

SIGNAL II



Board of Directors Meeting Friday, March 26, 2021 12:00 p.m.

Use the link below to access the meeting:

<https://zoom.us/j/99590453012?pwd=eW1Ud3B0RHdpbTEyUy9XMkJPmWJSUT09>

Meeting ID: 995 9045 3012

Passcode: 297902

Dial: 1-669-900-6833

Keenan
Associates

License No. 0451271

**SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II
(SIGNAL II)**

PRESENTED TO:

DATE:

March 26, 2021

Board of Directors

SUBJECT:

ITEM #:

20/21-036

Approval of Agenda

Enclosure:

Yes

Category:

Approval of Agenda

Prepared by:

Keenan & Associates

Requested by:

Board of Directors

BACKGROUND:

Under California Government Code Section 54950 the “Legislative Body” is required to post an agenda detailing each item of business to be discussed. The Authority posts the agenda in compliance with California Government Code Section 54954.2

STATUS:

Unless items are added to the agenda according to G.C. 54954.2 (b) (1) (2) (3), the agenda is to be approved as posted.

RECOMMENDATION:

Subject to changes or corrections, the agenda is to be approved.

AGENDA

SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II (SIGNAL II)

BOARD OF DIRECTORS MEETING

March 26, 2021
12:00 P.M.

The meeting will be conducted by Zoom Cloud Meetings, all Locations will not be provided as the Brown Act has been partially suspended due to the Coronavirus (COVID-19).

[Use the link below to access the meeting:](#)

<https://zoom.us/j/99590453012?pwd=eW1Ud3B0RHdpbTEyUy9XMkJPbWJSUT09>

Meeting ID: 995 9045 3012; Passcode: 297902

Dial: 1-669-900-6833

I. CALL TO ORDER

II. ROLL CALL

OFFICERS:

KELSEYVILLE UNIFIED SCHOOL DISTRICT
UPPER LAKE UNIFIED SCHOOL DISTRICT
LUCERNE UNIFIED SCHOOL DISTRICT
LAKEPORT UNIFIED SCHOOL DISTRICT

Mr. Dave McQueen, President
Mr. Giovanni Annous, Vice President
Mr. Mike Brown, Treasurer
Ms. Jill Falconer, Secretary

MEMBERS:

ANDERSON VALLEY UNIFIED SCHOOL DISTRICT
KONOCTI UNIFIED SCHOOL DISTRICT
LAKE COUNTY OFFICE OF EDUCATION
MIDDLETOWN UNIFIED SCHOOL DISTRICT
POTTER VALLEY COM UNIFIED SCHOOL DISTRICT

Ms. Leigh Kreienhop
Ms. Becky Salato
Ms. Mr. Rob Young
Ms. Heather Rantala
Ms. Krista Looney

ADMINISTRATOR (OR MANAGER OR CONSULTANT):

KEENAN & ASSOCIATES

Mr. Kyle McKibbin
Ms. Tesia Bell
Mr. Ron Martin
Mr. Bryan Boyle
Mr. Frank Cardoza
Mr. Hesam Fayaz
Mr. Jack Joyce

SETECH, a division of Keenan & Associates
Bay Actuarial Consultants

III. APPROVAL OF AGENDA

20/21-036
ACTION

The Authority retains the right to change the order in which agenda items are discussed.

Subject to review by the Authority, the agenda is to be approved as presented. Items may be deleted or added for discussion according to G.C. Section 54954.2.

BOARD CONSIDERATION:

Page 2

IV. PUBLIC COMMENTS

20/21-037
INFORMATION
Page 8

Members of the community wishing to address the Board about items on the agenda or Items not on the agenda may do so. Speakers are requested to limit to three (3) minutes; individual speakers may not give their time away to another spokesperson.

BOARD CONSIDERATION:

V. APPROVAL OF MINUTES – December 14, 2020

20/21-038
ACTION
Page 9

The Authority will review the minutes of the last Board of Directors meeting for any Adjustments and adoption.

BOARD CONSIDERATION:

VI. CORRESPONDENCE

20/21-039
INFORMATION
Page 15

Correspondence will be presented and reviewed by the Authority. No action may be taken in response; only referred for action on a subsequent agenda.

BOARD CONSIDERATION:

VII. CLAIMS

CLOSED SESSION

20/21-040
INFORMATION
Page 29

Pursuant to Government code section 54956.9, the Authority is empowered to conduct a closed session to discuss matters affecting the JPA or a member of the JPA.

District

Claim Number

No individual claims to discuss.

5 Year Loss Run as of 12/31/2020
Opened Claims Report as of 2/28/21

BOARD CONSIDERATION:

OPEN SESSION

The President of the Authority will report out on any reportable action taken while in Closed Session.

BOARD CONSIDERATION:

QUARTERLY CLAIMS REPORT

20/21-041
ACTION
Page 30

- A. Opened Claims
- B. Closed Claims

The Board will review and discuss to approve the opened and closed claims reports for the period 10/1/2020 through 12/31/2020.

BOARD CONSIDERATION:

VIII. RISK MANAGEMENT REPORT

RISK MANAGEMENT UPDATE

- A. Loss Control Activity Report
- B. Risk Management Briefings

20/21-042
INFORMATION
Page 35

Loss Control will provide the Board with a status of the Risk Management services provided by Keenan & Associates.

BOARD CONSIDERATION:

RISK MANAGEMENT ROUNDTABLE

20/21-043
INFORMATION
Page 45

The Manager and Board will discuss JPA training opportunities for re-opening of schools.

BOARD CONSIDERATION:

KEENAN EXCEPTIONAL CHILD UPDATE & RENEWAL PROPOSAL

- A. Exceptional Child Usage Report
- B. Renewal Proposal

20/21-044
ACTION/INFORMATION
Page 57

The Manager will provide an update on Exceptional Child utilization and review the renewal proposal for Exceptional Child for 2021/2022.

BOARD CONSIDERATION:

IX. UNDERWRITING

2021/2022 DRAFT ACTUARIAL STUDY

20/21-045
ACTION
Page 70

The 2021/2022 Draft Actuarial Study will be presented to the Board for approval.

BOARD CONSIDERATION:

ACTUARIAL STUDY PROPOSAL

20/21-046
ACTION
Page 146

The Manager will present the Actuarial Study Proposal to the Board for approval.

BOARD CONSIDERATION:

NORTHERN CALIFORNIA RELIEF/ INSURANCE MARKET UPDATE

20/21-047
INFORMATION
Page 149

The Manager will update the Board on the latest developments regarding NCR and the Property & Liability insurance market.

BOARD CONSIDERATION:

2021/2022 MEMBER RETAINED LIMIT AND DISTRICT DEDUCTIBLES

20/21-048
ACTION
Page 150

The Board will confirm their Member Retained Limit and District Deductibles for 2021/2022.

BOARD CONSIDERATION:

UNDERWRITING *(continued)*

DISTRICT STATEMENT OF VALUES

20/21-049
ACTION
Page 152

The Manager will discuss the District Statement of Values.
BOARD CONSIDERATION:

X. FINANCIAL

TREASURER'S REPORT

20/21-050
ACTION
Page 154

The Treasurer's Report as of 12/31/2020 will be presented to the Board for approval.
BOARD CONSIDERATION:

2021/2022 CAPITAL TARGET

20/21-051
ACTION
Page 181

The Board will review the SIGNAL II Capital Target for approval.
BOARD CONSIDERATION:

**PROPERTY & LIABILITY CLAIMS ADMINISTRATION
RENEWAL AMENDMENT**

20/21-052
ACTION
Page 183

The Manager will present the Property & Liability Claims Administration Renewal Amendment to the Board for approval.
BOARD CONSIDERATION:

SETECH RENEWAL AGREEMENT

20/21-053
ACTION
Page 185

The Manager will present the 2021/2024 SETECH Renewal Agreement to the Board for approval.
BOARD CONSIDERATION:

**LOSS CONTROL RENT-A-SAFETY PROFESSIONAL (RASP)
RENEWAL AGREEMENT**

20/21-054
ACTION
Page 199

The Manager will present the 2021/2022 Loss Control Rent-A-Safety Professional (RASP) Renewal Agreement to the Board for approval.
BOARD CONSIDERATION:

XI. ADMINISTRATION

FORM 700 SUBMISSIONS

20/21-055
INFORMATION
Page 202

Members must file a Statement of Economic Interest, Form 700 from the Fair Political Practices Commission.
BOARD CONSIDERATION:

ADMINISTRATION *(continued)*

ADMINISTRATION GUIDE

The Board will review and make corrections, if needed, to the 2020/2021 Administration Guide.

BOARD CONSIDERATION:

20/21-056
INFORMATION
Page 204

XII. INFORMATION

MEMBER COMMENTS

Each member may report about various matters involving the Authority. There will be no Authority discussion except to ask questions, and no action will be taken unless listed on a subsequent agenda.

MANAGER/ADMINISTRATOR/CONSULTANT COMMENTS

The Manager/Administrator/Consultant will report to the Authority about various matters involving the Authority. There will be no Authority discussion except to ask questions, and no action will be taken unless listed on a subsequent agenda.

OTHER COMMENTS

The public may address the Authority on any matter pertaining to the Agency that is not on the agenda. The President reserves the right to limit the time of presentations by individual or topic.

XIII. AGENDA ITEMS NEXT MEETING

Members and others may suggest items for consideration at the next meeting which will be held on June 28, 2021 at *(to be announced)*.

XIV. ADJOURNMENT

Americans with Disabilities Act:

A request for disability-related modifications or accommodation, in order to participate in a public meeting of the Schools Insurance Group Northern Alliance II Meeting, shall be made to: Tesia Bell, Senior Account Manager, Keenan & Associates, 1111 Broadway, Suite 2000, Oakland, CA 94607, Telephone 510-986-6761 Ext. 8126, Fax 510-986-6756.

**SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II
(SIGNAL II)**

PRESENTED TO:

DATE: March 26, 2021

Board of Directors

SUBJECT:

ITEM #: 20/21-037

Public Comments

Enclosure: No

Prepared by: Keenan & Associates

Requested by: Board of Directors

BACKGROUND:

The Board values public input and expects everyone in attendance to give full and courteous attention to each speaker. Members of the community wishing to address the Board about items on the agenda or items not on the agenda may do so.

STATUS:

Speakers wishing to address the Board should stand and give your name. Speakers are requested to limit comments to three (3) minutes; individual speakers may not give their time away to another spokesperson. The Chairperson or President may limit the total time for public input on each agenda item to not more than the (10) speakers or one-half (1/2) hour maximum. Members of the public may bring before the Board, matters that are not listed on the agenda. The Board may refer such a matter to the Manager or designee or take under advisement, but shall not take action at that time. The matter may be placed on the agenda of a subsequent meeting for action or discussion by the Board.

RECOMMENDATION:

None

**SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II
(SIGNAL II)**

PRESENTED TO:

DATE:

March 26, 2021

Board of Directors

SUBJECT:

ITEM #:

20/21-038

Approval of Minutes – December 14, 2020

Enclosure:

Yes

Category:

Minutes

Prepared by:

Keenan & Associates

Requested by:

Board of Directors

BACKGROUND:

As a matter of record and in accordance with the Brown Act, minutes of each meeting are kept and recorded.

STATUS:

The Board will review the minutes of the December 14, 2020 JPA meeting.

RECOMMENDATION:

Subject to changes or corrections, the minutes are to be approved as submitted.

MINUTES
SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II
BOARD OF DIRECTORS MEETING

DECEMBER 14, 2020
12:00 P.M.

The meeting was conducted by Zoom Cloud Meetings.

I. CALL TO ORDER

President Dave McQueen called the meeting to order at 12:01p.m.

II. ROLL CALL

OFFICERS:

KELSEYVILLE UNIFIED SCHOOL DISTRICT
UPPER LAKE UNIFIED SCHOOL DISTRICT
LUCERNE UNIFIED SCHOOL DISTRICT
LAKEPORT UNIFIED SCHOOL DISTRICT

Mr. Dave McQueen, President
Mr. Giovanni Annous, Vice President
Mr. Mike Brown, Treasurer
Ms. Jill Falconer, Secretary

MEMBERS:

LAKE COUNTY OFFICE OF EDUCATION
MIDDLETOWN UNIFIED SCHOOL DISTRICT

Mr. Rob Young
Ms. Heather Rantala

ADMINISTRATOR/CONSULTANTS

KEENAN & ASSOCIATES

SETECH, *a division of Keenan & Associates*
Eide Bailly LLP

Mr. Kyle McKibbin
Ms. Tesia Bell
Mr. Bryan Boyle
Mr. Frank Cardoza
Mr. Hesam Fayaz
Ms. Shilo Gorospe, CPA

ABSENT

ANDERSON VALLEY UNIFIED SCHOOL DISTRICT
KONOCTI UNIFIED SCHOOL DISTRICT
POTTER VALLEY COMMUNITY UNION SCHOOL DISTRICT

Ms. Leigh Kreienhop
Ms. Becky Salato
Ms. Krista Looney

III. APPROVAL OF AGENDA **20/21-020**

Tesia Bell recommended amending the Agenda to move the following items after item #022, Approval of Minutes – September 25, 2020:

- Item# 030: Financial Management Information Report
- Item# 031: Draft Financial Audit

BOARD CONSIDERATION: A motion was made by Mike Brown, seconded by Jill Falconer and unanimously carried to approve the December 14, 2020 Agenda as amended.

IV. PUBLIC COMMENTS **20/21-021**

There were no public comments.
BOARD CONSIDERATION: None

V. APPROVAL OF DRAFT MINUTES – September 25, 2020 Meeting **20/21-022**

The Authority reviewed the minutes of the last Board of Directors meeting for any adjustments and adoption.
BOARD CONSIDERATION: A motion was made by Rob Young, seconded by Mike Brown and unanimously carried to approve the September 25, 2020 Minutes presented.

X. FINANCIAL

FINANCIAL MANAGEMENT INFORMATION REPORT **20/21-30**

Hesam Fayaz discussed the Financial Management Information Report as of 6/30/20. Assets increased 10.46% to \$911,476. Liabilities decreased 10.08% to \$179,288. Net position increased 17.01% to \$732,188 with a net position above the capital target of \$157,509. As of 6/30/20, Operating Expenditures were at \$747,065 and non-operating revenues were at 20,323, 90.99% of the estimated budget.

BOARD CONSIDERATION: A motion was made by Heather Rantala, seconded by Giovanni Annous and unanimously carried to approve the 6/30/20 Financial Management Information Report as presented.

2019/2020 FINANCIAL AUDIT (DRAFT) **20/21-31**

Shilo Gorospe, from Eide Bailly LLP, presented the 2019/2020 draft Financial Audit. Shilo noted that there were no deficiencies found, no significant issues dealing with management and no misstatements that required correction. Since there are no changes to the report, the recommendation is to approve the report as final.

Board Consideration: A motion was made by Jill Falconer, seconded by Giovanni Annous and unanimously carried to approve the 2019/2020 Draft Financial Audit as final.

VI. CORRESPONDENCE **20/21-23**

Kyle McKibbin discussed the following information that had been previously emailed to members:

- NCR Executive Summary Notes for the Underwriting/Member Services, Board of Directors, Finance, and Claims & Coverage Committees.
- PLCA 1st quarter billing – for purposes of transparency.
- California Property & Casualty Legislative Summary - 2020 End of Session.

Board Consideration: None

VII. CLAIMS

CLOSED SESSION

20/21-24

The meeting went into closed session at 12:12 p.m.

DISTRICT

CLAIMANT

CLAIM NUMBER

Kyle McKibbin and Bryan Boyle discussed SIGNAL II's open claims valued as of 11/30/2020. There were no specific claims discussed for settlement.

OPEN SESSION

President Dave McQueen re-opened at 12:15 p.m. and reported that there was no action taken while in closed session.
BOARD CONSIDERATION: None

QUARTERLY CLAIMS REPORT

20/21-25

Kyle McKibbin presented the Property/Liability Opened and Closed claims reports for the period of 7/1/2020 through 9/30/2020. These reports provide information on claims up to the MRL amount. During this period, 2 claims were opened for a total incurred of \$30,000 and 2 claims were closed for a total incurred of \$25,000.

BOARD CONSIDERATION: A motion was made by Jill Falconer, seconded by Rob Young and unanimously carried to approve the opened and closed claims reports for the period of 7/1/2020 through 9/30/2020.

VIII. RISK MANAGEMENT

RISK MANAGEMENT REPORT

20/21-26

Frank Cardoza provided an update on the status of ReLiEF inspections and RASP Services provided. He advised the inspections will begin after the holidays.

Frank discussed the Loss Control briefings on the Cal/OSHA Emergency Regulation on COVID-19 Prevention and the corresponding Cal/Osha model COVID-19 Prevention Program template as well as weather-related bulletins.

BOARD CONSIDERATION: None

KEENAN EXCEPTIONAL CHILD UPDATE

20/21-27

Tesia Bell provided an update on Exceptional Child usage for 7/1/20 – 11/30/20, noting a 173% increase over the same time period last year. Top category is Autism Spectrum Disorder.

BOARD CONSIDERATION: None

RISK MANAGEMENT ROUNDTABLE

20/21-28

Tesia Bell advised members of the 6 COVID-19 Webinars on Mental Illness that Keenan has hosted and is available to members and the community.

BOARD CONSIDERATION: None

IX. UNDERWRITING

2021/2022 NCR PROGRAM RENEWAL QUESTIONNAIRE

20/21-29

Tesia Bell advised the Board that the 2021/2022 renewal questionnaire emails will be released late December/early January and will be due 2/15/2021. She also reminded members to review their Property SOV and Fleet schedule and update accordingly by March 31, 2021 as these values are used to calculate premium.

Board Consideration: None

X. FINANCIAL

TREASURER'S REPORT

20/21-32

Hesam Fayaz presented the Treasurer's Report as of 9/30/20 that includes Investment Statement, Payment Order, and cash flow disclosure for compliance. Since 6/30/20, Assets increased 29.43% to \$1,179,732 and Liabilities increased 129.74% to \$411,894. Net position increased 4.87% to \$767,838 with a net position above the capital target at \$193,159. As of 6/30/20, credits were at \$8,629.

BOARD CONSIDERATION: A motion was made by Mike Brown, seconded by Giovanni Annous and unanimously carried to approve the Treasurer's Report as of 9/30/20 as presented.

FINANCIAL AUDIT RENEWAL AGREEMENT

20/21-033

Kyle McKibbin presented the Financial Audit Renewal Agreement with Eide Bailly to the Board for approval. The renewal agreement is for a financial audit for fiscal years ending 2021-2023.

BOARD CONSIDERATION: A Motion was made by Jill Falconer, seconded by Mike Brown and unanimously carried to approve the Financial Audit Renewal Agreement as presented.

XI. ADMINISTRATION

FORM 700 SUBMISSIONS

20/21-034

Tesia Bell advised the Board Form 700's are due April 1, 2021 and we will send out the updated Form 700 when it's released from the FPPC.

BOARD CONSIDERATION: None

2020/2021 ADMINISTRATION GUIDE

20/21-035

Members reviewed the current 2020/2021 Administration guide.

BOARD CONSIDERATION: None

XII. INFORMATION

MEMBER COMMENTS

None

MANAGER/ADMINISTRATOR/CONSULTANT COMMENTS

Kyle McKibbin thanked members for joining the meeting and wished everyone Happy Holidays.

ADMINISTRATION *(continued)*

OTHER COMMENTS

None

XIII. AGENDA ITEMS NEXT MEETING

The next meeting will be held on March 26, 2021 via Zoom Cloud Meetings. Agenda items are as follows:

- Quarterly Claims Report
- 12/31/2020 Treasurers Report
- Loss Control Update
- Draft Actuarial Study
- Capital Target

XIV. ADJOURNMENT

With no other business to discuss, a motion was made by Mike Brown, seconded by Giovanni Annous and unanimously carried to adjourn the meeting at 1:19 p.m.

Americans with Disabilities Act:

A request for disability-related modifications or accommodation, in order to participate in a public meeting of the SIGNAL II JPA, shall be made to: Tesia Bell, Account Manager, Keenan & Associates, 1111 Broadway, Suite 2000, Oakland, CA 94607, Telephone 510-986-6750, Ext. 8126, Fax 510-986-6756.

**SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II
(SIGNAL II)**

PRESENTED TO:

DATE:

March 26, 2021

Board of Directors

SUBJECT:

ITEM #:

20/21-039

Correspondence

Enclosure:

Yes

Category:

Correspondence

Prepared by:

Keenan & Associates

Requested by:

Board of Directors

BACKGROUND:

Communications received by, or sent on behalf of, the Authority are presented to the Authority. These communications are normally informational in content and no action is required except to acknowledge receipt.

STATUS:

The Secretary or Administrator will review any correspondence received by the Authority.

RECOMMENDATION:

If the Board decides that further discussions or actions are required on any specific communication, they will direct it be placed on a future agenda and/or have staff research the issue further.



Northern California Regional Liability Excess Fund

2355 Crenshaw Blvd, Suite 200, Torrance, CA 90501
(310) 212-3344, Fax (310) 212-0300

Executive Summary **Claims & Coverage Committee Meeting** **December 2, 2020**

President:

Kimberly Dennis
Alameda County
Schools Insurance
Group

Vice President:

Brent Swanson
Tulare County
Schools Self
Insurance Authority

Secretary:

Larry Teixeira
Organization of
Self-Insured Schools

Treasurer:

Annette Heldman
New Haven Unified
School District

The following is a summary and highlights of the Claims & Coverage Committee meeting on December 2, 2020. The meeting was chaired by Kevin Collins of East Bay Schools Insurance Group. The Committee conducted regular closed session business to include: Liability Claim Settlement Requests, Claims Updates/Serious Reports, Trial Updates and Results, Coverage Opinions, Quarterly Incurred Reserve Analysis, Sexual Abuse and Molestation (SAM) trends and claim successes. Other main items of interest for Committee discussion in open session were:

Class Actions Update- J.T. vs. Bill de Blasio, et al. & Martinez, et al. vs. Newsom

Update to the Member Alert regarding the class action lawsuits filed in New York and California where several parents of special education students sued on behalf of themselves and their disabled children, alleging that school closures across the country due to COVID-19 violated their rights under Federal and State law, including the right to a Free Appropriate Public Education ("FAPE") under the Individuals with Disabilities Education Act, 20 U.S.C. § 1400, et seq. (the "IDEA").

NCR Panel defense counsel, Leone & Alberts, has reported that both cases have now been dismissed by each Court. In the California Newsom suit, the court indicated that the plaintiffs had not exhausted their administrative remedies by filing complaints to the OAH. NCR Member districts should put their claims administrator on notice of any OAH complaints where the district receives a favorable ruling from the OAH on these issues as those may turn into civil litigation.

Closed Claim Evaluations

The Committee received a recommendation report from panel counsel on an EPL claim alleging disability discrimination and failure to prevent discrimination/harassment. The Attorney's recommendation on actions a district could take today to avoid similar disputes are when an injured employee returns from extended worker's compensation leave are as follows:

- Have explicit communication from HR and supervisor regarding expectations of return.
- Ensure that the employee's duties and responsibilities remain consistent with those duties and responsibilities they had prior to their leave (to the extent possible and practical while factoring in their disability status).
- Another employee should not be installed in the same position

Success Story- Unruh Act Decision

Tim Murphy of Edrington, Schirmer & Murphy was successful in getting a favorable Appellate Court ruling that the Unruh Act does not apply to school districts which reduces plaintiff attorneys fee exposures.

Claims Audit Proposal

The Committee selected Risk Management Services to conduct NCR's bi-annual claims audit in 2021.

Defense Counsel Summit

The Committee agreed to have the 10th Annual Defense Counsel Summit in virtual setting in Spring 2021. Date and Time TBD.

The next regularly scheduled meeting will take place March 3, 2021.





Northern California Regional Liability Excess Fund

2355 Crenshaw Blvd, Suite 200, Torrance, CA 90501

(310) 212-3344, Fax (310) 212-0300

Executive Summary **Underwriting/Member Services Committee Meeting** **December 11, 2020**

President:
Kimberly Dennis
Alameda County
Schools Insurance
Group

Vice President:
Brent Swanson
Tulare County
Schools Self
Insurance Authority

Secretary:
Larry Teixeira
Organization of
Self-Insured Schools

Treasurer:
Annette Heldman
New Haven Unified
School District

The Northern California ReLiEF Underwriting/Member Services Committee meeting took place on December 11, 2020 via Zoom. The following are highlights of the meetings are:

Welcome New Member – Nevada Joint Union HSD:

The Committee discussed in detail prospective new member Nevada Joint Union High School District. District Superintendent, Brett McFadden was in attendance to provide an overview on districts operations and answer Committee questions. The Committee approved the district for membership effective July 1, 2021.

Loss Control Update

Tim Hall provided a quarterly report on loss control activity. There was a total of 75 district's that received inspections or audits for the first quarter with over 6,381 areas inspected. There was 1 immediate area with exposed electrical wire identified and the member took immediate action to rectify that could have resulted in fire. The newly launched targeted loss program addressing wildfire defensible space, sexual abuse program review and sports risk management protocols is off to a good start as loss control has been in contact with the participating districts and appointments being scheduled.

Matching Grant Winners!

The NCR Matching Grant Program was established to assist members in the costs associated with new loss control/risk management products/initiatives for the greater good of the membership. \$200,000 was set aside for 2020/2021 program year. 13 applications were received, and 12 Districts were awarded grant monies. Congratulations to the following:

JPA	District
ACSIG	Alameda COE
Northern California SIG	Antelope SD
San Joaquin P&LIG	Banta SD
Northern California SIG	Cascade SD
Northern California SIG	Dunsmuir Jt. UHSD
Northern California SIG	Enterprise ESD
Individual	Fremont UHSD
Monterey & San Benito P&LIG	Lagunita ESD
Northern California SIG	Los Molinos USD
Northern California SIG	Millville SD
Northern California SIG	Pacheco Union SD
Individual	Turlock USD





Northern California Regional Liability Excess Fund

2355 Crenshaw Blvd, Suite 200, Torrance, CA 90501

(310) 212-3344, Fax (310) 212-0300

President:

Kimberly Dennis
Alameda County
Schools Insurance
Group

Vice President:

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Tulare County
Schools Self
Insurance Authority

Secretary:

Larry Teixeira
Organization of
Self-Insured Schools

Treasurer:

Annette Heldman
New Haven Unified
School District

Property Appraisal Contract Renewal:

NCR has contracted with AssetWorks since 2000 to provide professional real property valuation services. The current five-year contract is due to expire June 30, 2021. The Committee reviewed a new 5-year contract considering amendments to the valuation threshold i.e. inspect all buildings or those that are valued at \$100,000 and above, which would result in a savings. Other cost saving options were to eliminate the printed reports and the preparation of district site plans. The Committee will continue to review these options at the next meeting and make a formal recommendation to the Board.

Special Agency Rating Policy:

The minimum contribution rates for Special Agencies have not been increased or adjusted since 2008 while NCR member rates have increased. The Committee reviewed the current contribution calculation formulas for Sister JPAs, SELPAs, and Food Service Agencies, as well as coverage limits to determine if adjustments were needed. The Committee is recommending the following revisions: cap losses at \$5 million and increase the premium at each band level.

SELPA/Food Service Agency/Sister JPA's Contribution Table

- o 0 – 2 employees = \$1,000 contribution – increase to \$2,000
- o 3 – 5 employees = \$2,000 contribution – increase to \$4,000
- o 6+ employees = \$2,500 contribution – increase to \$5,000

These revisions will be incorporated into the Special Agency Rating Policy and brought before the Board of Directors for formal approval. If approved revisions would take effect July 1, 2021.

Next Meeting

The next Underwriting/Member Services Committee will be held jointly with the Finance Committee on March 21, 2021.





Northern California Regional Liability Excess Fund

2355 Crenshaw Blvd, Suite 200, Torrance, CA 90501

(310) 212-3344, Fax (310) 212-0300

Executive Summary **Executive Committee Meeting** **February 10, 2021**

President:

Kimberly Dennis
Alameda County
Schools Insurance
Group

Vice President:

Brent Swanson
Tulare County
Schools Self
Insurance Authority

Secretary:

Larry Teixeira
Organization of Self-
Insured Schools

Treasurer:

Annette Heldman
New Haven Unified
School District

The meeting was chaired by Kimberly Dennis, NCR President. The significant actions taken, or highlights discussed by the Committee were as follows:

Market Outlook: President of Property & Casualty, John Stephens provided an overview of the current reinsurance marketplace and strategy and preliminary predictions for SAFER's 2021/2022 Renewal. The global insurance market is hardening with upward pressures on rates but there is capacity and carriers willing to underwrite. He noted SAFER is strategically positioned very well due to layering structures and number of participants in each layer. Overall goal is to get carrier commitments with multi-year agreements.

CAJPA Data Requests: CAJPA identified Nor Cal ReLiEF as meeting the participant criteria for the CAJPA California Tort Liability Data Analysis Project. NCR accepted the invitation to share and provided loss history data for the study to include claims detail concerning defense and plaintiff attorneys and perpetrator apportionment for Statewide sexual abuse and molestation analysis purposes. Any future data requests will be brought to the Executive Committee for consideration.

Contracts for Review/Approval:

- **Claims Audit Contract:** Approved a contract with Risk Management Services to conduct the bi-annual audit of the Manager's Claims Team. The audit will be conducted in the summer and report provided to the C&C Committee in September, full Board in October.
- **Management Agreement Renewal** – an Ad Hoc Committee was formed of Kimberly Dennis, Brent Swanson and Leonard Kahn to review the expiring Management Agreement with Keenan & Associates. A recommendation will be brought before the Board in May.
- **Property Appraisal Contract** – Contract with AssetWorks expires 6/30/21. The Underwriting Committee is working with the Manager to secure a new 5-year agreement, which will go before the Board in May.

Policies Approved and posted to NCR website:

- **Experience Modification Policy** – revised to include an Ex Mod Calculation for the excess property and liability rates.
- **Investment Policy Statement** – annual review conducted as required by Government Code 53601 et seq. ad no changes to the Policy at this time.
- **Conflict of Interest Code Policy** – amended to change the filing agency to the FPPC, this will require members to file electronically going forward. Additional amendments were made to the filing categories.

Defense Counsel Summit: 10th Annual Defense Counsel Summit being held virtually on March 16th at 9:00 a.m. Content will focus on sexual abuse molestation prevention. Contact the Manager for a Zoom invite if interested in attending.





Northern California Regional Liability Excess Fund

2355 Crenshaw Blvd, Suite 200, Torrance, CA 90501

(310) 212-3344, Fax (310) 212-0300

President:

Kimberly Dennis
Alameda County
Schools Insurance
Group

Vice President:

Brent Swanson
Tulare County
Schools Self
Insurance Authority

Secretary:

Larry Teixeira
Organization of Self-
Insured Schools

Treasurer:

Annette Heldman
New Haven Unified
School District

CONGRATULATIONS TO OUR RISK MANAGEMENT REWARD WINNERS!

Congratulations to the 10 Districts that were chosen in the lottery drawing to receive \$2,500 to use toward risk management products/services. These districts had 50% of their employees take 2 or more of the selected KSS Coronavirus courses.

District Name	JPA
Alta Vista Elementary School District	Tulare County Schools SIA
Coastal Grove Charter School	North Coast SIG
Corning Union High School District	Northern California SIG
Fowler Unified School District	Organization of Self-Insured Schools
Lagunitas School District	Marin SIA
Middletown Unified School District	SIGNAL II
Oak Run School District	Northern California SIG
Orange Center Elem. School District	Organization of Self-Insured Schools
Pacific Grove Unified School District	Monterey & San Benito Co. P/L JPA
Washington Unified School District (Fresno)	Organization of Self-Insured Schools

The next Executive Committee meeting is scheduled for August 13, 2021.





Northern California Regional Liability Excess Fund

2355 Crenshaw Blvd, Suite 200, Torrance, CA 90501

(310) 212-3344, Fax (310) 212-0300

Executive Summary Finance Committee Meeting February 10, 2021

President:

Kimberly Dennis
Alameda County
Schools Insurance
Group

Vice President:

Brent Swanson
Tulare County
Schools Self
Insurance Authority

Secretary:

Larry Teixeira
Organization of Self-
Insured Schools

Treasurer:

Annette Heldman
New Haven Unified
School District

The meeting was conducted via Zoom and chaired by NCR Treasurer, Annette Heldman. The significant actions taken, or discussions held by the Committee were as follows:

- **Investment Report:** Morgan Stanley provided the investment report for the period ending December 31, 2021 and reported the total value of the investment portfolio to be \$50.613 million. For the 3rd quarter of the 20-21 fiscal year, the booked investment return was a positive 1.45%. The rolling year rate of return 1.60% overall from inception. The Investment Advisor confirmed the portfolio is in compliant with the California Government Code.
- **Investment Policy Statement:** The Committee conducted their annual review of the Investment Policy Statement as required by Government Code 53601 et seq. and are recommending no changes at this time.
- **Treasurer's Report:** SETECH provided the latest Unaudited Treasurer's Report for the period ending December 31, 2021. NCR financials include all Property losses and Liability losses beginning July 1, 2019. The Total Assets for the period are \$86.977 million with Liabilities of \$64.713 million for a positive net position of \$22.264 million.
- **Loss Portfolio Transfer (LPT) Report** – The Manager provided a status report on the LPT valued as of 12/31/2020. The LPT covers all Liability losses from NCR inception date of July 1, 1986 through 6-30-2018. In addition to providing additional protection from AB 218 SAM exposures, the LPT transfers NCR and SWACC liability exposures to reinsurers of all General Liability; including E&O Litigation, Breach of Contract and Injunctive Relief, Unpaid Future Liabilities for losses arising from the inception (July 1, 1986) of each JPA through the program year ending June 30, 2018. The LPT protection balance has increased from \$42 Million above expected losses to \$49.21 Million due to favorable loss development.
- Overall, the financial position of the JPA continues to be fiscally strong and stable.

The next Finance Committee meeting is scheduled for May 6, 2021.





Northern California Regional Liability Excess Fund

2355 Crenshaw Blvd, Suite 200, Torrance, CA 90501

(310) 212-3344, Fax (310) 212-0300

Executive Summary Claims & Coverage Committee Meeting March 3, 2021

President:

Kimberly Dennis
Alameda County
Schools Insurance
Group

Vice President:

Brent Swanson
Tulare County
Schools Self
Insurance Authority

Secretary:

Larry Teixeira
Organization of Self-
Insured Schools

Treasurer:

Annette Heldman
New Haven Unified
School District

The following is a summary and highlights of the Claims & Coverage Committee meeting on March 3, 2021. The meeting was chaired by Kevin Collins of East Bay Schools Insurance Group. The Committee conducted regular closed session business to include: Liability Claim Settlement Requests, Claims Updates/Serious Reports, Trial Updates and Results, Coverage Opinions, Quarterly Incurred Reserve Analysis, Sexual Abuse and Molestation (SAM) trends and claim successes. Other main items of interest for Committee discussion in open session were:

Walk on Coaches Best Practices

The Committee took a deep dive look at Sexual Abuse Molestation Adult to Student claims and identified an increasing trend involving coaches and walk on coaches. As a result, The Authority will be developing best practices in the area of Hiring and On-boarding best practices to risk manage this exposure. It is important that Districts are reinforcing and utilizing the Child Abuse resources for this group just as other employees.

Closed Claim Evaluations

The Committee received a Closed Claim Evaluation report from panel counsel on a Wrongful Death claim where a student drowned during PE class. The Attorney's recommendation on actions a district could take today to avoid a similar situation:

- Ensure Lifeguards are up to date with appropriate qualifications
- Reduce the number of Students in swimming to a manageable amount where one coach can supervise
- Instruct PE Teacher to scan pool and surrounding area before leaving the facility

Class Actions Update- J.T. vs. Bill de Blasio, et al. & Martinez, et al. vs. Newsom

Update to the Member Alert regarding the class action lawsuits filed in New York and California where several parents of special education students sued on behalf of themselves and their disabled children, alleging that school closures across the country due to COVID-19 violated their rights under Federal and State law, including the right to a Free Appropriate Public Education ("FAPE") under the Individuals with Disabilities Education Act, 20 U.S.C. § 1400, et seq. (the "IDEA").

NCR Panel defense counsel, Leone & Alberts, has reported that both cases have now been dismissed by each Court, but the plaintiff attorney's have filed appeals on those rulings. NCR will continue to monitor and provide future recommendations when necessary.

Claims Audit:

Risk Management Services will be conducting the NCR's bi-annual claims audit in June 2021. The report will be brought back to the Committee in September and full Board in October.

Defense Counsel Summit

The 10th Annual Defense Counsel Summit will be taking place virtually on March 16th at 9:00 a.m. Contact the Manager for the Zoom invite if interested in attending.

The next regularly scheduled meeting will take place June 2, 2021.





January 31, 2021

State Controller's Office
Division of Accounting & Reporting
RDA-SD Reporting Section
P. O. Box 942850
Sacramento, CA 94250-5875

RE: Special Districts Financial Transactions Report

To Whom It May Concern:

By notice received by Schools Insurance Group Northern Alliance II (SIGNAL II) regarding the filing of the 2019/2020 Special Districts Financial Transactions Report, I am hereby enclosing the signed cover page. The actual report was filed electronically via File Transfer Protocol.

If you have any questions regarding information in this report, please call me at (310) 212-0363 extension 2550.

Sincerely,

A handwritten signature in black ink that reads 'Mary T. Boyer'.

Mary T. Boyer
Assistant Vice President

MB/hf
Enclosures

cc: SIGNAL II Board of Directors

*P.O. Box 4328
Torrance, CA 90510
Phone: (310) 212-2550
Fax: (310) 212-0300
License No. 0451271*

SPECIAL DISTRICTS FINANCIAL TRANSACTIONS REPORT COVER PAGE

Special District of School Insurance Group Northern Alliance II


Reporting Year: **2020**

ID Number: **12501965900**

Certification:

I hereby certify that, to the best of my knowledge and belief, the report forms fairly reflect the financial transactions of the special district in accordance with the requirements as prescribed by the California State Controller.

Special District Fiscal Officer


Signature

Treasurer's Agent

Title

Mary T. Boyer
Name (Please Print)

01/29/2021
Date

Per Government Code section 53891(a), this report is due within seven months after the close of the fiscal year. The report shall contain underlying data from audited financial statements prepared in accordance with generally accepted accounting principles, if this data is available.

If submitted manually, please complete, sign, and mail this cover page to either address below:

Mailing Address:
State Controller's Office
Local Government Programs and Services Division
Local Government Reporting Section
P.O. Box 942850
Sacramento, CA 94250

Express Mailing Address:
State Controller's Office
Local Government Programs and Services Division
Local Government Reporting Section
3301 C Street, Suite 700
Sacramento, CA 95816

The Financial Transactions Report was successfully submitted to the State Controller's Office on 1/29/2021 11:05:53 AM

Supplement to the Annual Report of Special Districts

Special District ID Number:	12501965900
Name of District:	School Insurance Group Northern Alliance II

Mark the appropriate box below to indicate the ending date of your agency's fiscal year.
Report data for that period only.

<input type="checkbox"/> July 2019	<input type="checkbox"/> October 2019	<input type="checkbox"/> January 2020	<input type="checkbox"/> April 2020
<input type="checkbox"/> August 2019	<input type="checkbox"/> November 2019	<input type="checkbox"/> February 2020	<input type="checkbox"/> May 2020
<input type="checkbox"/> September 2019	<input type="checkbox"/> December 2019	<input type="checkbox"/> March 2020	<input checked="" type="checkbox"/> June 2020

Please complete the fillable PDF and submit to the following email,
ewd.local.finance@census.gov.

If you have any questions regarding this form please contact:

U.S. Bureau of the Census, Local Finance Statistics Branch, 1-800-242-4523

A. Capital Outlay Expenditures for Enterprise Activities

Please report your government's capital outlay expenditures for the following enterprise activities, if applicable:

Airport Enterprise	Amount
Land and Equipment (Census Code G01)	\$
Construction (Census Code F01)	\$

Electric Enterprise	Amount
Land and Equipment (Census Code G92)	\$
Construction (Census Code F92)	\$

Harbor and Port Enterprise	Amount
Land and Equipment (Census Code G87)	\$
Construction (Census Code F87)	\$

Hospital Enterprise	Amount
Land and Equipment (Census Code G36)	\$
Construction (Census Code F36)	\$

Waste Disposal Enterprise	Amount
Land and Equipment (Census Code G80)	\$
Construction (Census Code F80)	\$

Water Enterprise	Amount
Land and Equipment (Census Code G91)	\$
Construction (Census Code F91)	\$



1111 Broadway
Suite 2000
Oakland, CA 94607

(510) 986-6750
(510) 986-6756 fax
www.keenan.com

January 08, 2021

Ms. Ambar Garcia
SETECH Technical Assistant
SIGNAL II
c/o SETECH
P. O. Box 4328
Torrance, CA 90510

RE: 2020/2021 PROPERTY & LIABILITY CLAIMS ADMINISTRATION BILLING

Dear Ms. Garcia,

Please find below the Property & Liability Claims Administration fees billed for the October 2020 - December 2020 period. The amount due for the second quarter is \$4,934.62.

Explanation of service fees noted below:

Manager	5.5 Hrs @ \$95.53 =	\$525.42
Sr. Claims Examiner	26.7 Hrs @ \$90.13 =	\$2,406.47
Claims Examiner	6.5 Hrs @ \$79.83 =	\$518.90
	Subtotal	\$3,450.78
	Expense @ 43.0%	\$1,483.84
	Total	\$4,934.62
	Service Fees due 2nd Quarter	<u>\$4,934.62</u>

2020/2021 Overview of Service Fees

First Quarter Accrued	\$1,768.41
Second Quarter Accrued	\$4,934.62
Total Accrued	\$6,703.03

We look forward to working with you during the upcoming quarter. At any time if you have questions or concerns, please do not hesitate to contact me at 800-344-8507 Ext. 8156.

Sincerely,

Bryan Boyle
Claims Manager
Property & Liability Claims Administration

Enclosure



P.O. Box 4328, Torrance, CA 90510
310 212-3344

----- INVOICE -----

SIGNAL II
Attn: Ms. Ambar Garcia
c/o SETECH
Torrance, CA 90510

Invoice Date 01/11/21
Invoice No. 252741
Bill-To Code SIGNAII
Client Code SIGNAII
Sequence 10*304462

Client Name: SIGNAL

Amount Remitted: \$

Please return this portion with your payment.

Make checks payable to: Keenan & Associates

Effective Date	Period	Description	Transaction Amount
07/01/20	07/01/20 to 07/01/21	Schools Ins Group No Alliance II PLCA2020SIG PLCA - P&L Claim Admin Fee Claims Administration Fee Quarterly Billing Period from October 2020 through December 2020 Invoice Number: 252741 Amount Due:	4,934.62 4,934.62
Due and Payable on Effective Date			

Hours Worked Report

Total By Claim from 10/01/2020 To 12/31/2020

Claim Number	Claimant Name	District Name	Date of Loss	Hrs Worked	Earned
SIGNAL II					
Examiner: Bryan Boyle					
577061	Potter Valley Community Usd	Potter Valley Community USD	10/14/2019	0.10	\$9.55
588697		Lake County Office Of Education	10/09/2020	1.00	\$95.53
589108		Lakeport Unified School District	03/10/2020	1.00	\$95.53
589667	Middletown Usd	Middletown Unified School District	12/11/2020	1.00	\$95.53
NA	Non Claim Activity	Potter Valley Community USD		1.30	\$124.19
Bryan Boyle Total:				4.40	\$420.33
Examiner: Casey Kimball					
584056		Kelseyville Unified School District	09/24/2019	1.00	\$90.13
589108		Lakeport Unified School District	03/10/2020	4.70	\$423.61
Casey Kimball Total:				5.70	\$513.74
Examiner: Cynthia Davidson					
586010	Upper Lake Usd	Upper Lake Unified School District	05/04/2020	0.60	\$54.08
588697		Lake County Office Of Education	10/09/2020	11.50	\$1,036.50
Cynthia Davidson Total:				12.10	\$1,090.58
Examiner: Donna James-Saunders					
585461	Lake Coe	Lake County Office Of Education	06/12/2020	1.30	\$103.78
589667	Middletown Usd	Middletown Unified School District	12/11/2020	5.20	\$415.12
Donna James-Saunders Total:				6.50	\$518.90
Examiner: Mark1 Hobson					
579858		Kelseyville Unified School District	12/06/2019	0.10	\$9.55
585461	Lake Coe	Lake County Office Of Education	06/12/2020	0.10	\$9.55
588697		Lake County Office Of Education	10/09/2020	0.90	\$85.98
Mark1 Hobson Total:				1.10	\$105.08
Examiner: Nancy Langella					
577061	Potter Valley Community Usd	Potter Valley Community USD	10/14/2019	3.50	\$315.46
583664	Kelseyville Usd	Kelseyville Unified School District	03/11/2020	0.20	\$18.03
587563	Kelseyville Usd	Kelseyville Unified School District	09/24/2020	2.40	\$216.31
Nancy Langella Total:				6.10	\$549.80
Examiner: Yvonne Ho-Piamonte					
579858		Kelseyville Unified School District	12/06/2019	2.80	\$252.36
Yvonne Ho-Piamonte Total:				2.80	\$252.36
SIGNAL II Total:				38.70	\$3,450.78
Overhead (43%)					\$1,483.84
Client Total (Including Overhead)					\$4,934.62

**SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II
(SIGNAL II)**

PRESENTED TO:

DATE:

March 26, 2021

Board of Directors

SUBJECT:

ITEM #:

20/21-040

Closed Session

Enclosure:

Handout

Category:

Claims

Prepared by:

Keenan & Associates

Requested by:

Board of Directors

BACKGROUND:

Under Government Code 54956.95, the Board of Directors is empowered to conduct a Closed Session to discuss claims for liability losses.

DISTRICT

CLAIM NUMBER

No individual claims to discuss

*5 Year Loss Run as of 12/31/2020
Opened Claims Report as of 2/28/2021*

STATUS:

Claims or potential claims may be presented for settlement issues and/or Board direction or discussion.

RECOMMENDATION:

Discuss claim(s) as presented. Action as needed.

**SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II
(SIGNAL II)**

PRESENTED TO:

DATE:

March 26, 2021

Board of Directors

SUBJECT:

ITEM #:

20/21-041

Quarterly Claims Report

Enclosure:

Yes

Category:

Claims

Prepared by:

Keenan & Associates

Requested by:

Board of Directors

BACKGROUND:

The Brown Act requires that an activity report to the Members be made on all settled claims.

- A. Opened Claims
- B. Closed Claims

STATUS:

The Manager will present a report of all claims opened and closed claims settled for the period of 10/1/2020 through 12/31/2020.

RECOMMENDATION:

Review and approve opened and closed claims for the period 10/1/2020 through 12/31/2020.

**P&L Claims
Opened for the Quarter
Valued as of
12/31/2021**

Schools' Insurance Group Northern Alliance Property/Liability

P&L Claims Opened for the Quarter - Valued As Of December 31, 2020

Status	Open Date	Incident Name	Claim#	Incident Date	Incident Description	Paid Upto MRL	Res Upto MRL	Inc Upto MRL	Count	MRL
Insurer Name: Schools' Insurance Group Northern Alliance Property/Liability										
Insured Name1: Lake County Office of Education										
Open	11/06/2020		588697	10/09/2020	Claimant alleges violation of education code.	0.00	25,000.00	25,000.00	1	25,000.00
Insured Name1 Total :						0.00	25,000.00	25,000.00	1	
Insured Name1: Lakeport Unified School District										
Open	11/02/2020		588553	09/24/2020	Scholarship check was forged.	0.00	0.00	0.00	1	0.00
Open	11/30/2020		589108	03/10/2020	Claimant alleges discrimination and emotional distress.	0.00	25,000.00	25,000.00	1	25,000.00
Insured Name1 Total :						0.00	25,000.00	25,000.00	2	
Insured Name1: Middletown Unified School District										
Open	12/28/2020		589667	12/11/2020	District driver felt a bump/tug while driving and the ruck went off the road and rolled the truck.	0.00	25,000.00	25,000.00	1	25,000.00
Insured Name1 Total :						0.00	25,000.00	25,000.00	1	
Insurer Name Total :						0.00	75,000.00	75,000.00	4	
Grand Total :						0.00	75,000.00	75,000.00	4	

**P&L First Time Closed
Claims for the Quarter
Valued as of
12/31/2020**

Schools' Insurance Group Northern Alliance Property/Liability

P&L First Time Closed Claims for the Quarter - Valued As Of Last Month

Status	First Time Close Date	Close Date	Incident Name	Claim#	Incident Date	Incident Description	Paid Upto MRL	Res Upto MRL	Inc Upto MRL	Count	MRL
Insurer Name: null											
Insured Name1: null											
Insured Name1 Total :							0.00	0.00	0.00	0	
Insurer Name Total :							0.00	0.00	0.00	0	
Grand Total :							0.00	0.00	0.00	0	

**SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II
(SIGNAL II)**

PRESENTED TO:

DATE:

March 26, 2021

Board of Directors

SUBJECT:

ITEM #:

20/21-042

Risk Management Update

Enclosure:

Yes

Category:

Risk Management Report

Prepared by:

Keenan & Associates

Requested by:

Board of Directors

BACKGROUND:

At each Quarterly Meeting, the Members are updated on the Risk Management services (RASP, HMI, and NCR Inspection updates) provided to the members of the Authority.

STATUS:

The Board will be updated with the status of the Risk Management Services (RASP, HMI, and NCR Inspection updates) provided by Keenan & Associates.

- A. Loss Control Activity Report
- B. Risk Management Briefings

RECOMMENDATION:

Informational

MANAGING HAND SANITIZERS AND DISINFECTING FOGGERS FREQUENTLY ASKED QUESTIONS AND RESOURCES

Flammable and combustible liquids are all around us, including alcohol-based hand rubs (ABHR), commonly known as hand sanitizers. General use of ABHRs poses a low risk from a fire hazard standpoint; however, when stored in large quantities, the risk of fire is fairly significant. In addition to fire risk, there are other considerations that apply when managing products such as hand sanitizers and sanitizing fogging solutions. Since these products contain hazardous materials, certain rules and regulations may apply.

You should review the Safety Data Sheet (SDS) for each of the products you are using. The SDS provides information on hazardous ingredients, storage, handling and any personal protective equipment (PPE) needed.

If you are ordering large quantities of these products you will need to calculate the pounds/gallons of hazardous materials you have on-site. The quantity of product you have will trigger proper storage, labeling, and signage requirements. The quantity of product will also determine if you will be required to add the products to your Hazardous Material Business Plan (HMBP) and California Environmental Reporting System (CERS) report. If you have 55 gallons of a hazardous liquid, the HMBP and CERS requirements are triggered. If you store more than five gallons of any flammable liquid, such as alcohol-based hand sanitizer, [NEPA 30, Flammable and Combustible Liquids Code](#), should be used to ensure proper storage.

Following are some FAQs and resources that will help you navigate through this process.

FOGGERS

Can applying disinfectant by foggers and sprayers affect computers and electronic equipment?

Based on reviewed disinfectant safety data sheets and Environmental Protection Agency (EPA) studies, it is expected that as fogging and spraying is repeatedly employed and introduced into equipment, material degradation and functional failures will occur. Covering electronics and/or using other means of disinfecting, such as sanitizing wipes, are important steps in protecting vital and expensive electronic equipment.

What precautions should be taken when using foggers?

Ensure you are using the product per the manufacturer's recommendations which may include utilizing proper ventilation and PPE as required. Solutions used in foggers and sprayers can contain toxic and corrosive chemicals such as Quaternary ammonium, sodium hypochlorite and hydrogen peroxide.

What is the standard contact time for fogging?

Application time for fogging varies depending on the size of the area being treated and the application system used but is typically carried out for a minimum of 15 to 30 minutes to enable the fog to disperse and the chemical action to occur. After fogging, an additional 45 to 60 minutes is required for the droplets to settle from the air onto the surfaces.

Can I use fogging, fumigation, or electrostatic spraying or drones to help control COVID-19?

Unless the pesticide product label specifically includes disinfection directions for fogging, fumigation, wide-area or electrostatic spraying, or application via drones (i.e., unmanned aerial vehicles (UAV)), the EPA does not recommend using these methods to apply disinfectants. The EPA has not evaluated the product's safety and efficacy for methods not addressed on the label. <https://www.epa.gov/coronavirus/can-i-use-fogging-fumigation-or-electrostatic-spraying-or-drones-help-control-covid-19> .

HAND SANITIZERS

What is the active ingredient in hand sanitizers?

The active ingredients are isopropyl alcohol (isopropanol or 2-propanol) and ethanol (ethyl alcohol). Methanol and 1-propanol are not acceptable ingredients in hand sanitizer and can be toxic. <https://www.fda.gov/consumers/consumer-updates/your-hand-sanitizer-fdas-list-products-you-should-not-use> ..

How much alcohol does a hand sanitizer need to be effective?

The Centers for Disease Control and Prevention (CDC) recommends consumers use an alcohol-based hand sanitizer that contains at least 60 percent alcohol. Most hand sanitizers manufactured in the United States are 60 to 90 percent alcohol by volume.

Is hand sanitizer flammable?

Yes, hand sanitizers are considered a flammable liquid and should be stored away from heat and flame. Hand sanitizer should be rubbed into the hands until they feel completely dry before continuing activities that may involve heat, sparks, static electricity, or open flames. The fact that hand sanitizer comes primarily in plastic containers adds to the fire hazard as the containers melt and fail.

STORAGE/DISPENSING/SIGNAGE

Where is the best place to store these products and what signage do I need?

The key elements to determining proper storage are quantity, how it is being stored, and container type.

Hand sanitizers should not be stored above 105 degrees F. These substances have fairly low flash points, which classifies them as a Class 1 Flammable Liquid. Having a low flash point means that you don't necessarily need an external heat source for fire to occur.

To protect the storage of flammable materials using fire protection systems you should follow National Fire Protection Association (NFPA) codes and standards.

When designing a sprinklered flammable storage room, NFPA 13 (Standard for the Installation of Sprinkler Systems) lists the specific requirements for their installation. NFPA 30, Chapter 16 lists the classification of flammability to help determine the correct design criteria for your storage. NFPA 30 also refers to sections of

NFPA 13 for certain commodities and they work together to ensure these sprinkler systems are designed to protect people and property.

Hand sanitizers or alcohol-based hand rubs (ABHR) must be stored and managed safely as noted in NFPA 30 Flammable and Combustible Material and NFPA 101 Life Safety Code. NFPA 704 Standard System is the identification of the Hazards of Materials for Emergency Response and is another resource for the proper signage of flammable material.

What are some preventative measures to consider regarding storage of flammable materials?

- Use flammable warning signs for large storage of flammable materials.
- Do not store in basements or below grade.
- Keep in the original sealed container.
- Keep in a secure cool area; away from heat/spark open flames/hot surfaces.
- Store in a well vented place.
- Reduce the volume to the minimum necessary on-site. Try to have vendors ship smaller amounts more frequently.
- Store it away from combustible materials and only one pallet high.
- Provide a noncombustible skid and secondary containment.
- Do not store in a rack configuration.
- Use flammable liquid cabinets/lockers (required if you have 10 gallons more).
- Store in a trailer or low value detached building.
- Provide fire protection that meets NFPA 30.
- Maximum Dispensing Fluid Capacity for hand sanitizers should be kept to 1.2 liters in corridors and 2.0 liters in rooms or rooms separated by corridors. Dispensers should not be placed close to electrical outlets or switches.

TRAINING

What type of training is required?

Employees that use any hazardous material shall be trained on the proper use and exposure hazards under the Hazard Communication Standard, CCR Title 8, [Section 5194](#). Staff that use foggers should be adequately trained on the use of the equipment, typically the vendor or manufacturer can offer that training.

If PPE is required for use of the foggers and spraying, ensure staff are trained on the proper selections, use and storage of the PPE.

NFPA RESOURCES

The following link is to the NFPA Resources in response to COVID-19.

<https://nfpa.org/Codes-and-Standards/Resources/Standards-in-action/NFPA-responds-to-the-coronavirus/Coronavirus-Building-and-life-safety>

NFPA 30 Flammable and Combustible Materials and NFPA 101 Life Safety Code are important standards to follow regarding the issue of managing sanitizers and foggers.

- Free digital access to NFPA 101 at: <http://www.nfpa.org/101>
- Free digital access to NFPA 30 at: <http://www.nfpa.org/30>
- Free digital access to NFPA 13 at: <http://www.nfpa.org/13>
- Free digital access to NFPA 704 at <http://www.nfpa.org/704>

Contact your local Keenan Loss Control Consultant for assistance with the products and all your hazardous materials needs. We can conduct a hazard assessment of sanitizers and foggers by evaluating your procedures on how material is stored and used.

Keenan's Loss Control Bulletins are intended to help clients identify and mitigate hazards and potential liability exposures. We do not represent or guarantee that they will be able to identify or address all potential hazards, or offer a fail-safe mechanism for dealing with them. We make no promise or representation that clients will recognize improved loss experience or premium savings as a result of these services. Keenan & Associates is not a law firm and no opinion, suggestion, or recommendation of the firm or its employees shall constitute legal advice. Clients are advised to consult with their own attorney for a determination of their legal rights, responsibilities and liabilities, including the interpretation of any statute or regulation, or its application to client's business activities.



NEWSLETTER

Winter 2020

Newsletters / Winter 2020

The NCR Newsletters are now in an online format. Please click on the link below to access the full Newsletter.

Link: [2020 NCR Winter Newsletter](#)

However, we have included the table contents below with active links:

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COVID-19 Webinar Series with Dr. Scott Poland
Driving in Severe Weather
New Student Course: Student 'COVID for Younger Students' Safety Video
Tents and Pop Ups - Best Practices
COVID IIPP Addendum Reminder Bulletin
Cyber Security Webinar Series
Student Safety for Online Tactical Learning Bulletin
Link to Frank Cardoza's CASBO Preparing for Natural Disasters Webinar
Wildfire and Flooding Bulletin
Athletics and Return to Physical Activity (Schools)
Winterization/Vacant Property/Water Damage
ReLIEF 35 Year Celebration

TITLE IX REGULATORY CHANGES AND KEENAN SAFE SCHOOLS AND KEENAN SAFE COLLEGES TRAINING RESOURCES

On August 14, 2020, the Title IX regulatory changes promulgated by the U.S. Department of Education under Secretary Betsy DeVos took full effect. These regulations impact K-12 schools as well as colleges (collectively referred to here as “schools”).

Key provisions of the new Title IX regulations included rules regarding the following:

- Defining sexual harassment to include sexual assault, dating violence, domestic violence, and stalking, as unlawful discrimination on the basis of sex.
- Defining actual knowledge of sexual harassment on the part of K-12 schools, colleges and universities.
- Requiring schools to respond when sexual harassment occurs in the school’s education program or activity, against a person in the United States.
- Expanding a school’s obligations to ensure its educational community knows how to report to the Title IX coordinator.
- Requiring schools to promptly respond to Title IX sexual harassment in a manner that is not deliberately indifferent, and that includes an offer of supportive measures to the complainant.
- Investigation of formal complaints of sexual harassment, in a manner that follows a grievance process.
- Providing for the protection of the privacy of the parties during a Title IX sexual harassment investigation.
- Providing for a live hearing and cross-examination as part of the grievance process at postsecondary institutions.
- Allowing the school’s grievance process to state whether the standard of evidence to be used to determine responsibility is the preponderance of the evidence standard or the clear and convincing evidence standard; using the same standard of evidence for formal complaints against students as for formal complaints against employees.
- Offering both parties an appeal from a determination regarding responsibility.
- Allowing schools to choose to offer voluntary informal resolution options.
- Prohibiting retaliation.

TITLE IX TRAINING REQUIREMENTS

Additionally, these regulations include robust training requirements for Title IX Coordinators and other decision-makers at any institution subject to Title IX. Under the regulations, Title IX Coordinators, investigators, decision-makers and persons who facilitate an informal resolution process must receive training.

Training must cover:

- The new definition of sexual harassment;
- The scope of the education programs subject to the school's Title IX policy;
- The process of conducting an investigation;
- The grievance process (including hearings, appeals, and informal resolution); and
- How to serve impartially, avoiding bias and conflicts of interest.

Different participants in a school's Title IX compliance program will need different types and levels of training. The regulations do not address when or how often training must be provided, or how long the training sessions should be.

KSS AND KSC TRAINING RESOURCES

As schools and colleges turn from updating policies and procedures to enacting training, we have been asked to give some details on how Keenan's SafeSchools (KSS) and SafeColleges (KSC) courses fit into a Title IX training program. None of these courses provides complete training at every level, but the attached documents show how these courses can be used as a foundation of Title IX training.

Please contact your Keenan Account Manager for further information.

Keenan & Associates is not a law firm and no opinion, suggestion, or recommendation of the firm or its employees shall constitute legal advice. Clients are advised to consult with their own attorney for a determination of their legal rights, responsibilities and liabilities, including the interpretation of any statute or regulation, or its application to the clients' business activities.

TITLE IX COMPLIANCE WITH KEENAN SAFESCHOOLS

Title IX is a new regulation with many compliance actions. Keenan SafeSchools has training that will help with some of those compliance elements.

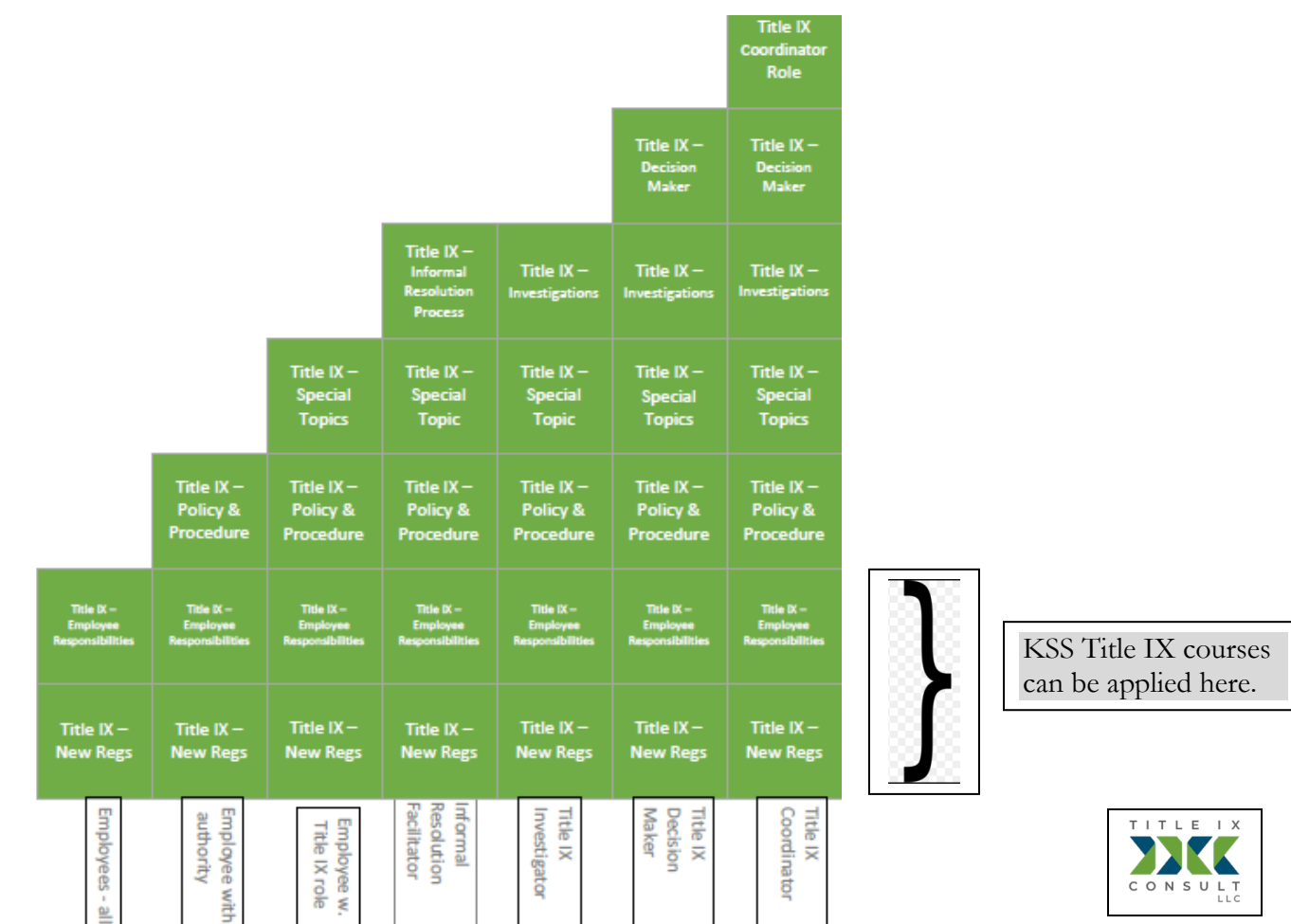
All Employees should be assigned the following Keenan SafeSchools courses, initially and then annually:

- Sexual Harassment Prevention: Staff to Staff
- Sexual Harassment Prevention: Student Issues and Response
- Title IX Compliance Overview

NOTE: In addition to assigning these three courses, you must upload, assign and track your specific:

- District Title IX Policy
- District Title IX Procedures

NOTE: Please be aware that relying on Keenan training to satisfy the new Title IX regulations will NOT guarantee compliance. There are many actions necessary for Title IX compliance, as you can see from the diagram below, provided with permission by Megan Farrell, Title IX Consult, LLC.



Please contact your Keenan & Associates Account Manager if you need more information.

Course Descriptions

- **Sexual Harassment Prevention: Staff-to-Staff (Complete – 34 minutes)**

The Keenan SafeSchools *Sexual Harassment Prevention: Staff to Staff* course provides background information on sexual harassment; offers several scenarios for sexual harassment; identifies indicators of inappropriate behaviors; and states the legal rights, responsibilities, and liabilities of employees. This course is also offered in **Spanish**. Updated 9/9/20.

- **Sexual Harassment Prevention: Student Issues and Response (34 minutes)**

Keenan SafeSchools' Sexual Harassment Prevention: Student Issues & Response course provides background information on sexual harassment; offers several scenarios for both student-to-student and adult-to-student sexual harassment; identifies indicators of inappropriate behaviors; states the legal rights, responsibilities, and liabilities of institutions and individuals. (Updated 6/6/20)

- **Title IX Compliance Overview (44 minutes)**

Title IX is used to prevent discrimination in educational institutions that receive federal funds. Specifically, the law governs the way in which institutions must handle accusations of sexual harassment to ensure that investigations are transparent and fair. This course is designed to provide school staff with an overview of Title IX regulations to ensure their school district is in compliance. Topics covered include the role of legal precedent, regulatory and subregulatory guidance related to Title IX; relevant terminology used in Title IX guidance; and guidelines school districts must follow to remain in compliance with the law. New course 9/9/20 and includes the 8/14/20 updates to Title IX.

Please contact your Keenan & Associates Account Manager if you need more information.

**SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II
(SIGNAL II)**

PRESENTED TO:

DATE:

March 26, 2021

Board of Directors

SUBJECT:

ITEM #:

20/21-043

Risk Management Roundtable

Enclosure:

Yes

Category:

Risk Management

Prepared by:

Keenan & Associates

Requested by:

Board of Directors

BACKGROUND:

An initiative developed by Keenan & Associates and the member Districts is to incorporate risk management discussions into each quarterly JPA agenda meetings. The goal is to provide best practices on trending risk exposures and to provide consistency among the member districts in overall risk management.

STATUS:

The Manager and Board will discuss JPA training opportunities for re-opening of schools.

RECOMMENDATIONS:

Informational



Re-Opening Training Resources

Helping our members get ready for re-opening through training.

March 26th, 2021

Re-Opening Related Loss Control/RASP Services

- School Re-opening Training
 - Safety Plan Audits
 - On-site Hazard Assessments
 - Virtual & Live Ergonomic Evaluations
 - Virtual & Live Safety Trainings
 - Chemical Safety Information & Training
-



Other Loss Control/RASP Services



- SB1626 – Security Training offered by IMReady – 3 day course
 - Offered to anyone acting as a security officer and/or employed by the district to monitor campus, hall security, or report on criminal activities. Effective July 1 new name is SB390 same course but updated with new verbiage.
- Sexual Abuse & Molestation (SAM) – Train the Trainer Training
- Fire Protection and Prevention Training
- Respiratory Protection Training
- Bloodborne Pathogens Program and Training
- Playground Equipment/Safety
- And More...

COVID-19 Staff Training



Keenan
SafeSchools
Training



Keenan
SafeColleges
Training



Coronavirus Awareness
Keenan SafeSchools



Coronavirus: CDC Guidelines for Making & Using Cloth Face Coverings
Keenan SafeSchools



Coronavirus: Cleaning and Disinfecting Your Workplace
Keenan SafeSchools



Coronavirus: Managing Stress and Anxiety
Keenan SafeSchools



Coronavirus: Preparing Your Household
Keenan SafeSchools



Coronavirus: Reopening Your Organization
Keenan SafeSchools



Coronavirus: Transitioning to a Remote Workforce
Keenan SafeSchools

****Just Released****

Cal/OSHA COVID-19 Protection Plan Training

Full Course (California – Keenan)

The COVID-19 pandemic has had a massive impact on public health – globally, locally and personally.

[Read More](#)



START COURSE

0 / 7 Sections Complete



Coronavirus: The Basics of Vaccines

Full Course

Throughout the COVID-19 pandemic, much emphasis and priority has been placed on the development and delivery of a vaccine.

[Read More](#)

COURSE COMPLETE


[VIEW CERTIFICATE](#)

Resources to Support Employees at Home and Returning to Campus

Injury Prevention through Proper Ergonomics




10 Courses
Focusing on
Physical,
Environmental
and Mental
Issues




Finding the Right Environment
3 minute watch

How should you find a good location to work in your house? Here are several tips.




Work Surface Height
4 minute watch

What is the optimal height for your at-home work space? And why does it matter?




Time Management for Remote Employees
5 minute watch

Tips to help your employees stay productive.



Home Office Electrical Safety
4 minute watch


Working from home means setting up a work station. Here are some tips to help keep you safe.




Monitor Placement
5 minute watch

Where you place your monitor can make the difference between having a sore neck and back and working at home in comfort.


Injury Prevention through Body Conditioning




Injury Prevention Through Physical Conditioning - Ab Exercises
Keenan SafeSchools




Injury Prevention Through Physical Conditioning - Healthy Back
Keenan SafeSchools



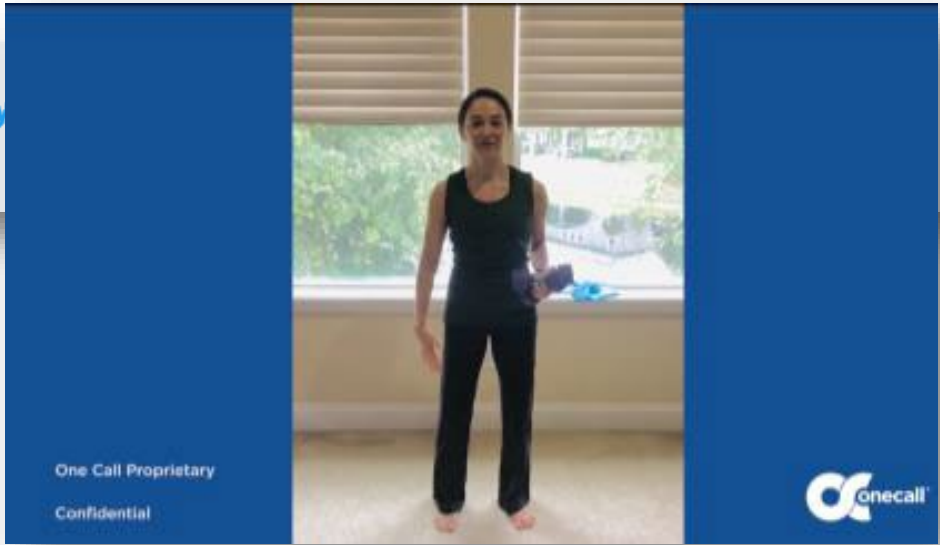
Injury Prevention Through Physical Conditioning - Lower Body
Keenan SafeSchools



Injury Prevention Through Physical Conditioning - Upper Body
Keenan SafeSchools



Injury Prevention Through Physical Conditioning
Keenan SafeSchools



One Call Proprietary
Confidential

10 Million
Course Completions

Compliance Courses

Custom Course Creator



LVUSD COVID-19 Return to Work



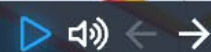
IPM for Teachers and Office Staff
Introduction

IPM FOR TEACHERS
AND OFFICE STAFF



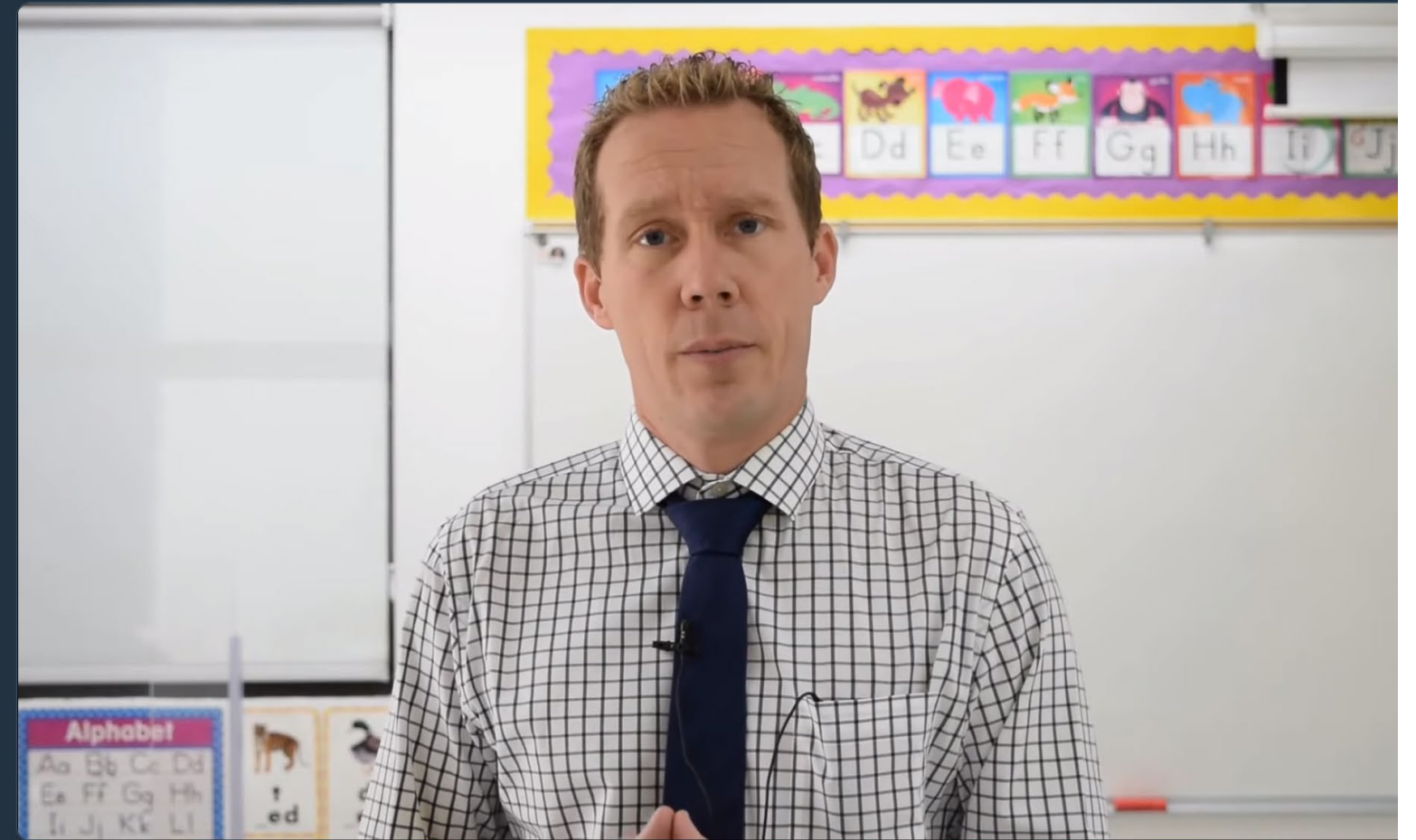
INTRODUCTION

Play (k)



Introduction
Introduction

0:02 / 1:50



COVID-19 Student Training

- Available through Keenan SafeSchools, P&C Bridge or Keenan.com

Back to School Safety During the COVID-19 Pandemic

📅 October 13, 2020

Going back to school during the COVID-19 epidemic can be a little overwhelming. Here are some tips to help students return to their classrooms safely.



COVID-19 Mental Health Webinar Series

Preparing K12
Staff for
Reopening of
School Districts

COVID-19:
Suicide Prevention
during 2020
Holiday Season

Economic
Impacts of
COVID-19 on
Schools and
Colleges



Keenan Webinar Series **Coping With COVID-19**

Get guidance on how school staff
can cope during the pandemic.

COVID-19: One
Month Mental
Health Check-in
with School Staff

Coping with
COVID-19: Mental
Health Tips for
Children and
Families

COVID-19:
Helping Parents
and Children
Prepare for K12
Fall Semester

New Course Development



Keenan
SafeColleges
Training



Keenan
SafeSchools
Training

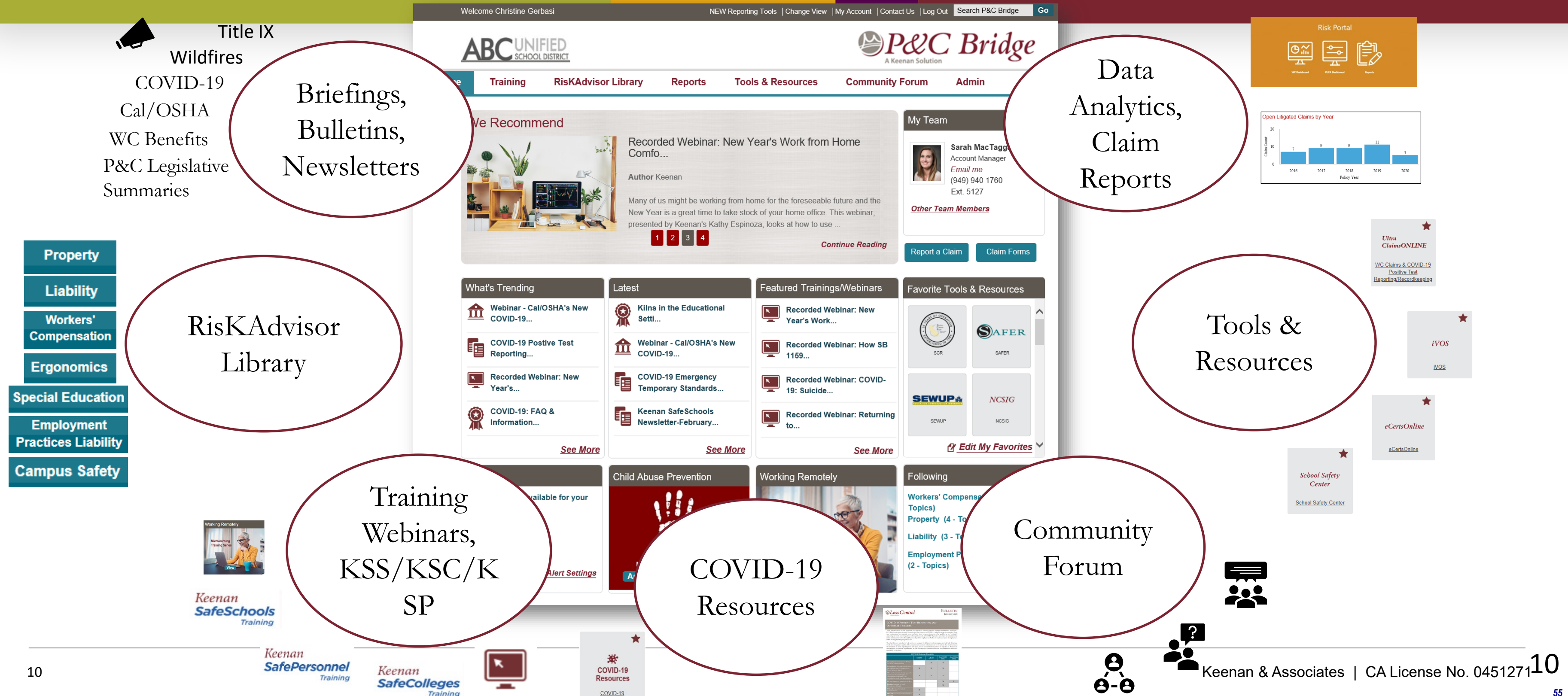
Released 2020-2021

- COVID 19 Emergency Regulation/Cal/OSHA Training
- IPM for Teachers
- Mandated Reporter Year 6
- Heat Illness Injury Prevention for Athletes
- Special Education and Child Abuse Prevention
- Wildfire Smoke Protection (updates coming soon in response to recent permanent regulations)
- New “Roles of Employees in Title IX” (K12)
- Title IX Courses Updated (8/20/20 regulations)
- Learning Stories to Reinforce the Importance of Safety
 - Injury in the Classroom: A Teacher’s Story
 - Accidents in the Kitchen: A Food Service Story
 - Careless with Chemicals: A Custodian’s Story
 - Collision on the Court: A Coach's Story

In Development for 2021-2022

- Mandated Reporter Year 7 – *to include* AB 1145 (Relationship between minors) **June 2021**
- Wildfire Prevention and Response
- Hiring Practices – Focus on preventing employment practice liability, discrimination and retaliation while promoting inclusion and diversity
- Water Related Loss Prevention (Weather and Non-Weather Related)
- Student Supervision for All Staff – address staff supervision on buses, playgrounds, classrooms, restrooms, etc.

P&C Bridge – Risk Management Resources, Information, Training, Claims Data on a Single Platform





Any Questions?



**SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II
(SIGNAL II)**

PRESENTED TO:

DATE:

March 26, 2021

Board of Directors

SUBJECT:

ITEM #:

20/21-044

Keenan Exceptional Child Update & Renewal Proposal

Enclosure:

Yes

Category:

Risk Management Report

Prepared by:

Keenan & Associates

Requested by:

Board of Directors

BACKGROUND:

Schools Insurance Group Northern Alliance (SIGNAL II) has access to Keenan SafeSchools through its membership with Northern California ReLiEF (NCR). In addition, The Authority elected to purchase the Exceptional Child Suite of online courses effective 7/1/2018 -- These courses can be accessed through Keenan Safeschools.

STATUS:

The Manager will provide an update on Exceptional Child utilization and review the renewal proposal for another year of access to Exceptional Child suite of courses for 2021/2022.

- A. Exceptional Child Usage Report
- B. Renewal Proposal

RECOMMENDATION:

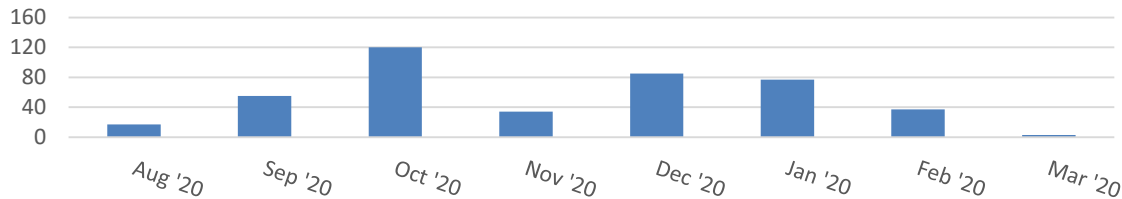
The Board will review the 2021/2022 Exceptional Child proposal and consider renewing.

SIGNAL II

Exceptional Child Usage Report

7/1/20 - 3/9/21

Completions Over Time



Top Courses

Course	# of Completions
BIP Overview	15
ADHD Overview	13
Restraint and Seclusion: Alternatives	12
School-Wide Positive Behavioral Interventions and Supports	12
Managing Challenging Behavior: Part 1 - Antecedent Strategies	12

Top Positions

Position	# of Completions
Volunteer	98
Food Services	86
CAMPUS SUPERVISOR - HIGH SCHL	82
IT OFFICE ASSISTANT	35
PARA II RESOURCE PROGRAM	33

Completions by District

Member	# of Completions
Konocti USD	161
Middletown USD	125
Lake COE	98
Kelseyville USD	33
Lakeport USD	8
Upper Lake USD	3
Grand Total	428

*316 completions or 282% increase in usage Over Last Year during the same time period.

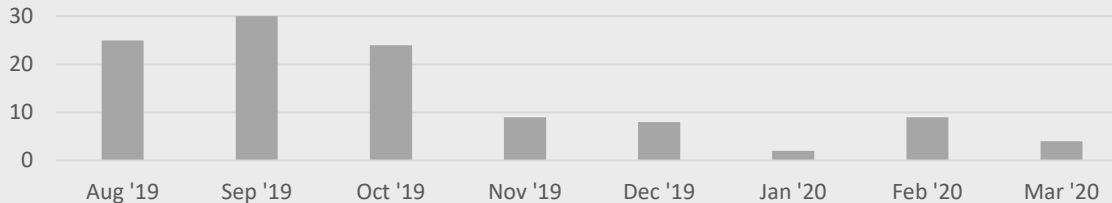
*Members with no completions: Anderson Valley & Potter Valley Unified School District

SIGNAL II

Exceptional Child Usage Report

7/1/19 - 3/9/20

Completions Over Time



Top Courses	
Top Course	# of Courses
Paraeducators: Assisting and Supporting Instruction	24
ADHD Overview	11
IEP: Facilitated Meetings	8
ABA Overview	6
ASD Overview	6
ASD Overview (Essentials)	4
ADHD Overview (Essentials)	4

Completions by Category	
Category	# of Completions
Paraeducators	30
Autism Spectrum	29
ADHD	18
Behavior	14
IEP	10
Early Childhood	6
Special Education Law	4

Completions by District	
Members	# of Completions
Kelseyville Unified School District	40
Middletown Unified School District	40
Lakeport Unified School District	15
Lucerne School District	12
Lake County Office of Education	5
Potter Valley Community USD	0
Upper Lake Unified School District	0
Anderson Valley Unified School District	0
Grand Total	112

SIGNAL II

Exceptional Child Report

7/1/20 - 3/1/21

Member/Category	# of Completions
Kelseyville USD	33
Attention Deficit Hyperactivity Disorder (ADHD)	5
Autism Spectrum Disorder (ASD)	6
Behavior	9
General	5
Individualized Education Program (IEP)	1
Special Education Law	1
Trauma-Informed Practices	6
Konocti USD	161
Attention Deficit Hyperactivity Disorder (ADHD)	12
Autism Spectrum Disorder (ASD)	38
Behavior	28
Early Childhood	9
General	14
IEP	1
Individualized Education Program (IEP)	4
Instruction & Learning	12
Paraeducators	8
Principals	3
Special Education Law	25
Trauma-Informed Practices	7
Lake COE	98
Autism Spectrum Disorder (ASD)	1
Behavior	92
Early Childhood	5
Lakeport USD	8
Attention Deficit Hyperactivity Disorder (ADHD)	5
Autism Spectrum Disorder (ASD)	1
Behavior	1
Paraeducators	1

SIGNAL II

Exceptional Child Report

7/1/20 - 3/1/21

Member/Category	# of Completions
Middletown USD	125
Attention Deficit Hyperactivity Disorder (ADHD)	8
Autism Spectrum Disorder (ASD)	16
Behavior	22
Early Childhood	6
General	20
IEP	1
Individualized Education Program (IEP)	5
Instruction & Learning	9
Paraeducators	11
Principals	2
Special Education Law	21
Trauma-Informed Practices	4
Upper Lake USD	3
Attention Deficit Hyperactivity Disorder (ADHD)	1
Autism Spectrum Disorder (ASD)	2
Grand Total	428



Exceptional Child Special Education Professional Development Courses

Renewal Proposal for Signal II

Prepared by:



**2135 Dana Ave., Suite 300
Cincinnati, OH 45207
Ph: 800.434.0154 / Fax: 513.366.4074**



Exceptional Child

Signal II

Prepared by Luke Wilger

Thank you for being a valued Exceptional Child customer!

Training staff on key special education topics is critical to protecting your district, your staff, and most importantly, your students. That's why the team behind Keenan SafeSchools Training developed **Exceptional Child** to provide evidence-based professional development courses to every educator who supports students with exceptionalities.

The Exceptional Child course library provides this important specialized training to your **special education teachers, general education teachers, paraeducators**, and more.

Topics covered in Exceptional Child courses include:

- ADHD
- Austim
- Behavior
- Bullying
- Dyslexia
- IEP Process
- Restraint and Seclusion
- Special Education Law
- Transition Services
- And more!



We look forward to continuing our partnership to help you with your special education training needs!

Exceptional Child is brought to California educators by these partners:



Confidential and Proprietary

Course Library

Access a comprehensive library of evidence-based courses on important Special Education topics in one convenient online system. Every course is written by one of the nation's leading experts.

Attention Deficit Hyperactivity Disorder (ADHD)

Attention Deficit Hyperactivity Disorder (ADHD) Overview	Owens & Evans
Attention Deficit Hyperactivity Disorder (ADHD) Overview (Essentials Course)	Owens & Evans
Attention Deficit Hyperactivity Disorder (ADHD) Overview (Ontario)	Owens & Evans
Attention Deficit Hyperactivity Disorder (ADHD): Elementary Interventions	Owens
Attention Deficit Hyperactivity Disorder (ADHD): Secondary Interventions	Evans

Autism Spectrum Disorder (ASD)

Applied Behavior Analysis (ABA) Overview	Williams & Williams
Applied Behavior Analysis (ABA) – Reinforcement and Discrimination Procedures	Williams & Williams
Applied Behavior Analysis (ABA) – Shaping, Fading and Conditioning Reinforcers	Williams & Williams
Autism Spectrum Disorder (ASD) Overview	Williams & Williams
Autism Spectrum Disorder (ASD) Overview (Essentials Course)	Williams & Williams
Autism Spectrum Disorder (ASD) Overview (Ontario)*	Williams & Williams
Autism Spectrum Disorder (ASD): Intervention Strategies	Williams & Williams
Asperger's and Verbal Students with Autism Spectrum Disorder (ASD) – Part 1	Faherty
Asperger's and Verbal Students with Autism Spectrum Disorder (ASD) – Part 2	Faherty
Picture Exchange Communication System (PECS) – Part 1: Pyramid Approach	Frost & Bondy
Picture Exchange Communication System (PECS) – Part 2: Use and Benefits	Frost & Bondy
Social Stories Overview	Gray
Social Stories: Ten Defining Criteria	Faherty & Gray
Structured Teaching – Part 1: Individualized Visual Daily Schedules	Faherty
Structured Teaching – Part 2: Work Systems	Faherty
Structured Teaching – Part 3: Tasks and Activities	Faherty

Behavior

Behavior Intervention Plan (BIP) Overview	Chandler
Behavior Intervention Plan (BIP) Overview (Essentials Course)	Chandler
Emotional Behavioral Disorder (EBD) Overview	Cheney
Emotional Behavioral Disorder (EBD) Overview (Essentials Course)	Cheney
Emotional Behavioral Disorder (EBD): Screening	Bruhn
Functional Behavioral Assessment (FBA) Overview	Chandler
Managing Challenging Behavior – Part 1: Antecedent Strategies	Otten
Managing Challenging Behavior – Part 2: Consequence Strategies	Otten
Oppositional Defiant Disorder	Walls
Reactive Attachment Disorder	Embury & Clarke

*Coming Soon

©Vector Solutions

Behavior, continued

Restraint and Seclusion Overview	Peterson
Restraint and Seclusion Overview (California)	Peterson
Restraint and Seclusion Overview (Essentials Course)	Peterson
Restraint and Seclusion Overview (Essentials Course) (California)	Peterson
Restraint and Seclusion: Alternatives	Rozalski
Restraint and Seclusion: Alternatives (California)	Rozalski
School-Wide Positive Behavioral Interventions and Supports (PBIS)	Lewis
Self-Regulation Skills for Elementary Students	deFur & Korinek

Early Childhood

Early Childhood: ASD Intervention Practices	Barton
Early Childhood: Brain Development*	Fish
Early Childhood: Language Development and Literacy	Megay-Nespoli
Early Childhood: Partnering with Caregivers and Families	Meadan
Early Childhood: Social Emotional Learning	Combs
Early Childhood: Social Communication	Twachtman-Bassett & Twachtman-Cullen

General

Bullying and Students with Special Needs	Poland
Bullying and Students with Special Needs (Essentials Course)	Poland
Inclusion Services	Sax Halley
School Safety for Students with Disabilities	Clarke & Embury
School Safety for Students with Disabilities (Essentials Course)	Clarke & Embury
School Psychologist and Educator Partnership	Gray-Smith
Special Education Introduction (Essentials Course)	Greene
Special Education Introduction: Elementary	Greene
Special Education Introduction: Secondary	Greene
Transition Planning	Blakeslee
Transition Services	Greene
Working Safely with Students with Special Needs	Sax Halley

Individualized Education Program (IEP)

Individualized Education Program (IEP) Compliance	Linden
Individualized Education Program (IEP) Compliance (Essentials Course)	Linden
Individualized Education Program (IEP) Facilitated Meetings	Martin
Individualized Education Program (IEP) Meetings and Team Collaboration	Martin
Individualized Education Programs (IEPs) and the Common Core	Kosnitsky
Individualized Education Program (IEP) Progress Monitoring and Reporting*	Kosnitsky

*Coming Soon

©Vector Solutions

Instruction and Learning

Accommodations & Modifications
 Co-Teaching Overview
 Co-Teaching: Classroom Applications
 Data-Based Decision Making*
 Developing Culturally Responsive Instruction
 Differentiated Instruction
 Dyslexia Awareness
 Dyslexia: Orton-Gillingham Approach
 Dyslexia: The Davis® Method
 English-Language Learners and Instructional Strategies
 Gifted Learners: Differentiated Instruction Strategies
 Response to Intervention (RtI)*
 Universal Design for Learning

Barrion & MacMahon
 Bost
 Bost
 Barrion
 Ford
 Barrio & MacMahon
 Dodge Smith
 Sullivan
 Dodge Smith
 Rinaldi
 Megay-Nespoli
 Bost
 Kosnitsky

Paraeducators

Paraeducators: Roles and Responsibilities
 Paraeducators: Roles and Responsibilities (Essentials Course)
 Paraeducators: Behavior Management Basics
 Paraeducators: Assisting and Supporting Instruction
 Supervising Paraeducators

Gerlach
 Gerlach
 Combs
 Barrio & MacMahon
 Gerlach

Principals

Principals: Behavior Management
 Principals: Roles and Responsibilities in Special Education
 Principals: Special Education Law

Bateman
 Bateman
 Bateman

Special Education Law

Child Find
 Child Find (Essentials Course)
 Discipline: Legal Implications
 Evaluation and Eligibility
 Federal Laws in Special Education
 Free Appropriate Public Education (FAPE)
 Individuals with Disabilities Education Act (IDEA) Overview
 Least Restrictive Environment (LRE) and Placement
 Measurable Goals
 Procedural Safeguards
 Section 504 Compliance
 Special Education Legislation (Ontario)

Remus
 Remus
 Bateman
 Bateman
 Bateman
 Bateman
 Bateman
 Bateman
 Bateman
 Bateman
 Nichols

*Coming Soon

©Vector Solutions

Trauma-Informed Practices

Trauma Awareness

Kfoury

Trauma-Informed Practices

Kfoury

The following course bundle can be added on to your course library.

Parents/Guardians (*Priced Separately*)

Collaborative IEP Meetings (Parents/Guardians)

Martin

Gifted Students (Parents/Guardians)

Megay-Nespoli

Individualized Education Programs (Parents/Guardians)

Greene

Individuals with Disabilities Education Act (Parents/Guardians)

Greene

Special Education Referral Process (Parents/Guardians)

Greene

Transition Services (Parents/Guardians)

Greene

Pricing/Schedule A

Date: January 28, 2021

Pricing valid for 30 days.

Client Information

Client Name: Signal II	
Address: PO Box 4328 Torrance, California 90510	
Primary Contact Name:	Primary Contact Phone:

Term

Effective Date: 07/01/2021	Initial Term (months): 12.0
--------------------------------------	---------------------------------------

Invoicing Contact Information (Please fill in missing information)

Billing Contact Name: Christine Gerbasi			
Billing Address: PO Box 4328 Torrance, California 90510		Billing Phone: (310) 212-0363 x.3760	
Billing Email: cgerbasi@keenana.com	PO#: PO Not Required	Billing Frequency: Annual	Payment Terms: Net 30

Annual Subscription Services

FOR TRAINING PRODUCTS ONLY: Additional Named Users added after the Effective Date shall be billed at the Full Per Named User Fee below, and such Additional Named Users shall become part of the minimum contracted Users through the end of the Initial Term.

Product	Quantity	Price	Sub Total
Exceptional Child Course Library - Add-On Content in SafeSchools Training - Annual Subscription for the state of California	1.0	\$5,463.64	\$5,463.64

***Total:** \$5,463.64

***Total does not include any taxes that may apply. Any such taxes are the responsibility of the Customer.**

Please note that this is not an invoice. An invoice will be sent within fourteen (14) business days.

Confidential and Proprietary

**SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II
(SIGNAL II)**

PRESENTED TO:

DATE:

March 26, 2021

Board of Directors

SUBJECT:

ITEM #:

20/21-045

2021/2022 Draft Actuarial Study

Enclosure:

Yes

Category:

Underwriting

Prepared by:

Bay Actuarial Consultants

Requested by:

Board of Directors

BACKGROUND:

Bay Actuarial Consultants has been engaged, on behalf of SIGNAL II to provide independent actuarial studies and future rates and overall funding for the stable operations of the Authority's program.

STATUS:

The 2021/2022 Draft Actuarial Study will be provided to the Board for approval.

RECOMMENDATION:

Approve the 2021/2022 Draft Actuarial Study.

**Schools' Insurance Group
Northern Alliance II
(SIGNAL II)**

**An Actuarial Review of the
Property & Liability Program**

**BAY ACTUARIAL CONSULTANTS
Moraga, California
March 3, 2021**

Bay Actuarial Consultants

March 3, 2021

Mr. Kyle McKibbin
Keenan & Associates
1111 Broadway, Suite 2000
Oakland, California 94607

Dear Mr. McKibbin:

This report documents our actuarial review of the **Schools' Insurance Group Northern Alliance II (SIGNAL II)** property and liability self-insurance program. We appreciate the opportunity to be of service.

If you have any questions, please call me at (925) 377-5269.

Sincerely,

BAY ACTUARIAL CONSULTANTS



Jack Joyce, FCAS, MAAA
Principal

Schools' Insurance Group Northern Alliance II

An Actuarial Review of the Property & Liability Self-Insurance Program

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Schools' Insurance Group Northern Alliance II

An Actuarial Review of the Property & Liability Self-Insurance Program

Introduction

Schools' Insurance Group Northern Alliance II

An Actuarial Review of the Property & Liability Self-Insurance Program

Introduction

Background & Purpose

The Schools' Insurance Group Northern Alliance II ("SIGNAL II") self-insures its members' auto liability, general liability and property claims, up to a limit of \$25,000 per loss. The portion of any loss that exceeds these amounts is covered by the Northern California Regional Liability Excess Fund ("Northern ReLiEF"). SIGNAL II's member districts are responsible for deductibles covering the first \$1,000 of each loss. SIGNAL II asked Bay Actuarial Consultants to provide an actuarial report on program, using data evaluated as of 12/31/20. This report covers the following topics:

- 1) Projected 2021-22 Losses.** It includes a projection of the losses that will be incurred in 2021-22, and a recommended level of funding, expressed both as a dollar amount and in terms of funding rates per ADA and per \$1,000 of TIV.
- 2) Estimated/Projected Liability.** It includes an estimate of the self-insurance liability as of 12/31/20 and a projection to 6/30/21. These include estimates of various "probability levels."

Conditions & Limitations

This report is for SIGNAL II's internal use. SIGNAL II may provide a copy to its financial auditors. Bay Actuarial Consultants does not authorize any other use. In particular, those contemplating selling insurance to SIGNAL II must perform their own actuarial analysis and may not rely upon our work.

Keenan & Associates provided the data. We did not audit this data and are not responsible for its accuracy. In any actuarial analysis the accuracy and relevance of the conclusions and the reasonableness of the recommendations depend upon the accuracy and relevance of the underlying data.

The term "losses" refers to all costs that can be tied to a specific claim. These include loss payments, attorney's fees, and other expenses linked to a specific claim. We did not include the cost of JPA management or claims handling fees. Keenan & Associates

provides a separate estimate of the liability for future claims handling, known as the “ULAE liability.”

In making our projections we assumed that SIGNAL II will continue to purchase “excess” coverage attaching at \$25,000 per loss in 2021-22.

The actuarial projections in this report are subject to uncertainty. Uncertainty is unavoidable because many of events that will determine the actual claims costs will take place in the future. These future events include the outcomes of future claims litigation and the amounts of future claims settlements, changes in the law and its interpretation, future rates of inflation, and the numbers and severity of the losses that will occur in 2021-22. Our projections are based upon SIGNAL II’s past claims experience. We did not anticipate any extraordinary changes in the various factors that might affect the future cost of claims. We used actuarial methods that should produce reasonable results given current information. There is no guarantee, express or implied, that losses will develop as projected in this report.

Structure of the Report

The rest of this report comprises nine sections:

- the *Management Summary*,
- the *Technical Approach* section,
- the *Property & Liability Summary*,
- the *Liability Summary*,
- the *Property Summary*,
- the *Liability Exhibits*,
- the *Property Exhibits*,
- the *Deductibles Exhibits*,
- and the *Claims Data Section*.

The *Management Summary* provides an overview of the results of the analysis. The assumptions and details that underlie the calculations are discussed and explained in the *Technical Approach* section. Detailed results are included in the *Combined Property & Liability Summary*. The *Liability Summary* and the *Property Summary* provide summary exhibits for these two programs individually. The *Liability Exhibits*, the *Property Exhibits*, the *Deductibles Exhibits*, and the *Claims Data Section* document the actual calculations.

Schools' Insurance Group Northern Alliance II

An Actuarial Review of the Property & Liability Self-Insurance Program

Management Summary

Schools' Insurance Group Northern Alliance II

An Actuarial Review of the Property & Liability Self-Insurance Program

Management Summary

Projected 2021-22 Losses

Table 1 shows the projected losses for 2021-22. SIGNAL II currently self-insures the first \$25,000 of each liability and property loss. There is a \$1,000 member deductible on each loss. These deductibles have not been subtracted out of the figures in the table.

**Table 1: Projected 2021-22 Losses
Gross of Deductibles**

Probability Level	Liability	Property	Both Combined
Central Estimate	\$96,800	\$77,000	\$173,800
70%	117,560	93,513	\$211,073
80%	141,856	112,840	254,696
90%	180,585	143,647	324,231

The “central estimate” is very similar to the “expected value” used by statisticians. It corresponds to the long run annual average. There is roughly a 59% probability that the actual costs will not exceed the central estimate. The table also shows projected amounts that correspond to some higher probability levels. The 70% probability level, often used as a benchmark, is **highlighted**.

The Table 1 projections are not discounted. Discounting at **0.25%** interest would reduce the liability projections by about **0.5%** and the property projections by about **0.3%**.

The amounts in Table 1 can be converted into projected rates of loss by dividing by projected Average Daily Attendance (“ADA”) in the case of liability and by Total Insured Values (“TIV”) in the case of property. Projected ADA for 2021-22 is **10,079**, unchanged from 2020-21. Projected TIV is **\$367.90 million**. This was projected by increasing the 2020-20 value of **\$357.18 million** by a flat 3.0%.

Tables 2 and 3 show projected liability and property rates of loss for 2021-22.

Table 2: Projected 2021-22 Liability Funding Rates
Dollars per ADA, \$1,000 Deductible, \$25,000 Retention

Probability Level	Undiscounted		Discounted @ 0.25%	
	Gross of Deductibles	Net of Deductibles	Gross of Deductibles	Net of Deductibles
Central Estimate	\$9.60	\$8.89	\$9.56	\$8.84
70%	11.66	10.79	11.61	\$10.74
80%	14.07	13.02	14.00	12.96
90%	17.92	16.58	17.83	16.49

Table 3: Projected 2021-22 Property Funding Rates
Cents per \$1,000 TIV, \$1,000 Deductible, \$25,000 Retention

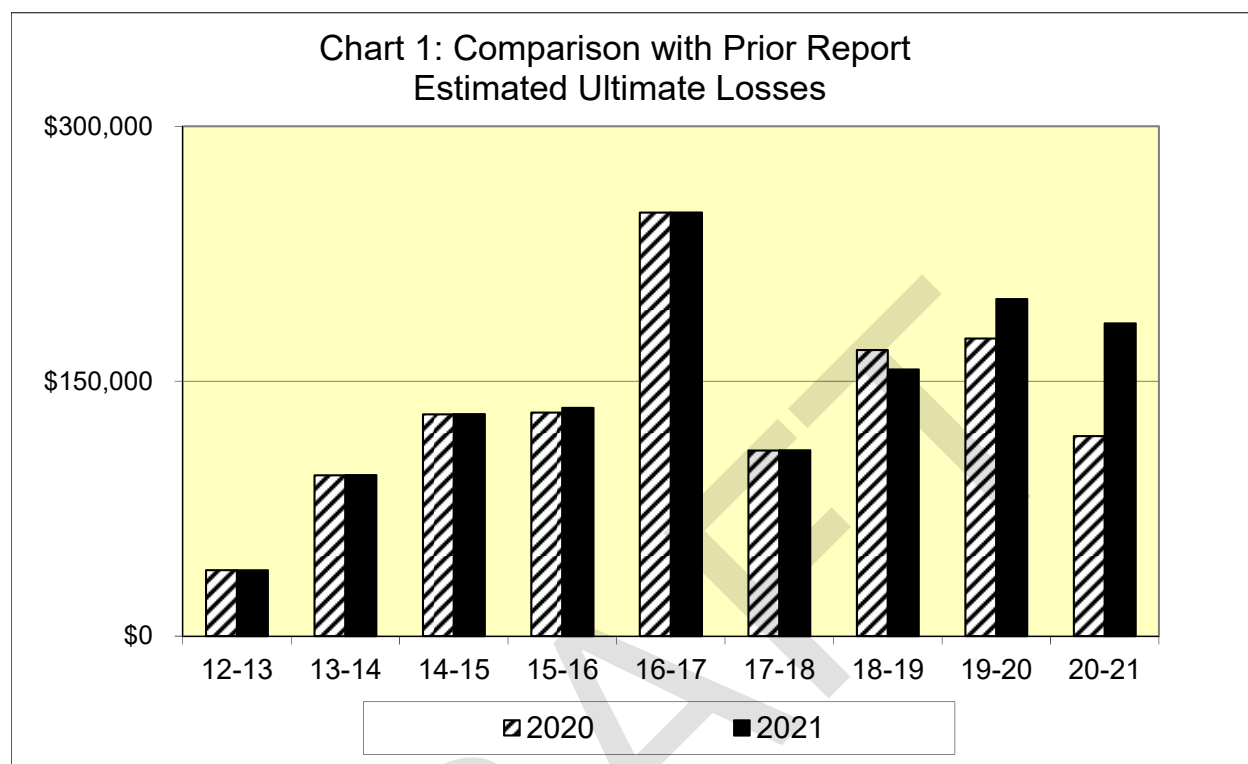
Probability Level	Undiscounted		Discounted @ 0.25%	
	Gross of Deductibles	Net of Deductibles	Gross of Deductibles	Net of Deductibles
Central Estimate	20.93¢	19.2¢	20.88¢	19.15¢
70%	25.42	23.32	25.4	23.26¢
80%	30.67	28.14	30.59	28.06
90%	39.05	35.82	38.95	35.73

Rate Changes

Tables 2 and 3 highlight the recommended (discounted, 70% probability level) funding rates of **\$10.74** per ADA and **23.26¢** per \$1,000 of TIV. Last year we recommended funding at the discounted 70% probability level rates of **\$10.58** per ADA and **21.02¢** per \$1,000 of TIV. The new 2021-22 rates are increases of 1.5% in liability and 10.7% in property. Had the interest rate not changed to **0.25%** from last year's **1.0%**, there would have been no change in the liability rate and property would have increased by **9.8%**.

Comparison with Last Year

Chart 1 compares this year's ultimate loss estimates and projections with last year's.



The total change was an increase of **\$14,478** from last year's estimates for 2019-20 and prior. The initial estimate for the 2020-21 program year is **\$183,971**, based on the **\$60,000** of losses that had already been reported through 12/31/20.

Rates at Higher Retentions

Tables 4 and 5 show the projected liability and property rates at the \$50,000 retention. The discounted rates assume **0.25%** interest.

Table 4: Projected 2021-22 Liability Funding Rates
Dollars per ADA, \$1,000 Deductible, \$50,000 Retention

Probability Level	Undiscounted		Discounted @ 0.25%	
	Gross of Deductibles	Net of Deductibles	Gross of Deductibles	Net of Deductibles
Central Estimate	\$15.81	\$15.09	\$15.73	\$15.01
70%	19.22	18.35	19.13	\$18.26
80%	23.30	22.24	23.19	22.13
90%	29.83	28.48	29.68	28.33

Table 5: Projected 2021-22 Property Funding Rates
Cents per \$1,000 TIV, \$1,000 Deductible, \$50,000 Retention

Probability Level	<u>Undiscounted</u>		<u>Discounted @ 0.25%</u>	
	Gross of Deductibles	Net of Deductibles	Gross of Deductibles	Net of Deductibles
Central Estimate	29.88¢	28.14¢	29.8¢	28.06¢
70%	36.34	34.22	36.24	34.13¢
80%	44.05	41.48	43.94	41.38
90%	56.39	53.10	56.24	52.97

Liability @ 12/31/20 & 6/30/21

We estimate that that SIGNAL II's liability for unpaid losses was **\$197,963** on 12/31/20, net of deductibles, and that project that it will be **\$176,682** on 6/30/21. These are "actuarial central estimates." Accountants use actuarial central estimates when they record a liability on the financial statements. Table 6 shows the 12/31/20 central estimates along with some estimates of the liability at higher probability levels. It indicates that **\$240,849** would have provided a 90% probability of being adequate on 12/31/20, assuming that these funds are invested earning **0.25%** interest. Table 7 shows the projection of the 6/30/21 Liability.

Table 6: Estimated Liability for Unpaid Losses as of 12/31/20

Probability Level	<u>Undiscounted</u>		<u>Discounted @ 0.25%</u>	
	Gross of Deductibles	Net of Deductibles	Gross of Deductibles	Net of Deductibles
Central Estimate	\$205,542	\$197,963	\$204,974	\$197,417
70%	211,708	203,902	211,124	203,340
80%	226,096	217,760	225,472	217,159
90%	250,761	241,515	250,069	\$240,849

Table 7: Projected 6/30/21 Liability

	Gross of Ded.	Net of Ded.
12/31/20 Liability Central Estimate	\$205,542	\$197,963
Projected Payments 1/1/21 to 6/30/21	-\$114,048	-106,740
Projected New Losses 1/1/21 to 6/30/21	+91,986	+85,459
Projected 6/30/21 Central Estimate	\$183,480	\$176,682

The probability levels in Table 6 show the uncertainty about the ultimate settlement values of the losses remaining unpaid as of 12/31/20, regardless of when those losses are ultimately paid. There is much more uncertainty about the Table 7 projections because it specifies the timing of the payments and of the new loss occurrences. Therefore there is currently far more uncertainty about the 6/30/21 liability than there is about the 12/31/20 liability. However, SIGNAL II needs to have probability estimates of

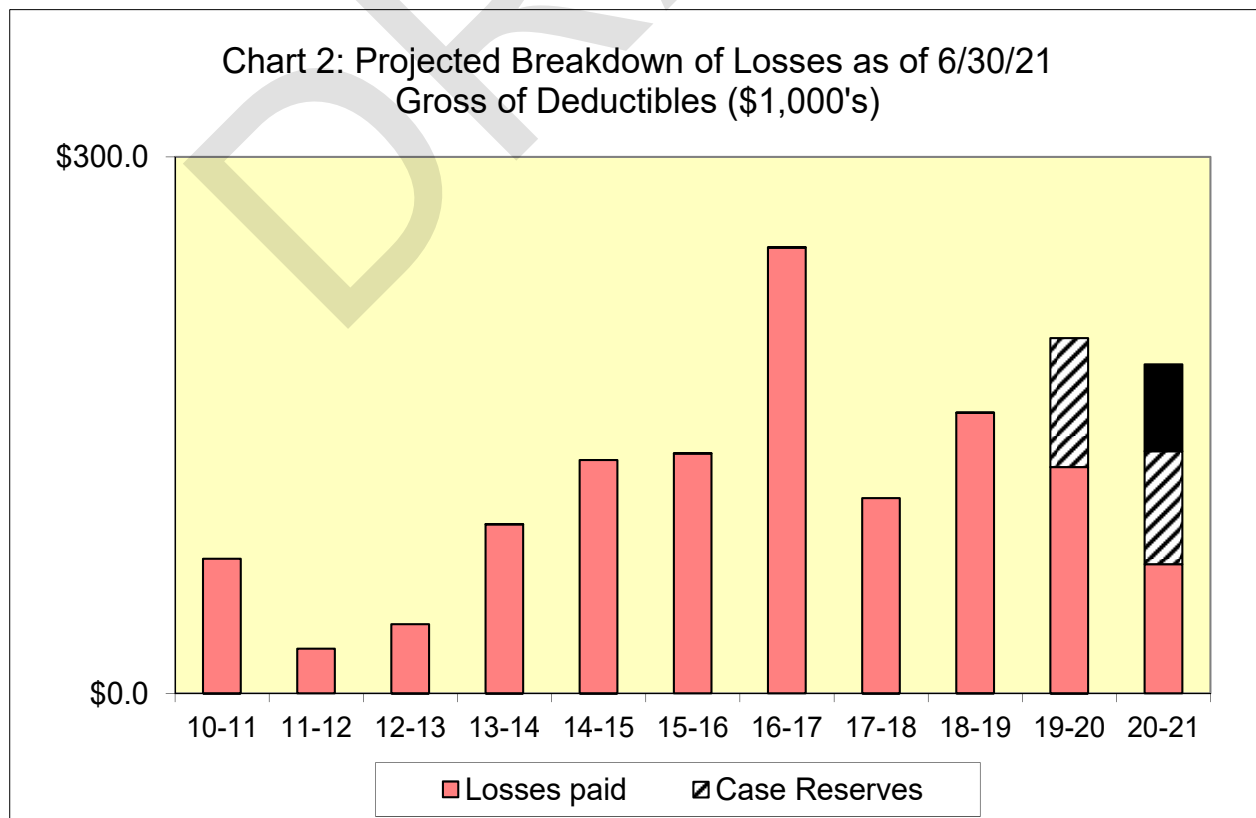
its 6/30/21 liability now in order to manage its affairs. Therefore Table 8 on the next page is provided. It shows what we believe those probability levels will be on 6/30/21 if the actual payments and loss occurrences over the next six months match the projections in Table 7.

**Table 8: Projected Estimate of 6/30/21 Liability
(Based on Table 7 Projection of 1/1/21 to 6/30/21 Claims Activity)**

Probability Level	<u>Undiscounted</u>		<u>Discounted @ 0.25%</u>	
	Gross of Deductibles	Net of Deductibles	Gross of Deductibles	Net of Deductibles
Central Estimate	\$183,480	\$176,682	\$182,973	\$176,195
70%	194,488	187,283	193,951	186,767
80%	211,001	203,185	210,419	202,624
90%	242,193	233,221	241,524	232,577

There is also an exhibit on page 22 that shows the current (as of 12/31/20) estimates of the 6/30/21 probability levels of the liability, regardless of whatever claims activity actually occurs between now and 6/31/21. Those probability levels are much higher than those in Table 8.

Chart 2 shows the estimated ultimate losses in terms of paid losses, case reserves, and IBNR liabilities for the last eight program years.



Interest Rates

The discounted liabilities and rates in this report were calculated using a **0.25%** interest rate. The following table shows the adjustments one would make if a different interest rate were used:

Table 9: Adjustments for Different Interest Rates

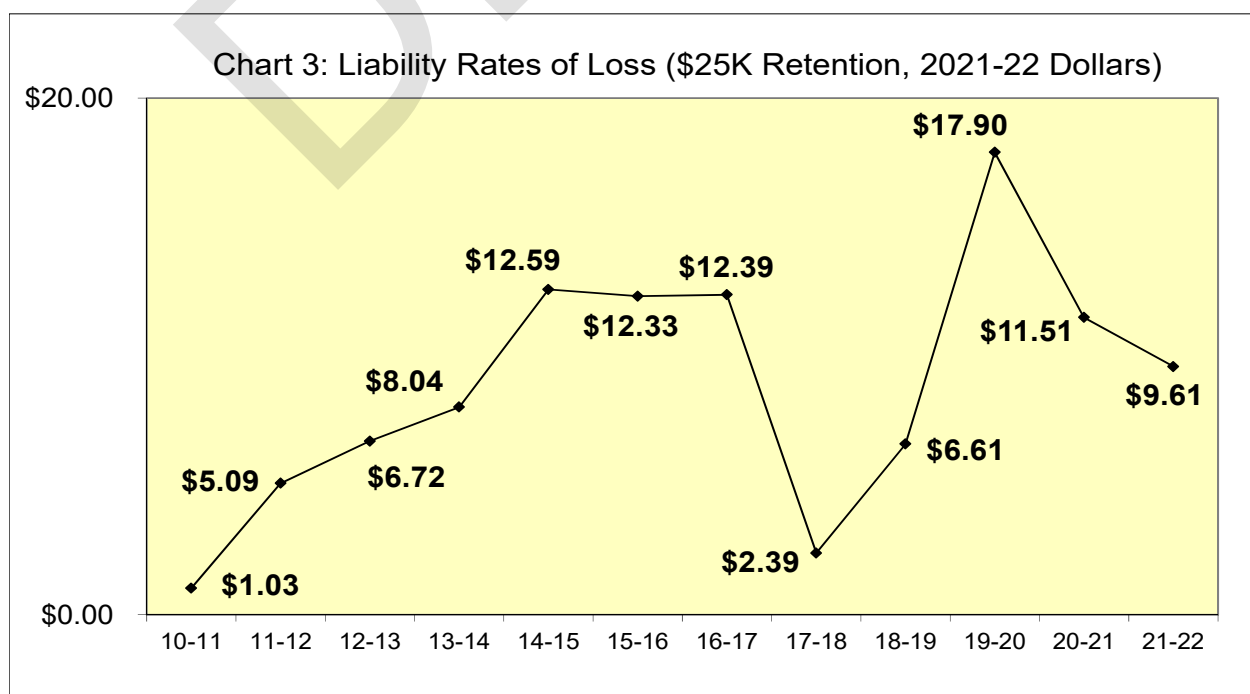
Interest Rate	0.12%	0.16%	0.25%	0.27%
Liability Rates	+0.3%	+0.2%	+0.0%	0.0%
Property Rates	+0.1%	+0.1%	+0.0%	0.0%
Liabilities	+0.1%	+0.1%	+0.0%	0.0%

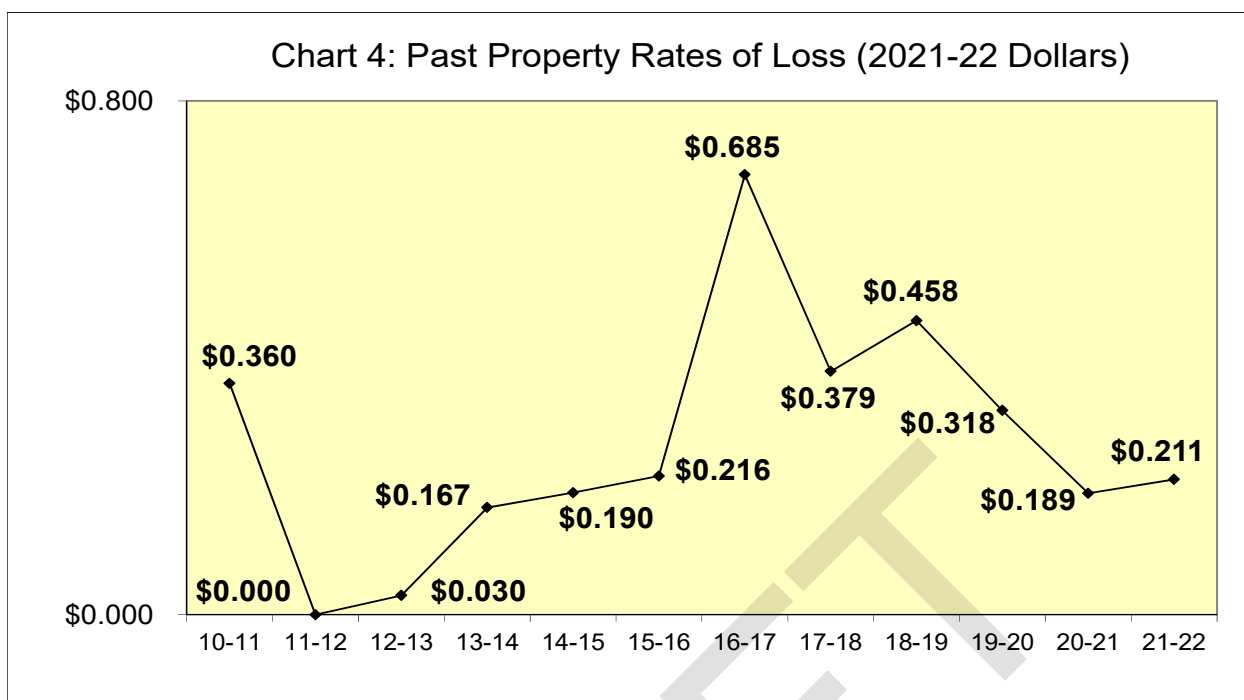
Given currently available market interest rates the Group could fund the projected 6/30/21 liability by investing in US Treasuries and earn a yield to maturity of about **0.12%**.

Funding the projected 2021-22 losses with US Treasuries could yield **0.16%**. Using high quality corporate bonds instead of treasuries would increase the prospective yield on the 2021-22 loss investment to about **0.27%** per year. Therefore **0.25%** appeared to be a reasonable compromise for the interest rate used in this report.

Past Rates of Loss

Chart 3 shows how the estimated liability loss experience rate has changed over time: The estimated rate for 2020-21 (**\$11.51**) is based on the paltry claims information that was available through 12/31/20. Chart 4 shows the estimated property loss rates:





Re-estimating the 6/30/20 Liability

Last year we projected that the gross liability for unpaid loss would be **\$103,855** on 6/30/20. The re-estimated liability, based on the analysis in this report, is **\$134,902**. Table 10 reconciles these two amounts.

Table 10: Reconcile Original 6/30/20 Liability Projection with Re-Estimate	
Original Projection of 6/30/20 Liability	\$103,855
Actual Paid minus Projected Paid, 1/1/20 to 6/30/20	+16,568
Change in Ultimate Loss Estimates, 6/30/20 & Prior	+14,479
Re-Estimated 6/30/20 Liability	\$134,902

Reconciling the 12/31/19 & 12/31/20 Liabilities

Last year we estimated that the liability was **\$88,071** on 12/31/19. The new estimate of the 12/31/20 liability, gross of deductibles, is **\$205,542**. Table 11 reconciles these two amounts.

Table 11: Reconcile 12/31/19 & 12/31/20 Liabilities	
Estimated 12/31/19 Liability	\$88,071
Payments during 2020	-68,050
Change in Estimates for 12/31/19 and Prior	-5,617
Ultimate Losses for 2020	+191,138
12/31/20 Liability	\$205,542

COVID 19

SIGNAL II has not benefited in any measurable way from the lockdowns. This is probably because of its small size. In property/liability self-insurance the predictability of the losses is a function of the expected number of claims. A larger expected number of claims makes all of the actuarial numbers more predictable. SIGNAL II is at the opposite end of the spectrum, averaging only about five liability claims per year.

Most JPA's have had great loss experience during the lockdowns for obvious reasons. However SIGNAL II has received two liability claims through the first six months of 2020-21, right about average, so it has not yet seen any tangible benefit yet from the lockdowns.

Therefore in this analysis we did not make any special adjustments on account of COVID 19. Our assumption is that things will be returning to normal in 2021-22.

DRAFT

Schools' Insurance Group Northern Alliance II

An Actuarial Review of the Property & Liability Self-Insurance Program

Technical Approach

DRAFT

Schools' Insurance Group Northern Alliance II

An Actuarial Review of the Property & Liability Self-Insurance Program

Technical Approach

This section describes the actuarial calculations.

Combined Summary

These exhibits provide an overall summary. They show the estimated gross and net liabilities for losses as of 12/31/20 and 6/30/21, and projected funding for the 2021-22 program year. These estimates represent the sum of the totals from the *Property Summary* and the *Liability Summary*.

All estimates are shown 1) on a nominal value basis, 2) discounted for investment income, and 3) discounted for investment income at 70%, 80%, and 90% probability levels.

Part 5 of the Summary breaks down the liabilities and the losses between the Members and the Program. The information is displayed on both a nominal (undiscounted) basis and on a discounted value basis. Parts 6, 7, and 8 break out the liabilities between case reserves and IBNR liabilities. Part 9 is the re-estimate of the 6/30/20 liability.

Liability Summary

These exhibits summarize the results for the Liability Program only. Part 1 shows the estimated gross liability for unpaid losses as of 6/30/21. Part 2 details our projection of losses for 2021-22.

Property Summary

These exhibits summarize the statistics on the Property Program. The format is identical to that of the Liability Summary.

Liability Exhibits

Exhibit 1

Part 1 shows the calculation of the projected gross liability for unpaid losses as of 6/30/21. The liability is calculated as the sum of the case reserves and an estimated incurred-but-not-reported (IBNR) liability. We project paid and reported losses as of 6/30/21 using the estimates of the ultimate losses and the observed reporting and payment patterns. Part 2 shows this calculation.

Exhibit 2

This exhibit shows the results (and the calculations) of the various actuarial projection methods and the estimates of what the total gross losses will be for each program year once all the claims are settled.

Five different actuarial methods are used, to avoid placing too much reliance on any given set of judgments and assumptions. Each actuarial projection method involves a specific set of assumptions regarding the claims process. Each of these methods could produce a spurious result if some of the underlying assumptions are off the mark. However using several different methods and examining all of the results reduces the reliance on any given assumption and produces a better overall result.

We used five standard actuarial methods:

- 1) Reported loss projection method,
- 2) Paid loss projection method,
- 3) IBNR to case reserves ratio projection method,
- 4) Bornhuetter-Ferguson method using reported losses, and
- 5) Frequency times severity method.

For liability claims, the total of all of the actual case reserves at any given time usually understates the ultimate cost of the claims. Although some claims will settle for less than their current case reserves, that is usually more than offset by larger increases in the case reserves for the claims that have case reserves that turn out to be too low. The result is that the estimated total cost of the claims incurred in a given year, when computed as the sum of the case reserves and paid claims, rises over time. This is known as *loss development*. In applying the *reported loss projection method* (Part 2), we have assumed that future loss development can be reasonably predicted by analyzing past loss development.

The *paid loss projection method* (Part 3) is similar. It has the advantage of not being based on the subjective judgments of claims administrators, as well as the

disadvantage that the projections are more sensitive to random variations in experience. The *IBNR to case reserves ratio method* (Part 4) estimates dollars of IBNR per dollar of case reserve, and often produces a reasonable result when the other methods fail to produce realistic outcomes. The *Bornhuetter-Ferguson method using reported losses* (Part 5) uses assumptions about the underlying relationship between losses and Average Daily Attendance (ADA). They are based on the assumption that future loss payments or future loss reports can be estimated from this underlying relationship. For example, if we estimate that 46% of all losses for a given accident year have been reported and that the loss rate is \$10 per ADA, then we would estimate the unreported losses as 54% times \$10 times the ADA for that year. This estimate of the unreported losses is then added to the losses that have been reported to produce an estimate of the total losses. In the *frequency times severity method* (Part 9) we estimate an average claim size for each program year. The average claim amount, or *severity*, is multiplied by the projected ultimate number of claims (Exhibit 3) to produce an estimate of the total losses.

Exhibit 3

We used two actuarial techniques to project the ultimate number of claims: a *reported claim count projection technique* (Part 2), analogous to the projection methods for losses, and a *Bornhuetter-Ferguson method using the reported claim counts* (Part 3), corresponding to the Bornhuetter-Ferguson method using reported losses. Part 1 shows our selection of the ultimate claim counts based on these two techniques.

Exhibit 4

This exhibit documents our projection of the 2021-22 gross and net losses. This projection is based upon the assumption that SIGNAL II's self-insured retention will remain at \$25,000. First we selected loss rate for application in future years. A loss rate is simply the expected ratio of ultimate losses to average daily attendance (ADA) for a given accident period. We estimated the loss rate on the basis of the past experience, adjusted for inflation and for the changes in SIGNAL II's retention. We then applied the selected rate to the projected ADA for 2021-22, after adjusting for inflation. This calculation is shown on Part 1.

Exhibit 5

These exhibits show our discounted value calculations for gross unpaid losses as of 6/30/21, and for gross losses expected to be incurred during 2021-22. The calculations are based on the observed claims payment pattern and a **0.25%** interest rate.

Exhibit 6

This exhibit contains historical statistics on ADA's, self-insured retentions, and deductibles.

Property Exhibits

Exhibit 1

Part 1 shows our estimates of the gross liability for unpaid losses as of 6/30/21. As in the Liability exhibits, this is calculated as the sum of case basis reserves and estimated IBNR reserves. Part 2 details our projections of losses paid and reported to 6/30/21. These are losses gross of member deductibles. Part 3 documents our estimation of ultimate losses, and Part 4 the future property losses. Due to the short-tailed nature of property claims, we use only the Bornhuetter-Ferguson method to estimate ultimate losses.

Exhibit 2

This exhibit contains historical claims information and lists the TIV for each program year.

Deductibles Exhibits

Exhibit 1

This exhibit shows our estimate of member deductibles paid and reported as of 6/30/21.

Exhibit 2

This exhibit projects paid and reported deductibles to 6/30/21. We used claims data evaluated as of 12/31/20.

Exhibit 3

This exhibit shows the calculation of ultimate member deductibles.

Claims Data Section

The exhibits document the selection and derivation of development factors used in the report. There are three triangles: Reported Losses, Paid Losses, and Reported Claims.

Schools' Insurance Group Northern Alliance II

An Actuarial Review of the Property & Liability Self-Insurance Program

Property & Liability Summary

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Schools' Insurance Group Northern Alliance II
Property & Liability Programs

Estimated Unpaid Losses as of December 31, 2020

	<u>Gross of Deductibles</u>	<u>Net of Deductibles</u>
(1) Estimated Unpaid Losses:	\$205,542	\$197,963
(2) Discounted Unpaid Losses: assuming a 0.25% interest rate	\$204,974	\$197,417

<u>Probability Level (3)</u>	<u>Gross Probability Factor (4)</u>	<u>Undiscounted</u>		<u>Discounted</u>	
		<u>Gross of Deductibles (5)</u>	<u>Net of Deductibles (6)</u>	<u>Gross of Deductibles (7)</u>	<u>Net of Deductibles (8)</u>
Central Estimate	1.00	\$205,542	\$197,963	\$204,974	\$197,417
70%	1.03	211,708	203,902	211,124	203,340
80%	1.10	226,096	217,760	225,472	217,159
90%	1.22	250,761	241,515	250,069	240,849

Notes:

- (1) Page 27, Column (6).
- (2) (1), discounted at 0.25% interest.
- (3) Estimated Probability that funding will be adequate.
- (4) Estimated by BAC.
- (5) - (6) (1) x (4).
- (7) - (8) (2) x (4).

Schools' Insurance Group Northern Alliance II
Property & Liability Programs

Projected Estimate of June 30, 2021 Liability

	<u>Gross of Deductibles</u>	<u>Net of Deductibles</u>
(1) Estimated Unpaid Losses: 12/31/20	\$205,542	\$197,963
(2) Projected payments over next six months:	\$114,048	\$106,740
(3) Projected new losses over next six months:	\$91,986	\$85,459
(4) Projected Unpaid Losses: 6/30/21	\$183,480	\$176,682

Probability Level (5)	Projected Probability Factor (6)	<u>Undiscounted</u>		<u>Discounted</u>	
		<u>Gross of Deductibles (7)</u>	<u>Net of Deductibles (8)</u>	<u>Gross of Deductibles (9)</u>	<u>Net of Deductibles (10)</u>
Central Estimate	1.00	\$183,480	\$176,682	\$182,973	\$176,195
70%	1.06	194,488	187,283	193,951	186,767
80%	1.15	211,001	203,185	210,419	202,624
90%	1.32	242,193	233,221	241,524	232,577

Items (7) through (10) depend upon the accuracy of the projections in items (2) & (3).
The assumption is that actual expenditures and actual new losses will match (2) & (3) exactly.

Notes:

- (1) Page 20, Item (1).
- (2) Projected by BAC.
- (3) Projected by BAC.
- (4) (1) - (2) + (3).
- (5) Projected Probability Factor on 6/30/21.
- (6) Projected by BAC.
- (7) (4) x (6).
- (8) (7), discounted at 0.25% interest.
- (9) (4) x (6).
- (10) (9), discounted at 0.25% interest.

Schools' Insurance Group Northern Alliance II
Property & Liability Programs

Projected Unpaid Losses as of June 30, 2021

	<u>Gross of Deductibles</u>	<u>Net of Deductibles</u>
(1) Projected Unpaid Losses:	\$183,480	\$176,682
(2) Discounted Unpaid Losses: assuming a 0.25% interest rate	\$182,973	\$176,195

Probability Level (3)	Gross Probability Factor (4)	<u>Undiscounted</u>		<u>Discounted</u>	
		<u>Gross of Deductibles (5)</u>	<u>Net of Deductibles (6)</u>	<u>Gross of Deductibles (7)</u>	<u>Net of Deductibles (8)</u>
Central Estimate	1.00	\$183,480	\$176,682	\$182,973	\$176,195
70%	1.17	214,671	206,718	214,078	206,148
80%	1.38	253,202	243,822	252,503	243,149
90%	1.72	315,585	303,894	314,714	303,055

Notes:

- (1) Column 1: [Page 30,Column (1)] + [Page 33, Column (1)].
Column 2: [(1), Column 1] - [Page 66, Column (6)].
- (2) Column 1: [Page 30,Column (2)] + [Page 33, Column (2)].
Column 2: Estimated by BAC.
- (3) Estimated Probability that funding will be adequate.
- (4) Estimated by BAC.
- (5) - (6) (1) x (4).
- (7) - (8) (2) x (4).

Schools' Insurance Group Northern Alliance II
Property & Liability Programs

Projected 25K Limit Losses for the 2021-22 Program Year

	<u>Gross of Deductibles</u>	<u>Net of Deductibles</u>
(1) Projected Ultimate Losses:	\$173,800	\$160,600
(2) Discounted Value of Losses: (as of 7/1/21, 0.25% interest)	\$173,117	\$159,969

Probability Level (3)	Gross Probability Factor (4)	<u>Undiscounted</u>		<u>Discounted Value</u>	
		<u>Gross of Deductibles (5)</u>	<u>Net of Deductibles (6)</u>	<u>Gross of Deductibles (7)</u>	<u>Net of Deductibles (8)</u>
Central Estimate	1.00	\$173,800	\$160,600	\$173,117	\$159,969
70%	1.21	210,298	194,326	209,472	193,562
80%	1.47	255,486	236,082	254,483	235,154
90%	1.87	325,006	300,322	323,729	299,142

Notes:

- (1) Column 1: [Page 31, Item (1)] + [Page 34, Item (1)].
Column 2: [Page 53, Item (5)] + [Page 63, Item (8)].
- (2) Column 1: [Page 31, Item (2)] + [Page 34, Item (2)].
Column 2: Estimated by BAC.
- (3) Estimated Probability that funding will be adequate.
- (4) Estimated by BAC.
- (5) - (6) (1) x (4).
- (7) - (8) (2) x (4).

Schools' Insurance Group Northern Alliance II
Property & Liability Programs

Projected Unpaid Losses
by Member and Program

Program Year	Undiscounted			Discounted at 0.25% interest			Estimated Ultimate Losses		
	Claims Liabilities as of 6/30/21 (1)	Members' Portion (2)	Program's Portion (3)	Claims Liabilities as of 6/30/21 (4)	Members' Portion (5)	Program's Portion (6)	Estimated Gross Ultimate Losses (7)	Members' Portion (8)	Program's Portion (9)
2010-11	\$0	\$0	\$0	\$0	\$0	\$0	\$75,251	\$7,695	\$67,556
2011-12	0	0	0	0	0	0	25,000	1,000	24,000
2012-13	0	0	0	0	0	0	38,685	6,744	31,941
2013-14	0	0	0	0	0	0	94,648	9,515	85,133
2014-15	0	0	0	0	0	0	130,499	16,815	113,683
2015-16	0	0	0	0	0	0	134,256	9,884	124,372
2016-17	0	0	0	0	0	0	249,258	15,250	234,008
2017-18	0	0	0	0	0	0	109,265	12,395	96,870
2018-19	0	0	0	0	0	0	156,918	14,000	142,918
2019-20	71,796	1,248	70,548	71,629	1,245	70,384	198,305	13,245	185,061
2020-21	111,685	5,549	106,135	111,344	5,532	105,812	183,971	13,053	170,918
Total	\$183,480	\$6,797	\$176,682	\$182,973	\$6,777	\$176,196	\$1,396,056	\$119,596	\$1,276,460

Notes:

- (1) [Page 30, Column (1)] + [Page 33, Column (1)].
- (2) Page 66, Column (6).
- (3) (1) - (2).
- (4) [Page 30, Column (2)] + [Page 33, Column (2)].
- (5) Estimated by BAC.
- (6) (4) - (5).
- (7) [Page 30, Column (3)] + [Page 33, Column (3)].
- (8) Page 66, Column (1).
- (9) (7) - (8).

Schools' Insurance Group Northern Alliance II
Combined Property & Liability Programs

Projected Unpaid Losses as of 6/30/21
Gross of Member Deductibles - Limited to the SIR

Program Year	Estimated Ultimate Losses (1)	Projected Paid Losses as of 6/30/21 (2)	Projected Case Reserves 6/30/21 (3)	Projected Reported Losses as of 6/30/21 (4)	Projected IBNR as of 6/30/21 (5)	Projected Unpaid Losses as of 6/30/21 (6)
2010-11	\$75,251	\$75,251	\$0	\$75,251	\$0	\$0
2011-12	25,000	25,000	0	25,000	0	0
2012-13	38,685	38,686	0	38,686	0	0
2013-14	94,648	94,648	0	94,649	0	0
2014-15	130,499	130,499	0	130,499	0	0
2015-16	134,256	134,256	0	134,256	0	0
2016-17	249,258	249,257	0	249,257	0	0
2017-18	109,265	109,265	0	109,265	0	0
2018-19	156,918	156,918	0	156,918	0	0
2019-20	198,305	126,510	72,082	198,591	-286	71,796
2020-21	183,971	72,286	63,085	135,371	48,600	111,685
Total	\$1,396,056	\$1,212,577	\$135,167	\$1,347,744	\$48,312	\$183,480

Notes:

(1) - (6) Sum of Page 36 + Page 59 entries.

Schools' Insurance Group Northern Alliance II
Combined Property & Liability Programs

Estimated Unpaid Losses as of 12/31/20
Net of Member Deductibles - Limited to the SIR

Program Year	Estimated Ultimate Losses (1)	Paid Losses as of 12/31/20 (2)	Case Reserves 12/31/20 (3)	Reported Losses as of 12/31/20 (4)	Estimated IBNR as of 12/31/20 (5)	Estimated Unpaid Losses as of 12/31/20 (6)
2010-11	67,556	67,556	0	67,556	0	0
2011-12	24,000	24,000	0	24,000	0	0
2012-13	31,941	31,942	0	31,942	0	0
2013-14	85,133	85,133	0	85,133	0	0
2014-15	113,683	113,684	0	113,684	0	0
2015-16	124,372	124,372	0	124,372	0	0
2016-17	234,008	234,008	0	234,008	0	0
2017-18	96,870	96,870	0	96,870	0	0
2018-19	142,918	142,918	0	142,918	0	0
2019-20	185,061	71,407	114,211	185,618	-557	113,654
2020-21	85,459	1,148	55,852	57,000	28,459	84,311
Total	\$1,191,001	\$993,038	\$170,062	\$1,163,100	\$27,901	\$197,963

Notes:

(1) - (6) Page 27 entries - Page 67 entries.

Schools' Insurance Group Northern Alliance II
Combined Property & Liability Programs

Estimated Unpaid Losses as of 12/31/20
Gross of Member Deductibles - Limited to the SIR

Program Year	Estimated Ultimate Losses (1)	Paid Losses as of 12/31/20 (2)	Case Reserves 12/31/20 (3)	Reported Losses as of 12/31/20 (4)	Estimated IBNR as of 12/31/20 (5)	Estimated Unpaid Losses as of 12/31/20 (6)
2010-11	\$75,251	\$75,251	\$0	\$75,251	\$0	\$0
2011-12	25,000	25,000	0	25,000	0	0
2012-13	38,685	38,686	0	38,686	0	0
2013-14	94,648	94,648	0	94,648	0	0
2014-15	130,499	130,499	0	130,499	0	0
2015-16	134,256	134,256	0	134,256	0	0
2016-17	249,258	249,257	0	249,257	0	0
2017-18	109,265	109,265	0	109,265	0	0
2018-19	156,918	156,918	0	156,918	0	0
2019-20	198,305	82,600	116,211	198,810	-505	115,706
2020-21	91,986	2,148	57,852	60,000	31,986	89,837
Total	\$1,304,071	\$1,098,529	\$174,062	\$1,272,591	\$31,480	\$205,542

Notes:

(1) - (6) Sum of Page 38 + Page 61 entries.

Schools' Insurance Group Northern Alliance II
Combined Property & Liability Programs

Re-Estimated Unpaid Losses as of 6/29/20
Gross of Member Deductibles - Limited to the SIR

Program Year	Estimated Ultimate Losses (1)	Paid Losses as of 6/29/20 (2)	Case Reserves 6/29/20 (3)	Reported Losses as of 6/29/20 (4)	Estimated IBNR as of 6/29/20 (5)	Estimated Unpaid Losses as of 6/29/20 (6)
2009-10	\$66,503	\$66,503	\$0	\$66,503	\$0	\$0
2010-11	75,251	75,251	0	75,251	0	0
2011-12	25,000	25,000	0	25,000	0	0
2012-13	38,685	38,686	0	38,686	0	0
2013-14	94,648	94,648	0	94,648	0	0
2014-15	130,499	130,499	0	130,499	0	0
2015-16	134,256	134,691	0	134,691	-435	-435
2016-17	249,258	249,257	0	249,257	0	0
2017-18	109,265	109,265	0	109,265	0	0
2018-19	156,918	156,918	0	156,918	0	0
2019-20	198,305	62,967	101,843	164,810	33,495	135,338
Total	\$1,278,588	\$1,143,686	\$101,843	\$1,245,529	\$33,059	\$134,902

Notes:

- (1) Page 25, Column (1).
- (2) Provided by Keenan & Associates.
- (3) (4) - (2).
- (4) Provided by Keenan & Associates.
- (5) (1) - (4).
- (6) (1) - (2).

Schools' Insurance Group Northern Alliance II

An Actuarial Review of the Property & Liability Self-Insurance Program

Liability Summary

Schools' Insurance Group Northern Alliance II
Liability Program

Projected Unpaid Losses as of 06/30/21

Program Year	Undiscounted	Discounted	Estimated Gross Ultimate Losses (3)
	Claims Liabilities as of 6/30/21 (1)	(0.25% interest) Claims Liabilities as of 6/30/21 (2)	
2010-11	\$0	\$0	\$5,201
2011-12	0	0	25,000
2012-13	0	0	33,069
2013-14	0	0	53,104
2014-15	0	0	83,214
2015-16	0	0	81,106
2016-17	0	0	81,527
2017-18	0	0	15,861
2018-19	0	0	44,109
2019-20	40,704	40,592	120,000
2020-21	76,187	75,913	115,000
Total	\$116,890	\$116,505	\$657,191

Notes:

- (1) Page 36, Column (6).
- (2) Page 55, Column (3).
- (3) Page 39, Column (6).

Schools' Insurance Group Northern Alliance II
Liability Program

Projected Losses for the 2021-22 Program Year

	Gross of Member <u>Deductibles</u>	Net of Member <u>Deductibles</u>
(1) Projected Losses:	\$96,800	\$89,600
(2) Discounted Value of Projected Losses: (as of July 1, 2021, 0.25% interest rate)	\$96,313	\$89,152

Notes:

- (1) Page 53, Column (3).
Net Column: Page 53, Item (5).
- (2) Page 56, Column (3).
Net Column: Page 56, Item (4) x [Page 53, Item (4)].

Schools' Insurance Group Northern Alliance II

Actuarial Analysis of the Property & Liability Self-Insurance Program

Property Summary

DRAFT

Schools' Insurance Group Northern Alliance II
Property Program

Projected Unpaid Losses
Individual Claims Limited to SIR

Program Year	Undiscounted Claims Liabilities as of 6/30/21 (1)	Discounted (0.25% Interest) Liabilities as of 6/30/21 (2)	Estimated Ultimate Losses (3)
2010-11	\$0	\$0	\$70,050
2011-12	0	0	0
2012-13	0	0	5,616
2013-14	0	0	41,544
2014-15	0	0	47,285
2015-16	0	0	53,150
2016-17	0	0	167,731
2017-18	0	0	93,404
2018-19	0	0	112,809
2019-20	31,092	31,037	78,305
2020-21	35,498	35,431	68,971
Total	\$66,589	\$66,468	\$738,865

Notes:

- (1) Page 59, Column (6).
- (2) Estimated assuming a 0.25% interest rate.
- (3) Page 59, Column (1).

Schools' Insurance Group Northern Alliance II
Property Program

Projected Losses for the 2021-22 Program Year

	<u>Gross of Member Deductibles</u>	<u>Net of Member Deductibles</u>
(1) Projected Losses:	\$77,000	\$71,000
(2) Discounted Value of Losses: (as of July 1, 2021, 0.25% interest rate)	\$76,804	\$70,820

Notes:

- (1) Page 63, Item (6).
Net Column: Page 63, Item (8).
- (2) Estimated by BAC.
Net Column: Estimated by BAC.

Schools' Insurance Group Northern Alliance II

An Actuarial Review of the Property & Liability Self-Insurance Program

Liability Exhibits

DRAFT

Schools' Insurance Group Northern Alliance II
Liability Program

Projected Unpaid Losses as of 6/30/21
Gross of Member Deductibles - Limited to the Effective SIR

Program Year	Estimated Ultimate Losses (1)	Projected Paid Losses as of 6/30/21 (2)	Projected Case Reserves 6/30/21 (3)	Projected Reported Losses as of 6/30/21 (4)	Projected IBNR Losses as of 6/30/21 (5)	Projected Unpaid Losses as of 6/30/21 (6)
2010-11	\$5,201	\$5,201	\$0	\$5,201	\$0	\$0
2011-12	25,000	25,000	0	25,000	0	0
2012-13	33,069	33,069	0	33,069	0	0
2013-14	53,104	53,104	0	53,104	0	0
2014-15	83,214	83,214	0	83,214	0	0
2015-16	81,106	81,106	0	81,106	0	0
2016-17	81,527	81,527	0	81,527	0	0
2017-18	15,861	15,861	0	15,861	0	0
2018-19	44,109	44,109	0	44,109	0	0
2019-20	120,000	79,296	41,272	120,568	-568	40,704
2020-21	115,000	38,813	53,335	92,148	22,852	76,187
Total	\$657,191	\$540,301	\$94,607	\$634,908	\$22,283	\$116,890

Notes:

- (1) Page 39, Column (6).
- (2) Page 37, Column (3).
- (3) (4) - (2).
- (4) Page 37, Column (6).
- (5) (1) - (4).
- (6) (1) - (2).

Schools' Insurance Group Northern Alliance II
Liability Program

Projected Losses Paid and Reported between 1/1/21 and 6/30/21
Individual Claims Limited to SIR

Program Year	Losses Paid as of 12/31/20 (1)	Projected Losses Paid 1/1/21 - 6/30/21 (2)	Projected Losses Paid as of 6/30/21 (3)	Losses Reported as of 12/31/20 (4)	Projected Losses Reported 1/1/21 - 6/30/21 (5)	Projected Losses Reported as of 6/30/21 (6)
2010-11	\$5,201	\$0	\$5,201	\$5,201	\$0	\$5,201
2011-12	25,000	0	25,000	25,000	0	25,000
2012-13	33,069	0	33,069	33,069	0	33,069
2013-14	53,104	0	53,104	53,104	0	53,104
2014-15	83,214	0	83,214	83,214	0	83,214
2015-16	81,106	0	81,106	81,106	0	81,106
2016-17	81,527	0	81,527	81,527	0	81,527
2017-18	15,861	0	15,861	15,861	0	15,861
2018-19	44,109	0	44,109	44,109	0	44,109
2019-20	57,727	21,569	79,296	121,128	-560	120,568
2020-21	0	38,813	38,813	50,000	42,148	92,148
Total	\$479,919	\$60,382	\$540,301	\$593,320	\$41,588	\$634,908

Notes:

- (1) Page 38, Column (2).
- (2) Projected by BAC.
- (3) (1) + (2).
- (4) Page 38, Column (4).
- (5) Projected by BAC.
- (6) (4) + (5).

Schools' Insurance Group Northern Alliance II
Liability Program

Estimated Unpaid Losses as of 12/31/20
Gross of Member Deductibles - Limited to the Effective SIR

Program Year	Estimated Ultimate Losses (1)	Paid Losses as of 12/31/20 (2)	Case Reserves 12/31/20 (3)	Reported Losses as of 12/31/20 (4)	Estimated IBNR as of 12/31/20 (5)	Estimated Unpaid Losses as of 12/31/20 (6)
2010-11	\$5,201	\$5,201	\$0	\$5,201	\$0	\$0
2011-12	25,000	25,000	0	25,000	0	0
2012-13	33,069	33,069	0	33,069	0	0
2013-14	53,104	53,104	0	53,104	0	0
2014-15	83,214	83,214	0	83,214	0	0
2015-16	81,106	81,106	0	81,106	0	0
2016-17	81,527	81,527	0	81,527	0	0
2017-18	15,861	15,861	0	15,861	0	0
2018-19	44,109	44,109	0	44,109	0	0
2019-20	120,000	57,727	63,401	121,128	-1,128	62,273
2020-21	57,500	0	50,000	50,000	7,500	57,500
Total	\$599,691	\$479,919	\$113,401	\$593,320	\$6,371	\$119,772

Notes:

- (1) Page 39, Column (6). 50% of 2020-21 incurred through 12/31/20.
- (2) Provided by Keenan & Associates.
- (3) (4) - (2).
- (4) Page 40, Column (1).
- (5) (1) - (4).
- (6) (1) - (2).

Schools' Insurance Group Northern Alliance II
Liability Program

Estimated Ultimate Losses
Individual Claims Limited to SIR

Program Year	Reported Projection (1)	Paid Projection (2)	IBNR to Case Reserves Ratio (3)	B-F Method Using Reported (4)	Frequency Times Severity (5)	Selected Ultimate Losses (6)
2010-11	\$5,201	\$5,201	\$5,201			\$5,201
2011-12	25,000	25,000	25,000			25,000
2012-13	33,069	33,069	33,069			33,069
2013-14	53,104	53,194	53,104			53,104
2014-15	83,214	83,803	83,214			83,214
2015-16	81,106	81,680	81,106			81,106
2016-17	81,527	82,104	81,527			81,527
2017-18	15,861	15,974	15,861	\$15,861	\$48,268	15,861
2018-19	44,109	50,927	44,109	44,109	61,045	44,109
2019-20	113,823	93,107	111,998	116,903	86,457	120,000
2020-21	128,457	0	146,350	110,092	74,790	115,000
Total	\$664,471	\$524,059	\$680,540			\$657,191
17/18-20/21	\$302,250	\$160,008	\$318,318	\$286,965	\$270,560	\$294,970

Notes:

- (1) Page 40, Column (3).
- (2) Page 41, Column (3).
- (3) Page 42, Column (6).
- (4) Page 43, Column (6).
- (5) Page 47, Column (5).
- (6) Selected on the basis of (1) - (5).

Schools' Insurance Group Northern Alliance II
Liability Program

Reported Loss Projection Method
Individual Claims Limited to SIR

Program Year	Cumulative Reported Losses as of 12/31/20 (1)	Reported Development Factor as of 12/31/20 (2)	Projected Ultimate Losses (3)
2010-11	\$5,201	1.000	\$5,201
2011-12	25,000	1.000	25,000
2012-13	33,069	1.000	33,069
2013-14	53,104	1.000	53,104
2014-15	83,214	1.000	83,214
2015-16	81,106	1.000	81,106
2016-17	81,527	1.000	81,527
2017-18	15,861	1.000	15,861
2018-19	44,109	1.000	44,109
2019-20	121,128	0.940	113,823
2020-21	50,000	2.569	128,457
Total	\$593,320		\$664,471

Notes:

- (1) Provided by Keenan & Associates.
- (2) Page 71
- (3) (1) x (2), rounded.

Schools' Insurance Group Northern Alliance II
Liability Program

Paid Loss Projection Method
Individual Claims Limited to SIR

Program Year	Cumulative Paid Losses as of 12/31/20 (1)	Paid Development Factor as of 12/31/20 (2)	Projected Ultimate Losses (3)
2010-11	\$5,201	1.000	\$5,201
2011-12	25,000	1.000	25,000
2012-13	33,069	1.000	33,069
2013-14	53,104	1.002	53,194
2014-15	83,214	1.007	83,803
2015-16	81,106	1.007	81,680
2016-17	81,527	1.007	82,104
2017-18	15,861	1.007	15,974
2018-19	44,109	1.155	50,927
2019-20	57,727	1.613	93,107
2020-21	0	13.841	0
Total	\$479,919		\$524,059

Notes:

- (1) Provided by Keenan & Associates.
- (2) Page 72
- (3) (1) x (2), rounded.

Schools' Insurance Group Northern Alliance II
Liability Program

IBNR to Case Reserves Ratio Method
Individual Claims Limited to SIR

Program Year	Reported Development Factor as of 12/31/20 (1)	Paid Development Factor as of 12/31/20 (2)	IBNR to Case Reserves Ratio (3)	Case Reserves as of 12/31/20 (4)	Estimated IBNR Losses as of 12/31/20 (5)	Estimated Ultimate Losses (6)
2010-11	1.000	1.000	0.000	\$0	\$0	\$5,201
2011-12	1.000	1.000	0.000	0	0	25,000
2012-13	1.000	1.000	0.000	0	0	33,069
2013-14	1.000	1.002	0.000	0	0	53,104
2014-15	1.000	1.007	0.000	0	0	83,214
2015-16	1.000	1.007	0.000	0	0	81,106
2016-17	1.000	1.007	0.000	0	0	81,527
2017-18	1.000	1.007	0.000	0	0	15,861
2018-19	1.000	1.155	0.000	0	0	44,109
2019-20	0.940	1.613	-0.144	63,401	-9,130	111,998
2020-21	2.569	13.841	1.927	50,000	96,350	146,350
Total				\$113,401	\$87,220	\$680,540

Notes:

- (1) Page 40, Column (2).
- (2) Page 41, Column (2).
- (3) $[(1) - 1.000] \times (2) / [(2) - (1)]$.
- (4) Page 40, Column (1) - Page 41, Column (1), rounded.
- (5) (3) x (4), rounded.
- (6) (5) + Page 40, Column (1).

Schools' Insurance Group Northern Alliance II
Liability Program

Bornhuetter-Ferguson Method Using Reported Losses
Individual Claims Limited to SIR

Program Year	<i>A Priori</i> Ultimate Losses (1)	Cumulative Reported Loss Development Factors (2)	Percentage of Losses Not Yet Reported (3)	Expected Unreported Losses (4)	Losses Reported as of 12/31/20 (5)	Estimated Ultimate Losses (6)
2017-18	\$65,477	1.000	0.0%	\$0	\$15,861	\$15,861
2018-19	65,759	1.000	0.0%	0	44,109	44,109
2019-20	66,010	0.940	-6.4%	-4,225	121,128	116,903
2020-21	98,351	2.569	61.1%	60,092	50,000	110,092
Total	\$295,597			\$55,867	\$231,098	\$286,965

Notes:

- (1) Page 44, Column (5).
- (2) Page 40, Column (2).
- (3) $100\% - [1.000 / (2)]$.
- (4) $(1) \times (3)$.
- (5) Page 40, Column (1).
- (6) $(4) + (5)$.

Schools' Insurance Group Northern Alliance II
Liability Program

A Priori Ultimate Losses for Bornhuetter-Ferguson Method
Individual Claims Limited to SIR

Program Year	Selected Loss Rate (1)	Factor from 2021-22 Cost Levels (2)	Detrended SIR-Adjusted Loss Rate (3)	Average Daily Attendance (ADA) (4)	Expected Ultimate Losses (5)
2017-18	\$9.85	0.959	\$9.447	6,931	\$65,477
2018-19	9.85	0.970	9.558	6,880	65,759
2019-20	9.85	0.982	9.669	6,827	66,010
2020-21	9.85	0.991	9.758	10,079	98,351
Total				30,717	\$295,597

Notes:

- (1) Page 45, Item (6).
- (2) Estimated using a 4.3% unlimited loss trend, which corresponds to a trend of 0.9% on losses capped at \$25K.
- (3) (1) x (2).
- (4) Page 57, Column (1).
- (5) (3) x (4).

Schools' Insurance Group Northern Alliance II
Liability Program

A Priori Ultimate Losses for Bornhuetter-Ferguson Method
Individual Claims Limited to SIR

Program Year	<i>A Priori</i> Ultimate Losses (1)	Factor to 2021-22 Cost Level (2)	Constant \$ <i>A Priori</i> Losses (3)	Average Daily Attendance (ADA) (4)	Indicated Loss Rate (5)
2010-11	\$5,201	1.131	\$5,882	5,737	\$1.03
2011-12	25,000	1.118	27,947	5,489	5.09
2012-13	33,069	1.105	36,539	5,437	6.72
2013-14	53,149	1.092	58,047	7,210	8.05
2014-15	83,508	1.080	90,148	7,135	12.64
2015-16	81,392	1.067	86,847	7,018	12.38
2016-17	81,814	1.055	86,288	6,941	12.43
2017-18	15,917	1.042	16,593	6,931	2.39
2018-19	47,273	1.030	48,711	6,880	7.08
2019-20	121,128	1.019	123,369	6,827	18.07
2020-21	108,346	1.009	109,344	10,079	10.85
Total	\$655,798		\$689,715	75,684	\$8.79
10/11-19/20	\$547,452		\$580,371	65,605	\$8.59
(6) Selected <i>A Priori</i> 2021-22 Loss Rate:					\$9.85

Notes:

- (1) Page 46, Column (3).
- (2) Estimated using a 4.3% unlimited loss trend, which corresponds to a trend of 0.9% on losses capped at \$25K.
- (3) (1) x (2), rounded.
- (4) Page 57, Column (1).
- (5) (3) / (4).
- (6) Selected on the basis of (5).

Schools' Insurance Group Northern Alliance II
Liability Program

A Priori Ultimate losses
Individual Claims Limited to SIR

Program Year	Reported Loss Projection (1)	Paid Loss Projection (2)	<i>A Priori</i> Selection (3)
2010-11	\$5,201	\$5,201	\$5,201
2011-12	25,000	25,000	25,000
2012-13	33,069	33,069	33,069
2013-14	53,104	53,194	53,149
2014-15	83,214	83,803	83,508
2015-16	81,106	81,680	81,392
2016-17	81,527	82,104	81,814
2017-18	15,861	15,974	15,917
2018-19	44,109	50,927	47,273
2019-20	113,823	93,107	121,128
2020-21	128,457	0	108,346
Total	\$664,471	\$524,059	\$655,798

Notes:

- (1) Page 40, Column (3).
- (2) Page 41, Column (3).
- (3) Selected on the basis of (1) and (2).

Schools' Insurance Group Northern Alliance II
Liability Program

Frequency Times Severity Method
Individual Claims Limited to SIR

Program Year	Selected Claim Severity (1)	Factor to Remove Severity Trend (2)	De-Trended Severity (3)	Estimated Ultimate Claims (4)	Estimated Ultimate Losses (5)
2017-18	\$12,580	0.959	\$12,067	4	\$48,268
2018-19	12,580	0.970	12,209	5	61,045
2019-20	12,580	0.982	12,351	7	86,457
2020-21	12,580	0.991	12,465	6	74,790
Total				22	\$270,560

Notes:

- (1) Page 48, Item (5).
- (2) Estimated by BAC.
- (3) (1) x (2), rounded.
- (4) Page 49, Column (3).
- (5) (3) x (4).

Schools' Insurance Group Northern Alliance II
Liability Program

Calculation of Expected Claim Severity
Frequency Times Severity Method

Program Year	<i>A Priori</i> Ultimate Losses (1)	Severity Trend Factor to 2021-22 (2)	Estimated Ultimate Claim Counts (3)	Constant \$ Claim Severity (4)
2010-11	\$5,201	1.131	1	\$5,882
2011-12	25,000	1.118	1	27,947
2012-13	33,069	1.105	4	9,135
2013-14	53,149	1.092	4	14,512
2014-15	83,508	1.080	9	10,016
2015-16	81,392	1.067	6	14,475
2016-17	81,814	1.055	7	12,327
2017-18	15,917	1.042	4	4,148
2018-19	47,273	1.030	5	9,742
2019-20	121,128	1.019	7	17,624
2020-21	108,346	1.009	6	18,224
Total	\$655,798		54	\$13,094
10/11-19/20				\$12,581
	(5) Selected SIR Limited 2021-22 Severity:			\$12,580

Notes:

- (1) Page 46, Column (3).
- (2) Estimated by BAC.
- (3) Page 49, Column (3).
- (4) $[(1) \times (2)] / (3)$.
- (5) Selected on the basis of (4).

Schools' Insurance Group Northern Alliance II
Liability Program

Selected Claim Counts

Program Year	Reported Claim Count Projection (1)	Bornhuetter- Ferguson Method (2)	Selected Claim Count (3)
2010-11	1		1
2011-12	1		1
2012-13	4		4
2013-14	4		4
2014-15	9		9
2015-16	6		6
2016-17	7		7
2017-18	4		4
2018-19	5		5
2019-20	7		7
2020-21	6	6	6
Total	54		54

Notes:

- (1) Page 50, Column (3).
- (2) Page 51, Column (6).
- (3) Selected on the basis of (1) and (2).

Schools' Insurance Group Northern Alliance II
Liability Program

Projection of Ultimate Claim Counts
Reported Claim Development Method (Occurrences)

Program Year	Total Occurrences Reported 12/31/20 (1)	Development Factors as of 12/31/20 (2)	Projected Ultimate Occurrences (3)
2010-11	1	1.000	1
2011-12	1	1.000	1
2012-13	4	1.000	4
2013-14	4	1.000	4
2014-15	9	1.000	9
2015-16	6	1.000	6
2016-17	7	1.000	7
2017-18	4	1.007	4
2018-19	5	1.019	5
2019-20	7	0.933	7
2020-21	2	2.769	6
Total	50		54

Notes:

- (1) Provided by Keenan & Associates.
- (2) Page 73
- (3) (1) x (2), rounded.

Schools' Insurance Group Northern Alliance II
Liability Program

Projection of Ultimate Claim Counts
Method 2: Exposure and Development Method

Program Year	A Priori Claim Count (1)	Claim Development Factor (2)	Percentage of Claims Unreported (3)	Estimated Unreported Claims (4)	Claims as of 12/31/20 (5)	Projected Ultimate Claims (6)
2020-21	6	2.769	63.9%	4	2	6

Notes:

- (1) Page 52, Item (6).
- (2) Page 50, Column (2).
- (3) $100\% - [1.000 / (2)]$.
- (4) $(1) \times (3)$.
- (5) Page 50, Column (1).
- (6) $(4) + (5)$.

Schools' Insurance Group Northern Alliance II
Liability Program

Projection of Ultimate Claim Counts
Bornhuetter-Ferguson Method
Calculation of Expected 2020-21 Claim Counts

Program Year	Projected Ultimate Claim Counts (1)	Average Daily Attendance (ADA) (2)	Indicated Claim Frequency (3)
2010-11	1	5,737	0.17
2011-12	1	5,489	0.18
2012-13	4	5,437	0.74
2013-14	4	7,210	0.55
2014-15	9	7,135	1.26
2015-16	6	7,018	0.85
2016-17	7	6,941	1.01
2017-18	4	6,931	0.58
2018-19	5	6,880	0.73
2019-20	7	6,827	1.03
2020-21	6	10,079	0.60
Total	54	75,684	0.70
10/11-19/20	48	65,605	0.71
(4) Selected Claim Frequency:			0.60
(5) 2020-21 ADA:			10,079
(6) 2020-21 Expected Claim Count:			6

Notes:

- (1) Page 50, Column (3).
- (2) Page 57, Column (1).
- (3) $1,000 \times (1) / (2)$.
- (4) Selected on the basis of (3).
- (5) Page 57, Column (1).
- (6) $(4) \times (5) / 1,000$.

Schools' Insurance Group Northern Alliance II
Liability Program

Projected 2021-22 Ultimate Losses
Individual Claims Limited to SIR

Program Year	2021-22 Level Loss Rate (1)	Projected Average Daily Attendance (ADA) (2)	Projected Gross Ultimate Losses (3)
2021-22	\$9.61	10,079	\$96,800
(4) Ratio of Net Losses to Gross Losses:			92.5%
(5) Projected Net Losses:			\$89,600
(6) Implied Net Loss Rate:			\$8.89

Notes:

- (1) Page 54, Item (6).
- (2) Projected by BAC.
- (3) (1) x (2), rounded.
- (4) Projected by BAC.
- (5) (3) x (4), rounded.
- (6) (5) / (2), rounded.

Schools' Insurance Group Northern Alliance II
Liability Program

Projected 2021-22 Loss Rate

Program Year	Estimated Ultimate Losses (1)	Pure Premium Trend (2)	Trended Losses (3)	Average Daily Attendance (ADA) (4)	Indicated Loss Rate (5)
2003-04	\$25,989	1.523	\$39,587	5,843	\$6.78
2004-05	17,177	1.484	25,486	6,165	4.13
2005-06	29,831	1.445	43,115	6,242	6.91
2006-07	25,000	1.408	35,196	6,196	5.68
2007-08	59,724	1.371	81,904	6,120	13.38
2008-09	30,414	1.158	35,207	6,051	5.82
2009-10	59,244	1.144	67,787	5,922	11.45
2010-11	5,201	1.131	5,882	5,737	1.03
2011-12	25,000	1.118	27,947	5,489	5.09
2012-13	33,069	1.105	36,539	5,437	6.72
2013-14	53,104	1.092	57,998	7,210	8.04
2014-15	83,214	1.080	89,831	7,135	12.59
2015-16	81,106	1.067	86,542	7,018	12.33
2016-17	81,527	1.055	85,985	6,941	12.39
2017-18	15,861	1.042	16,535	6,931	2.39
2018-19	44,109	1.030	45,451	6,880	6.61
2019-20	120,000	1.019	122,220	6,827	17.90
2020-21	115,000	1.009	116,059	10,079	11.51
Average					\$8.38
03/04-19/20					\$8.19
(6) Selected 2021-22 Level Loss Rate - Limited to \$25,000 per Claim:					\$9.61

Notes:

- (1) Page 39, Column (6) + data from older years
- (2) Estimated using a 4.3% unlimited loss trend, which corresponds to a trend of 0.9% on losses capped at \$25K.
- (3) (1) x (2).
- (4) Page 57, Column (1).
- (5) (3) / (4).
- (6) Selected on the basis of (5).

Schools' Insurance Group Northern Alliance II
Liability Program

Discounted Value of Unpaid Losses as of June 30, 2021
Assuming a 0.25% Interest Rate

Program Year	Projected Unpaid Losses (1)	Discount Factor (2)	Discounted Unpaid Losses (3)
2010-11	\$0	1.000	\$0
2011-12	0	1.000	0
2012-13	0	1.000	0
2013-14	0	0.999	0
2014-15	0	0.998	0
2015-16	0	0.997	0
2016-17	0	0.997	0
2017-18	0	0.998	0
2018-19	0	0.998	0
2019-20	40,704	0.997	40,592
2020-21	76,187	0.996	75,913
Total	\$116,890		\$116,505

(4) Indicated Discount Factor: 0.997

Notes:

- (1) Page 36, Column (6).
- (2) Estimated by BAC.
- (3) (1) x (2).
- (4) [Sum of Column (3)] / [Sum of Column (1)].

Schools' Insurance Group Northern Alliance II
Liability Program

Discounted Value of 2021-22 Losses as of July 1, 2021
Assuming a 0.25% Interest rate

Program Year	Projected Loss Payments (1)	Discount Factor (2)	Discounted Value of Payments (3)
2021-22	\$21,366	0.999	\$21,339
2022-23	31,036	0.996	30,920
2023-24	25,958	0.994	25,797
2024-25	12,698	0.991	12,587
2025-26	4,131	0.989	4,084
2026-27	923	0.986	910
2027-28	267	0.984	263
2028-29	340	0.981	333
2029-30	82	0.979	80
2030-31	0	0.977	0
2031-32	0	0.974	0

Total \$96,800 \$96,313

(4) Indicated Discount Factor: 0.995

Notes:

- (1) Based upon the observed payment pattern.
- (2) Based upon a 0.25% interest rate.
Assumes mid-year payments.
- (3) (1) x (2).
- (4) [Sum of Column (3)] / [Sum of Column (1)].

Schools' Insurance Group Northern Alliance II
Liability Program

Program Information

Program Year	Average Daily Attendance (ADA) <u>(1)</u>	Self-Insured Retention (SIR) <u>(2)</u>	Deductible Level <u>(3)</u>
2010-11	5,737	\$25,000	\$1,000
2011-12	5,489	25,000	1,000
2012-13	5,437	25,000	1,000
2013-14	7,210	25,000	1,000
2014-15	7,135	25,000	1,000
2015-16	7,018	25,000	1,000
2016-17	6,941	25,000	1,000
2017-18	6,931	25,000	1,000
2018-19	6,880	25,000	1,000
2019-20	6,827	25,000	1,000
2020-21	10,079	25,000	1,000
2021-22	10,079	?	?

Notes:

(1) - (3) Provided by Keenan & Associates.
2021-22 projected by BAC.

Schools' Insurance Group Northern Alliance II

An Actuarial Review of the Property & Liability Self-Insurance Program

Property Exhibits

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Schools' Insurance Group Northern Alliance II
Property Program

Projected Unpaid Losses as of June 30, 2021
Individual Claims Limited to SIR

Program Year	Estimated Ultimate Losses (1)	Projected Losses Paid as of 6/30/21 (2)	Projected Case Reserves as of 6/30/21 (3)	Projected Losses Reported as of 6/30/21 (4)	Projected IBNR as of 6/30/21 (5)	Projected Losses Unpaid as of 6/30/21 (6)
2010-11	\$70,050	\$70,050	\$0	\$70,050	\$0	\$0
2011-12	0	0	0	0	0	0
2012-13	5,616	5,616	0	5,616	0	0
2013-14	41,544	41,544	0	41,544	0	0
2014-15	47,285	47,285	0	47,285	0	0
2015-16	53,150	53,150	0	53,150	0	0
2016-17	167,731	167,731	0	167,731	0	0
2017-18	93,404	93,404	0	93,404	0	0
2018-19	112,809	112,809	0	112,809	0	0
2019-20	78,305	47,213	30,810	78,023	282	31,092
2020-21	68,971	33,473	9,750	43,224	25,747	35,498
Total	\$738,865	\$672,276	\$40,560	\$712,836	\$26,029	\$66,589

Notes:

- (1) Page 62, Column (6).
- (2) Page 60, Column (3).
- (3) (4) - (2).
- (4) Page 60, Column (6).
- (5) (1) - (4).
- (6) (1) - (2).

Schools' Insurance Group Northern Alliance II
Property Program

Projected Losses Paid and Reported as of June 30, 2021
Individual Claims Limited to SIR

Program Year	Losses Paid as of 12/31/20 (1)	Projected Payments 1/1/21 - 6/30/21 (2)	Projected Losses Paid as of 6/30/21 (3)	Losses Reported as of 12/31/20 (4)	Projected Losses Reported 1/1/21 - 6/30/21 (5)	Projected Losses Reported as of 6/30/21 (6)
2010-11	\$70,050	\$0	\$70,050	\$70,050	\$0	\$70,050
2011-12	0	0	0	0	0	0
2012-13	5,616	0	5,616	5,616	0	5,616
2013-14	41,544	0	41,544	41,544	0	41,544
2014-15	47,285	0	47,285	47,285	0	47,285
2015-16	53,150	0	53,150	53,150	0	53,150
2016-17	167,731	0	167,731	167,731	0	167,731
2017-18	93,404	0	93,404	93,404	0	93,404
2018-19	112,809	0	112,809	112,809	0	112,809
2019-20	24,872	22,341	47,213	77,682	341	78,023
2020-21	2,148	31,325	33,473	10,000	33,224	43,224
Total	\$618,610	\$53,666	\$672,276	\$679,271	\$33,565	\$712,836

Notes:

- (1) Page 61, Column (2).
- (2) Based upon the observed payment pattern.
- (3) (1) + (2).
- (4) Page 61, Column (4).
- (5) Based upon the observed reporting pattern.
- (6) (4) + (5).

Schools' Insurance Group Northern Alliance II
Property Program

Estimated Unpaid Losses as of December 31, 2020
Individual Claims Limited to SIR

Program Year	Estimated Ultimate Losses (1)	Losses Paid as of 12/31/20 (2)	Case Reserves as of 12/31/20 (3)	Losses Reported as of 12/31/20 (4)	Estimated IBNR as of 12/31/20 (5)	Estimated Losses Unpaid as of 12/31/20 (6)
2010-11	\$70,050	\$70,050	\$0	\$70,050	\$0	\$0
2011-12	0	0	0	0	0	0
2012-13	5,616	5,616	0	5,616	0	0
2013-14	41,544	41,544	0	41,544	0	0
2014-15	47,285	47,285	0	47,285	0	0
2015-16	53,150	53,150	0	53,150	0	0
2016-17	167,731	167,731	0	167,731	0	0
2017-18	93,404	93,404	0	93,404	0	0
2018-19	112,809	112,809	0	112,809	0	0
2019-20	78,305	24,872	52,810	77,682	623	53,433
2020-21	34,486	2,148	7,852	10,000	24,486	32,337
Total	\$704,380	\$618,610	\$60,661	\$679,271	\$25,109	\$85,770

Notes:

- (1) Page 62, Column (6).
- (2) Provided by Keenan & Associates.
- (3) (4) - (2).
- (4) Page 62, Column (5).
- (5) (1) - (4).
- (6) (3) + (5).

Schools' Insurance Group Northern Alliance II
Property Program

Estimated Ultimate Losses - Gross of Member Deductibles
Individual Claims Limited to SIR

Program Year	Trended Total Insured Value (\$000's) (1)	Expected Loss Rate per \$1,000 TIV (2)	Estimated Percentage of Losses Unreported (3)	Estimated Unreported Losses (4)	Reported Losses as of 12/31/20 (5)	Estimated Ultimate Losses (6)
2010-11	\$209,409	\$0.335	0.0%	\$0	\$70,050	\$70,050
2011-12	200,357	0.335	0.0%	0	0	0
2012-13	198,459	0.173	0.0%	0	5,616	5,616
2013-14	263,176	0.127	0.0%	0	41,544	41,544
2014-15	260,438	0.137	0.0%	0	47,285	47,285
2015-16	256,167	0.148	0.0%	0	53,150	53,150
2016-17	253,357	0.160	0.0%	0	167,731	167,731
2017-18	252,992	0.239	0.0%	0	93,404	93,404
2018-19	251,130	0.258	0.0%	0	112,809	112,809
2019-20	249,196	0.283	0.9%	623	77,682	78,305
2020-21	367,898	0.288	55.7%	58,971	10,000	68,971
Total	\$2,762,578			\$59,594	\$679,271	\$738,865

Notes:

- (1) Page 64, Column (2).
- (2) Estimated by BAC based on loss data.
- (3) Estimated by BAC.
- (4) (1) x (2) x (3).
- (5) Provided by Keenan & Associates.
- (6) (4) + (5).

Schools' Insurance Group Northern Alliance II
Property Program

Projected Loss Rate and Losses for 2021-22
Individual Claims Limited to SIR

Program Year	Trended Ultimate Losses (1)	Trended Total Insured Value (\$000's) (2)	Indicated Loss Rate (3)
2003-04	\$35,986	\$200,430	\$0.180
2004-05	11,028	200,977	0.055
2005-06	521	195,867	0.003
2006-07	7,312	213,278	0.034
2007-08	93,687	225,032	0.416
2008-09	29,652	227,842	0.130
2009-10	31,593	226,163	0.140
2010-11	75,411	209,409	0.360
2011-12	0	200,357	0.000
2012-13	5,966	198,459	0.030
2013-14	43,833	263,176	0.167
2014-15	49,557	260,438	0.190
2015-16	55,332	256,167	0.216
2016-17	173,449	253,357	0.685
2017-18	95,942	252,992	0.379
2018-19	115,101	251,130	0.458
2019-20	79,362	249,196	0.318
2020-21	69,435	367,898	0.189
Total	\$973,167	\$4,252,167	\$0.219
(4) Selected 2021-22 Loss Rate:			\$0.211
(5) Projected 2021-22 TIV (\$000's):			\$367,898
(6) Projected 2021-22 Gross Losses:			\$77,000
(7) Ratio of Net to Gross Losses:			91.7%
(8) Projected 2021-22 Net Losses:			\$71,000

Notes:

- (1) Page 62, Column (6), trended.
- (2) Page 62, Column (1).
- (3) (1) / (2).
- (4) Selected on the basis of (3).
- (5) Estimated by BAC from program history.
- (6) (4) x (5), rounded.
- (7) Estimated by BAC.
- (8) (6) x (7), rounded.

Schools' Insurance Group Northern Alliance II
Property Program

Historical Summary

Program Year	Total Insured Value (\$000's) (1)	Trended Total Insured Value (\$000's) (2)	Self-Insured Retention (SIR) (3)	Member Deductible (4)
2010-11	\$146,301	\$209,409	\$25,000	\$1,000
2011-12	153,364	200,357	25,000	1,000
2012-13	154,654	198,459	25,000	1,000
2013-14	213,481	263,176	25,000	1,000
2014-15	228,852	260,438	25,000	1,000
2015-16	235,286	256,167	25,000	1,000
2016-17	237,583	253,357	25,000	1,000
2017-18	224,821	252,992	25,000	1,000
2018-19	242,610	251,130	25,000	1,000
2019-20	268,910	249,196	25,000	1,000
2020-21	357,183	367,898	25,000	1,000
2021-22	367,898	367,898	?	?

Notes:

- (1), (3), & (4) Provided by Keenan & Associates.
2021-22 projected by BAC.
- (2) 2020-21 TIV = 2021-22 TIV.
Older years are 2020-21 TIV back-trended in proportion to ADA.

Schools' Insurance Group Northern Alliance II

An Actuarial Review of the Property & Liability Self-Insurance Program

Deductibles Exhibits

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Schools' Insurance Group Northern Alliance II
Deductibles

Estimated Unpaid Deductibles as of June 30, 2021

Program Year	Estimated Ultimate Deductibles (1)	Projected Deductibles Paid as of 6/30/21 (2)	Projected Deductible Reserves as of 6/30/21 (3)	Projected Deductibles Reported as of 6/30/21 (4)	Projected Deductibles IBNR as of 6/30/21 (5)	Projected Deductibles Unpaid as of 6/30/21 (6)
2010-11	\$7,695	\$7,695	\$0	\$7,695	\$0	\$0
2011-12	1,000	1,000	0	1,000	0	0
2012-13	6,744	6,744	0	6,744	0	0
2013-14	9,515	9,515	0	9,515	0	0
2014-15	16,815	16,815	0	16,815	0	0
2015-16	9,884	9,884	0	9,884	0	0
2016-17	15,250	15,250	0	15,250	0	0
2017-18	12,395	12,395	0	12,395	0	0
2018-19	14,000	14,000	0	14,000	0	0
2019-20	13,245	11,997	1,222	13,219	26	1,248
2020-21	13,053	7,504	1,185	8,689	4,364	5,549
Total	\$119,596	\$112,799	\$2,407	\$115,207	\$4,390	\$6,797

Notes:

- (1) Page 69, Column (6).
- (2) Page 68, Column (3).
- (3) (4) - (2).
- (4) Page 68, Column (6).
- (5) (1) - (4).
- (6) (3) + (5).

Schools' Insurance Group Northern Alliance II
Deductibles

Estimated Unpaid Deductibles as of December 31, 2020

Program Year	Estimated Ultimate Deductibles (1)	Deductibles Paid as of 12/31/20 (2)	Deductible Reserves as of 12/31/20 (3)	Deductibles Reported as of 12/31/20 (4)	Estimated Deductibles IBNR as of 12/31/20 (5)	Estimated Deductibles Unpaid as of 12/31/20 (6)
2010-11	7,695	7,695	\$0	7,695	\$0	\$0
2011-12	1,000	1,000	0	1,000	0	0
2012-13	6,744	6,744	0	6,744	0	0
2013-14	9,515	9,515	0	9,515	0	0
2014-15	16,815	16,815	0	16,815	0	0
2015-16	9,884	9,884	0	9,884	0	0
2016-17	15,250	15,250	0	15,250	0	0
2017-18	12,395	12,395	0	12,395	0	0
2018-19	14,000	14,000	0	14,000	0	0
2019-20	13,245	11,193	2,000	13,193	52	2,052
2020-21	6,527	1,000	2,000	3,000	3,527	5,527
Total	\$113,070	\$105,491	\$4,000	\$109,491	\$3,579	\$7,579

Notes:

- (1) Page 66, Column (1).
- (2) Provided by Keenan & Associates.
- (3) (4) - (2).
- (4) Provided by Keenan & Associates.
- (5) (1) - (4).
- (6) (3) + (5).

Schools' Insurance Group Northern Alliance II
Deductibles

Projected Deductibles Paid and Reported as of June 30, 2021

Program Year	Deductibles Paid as of 12/31/20 (1)	Projected Payments 1/1/21 - 6/30/21 (2)	Projected Deductibles Paid as of 6/30/21 (3)	Deductibles Reported as of 12/31/20 (4)	Projected Reported 1/1/21 - 6/30/21 (5)	Projected Deductibles Reported as of 6/30/21 (6)
2010-11	\$7,695	\$0	\$7,695	\$7,695	\$0	\$7,695
2011-12	1,000	0	1,000	1,000	0	1,000
2012-13	6,744	0	6,744	6,744	0	6,744
2013-14	9,515	0	9,515	9,515	0	9,515
2014-15	16,815	0	16,815	16,815	0	16,815
2015-16	9,884	0	9,884	9,884	0	9,884
2016-17	15,250	0	15,250	15,250	0	15,250
2017-18	12,395	0	12,395	12,395	0	12,395
2018-19	14,000	0	14,000	14,000	0	14,000
2019-20	11,193	804	11,997	13,193	26	13,219
2020-21	1,000	6,504	7,504	3,000	5,689	8,689
Total	\$105,491	\$7,308	\$112,799	\$109,491	\$5,715	\$115,207

Notes:

- (1) Provided by Keenan & Associates.
- (2) Based upon the observed payment pattern.
- (3) (1) + (2).
- (4) Page 69, Column (5).
- (5) Based upon the assumed reporting pattern.
- (6) (4) + (5).

Schools' Insurance Group Northern Alliance II
Deductibles

Estimated Ultimate Losses Limited to Member Deductibles

Program Year	Estimated Gross Ultimate Losses (1)	Expected Percentage of Losses Below Deductible (2)	Estimated Deductible Percentage Unreported (3)	Estimated Unreported Deductibles (4)	Reported Deductibles as of 12/31/20 (5)	Estimated Ultimate Losses Below Deductible (6)
2010-11	\$75,251	10.2%	0.0%	\$0	\$7,695	\$7,695
2011-12	25,000	10.2%	0.0%	0	1,000	1,000
2012-13	38,685	8.7%	0.0%	0	6,744	6,744
2013-14	94,648	11.1%	0.0%	0	9,515	9,515
2014-15	130,499	10.7%	0.0%	0	16,815	16,815
2015-16	134,256	11.5%	0.0%	0	9,884	9,884
2016-17	249,258	10.4%	0.0%	0	15,250	15,250
2017-18	109,265	8.9%	0.0%	0	12,395	12,395
2018-19	156,918	9.3%	0.0%	0	14,000	14,000
2019-20	198,305	9.2%	0.3%	52	13,193	13,245
2020-21	183,971	8.8%	62.2%	10,053	3,000	13,053
Total	\$1,396,056			\$10,105	\$109,491	\$119,596

Notes:

- (1) Page 39, Column (6) plus Page 62 ,Column (6).
- (2) Estimated by BAC.
- (3) Estimated by BAC.
- (4) (1) x (2) x (3).
- (5) Estimated by BAC using 12/31/20 Keenan & Associates data.
- (6) (4) + (5).

Schools' Insurance Group Northern Alliance II

Actuarial Analysis of the Property & Liability Self-Insurance Program

Claims Data

DRAFT

Schools' Insurance Group Northern Alliance II
Liability Program

Cumulative Reported Losses

Program Year	Months of Development										
	<u>6</u>	<u>18</u>	<u>30</u>	<u>42</u>	<u>54</u>	<u>66</u>	<u>78</u>	<u>90</u>	<u>102</u>	<u>114</u>	<u>126</u>
2008	2,750	64,030	59,724	59,724	59,724	59,724	59,724	59,724	59,724	59,724	59,724
2009	0	42,834	40,414	30,414	30,414	30,414	30,414	30,414	30,414	30,414	30,414
2010	0	59,744	59,244	59,244	59,244	59,244	59,244	59,244	59,244	59,244	59,244
2011	15,201	5,201	5,201	5,201	5,201	5,201	5,201	5,201	5,201	5,201	5,201
2012	0	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	
2013	12,000	32,404	42,459	42,459	42,459	33,069	33,069	33,069	33,069		
2014	48,995	55,104	53,104	53,104	53,104	53,104	53,104	53,104			
2015	40,553	127,167	83,214	83,214	83,214	83,214	83,214				
2016	7,000	87,884	85,360	90,471	78,381	81,106					
2017	0	81,527	81,527	81,527	81,527						
2018	36,000	32,191	15,861	15,861							
2019	75,000	55,011	44,109								
2020	67,000	121,128									
2021	50,000										
	<u>6 - 18</u>	<u>18 - 30</u>	<u>30 - 42</u>	<u>42 - 54</u>	<u>54 - 66</u>	<u>66 - 78</u>	<u>78 - 90</u>	<u>90 - 102</u>	<u>102 - 114</u>	<u>114 - 126</u>	<u>126 - Ult.</u>
ALL YR VOL	2.592	0.891	0.991	0.977	0.985	1.000	1.000	1.000	1.000	1.000	
3 YR VOL	1.170	0.839	1.028	0.953	1.013	1.000	1.000	1.000	1.000		
REFERENCE	2.734	1.081	1.006	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000
SELECT	2.734	0.940	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
CUMULATIVE	2.569	0.940	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Schools' Insurance Group Northern Alliance II
Liability Program

Cumulative Paid Losses (APD excluded from lowest diagonal)

Program Year	Months of Development										
	<u>6</u>	<u>18</u>	<u>30</u>	<u>42</u>	<u>54</u>	<u>66</u>	<u>78</u>	<u>90</u>	<u>102</u>	<u>114</u>	<u>126</u>
2008	1,664	41,955	59,724	59,724	59,724	59,724	59,724	59,724	59,724	59,724	59,724
2009	0	32,834	17,810	30,414	30,414	30,414	30,414	30,414	30,414	30,414	30,414
2010	0	9,244	18,294	59,244	59,244	59,244	59,244	59,244	59,244	59,244	59,244
2011	5,201	5,201	5,201	5,201	5,201	5,201	5,201	5,201	5,201	5,201	5,201
2012	0	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	
2013	0	17,404	30,293	33,069	33,069	33,069	33,069	33,069	33,069		
2014	5,506	30,116	53,104	53,104	53,104	53,104	53,104	53,104			
2015	4,501	55,717	63,469	83,214	83,214	83,214	83,214				
2016	0	6,354	62,553	71,558	78,381	81,106					
2017	0	47,521	76,646	81,527	81,527						
2018	3,008	15,388	15,861	15,861							
2019	0	34,450	44,109								
2020	25,000	57,727									
2021	0										
	<u>6 - 18</u>	<u>18 - 30</u>	<u>30 - 42</u>	<u>42 - 54</u>	<u>54 - 66</u>	<u>66 - 78</u>	<u>78 - 90</u>	<u>90 - 102</u>	<u>102 - 114</u>	<u>114 - 126</u>	<u>126 - Ult.</u>
ALL YR VOL	16.156	1.470	1.210	1.014	1.006	1.000	1.000	1.000	1.000	1.000	
3 YR VOL	3.841	1.403	1.090	1.029	1.013	1.000	1.000	1.000	1.000	1.000	
REFERENCE	4.802	2.009	1.291	1.074	1.019	1.000	1.005	1.002	1.000	1.000	1.000
SELECT	8.581	1.397	1.146	1.000	1.000	1.000	1.005	1.002	1.000	1.000	1.000
CUMULATIVE	13.841	1.613	1.155	1.007	1.007	1.007	1.007	1.002	1.000	1.000	1.000

Schools' Insurance Group Northern Alliance II
Liability Program

Cumulative Reported Occurrences

Program Year	Months of Development										
	<u>6</u>	<u>18</u>	<u>30</u>	<u>42</u>	<u>54</u>	<u>66</u>	<u>78</u>	<u>90</u>	<u>102</u>	<u>114</u>	<u>126</u>
2008	1	7	7	7	7	7	7	7	7	7	7
2009	0	6	5	4	4	4	4	4	4	4	4
2010	0	7	6	6	6	6	6	6	6	6	6
2011	2	1	1	1	1	1	1	1	1	1	1
2012	0	1	1	1	1	1	1	1	1	1	
2013	1	4	4	4	4	4	4	4	4		
2014	3	5	4	4	4	4	4	4			
2015	3	9	9	9	9	9	9				
2016	2	7	6	6	6	6					
2017	0	7	7	7	7						
2018	3	5	4	4							
2019	3	5	5								
2020	4	7									
2021	2										
	<u>6 - 18</u>	<u>18 - 30</u>	<u>30 - 42</u>	<u>42 - 54</u>	<u>54 - 66</u>	<u>66 - 78</u>	<u>78 - 90</u>	<u>90 - 102</u>	<u>102 - 114</u>	<u>114 - 126</u>	<u>126 - Ult.</u>
ALL YR VOL	3.227	0.922	0.981	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
3 YR VOL	1.700	0.941	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
SELECT	2.967	0.916	1.012	1.007	1.000	1.000	1.000	1.000	1.000	1.000	1.000
CUMULATIVE	2.769	0.933	1.019	1.007	1.000	1.000	1.000	1.000	1.000	1.000	1.000

**SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II
(SIGNAL II)**

PRESENTED TO:

DATE:

March 26, 2021

Board of Directors

SUBJECT:

ITEM #:

20/21-046

Actuarial Study Proposal

Enclosure:

Yes

Category:

Underwriting

Prepared by:

Bay Actuarial Consultants

Requested by:

Board of Directors

BACKGROUND:

An Actuarial Study is used by SIGNAL II to calculate future rates and the overall funding needed to pay claims within their NCR Member Retained Limit, less the member deductible. SIGNAL II members have a \$1,000 deductible for property and liability and the JPA funds the claims from that point up to the NCR attachment point of \$25,000.

STATUS:

The Board will review and approve the Actuarial Study Proposal provided by Bay Actuarial Consultants.

RECOMMENDATION:

Approve the Actuarial Study Proposal.

Bay Actuarial Consultants

January 7, 2021

Ms. Tesia Bell
Keenan & Associates
1111 Broadway, Suite 2000
Oakland, CA 94607

Dear Ms. Bell:

We are pleased to have the opportunity to continue to provide actuarial consulting services to the Schools Insurance Group Northern Alliance II ("SIGNAL II"). This proposal covers the work to be done in 2022, 2023, and 2024.

Scope and Purpose of the Review

We will perform an actuarial analysis and provide a written report that describes the analysis and explains the conclusions. The report will focus on how the actuarial projections have changed over time, and will explain differences and new developments.

The 2022 report will cover the following topics:

- 1) *Liability for Unpaid Losses.* We will estimate SIGNAL II's liability for unpaid losses as of December 31, 2021 and make a projection of the June 30, 2022 liability. We will provide this both in total and also by program year.
- 2) *Future Loss Costs.* We will include a projection of losses expected to be incurred during the year beginning July 1, 2022.
- 3) *Discounting.* We will provide estimates for items (1) and (2) above both on a discounted basis and on an undiscounted (nominal) basis. Discounting takes anticipated interest income into account as an offset to the liability.
- 4) *Funding Levels.* We will provide funding recommendations to cover the liability for unpaid losses and the claims expected to be incurred during 2021-22 [items (1) and (2) above]. We will also estimate the funding levels required to provide 50%, 60%, 70%, 80%, and 90% probability levels.

Data, Timing and Fees

Keenan & Associates will provide the claims data. We can produce a draft report at any time, given two weeks notice. After addressing any issues that you may raise, we will issue a final report. The fee for this work will be \$5,200 in 2022, \$5,300 in 2023, and \$5,400 in 2024.

We will continue to perform this work in a professional and timely manner. If you have any questions about the issues addressed in this letter, please call me at (925) 377-5269.

Respectfully,

BAY ACTUARIAL CONSULTANTS



Jack Joyce

Principal

Fellow, Casualty Actuarial Society

Member, American Academy of Actuaries

**SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II
(SIGNAL II)**

PRESENTED TO:

DATE:

March 26, 2021

Board of Directors

SUBJECT:

ITEM #:

20/21-047

Northern California ReLiEF/Insurance Market Update

Enclosure:

Handout

Category:

Underwriting

Prepared by:

Keenan & Associates

Requested by:

Board of Directors

BACKGROUND:

The Schools Insurance Group Northern Alliance II (SIGNAL II) has been a member of the Northern California ReLiEF (NCR) Joint Powers Authority since 1986. In the 35 years since its inception, Nor Cal ReLiEF has grown to represent 13 JPA's and 34 individual members for a total of 369 school districts with a combined ADA of over 1 million and property values of over \$36.5 billion.

STATUS:

The Manager will update the Board on the latest developments regarding NCR and the Property & Liability insurance market

RECOMMENDATION:

Informational

**SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II
(SIGNAL II)**

PRESENTED TO:

DATE:

March 26, 2021

Board of Directors

SUBJECT:

ITEM #:

20/21-048

2021/2022 Member Retained Limit & District Deductibles

Enclosure:

Yes

Category:

Underwriting

Prepared by:

Bay Actuarial Consultants

Requested by:

Board of Directors

BACKGROUND:

Traditionally, SIGNAL II members have chosen a \$25,000 JPA Member Retained Limit with a \$1,000 deductible for Liability and a \$1,000 deductible for Property.

STATUS:

Members will confirm their Member Retained Limit and District deductibles for 2021/2022.

RECOMMENDATION:

Approve Member Retained Limits and District Deductibles for the 2021/2022 program year.

SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II (SIGNAL II)

2021/2022 Election of Member Retained Limited (MRL)/Deductible

The Board of Directors will verify the following retentions:

- ☐ \$1,000 retention /deductible on liability
- ☐ \$1,000 retention/deductible on property
- ☐ \$25,000 JPA Member Retained Limit

Yeas: _____

Nays: _____

Abstained: _____

Print Name: Dave McQueen Title: President

Authorized Signature: _____ Date: _____

Please mail original of this form to:

Tesia Bell
Keenan & Associates
1111 Broadway, Suite 2000
Oakland, CA 94607

**SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II
(SIGNAL II)**

PRESENTED TO:

DATE:

March 26, 2021

Board of Directors

SUBJECT:

ITEM #:

20/21-049

District Statement of Values

Enclosure:

Yes

Category:

Underwriting

Prepared by:

Keenan & Associates

Requested by:

Board of Directors

BACKGROUND:

Each year SIGNAL II members are asked to complete the Northern California ReLiEF (NCR) questionnaire which includes a section for Statement of Values (SOV) of real and personal property and vehicle fleet schedule. The SOV data is an integral component to the property premium calculation for the upcoming renewal rates.

A regular review of the SOV is an important internal procedure that member districts should be implementing throughout the year. This is especially true for member districts who have active construction bond measures and currently constructing new buildings or modernizing existing structures. These buildings will need to be added to the SOV within 120 days to ensure there is no gap in property coverage under the NCR memorandum of coverage.

STATUS:

The Manager will discuss what processes districts have in place when new buildings come online to ensure there isn't a gap in coverage.

RECOMMENDATION:

Informational

Property & Casualty Administration Department

STATEMENT OF VALUES

SIGNAL II

No.	Client Name	Square Feet	Real Property Replacement Cost	Personal Property Replacement Cost	Total Property Replacement Cost	Total EDP Replacement Cost	Course Of Construction Value	Total No Of Vehicles	Total Purchase Price
1	Anderson Valley Unified School District	123,864	\$22,863,063	\$3,929,305	\$26,792,368	\$1,110,500	\$0	19	\$818,982
2	Kelseyville Unified School District	331,836	\$78,357,196	\$12,348,991	\$90,706,187	\$1,004,007	\$0	42	\$2,182,091
3	Konocti Unified School District	0	\$80,921,584	\$0	\$80,921,584	\$0	\$0	60	\$68,023
4	Lake County Office Of Education	60,386	\$9,109,140	\$1,911,565	\$11,020,705	\$314,000	\$0	26	\$3,561,139
5	Lakeport Unified School District	188,971	\$38,505,875	\$5,436,570	\$43,942,445	\$1,045,560	\$0	43	\$2,099,815
6	Lucerne Elementary School District	29,362	\$7,064,136	\$869,390	\$7,933,526	\$136,305	\$0	6	\$373,079
7	Middletown Unified School District	223,416	\$41,100,009	\$5,961,654	\$47,061,663	\$1,198,501	\$0	55	\$1,859,973
8	Potter Valley Community USD	82,982	\$15,904,389	\$2,485,696	\$18,390,085	\$322,141	\$0	14	\$4,950,187
9	Upper Lake Unified School District	146,458	\$29,938,688	\$4,440,145	\$34,378,833	\$716,770	\$0	32	\$1,618,550
Total		1,187,275	\$323,764,080	\$37,383,316	\$361,147,396	\$5,847,784	\$0	297	\$17,531,839

**SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II
(SIGNAL II)**

PRESENTED TO:

DATE:

March 26, 2021

Board of Directors

SUBJECT:

ITEM #:

20/21-050

Treasurer's Report – 12/31/2020

Enclosure:

Yes

Category:

Financial

Prepared by:

SETECH, a division of Keenan & Associates

Requested by:

Board of Directors

BACKGROUND:

SIGNAL II contracts with SETECH to provide financial services to the JPA.

STATUS:

The 12/31/2020 Treasurer's Report will be presented to the Board for approval.

RECOMMENDATION:

Approve the 12/31/2020 Treasurer's Report.

Schools Insurance Group Northern Alliance II

TREASURER'S REPORT FOR THE QUARTER ENDED DECEMBER 31, 2020

Presented by:
Hesam Fayaz
March 26, 2021



SIGNAL II

Program Structure 2020/2021

	PROPERTY	LIABILITY	
\$250,250,000	SAFER \$235,000,000 Excess \$15,250,000	SAFER \$25,000,000 Excess \$25,000,000	\$50,000,000
		SAFER \$15,000,000 Excess \$10,000,000 \$8,000,000 Annual Aggregate Deductible	\$25,000,000
\$15,250,000	SAFER \$15,000,000 Excess \$250,000 \$7,500,000 Annual Aggregate Deductible	SAFER \$8,000,000 Excess \$2,000,000	\$10,000,000
		SAFER \$1,000,000 Excess \$1,000,000	\$2,000,000
\$250,000	ReLiEF Retention \$250,000 Less MRL	ReLiEF Retention \$1,000,000 Less MRL	\$1,000,000
\$25,000	SIGNAL II	SIGNAL II	\$25,000
\$1,000	Member Deductible	Member Deductible	\$1,000

SIGNAL II

Page 1

12/31/2020

Actuals

Final

Budget

Variance

%

Oper Revenue

\$ 1,171,506

\$ 1,171,506

\$ - -

100.00

Admin Expense Below Budget

Legal Fees \$ (3,000)

Professional Development (1,500)

Exceptional Child Course Library (3,195)

Increase Ultimate - 19/20 & Prior 11,318

Increase Ultimate - 20/21 35,126

Endorsement Paid - Property 341

Expenditures

\$ 1,185,890

\$ 1,145,004

\$ 40,886

103.57 %

SIGNAL II

2nd Quarter - LAIF .63%

	12/31/2020	Final		
	Actuals	Budget	Variance	%
Non Operating Revenues	\$ 4,569	\$ 16,268	\$ (11,699)	28.09 %

SIGNAL II

Retained Funding 70% - 20/21	\$	180,347
Change Accounts Payable		81,886
Admin Expense Below Budget		7,695
Investment Income		4,569
Endorsement Paid - Property		(341)
Claims Paid - All Open Years		(22,620)

Page 2

06/30/2020

Activity

12/31/2020

%

Total Assets	\$	911,476	\$	251,536	\$	1,163,012	27.60
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SIGNAL II

Estimated Ultimate - 20/21	\$	183,971
Change Accounts Payable		81,886
Increase in ULAE		5,000
Increase Ultimate - 19/20 & Prior		11,318
Claims Paid - All Open Years		(22,620)

	06/30/2020	Activity	12/31/2020	
Total Liabilities	\$ 179,288	\$ 261,351	\$ 440,639	145.77

	Program Years				
	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
Incurring Claims	\$ 249,257	\$ 109,265	\$ 156,918	\$ 198,811	\$ 60,000
Incurring But Not Reported (IBNR)	--	--	--	(506)	123,971
Non-Discounted Estimated Ultimate Incurred (1)	249,257	109,265	156,918	198,305	183,971
Investment Income Discount (1)	--	--	--	(269)	(553)
Paid Claims	(249,257)	(109,265)	(156,918)	(82,601)	(2,148)
Unpaid Claim Liabilities	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 115,435</u>	<u>\$ 181,270</u>

(1) Per Bay Actuarial Consulting actuarial study dated March 2021

Discount for future interest earned at 0.25%

Note:					
Non-Discounted Estimated Ultimate Incurred as of:					
06/30/2017	154,340	--	--	--	--
06/30/2018	252,569	206,302	--	--	--
06/30/2019	252,731	133,889	227,684	--	--
06/30/2020	249,257	109,265	168,332	175,138	--
12/31/2020	249,257	109,265	156,918	198,305	183,971
Current Year Increase/ (Decrease)	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (11,414)</u>	<u>\$ 23,167</u>	<u>\$ N/A</u>

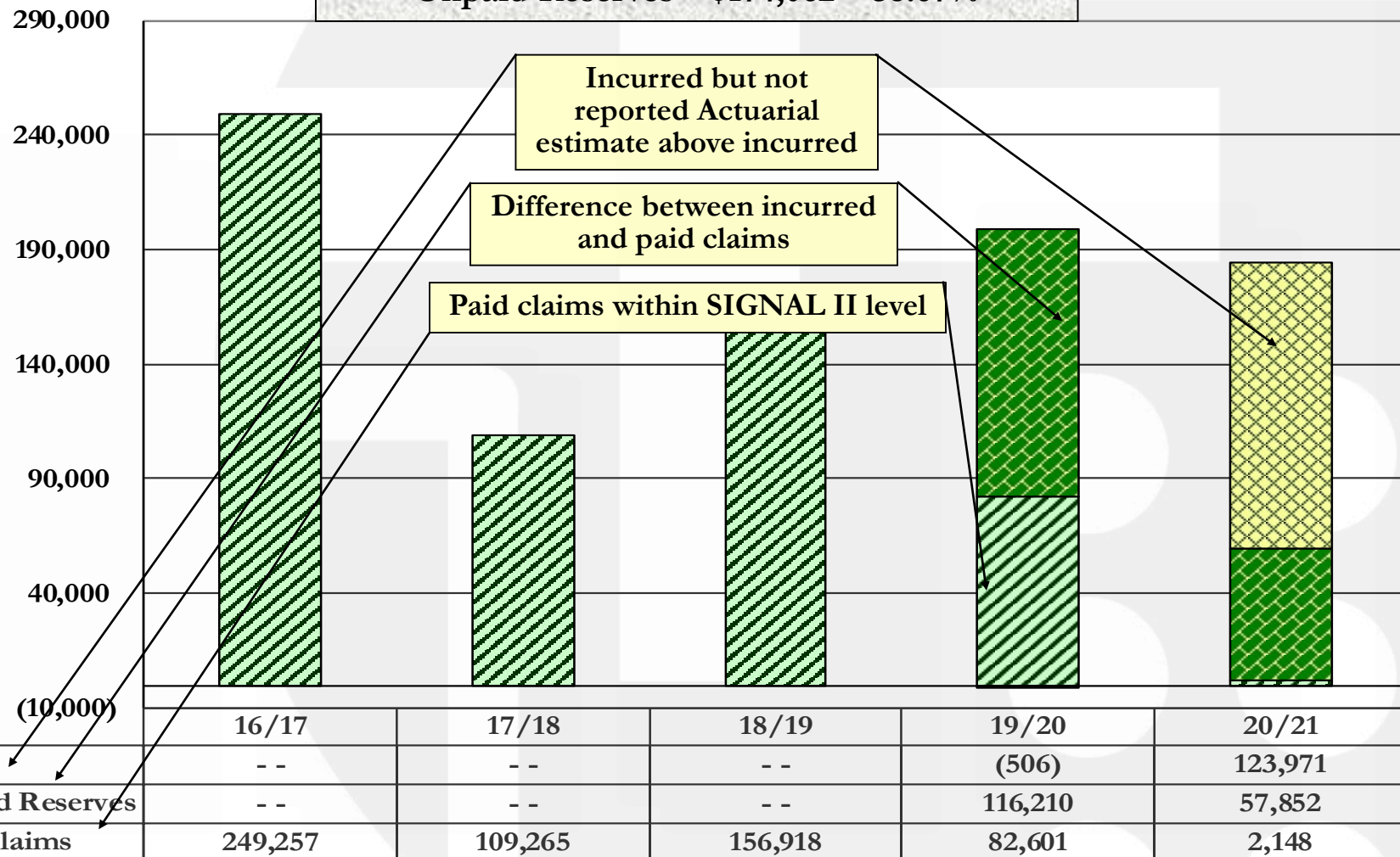
SIGNAL II

Total Discounted Claim Liabilities - \$296,705

IBNR – \$123,465 – 41.61%

Discount – (\$822) – (0.28%)

Unpaid Reserves – \$174,062 – 58.67%



SIGNAL II

Contingency Margin 70% - 20/21	\$	31,502
Admin Below Budget		7,695
Investment Income		4,569
Increase ULAE		(5,000)
Increase Ultimate - 19/20 & Prior		(11,318)
Increase Ultimate - 20/21		(35,126)

Page 2

	06/30/2020	Activity	12/31/2020	%
Total Net Position	\$ 732,188	\$ (9,815)	\$ 722,373	(1.34)

Total Net Position	\$ 722,373
Designated Funds	
Capital Target - 90% Probability	126,860
Additional	500,000
Safety Credit Reserve	8,629
Undesignated Funds	\$ 86,884

SIGNAL II

Safety Credit Reserve - As of 12/31/2020 - Page 5

Anderson Valley USD	\$	74
Kelseyville USD	-	-
Konocti USD	-	-
Lakeport USD	-	-
Lucerne Elem SD		1,899
Middletown USD	-	-
Lake County Office of Ed		5,597
Potter Valley		1,059
Upper Lake USD	-	-
Total	\$	<u>8,629</u>

SIGNAL II

Cash Flow Analysis - Page 7	Actuals as of 12/31/20	Estimated at 06/30/21
Beginning Cash Balance	<u>\$ 897,705</u>	<u>\$ 897,705</u>
Member Contributions	1,171,506	1,171,506
Interest Income	2,735	6,435
Interest Receivable	3,339	3,339
Unearned Revenue	--	--
Accounts Receivable	--	--
Total Inflow	<u>1,177,580</u>	<u>1,181,280</u>
Administration Expenses	(24,012)	(117,179)
Safety Credit	--	(8,629)
ReLiEF - Property/Liability	(839,348)	(839,348)
Ancillary Coverage	(34,973)	(34,973)
Claims Paid	(12,459)	(95,000)
Accounts Payable	(8,153)	(21,153)
Total Outflow	<u>(918,945)</u>	<u>(1,116,282)</u>
Ending Cash Balance	<u><u>\$ 1,156,340</u></u>	<u><u>\$ 962,703</u></u>

Questions ?

Thank you from the



Team

SIGNAL II SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II

TREASURER'S REPORT

FOR THE QUARTER ENDED DECEMBER 31, 2020

As mandated by Section 53646 of the California Government Code, SIGNAL II is able to meet its pool's expenditure requirements for the next six months and is in complete compliance with the current Investment Policy as of the date of this report.

Officer

Prepared by:



Innovative Solutions. Enduring Principles.

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License No. 0451271



Schools Insurance Group Northern Alliance II (SIGNAL II)

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Distribution and Use of Report

This financial management information report (Report) prepared by Service Enhancement Technologies (SETECH), a Division of Keenan & Associates, is intended solely for internal use by the Authority's Officers, Board Members, Advisory Committee Members, and for internal decision making purposes only in regards to the Authority's insurance program.

SETECH makes no representations or warranties regarding the use of this Report for any other purpose other than for the Authority's insurance program. The official version of the Report is finalized only upon approval by the Authority's Board of Directors and/or Advisory Committee in accordance with the Authority's Agreement and Bylaws following presentation by SETECH or Keenan & Associates. We understand that members may wish to provide a copy of this Report to auditors and regulatory authorities on the conditions that:

- A) The official approved Report is used,
- B) The entire Report be distributed rather than any excerpts,
- C) All recipients be made aware that a SETECH staff member is available to answer any questions regarding the contents of the Report,
- D) The recipients recognize that the furnishing of this Report is not a substitute for their own due diligence, and they place no undue reliance on the Report or the data for purposes other than for which it was created. No creation of any duty or liability of SETECH to the recipient is owed if the Report is used for purposes other than for which it was created.

SETECH may utilize actuarial projections as an integral component of this Report, as provided by the Authority's actuary and in the case of some Benefit Groups, by a staff member of the Keenan & Associates Technical Department. We may also rely upon financial data provided by the Authority's Treasurer, Accountant or County Office of Education. We have not audited this data and are not responsible for its accuracy. With any financial analysis, the accuracy and relevance of the conclusions as well as the reasonableness of the recommendations depend upon the accuracy and relevance of the underlying data. Financial information provided in this Report is subject to an annual independent financial audit.

SETECH strives to maintain the strictest confidentiality of any information for our clients. The pages of this Report indicate that the information contained in the Report is for "Client Confidential Use Only." This indicates that SETECH will only disclose information contained in these Reports to our intended clients, their members or their contracted parties.

Schools Insurance Group Northern Alliance II (SIGNAL II)

Treasurer's Report - Unaudited

For the Quarter Ended 12/31/2020

	Cash Transactions			Balance	(1)	
	10/01/2020 - 12/31/2020	07/01/2020 - 09/30/2020	Accruals	Year To Date	Final Budget 2020/2021	% of Budget
Beginning Net Position as of 07/01/2020 Audited						
Net Position				\$ 723,559		
Designated - Safety Credits				8,629		
Total Net Position				\$ 732,188		
Operating Revenue:						
Member Contributions	\$ --	1,171,506	\$ --	\$ 1,171,506	\$ 1,171,506	100.00 %
Total Operating Revenue	--	1,171,506	--	1,171,506	1,171,506	100.00
Operating Expenditures:						
Administrative Expenses:						
Claims Administration	1,794	--	27,206	29,000	29,000	100.00
Risk Management Services	--	--	18,130	18,130	18,130	100.00
ReLiEF - Risk Mgmt Reserves	--	9,030	--	9,030	9,030	100.00
RASP Program	623	--	14,377	15,000	15,000	100.00
Financial Services - SETECH	3,579	3,579	7,159	14,317	14,317	100.00
Actuary Fee	--	--	5,100	5,100	5,100	100.00
Financial Audit Services	--	--	13,500	13,500	13,500	100.00
Legal Fees	--	--	--	--	3,000	--
Professional Development	--	--	--	--	1,500	--
WeTiP/STOPit	--	102	--	102	102	100.00
Exceptional Child Course Library	--	5,305	--	5,305	8,500	62.41
Prior Year Adjustment	--	--	--	--	--	--
Total Administrative Expenditures	5,996	18,016	85,472	109,484	117,179	93.43
Other Insurance:						
ReLiEF Deposits - Liability	--	547,429	--	547,429	547,429	100.00
ReLiEF Deposits - Property	--	291,919	--	291,919	291,578	100.12
Ancillary Coverages	--	34,973	--	34,973	34,973	100.00
Total Other Insurance	--	874,321	--	874,321	873,980	100.04
Change in ULAE	--	--	5,000	5,000	5,000	
Claims Paid	2,398	10,061	10,161	22,620	95,000	
Change in Claim Liabilities	--	--	174,465	174,465	53,845	√
Subtotal Claim Costs	2,398	10,061	189,626	202,085	153,845	131.36
Safety Credit Expenditures	--	--	--	--	--	--
Total Operating Expenditures	8,394	902,398	275,098	1,185,890	1,145,004	103.57
Income/(Loss) from Operations	(8,394)	269,108	(275,098)	(14,384)	26,502	(3.57)
Non Operating Revenues & Expenditures:						
Interest Income	2,708	27	1,834	4,569	16,268	28.09
Total Non Operating Revenues	2,708	27	1,834	4,569	16,268	28.09
Net Increase/(Decrease)	\$ (5,686)	\$ 269,135	\$ (273,264)	(9,815)	42,770	(22.95) %
Ending Net Position as of 12/31/2020				\$ 722,373		

(1) As approved at the Board Meeting of 09/25/2020

Schools Insurance Group Northern Alliance II (SIGNAL II)

Statement of Net Position

As of 06/30/2020 and 12/31/2020

	Audited Balance 06/30/2020	Activity 07/01/2020 Through 12/31/2020	As of 12/31/2020
ASSETS:			
Current Assets			
Cash and Cash Equivalents			
Cash in Checking Account	\$ 2,283	\$ 597	\$ 2,880
Cash in Trust Account (\$15,000)	10,432	(5,592)	4,840
Local Agency Investment Fund (L.A.I.F.)	895,422	258,038	1,153,460
Subtotal Cash and Cash Equivalents	908,137	253,043	1,161,180
Other			
Interest Receivable	3,339	(1,507)	1,832
Accounts Receivable	- -	- -	- -
Subtotal Other	3,339	(1,507)	1,832
Total Assets	911,476	251,536	1,163,012
LIABILITIES:			
Current Liabilities			
Accounts Payable			
Accounts Payable	16,585	81,886	98,471
Claims			
Current Portion of Discounted Claim Liabilities	95,000	- -	95,000
Total Current Liabilities	111,585	81,886	193,471
Non Current Liabilities			
ULAE (Unallocated Loss Adjustment Expense)	40,463	5,000	45,463
Discounted Claim Liabilities	27,240	174,465	201,705
Subtotal Non Current Liabilities	67,703	179,465	247,168
Total Liabilities	179,288	261,351	440,639
NET POSITION:			
Undesignated	157,509	(70,625)	86,884
Designated - Capital Target	566,050	60,810	626,860 (1)
Designated - Safety Credits	8,629	- -	8,629
Total Net Position	732,188	(9,815)	722,373
Total Liabilities and Net Position	\$ 911,476	\$ 251,536	\$ 1,163,012

(1) Capital Target is an actuarially-determined 90% probability level per the Bay Actuarial Consultants study dated March 2021 with a contingency margin of \$500,000, as adopted by the Board of Directors on February 25, 2019 and reviewed annually.

Schools Insurance Group Northern Alliance II (SIGNAL II)

Member Contributions

For The Program Year Ended 06/30/2021

	Total Member Contributions	Of The Total Member Contributions Amount Paid To:			Net Contributions Available For Pool Operations	Pro Rata Share Percentage
		Property	Liability	Ancillary Coverages		
Anderson Valley USD	\$ 77,062	\$ (21,764)	\$ (29,477)	\$ (4,453)	\$ 21,368	7.19 %
Kelseyville USD	229,486	(73,610)	(89,751)	(6,736)	59,389	19.98
Konocti USD	305,132	(65,742)	(164,658)	(4,737)	69,995	23.55
Lake County Office of Ed	43,408	(8,953)	(20,540)	(1,471)	12,444	4.19
Lakeport USD	163,147	(35,697)	(79,572)	(5,432)	42,446	14.28
Lucerne Elem SD	25,480	(5,060)	(13,180)	(776)	6,464	2.18
Middletown USD	174,188	(38,228)	(86,466)	(6,007)	43,487	14.63
Potter Valley	47,051	(14,940)	(17,072)	(1,664)	13,375	4.50
Upper Lake USD	106,552	(27,925)	(46,713)	(3,697)	28,217	9.50
Totals	<u>\$ 1,171,506</u>	<u>\$ (291,919)</u>	<u>\$ (547,429)</u>	<u>\$ (34,973)</u>	<u>\$ 297,185</u>	<u>100.00 %</u>

Schools Insurance Group Northern Alliance II (SIGNAL II)

ReLiEF Payments

For The Program Year Ended 06/30/2021

				Dollars Deposited		Total	Share Percentage	
TIV	ADA	Property	Liability					
Anderson Valley USD	\$ 26,631,230	479	\$ 21,764	\$ 29,477	\$ 51,241	6.10	%	
Kelseyville USD	89,649,424	1,700	73,610	89,751	163,361	19.46		
Konocti USD	80,438,950	3,407	65,742	164,658	230,400	27.45		
Lake County Office of Ed	10,954,112	295	8,953	20,540	29,493	3.51		
Lakeport USD	43,678,549	1,427	35,697	79,572	115,269	13.73		
Lucerne Elem SD	6,191,435	257	5,060	13,180	18,240	2.17		
Middletown USD	46,773,672	1,462	38,228	86,466	124,694	14.86		
Potter Valley	18,279,442	258	14,940	17,072	32,012	3.81		
Upper Lake USD	34,168,386	794	27,925	46,713	74,638	8.91		
Totals	\$ 356,765,200	10,079	\$ 291,919	\$ 547,429	\$ 839,348	100.00	%	

Schools Insurance Group Northern Alliance II (SIGNAL II)

Safety Credit Reserve

As of 06/30/2020 and 12/31/2020

	Balance As of 06/30/2020	2020/2021 Activity		Balance As of 12/31/2020
		Transfer	Utilized	
Anderson Valley USD	\$ 74	\$ --	\$ --	\$ 74
Kelseyville USD	--	--	--	--
Konocti USD	--	--	--	--
Lakeport USD	--	--	--	--
Lucerne Elem SD	1,899	--	--	1,899
Middletown USD	--	--	--	--
Lake County Office of Ed	5,597	--	--	5,597
Potter Valley	1,059	--	--	1,059
Upper Lake USD	--	--	--	--
Totals	<u>\$ 8,629</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 8,629</u>

Schools Insurance Group Northern Alliance II (SIGNAL II)
Schedule of Discounted Claim Liabilities
As of 12/31/2020

	Program Years										Total
	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	
Incurred Claims	\$ 25,000	\$ 38,686	\$ 94,648	\$ 130,499	\$ 134,254	\$ 249,257	\$ 109,265	\$ 156,918	\$ 198,811	\$ 60,000	\$ 1,197,338
Incurred But Not Reported	--	--	--	--	--	--	--	--	(506)	123,971	123,465
Non- Discounted Estimated Ultimate Incurred (1)	\$ 25,000	\$ 38,686	\$ 94,648	\$ 130,499	\$ 134,254	\$ 249,257	\$ 109,265	\$ 156,918	\$ 198,305	\$ 183,971	1,320,803
Anticipated Investment Income (Discount (1))	--	--	--	--	--	--	--	--	(269)	(553)	(822)
Paid Claims	(25,000)	(38,686)	(94,648)	(130,499)	(134,254)	(249,257)	(109,265)	(156,918)	(82,601)	(2,148)	(1,023,276)
Discounted Remaining Estimated Unpaid Claim Liabilities	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 115,435</u>	<u>\$ 181,270</u>	296,705
									Current Portion of Claim Liabilities		(95,000)
									Non-Current Portion of Claim Liabilities		<u>\$ 201,705</u>

(1) Per Bay Actuarial, actuarial study dated March 2021.

Note:											
Non-Discounted Estimated Ultimate Incurred as of:											
06/30/2012	\$ 78,963	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 78,963
06/30/2013	30,258	94,717	--	--	--	--	--	--	--	--	124,975
06/30/2014	25,000	51,797	147,777	--	--	--	--	--	--	--	224,574
06/30/2015	25,000	50,616	102,955	128,280	--	--	--	--	--	--	306,851
06/30/2016	25,000	50,616	94,648	192,559	138,220	--	--	--	--	--	501,043
06/30/2017	25,000	50,616	94,648	132,285	158,438	154,340	--	--	--	--	615,327
06/30/2018	25,000	38,686	94,648	130,499	148,261	252,569	206,302	--	--	--	895,965
06/30/2019	25,000	38,686	94,648	130,499	148,150	252,731	133,889	227,684	--	--	1,051,287
06/30/2020	25,000	38,686	94,648	130,499	131,531	249,257	109,265	168,332	175,138	--	1,122,356
12/31/2020	25,000	38,686	94,648	130,499	134,254	249,257	109,265	156,918	198,305	183,971	1,320,803
Increase/(Decrease) in Estimated Ultimate Incurred for program years prior to 07/01/2020											
	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 2,723</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (11,414)</u>	<u>\$ 23,167</u>	<u>\$ N/A</u>	<u>\$ 14,476</u>

Schools Insurance Group Northern Alliance II (SIGNAL II)
(SIGNAL II)
Summary of Cash Flows 2020/2021
As of 12/31/2020

Purpose:

To advise the Board of the estimated monthly cash activity and possible operating cash deficits.
 Projected activity is based upon 2020/2021 actual receipts/disbursements and adopted budget.

	Actual						As of 12/31/2020	Estimated						As of 06/30/2021	(1) Final Budget
	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20		Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21		
Beginning Cash Balance, As of 07/01/2020							\$ 897,705							\$ 897,705	
Monthly Cash Balance	\$ 897,705	\$ 2,059,287	\$ 1,166,119	\$ 1,162,026	\$ 1,162,310	\$ 1,158,486		\$ 1,156,340	\$ 1,113,287	\$ 1,081,651	\$ 1,052,891	\$ 1,023,101	\$ 994,341		
Inflow:															
Member Contribution	1,171,506	--	--	--	--	--	1,171,506	--	--	--	--	--	--	1,171,506	\$ 1,171,506
Interest Income (2)	22	5	--	2,701	5	2	2,735	1,834	4	4	1,850	4	4	6,435	16,268
Interest Receivable	3,339	--	--	--	--	--	3,339	--	--	--	--	--	--	3,339	--
Safety Credit Contribution	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Unearned Revenue	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Accounts Receivable	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Total Inflow	1,174,867	5	--	2,701	5	2	1,177,580	1,834	4	4	1,850	4	4	1,181,280	1,187,774
Outflow:															
JPA Expenses	(5,305)	(9,132)	(3,579)	(2,417)	(3,579)	--	(24,012)	(18,130)	(15,007)	(15,007)	(15,007)	(15,007)	(15,009)	(117,179)	(117,179)
Safety Credit Expense	--	--	--	--	--	--	--	--	(2,876)	--	(2,876)	--	(2,877)	(8,629)	--
ReLiEF - Prop./Liab.	--	(839,007)	(341)	--	--	--	(839,348)	--	--	--	--	--	--	(839,348)	(839,007)
Ancillary Coverages	--	(34,973)	--	--	--	--	(34,973)	--	--	--	--	--	--	(34,973)	(34,973)
Claims Paid	--	(10,061)	--	--	(250)	(2,148)	(12,459)	(13,757)	(13,757)	(13,757)	(13,757)	(13,757)	(13,756)	(95,000)	(95,000)
Accounts Payable	(7,980)	--	(173)	--	--	--	(8,153)	(13,000)	--	--	--	--	--	(21,153)	--
Total Outflow	(13,285)	(893,173)	(4,093)	(2,417)	(3,829)	(2,148)	(918,945)	(44,887)	(31,640)	(28,764)	(31,640)	(28,764)	(31,642)	(1,116,282)	(1,086,159)
Ending Cash Balance	<u>\$ 2,059,287</u>	<u>\$ 1,166,119</u>	<u>\$ 1,162,026</u>	<u>\$ 1,162,310</u>	<u>\$ 1,158,486</u>	<u>\$ 1,156,340</u>	<u>\$ 1,156,340</u>	<u>\$ 1,113,287</u>	<u>\$ 1,081,651</u>	<u>\$ 1,052,891</u>	<u>\$ 1,023,101</u>	<u>\$ 994,341</u>	<u>\$ 962,703</u>	<u>\$ 962,703</u>	
Cash in Checking Account	\$ 528	\$ 360	\$ 1,267	\$ 3,850	\$ 26	\$ 2,880		\$ --	\$ --	\$ --	\$ --	\$ --	\$ --		
L.A.I.F.	2,058,759	1,165,759	1,160,759	1,158,460	1,158,460	1,153,460		--	--	--	--	--	--		
Ending Cash Balance	<u>\$ 2,059,287</u>	<u>\$ 1,166,119</u>	<u>\$ 1,162,026</u>	<u>\$ 1,162,310</u>	<u>\$ 1,158,486</u>	<u>\$ 1,156,340</u>		<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>		

Conclusion:

- (1) Final Budget as approved at the September 25, 2020 Board Meeting.
- (2) Interest Income is presented for the Checking Account and L.A.I.F. accounts only.

SETECH will prepare a quarterly cash flow statement on behalf of the Treasurer.
 The Cash Flow statement will become part of the Treasurer's report and will be presented at the Board Meeting.

Schools Insurance Group Northern Alliance II (SIGNAL II)
Check Reimbursements and Wire Transfers
Payment Order Number 2020/2021 - 02
For the Period from 10/01/2020 through 12/31/2020

Ck Date	Check/WT #	Payee	Invoice #	Amount	Transaction Description
10/26/20	WT102620	Keenan & Associates	250405	623.00	RASP 1st Qtr 20/21
--	--	--	250165	1,794.18	PLCA Claims Admin 1st Qtr 20/21
October 2020 Total				2,417.18	
11/16/20	WT111620	Keenan & Associates	247499	3,579.25	SETECH 2nd Qtr 20/21
--	WT111620A	SIGNAL II Trust	20637	247.72	Trust Reimb 10/20
--	--	--	20470	(1.20)	Trust Reimb CM 08/20
--	--	--	20563	(1.95)	Trust Reimb CM 09/20
November 2020 Total				3,823.82	
12/18/20	WT121820	SIGNAL II Trust	20746	2,146.17	Trust Reimb 11/20
December 2020 Total				2,146.17	
Report Total				8,387.17	

California State Treasurer

Fiona Ma, CPA



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

November 03,
2020

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SCHOOLS INSURANCE GROUP NORTHERN
ALLIANCE II (SIGNAL II)
SETECH DEPT
C/O KEENAN & ASSOCIATES
P.O. BOX 4328
TORRANCE, CA 90510

[Tran Type](#)
[Definitions](#)

Account Number: 35-17-001

October 2020 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
10/15/2020	10/14/2020	QRD	1656512	N/A	SYSTEM	2,700.55
10/28/2020	10/28/2020	RW	1659062	N/A	JEANNINE MORGAN	-5,000.00

Account Summary

Total Deposit:	2,700.55	Beginning Balance:	1,160,759.04
Total Withdrawal:	-5,000.00	Ending Balance:	1,158,459.59

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

December 01, 2020

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SCHOOLS INSURANCE GROUP NORTHERN
ALLIANCE II (SIGNAL II)
SETECH DEPT
C/O KEENAN & ASSOCIATES
P.O. BOX 4328
TORRANCE, CA 90510

[Tran Type](#)
[Definitions](#)

Account Number: 35-17-001

November 2020 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	1,158,459.59
Total Withdrawal:	0.00	Ending Balance:	1,158,459.59

California State Treasurer

Fiona Ma, CPA



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

January 04, 2021

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SCHOOLS INSURANCE GROUP NORTHERN
ALLIANCE II (SIGNAL II)
SETECH DEPT
C/O KEENAN & ASSOCIATES
P.O. BOX 4328
TORRANCE, CA 90510

[Tran Type](#)
[Definitions](#)

Account Number: 35-17-001

December 2020 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
12/17/2020	12/17/2020	RW	1661966	N/A	JEANNINE MORGAN	-5,000.00

Account Summary

Total Deposit:	0.00	Beginning Balance:	1,158,459.59
Total Withdrawal:	-5,000.00	Ending Balance:	1,153,459.59

**SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II
(SIGNAL II)**

PRESENTED TO:

DATE:

March 26, 2021

Board of Directors

SUBJECT:

ITEM #:

20/21-051

2021/2022 Capital Target

Enclosure:

Yes

Category:

Financial

Prepared by:

Keenan & Associates

Requested by:

Board of Directors

BACKGROUND:

Annually, SIGNAL II adopts a Capital Target which is held as equity by the Property & Liability program to ensure the financial stability of the JPA. Currently, the Capital Target is 90% confidence level plus \$400,000. A "Capital Target" means the excess by which assets exceed the liabilities for all the program years measured at a point in time.

STATUS:

A Capital Target should be set each year by SIGNAL II JPA. A discussion of the of the implication of various Capital Target amounts will be held.

RECOMMENDATION:

Review and approve the Capital Target for 2021/2022.

SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II (SIGNAL II)

Election of Capital Target

The 2020/2021 Capital Target is:

90% CONFIDENCE LEVEL PLUS \$500,000

SIGNAL II members elect to have the following the Capital Target for the 2021/2022

Term: (Check one only)

☐ 90% Confidence Level Plus \$500,000

☐ 90% Confidence Level Plus \$400,000

☐ _____

Yeas _____

Nays _____

Abstained _____

Print Name: Dave McQueen Title: President

Authorized Signature: _____ Date: _____

Please mail this form to:

Tesia Bell
Keenan & Associates
1111 Broadway, Suite 2000
Oakland, CA 94607

**SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II
(SIGNAL II)**

PRESENTED TO:

DATE:

March 26, 2021

Board of Directors

SUBJECT:

ITEM #:

20/21-052

Property & Liability Claims Administration
Renewal Amendment

Enclosure:

Yes

Category:

Financial

Prepared by:

Keenan & Associates

Requested by:

Board of Directors

BACKGROUND:

SIGNAL II contracts with Keenan & Associates to provide claims administrative services for self-insured claims.

STATUS:

The Manager will present the Property & Liability Claims Administration amendment to the Board for approval.

RECOMMENDATION:

Review & approve the 2021/2022 Property & Liability Claims Administration Amendment.

**AMENDMENT No 2 to
PROPERTY AND CASUALTY CLAIMS ADMINISTRATION
SERVICES AGREEMENT**

This Amendment modifies the **Property and Casualty Claims Administration Services Agreement** (“Agreement”) effective on **July 1, 2019** by and between **Schools Insurance Group Northern Alliance II** (“Client”) and **Keenan & Associates** (“Keenan”).

1. The effective date of this Amendment is **July 1, 2021**.
2. This Amendment amends **Exhibit B Compensation** of the Agreement for the period from **July 1, 2021** through **June 30, 2022** to read as outlined below. This Amendment supersedes any and all prior understanding between the Parties as to this matter.

For the period July 1, 2021 – June 30, 2022:

V.P./A.V.P./Claims Manager -	\$ 98.40 per hour
Senior Claims Examiner -	\$ 92.83 per hour
Claims Examiner -	\$ 82.22 per hour
Expenses -	44% of hourly billings
Minimum per file charge	One hour

3. All other terms and conditions of the Agreement remain unchanged.
4. Each person signing this Amendment on behalf of a Party represents and warrants that he or she has the necessary authority to bind such Party and that this Amendment is binding on and enforceable against such Party.

<u>Schools Insurance Group Northern Alliance II (SIGNAL II)</u>		<u>Keenan & Associates</u>	
<u>Signature:</u>		<u>Signature:</u>	
<u>By:</u>	Dave McQueen	<u>By:</u>	Eric J. Lucas, Esq.
<u>Title:</u>	JPA President	<u>Title:</u>	Vice President
<u>Address:</u>	4410 Konocti Road Kelseyville, CA 95451	<u>Address:</u>	2355 Crenshaw Blvd., Ste. 200 Torrance, CA 90501
<u>Attention:</u>	Dave McQueen	<u>Attention:</u>	Kyle McKibbin
<u>Telephone:</u>	(707) 279-1511	<u>Telephone:</u>	(510) 986-6761 x8122
<u>E-mail:</u>	davem@kvusd.org	<u>E-mail:</u>	kmckibbin@keenand.com

**SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II
(SIGNAL II)**

PRESENTED TO:

DATE:

March 26, 2021

Board of Directors

SUBJECT:

ITEM #:

20/21-053

SETECH Renewal Agreement

Enclosure:

Yes

Category:

Financial

Prepared by:

Keenan & Associates, a division of Keenan & Associates

Requested by:

Board of Directors

BACKGROUND:

SIGNAL II contracts with SETECH to provide financial services to the JPA.

STATUS:

The Board will review to approve the 2021-2024 SETECH renewal agreement.

RECOMMENDATION:

Approve the 2021-2024 SETECH Agreement.

SETECH SERVICES AGREEMENT

This Agreement (“Agreement”) is made and entered into by and between **Schools Insurance Group Northern Alliance II (SIGNAL II)** (“Client”) and **Service Enhancement Technologies (“SETECH”)**, a division of **Keenan & Associates (“Keenan”)**, as of **July 1, 2021** (“Effective Date”). Client and Keenan are also referred to individually as a “party” and collectively as the “parties.”

In consideration of the mutual obligations contained herein, the Parties agree as follows:

1. **TERM**

The term of this Agreement is from **July 1, 2021** through **June 30, 2024** (“Term”) unless extended or terminated earlier as provided herein.

2. **KEENAN RESPONSIBILITIES AND SCOPE OF SERVICES**

A. Keenan shall provide Client with the services described in the attached Exhibits A that are checked below:

- | | | |
|--|-------------|-------------------------------------|
| (1) Financial Management Information Report(s) | Exhibit A-1 | <input checked="" type="checkbox"/> |
| (2) Accounting and Consulting Services | Exhibit A-2 | <input checked="" type="checkbox"/> |
| (3) Management’s Discussion & Analysis (MD&A) | Exhibit A-3 | <input checked="" type="checkbox"/> |

B. Keenan shall perform its obligations hereunder as an independent contractor and, except as specifically set forth in this Agreement, shall not be an employee, officer, agent or fiduciary of Client. Keenan shall be responsible for, and pay all of, its operating and personnel expenses.

C. Keenan’s services are limited to the specific obligations described herein and Keenan is authorized to act on behalf of Client only as expressly stated in this Agreement.

D. Keenan will work with the independent certified public accountant hired by Client to answer audit questions as they relate to the data utilized in preparing the financial statements.

E. Keenan agrees to comply with all applicable state and federal Laws and any other special rules that the Client informs Keenan about in writing.

3. **CLIENT’S DUTIES AND RESPONSIBILITIES**

A. Client is responsible for final approval of the financial report(s) prepared and presented by Keenan (Official Report), by its Board of Directors and/or Advisory Committee in accordance with Client’s Agreement and Bylaws.

- B. Client shall provide Keenan with all applicable information in a timely manner so that Keenan can fulfill its obligations under this Agreement. Client certifies that all information provided to Keenan shall be complete, accurate and timely and that Keenan may rely upon such information without further investigation or review. Client understands and agrees that such information has not been audited by Keenan and Client shall remain liable for its accuracy.
- C. To the extent Keenan requires the assistance of Client's staff or any third parties who are assisting, advising or representing Client to fulfill its obligations hereunder, Client shall have its staff and these third parties assist Keenan.
- D. Client agrees to hire an independent financial auditor to prepare an annual independent financial audit of the Official Report.
- E. Client may provide a copy of the Official Report to the independent auditors and regulatory authorities, if the following conditions are met:
 - (1) Client will present only the Official Report;
 - (2) Client will present only a complete version of the Official Report;
 - (3) Client will advise any and all recipients of the Official Report that Keenan will make available a staff member to respond to any questions regarding the contents of the Official Report;
 - (4) Client will advise any and all recipients of the Official Report that the Official Report is not a substitute for their own due diligence, and that the recipients should not place any undue reliance on the Official Report or the data for purposes other than for which it was created. The Official Report is not a financial audit.
- F. Client will provide to Keenan, through its actuary, treasurer, accountant, or County Office of Education, any and all necessary information for Keenan to prepare the financial report. Client understands and agrees that such information and data has not been audited by Keenan and Client will remain liable for its accuracy.
- G. Client understands that Keenan is not providing any legal or tax services or advice and agrees to seek the counsel of its own attorney on all legal issues or matters and consult with its own tax experts on all tax issues and matters relating to the Services.

4. **COMPENSATION**

Keenan shall receive compensation for the services rendered under this Agreement as provided in the attached Exhibit B.

5. **INSURANCE**

- A. Keenan shall procure and maintain, to the extent available on reasonable terms, the following minimum insurance coverages during the Term and shall provide certificates of insurance to Client upon Client's request:
- (1) Workers' Compensation. Workers' Compensation Insurance in conformance with the laws of the State of California and applicable federal laws.
 - (2) Bodily Injury, Death and Property Damage Liability Insurance. General Liability Insurance (including motor vehicle operation) with a Two Million Dollar (\$2,000,000) limit of liability for each occurrence and a Two Million Dollar (\$2,000,000) aggregate limit of liability.
 - (3) Professional Liability Insurance. Professional Liability Insurance with a Two Million Dollar (\$2,000,000) limit of liability for each occurrence and a Two Million Dollar (\$2,000,000) aggregate limit of liability.
 - (4) Fidelity Insurance. Keenan shall maintain Fidelity Insurance covering the services under this Agreement with a limit of liability of Two Million Dollars (\$2,000,000) for any one claim.
 - (5) Cyber Liability/Privacy Insurance. Cyber Liability Insurance with a Two Million Dollar (\$2,000,000) limit of liability for each occurrence and a Two Million Dollar (\$2,000,000) aggregate limit of liability.

6. **INDEMNIFICATION**

- A. If either party breaches this Agreement, then the breaching party shall defend, indemnify and hold harmless the non-breaching party, its officers, agents and employees against all claims, demands, actions, liabilities or costs (including, without limitation, reasonable attorneys' fees and expenses) arising from such breach.
- B. If either party (i) becomes the subject of a subpoena or is otherwise compelled to testify or (ii) becomes the subject of a claim, demand, action or liability from a person or entity that is not a party to this Agreement (collectively, a "Third-Party Demand") relating to its obligations under this Agreement and such Third-Party Demand is not a direct result of the negligence or willful misconduct of such party, then the other party shall defend, indemnify and hold harmless the party receiving the Third-Party Demand, its officers, agents and employees against all claims, demands, actions, liabilities or costs (including, without limitation, reasonable attorneys' fees and expenses) incurred in resolving such Third-Party Demand.
- C. The party receiving the Third-Party Demand ("Indemnified Party") shall notify the other party ("Indemnifying Party") promptly in writing of any such Third-Party Demand and

reasonably cooperate with the Indemnifying Party in connection with responding to the Third-Party Demand. The failure to notify the Indemnifying Party of the Third-Party Demand shall not relieve the Indemnifying Party of any liability it may have to the Indemnified Party except to the extent such liability was caused by the Indemnified Party's failure to notify the Indemnifying Party of the Third-Party Demand.

7. **LIMITATION OF LIABILITY**

Notwithstanding anything to the contrary in this Agreement, in no event shall either party be liable for any punitive damages, fines, penalties, taxes or any indirect, incidental, or consequential damages incurred by the other party, its officers, employees, agents, contractors or consultants whether or not foreseeable and whether or not based in contract or tort claims or otherwise, arising out of or in connection with this Agreement even if advised of the possibility of such damage. Keenan's liability under this Agreement shall further be limited to, and shall not exceed, the amount of its available insurance coverage, but not exceeding the limits of coverage outlined in Section 5.

8. **DISPUTE RESOLUTION**

- A. In the event of any dispute arising out of or relating to this Agreement, such dispute shall be resolved by submission to binding arbitration before Judicial Arbitration & Mediation Services ("JAMS") or ADR Services, at the claimant's choice, in Los Angeles County, California, before a retired judge or justice. If the parties are unable to agree on a retired judge or justice, the selected arbitration service (JAMS or ADR Services) will select the arbitrator.
- B. In any such arbitration, the parties shall be entitled to take discovery in accordance with the provisions of the California Code of Civil Procedure, but either party may request that the arbitrator limit the amount or scope of such discovery, and in determining whether to do so, the arbitrator shall balance the need for the discovery against the parties' mutual desire to resolve disputes expeditiously and inexpensively.
- C. The prevailing party in any action, arbitration, or proceeding arising out of or to enforce any provision of this Agreement will be awarded reasonable attorneys' fees and costs incurred in that action, arbitration, or proceeding, or in the enforcement of any judgment or award rendered.

9. **TERMINATION**

- A. Either party may terminate this Agreement upon the occurrence of any of the following events:

- (1) Upon 60 days written notice by either party;

- (2) The breach of this Agreement by either party if the alleged breach is not cured within 30 days of receiving notice of the breach from the non-breaching party;
- (3) The dissolution or insolvency of either party;
- (4) The filing of a bankruptcy petition by or against either party (if the petition is not dismissed within 60 days in the case of an involuntary bankruptcy petition); or
- (5) If either party reasonably interprets the application of any applicable law, rule, regulation, or court or administrative decision to prohibit the continuation of this Agreement or cause a penalty to either party if the Agreement is continued.

B. If Client requests that Keenan continue to provide services under this Agreement after its expiration, Keenan may agree to provide services and the Agreement shall be extended on a month-to-month basis until terminated by either party. In such case, compensation shall be paid to Keenan on a monthly basis, under the then current rates.

10. **SOLICITATION OF EMPLOYEES**

During the Term, and for a period of twelve (12) months following any termination or expiration of the Agreement, neither party shall solicit the employment or engagement of any employee or agent of the other party that interacted directly with the soliciting party; provided, however, the foregoing provision shall not prevent either party from soliciting for employment or employing an employee who responds to general solicitations or advertisements in periodicals including newspapers and trade publications, so long as such solicitations or advertisements are not specifically directed at the employee(s) of the other party.

11. **MARKETING**

Keenan may use Client's name in its representative client list and for any other reasonable marketing activities. Keenan shall obtain Client's written consent before using Client's name for any other purpose.

12. **CONFIDENTIALITY**

The parties have certain oral and/or written information that is confidential, (hereinafter referred to as "Confidential Information"), which they may furnish to one another in the development or furnishing of services in this Agreement. It is imperative that all such information remains confidential unless otherwise specifically agreed by the disclosing Party or to the extent permitted by law. Confidential Information shall include information provided by Keenan to Client, including but not limited to, specific claim information, policy and procedures for the handling of claims, trade secrets, reports and all information relating to the essence, operational policies and procedures of Keenan's services. Each Party is and shall remain the owner of the records it furnishes to the other.

This obligation shall survive any termination or the natural expiration of this Agreement and shall not apply to any Confidential Information which (a) is generally available to the public other than through breach of this clause (b) in the party's possession prior to receiving it (c) lawfully disclosed to the recipient by a third party not having a confidentiality obligation to the other party; and (d) was independently developed by the recipient without use of the Confidential Information.

Client acknowledges and agrees that due to the unique nature of the Keenan Information, there can be no adequate remedy at law for any breach of its obligations hereunder, which breach may result in irreparable harm to Keenan, and therefore, upon any such breach or any threat thereof, Keenan shall be entitled to appropriate equitable relief, including injunctive relief, without the requirement of posting a bond, in addition to whatever remedies it might have at law.

13. **CONFLICTS OF INTEREST**

Keenan agrees that it shall comply with the laws of the State of California regarding conflicts of interests and shall disclose conflicts of interest that may exist. Keenan further agrees to comply with Client's conflicts of interest code to the extent such code has been presented to Keenan and a determination has been made by Client's filing officer that such code applies to designated employees of Keenan.

14. **OWNERSHIP OF RECORDS**

- A. Records of services provided under this Agreement shall be the property of Client. However, Keenan shall be entitled to keep a copy of such files and documents as may be necessary to demonstrate its performance under this Agreement.
- B. In the event of the expiration or termination of this Agreement, Keenan shall, upon Client request, return all files to Client except as may otherwise be agreed to, in writing, between Keenan and Client.

15. **OTHER RELATIONSHIPS**

- A. Client understands that Keenan or its affiliates may provide Client with other services or insurance coverage not provided in this Agreement and receive compensation related to such other services including, without limitation, loss control services, joint powers administration, insurance brokerage services, obtaining other reinsurance coverage for Client, claims administration, investigative services, financial processing and other related services.
- B. Client also understands that Keenan or its affiliates may provide services for other entities and that Keenan may be separately compensated for those additional services.

16. **GENERAL**

- A. This Agreement and its recitals and related exhibits and amendments (incorporated into this Agreement by this reference) contains the entire understanding between the parties related to the subject matter covered by this Agreement and supersedes all prior and collateral statements, presentations, communications, reports, agreements or understandings, if any, related to such subject matters.
- B. All terms of this Agreement (other than Keenan's obligation to perform services and Client's obligation to pay for such services) shall survive the expiration or termination of this Agreement.
- C. If any person or entity attempts to pursue any claim or remedy based upon or arising in any way out of this agreement, to the extent such claim or remedy is permitted, then such person or entity shall be bound by the terms of this Agreement.
- D. No modifications or amendments to this Agreement shall be binding unless in writing and signed by authorized representatives from both parties. Any waiver or delay by a party in enforcing this Agreement shall not deprive that party of the right to take appropriate action at a later time or due to another breach. This Agreement shall be interpreted as if written jointly by the parties.
- E. Any provision determined by a court of competent jurisdiction to be partially or wholly invalid or unenforceable shall be severed from this Agreement and replaced by a provision that is valid and enforceable and that comes closest to legally expressing the intention of such invalid or unenforceable provision and such severance shall not affect the validity of the remaining provisions of this Agreement.
- F. Neither party shall be liable or deemed to be in default for any delay or failure in performance under this Agreement resulting, directly or indirectly, from acts of God, civil or military authority, acts of public enemy, war, accidents, fires, explosions, earthquakes, floods, power outages, failure of computer systems, machinery or supplies, vandalism, strikes, or other work interruptions or any similar or other cause beyond the reasonable control of either party. However, both parties shall make good faith efforts to perform under this Agreement in the event of any such circumstances.
- G. All payments and invoices are due and payable upon presentation by Keenan. In the event Client fails to pay any invoice in accordance with the terms stated in Exhibit B, Keenan shall be entitled to receive interest on such outstanding invoice from the date of presentation at the rate of (a) 1½ percent per month or (b) the maximum interest rate permitted by applicable law, whichever is lower.
- H. All notices hereunder shall be in writing and shall be deemed to have been duly given (1) upon confirmed delivery in person, by fax or email, or (2) on the second business day after sending by registered or certified mail, postage prepaid and properly addressed to the party. Notices shall be sent to the parties at the address, fax number or email address

indicated in the signature section below unless written notice of a different address or fax number is previously given. If a notice given to Keenan relates to a legal matter or dispute, a copy should be sent to Keenan's Legal Department at Keenan's main office located at 2355 Crenshaw Blvd., Ste. 200, Torrance, CA 90501, fax (310) 533-0573.

This Agreement may be executed in counterparts and by fax signatures. Each person signing this Agreement on behalf of a party represents and warrants that he or she has the necessary authority to bind such party and that this Agreement is binding on and enforceable against such party.

<u>Schools Insurance Group Alliance II</u> <u>(SIGNAL II)</u>		<u>Keenan & Associates</u>	
<u>Signature:</u>		<u>Signature:</u>	
<u>By:</u>	Dave McQueen	<u>By:</u>	David Seres
<u>Title:</u>	JPA President	<u>Title:</u>	Chief Operating Officer
<u>Address:</u>	1152 S. Main Street	<u>Address:</u>	2355 Crenshaw Blvd., Ste. 200
	Lake Port, CA 95453		Torrance, CA 90501
<u>Telephone:</u>	707-279-1511	<u>Telephone:</u>	310-212-0363
<u>Email:</u>	davem@kvusd.org	<u>Email:</u>	
<u>Attention:</u>		<u>Attention:</u>	David Seres

Exhibit A-1
Financial Management Information Reports

1. **Keenan shall provide the following financial statements and related supplemental schedules:**
 - A. Statement of Net Position containing:
 - (1) The components of all assets
 - (2) The components of all liabilities
 - (3) The net position
 - (4) A comparative of net position which will reflect the balance of all accounts as of the preceding fiscal year, the activity from the preceding fiscal year through the date of the statement of net assets and the balances of the accounts as of the date of preparation
 - B. Statement of Revenues, Expenditures and Changes in Net Position containing:
 - (1) The components of revenue
 - (2) The components of expenditures
 - (3) This statement will reflect the current year budget, the year-to-date amounts and the year-to-date variance by account
 - C. Statement of Cash Flows reflecting cash flow through changes in assets, liabilities and investment activities, ending with a comparison of cash and cash equivalents from the preceding fiscal year end through the date of the statement
 - D. Schedule of Member Contributions for the Current Program Year displaying by member: total member contributions, net member contributions and conclude with each member's pro rata share percentage
 - E. Schedule Which Presents ReLiEF Deposits for the Current Program Year reflecting the **Average Daily Attendance (ADA)**, Total Insured Value (TIV) and liability and property deposits by each member for the program year being provided and conclude with each member's share percentage
 - F. Schedule of Claim Liabilities incurred by Program Year as of the Current Program Year displaying, **Average Daily Attendance (ADA)**, Total Insured Value (TIV), Member Retained Limit (MRL) and member deductible, pro rata share percentage, net amount of discount, total claims paid-to-date and conclude with the remaining unpaid estimated liability for claims incurred as of the date of the report
 - G. Schedule that Allocates Investment Income by Program Year presenting the calculation for allocating investment income earned in the current fiscal year to each program year; the allocation will be based upon the pro rata share of each program year's ending cash balance

- H. Schedule of the Calculation of Net Position by Program Year displaying, by program year, asset balances, including allocated investment income, claim liabilities, liability for Unallocated Loss Adjustment Expense (ULAE) and conclude with net position
- I. Schedule Which Allocates the Net Position by Member by Program Year displaying by member pro rata share percentage and net position for each program year
- J. Schedule Which Allocates ReLiEF Net Position by Member by Program Year displaying, by member, pro rata share percentages and net assets/(deficit) for each program year
- K. Schedule which Allocates Additional Funds by Member displaying by member any additional funds the members have in the program

Exhibit A-2
Accounting and Consulting Services

1. Keenan shall provide the following accounting and consulting services:

- A. Maintain an accounting system with appropriate internal controls and proper segregation of duties which will include the following:
 - (1) Receive deposits and transfers from the members on behalf of the Client into an operating checking account set up for the Client
 - (2) Make payments on behalf of the Client for its obligations based upon approval/review by the Client
 - (3) Maintain and reconcile operating checking for the approval of the Client.
 - (4) Monitor and control cash flow for approval of the Client
 - (5) Prepare a Payment Order of expenditures for approval at each meeting as necessary
- B. Prepare, at a minimum, quarterly financial reports, which will present the financial position and compare actual results versus the adopted budget.
- C. Prepare and file 1099-Misc and form 1096 “Annual Summary and Transmittal of US Information Returns” as required by the Department of the Treasury
- D. Coordinate, accumulate and prepare the annual budget
- E. Prepare calculations for return of net position or member assessments, upon request
- F. Prepare and file the Special Districts Financial Transaction Report and the Special Districts Compensation Report with the California State Controller, Division of Accounting And Reporting Office annually, if requested
- G. Prepare and file the Special Districts Compensation Report with the California State Controller, Division of Accounting and Reporting Office annually, if requested
- H. Prepare and file the Government Units Survey (Form GUS-1) from U.S. Census Bureau, if requested

Exhibit A-3
Management's Discussion & Analysis (MD&A)

- 1. Keenan shall provide the following services relating to the MD&A report:**
 - A. SETECH will review the following documents to prepare the draft MD&A Report:
 - (1) Review minutes from meetings throughout the fiscal year
 - (2) Review all major accounting transactions
 - (3) Review all financial documents
 - B. Prepare draft MD&A utilizing all requirements under GASB Statement No 34 for review prior to the finalization of the independent financial audit report hired by Client.
 - C. Finalize the MD&A, including revisions for submission to the independent financial auditor.

Exhibit B
Compensation

1. In consideration for the services rendered under this Agreement, Client agrees to pay Keenan the fees outlined in the table below:

Program Year	Fee
2021/2022	Minimum \$13,084/Maximum \$15,033
2022/2023	Minimum \$13,477/Maximum \$15,484
2023/2024	Minimum \$13,881/Maximum \$15,949

(1) Billable at: Assistant/Vice President - \$220.00 per hour
Senior/Account Manager - \$160.00 per hour
Senior/Technical Assistant - \$108.00 per hour

2. All invoices are due and payable within sixty (60) days of presentation.
3. In the event the Client has a change in membership within the JPA, the fees may be adjusted accordingly.

**SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II
(SIGNAL II)**

PRESENTED TO:

DATE:

March 26, 2021

Board of Directors

SUBJECT:

ITEM #:

20/21-054

Loss Control Rent-A-Safety Professional (RASP)
Renewal Agreement

Enclosure:

Yes

Category:

Financial

Prepared by:

Keenan & Associates

Requested by:

Board of Directors

BACKGROUND:

SIGNAL II contracts with Keenan & Associates to provide Risk Management services to the JPA.

STATUS:

The Manager will present the Loss Control Rent-A-Safety Professional Renewal Agreement to the Board for approval.

RECOMMENDATION:

Approve the 2021/2022 Loss Control Rent-A-Safety Professional (RASP) Renewal Agreement.

RENEWAL AMENDMENT NO. 2

This Amendment hereby amends the **Loss Control Services Agreement** (“Agreement”) dated **July 1, 2019** by and between **Keenan & Associates** and **Schools Insurance Group Northern Alliance (“SIGNAL II”)** (hereinafter referred to collectively as the “Parties”) as follows:

WHEREAS, the current term of the Agreement shall expire on **July 1, 2021**; and

WHEREAS, the Parties desire to continue their relationship subject to the terms and conditions outlined in the Agreement;

NOW, THEREFORE, the Parties agree as follows:

1. The Agreement is hereby renewed for an additional **one (1)** year term beginning on **July 1, 2021** and ending on **June 30, 2022** (“Renewal Term”).
2. EXHIBIT B FEE SUMMARY: The fee for the Rent-A-Safety-Professional (“RASP”) services rendered under the Agreement during the renewal term shall be as follows:
 - Employee safety trainings/meetings: \$1,425 per day, \$712 per virtual training
 - Forklift, Aerial Lift, Scissor Lift, Boom Lift trainings: \$1,425 per day, per lift, up to 12-15 employees per day
 - Ergonomic Evaluations: \$1,425 per day (*Quote available for multiple evaluations), \$712 per virtual evaluation
 - Written Program and Regulatory Compliance (**Office time only**) \$178 per hour
 - Hazard Assessments/Onsite consultation: \$1,425 minimum
 - Indoor Air Quality/Industrial Hygiene Testing: \$1,425 + equipment fees + lab fees (*Custom quote available based on scope of work)
 - Certified Playground Safety Inspections (CPSI): \$1,425 per site (*Quote available for multiple sites)
 - IMReady Services: A custom security service plan and quote can be provided upon request
 - Hazardous Materials Services: Quote upon request
 - Other Loss Control Services: Quote upon request
3. All the remaining terms and conditions of the Agreement shall remain unchanged and in full force and effect and shall govern the conduct of the Parties during the Renewal Term.
4. The effective date of this Amendment is **July 1, 2021**.
5. Each person signing this Amendment to the Agreement on behalf of a Party represents and warrants that he or she has the necessary authority to bind such Party and that this Amendment is binding on and enforceable against such Party.

<u>Schools Insurance Group Northern Alliance</u> <u>("SIGNAL II")</u>		<u>Keenan & Associates</u>	
<u>Signature:</u>		<u>Signature:</u>	
<u>By:</u>	Dave McQueen	<u>By:</u>	Eric Preston
<u>Title:</u>	JPA President	<u>Title:</u>	Vice President
<u>Address:</u>	4410 Konocti Road Kelseyville, CA 95451	<u>Address:</u>	2355 Crenshaw Blvd. Suite 200 Torrance CA 90501
<u>E-mail:</u>	davem@kvusd.org	<u>E-mail:</u>	kdimonte@keenan.com
<u>Attention:</u>	Dave McQueen	<u>Attention:</u>	Kathy DiMonte

**SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II
(SIGNAL II)**

PRESENTED TO:

DATE:

March 26, 2021

Board of Directors

SUBJECT:

ITEM #:

20/21-055

Form 700 Submissions

Enclosure:

Yes

Category:

Administration

Prepared by:

Keenan & Associates

Requested by:

Board of Directors

BACKGROUND:

The Political Reform Act (G.C. 81000-91015) requires most state and local government officials and employees to publicly disclose their personal assets and income. The Fair Political Practices Commission is the State agency responsible for monitoring compliance with the Political Reform Act.

STATUS:

The Statement of Economic Interest Form 700 must be completed & filed by each SIGNAL II **Representative** and **Alternate** by April 1, 2021. The completed form and any attachments should be sent to Rose Meisenheimer.

RECOMMENDATION:

Informational

STATEMENT OF ECONOMIC INTERESTS
COVER PAGE
A PUBLIC DOCUMENT

Date Initial Filing Received
Filing Official Use Only

Please type or print in ink.

NAME OF FILER (LAST) (FIRST) (MIDDLE)

1. Office, Agency, or Court

Agency Name (Do not use acronyms)

Division, Board, Department, District, if applicable

Your Position

► If filing for multiple positions, list below or on an attachment. (Do not use acronyms)

Agency: Position:

2. Jurisdiction of Office (Check at least one box)

State

Judge, Retired Judge, Pro Tem Judge, or Court Commissioner
(Statewide Jurisdiction)

Multi-County

County of

City of

Other

3. Type of Statement (Check at least one box)

Annual: The period covered is January 1, 2020, through
December 31, 2020.

Leaving Office: Date Left / /
(Check one circle.)

-or-

The period covered is / /, through
December 31, 2020.

The period covered is January 1, 2020, through the date of
leaving office.

-or-

Assuming Office: Date assumed / /

The period covered is / /, through
the date of leaving office.

Candidate: Date of Election and office sought, if different than Part 1:

4. Schedule Summary (must complete) ► Total number of pages including this cover page:

Schedules attached

Schedule A-1 - Investments – schedule attached

Schedule C - Income, Loans, & Business Positions – schedule attached

Schedule A-2 - Investments – schedule attached

Schedule D - Income – Gifts – schedule attached

Schedule B - Real Property – schedule attached

Schedule E - Income – Gifts – Travel Payments – schedule attached

-or- **None - No reportable interests on any schedule**

5. Verification

MAILING ADDRESS STREET CITY STATE ZIP CODE
(Business or Agency Address Recommended - Public Document)

DAYTIME TELEPHONE NUMBER EMAIL ADDRESS
()

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information contained herein and in any attached schedules is true and complete. I acknowledge this is a public document.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date Signed (month, day, year)

Signature (File the originally signed paper statement with your filing official.)

**SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II
(SIGNAL II)**

PRESENTED TO:

DATE:

March 26, 2021

Board of Directors

SUBJECT:

ITEM #:

20/21-056

Administration Guide

Enclosure:

Yes

Category:

Administration

Prepared by:

Keenan & Associates

Requested by:

Board of Directors

BACKGROUND:

Keenan & Associates provides the JPA with an updated Administrative Guide listing JPA members, functions, responsibilities, meeting dates, service teams etc.

STATUS:

Included in the Agenda Packet for Member review is an updated Administration Guide.

RECOMMENDATION:

Informational.

SCHOOLS INSURANCE GROUP NORTHERN ALLIANCE II (SIGNAL II)

Property/Liability

2020/2021 ADMINISTRATION GUIDE

MEMBERSHIP LISTING	FB	P/L	W/C	R/M
ANDERSON VALLEY UNIFIED SCHOOL DISTRICT		X	X	X
KELSEYVILLE UNIFIED SCHOOL DISTRICT		X		X
KONOCTI UNIFIED SCHOOL DISTRICT		X	X	X
LAKE COUNTY OFFICE OF EDUCATION		X	X	X
LAKEPORT UNIFIED SCHOOL DISTRICT		X	X	X
LUCERNE SCHOOL DISTRICT		X	X	X
MIDDLETOWN UNIFIED SCHOOL DISTRICT		X	X	X
POTTER VALLEY UNIFIED SCHOOL DISTRICT		X	X	X
UPPER LAKE UNION SCHOOL DISTRICT		X	X	X
UPPER LAKE UNION HIGH SCHOOL DISTRICT		X	X	X

**Schools Insurance Group Northern Alliance II
(SIGNAL II)
TIMELINE OF JPA FUNCTIONS**

K&A – MANAGER	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	AS NEEDED
QUORUM CALLS			X		X	X			X			X	
AGENDAS			X		X	X			X			X	
MINUTES			X		X	X			X			X	
CLAIM EXCERPT & RECOMMENDATION			X		X	X			X			X	X
DISTRICT REORIENTATION													X
DISTRICT DEDUCTIBLE RECAP	X			X			X			X			
INVOICE CLAIMS ADMINISTRATION FEE						X							
INVOICE INFIDELITY						X							
INVOICE EXCESS PROPERTY						X							X
INVOICE BOILER & MACHINERY						X							X
NEW MEMBER ORIENTATION													X
PREPARE RENEWALS						X			X				
PREPARE CERTIFICATES OF INSURANCE	X	X	X	X	X	X	X	X	X	X	X	X	X
PREPARE TRANSPORTATION COSTS			X										
PREPARE RISK MANAGEMENT PROPOSAL													X
PREPARE CLAIMS ANALYSIS													X
PREPARE SPREADSHEETS				X									
PREPARE RENEWAL QUESTIONNAIRE		X											
REQUEST BUDGET DATA					X								
REQUEST EXPERIENCE MODIFICATION FACTORS	X												
UPDATE SIA ADMINISTRATION GUIDES								X					
UPDATE K&A PERSONNEL DIRECTORY													X
UPDATE BUILDING APPRAISAL SCHEDULE					X								
UPDATE SECRETARY OF STATE FORM													X

**Schools Insurance Group Northern Alliance II
(SIGNAL II)
TIMELINE OF JPA FUNCTIONS**

SIA FUNCTIONS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AS NEEDED
ACCEPT CLAIMS AUDIT REPORT					X								
ACCEPT FINANCIAL AUDIT REPORT												X	
ACCEPT ACTUARIAL STUDY REPORT				X									
APPOINT SUB COMMITTEE FOR NOMINATION OF OFFICERS			X										
APPROVE CLAIMS SETTLEMENTS													X
AUTHORIZE WARRANT SIGNATURES						X							
CONFLICT OF INTEREST CODE REVIEW*								X					
CONFLICT OF INTEREST CODE (FORM 700)		X											
DESIGNATE CORRESPONDENCE ADDRESS					X								
DESIGNATE OFFICIAL ADDRESS					X								
DESIGNATE COUNTRY TREASURER					X								
ELECTION OF OFFICERS					X								
ESTABLISH SIA MEETING SCHEDULE					X								
FINANCIAL REPORT			X		X	X			X			X	X
POST AGENDAS			X		X	X			X			X	
PREPARE POOL BILLING				X									
PREPARE WARRANTS	X	X	X	X	X	X	X	X	X	X	X	X	X
PREPARE & APPROVE EXPENDITURES			X		X			X				X	
REQUEST TO RENEW FOUNDATIONS			X										
SOLICIT ACTUARIAL STUDY													X
SOLICIT CLAIMS AUDIT			X										
UPDATE OFFICIAL SIA REPRESENTATIVE ALTERNATE					X								
UPDATE EQUITY PROJECTIONS												X	
WRITTEN INVESTMENT POLICY						X							

* Biennially. Each even numbered year, the Multi-County Biennial Report is required to be signed by the SIA President and filed with the Fair Political Practices Commission (FPPC).

Schools Insurance Group Northern Alliance II
(SIGNAL II)
Property & Liability
JPA INFORMATION GUIDE
2020/2021

MEMBERS

ANDERSON VALLEY UNIFIED SCHOOL DISTRICT

P. O. Box 457 / 12300 Anderson Valley Way
Boonville, CA 95415

PH 707-895-3774
FAX 707-895-2665

REP: Ms. Leigh Kreienhop
Business Manager
leigh@avpanthers.org
ALT: Michael Warych
Superintendent
mwarych@avpanthers.org

LAKE COUNTY OFFICE OF EDUCATION

1152 South Main Street
Lakeport, CA 95453

PH 707-262-4100
FAX 707-263-0197

REP: Mr. Rob Young (707-263-8795 x 240)
Emergency Services & Special Projects
Coordinator
ryoung@lakecooe.org
ALT: *Vacant Position*

KELSEYVILLE UNIFIED SCHOOL DISTRICT

4410 Konocti Road
Kelseyville, CA 95451

PH 707-279-1511
FAX 707-279-9221

REP: Mr. Dave McQueen
Superintendent
davem@kvusd.org
ALT: Ms. Lynn Thomasson
Business Manager
lthomasson@kvusd.org

LAKEPORT UNIFIED SCHOOL DISTRICT

2508 Howard Avenue
Lakeport, CA 95453

PH 707-262-3000
FAX 707-263-7332

REP: Ms. Jill Falconer
Superintendent
jfalconer@lakeport.k12.ca.us
ALT: Mr. Joseph Silveira
Chief Business Official
jsilveira@lakeport.k12.ca.us

KONOCTI UNIFIED SCHOOL DISTRICT

P. O. Box 759 / 9430 B Lake Street
Lower Lake, CA 95457

PH 707-994-6475
FAX 707-994-0210

REP: Ms. Becky Salato
Superintendent
becky.salato@konoctiusd.org
ALT: Ms. Chris Schoeneman
Assistant Superintendent
chris.schoeneman@konoctiusd.org

LUCERNE SCHOOL DISTRICT

P. O. Box 1083 / 3351 Country Club Drive
Lucerne, CA 95458

PH 707-274-5578
FAX 707-274-9865

REP: Mr. Mike Brown
Superintendent
mbrown@lucerne.k12.ca.us
ALT: Ms. Megan Grant
Assistant Principal
mgrant@lucerne.k12.ca.us

MIDDLETOWN UNIFIED SCHOOL DISTRICT

20932 Big Canyon Road
Middletown, CA 95461

PH 707-987-4100
FAX 707-987-4105

REP: Mr. Michael Cox
Superintendent
michael.cox@middletownusd.org

ALT: Heather Rantala
Director, Business Services
heather.rantala@middletownusd.org

UPPER LAKE UNIFIED SCHOOL DISTRICT

675 Clover Valley Road
Upper Lake, CA 95485

PH 707-275-2655
FAX 707-275-0239

REP: Dr. Giovanni H. Annous
Superintendent
gannous@ulusd.org

ALT: Mr. Michael Kauble (707-275-2338 x 3204)
Chief Business Official
mkauble@ulusd.org

POTTER VALLEY COMMUNITY UNIFIED SCHOOL DISTRICT

P. O. Box 219 / 10401 Main Street
Potter Valley, CA 95469

PH 707-743-2101 707-743-1115
FAX 707-743-1930

REP: Ms. Krista Looney
Business Manager
klooney@pottervalleyschools.us

ALT: Ms. Holly McLaughlin
Superintendent
hmclaughlin@pottervalleyschools.us

OFFICERS

PRESIDENT
VICE PRESIDENT
TREASURER
SECRETARY

Dave McQueen, Kelseyville USD
Giovanni Annous, Upper Lake USD
Mike Brown, Lucerne SD
Jill Falconer, Lakeport USD

Officers are elected to a two (2) year term expiring in June 2021

Administered by Keenan & Associates

JPA CONTACT

1111 Broadway, Ste. 2000
Oakland, CA 94607

PH 510-986-6761
510-986-6750
800-344-8507
FAX 510-986-6756

Kyle McKibbin, Account Executive, Ext. 8122
kmckibbin@keenan.com

Tesia Bell, Account Manager, Ext. 8126
tbell1@keenan.com

Rose G. Meisenheimer
Administrative Support, Ext. 8151
rmeisenheimer@keenan.com

SERVICE OFFICE - OAKLAND

1111 Broadway, Ste. 2000
Oakland, CA 94607

PH 510-986-6761
510-986-6750
800-344-8507
FAX 510-986-6756

Tesia Bell, Account Manager, Ext. 8126
tbell1@keenan.com

Rancho Cordova Loss Control Office:

2868 Prospect Park Drive, Suite 300
Rancho Cordova, CA 95670

PH 916-859-4900
800-343-0694

Frank Cardoza, Sr. Loss Control Consultant,
Ext. 4252
fcardoza@keenan.com

CLAIMS – OAKLAND

Bryan Boyle, Claims Manager
Ext. 8156
bboyle@keenan.com

Mark Hobson, Claims Supervisor
Ext. 8131
mhobson@keenan.com

Benjamin Bischer, Sr. Claims Examiner
Ext. 8128
bbischer@keenan.com

Brian Evans, Sr. Claims Examiner
Ext. 8168
bevans@keenan.com

Heather Davidson, Sr. Claims Examiner
Ext. 8169
hdavidson@keenan.com

Karri Lynn-Benson, Sr. Claim Examiner, Liability
Ext. 8133
kbenson@keenan.com

Chris Guidry, Sr. Claims Examiner, Property
Ext. (to be determined)
cguidry@Keenan.com

Casey Kimball, Sr. Claims Examiner
Ext. 8129
ckimball@keenan.com

Nancy Langella, Sr. Claims Examiner
Ext. 8132
nlangella@keenan.com

Lynette Daniels, Claims Examiner
Ext. 8123
ldaniels@keenan.com

Yvette Saunders, Claims Examiner
Ext. 8127
ysaunders@keenan.com

Cynthia Lumford, Admin. Support
Ext. 8121
clumford@keenan.com

Victoria Juarez, Admin. Support
Ext. 8124
vjuarez@keenan.com

JPA MEETING DATES

Friday, September 25, 2020
Monday, December 14, 2020
Friday, March 26, 2021
Friday, May 28, 2021

OFFICIAL MAILING ADDRESS

LAKE COUNTY OFFICE OF EDUCATION

OFFICIAL POSTING ADDRESS

LAKE COUNTY OFFICE OF EDUCATION
1152 South Main Street
Lakeport, CA 95453

AGENDAS AND MINUTES OF MEETINGS

Minutes and Agendas are prepared by the JPA President in conjunction with Keenan and Associates in compliance with the Brown Act. Agendas are mailed to members prior to each meeting and a copy is posted at the designated posting location 72 hours in advance. Any member wishing to place an item on the agenda may contact the JPA President at any time prior to the preparation of the agenda.

AUTHORIZATION OF SIGNATURES

Representatives from the Lake County Office of Education are authorized to sign warrants and documents on behalf of the Authority with one signature required on warrants.

JPA MANUALS

A JPA Manual has been prepared for each member. This manual contains minutes & agendas, JPA Agreement, premium information, service contract, risk management material, information on claims and copies of insurance policies.

Please contact Keenan & Associates for copies of any missing items.

TRUST ACCOUNT

The Authority has established a Trust Account in the amount of \$15,000. This account is used by Keenan & Associates for payment of claims and is reimbursed by the JPA on a monthly basis.

RISK MANAGEMENT SERVICES

Keenan & Associates' Risk Management Specialists are trained to identify and analyze the factors necessary to control risk such as: legislation; court decisions; building and safety codes; fire prevention; life safety; loss prevention; loss reduction; claims administration and building evaluations.

RISK MANAGEMENT MANUAL

A Risk Management Manual has been provided to each member. This comprehensive manual is written in a practical, workable manner to help identify, evaluate, and effectively handle Property/Liability risks.

FINANCIAL AUDITS

Financial Audits are completed each year in compliance with State Law.

MONTHLY LOSS RUNS

Monthly Loss Runs are mailed to each district approximately the 15th of each month. These Loss Runs provide pertinent data regarding claims submitted, established reserves and nature and type of claim.

ANNUAL BILLINGS

Premium billings are done on the following basis:

POOL CONTRIBUTIONS:	Prepared by the Manager and journalized by the Accountant/Comptroller from the spreadsheet.
DEDUCTIBLE PAYBACK:	Paid to the JPA by individual districts on a monthly basis.
ReLiEF:	Billed to the JPA by the Manager.
SELF:	Billed to the JPA by SELF.
COMPUTER INSURANCE:	Billed to the JPA by the Manager.
BOILER & MACHINERY:	Billed to the JPA by the Manager.
FIDELITY BOND:	Billed to the JPA by the Manager.
CLAIMS ADMINISTRATION:	Billed to the JPA by the Manager.

HISTORY OF SELF-INSURED RETENTIONS, DEDUCTIBLES & COVERAGE LIMITS

(Joined Nor Cal ReLiEF 6/30/1986)

	<u>1984/85</u>	<u>1985/86</u>	<u>1986/87</u>	<u>1987/88</u>	<u>1988/89</u>	<u>1989/90</u>
LIABILITY SIR	N/A	\$10,000	\$25,000	\$25,000	\$25,000	\$25,000
PROPERTY SIR	N/A	\$10,000	\$25,000	\$25,000	\$25,000	\$25,000
DEDUCTIBLES	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
LIABILITY LIMIT	50M	6M	10M	10M	15M	12.5M
PROPERTY LIMIT	*TIV	5M	5M	10M	10.5M	25M

	<u>1990/91</u>	<u>1991/92</u>	<u>1992/93</u>	<u>1993/94</u>	<u>1994/95</u>	<u>1995/96</u>
LIABILITY SIR	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
PROPERTY SIR	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
DEDUCTIBLES	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
LIABILITY LIMIT	\$15M	\$15M	\$15M	\$15M	\$15M	\$15M
PROPERTY LIMIT	\$50M	\$100M	\$100.25M	\$100.25M	\$100.25M	\$100.25M

	<u>1996/97</u>	<u>1997/98</u>	<u>1998/99</u>	<u>1999/2000</u>	<u>2001/2002</u>	<u>2002/2003</u>
LIABILITY SIR	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
PROPERTY SIR	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
DEDUCTIBLES	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
LIABILITY LIMIT	\$15M	\$15M	\$15M	\$15M	\$15M	\$15M
PROPERTY LIMIT	\$100.25M	\$500M	\$500M	\$500M	\$100M	\$150M

HISTORY OF SELF-INSURED RETENTIONS, DEDUCTIBLES & COVERAGE LIMITS (cont.)

	<u>2003/2004</u>	<u>2004/2005</u>	<u>2005/2006</u>	<u>2006/2007</u>	<u>2007/2008</u>	<u>2008/2009</u>
LIABILITY SIR	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
PROPERTY SIR	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
DEDUCTIBLES	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
LIABILITY LIMIT	\$15M	\$15M	\$15M	\$15M	\$25M	\$25M
PROPERTY LIMIT	\$150M	\$244M	\$244M	\$244M	\$250M	\$250M
	<u>2009/2010</u>	<u>2010/2011</u>	<u>2012/2013</u>	<u>2013/2014</u>	<u>2014/2015</u>	<u>2015/2016</u>
LIABILITY SIR	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
PROPERTY SIR	\$25,000	\$25,000	\$25,000	\$25,00	\$25,000	\$25,000
DEDUCTIBLES	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
LIABILITY LIMIT	\$25M	\$25M	\$25M	\$25M	\$25M	\$25M
PROPERTY LIMIT	\$250M	\$250M	\$250M	\$250M	\$250M	\$250M
	<u>2016/2017</u>	<u>2017/2018</u>	<u>2018/2019</u>	<u>2019/2020</u>	<u>2020/2021</u>	<u>2021/2022</u>
LIABILITY SIR	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	
PROPERTY SIR	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	
DEDUCTIBLES	\$1,000	\$1,000	\$1,000	\$1,000	1,000	
LIABILITY LIMIT	\$25M	\$25M	\$25M	\$25M	\$25M	
PROPERTY LIMIT	\$250M	\$250M	\$250M	\$250M	\$250M	

A.D.A

<u>DISTRICT:</u>	<u>A.D.A*</u>
ANDERSON VALLEY UNIFIED	479
KELSEYVILLE UNIFIED	1,700
KONOCTI UNIFIED SCHOOL DISTRICT	3,407
LAKE COUNTY OFFICE OF EDUCATION	295
LAKEPORT UNIFIED	1,427
LUCERNE	257
MIDDLETOWN UNIFIED	1,462
POTTER VALLEY UNIFIED SCHOOL DISTRICT	258
UPPER LAKE UNIFIED SCHOOL DISTRICT	794
TOTAL A.D.A.	10,079

*Based on 2018/2019 Lottery A.D.A.

DATES INDIVIDUAL DISTRICTS JOINED JPA

<u>DISTRICT:</u>	<u>DATE:</u>
ANDERSON VALLEY UNIFIED	July 01, 1980
KELSEYVILLE UNIFIED SCHOOL DISTRICT	July 01, 2013
KONOCTI UNIFIED SCHOOL DISTRICT	July 1, 2020
LAKE COUNTY OFFICE OF EDUCATION	July 01, 1980
LAKEPORT UNIFIED	July 01, 1980
LUCERNE SCHOOL	July 01, 1980
MIDDLETOWN UNIFIED	August 13, 1987
POTTER VALLEY UNIFIED SCHOOL DISTRICT	July 01, 2004
UPPER LAKE UNIFIED SCHOOL DISTRICT	July 01, 2016*

** Formerly Upper Lake Union School District & Upper Lake Union High School District
Joined the JPA on July 1, 1980*