

AGENDA

MEETING: Board of Directors Meeting
 Schools Program Alliance
 Teleconference Meeting

DATE/TIME: May 11, 2026 at 10:00 AM PDT

TELECONFERENCE: Toll Free [\(888\) 475 4499](tel:8884754499) or [\(669\) 900-6833](tel:6699006833) US Toll
 Meeting number (access code): 984 0677 0068
<https://alliantinsurance.zoom.us/j/98406770068?pwd=OvM85w0BNsYDV3xcQUngbEtGNERaKi.1>

A Action
I Information

1 Attached
2 Hand Out
3 Separate Cover
4 Verbal

IMPORTANT NOTICES AND DISCLAIMERS:

Per Government Code 54954.2, persons requesting disability related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, are requested to contact Michelle Minnick at Alliant Insurance at (916) 643-2715 twenty-four (24) hours in advance of the meeting. The Agenda packet will be posted at each member's site. Documents and material relating to an open session agenda item that are provided to the SPA members less than 72 hours prior to a regular meeting will be available for public inspection and copying at 2180 Harvard Street, Suite 380, Sacramento, CA 95815.

Access to some buildings and offices may require routine provisions of identification to building security. However, SPA does not require any member of the public to register his or her name, or to provide other information, as a condition to attendance at any public meeting and will not inquire of building security concerning information so provided. See Government Code section 54953.3.

This Meeting Agenda shall be posted at the address of the teleconference locations shown below with access for the public via phone/speaker phone.

1. Butte Schools Self-Funded Programs, 500 Cohasset Road, Suite 24, Chico, CA 95926
2. North Bay Schools Insurance Authority, 380 Chadbourne Rd, Fairfield, CA 94534
3. Redwood Empire Schools' Insurance Group, 5760 Skylane Blvd., Suite 100, Windsor, CA 95492
4. Schools Insurance Authority, 9800 Old Placerville Rd, Sacramento, CA 95827
5. Schools Insurance Authority, 85 Hartnell Suite 200, Redding, CA 96002
6. Schools Insurance Group, 550 High Street, Ste. 201, Auburn, CA 95603
7. Central California Schools Authority, 7170 N. Financial Dr. #130, Fresno, CA 93720

<i>Pg. 4</i>	A. CALL TO ORDER, ROLL CALL, QUORUM B. APPROVAL OF AGENDA AS POSTED C. PUBLIC COMMENTS <i>The public is invited at this point to address the Board of Directors on issues of interest to them.</i> D. CONSENT CALENDAR <i>The Board of Directors may act on the item(s) below as a group though a Board Member may request an item be removed from the Calendar for separate discussion and action.</i>	A 4 A 4 I 4 A 1
<i>Pg. 9</i>	E. MEMBER PROGRAM AND IDEA SHARING <i>This is an opportunity for a member to discuss a topic of interest or seek guidance and input from the group about a current issue, risk management topic or exposure. Please email a copy of any materials to each member in advance of the meeting.</i>	I 4

F. LIABILITY PROGRAM

<i>Pg. 10</i>	1. Excess Liability Update <i>The Board will receive a verbal update from Jim Wilkey.</i>	I 4
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G. GENERAL ADMINISTRATION AND FINANCIAL REPORTS

<i>Pg. 11</i>	1. Standing Committee and Task Group Updates a) Liability Claims Task Force b) Property Program Loss Control - Ad Hoc Committee c) Property Claims Committee d) Cyber Working Group e) Cost Allocation Working Group f) SPA Primary Liability Layer Ad Hoc Committee	I 4 1
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<i>Pg. 12</i>	2. Strategic Planning Objectives <i>The Board will review the Strategic Planning Items from the August Strategic Planning session.</i>	I 1
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<i>Pg. 15</i>	3. SPA Website ADA Update <i>Members may approve a proposal to update the SPA website.</i>	A 1
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<i>Pg. 17</i>	4. Proposed Budget & Assumptions 26/27 <i>Members will receive and may approve the draft administration budget for FY 26/27.</i>	A 1
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<i>Pg. 33</i>	5. Alliant Deadly Weapons Response Program FY 26/27 <i>The program will be presented for discussion and possible approval.</i>	A 1
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<i>Pg. 34</i>	6. Managing Member Financial Report and Treasurer’s Report for Period Ending March 31, 2026 <i>The SPA financials as of March 31st will be presented for review and acceptance.</i>	A 1
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<i>Pg. 39</i>	7. Yearly Funding Report as of December 31, 2025 <i>The Board will receive a new required annual report for review and acceptance.</i>	A 1
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H. PROPERTY PROGRAM

<i>Pg. 40</i>	1. BSSP Withdrawal from SPA <i>Members will receive an update regarding BSSP withdrawing from SPA as it will join the SIA JPA effective July 1, 2026.</i>	I 1
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<i>Pg. 42</i>	2. Property Program Risk Control Services <i>Services available for members through the APIP coverage will be presented for review and potential approval.</i>	A 1
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<i>Pg. 50</i>	<p>3. Property Program Update <i>Members will receive a verbal update from Alliant Insurance Services as it relates to the FY 26/27 Property Renewal with APIP.</i></p>	A 1
<i>Pg. 51</i>	<p>4. High Risk Locations <i>Members will review and may approve the list of high-risk locations for FY 26/27.</i></p>	A 1
	<p>I. INFORMATION ITEMS AND DISCUSSION <i>This is an opportunity for a Board Member to discuss a topic of interest or seek guidance and input from the group about a current issue, risk management topic or exposure.</i></p>	I 4
	<p>J. ADJOURNMENT</p>	A 4

Upcoming Teleconference Meeting Dates: June 8, 2026

Upcoming Board and Strategic Planning Meeting: August 25-26, 2026



Item D.

CONSENT CALENDAR

ACTION ITEM

ISSUE: Items on the Consent Calendar are to be reviewed. If any item requires clarification, discussion, or amendment by any member of the Board, such item(s) may be pulled from Consent Calendar and placed on the agenda for separate discussion.

Items pulled from the Consent Calendar will be placed on the agenda in an order determined by the President.

RECOMMENDATION: Adoption of items presented on the Consent Calendar after review by the Board.

FISCAL IMPACT: As indicated on any item included.

BACKGROUND: Items of importance that may not require discussion are included on the Consent Calendar for adoption.

PUBLICATION: None.

ATTACHMENTS:

1. Minutes of SPA Board Teleconference Meeting April 6, 2026

SCHOOLS PROGRAM ALLIANCE**April 6, 2026 Board Of Directors Teleconference Meeting
Minutes****Members Present:**

Butte Schools Self-Funded Programs (BSSP)	Christy Patterson
Butte Schools Self-Funded Programs (BSSP)	Nicole Strauch
North Bay Schools Insurance Authority (NBSIA)	Noel Waldvogel
North Bay Schools Insurance Authority (NBSIA)	Karen Shelar
Redwood Empire Schools Insurance Group (RESIG)	Cindy Wilkerson
Schools Insurance Authority (SIA)	Brooks Rice
Schools Insurance Authority (SIA)	Debrah Sherrington
Schools Insurance Authority (SIA)	Josh Arnold
Schools Insurance Authority (SIA)	Olivia Nelson
Schools Insurance Authority (SIA)	Phil Brown
Schools Insurance Authority (SIA)	Amy Russell
Schools Insurance Group (SIG)	Kelli Hanson
Central California Schools Authority (CCSA)	Alan Caeton
Central California Schools Authority (CCSA)	Jeff Pierce

Members Absent:**Consultants & Guests**

Dan Madej, Alliant Insurance Services	Mike KIELTY, George Hills
Dan Howell, Alliant Insurance Services	Mike Harrington, Bickmore Actuary
Marcus Beverly, Alliant Insurance Services	Jim Wilkey, Newfront
Michelle Minnick, Alliant Insurance Services	Eileen Masa, Newfront
Jenna Wirkner, Alliant Insurance Services	Mo Balakrishnan, SIA

A. CALL TO ORDER, ROLL CALL, QUORUM

Ms. Cindy Wilkerson called the meeting to order at 10:03 a.m. and welcomed the board. The above-mentioned members were present constituting a quorum.

B. APPROVAL OF AGENDA AS POSTED

A motion was made to approve the Agenda as posted.

MOTION: Alan Caeton

SECOND: Noel Waldvogel

**MOTION CARRIED
UNANIMOUSLY**

C. PUBLIC COMMENT

There were no public comments.

D. CONSENT CALENDAR

1. Minutes of SPA Board Teleconference Meeting March 9, 2026

A motion was made to approve the minutes.

MOTION: Kelli Hanson

SECOND: Christy Patterson

**MOTION CARRIED
UNANIMOUSLY**

E. MEMBER PROGRAM AND IDEA SHARING

This time was reserved for members to share items of interest to the group. There was a discussion regarding a repair at one of the districts and noted they were about to engage with the contractor but wanted to discuss the process for engaging with vendors. Josh Arnold added comment that he likes to have the property owner (districts) execute an agreement with vendors. As it relates to emergency response vendors (ATI or BELFOR for example) remediation or restoration should be held at the district level.

F. LIABILITY PROGRAM

F.1. EXCESS LIABILITY PROGRAM

Jim Wilkey provided the Board with an update on the Excess Liability Program. He indicated that all of the underlying programs have been quoted and finalized. CCSA has increased their SIR so all members are now aligned with (BASIC, SIA and CCSA) SIR's of \$2.5M. He reviewed the proposed tower of coverage by market but mentioned the numbers are still developing at this time.

G. GENERAL ADMINISTRATION AND FINANCIAL REPORTS

G.1.A. STANDING COMMITTEE AND TASK GROUP UPDATES – LIABILITY CLAIMS TASK FORCE

Olivia Nelson noted the group has started to review and compare the MOLC's and at the next meeting discussions regarding claims handling pieces.

G.1.B. STANDING COMMITTEE AND TASK GROUP UPDATES – PROPERTY PROGRAM LOSS CONTROL AD HOC COMMITTEE

Debrah Sherrington mentioned there was nothing to report out at this time.

G.1.C. STANDING COMMITTEE AND TASK GROUP UPDATES – PROPERTY CLAIMS COMMITTEE

Josh Arnold noted the group meets on a monthly basis and mentioned that the pain point is getting a proof of loss letter but he is working with the McLarens team to resolve. He also shared the resource that was created listing fire & water loss vendors. FUSD has expressed interest in joining the SPA Property Claims Committee and it was noted that we have just had Board Members on the committee and the Board offered they work with CCSA for a couple months.

G.1.D. CYBER WORKING GROUP

Phil Brown noted the group met recently and mentioned we are currently in a holding pattern for setting up of the property schedules on the Archipelago system. He went on to discuss the AI SPA bot is in early development with the goal to share something at the strategic planning. Additionally, the group has

SPA is a Partnership of California Public Entity Joint Powers Authorities

discussed AI policies at the underlying pool level as compared to a SPA policy and research is being conducted to provide a recommendation. Lastly, he discussed Cyber coverage and noted that by 7/1/26 we are not changing anything, but we are working on a comparative table of coverages across the pools for review.

G.1.E. STANDING COMMITTEE AND TASK GROUP UPDATES – COST ALLOCATION TASK FORCE

Phil Brown noted the group has met a couple times and Mike Harrington was present on the call to help with the discussion. Mike Harrington provided a summary of the cost allocation efforts including the retained layer, administration costs, and wildfire and non-wildfire premiums additionally noting the incorporation of capped losses. He presented four options for review. The Board was asked to consider the philosophy that is being used to help determine the cost allocation formula. It was noted that we are trying to take out the variability and provide stability. During the discussion it was noted that we will need to obtain updated AAL and the addition of FUSD to CCSA will change things.

The Board provided direction to bring this back to a special SPA Board Teleconference meeting on May 7th so the Cost Allocation group can apply the updated TIV.

G.1.F. SPA PRIMARY LIABILITY LAYER AD HOC COMMITTEE

Phil Brown noted the group has not met since the last meeting but noted that Olivia Nelson is working on the comparison of the MOLC's.

G.2. STRATEGIC PLANNING OBJECTIVES

Marcus Beverly discussed Strategic Planning Objectives and mentioned the progress being made.

G.2.A. STRATEGIC PLANNING OBJECTIVES – CAJPA ACCREDITATION

Marcus Beverly quickly reviewed the progress of the CAJPA Pre-Accreditation review and noted some of the items will be addressed at the Strategic Planning Meeting (such as Enterprise Risk Management). It was also noted that we would need to include the costs of accreditation in the FY 27/28 Budget.

G.2.B. STRATEGIC PLANNING OBJECTIVES – AUGUST 2026 DRAFT AGENDA

Marcus Beverly also presented the draft agenda and asked the Board to provide any feedback or discussion items that they would like to include in the meeting.

G.3. CCSA REQUEST TO CONSIDER NEW ADDITION – MADERA UNIFIED SCHOOL DISTRICT – KING HUSIEN SCHOOL

Dan Howell noted that the underwriting policy to review any new addition in excess of \$25M should be presented to the SPA Board to consider and approve of the new location. Marcus Beverly noted that we will likely look at the underwriting policy at the August Strategic Plan.

A motion was made to approve the addition.

MOTION: Brooks Rice

SECOND: Christy Patterson

**MOTION CARRIED
UNANIMOUSLY**

H. PROPERTY PROGRAM

H.1. PROPERTY PROGRAM UPDATE

Dan Madej provided the Board with an update and noted that our recent discussions have been centered around the Cost Allocations and we are currently waiting on renewal positions for APIP, APD, and ADWRP. There is also an alternative in APIP for the APD coverage at this time. Dan Howell noted that we will be meeting with underwriters in London later this month and we are hoping to see a rate reduction.

I. INFORMATION ITEMS

1. Property Add Form – Property Schedule Guidelines

J. ADJOURNMENT

The meeting was adjourned at 12:01 P.M.

NEXT MEETING DATE: May 11, 2026 via Teleconference

Respectfully Submitted,

Kelli Hanson, Secretary

Date

DRAFT



Schools Program Alliance

c/o Alliant Insurance Services

Corporation Insurance License No. 0C36861

**Board of Directors
Teleconference Meeting
May 11, 2026**

Item E.

**MEMBER PROGRAM AND IDEA SHARING
INFORMATION ITEM**



Schools Program Alliance

c/o Alliant Insurance Services

Corporation Insurance License No. 0C36861

**Board of Directors
Teleconference Meeting
May 11, 2026**

Item F.

EXCESS LIABILITY UPDATE

INFORMATION ITEM

The Board will receive a verbal update from Jim Wilkey.



Item G.1.

GENERAL ADMINISTRATION AND FINANCIAL REPORTS

STANDING COMMITTEE AND TASK GROUP UPDATES

INFORMATION ITEM

- a) Liability Claims Task Force**
- b) Property Program Loss Control - Ad Hoc Committee**
- c) Property Claims Committee**
- d) Cyber Working Group**
- e) Cost Allocation Working Group**
- f) SPA Primary Liability Layer Ad Hoc Committee**



Item G.2.

STRATEGIC PLANNING OBJECTIVES

INFORMATION ITEM

ISSUE: The SPA Board of Directors held its annual Strategic Planning Meeting on August 19-20, 2025. During the meeting a number of strategic objectives were discussed. The Program Administrator has prepared the attached matrix summarizing the direction given by the Board into eight objectives to be addressed during the current program year.

The major goals that are still in process include CAJPA accreditation, establishing a liability program retained layer, and ongoing evaluation of the retained risk in the property program. The Program Administrators are planning to include these topics on the next strategic planning agenda set for August 25-26, 2026, in Tiburon.

RECOMMENDATION: Review and provide feedback or direction regarding the attached or topics for the August Board meeting.

FISCAL IMPACT: None.

BACKGROUND: Each year the SPA Board of Directors holds a two-day meeting to allow time beyond normal Board business to develop a longer-term vision for strategic objectives. As items are identified, they are organized on the attached matrix to identify major milestones towards addressing the item and assignment of the activities to the parties responsible for development and execution of the item. The Strategic Planning Objectives matrix is included in each SPA Board of Directors regular meeting agenda so that a general progress update can be provided. At the following year's Strategic Planning Meeting, the Board reviews completion and determines if any items need to be carried over or modified in the following year's strategic planning objectives.

PUBLICATION: The FY 2025/26 SPA Strategic Planning Objectives will be included in each SPA Board of Directors regular meeting agenda with a status update.

ATTACHMENTS: FY 2025/26 SPA Strategic Planning Objectives as of 4/30/26

FY 2025/26 SPA STRATEGIC PLANNING OBJECTIVES as of 4/30/26						
GOAL	ACTION / TASK		STAFF	Assigned	DEADLINE	STATUS
LRP-1	Develop SPA Liability Program Claims Reporting and SPA Level Loss Tracking					
	a	Staff to draft Claims Notice for Board consideration & adoption	NF/MM	JW/ON	Nov	Completed
	b	Liability Claims Committee to begin meetings (including tracking claims) and report out to Board	MM	ON	Jan	Ongoing BOD Reports
LRP-2	Program Administrator to Establish Plan for CAJPA Accreditation Status					
	a	Determine current CAJPA Accreditation requirements	PA	MB/MM	Nov	In Progress
	b	Provide review of SPA existing documents and operations as compared to the CAJPA Accreditation requirements	PA	MB/MM	Jan	On Monthly Agendas
	c	Present results to Board for further direction or development of items needed	PA	MB/MM	Mar	<i>For August 2026 Meeting</i>
LRP-3	Establish a Cyber Working Group to address impact of AI on SPA including:					
	a	MOLC Review for AI Issues	NF/MM	JW/ON	Jan	Item on Dec Agenda
	b	Evaluate MGA/MGU/RPG Agency Management and Underwriting software packages to see if applicable to SPA and/or members	PA/MM	MB/PB	Feb	Update from 2/3/26 meeting
	c	Evaluate how agentic AI can impact SPA and members	PA/MM	DM/PB	Feb	Working with Archipelago
	d	Evaluate software tools for contract review and certificate/endorsement management	PA/MM	DH/PB	May	<i>RESIG testing</i>
	e	Evaluate SPA Cyber Program combining existing SIA (Axa), BASIC (PRISM), CCSA (APIP) and SIG (Tokyo Marine Programs)	PA/MM/NF	DH/ON/JW	Jan	<i>Committee working</i>
LRP-4	Evaluate Retaining more risk in SPA Property Program					
	a	Create loss report pivot tables that support attachment/retention analysis	PA/PCA	DM/JA	Nov	JA delivering loss data
	b	Report to SPA Board on initial findings	PA/PCA	DM/JA	Dec	<i>For March</i>
	c	Actuarial report on retention finding	PA/BA	DM/MH	May	
	d	Renewal broking direction from SPA Board	PA	DM	May	
	e	SPA Board review of renewal options and binding instructions	PA	DM	Jun	
	f	Implementation of retention and monitoring	PA/PCA	DM/JA	Jul	
LRP-5	Property Claims Committee to work on developing a panel of providers with service and fees agreed pre loss					
	a	Develop best practices and pricing, likely focusing on specific types of vendor providers and working through each type over	PA/PCA	MB/JA	Dec	Completed
	b	Gather member comments on items needed to perform vetting process	PA/PCA	MB/JA	Jan	Completed
	c	Select providers and establish appropriate pre-loss agreements/service standards	PCC	PCC	Mar	Completed/ in process
	d	Train members on utilization process	PA/PCA	MB/JA	May	
	e	Monitor results and performance and report out annually	PA/PCA	MB/JA	Aug	

GOAL	ACTION / TASK		STAFF	Assigned	DEADLINE	STATUS
LRP-6	Liability Program MOLC Evaluation of impacts and planning for potential move to claims-made coverage					
	a	Develop white paper on legal and operational affects of changing from occurrence to claims-made coverage	NF/MM/GC	JW/ON/BC	Feb	meet with UW for claims made coverage on top of current tower
	b	Initial discussion at SPA BOD	NF/MM/GC	JW/ON/BC	Mar	
	c	Further development of documents, MOLC, member communications	NF/MM/GC	JW/ON/BC	Jul	
	d	Discussion at SPA BOD Strategic Planning Session	NF/MM/GC	JW/ON/BC	Aug	
	e	Implementation of change in MOLC, if any, no sooner than	NF/MM/GC	JW/ON/BC	Jun-27	
LRP-7	Liability Program Evaluation of Primary Excess Liability Program and how BASIC and CCSA participate					
	a	Discuss conceptual approach to developing a SPA PELP, provide direction	NF/MM	JW/ON	Nov	Verbal Discussion at 11/10/25 Meeting
	b	Development of conceptual approach and transition plan	NF/MM	JW/ON	Feb	Verbal Update
	c	Approve transition to new SPA PELP (note this may be a July 1, 2027 goal)	NF/MM	JW/ON	Jul-27	
	d	Coverage for PELP commences	NF/MM	JW/ON	Jul-27	
LRP-8	SPA HR Hotline Solution					
	a	This item needs further development by SPA Board	TBD	TBD	TBD	

BOD: SPA Board of Directors
PA: SPA Program Administrator
MM: Managing Member
CFO: SPA Accounting and Finance

AIS: Alliant Ins. Svcs.(Property Program)
NF: Newfront Insurance (Liability Program)
GC: SPA General Counsel
PCA: SPA Property Claims Administrator at SIA



Item G.3.

SPA WEBSITE ADA UPDATE

ACTION ITEM

ISSUE: The Board is presented with a request to budget for website ADA compliance for the SPA website, per the attached estimate and cost allocation.

RECOMMENDATION: Review and approve as presented or provide direction.

FISCAL IMPACT: \$11,385

BACKGROUND: ADA regulations apply to the accessibility of public websites, with public agency websites particularly vulnerable due to their role in the community. California passed legislation (AB 434) effective January 1, 2018, mandating compliance with Web Content Accessibility Guidelines (WCAG 2.0) for all state agencies and created a compliance certification process. We are also seeing more activity as it relates to demand letters being sent to public agencies for ADA compliance. The Program Administrators asked Alliant's IT to review SPA's website and it was reported that our website will need updates to be ADA compliant.

ATTACHMENTS: Estimate and allocation of cost for ADA update.

Project: ADA Compliance for Alliant-Hosted JPA Websites

Objective

Enhance the accessibility of Alliant-hosted JPA websites to meet ADA compliance standards, ensuring an inclusive and user-friendly experience for all visitors.

Scope of Work

The following websites will be updated:

- <https://nccsif.org/>
- <https://scorejpa.org/>
- <https://spajpa.org/>

While these sites are largely compliant today, targeted improvements are required in areas such as visual contrast, heading structure, and overall accessibility standards. Compliance will be validated using the WAVE browser extension.

Current Accessibility Scores

- NCCSIF: 8.8
- Score JPA: 7.3
- SPA JPA: 5.4

Target Outcome

Increase all sites' accessibility scores to as close to 10 as possible, aligning with ADA best practices.

Key Workstreams

- Resolve color contrast issues across all three sites
- Improve structural and heading hierarchy for accessibility
- Address remaining compliance gaps specific to Score JPA
- Conduct deployment, testing, and stakeholder communication

Effort & Investment

- Total Estimated Effort: 24 story points
- Team Velocity: 40 story points per sprint
- Cost per Story Point: \$1,315

Estimated Total Cost: \$31,560

The estimated cost for the sites will break out like this, based on their relative scores: SPA JPA \$11,835 (37.5%), Score JPA \$10,520 (33%), NCCSIF \$9,205 (29.2%).

Business Impact

This initiative will reduce accessibility risk, improve usability for all users (including those with disabilities), and align Alliant-hosted properties with regulatory and best-practice standards.

Item G.4.

PROPOSED BUDGET & ASSUMPTIONS 26/27

ACTION ITEM

ISSUE: Proposed Budget & Assumptions are provided for consideration.

RECOMMENDATION: Approve as presented, revised, or provide direction.

- Consider the Proposed Budget and recommendations and provide feedback for final budget presentation at the next SPA Board Meeting
- Final individual member allocations of excess/re-insurance quotes and the Contribution Allocation Exhibit will be finalized by Alliant, approved by the Board, and incorporated into the final budget.

FISCAL IMPACT: Total estimated budget is \$766,000.

BACKGROUND: SPA members' annual contributions provide for 1) a Property Program, and 2) a Liability Program of excess insurance purchases, for the benefit of the member districts/JPA's. The Schools Insurance Authority functions as the Managing Member per the JPA agreement. The Managing Member develops budgets, receives and disburses funds, signs contracts, and otherwise manages the financial operations of SPA.

At the inception of the SPA JPA, budgets for SIA Admin, Loss Control and Appraisals were developed. Budgeted revenues and matching expenses for SIA Admin and Loss Control are based on TIV allocations approved by the Board. Appraisal budgets are projected unique to each member from recent RFP quotes. Starting with the 2023/24 year, SPA began budgeting for administrative costs to cover professional services costs, including audits, actuary, legal, and board member activities, such as the annual strategic planning meeting. These costs are budgeted/expended from the Property Pool.

The attached Proposed Budget is provided for Board Member consideration.

Primary Budget Assumptions:

- Funding allocations for retained layer, excess insurance costs, and admin costs is pending Board approval.
 - Property revenues are estimated at Alliant's most recent "not to exceed" amounts.
 - Liability revenues are estimated 10% above last year actuals.
- Retained layer funding is planned at \$4.4 million accumulated aggregate. This is \$4M for the members as of 3/31/26 plus \$400K for Fresno unified effective 7/1/2026.
- Admin revenue & cost budget totaling 766,000, including:
 - Professional Services
 - SIA Claims Coordination services contract of \$40,000 is submitted with renewed MOU*.
 - Other professional services costs up \$42,000 (audit, legal, CAJPA, actuarial)
 - Other General & Admin
 - Appraisals up \$123,000



Schools Program Alliance

c/o Alliant Insurance Services

Corporation Insurance License No. 0C36861

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- SIA Managing Member services contract is submitted with a renewed MOU* and a \$15,000 requested increase to \$100,000.
- Other general & admin costs up \$47,000 (Board activities, CAJPA, insurance, misc.)

* Approval of the budget will serve to approve the accompanying MOUs.

ATTACHMENTS: The Proposed Budget and explanation of changes, as well as MOUs for Claims Coordination Services and Managing Member Services are provided for review.

SCHOOLS PROGRAM ALLIANCE

**PROPOSED BUDGET by PROGRAM
FY 2026 - 2027**

	Property	Liability	TOTAL
OPERATING REVENUES:			
Member contributions	\$ 25,804,000	\$ 14,263,000	\$ 40,067,000
Other income	766,000	-	766,000
TOTAL OPERATING REVENUES	26,570,000	14,263,000	40,833,000
EXPENSES:			
Insurance premiums	21,404,000	14,263,000	35,667,000
Professional services:			
Audit	20,000	-	20,000
Legal	19,000	-	19,000
Claims Coordination Services	40,000	-	40,000
Consulting	22,000	-	22,000
Actuarial expense	22,000	-	22,000
Professional services	123,000	-	123,000
Other general & administrative:			
Board member activities	21,000	-	21,000
SIA Admn	100,000	-	100,000
Loss control	200,000	-	200,000
Appraisals	275,000	-	275,000
Insurance	29,000	-	29,000
Misc	8,000	-	8,000
Subscriptions	10,000	-	10,000
Other general & administrative	643,000	-	643,000
	766,000	-	766,000
TOTAL OPERATING EXPENSES	22,170,000	14,263,000	36,433,000
OPERATING GAIN (LOSS)	4,400,000	-	4,400,000
NON-OPERATING REVENUES (EXPENSES):			
Investment income	500,000	-	500,000
INCREASE (DECREASE) IN NET ASSETS	4,900,000	-	4,900,000
NET ASSETS, END OF YEAR	\$ 4,900,000	\$ -	\$ 4,900,000

SCHOOLS PROGRAM ALLIANCE

**PROPOSED BUDGET by PROGRAM
FY 2026 - 2027**

	Property	Liability	TOTAL
OPERATING REVENUES:			
Member contributions	\$ 27,400,000	\$ 13,614,661	\$ 41,014,661
Other income	766,000	-	766,000
TOTAL OPERATING REVENUES	28,166,000	13,614,661	41,780,661
EXPENSES:			
Insurance premiums	23,000,000	13,614,661	36,614,661
Professional services:			
Audit	20,000	-	20,000
Legal	19,000	-	19,000
Claims Coordination Services	40,000	-	40,000
Consulting	22,000	-	22,000
Actuarial expense	22,000	-	22,000
Professional services	123,000	-	123,000
Other general & administrative:			
Board member activities	21,000	-	21,000
SIA Admn	100,000	-	100,000
Loss control	200,000	-	200,000
Appraisals	275,000	-	275,000
Insurance	29,000	-	29,000
Misc	8,000	-	8,000
Subscriptions	10,000	-	10,000
Other general & administrative	643,000	-	643,000
	766,000	-	766,000
TOTAL OPERATING EXPENSES	23,766,000	13,614,661	37,380,661
OPERATING GAIN (LOSS)	4,400,000	(0)	4,400,000
NON-OPERATING REVENUES (EXPENSES):			
Investment income	500,000	-	500,000
INCREASE (DECREASE) IN NET ASSETS	4,900,000	(0)	4,900,000
NET ASSETS, END OF YEAR	\$ 4,900,000	\$ (0)	\$ 4,900,000

PROPERTY PROGRAM

	Current Year			Budget Year	
	Budget	Estimate Actual	Diff Under/(Over) Budget	Budget	Description
Member Ins.Contributions		25,920,542	(25,920,542)	23,000,000	Pending Alliant confirm, preliminary 10% down from LY
Other Income					
Prof & Gen & Admin			-		<i>Board philosopy - direct reimbursement for expected costs; Appraisals split over 5 years based on bid cost</i>
Prof Services	81,000	81,000	-	123,000	
Other G&A	106,000	106,000	-	168,000	Increases in exp's below
Loss Control	200,000	200,000	-	200,000	SALY
Appraisals	152,000	152,000	-	275,000	New bid at \$250K, plus estimate Fresno @ 10% pool cost*
Other - to balance	16,000	16,000	-	-	increased to balance
Total Other Income	555,000	555,000	-	766,000	
Professional Services					
Audit	19,800	18,900	900	20,000	Est 5% increase to CY actuals
Legal	14,000	-	14,000	19,000	Est \$5K increase to budget - retained layer & CAJPA*
Claims Coordination	40,000	40,000	-	40,000	No increase on services provided; confirmed hours with Josh
Consulting	-	-	-	22,000	Est CAJPA accred fee (\$8750 @ SIA); ADA Compliance \$12k
Actuarial	7,200	7,500	(300)	22,000	Est \$15K increase - 2 studies (retained layer, structure analysis)*
			-		
Total Prof Services	81,000	66,400	14,600	123,000	
Other Gen & Admin					
Board Member Activities	16,000	15,304	696	21,000	Increase \$5K for inflation*
SIA Admin	85,000	85,000	-	100,000	\$15K increase SIA Admin; updated the estimated value of time incl. Mari's efforts
Loss Control		120,761	(120,761)	200,000	
Appraisals		103,220	(103,220)	275,000	\$250K for members + 10% (\$25K) estimate Fresno
Miscellaneous	5,000		5,000	8,000	
Subscriptions			-	10,000	Est CAJPA annual membership fee (New CAJPA accred. Est \$15K*, likely high)
ACSIP	1,546			6,000	Crime insurance
APPL				23,000	Directors & Officers insurance
Unknown			-		
Total Other Gen & Admin	107,546	324,285	(218,285)	643,000	* Per discussion w/Dan Madej @ Alliant
	188,546	390,685	(203,685)	766,000	
Non Operating Revenues					
Investment Income	-	456,480	(456,480)	500,000	Balance as of 3/31/26 is \$12,810,936.76 @ 3.826% = \$490,146.45

**MEMORANDUM OF UNDERSTANDING (MOU)
FOR JPA PROPERTY CLAIMS COORDINATION SERVICES
BETWEEN SCHOOLS PROGRAM ALLIANCE AND SCHOOLS INSURANCE AUTHORITY**

THIS MOU agreement is made as of November 1, 2024, by and between Schools Insurance Authority (SIA) and Schools Program Alliance (SPA); and

WHEREAS, SPA has a need for Claims Coordination Services for the SPA Property Program and desires SIA to provide the Services; and

WHEREAS, SIA is willing to perform the Services pursuant to the terms and conditions of this agreement;

NOW, THEREFORE, in consideration of mutual agreement set forth herein and for such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

A. **Services.** SIA shall assign qualified and competent personnel of SIA staff to SPA in order to provide the Services as described herein.

1. SIA staff shall perform Claims Coordination Services as set forth in Attachment A.

B. **Reimbursement.** SIA shall be the employer of assigned staff, and will pay the salary and benefits during the Term of this Agreement. SIA shall provide sufficient staffing hours to complete the assigned activities (estimated at an average of one day per week) for the duration of the agreement. SPA shall reimburse SIA for a portion of SIA staff annual salary, benefits, and indirect costs in the amount of Forty Thousand Dollars (\$40,000), to be prorated (divided by 12) for fiscal years less than 12 months. Payments shall be invoiced once a year after Board approval of the contract and/or annual budget and/or any other agreed upon changes approved by the Board of SPA. SIA shall provide an office, equipment, and other materials as required to perform the work required.

C. **Term.** The initial term of this agreement shall commence on November 1, 2024 and shall continue through June 30, 2026 ("Term"). Following this period, the Agreement is intended to be renewable for additional 12 months terms upon mutual agreement between the SPA Board and SIA's authorized representative.

D. **Annual Review & Renewal.** During the Term of this Agreement, SPA and SIA shall meet at least annually to discuss issues regarding the Services and whether the Services are meeting SPA's needs. As part of the annual review, the managing member may propose a budget item for renewal of the agreement within the development of the annual SPA Budget. The SPA Board's approval of the budget shall be deemed affirmative approval to renew this agreement. Successive renewals, including term and compensation will be documented as attachments to this agreement.

E. **Termination of Agreement.** This agreement may be terminated with a Sixty (60) day written notice of either party any time upon the resignation or refusal or inability to perform the essential function of the position, with or without reasonable accommodation as defined by applicable law, of any Employee.

F. Hold Harmless. To the fullest extent permitted by law, each party shall defend, indemnify, and hold the other party, its Governing Board, members of its Governing Board, officers, agents, and employees harmless from and against any and all liability, loss, expense (including reasonable attorney's fees), or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, or claims for injury or damages are caused by or result from the willful or intentional misconduct or negligent acts or omissions of the indemnified party, its officers, employees, volunteers, or agents.

G. No Employment Rights. Each party's employees shall be under the exclusive management control of that party and shall not be employees of the other party for any purposes whatsoever. No relationship of employer and employee is created by this Agreement.

H. Discrimination. The parties and its employees shall not discriminate because of sex, sexual orientation, gender, ethnic group identification, race, ancestry, national origin, religion, color or mental, physical disability, or any other basis prohibited by law against any person by refusing to furnish such persons any service or privilege offered by the parties under this Agreement.

I. Compliance with Law. In the performance of their respective obligations contemplated by this Agreement, each party agrees to comply with all applicable local, state and federal laws and regulations, as those laws and regulations may change from time-to-time.

J. No Third-Party Rights. Nothing in this Agreement is intended to make any person or entity who is not signatory to the Agreement a third-party beneficiary of any right created by this Agreement or by operation of law.

K. Amendments. The parties agree to make appropriate amendments to this Agreement from time to time, to comply with state and federal legislation or rules and regulations issued by state or federal agencies, if such amendments are required, provided, however, that in the event the changes required, or the legislation, or the rules and regulations, materially change the contract or affect the validity thereof either whole or in part, then in that event, the Agreement may be terminated at the option of either party.

L. Entire Agreement. This Agreement contains the entire Agreement and understanding between the parties and supersedes all prior written or oral Agreements with respect to the subject matter herein. Any modification to this Agreement must be made in writing, signed by the authorized representatives of the SPA and SIA.

M. Execution in Counterparts. This Agreement may be executed in counterparts such that the signatures may appear on separate pages. A copy, or an original, with all signatures appended together shall be deemed a fully executed agreement. Signatures transmitted by facsimile shall be deemed original signatures.

N. Interpretation. The language of all parts of this Agreement shall, in all cases, be construed as a whole, according to its fair meaning, and not strictly for or against either party.

O. Governing Law. This agreement shall be governed by and interpreted under laws of the State of California, with venue for the judicial resolution of any dispute to be Sacramento County, California and no other place.

SCHOOLS PROGRAM ALLIANCE SCHOOLS INSURANCE AUTHORITY

By: _____ By: _____
(Signature) (Signature)
Name: _____ Name: _____
(printed or typed) (printed or typed)
Title: _____ Title: _____

ATTACHMENT A

Services Provided by Schools Insurance Authority are generally summarized as follows:

1. Perform Claims Coordination Services to support the SPA Member Pools in their communication, claims reporting, administration, and information reporting in the relationship with the claims adjusting firm(s) (Excess adjusting firm) hired by the excess insurance carrier panel.
2. Facilitate communication between the SPA Member Pools, the Excess adjusting firm, and Alliant Insurance Services staff.
3. Collection of Member claims information and maintenance of claims records/system for claims within the SPA retained layer.
4. Reporting of Member Pool Claims to the Excess adjusting firm according to established reporting criteria.
5. Coordination of Proof of Loss and/or other evidence of losses and requests for claims reimbursements and advances with SPA Member Pools and with the Excess adjusting firm.
6. Other related assistance as reasonably related and necessary to effectively assist in the coordination of SPA Member Pool claims.
7. Claims Service Instructions to be developed/approved by the SPA Board of Directors are also incorporated by this reference.

ATTACHMENT B

To the:

**MEMORANDUM OF UNDERSTANDING (MOU)
FOR JPA PROPERTY CLAIMS COORDINATION SERVICES
BETWEEN SCHOOLS PROGRAM ALLIANCE AND SCHOOLS INSURANCE AUTHORITY**

THIS MOU agreement is approved by the SPA Board of Directors in conjunction with approval of the SPA annual budget, and is amended effective July 1, 2026, by and between Schools Insurance Authority (SIA) and Schools Program Alliance (SPA) to include the following amended terms:

Term: The term of the Agreement is extended from July 1, 2026 through June 30, 2027.

All other terms of the Agreement remain unchanged.

**MEMORANDUM OF UNDERSTANDING (MOU)
FOR JPA MANAGING MEMBER SERVICES
BETWEEN SCHOOLS PROGRAM ALLIANCE AND SCHOOLS INSURANCE AUTHORITY**

THIS MOU agreement is made as of July 1, 2025, by and between Schools Program Alliance (SPA) and Schools Insurance Authority (SIA); and

WHEREAS, SPA has a need for Managing Member Services for the SPA JPA and desires SIA to provide the Services; and

WHEREAS, SIA is willing to perform the Services pursuant to the terms and conditions of this agreement;

NOW, THEREFORE, in consideration of mutual agreement set forth herein and for such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

A. **Services.** SIA shall assign qualified and competent personnel of SIA staff to SPA in order to provide the Services as described herein.

1. SIA staff shall perform Managing Member Services as set forth in Attachment A.

B. **Reimbursement.** SIA shall be the employer of assigned staff, and will pay the salary and benefits during the Term of this Agreement. SIA shall provide sufficient staffing hours to complete the assigned activities (expected to include services of SIA CFO, Accounting Manager, Senior Accountant) for the duration of the agreement. SPA shall reimburse SIA for costs to provide the services, including a portion of SIA staff salary, benefits, and indirect costs in the amount of Eighty-Five Thousand Dollars (\$85,000) per year, (to be prorated (divided by 12) for fiscal years less than 12 months if applicable). Payments shall be invoiced once a year after Board approval of the contract and/or annual budget and/or any other agreed upon changes approved by the Board of SPA. SIA shall provide an office, equipment, accounting system, and other materials as required to perform the work.

C. **Term.** The initial term of this agreement shall commence on July 1, 2025 and shall continue through June 30, 2026 (“Term”). Following this period, the Agreement is intended to be renewable for additional 24 months terms upon mutual agreement between the SPA Board and SIA’s authorized representative.

D. **Annual Review & Renewal.** During the Term of this Agreement, SPA and SIA shall meet at least annually to discuss issues regarding the Services and whether the Services are meeting SPA’s needs. The Managing Member may propose a budget item for renewal of the agreement within the development of the annual SPA Budget. The SPA Board’s approval of the budget shall be deemed affirmative approval to renew this agreement. Successive renewals, including term and compensation will be documented as attachments to this agreement.

E. **Termination of Agreement.** This agreement may be terminated with a Sixty (60) day written notice of either party any time upon the resignation or refusal or inability to perform the essential function of the position, with or without reasonable accommodation as defined by applicable law, of any Employee.

F. **Hold Harmless.** To the fullest extent permitted by law, each party shall defend, indemnify, and hold the other party, its Governing Board, members of its Governing Board, officers, agents, and employees harmless from and against any and all liability, loss, expense (including reasonable attorney's fees), or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, or claims for injury or damages are caused by or result from the willful or intentional misconduct or negligent acts or omissions of the indemnified party, its officers, employees, volunteers, or agents.

G. **No Employment Rights.** Each party's employees shall be under the exclusive management control of that party and shall not be employees of the other party for any purposes whatsoever. No relationship of employer and employee is created by this Agreement.

H. **Discrimination.** The parties and its employees shall not discriminate because of sex, sexual orientation, gender, ethnic group identification, race, ancestry, national origin, religion, color or mental, physical disability, or any other basis prohibited by law against any person by refusing to furnish such persons any service or privilege offered by the parties under this Agreement.

I. **Compliance with Law.** In the performance of their respective obligations contemplated by this Agreement, each party agrees to comply with all applicable local, state and federal laws and regulations, as those laws and regulations may change from time-to-time.

J. **No Third-Party Rights.** Nothing in this Agreement is intended to make any person or entity who is not signatory to the Agreement a third-party beneficiary of any right created by this Agreement or by operation of law.

K. **Amendments.** The parties agree to make appropriate amendments to this Agreement from time to time, to comply with state and federal legislation or rules and regulations issued by state or federal agencies, if such amendments are required, provided, however, that in the event the changes required, or the legislation, or the rules and regulations, materially change the contract or affect the validity thereof either whole or in part, then in that event, the Agreement may be terminated at the option of either party.

L. **Entire Agreement.** This Agreement contains the entire Agreement and understanding between the parties and supersedes all prior written or oral Agreements with respect to the subject matter herein. Any modification to this Agreement must be made in writing, signed by the authorized representatives of the SPA and SIA.

M. **Execution in Counterparts.** This Agreement may be executed in counterparts such that the

signatures may appear on separate pages. A copy, or an original, with all signatures appended together shall be deemed a fully executed agreement. Signatures transmitted by facsimile shall be deemed original signatures.

N. **Interpretation.** The language of all parts of this Agreement shall, in all cases, be construed as a whole, according to its fair meaning, and not strictly for or against either party.

O. **Governing Law.** This agreement shall be governed by and interpreted under laws of the State of California, with venue for the judicial resolution of any dispute to be Sacramento County, California and no other place.

SCHOOLS PROGRAM ALLIANCE

SCHOOLS INSURANCE AUTHORITY

By: _____
(Signature)

By: _____
(Signature)

Name: Cindy Wilkerson _____
(Print or Type)

Name: Brooks Rice _____
(Print or Type)

Title: SPA Board Chair _____

Title: Executive Director, SIA _____

Date: _____

Date: _____

ATTACHMENT A

Managing Member services are generally described by the SPA Joint Exercise of Powers Agreement as financial management services for the Authority. SIA will provide these services as follows:

1. Develop budgets and allocating costs for general administration and contracting activities for Board Approval
2. Enter into contracts on behalf of the Board
3. General accounting responsibilities, including provision of accounting system and internal controls & processes, receive and disburse funds, invoicing, producing periodic financial reports and supporting member financial inquiries
4. Serve as a point of contact for vendors and contractors
5. Audit coordination and facilitation
6. Collaboration with Actuary, insurance brokers, experts, and other related professionals and contractors
7. Other related services as requested by the SPA Board of Directors

ATTACHMENT B

To the:

**MEMORANDUM OF UNDERSTANDING (MOU)
FOR JPA MANAGING MEMBER SERVICES
BETWEEN SCHOOLS PROGRAM ALLIANCE AND SCHOOLS INSURANCE AUTHORITY**

THIS MOU agreement is approved by the SPA Board of Directors on May 11, 2026, amended effective July 1, 2026, by and between Schools Insurance Authority (SIA) and Schools Program Alliance (SPA) to include the following amended terms:

Reimbursement. SPA shall reimburse SIA for a portion of SIA staff annual salary, benefits, and indirect costs in the amount of One Hundred Thousand Dollars (\$100,000), to be prorated (divided by 12) for fiscal years less than 12 months.

Term. The term of the agreement shall be extended to cover the period July 1, 2026 through June 30, 2028.

All other terms of the Agreement remain unchanged.



Item G.5.

ALLIANT DEADLY WEAPONS RESPONSE PROGRAM FY 26/27

ACTION ITEM

ISSUE: After meetings with SPA's ADWP underwriters, there may be an opportunity to refine coverage to include designated counsel and an engagement relationship with SPA members.

RECOMMENDATION: Staff recommends that program administrative find information on the pending renewal and the board may take action or provide direction.

FISCAL IMPACT: Costs will be included in the APIP costs.

BACKGROUND: The existing program includes coverages associated with a “deadly weapons event” including crisis risk services. The coverage provides SPA members in the program a \$500,000 per claim limit for 1st Party Property Damage with a \$2,500,000 pool aggregate and \$250,000 sublimits for crisis management services, funeral expenses, counseling services, and business interruption. Additional coverages include medical expenses, demolition/memorialization, and a transit extension. The deductible is \$10,000 Each Event including Claims Expenses. Additionally, a limit of \$50,000 for Crisis Advisory and Counseling Services *for any crisis event unrelated to a deadly weapon event.*

*The event must occur at a location on a member's APIP Schedule of Values. The insurance is primary for property and business interruption, coverages also provided by APIP, but it extends coverage to include the benefits outlined as well as extensive resources to prevent, respond, and recover from an event provided by CrisisRisk <http://www.crisisrisk.com/>. Members are encouraged to access their resources at any time and to *report an incident immediately for assistance and to preserve coverage under the claims-made policy.**

ATTACHMENTS: None.



Item G.6.

**MANAGING MEMBER FINANCIAL REPORT AND TREASURER'S
REPORT FOR PERIOD ENDING MARCH 31, 2026**

ACTION ITEM

ISSUE: Managing Member Financial Report 3rd Quarter 2025/26

RECOMMENDATION: Review, accept and file, or provide direction.

FISCAL IMPACT: None expected from this item.

BACKGROUND: SPA members' annual contributions provide for 1) a Property Program, including a shared retained layer, related administrative costs, and excess insurance purchases, and 2) a Liability Program of excess insurance purchases. The Schools Insurance Authority (SIA) functions as the Managing Member per the JPA agreement. The Managing Member receives and disburses funds, enters into contracts, and otherwise manages the financial operations of SPA. Quarterly GAAP financial reports are prepared to report on these activities.

Managing Member Financial Update:

Financial Reports – Financials for the period ending March 31, 2026 are provided for the Board's review. The financials reflect a combined net position of \$6.6M (up \$2.0M from June 30, 2025).

Summary of financial details:

- Total Assets of \$23.1M; total liabilities estimated at \$16.5M.
- Claims Liabilities outstanding are estimated at \$5.6M. This includes the effects of recording claims from member loss runs as of March 31, 2026 (an increase of \$690K).
- Property Program Pool results:
 - Surplus from claims operations of about \$1.6M, plus investment income of \$354K yield net position increase of \$2.0M.
 - Ending Net Position is about \$5.3M (up about \$1.7M from June 30, 2025).
- Added a new Income Statement item to track insurance expense.

Other Updates – Management is aware of the additional financial billing. Revenue associated with

Fresno Unified School District joining the pool will be recognized in the 4th quarter financial statements.

ATTACHMENTS:

1. 03.31.26 SPA Draft Financials Board
2. 03.31.26 SPA Check Register
3. 03.31.26 SPA Treasurer's Report

**SCHOOLS PROGRAM ALLIANCE
PROPERTY & LIABILITY INSURANCE PROGRAMS
STATEMENT OF NET POSITION
Unaudited - For Management Purposes Only
AS OF MARCH 31, 2026**

	BSSF	CCSA	NBSIA	RESIG	SIA	SIG	Property Pool	Combined Property	Liability	Total
ASSETS										
Cash	38,400	66,083	155,266	112,401	813,566	206,042	12,852,630	14,244,387	1,286	14,245,673
Accounts Receivable		2,240						2,240		2,240
Other Receivables							125,542	125,542	0	125,542
Prepaid Insurance							5,480,136	5,480,136	3,241,586	8,721,722
TOTAL ASSETS	38,400	68,323	155,266	112,401	813,566	206,042	18,458,308	19,852,305	3,242,872	23,095,176
LIABILITIES										
Accounts Payable		28,160					138,235	166,395		166,395
SIA Admin payable								0		0
Loss Control payable								0		0
Appraisal payable								0		0
Deferred Contributions	1,901	19,227	10,221	14,520	53,774	13,608	6,505,637	6,618,886	3,241,586	9,860,471
Advances Payable							863,788	863,788	1,035	864,823
Claims Liabilities							5,600,694	5,600,694		5,600,694
TOTAL LIABILITIES	1,901	47,387	10,221	14,520	53,774	13,608	13,108,353	13,249,762	3,242,621	16,492,382
NET POSITION	36,499	20,936	145,045	97,881	759,792	192,434	5,349,955	6,602,543	251	6,602,794

RECONCILIATION OF MEMBER EQUITY BALANCES

	BSSF	CCSA	NBSIA	RESIG	SIA	SIG	Property Pool	Combined Property	Liability	Total
NET POSITION										
Retained Layer	0	0	0	0	0	0	5,337,508	5,337,508	251	5,337,759
SIA Admin	0	0	0	0	0	0	12,447	12,447		12,447
Loss Control	24,994	25,466	101,616	38,474	644,504	134,347	0	969,403		969,403
Appraisals	11,504	(4,529)	43,429	59,406	115,288	58,087	0	283,185		283,185
NET POSITION	36,499	20,936	145,045	97,881	759,792	192,434	5,349,955	6,602,543	251	6,602,794

**SCHOOLS PROGRAM ALLIANCE
PROPERTY & LIABILITY INSURANCE PROGRAMS
STATEMENT OF REVENUES, EXPENSES & CHANGES IN NET POSITION
Unaudited - For Management Purposes Only
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

	BSSFP	CCSA	NBSIA	RESIG	SIA	SIG	Property Pool	Combined Property	Liability	Total
CONTRIBUTION REVENUE										
Retained Layer Deposit							3,000,000	3,000,000		3,000,000
Reinsurance Payments							16,440,407	16,440,407	9,724,758	26,165,165
Total Retained & Reinsurance Contributions	0	0	0	0	0	0	19,440,407	19,440,407	9,724,758	29,165,165
SPA Admin Contributions*										
Administrative	1,070	10,823	5,753	8,174	30,271	7,660	76,500	140,250		140,250
Loss Control	2,519	25,466	13,538	19,232	71,225	18,023	0	150,000		150,000
Appraisal	2,116	21,391	11,372	16,154	59,829	15,139	0	126,000		126,000
Total Admin Contributions	5,705	57,679	30,662	43,559	161,324	40,820	76,500	416,250	0	416,250
TOTAL CONTRIBUTIONS	5,705	57,679	30,662	43,559	161,324	40,820	19,516,907	19,856,657	9,724,758	29,581,415
EXPENSES										
Claims Expenses							1,611,341	1,611,341		1,611,341
Insurance Premiums							16,440,407	16,440,407	9,724,507	26,164,914
Professional Services							51,550	51,550		51,550
Board Member Activities							7,653	7,653		7,653
Insurance							16,648	16,648		16,648
SPA Admin Expenses*										0
SIA Administrative	1,070	10,823	5,753	8,174	30,271	7,660		63,750		63,750
Loss Control					1,214	30,436		31,650		31,650
Appraisals		25,920			3,220			29,140		29,140
TOTAL EXPENSES	1,070	36,743	5,753	8,174	34,705	38,095	18,127,599	18,252,139	9,724,507	27,976,646
Operating Income	4,634	20,936	24,909	35,386	126,619	2,725	1,389,308	1,604,518	251	1,604,769
Non Operating Income - Interest							353,782	353,782		353,782
INCREASE (DECREASE) IN NET POSITION	4,634	20,936	24,909	35,386	126,619	2,725	1,743,090	1,958,300	251	1,958,551
NET POSITION, BEGINNING OF PERIOD - ESTIMATED	31,865	0	120,136	62,495	633,173	189,709	3,606,865	4,644,243	0	4,644,243
NET POSITION, END OF PERIOD	36,499	20,936	145,045	97,881	759,792	192,434	5,349,955	6,602,543	251	6,602,794

* SPA Admin contributions & expenses allocated per Admin Cost (TIV based) approved by SPA Board

**SCHOOLS PROGRAM ALLIANCE
CHECK REGISTER**

FY Ended 6/30/26

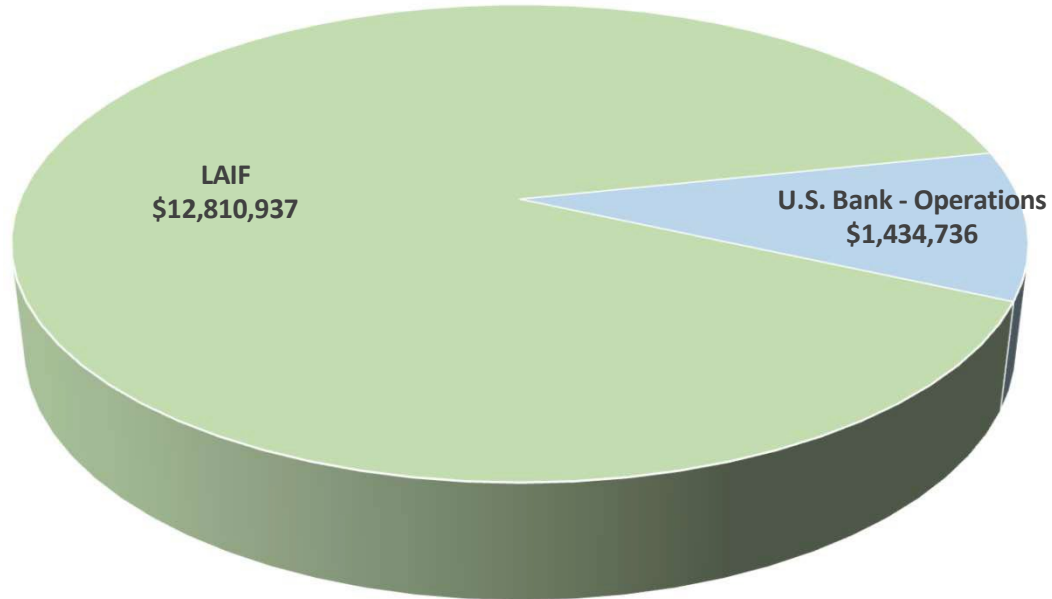
DISBURSEMENT TRANSACTIONS FISCAL YEAR 2025-26

Check Number	Vendor ID	Vendor Check Name	Check Date	Amount	Inv. #	Date	Description
1st Quarter 25-26							
wire payment	BMS Bermuda Limited	BMS Bermuda Limited	7/29/2025	575,000.00	#10075K25		Wire to BMS Bermuda for excess liab insurance
book xfer	SIA	SIA- Admin	7/30/2025	16,000.00	Various	Various	Reimb SIA for Gilbert - 6/30/24 annual audit for SPA
wire payment	NBSIA	North Bay Schools	7/31/2025	656,374.61			Reimb. claim #24-3941 for Napa Valley Silverado CAT 2419
1003	SIG	Schools Insurance Group	7/23/2025	5,175.70		1220 6/5/2025	SIG for California Safety Training - loss control exp
wire	LAIF	LAIF	9/12/2025	5,000,000.00			Wire to LAIF
1018	Franchise Tax Board	Franchise Tax Board	9/15/2025	7,652.00			2023 California Form 570 Nonadmitted Insurance Tax Return
1016, 1017	Franchise Tax Board	Franchise Tax Board	9/15/2025	7,847.00			2024 California Form 570 Nonadmitted Insurance Tax Return
1007	Franchise Tax Board	Franchise Tax Board	9/15/2025	17,250.00			2025 California Form 570 Nonadmitted Insurance Tax Return
1010	Kroll	Kroll	9/15/2025	4,610.00	TI000032315-2000	8/12/2025	100% SIA properties; 6410 - non-pooled
1012, 1015	Alliant	Alliant	9/15/2025	7,653.00	SPA-LRP2025	8/29/2025	The Lodge at Tiburon-SPA Strategic Planning meals/space 8/19-8,
				<u>6,297,562.31</u>			
2nd Quarter 25-26							
book xfer	SIA	Schools Insurance Authority	10/2/2025	27,340.78			Wire to SIA/Natomas Bannock Creek SPA #25-7136
1005	Alliant	Alliant	11/20/2025	7,650.00		120306 8/26/2025	C. Nahas project, was reprinted from Sept.
1019	SIG	Schools Insurance Group	10/1/2025	6,125.30		1248 9/15/2025	Reimb SIG for Cal Safety Training
1020	SIG	Schools Insurance Group	11/20/2025	6,041.30		1276 11/17/2025	Reimb SIG for Cal Safety Training
1021	Prime Actuarial	Prime Actuarial	12/29/2025	7,500.00		32016 12/12/2025	Actuarial review as of 6/30/25
1022	Gilbert Assoc	Gilbert Assoc	12/29/2025	-		352956 9/30/2025	Progress billing on 6/30/25 annual audit of SPA - Void
1023	SIG	Schools Insurance Group	12/29/2025	5,105.00		1257 10/9/2025	Reimb SIG for Cal Safety Training
				<u>59,762.38</u>			
3rd Quarter 25-26							
1025	SIA	SIA- Admin	1/29/2026	32,464.20	SPA-25-1; Inv 1255	9/30/2025	Q1 SIA Admin\Claims Svs; Reimb Cal Safety Training
1026	Gilbert CPAs	Gilbert CPAs	1/29/2026	5,000.00		352956 9/30/2025	Progress billing on 6/30/25 annual audit of SPA
1027	SIA	SIA- Admin	1/30/2026	31,250.00		SPA-25-2 12/31/2025	Q2 SIA Admin & Claims Coordination Services
1028	CCSA	CCSA	2/27/2026	1,738.29	SPA-BMS-CCSA-25 CI	2/25/2026	CCSA credit memo for Bermuda tax adj
1029	Gilbert CPAs	Gilbert CPAs	3/13/2026	13,900.00		354543 2/28/2026	Final billing on 6/30/25 annual audit of SPA
1030	SIG	Schools Insurance Group	3/13/2026	5,104.03		1309 3/5/2026	SIG reimb for CA Safety Training
1031	SIA	SIA- Admin	3/31/2026	31,250.00		SPA-25-3 3/31/2026	Q3 SIA Admin & Claims Coordination Services
1032	Alliant	Alliant	3/30/2026	1,546.20		SCHOPRO-01 3/26/2026	Commercial Crime effec. 3/9/26-7/1/26
1033	SIG	Schools Insurance Group	3/30/2026	2,884.70		1314 and 1284 various	Reimb SIG for CA Safety Training
				<u>125,137.42</u>			
4th Quarter 25-26							
				<u>-</u>			



SCHOOLS PROGRAM ALLIANCE CASH and INVESTMENTS

Quarterly Review - March 31, 2026



INVESTMENT DESCRIPTION	% of portfolio	Market Value	Purchase Yield	Yield at market
Cash:				
U.S. Bank	10%	1,434,736	0.000	0.000
State of California LAIF	90%	12,810,937	3.826	3.826
Total Cash	100%	14,245,673		
TOTAL PORTFOLIO	100%	14,245,673		
Benchmark (2-year Constant Maturity Treasury (CMT))				3.790

This report summarizes Schools Program Alliance’s (SPA) cash and investment balances. SPA’s funds are held in a U.S. Bank Operations account and the State of California Local Agency Investment Fund (LAIF). The U.S. Bank account is used for operational disbursements and does not earn interest, while LAIF provides a pooled investment return based on the State’s apportionment rate.

I certify that this report reflects all cash and investments and is in conformance with SPA’s investment policy as approved by the Board of Directors. The investment program provides sufficient liquidity to meet SPA’s expenditure requirements for the next six months.

Philip Brown
Treasurer



Item G.7.

YEARLY FUNDING REPORT AS OF DECEMBER 31, 2025

ACTION ITEM

ISSUE: Yearly Funding Report

RECOMMENDATION: Review, accept and file, or provide direction. The SPA JPA meets a number of the Board Policy and CAJPA financial ratios & metrics. Further, all outstanding liabilities are fully funded as well as any aggregate retentions. We recommend the Board continues the practice of fully funding the annual aggregate retentions for the next program year.

FISCAL IMPACT: None expected from this item.

BACKGROUND: SPA members’ annual contributions provide for 1) a Property Program, including a shared retained layer, related administrative costs, and excess insurance purchases, and 2) a Liability Program of excess insurance purchases. The Schools Insurance Authority (SIA) functions as the Managing Member per the JPA agreement.

The SPA Funding Policy requires the Managing Member, with the assistance of the Program Administrator and broker(s) of record, to compile a yearly report to assist in the analysis of financial goals, metrics and ratios to evaluate the funded level of the JPA and plan for funding levels for the upcoming fiscal year.

ANALYSIS:

SPA Funding
Used the 12/31/25 financial statements to set 7/1/26 rates

Property

Ratio	Formula	Goal	Result	Met/Not Met
Net position at 100% of the total outstanding aggregates for three open years combined.	Net position ÷ Total aggregate retention	100%	134%	Met
Maintain Liquid Assets equal to Expected Liabilities at a 70% CL @ \$4.8M, with a goal of 90% CL @ \$5.1M.		100%	299%	Met
Loss Ratio	Claims (paid + IBNR) ÷ Earned contributions <	70.0%	44.06%	Met
Expense Ratio	Admin Expenses (all non-claims expenses) ÷ Earned Contributions <	5.0%	0.83%	Met
Operating Ratio: < 100%	Loss Ratio + Expense Ratio - Investment Income Ratio <	100.0%	43.16%	Met
Combined Ratio: < 100%	Loss Ratio + Expense Ratio <	91.0%	44.88%	Met
Investment Income Ratio	Investment Income ÷ Earned Contributions >	3.5%	1.72%	Not Met
Net position to SIR ratio at least 5:1 with goal of 10:1 at a minimum \$500k SIR	Net position ÷ SIR	5:1	1.53	Not Met
Net position to expected liabilities ratio of 1:2 with goal of 1:1.5 or more	Unrestricted net position ÷ expected liab	1:1.5	1.25	Not Met

ATTACHMENTS: None.



Item H.1.

BSSP WITHDRAWAL FROM SPA

INFORMATION ITEM

ISSUE: Program Administration has received a Resolution from the BSSP JPA with notice of intent to withdraw from SPA effective July 1, 2026.

RECOMMENDATION: None at this time.

FISCAL IMPACT: None.

BACKGROUND: Last year when certain BSSP members moved over to the SIA JPA and BSSP had a separate property placement outside of SPA only for the office property and BSSP is seeking to join SIA at July 1, 2026.

ATTACHMENTS: Resolution 26-02

BUTTE SCHOOLS SELF-FUNDED PROGRAMS

RESOLUTION #26-02

**NOTICE OF WITHDRAWAL
FROM BAY AREA SCHOOLS INSURANCE COOPERATIVE (BASIC) AND
SCHOOLS PROGRAM ALLIANCE**

WHEREAS, the Butte Schools Self-Funded Programs (BSSP) is a member of Bay Area Schools Insurance Cooperative (BASIC); and

WHEREAS, the Butte Schools Self-Funded Programs (BSSP) is a member of Schools Program Alliance (SPA); and

WHEREAS, BSSP has determined that withdrawal from both BASIC and SPA is in BSSP's best financial and operational interests;

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the Board of Directors of the Butte Schools Self-Funded Programs (BSSP) approves this Notice of Withdrawal from Bay Area Schools Insurance Cooperative and Schools Program Alliance as of June 30, 2026.

APPROVED, PASSED and ADOPTED by the Board of Directors of Butte Schools Self-Funded Programs this 24th day of March, 2026, by the following vote:

AYES: 6 directors; 36 votes

NOES: nil

ABSENT: nil

ABSTAIN: nil



Andrew James, President

ATTEST:



Heather Naylor, Secretary

Item H.2.

PROPERTY PROGRAM RISK CONTROL SERVICES

ACTION ITEM

ISSUE: The Program Administrator was asked to bring forward information on risk control services available through the Aliant Property Insurance Program (APIP). As described in the Background section below there are a variety of free services and billable services. Certain billable services may be covered by APIP subject to underwriter prior approval. The KPA Risk Management Services library is available at a \$350 seat license charge. The SPA Board may wish to authorize seat licenses for each of the member pools to see if there is value and then determine if a broader number of seat licenses is desired. The Board may wish to direct this item to the SPA Loss Control Committee for further development.

RECOMMENDATION: Review the materials and approve seat license(s) or provide direction as appropriate.

FISCAL IMPACT: SPA maintains a Loss Control budget for the members. Any service not paid for by the APIP underwriters can be charged to the Loss Control budget.

BACKGROUND: SPA participates in APIP which offers value added services. Advocacy services are included at no additional charge to the members. Billable services do involve a charge. A limited amount of billable service is paid for by APIP upon prior approval of the underwriters. An extensive initiative involving billable services would be scoped and presented in a written proposal to SPA or a SPA member for prior approval of the cost.

Advocacy services are those services requiring technical expertise, but limited time required to meet the member's expectations. These usually require less than 4 hours to complete and/or can be performed from the office without visiting the client's site. Examples of advocacy services include:

- Alliant Risk Management Center (RMC)
- Webinars
- Newsletters and risk alerts
- Technical resources
- Most research & desktop requests (e.g. regulatory, fact sheet development, loss analysis, etc.)
- Tele-conference and video conference calls
- Fire protection plan reviews
- Safety program evaluation
- Sprinkler impairment tags
- Hot work permits

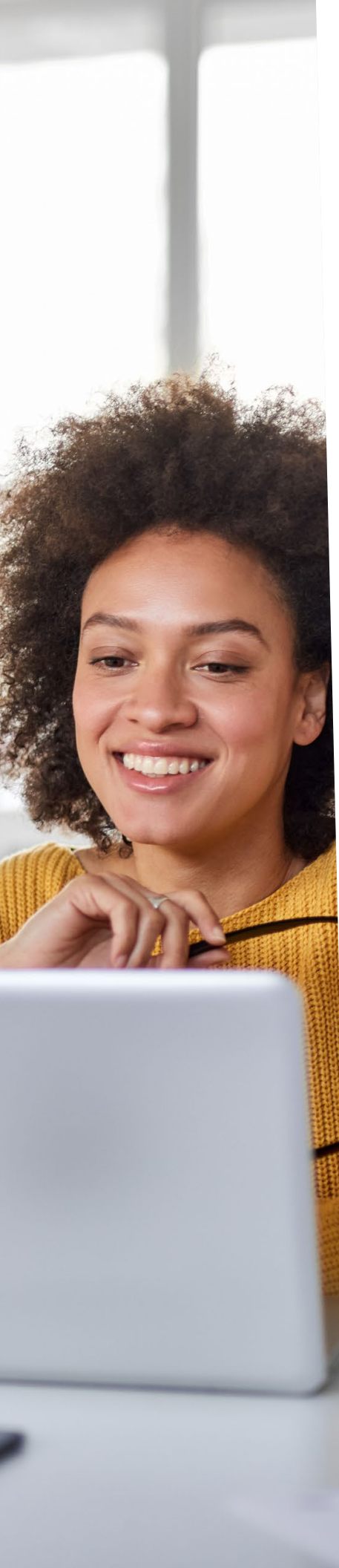
Item H.2. (continued)

Billable services are services that result in a charge to the APIP resulting from scheduled service and subject to underwriter or client approval prior to incurring the cost. These services require on-site visits and include but are not limited to:

- Risk management assessments
- Safety program study
- Hazard assessments
 - Some Industrial Hygiene
 - Ergonomic Evaluations
 - Operational and Employee Observations
 - Fleet
 - Equipment e.g. guarding
 - Wildfire
- Regulatory compliance projects
- Physical surveys
 - Thermography up to maximum
- Inspections
- Job Hazard Analysis (JHA)
- Equipment evaluations
- On-Site meetings and training
- Safety program, policy and procedural development
- Carrier loss control survey attendance

ATTACHMENTS:

1. Alliant Risk Control Brochure
2. KPA-RMS Brochure



Risk Management Center

Comprehensive Risk Management, Employee Safety and Compliance Platform

Help protect your company with the Risk Management Center, a unique web-based software suite of safety and risk management tools designed to empower your organization's risk prevention efforts.

The Risk Management Center allows you to reduce risk and improve workplace safety by creating effective risk mitigation programs. It is easy to access and use, and provides a cost-effective risk reduction and safety center for your entire organization.

The Risk Management Center is right for any organization that wants to proactively manage risk exposures to reduce claims, losses, and associated costs.



Safety Library

Access a database of document templates and training courses, created to help companies mitigate risk and reduce losses.



Online Training

Deliver employee safety training efficiently and effectively.



Incident Management Tools

Automate safety audits, field inspections, and corrective action reporting while complying with OSHA reporting requirements.



HR Compliance Solutions

Access HR best-practice templates, training, news alerts, and expert advice.

MORE INFORMATION

To learn more, or sign up for a no-obligation webinar, contact your platform provider

Tools to Enhance Your Compliance



COI Track

Manage the Certificate of Insurance (COI) process and ensure your business is protected from unexpected liability.



Incident Track

Report claims and reduce incidents. Track employee injuries and related time off of work, conduct incident analyses, and run OSHA 300 Logs.



SDS Track

Comply with the new Globally Harmonized System.



Audit Track

Create audits, surveys, questionnaires, and self-assessments.



HR Essentials

Achieve HR compliance, enabled through online educational materials, an HR & Benefits library, and access to on-demand experts.



BBS Track

Cultivate a safety culture throughout your organization with a Behavior-Based Safety (BBS) Program. Ensure employees are doing their jobs safely.



Safety Observation Track

Perform and track safety observations and demonstrate job compliance.



Job Description Track

Build job descriptions that clearly communicate employee responsibilities and job-related health and safety requirements.



Training Track

Automate your entire employee training process. Schedule, track, and document training with a database of training titles.



Online Risk Management Library

Access a multitude of bilingual risk management documents and resources.



Loss Control Inspection Services

Attain certified experts to analyze current workplace conditions and environmental waste disposal programs, conduct on-site training, and assist with the management, tracking, and reporting of compliance issues.

Let's get in touch. For more information, please contact:

Name:

Title:

Company:

Phone Number:

Email:

Website:



Risk Control and Safety Services

Helping public entities take a stand
against the unexpected





In the public sector, the possibility of an accident or loss always looms large. Unannounced and indiscriminate, these incidents can unleash a wave of lost productivity, damaged property, and significant legal and medical expenses that can impact your organization for years.

It's true, these incidents happen all the time. But do they have to?

Alliant works hand-in-hand with public entities across the nation, delivering meticulous analysis and actionable strategies that reduce costly accidents and losses. We'll leverage the full strength of our technological and intellectual resources to deliver sophisticated solutions that enhance safety, increase productivity, and reduce insurance costs.

▶ Power Through Prevention

Our mission is simple. We aim to prevent costly accidents and losses before they can play havoc with your organization. Underlying this commitment is an extensive infrastructure of people, ideas, and resources, all working together to protect your organization. When you work with Alliant, you unlock access to:

- A nationwide network of highly experienced consultants who understand the risks and regulatory climate of your particular market.
- Risk professionals averaging 15 years of experience with a range of certifications and credentials.
- Alliant's extensive library of educational materials, safety resources, and webinars.
- The power and resources of one of the nation's largest specialty insurance and risk management organizations.
- Time-tested methods and expertise that consistently yield lower loss ratios, and in turn, lower insurance costs.
- People who understand your business, its risks, and how they affect your long-term success.

▶ Get the "Big Picture" on Risk Control

We believe that effective risk control is not simply a series of tactics but a hub of interconnected strategies bound together by an ambitious, "big picture" perspective. To achieve this, we combine the following best-in-class services tailored for each of our clients.



Comprehensive Risk Assessment

- Loss analysis
- Operational assessment
- Stakeholder interviews
- Risk impact modeling
- Contract review
- Strategic planning



Implement Solutions

- Fire and life safety
- Casualty and workers' compensation
- Regulatory compliance
- Environmental
- Ergonomics and IH
- Fleet safety
- Behavioral safety



Critical Success Factors

- Personalize critical success factors
- Develop dashboard tools
- Align solutions with operational and risk goals
- Enterprise risk management



Monitor Results

- Monitor and adjust solutions
- Quantify value of outcomes
- Communicate success and improvement opportunities

▶ It's Your Choice. And It's an Important One.

Your charge is twofold: to protect your organization and secure its success. Working with a risk consultant can help you achieve both of these objectives, but you must choose the right partner for your organization. How to find the right fit? Make sure your consultant has:

- In-depth experience handling risks in your industry.
- The courage to tell you what you need to know, not what you want to hear.
- Vast resources at their disposal and the availability to handle the job when and how you need it.
- The support of a team of experts to assist in areas like regulatory citation, claims handling, and litigation.

These exemplify the Alliant approach to risk control and guide all of our actions as we seek to protect our clients from ever-shifting risks.

▶ Key Services

- **On-site hazard/risk assessments:** We perform an in-depth audit of your organization, identifying key areas of liability exposure, followed by detailed findings and recommendations.
- **Risk assessment:** We quantify your exposures by providing C.O.P.E. (construction, occupancy, protection, and exposure) along with natural catastrophe data, risk quality ratings, recommendations, and facility programs.
- **Ergonomics:** To help reduce workers' compensation costs, we provide engineering and administrative solutions that address core ergonomic issues; then we work with your team to build a self-sustaining risk improvement process through workplace studies, office evaluations, and ongoing training and education.
- **Loss estimates:** Our team can provide customized estimates that cover machinery, equipment, earthquake, wind, or flood in probable maximum loss (PML) and maximum feasible loss (MFL) formats.
- **Industrial hygiene:** Our consultants will anticipate, identify, evaluate, and recommend control strategies for chemical or biological hazards that may cause work-related illnesses.
- **Business interruption analysis and continuity planning:** We assist you in assessing the risk of a disaster on company operations and identifying its potential impact on your business, suppliers, and customers; and provide a disaster action plan.
- **Fleet safety analysis:** Our research-based transportation safety programs include full safety assessments, fleet training, accident investigation, and other regulatory audits.
- **Infrared and ultrasonic testing:** These important tests detect electrical problems and other critical loss exposures using highly sophisticated diagnostic technologies to prevent unscheduled maintenance, reduce operational interruptions, and improve energy usage.
- **General liability:** We help to prevent accidents, reduce injuries, and control insurance costs by pinpointing and mitigating risk to the public.
- **Risk management center:** This web-based risk reduction platform allows you to reduce risk and enable employee safety by creating an effective human resources and risk management program.
- **Training services:** Knowledge is power, and we offer a full range of educational resources customized for your organization. This includes a high-impact webinar series.
- **Fire system evaluation:** We analyze the adequacy of your system and then provide recommendations for ongoing maintenance and testing.



▶ About Alliant Insurance Services

Alliant Insurance Services is one of the nation's leading and fastest growing distributors of diversified insurance products and services. In the face of increasing complexity, our approach is simple: bring on the best people and invest more deeply in the industries and clients we serve. We operate through a network of specialized national platforms and regional offices to offer a comprehensive portfolio of services to our clients. Our goal is to ensure that they get the most innovative products—and innovative thinking—in the industry.

alliant.com

Tim Leech, CSP, ARM

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Risk Control Consulting
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TLeech@alliant.com



Item H.3.

PROPERTY PROGRAM UPDATE

ACTION ITEM

ISSUE: Two key items include:

- 1 - Members will receive the “not to exceed” positions for the 26/27 renewal, following the Special Board Meeting on May 7th.
- 2 – Members to review the High Hazard Member list for 26/27

RECOMMENDATION: SPA Board to confirm the “not to exceed” positions.

FISCAL IMPACT: The “not to exceed” positions confirmed at this meeting will be the worst-case rate outcome for the 26/27 coverage period. Positions could possibly improve after this meeting, as negotiations continue.

BACKGROUND: Since inception, SPA Members have received the “not to exceed” rate positions in May of each renewal period. This sets a “ceiling” for the rate positions at each renewal, as negotiations continue with markets for potential improvement on those rates. At the June Board Meeting, each year, the final rates are provided. Additionally, in mid-to-late June, a “true up” process is conducted wherein the most current values are used against the final rates to set the final premium/contributions, to assure SPA is beginning the coverage period with the most current exposure information/schedule of values.

ATTACHMENTS: None.



Item H.4.

HIGH RISK LOCATIONS

ACTION ITEM

ISSUE: Review and discussion of the High Hazard locations list for 7/1/26.

RECOMMENDATION: The Board is to review the updated list following the current Wildfire Risk Score modeling from CoreLogic (backup information for this exhibit was previously provided to SPA Members).

FISCAL IMPACT: Members' locations on the High Hazard list receive restricted coverage under the SPA Property Program. These restrictions are outlined in the SPA MOC but the overall result is that High Hazard locations are capped at 225% of reported values in a loss.

BACKGROUND: The High Hazard location approach, using the CoreLogic Wildfire Risk Scores, originated as a result of a past claim in the SPA program. In that case, an underlying member was looking for claims recovery many multiples above their most recent scheduled values. This situation concerned the lead reinsurers on the primary layer of the program for many reasons, including the credibility of the overall values reported on the program. A solution was negotiated to protect the program from these situations recurring in high wildfire exposed locations. This underwriting practice was put into place 2 years ago.

The Wildfire Risk Score is run every year during the renewal phase and results are shared with SPA Members. The High Risk locations are scheduled with the MOC and reinsurance.

ATTACHMENTS: *Exhibit to be shared under separate cover*