, ADAMS	Payment	\$ 500.00	\$ 500.00	\$ -
10821	DANNIS WOLLIVER KELLEY	12/18/2017	1/26/2016	1904142	LEP	MAZDEH, SHAHLA	Stop Payment	\$ (100.00)	\$ -	\$ (100.00)
11025	DAVIS & YOUNG, APLC	12/1/2017	8/4/2014	1935623	LPI	GIBBS, JAMES	Payment	\$ 3,512.50	\$ -	\$ 3,512.50
11026	DAVIS & YOUNG, APLC	12/11/2017	5/5/2016	1948331	LBI	AZARCON, JOMAR	Payment	\$ 2,872.20	\$ -	\$ 2,872.20
								398,095.31	361,432.47	36,662.84

Claims Checking Account

Balance at beginning of the quarter	\$ 100,000.00
Deposits - Transfers from general account	417,530.62
Recoveries	-
Claim Payments	(398,095.31)
Ending Bank Balance	\$ 119,435.31

South Bay Area Schools Insurance Authority
Transactions by Account
October 1, 2017 - December 31, 2017

Type	Date	Num	Name	Memo	Split	Debit	Credit	Balance
Bank of America - 61312								
Payment	10/03/2017	90142366	Santa Clara County Office of Ed		Claims Deductibles	10,000.00		1,903,960.85
Bill Pmt -Che	10/03/2017	10273	Santa Clara Unified School Dist	Refund Deductible Invoice #143	*Accounts Payable		1,467.00	1,913,960.85
Check	10/10/2017	10274	Carl Warren & Co - ATF SBASIA	Sept Replenishment	B of A Claims Trust Account		97,530.62	1,912,493.85
Deposit	10/23/2017			Deposit	-SPLIT-	11,237.48		1,826,200.71
Bill Pmt -Che	11/02/2017	10275	Carl Warren & Company	VOID: Claimant: Maribel Medina #1928671 DOL 8/2/15	*Accounts Payable	0.00		1,826,200.71
Check	11/02/2017	10276	Carl Warren & Co - ATF SBASIA	Claim 1928671 Medina DOL 8/2/15	B of A Claims Trust Account		320,000.00	1,506,200.71
Deposit	11/06/2017			Deposit	Undeposited Funds	2,832.81		1,509,033.52
Bill Pmt -Che	11/10/2017	10277	Haight Brown & Bonesteel, LLP	Inv 3201018	*Accounts Payable		1,584.00	1,507,449.52
Bill Pmt -Che	11/10/2017	10278	James Marta & Company	Inv 11058 Progress billing on annual audit	*Accounts Payable		3,500.00	1,503,949.52
Deposit	11/17/2017			Deposit	-SPLIT-	503,410.10		2,007,359.62
Deposit	12/01/2017			Deposit	-SPLIT-	36,115.57		2,043,475.19
Bill Pmt -Che	12/01/2017	10279	Haight Brown & Bonesteel, LLP	Invoice 3202284	*Accounts Payable		4,176.00	2,039,299.19
Bill Pmt -Che	12/14/2017	10280	Bickmore Risk Services		*Accounts Payable		183,312.50	1,855,986.69
Bill Pmt -Che	12/14/2017	10281	Gilbert Associates, Inc.	Inv 319798 Accounting Services 10/1/17 - 12/31/17	*Accounts Payable		6,000.00	1,849,986.69
Bill Pmt -Che	12/14/2017	10282	James Marta & Company	Inv 11075	*Accounts Payable		10,500.00	1,839,486.69
Deposit	12/14/2017			Deposit	Undeposited Funds	2,175.02		1,841,661.71
Deposit	12/14/2017			Deposit	Undeposited Funds	2,500.00		1,844,161.71
Total Bank of America - 61312						568,270.98	628,070.12	1,844,161.71
TOTAL						568,270.98	628,070.12	1,844,161.71



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: \$13,035 for June 30, 2018 financial audit
\$13,490 for June 30, 2019 financial audit
\$13,965 for June 30, 2020 financial audit

The expiring fee for the June 30, 2017 audit was \$12,595.

BACKGROUND: James Marta & Company has performed the annual financial audit for the last nine years. Their contract expires with the June 30, 2017 audit.

ATTACHMENTS: James Marta & Co. Contract for June 30, 2018, 2019 & 2020 Financial Audits

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

This Agreement is made this 16th day of February 2018, 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, 2018, 2019 and 2020.
- 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

February 16, 2018

Joan Crossley
South Bay Area Schools Insurance Authority

Dear Board of Directors

We are pleased to confirm our understanding of the arrangements for our audit of the financial statements of South Bay Area Schools Insurance Authority for June 30, 2018, 2019 and 2020.

This letter confirms the services you have asked our firm to perform and the terms under which we have agreed to do that work. Please read this letter carefully because it is important to both our firm and you that you understand what you can and cannot expect from our work. In other words, we want you to know the limitations of the services you have asked us to perform. If you are confused at all by this letter or believe we have misunderstood what you need, please call to discuss this letter before you sign it.

Scope of Work

You have requested that we audit the Statement of Net Position of South Bay Area Schools Insurance Authority, as of June 30, 2018, 2019 and 2020, 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 South Bay Area Schools Insurance Authority'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. Our audit will be conducted with the objective of our expressing an opinion on each opinion unit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Claims Development Information and Notes to the Required Supplementary Information 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 South Bay Area Schools Insurance Authority’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 Objective of an Audit

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with U.S. generally accepted auditing standards (GAAS) and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

General Audit Procedures

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*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement and are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. As such, our audit will involve performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and will include tests of the accounting records of South Bay Area Schools Insurance Authority and other procedures we consider necessary. The procedures we determine necessary will depend on our “auditor’s” judgment and will be based, in part, on our assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

An audit also includes evaluating the appropriateness of accounting policies used, and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we will request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the financial statements and related matters.

Internal Control Audit Procedures

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. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors that come to our attention, and we will inform you, or the appropriate level of management, of any fraudulent financial reporting or misappropriation of assets that comes to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential.

In making our risk assessments, we will consider internal controls relevant to the preparation and fair presentation of your entity's financial statements in order to design audit procedures that are appropriate in the circumstances. However, our audit procedures are not designed for the purpose of expressing an opinion on the effectiveness of your entity's internal control. 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. Our responsibility as auditors is, of course, limited to the period covered by our audit and does not extend to any other periods.

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 South Bay Area Schools Insurance Authority'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

As part of our engagement, we may advise you about appropriate accounting principles and their application; however, management acknowledges and understands that the final responsibility for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America remains with you. As such, management is responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the 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. Other management responsibilities include maintaining adequate records, selecting and applying accounting principles, and safeguarding assets.

By your signature below, you also acknowledge that you are responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. This responsibility includes having appropriate programs and controls in place to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the company that involves management, employees who have significant roles in internal control, and others where fraud could have a material impact on the financial statements. You are also responsible for informing us of your knowledge of any allegations of fraud or suspected fraud affecting the company received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the company complies with applicable laws and regulations. You agree that management will confirm its understanding of its responsibilities as defined in this letter to us in a management representation letter.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited financial statements, or if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

Management's responsibilities also include designating qualified individuals with the skill, knowledge, and experience to be responsible and accountable for overseeing financial statement preparation, tax services, and any other nonattest services we perform as part of this engagement, as well as evaluating the adequacy and results of those services and accepting responsibility for them.

You further acknowledge and understand that management is responsible for providing us with access to all information management is aware of that is relevant to the preparation and fair presentation of the financial statements such as records, documentation and other matters; for the accuracy and completeness of the information that is provided to us; and for informing us of events occurring or facts discovered subsequent to the date of the financial statements that may affect the financial statements. This responsibility also includes providing us with any additional information that we may request from management for the purpose of the audit; as well as allowing us unrestricted access to individuals within the organization from whom we may determine it necessary to obtain audit evidence, including access to your designated employees who will type all confirmations we request.

Reporting

We expect to issue a written report upon completion of our audit of South Bay Area Schools Insurance Authority's basic financial statements. Our report will be addressed to the board of directors of South Bay Area Schools Insurance Authority. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s), and decline to express an opinion, or 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

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 October of the audit year and to complete and issue our report no later than December 31 of the audit year.

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 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 fee for the audit will be \$13,035, 13,490 and \$13,965 for 2018. 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. Additional time and billing charges will incur if accounting service is provided for closing or reconciling accounting records.

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.

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 have attached a copy of our latest external peer review report of our firm for your consideration and files.

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.

Respectfully,

James Marta & Company LLP

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

ELECTRONIC BILL PAYMENTS

ACTION ITEM

ISSUE: The Executive Committee should decide whether to use electronic bill payments.

RECOMMENDATIONS: None

FISCAL IMPACT: Monthly fee of \$50-\$60.

BACKGROUND: Gilbert Associates, Inc. performs accounting services for the JPA and thinks efficiency can be increased by moving to electronic bill payments. This would eliminate having to issue paper checks and send them via UPS to the Treasurer for signature. Bill.com would be used for electronic payments. Invoices can be uploaded to the website and an email sent to the Treasurer to log into the website to approve the payment.

ATTACHMENTS: None



Agenda Item F.3

FIVE YEAR LOSS CONTROL PLAN – YEAR 2

INFORMATION ITEM

EXPLANATION: The Executive Committee developed a five year loss control plan in 2017. Year 1 of the plan has been completed. Year 2 is for Liability and Property safety inspections on the interior of buildings including chemical inspections. Staff and the Executive Committee will discuss whether to issue a Request for Proposal (RFP) for Year 2.

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

Member Webinars and/or Board Seminars

-) LGBTQ Legal Issues/ Title IX Gender Equity
-) Training for HR staff related to claims: Handling of internal emails and how employee discipline actions affect litigation against the school district
-) School Violence Prevention
 - Active Shooter
 - Threat Assessment
-) Subpoenas: District policy and procedures for handling subpoenas
-) Insurance Requirements in Contracts
-) Bullying and Social Media
-) Vehicle Safety Program
-) Drone Best Practices



Agenda Item F.4

JPA MISSION STATEMENT

ACTION ITEM

ISSUE: The Executive Committee should adopt a mission statement for the JPA.

RECOMMENDATION: The Program Administrator recommends adopting a mission statement.

FISCAL IMPACT: None.

BACKGROUND: CAJPA strongly recommends the adoption of a mission statement for JPAs. At the JPA's CAJPA re-accreditation meeting in 2016, the CAJPA committee stressed that all JPAs should have a mission statement.

ATTACHMENTS: Draft Mission Statement

DRAFT MISSION STATEMENT

The purpose of South Bay Area Schools Insurance Authority is to support the future of public education by stabilizing risk costs for members in a reliable, economical and beneficial manner while providing members with broad coverage and quality services in risk management and claims management.



Agenda Item F.5

LITIGATION MANAGEMENT POLICY

ACTION ITEM

ISSUE: The Executive Committee should decide whether it's necessary to increase the maximum hourly attorney rate.

RECOMMENDATION: None

FISCAL IMPACT: To be determined. The current maximum hourly attorney rate is \$200.

BACKGROUND: The JPA increased its maximum hourly attorney rate from \$180 to \$200 in April 2012. Staff consulted with CSAC-EIA about hourly attorney rates and CSAC-EIA pays \$200-\$250 per hour. In addition, Carl Warren & Company stated that most JPAs they work with are now using a maximum hourly attorney rate of \$225.

ATTACHMENTS: None



Agenda Item F.6

SLATE OF OFFICERS FOR JUNE 14, 2018 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 14, 2018 meeting.

The current officers are:

President: Mr. James Crawford, Campbell Union School District

Vice President: Mr. Mark Allgire, Santa Clara Unified School District

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

Secretary: Position is vacant due to retirement of Barbara Coats

Member at Large: Ms. Nelly Yang, Evergreen School District

ATTACHMENTS: None



Agenda Item G.1

MONITORING CHANGES IN CLAIMS PAYMENTS AND RESERVES

INFORMATION ITEM

EXPLANATION: The JPA's accountant, Gilbert Associates, Inc., will receive a quarterly report from Carl Warren & Company which shows the changes in claims payments and reserves. This will help in monitoring claims expense so that the JPA will be aware of any large increases in expense prior to the annual financial audit.

ATTACHMENTS: None



Agenda Item G.2

PRELIMINARY REVENUE AND EXPENSE BUDGET FOR JULY 1, 2018 - 2019

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