SISC
Self-Insured Schools of California
*Schools Helping Schools*

# PROPERTY AND LIABILITY
# BOARD OF DIRECTORS MEETING
# JULY 17, 2025
# 10:30 A.M.

# AGENDA

## I. Consent Agenda

A. Approval of Minutes for June 2025 Board of Directors Meeting — Dave Ostash

B. Approval of Payment of Student Insurance Claims in the Amount of $52,517.68 and Tackle Football Claims in the amount of $3,462.98 for the Month of June 2025 — Dave Ostash

Moved_____2nd_____

Yes_____No_____Abstain_____Roll Call Vote_____

## II. Public Comment

## III. Closed Session- Property and Liability Claims

The board may be required to adjourn to closed session for discussion of matters regarding a claim for the payment of tort liability losses, public liability losses, or workers' compensation liability, authorized by Government Code 54956.95.

| District | File Number | Claimant |
|---|---|---|
| Maple School District<br>By Ty Taylor | 2025055608 | ACL |
| Westside Union School District<br>By Ty Taylor | 2025052752 | Da'mon Conway<br>L-BI |
| Palmdale School District<br>By Ryan Bourget | 2024048274 | G.T. (a minor)<br>L-BI |
| Kern County Superintendent of Schools<br>By Hilda Hankins | 2025053291 | Property |
| | | |
| | | |
| | | |
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## IV. Reconvene To Open Session

A. Reports from Closed Session, if Required

## V. Action Items

A. Report of Property and Liability Claims in the Amount of $2,283,680.68 for the Month of June 2025 and Ratification of Payment of this Amount — Robert Kretzmer

Moved_____2nd_____

Yes_____No_____Abstain_____Roll Call Vote_____

B. Financial Report – Presentation of Financial Statements for the Month of June 2025 Will Be Submitted for Approval — Kim Sloan

Moved_____2nd_____

Yes_____No_____Abstain_____Roll Call Vote_____

C. Approval of Excess Liability Insurance Rate Renewal for 2025-2026 — Kim Sloan

Moved_____2nd_____

Yes_____No_____Abstain_____Roll Call Vote_____

## VI. Information and Discussion Items

A. Review of Liability Memorandum of Coverage for 2025-2026 — Robert Kretzmer

B. Quarterly Update Newsletter — Kerri Jones

C. CALM Inspection — Randye Rogers

D. Property Losses for 2024-2025 — Ryan Bourget

E. Annual Bond Investment Policy Review — Kim Sloan

F. Comments from the Board of Directors Will Be Heard — Dave Ostash

G. Next Meeting: — Dave Ostash
Thursday, August 21, 2025
10:30 a.m.
SISC Board Room, 4th Floor – Larry E. Reider Education Center
2000 K Street, Bakersfield, CA 93301

H. Adjournment — Dave Ostash

Moved_____2nd_____

Yes_____No_____Abstain_____Roll Call Vote_____

Any materials required by law to be made available to the public prior to a meeting of the Governing Board of the SISC II JPA can be inspected at the following address during normal business hours at:
2000 K Street, Bakersfield, CA. 93301
For more information regarding how, to whom, and when a request for disability-related modification or accommodation, including auxiliary aids or services, may be made by a person with a disability who requires a modification or accommodation to participate in the public meeting, please contact Kristy Comstock at 661-636-4682 or krcomstock@siscschools.org

*The number of Board Members needed to form a quorum for this meeting is eight

# PROPERTY & LIABILITY TERMINOLOGY

1. **AMERICANS WITH DISABILITIES ACT (ADA)** - A federal act designed to set standards to remove the barriers to employment, transportation, public accommodations, public services, and telecommunications that exist for those members of our society who have physical disabilities. The act encompasses aspects of everyday life and generates wide ranging implications for almost every business or service.

2. **CIVIL RIGHTS VIOLATIONS** - The term applied to tort claims involving issues of sexual harassment; wrongful termination; employment, age, gender or race discrimination; ADA; employment harassment. If Plaintiff prevails, even partially, this type of case entitles plaintiff to also collect attorney fees.

3. **CLAIM TYPES** – The internal coding systems for claims includes:

| | | |
|---|---|---|
| ABI – Auto Bodily Injury | BM – Boiler/Machinery | LPI – Liability Personal Injury |
| ACL – Auto Collision | CF – Crime/Fidelity | LPD–Liability Property Damage |
| ACP – Auto Comprehension | EP – Liability Employment Practices | P – Property |
| AGK – Auto Garage Keepers | LBI – Liability Bodily Injury | SE – Special Education |
| APD – Auto Property Damage | LEO – Liability Errors & Omission | SM – Liability – Sexual Misconduct |

4. **CLASS ACTION** – A lawsuit in which one person or a small group of people represent the interests of an entire class of people in litigation.

5. **COMPARATIVE NEGLIGENCE** - A more modern system of allocating damages between two or more persons than the method of contributory negligence. Under comparative negligence, the damages collectible in relation to another person are diminished in proportion to one's degree of negligence. In most instances, damages cannot be collected at all if the claimant's negligence were greater than that of the other party. Currently, in a few instances, the courts have awarded both parties damages as a percent of the total damages, depending on respective degrees of fault.

6. **CROSS COMPLAINT** – A claim asserted by a defendant against another party to the action. Also termed (in some jurisdictions) *cross petition.* A claim asserted by a defendant against a person not a party to the action for a matter relating to the subject of the action.

7. **DECLARATORY RELIEF ACTION** - Remedy for the determination of a judicial controversy where a plaintiff or defendant is in doubt as to their legal rights. No consequential relief is awarded.

8. **ERRORS AND OMISSIONS (E&O)** - A form of Professional Liability insurance which provides coverage for mistakes made in a profession not involved with the human body (lawyers, architects, engineers) or for mistakes made in a service business (insurance, real estate, and others). Also a form of coverage for financial institutions protecting against loss to lending institutions which fail to effect insurance coverage.

9. **HEARSAY** – Testimony by a witness based not on his or her own observations but on what someone else said, offered in evidence to prove the truth of what was said.

10. **HOLD HARMLESS AGREEMENT** - A contractual arrangement whereby one party assumes the liability
Inherent in a situation, thereby relieving the other party of responsibility. Such agreements are typically found in leases and easements and construction contract agreements. Agreement or contract in which one party agrees to hold the other without responsibility for damage or other liability arising out of the transaction involved.

11. **INCURRED LOSSES** – The amount equal to paid losses and losses for which the insurer is liable but has not yet paid.

12. **INJUNCTIVE RELIEF ACTION** - Legal action filed for prohibitive or equitable relief. An action filed to forbid an act or to restrain someone from continuing an act which is considered unjust or injurious.

13. **MORAL HAZARD** – A condition that may lead a person to intentionally cause or exaggerate a loss.

14. **MOTION FOR SUMMARY JUDGMENT** - Rule of civil procedure permitting either side in a civil suit to move for dismissal when it is believed that there is no genuine issue of material fact that would allow the other side to prevail as a matter of law. The "motion" may include all or part of a claim.

15. **MOTION IN LIMINE** – A pretrial request that certain inadmissible evidence not be referred to or offered at trial.

16. **PERSONAL INJURY** - Injury, other than bodily injury, results from oral or written communication.

17. **PUNITIVE DAMAGES (Exemplary)** - Damages awarded separately and in addition to compensatory damages, usually on account of malicious or wanton misconduct, to serve as a punishment for the wrongdoer and, possibly, as a deterrent to others. Sometimes referred to as "exemplary damages" when intended to "make an example" of the wrongdoer. By law, government entities are immune from punitive damages.

18. **RESERVATION OF RIGHTS LETTER** – An insurer's letter that specifies coverage issues and informs the insured that the insurer is handling a claim with the understanding that the insurer may later deny coverage should the facts warrant it.

19. **SUBROGATION** - In insurance, the substitution of one party (insurer) for another party (insured) to pursue any rights the insured may have against a third party liable for a loss paid by the insurer.

20. **TORT** - A legal wrong arising from a breach of duty fixed by law, except under contract, causing injury to persons or property and redressible by legal action for damages. Government entities are ruled by the Tort Claims Act.

21. **VENUE** – The locale in which the lawsuit may be brought.

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# PROPERTY AND LIABILITY
# BOARD OF DIRECTORS MEETING
# JUNE 18, 2025
# 10:30 A.M.

## MINUTES

The Regular Meeting of the Board of Directors of SISC II Property and Liability Program was called to order by Director Ostash at 10:30 a.m. on Wednesday, June 18, 2025 in the SISC Board Room of the Larry E. Reider Building, 2000 K Street, Bakersfield, California 93301. The following individuals were in attendance:

**MEMBERS PRESENT:**
Dave Ostash
Jennifer Hedge
Rhonda Phinney
S. Aaron Resendez
Sue Lemon
Orin Hirschkorn
Robert Hughes

**ALTERNATES PRESENT:**
Christian Shannon
Steve Martinez
Rebecca Innis

**OTHERS PRESENT:**
Kim Sloan
Megan Hanson
Kristy Comstock
Rich Edwards
Fred Bayles
Robert Kretzmer
Ty Taylor
Kerri Jones

## Consent Agenda

Motion was made by Director Hirschkorn, seconded by Director Lemon and by roll call vote of 8-Yes, 0-No, and 0 Abstentions (8-0-0) to approve the Consent Agenda as follows:

## Minutes

Approval of Minutes for May 2025 Board of Directors Meeting

## Student Insurance and Tackle Football Claims

Approval of payment of Student Insurance Claims in the Amount of $60,339.25 and Tackle Football Claims in the amount of $56.68 for the month of May 2025.

## Public Comment

None

## Closed Session – Property & Liability Claims

The Board went into closed session at 10:31 a.m.

## Reconvene to Open Session

The Board reconvened into open session at 11:10 a.m.

| |
|---|
| With respect to the claim filed by Cesar Portillo against Delano Joint Union High School District after discussion, motion was made by Director Hirschkorn, seconded by Director Resendez and by roll call vote of 8-0-0 the board approved the payment of an undisclosed amount for the settlement of this claim with Cesar Portillo. |
| With respect to the claim filed by Betty McHenry against Standard School District after discussion, motion was made by Director Resendez, seconded by Director Lemon and by roll call vote of 8-0-0 the board approved the payment of $75,000.00 for the settlement of this claim with Betty McHenry. |

## Action Items

**Report of Property and Liability Claims – May 2025**

Robert Kretzmer presented the Report of Property and Liability Claims. There were 41 new claims, 29 claims were closed and no claims reopened in May, resulting in 557 pending claims. Robert reviewed the check register for May 2025, reporting on four checks that were in excess of $50,000.00. After discussion, motion was made by Director Hughes, seconded by Director Resendez and by roll call vote of 8-0-0, approving payment of Property and Liability Claims in the amount of $2,182,871.90 for the month of May 2025.

**Financial Report**

Kim Sloan reviewed with the Board the Financial Report for the period ending May 31, 2025. Kim reported the LAIF rate for the month of May 2025 dropped to 4.27% from last month at 4.28%. After discussion, motion was made by Director Hirschkorn, seconded by Director Resendez and by roll call vote of 8-0-0, approving the Financial Reports as submitted.

**Request Approval of the 2025-2026 Budget**

Kim Sloan presented the 2025-2026 budget to the Board for approval. After discussion, a motion was made by Director Phinney, seconded by Director Lemon and by roll call vote of 8-0-0, approving the SISC II budget as submitted.

**Liability Memorandum of Coverage for 2025-2026**
Robert Kretzmer presented the changes to the current Liability Memorandum of Coverage for the 2025-2026 fiscal year. After discussion, a motion was made by Director Hirschkorn, seconded by Director Hughes and by roll call vote of 8-0-0, approving the changes to the 2025-2026 Liability Memorandum of Coverage.

**Request Approval of the 2025-2026 Board Meeting Times, Dates and Places**
Director Ostash discussed the meeting times, dates and places for the upcoming fiscal year. He noted the meeting in September is one week later due to the CAJPA Conference and the October meeting is at Lucia Mar Unified School District. After discussion motion was made by Director Hedge, seconded by Director Hughes and by roll call vote of 8-0-0, approving the board meeting schedule for 2025-2026.

## Information and Discussion Items

**Community Matters Partnership Potential**
Robert Kretzmer shared a video on the Safe Schools Ambassadors Training available at the school districts through the Community Matters Partnership.

**Quarterly Report Update**
Kerri Jones presented to the Board how to access the newsletter through the SISC website by using the index.

**Stop iT Review**
Kerri Jones informed the board that Stop iT has been renewed for the next year at no cost to member districts. Kerri also shared a video giving an overview of the program and how to navigate the application.

**Comments from the Board**
Director Ostash informed the Board that the Annual Board Meeting invites will be sent out on July 1st.

**Adjournment**
There being no further business to come before the Board, motion was made by Director Lemon, seconded by Director Hedge and by roll call vote of 8-0-0, adjourning the meeting at 11:27 a.m.

**Next Meeting**
The next meeting of the Board of Directors will be held **Thursday, July 17th at 10:30 a.m.** in the SISC Board Room, 4th Floor – Larry E. Reider Education Center, 2000 K Street, Bakersfield, CA 93301.

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Robert Hughes, Secretary

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## SUMMARY OF ACTIVITY
## JUNE 2025

| | STUDENT INSURANCE | TACKLE FOOTBALL |
|---|---|---|
| Opened | 64 | 1 |
| Closed | 73 | 35 |
| Events | 25 | 0 |
| Total Open & Event claims | 976 | 17 |
| Amount Paid | $ 52,517.68 | $ 3,462.98 |
| Credit | $ (348.64) | $ - |
| Net Paid Current Month | $ 52,169.04 | $ 3,462.98 |
| Net Paid YTD | $ 568,906.39 | $ 26,447.99 |

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**SISC - PROPERTY & LIABILITY**
**CLAIM AND LOSS MANAGEMENT SUMMARY**
**June 2025**

| | | |
|---|---|---|
| FILES REOPENED | | 0 |
| FILES OPENED | | 45 |
| FILES CLOSED | | 63 |
| TOTAL PENDING CLAIMS | | 524 |
| OPEN EVENT FILES | | 84 |
| PENDING INDEMNITY RESERVES | | $52,010,536.94 |
| PENDING EXPENSE RESERVES | | $10,796,371.22 |
| | *TOTAL RESERVES* | $62,806,908.16 |
| INDEMNITY PAID, CURRENT MONTH | | $1,913,023.00 |
| EXPENSES PAID, CURRENT MONTH | | $370,657.68 |
| | *SUB-TOTAL* | $2,283,680.68 |
| PRIOR MONTH VOIDS (CREDITS) | | ($611.00) |
| RECOVERY | | ($895,592.07) |
| REFUNDS | | ($5,405.10) |
| | *NET PAID CURRENT MONTH* | $1,382,072.51 |
| INDEMNITY PAID YEAR-TO-DATE | | $21,293,060.71 |
| EXPENSES PAID YEAR-TO-DATE | | $6,330,776.81 |
| | *SUB-TOTAL* | $27,623,837.52 |
| CREDITS YEAR-TO-DATE | | ($320,736.31) |
| RECOVERY YEAR-TO-DATE | | ($2,659,506.25) |
| REFUNDS YEAR-TO-DATE | | ($173,857.24) |
| | *SUB-TOTAL* | ($3,154,099.80) |
| | *NET PAID YEAR-TO-DATE* | $24,469,737.72 |

# Check Register - Property & Liability

| Check Number | Check Date | Payee | Claim Number | Claim Type | Payment Type | Insured | Check Amount |
|---|---|---|---|---|---|---|---|
| 609203 | 06/03/2025 | CSI LITIGATION PSYCHOLOGY | 2024047934 | LBI | Legal-Other | Lake Elsinore | 35,899.09 |
| 609204 | 06/03/2025 | USAA PROPERTY & | 2025054695 | APD | Property | Central Union High | 2,271.91 |
| 609205 | 06/03/2025 | HALL, HIEATT, CONNELY & | 2024049119 | LBI | Attorney Fees | Blochman Union | 2,734.19 |
| 609206 | 06/03/2025 | HALL, HIEATT, CONNELY & | 2025054660 | LBI | Attorney Fees | San Luis Coastal | 1,446.00 |
| 609207 | 06/03/2025 | HALL, HIEATT, CONNELY & | 2024050873 | LBI | Attorney Fees | Santa Maria-Bonita | 4,078.58 |
| 609208 | 06/03/2025 | HALL, HIEATT, CONNELY & | 2023047327 | LBI | Attorney Fees | Lucia Mar Unified | 5,184.00 |
| 609209 | 06/03/2025 | HALL, HIEATT, CONNELY & | 2023043948 | ABI | Attorney Fees | Paso Robles Joint | 372.50 |
| 609228 | 06/06/2025 | HALL, HIEATT, CONNELY & | 2025053194 | LPI | Attorney Fees | Lucia Mar Unified | 4,468.40 |
| 609229 | 06/06/2025 | HALL, HIEATT, CONNELY & | 2022043429 | LBI | Attorney Fees | Lucia Mar Unified | 352.00 |
| 609230 | 06/06/2025 | HALL, HIEATT, CONNELY & | 2024051130 | LPI | Attorney Fees | Los Olivos School | 727.00 |
| 609231 | 06/06/2025 | HALL, HIEATT, CONNELY & | 2024051277 | LEP | Attorney Fees | Paso Robles Joint | 1,364.50 |
| 609232 | 06/06/2025 | HALL, HIEATT, CONNELY & | 2025053069 | LEP | Attorney Fees | San Luis Coastal | 2,337.50 |
| 609233 | 06/06/2025 | ALACRITY PARENT LLC, | 2025055449 | ACL | Adjusting | Amador County | 337.67 |
| 609234 | 06/06/2025 | ALACRITY PARENT LLC, | 2025055555 | APD | Adjusting | Panama-Buena | 209.85 |
| 609235 | 06/06/2025 | CHARISH WALLACE & | 2025055555 | APD | Property | Panama-Buena | 1,844.74 |
| 609236 | 06/06/2025 | Atascadero Unified School | 2025055302 | P | Property | Atascadero Unified | 3,092.00 |
| 609237 | 06/06/2025 | CALIBER COLLISION | 2025054911 | LPD | Property | Merced Union High | 8,024.53 |
| 609238 | 06/06/2025 | Merced County Office of | 2025054789 | ACL | Collision Loss | Merced County | 2,120.00 |
| 609239 | 06/06/2025 | VERITEXT CORP | 2023043661 | LBI | Legal-Other | Bakersfield City | 1,928.35 |
| 609240 | 06/06/2025 | DEMARIA LAW FIRM, APC | 2024051503 | LBI | Attorney Fees | Panama-Buena | 366.00 |
| 609241 | 06/06/2025 | DEMARIA LAW FIRM, APC | 2023044468 | ABI | Attorney Fees | Merced County | 5,717.50 |
| 609242 | 06/06/2025 | DEMARIA LAW FIRM, APC | 2023047512 | LEP | Attorney Fees | Brawley | 3,614.50 |
| 609243 | 06/06/2025 | UNISOURCE DISCOVERY | 2024051272 | LBI | Legal-Other | Santa Barbara | 426.89 |
| 609244 | 06/06/2025 | GREEN, H WAYNE, ATTORNEY | 2024051503 | LBI | In Full | Panama-Buena | 90,909.69 |
| 609245 | 06/06/2025 | MEDICARE | 2024051503 | LBI | Medical | Panama-Buena | 9,090.31 |
| 609246 | 06/06/2025 | DEMARIA LAW FIRM, APC | 2022043606 | LBI | Attorney Fees | Delhi Unified | 1,522.00 |
| 609247 | 06/06/2025 | DEMARIA LAW FIRM, APC | 2024048665 | LBI | Attorney Fees | Merced County | 195.50 |
| 609248 | 06/06/2025 | DEMARIA LAW FIRM, APC | 2024050021 | LBI | Attorney Fees | Merced Union High | 402.50 |
| 609249 | 06/06/2025 | DEMARIA LAW FIRM, APC | 2025052353 | LEP | Attorney Fees | Lamont School | 444.00 |

# Check Register - Property & Liability

| Check Number | Check Date | Payee | Claim Number | Claim Type | Payment Type | Insured | Check Amount |
|---|---|---|---|---|---|---|---|
| 609250 | 06/06/2025 | DEMARIA LAW FIRM, APC | 2024050159 | LBI | Attorney Fees | Chowchilla | 897.50 |
| 609251 | 06/06/2025 | UNITED STATES | 2022041753 | ABI | Medical | Eastern Sierra | 46,200.46 |
| 609252 | 06/06/2025 | UNITED STATES | 2022041753 | ABI | Medical | Eastern Sierra | 182.59 |
| 609253 | 06/06/2025 | HALL, HIEATT, CONNELY & | 2022040627 | LBI | Attorney Fees | San Luis Coastal | 3,483.00 |
| 609254 | 06/06/2025 | SIGNATURE RESOLUTION, | 2024047711 | LBI | Legal-Other | Delano Jt Union | 1,500.00 |
| 609255 | 06/06/2025 | QURESHI LAW PC | 2023045096 | LSM | Trust Account - | Fruitvale School | 28,750.00 |
| 609256 | 06/06/2025 | QURESHI LAW PC | 2023045096 | LSM | Partial | Fruitvale School | 3,665.22 |
| 609257 | 06/06/2025 | MARISSA WILKINS AS PARENT | 2023045096 | LSM | Full and Final | Fruitvale School | 82,584.78 |
| 609258 | 06/10/2025 | JEANIE ARNETT, EDWARD | 2024051503 | LBI | In Full | Panama-Buena | 90,909.69 |
| 609259 | 06/11/2025 | ALACRITY PARENT LLC, | 2025055123 | ACL | Adjusting | Arvin Union School | 236.25 |
| 609260 | 06/11/2025 | Jamestown Union School District | 2025052397 | P | Water Loss | Jamestown Union | 6,024.53 |
| 609261 | 06/11/2025 | UNISOURCE DISCOVERY | 2025053971 | LBI | Adjusting | Goleta Union | 470.28 |
| 609262 | 06/11/2025 | ENTERPRISE RENT-A-CAR | 2025054911 | LPD | Rental Vehicle | Merced Union High | 1,050.98 |
| 609263 | 06/11/2025 | HERR PEDERSEN & | 2023046609 | ABI | Attorney Fees | Chowchilla | 361.00 |
| 609264 | 06/11/2025 | MCCUNE & HARBER LLP | 2025054776 | LBI | Attorney Fees | Antelope Valley | 135.00 |
| 609265 | 06/11/2025 | ROBINSON & KELLAR | 2025051864 | LBI | Attorney Fees | Richland School | 460.45 |
| 609266 | 06/11/2025 | STENO AGENCY, INC | 2023047512 | LEP | Legal-Other | Brawley | 315.25 |
| 609267 | 06/11/2025 | ROBINSON & KELLAR | 2024050250 | LBI | Attorney Fees | Greenfield Union | 718.50 |
| 609268 | 06/11/2025 | Santa Maria Joint Union High | 2025054136 | P | Deductible | Santa Maria Joint | 4,000.00 |
| 609269 | 06/11/2025 | HERR PEDERSEN & | 2024048228 | ABI | Attorney Fees | Kern County Supt | 4,159.65 |
| 609270 | 06/11/2025 | HERR PEDERSEN & | 2024048981 | LBI | Attorney Fees | Bakersfield City | 502.20 |
| 609271 | 06/11/2025 | HERR PEDERSEN & | 2018031218 | LBI | Attorney Fees | Merced County | 368.50 |
| 609272 | 06/11/2025 | MC LAW GROUP, APC | 2023045219 | LEP | Attorney Fees | Santa Maria Joint | 2,820.00 |
| 609273 | 06/11/2025 | MC LAW GROUP, APC | 2023047441 | LEP | Attorney Fees | Orcutt Union | 3,760.00 |
| 609274 | 06/11/2025 | MC LAW GROUP, APC | 2019034991 | LBI | Attorney Fees | Santa Barbara | 20,797.50 |
| 609275 | 06/11/2025 | MCCORMICK, BARSTOW, | 2013006822 | LBI | Attorney Fees | Taft Union High | 21,090.50 |
| 609276 | 06/11/2025 | MCCORMICK, BARSTOW, | 2013006822 | LBI | Attorney Fees | Taft Union High | 5,429.35 |
| 609277 | 06/11/2025 | FOZI DWORK & MODAFFERI, | 2025051741 | LBI | Attorney Fees | Brawley Union | 6,860.18 |
| 609278 | 06/11/2025 | GECKELER, BRET | 2025053578 | LEP | Legal-Other | New Jerusalem | 5,500.00 |
| 609279 | 06/11/2025 | ALACRITY PARENT LLC, | 2025055608 | ACL | Adjusting | Maple School | 745.90 |
| 609280 | 06/11/2025 | DEMARIA LAW FIRM, APC | 2025052053 | LSM | Attorney Fees | Bakersfield City | 396.50 |

# Check Register - Property & Liability

| Check Number | Check Date | Payee | Claim Number | Claim Type | Payment Type | Insured | Check Amount |
|---|---|---|---|---|---|---|---|
| 609281 | 06/11/2025 | DEMARIA LAW FIRM, APC | 2023043663 | LBI | Attorney Fees | Greenfield Union | 2,793.50 |
| 609282 | 06/11/2025 | DEMARIA LAW FIRM, APC | 2022041926 | LSM | Attorney Fees | Norris School | 480.50 |
| 609283 | 06/11/2025 | DEMARIA LAW FIRM, APC | 2021039753 | LBI | Attorney Fees | Bakersfield City | 476.00 |
| 609284 | 06/11/2025 | DEMARIA LAW FIRM, APC | 2024051651 | LBI | Attorney Fees | Kern High School | 5,618.00 |
| 609285 | 06/11/2025 | DEMARIA LAW FIRM, APC | 2023045988 | LBI | Attorney Fees | Tehachapi Unified | 187.50 |
| 609286 | 06/11/2025 | DEMARIA LAW FIRM, APC | 2022041753 | ABI | Attorney Fees | Eastern Sierra | 1,038.50 |
| 609287 | 06/11/2025 | DEMARIA LAW FIRM, APC | 2023047243 | LBI | Attorney Fees | Fruitvale School | 399.50 |
| 609288 | 06/11/2025 | DEMARIA LAW FIRM, APC | 2024047874 | LPI | Attorney Fees | Kern County Supt | 449.75 |
| 609289 | 06/11/2025 | DEMARIA LAW FIRM, APC | 2023044047 | LPI | Attorney Fees | Muroc Joint Unified | 449.75 |
| 609290 | 06/11/2025 | DEMARIA LAW FIRM, APC | 2023046256 | LBI | Attorney Fees | Kern High School | 3,964.11 |
| 609291 | 06/11/2025 | DEMARIA LAW FIRM, APC | 2023045590 | LBI | Attorney Fees | Southern Kern | 691.00 |
| 609292 | 06/11/2025 | UNISOURCE DISCOVERY | 2024050597 | LSM | Legal-Other | Beardsley School | 127.49 |
| 609293 | 06/11/2025 | ABI DOCUMENT SUPPORT | 2023046256 | LBI | Legal-Other | Kern High School | 131.33 |
| 609294 | 06/11/2025 | ABI DOCUMENT SUPPORT | 2024050276 | LBI | Legal-Other | Tehachapi Unified | 94.64 |
| 609295 | 06/11/2025 | ABI DOCUMENT SUPPORT | 2024050276 | LBI | Legal-Other | Tehachapi Unified | 94.64 |
| 609296 | 06/11/2025 | ABI DOCUMENT SUPPORT | 2024050276 | LBI | Legal-Other | Tehachapi Unified | 94.64 |
| 609297 | 06/11/2025 | ABI DOCUMENT SUPPORT | 2023043663 | LBI | Legal-Other | Greenfield Union | 176.14 |
| 609298 | 06/11/2025 | DENISON WERNER MACIAS | 2023045998 | LBI | Attorney Fees | Antelope Valley | 21.50 |
| 609299 | 06/11/2025 | ROBINSON & KELLAR | 2024051068 | LBI | Attorney Fees | Panama-Buena | 6,745.73 |
| 609300 | 06/11/2025 | ROBINSON & KELLAR | 2024050301 | LSM | Attorney Fees | Bakersfield City | 187.00 |
| 609301 | 06/11/2025 | ROBINSON & KELLAR | 2024050597 | LSM | Attorney Fees | Beardsley School | 9,633.70 |
| 609302 | 06/11/2025 | ROBINSON & KELLAR | 2023047399 | LSM | Attorney Fees | Panama-Buena | 5,380.85 |
| 609349 | 06/17/2025 | ALACRITY PARENT LLC, | 2025055741 | LPD | Adjusting | Chowchilla | 302.78 |
| 609350 | 06/17/2025 | BETZABET GONZALEZ | 2025055167 | APD | Rental Vehicle | Mojave Unified | 40.30 |
| 609351 | 06/17/2025 | ENTERPRISE RENT-A-CAR | 2025055167 | APD | Rental Vehicle | Mojave Unified | 927.05 |
| 609352 | 06/17/2025 | ALACRITY PARENT LLC, | 2025055049 | ACL | Adjusting | Merced Union High | 1,299.52 |
| 609353 | 06/17/2025 | MC LAW GROUP, APC | 2022043499 | LEP | Attorney Fees | Carpinteria Unified | 2,162.00 |
| 609354 | 06/17/2025 | MC LAW GROUP, APC | 2025052119 | LPI | Attorney Fees | Santa Barbara | 5,475.50 |
| 609355 | 06/17/2025 | MC LAW GROUP, APC | 2022043499 | LEP | Attorney Fees | Carpinteria Unified | 2,632.00 |
| 609356 | 06/17/2025 | MC LAW GROUP, APC | 2025052119 | LPI | Attorney Fees | Santa Barbara | 5,992.50 |
| 609357 | 06/17/2025 | MC LAW GROUP, APC | 2025052616 | LPI | Attorney Fees | Santa Barbara | 5,005.50 |

# Check Register - Property & Liability

| Check Number | Check Date | Payee | Claim Number | Claim Type | Payment Type | Insured | Check Amount |
|---|---|---|---|---|---|---|---|
| 609358 | 06/17/2025 | MC LAW GROUP, APC | 2025052616 | LPI | Attorney Fees | Santa Barbara | 2,679.00 |
| 609359 | 06/17/2025 | MC LAW GROUP, APC | 2023044672 | LPI | Attorney Fees | Santa Barbara | 846.00 |
| 609360 | 06/17/2025 | MC LAW GROUP, APC | 2025054832 | LEP | Attorney Fees | Santa Maria Joint | 1,809.50 |
| 609361 | 06/17/2025 | MC LAW GROUP, APC | 2023043827 | LBI | Attorney Fees | Santa Barbara | 1,316.00 |
| 609362 | 06/17/2025 | MC LAW GROUP, APC | 2025053792 | LPI | Attorney Fees | Santa Barbara | 893.00 |
| 609363 | 06/17/2025 | MC LAW GROUP, APC | 2023044672 | LPI | Attorney Fees | Santa Barbara | 1,222.00 |
| 609364 | 06/17/2025 | MC LAW GROUP, APC | 2025052116 | LEP | Attorney Fees | Santa Barbara | 611.00 |
| 609365 | 06/17/2025 | MARTIN, LARRY | 2024048998 | LBI | Legal-Other | Tuolumne Cnty | 105.00 |
| 609366 | 06/17/2025 | POLLAK, VIDA & BARER | 2025055500 | LEP | Attorney Fees | Bishop Unified | 153.00 |
| 609367 | 06/17/2025 | FOZI DWORK & MODAFFERI, | 2025051734 | ADM | Attorney Fees | Kern County Supt | 5,550.00 |
| 609368 | 06/17/2025 | FOZI DWORK & MODAFFERI, | 2024047934 | LBI | Attorney Fees | Lake Elsinore | 9,226.80 |
| 609369 | 06/17/2025 | Amador County Unified SD (GL) | 2025055449 | ACL | Collision Loss | Amador County | 3,084.35 |
| 609370 | 06/17/2025 | Arvin Union School District | 2025055123 | ACL | Collision Loss | Arvin Union School | 12,952.26 |
| 609371 | 06/17/2025 | AMERICAN FAMILY | 2025052394 | APD | Property | Merced County | 371.29 |
| 609372 | 06/17/2025 | ROBINSON & KELLAR | 2023045038 | LBI | Attorney Fees | Lake Elsinore | 1,179.60 |
| 609373 | 06/17/2025 | ROBINSON & KELLAR | 2024049171 | LBI | Attorney Fees | Greenfield Union | 220.00 |
| 609374 | 06/17/2025 | ROBINSON & KELLAR | 2024051297 | LBI | Attorney Fees | Delano Union | 715.37 |
| 609375 | 06/17/2025 | ROBINSON & KELLAR | 2024048797 | LBI | Attorney Fees | Merced Union High | 853.95 |
| 609376 | 06/17/2025 | HERR PEDERSEN & | 2022041435 | LBI | Attorney Fees | Sierra Sands | 77.16 |
| 609377 | 06/17/2025 | HERR PEDERSEN & | 2024048665 | LBI | Attorney Fees | Merced County | 243.75 |
| 609378 | 06/17/2025 | HERR PEDERSEN & | 2017027208 | ABI | Attorney Fees | Delano Union | 2,521.90 |
| 609379 | 06/17/2025 | MC LAW GROUP, APC | 2023045353 | LEP | Attorney Fees | Santa Barbara | 846.00 |
| 609380 | 06/17/2025 | H & S BODY WORKS | 2025055123 | ACL | Collision Loss | Arvin Union School | 2,027.50 |
| 609381 | 06/17/2025 | Merced Union High School | 2025055049 | ACL | Collision Loss | Merced Union High | 18,259.64 |
| 609382 | 06/17/2025 | DENISON WERNER MACIAS | 2024050457 | LBI | Attorney Fees | Kern County Supt | 258.00 |
| 609383 | 06/17/2025 | DENISON WERNER MACIAS | 2024050458 | LBI | Attorney Fees | Norris School | 258.00 |
| 609384 | 06/17/2025 | CALIFORNIA DEPOSITION | 2024050975 | LBI | Legal-Other | Standard School | 1,584.50 |
| 609385 | 06/17/2025 | DENISON WERNER MACIAS | 2024050975 | LBI | Attorney Fees | Standard School | 1,290.00 |
| 609386 | 06/17/2025 | HAINES, TODD F. | 2024049524 | P | Attorney Fees | Bakersfield City | 28.00 |
| 609387 | 06/17/2025 | GALLAGHER BASSETT | 2025053886 | ABI | Bodily Injury | Santa Maria Joint | 141.59 |
| 609388 | 06/17/2025 | CARPENTER, ROTHANS & | 2024047834 | LEP | Attorney Fees | Palmdale | 112.50 |

# Check Register - Property & Liability

| Check Number | Check Date | Payee | Claim Number | Claim Type | Payment Type | Insured | Check Amount |
|---|---|---|---|---|---|---|---|
| 609389 | 06/17/2025 | DENISON WERNER MACIAS | 2023045998 | LBI | Attorney Fees | Antelope Valley | 129.00 |
| 609390 | 06/17/2025 | MICHELLE CONOVER, PH.D. | 2023044768 | LBI | Legal-Other | Antelope Valley | 14,587.50 |
| 609391 | 06/17/2025 | HERR PEDERSEN & | 2024050912 | LBI | Attorney Fees | Tehachapi Unified | 3,431.30 |
| 609392 | 06/17/2025 | HERR PEDERSEN & | 2025054104 | LBI | Attorney Fees | Reef-Sunset | 3,207.70 |
| 609393 | 06/17/2025 | HERR PEDERSEN & | 2023045093 | LPI | Attorney Fees | Pioneer Union | 1,490.75 |
| 609394 | 06/17/2025 | HERR PEDERSEN & | 2025052349 | LEP | Attorney Fees | Tehachapi Unified | 2,790.37 |
| 609395 | 06/17/2025 | POLLAK, VIDA & BARER | 2017027208 | ABI | Attorney Fees | Delano Union | 204.00 |
| 609396 | 06/17/2025 | PEGASUS CLAIMS SERVICES, | 2023044768 | LBI | Legal-Other | Antelope Valley | 187.00 |
| 609397 | 06/17/2025 | WINET PATRICK GAYER | 2024048760 | LSM | Attorney Fees | Lake Elsinore | 182.56 |
| 609398 | 06/17/2025 | DEMARIA LAW FIRM, APC | 2023045590 | LBI | Attorney Fees | Southern Kern | 7,929.50 |
| 609399 | 06/17/2025 | PEGASUS CLAIMS SERVICES, | 2024049483 | P | Legal-Other | Greenfield Union | 511.50 |
| 609400 | 06/17/2025 | APTUS COURT REPORTING, | 2024047934 | LBI | Legal-Other | Lake Elsinore | 2,529.65 |
| 609401 | 06/17/2025 | CASTRO TOWING LLC | 2025055608 | ACL | Collision Loss | Maple School | 5,432.50 |
| 609402 | 06/17/2025 | Wasco Union High School District | 2023047160 | P | Fire Loss | Wasco Union High | 928,535.13 |
| 609403 | 06/17/2025 | DEMARIA LAW FIRM, APC | 2021040054 | LPI | Attorney Fees | Panama-Buena | 190.50 |
| 609423 | 06/24/2025 | UNISOURCE DISCOVERY | 2023044642 | ABI | Legal-Other | Upland USD (GL) | 622.91 |
| 609424 | 06/24/2025 | Central Union High School | 2025054695 | ACL | Collision Loss | Central Union High | 154.90 |
| 609425 | 06/24/2025 | HALLIWELL ENGINEERING | 2025052077 | P | Adjusting | Weaver Union | 1,428.00 |
| 609426 | 06/24/2025 | MCCORMICK, BARSTOW, | 2025052353 | LEP | Attorney Fees | Lamont School | 4,390.00 |
| 609427 | 06/24/2025 | WELTY, ANNE C., MD | 2024048274 | LBI | Legal-Other | Palmdale | 9,187.50 |
| 609428 | 06/24/2025 | MCKNIGHT AND MCKNIGHT | 2023043854 | ABI | Legal-Other | Delano Union | 900.00 |
| 609429 | 06/24/2025 | ADR SERVICES, INC. | 2023044468 | ABI | Legal-Other | Merced County | 5,175.00 |
| 609430 | 06/24/2025 | CSI LITIGATION PSYCHOLOGY | 2024047934 | LBI | Legal-Other | Lake Elsinore | 16,031.22 |
| 609431 | 06/24/2025 | TYSON & MENDES LLP | 2021039801 | LBI | Attorney Fees | Fairfax School | 3,850.00 |
| 609432 | 06/24/2025 | TYSON & MENDES LLP | 2024049003 | LSM | Attorney Fees | Palmdale | 751.12 |
| 609433 | 06/24/2025 | Tulare COE (GL) | 2025054408 | P | All Physical | Tulare COE (GL) | 44,352.94 |
| 609434 | 06/24/2025 | SAND, JON D. | 2024047934 | LBI | Legal-Other | Lake Elsinore | 3,000.00 |
| 609435 | 06/24/2025 | BOUCHER LLP CLIENT TRUST | 2023045590 | LBI | Trust Account - | Southern Kern | 600,000.00 |
| 609436 | 06/24/2025 | McFarland Unified School District | 2025055162 | ACL | Collision Loss | McFarland Unified | 678.21 |
| 609437 | 06/24/2025 | Antelope Valley Union High | 2025054451 | ACL | Collision Loss | Antelope Valley | 1,928.75 |
| 609438 | 06/24/2025 | ALACRITY PARENT LLC, | 2025055743 | APD | Adjusting | Sierra Sands | 561.27 |

# Check Register - Property & Liability

| Check Number | Check Date | Payee | Claim Number | Claim Type | Payment Type | Insured | Check Amount |
|---|---|---|---|---|---|---|---|
| 609446 | 06/26/2025 | ALACRITY PARENT LLC, | 2025055764 | APD | Adjusting | Brawley | 590.05 |
| 609447 | 06/26/2025 | MARICELA ROSAS | 2025053597 | LBI | Full and Final | Santa Barbara | 1,764.16 |
| 609448 | 06/26/2025 | ENTERPRISE RENT-A-CAR | 2025055555 | APD | Property | Panama-Buena | 1,177.33 |
| 609449 | 06/26/2025 | Paso Robles Joint Unified School | 2025054972 | ACL | Collision Loss | Paso Robles Joint | 1,383.36 |
| 609450 | 06/26/2025 | TYSON & MENDES LLP | 2023045998 | LBI | Attorney Fees | Antelope Valley | 828.00 |
| 609451 | 06/26/2025 | PEGASUS CLAIMS SERVICES, | 2023044768 | LBI | Legal-Other | Antelope Valley | 93.50 |
| 609452 | 06/26/2025 | WINET PATRICK GAYER | 2023045410 | LSM | Attorney Fees | Lake Elsinore | 501.53 |
| 609453 | 06/26/2025 | WINET PATRICK GAYER | 2024048760 | LSM | Attorney Fees | Lake Elsinore | 9,743.60 |
| 609454 | 06/26/2025 | WINET PATRICK GAYER | 2024050243 | LSM | Attorney Fees | Lake Elsinore | 9,752.97 |
| 609455 | 06/26/2025 | WINET PATRICK GAYER | 2025052491 | LEP | Attorney Fees | Lake Elsinore | 579.30 |
| 609456 | 06/26/2025 | WINET PATRICK GAYER | 2025055510 | LBI | Attorney Fees | El Centro | 621.00 |
| 609457 | 06/26/2025 | WINET PATRICK GAYER | 2024050840 | LBI | Attorney Fees | El Centro | 1,487.75 |
| 609458 | 06/26/2025 | WINET PATRICK GAYER | 2025054010 | LBI | Attorney Fees | Lake Elsinore | 1,357.50 |
| 609459 | 06/26/2025 | DEMARIA LAW FIRM, APC | 2024050159 | LBI | Attorney Fees | Chowchilla | 9,992.50 |
| | | **Total For 122235821 158300179906** | | | | | 2,374,590.37 |

Number of Check: 167
Number Of Payments: 167

First Check Number: 609203
Last Check Number: 609459
Check Sequence:

# SISC II
## INCOME STATEMENT
## June 2025

| | | BUDGET | YEAR-TO-DATE | CURRENT MONTH |
|---|---|---|---|---|
| REVENUES | | | | |
| 8660.00 | Interest-County Treasurer | $2,095,238.00 | $599,309.98 | $0.00 |
| 8660.03 | LAIF | $309.00 | $226.80 | $0.00 |
| 8660.04 | Investments | $4,764,648.00 | $3,460,713.96 | $0.00 |
| 8660.05 | Bank | $12,800.00 | $165,608.20 | $26,212.91 |
| 8674.02 | Premiums-Prop & Liab | $56,933,716.00 | $57,370,796.50 | $4,908,077.62 |
| 8674.12 | Student Ins | $1,144,929.00 | $1,144,928.49 | $95,411.00 |
| 8674.13 | Tackle Football | $25,500.00 | $20,760.00 | $0.00 |
| 8674.14 | Special Ed Defense | $492,530.00 | $495,875.00 | $0.00 |
| 8699.06 | Administrative Fees | $100.00 | $0.00 | $0.00 |
| TOTAL REVENUES | | $65,469,770.00 | $63,258,218.93 | $5,029,701.53 |
| EXPENSES | | | | |
| 4300.00 | Supplies | $500.00 | $6,880.14 | $719.89 |
| 5200.00 | Travel/Conference | $5,000.00 | $11,115.33 | $17.84 |
| 5300.00 | Dues and Memberships | $134,650.00 | $64,133.79 | $870.60 |
| 5450.01 | Insurance-Property & Fire | $13,169,853.00 | $11,135,601.55 | $918,977.50 |
| 5450.02 | Boiler & Machinery | $282,095.00 | $228,475.00 | $19,040.00 |
| 5450.04 | Crime | $72,834.00 | $72,834.00 | $6,070.00 |
| 5450.06 | Excess Liability | $10,967,031.00 | $10,656,590.18 | $852,637.00 |
| 5450.17 | Data Compromise | $261,252.00 | $294,146.00 | $24,512.00 |
| 5450.18 | Concussion Coverage | $27,000.00 | $27,000.00 | $2,250.00 |
| 5450.19 | Terrorism | $41,170.00 | $39,208.40 | $3,267.00 |
| 5800.00 | Miscellaneous | $500.00 | $0.00 | $0.00 |
| 5800.02 | Audit | $14,085.00 | $14,085.00 | $0.00 |
| 5800.10 | Consulting | $165,590.00 | $149,181.89 | $7,879.37 |
| 5800.15 | Property Appraisals | $174,365.00 | $203,366.00 | $31,340.00 |
| 5800.32 | Bank Fees | $8,000.00 | $1,623.69 | $0.00 |
| 5800.50 | Administration - KCSOS | $4,072,845.00 | $3,543,680.53 | $244,535.46 |
| 5800.55 | Student Ins Claims | $780,000.00 | $668,949.40 | $52,517.68 |
| 5800.56 | Tackle FB Claims | $25,000.00 | $26,447.99 | $3,462.98 |
| 5800.58 | Spec Ed VCP | $492,530.00 | $0.00 | $0.00 |
| 5800.66 | Property Claims | $4,223,033.00 | $6,960,354.41 | $156,045.78 |
| 5800.67 | Liability Claims | $13,956,835.00 | $12,975,635.12 | $1,053,273.66 |
| 5800.69 | Auto Claims | $2,398,878.00 | $4,000,636.49 | $101,399.62 |
| 5800.90 | Bill Review | $7,200.00 | $7,448.60 | $678.50 |
| 5800.94 | Other Distributions | $0.00 | $0.00 | $0.00 |
| 5800.95 | Unpaid Claims Liab Adj | $9,442,000.00 | $15,013,876.00 | $0.00 |
| TOTAL EXPENSES | | $60,722,246.00 | $66,101,269.51 | $3,479,494.88 |
| CHANGE IN NET ASSETS | | $4,747,524.00 | ($2,843,050.58) | $1,550,206.65 |
| NET ASSETS - BEGINNING | | $11,572,917.85 | $11,572,917.85 | $7,179,660.62 |
| NET ASSETS - ENDING | | $16,320,441.85 | $8,729,867.27 | $8,729,867.27 |

# SISC II
# BALANCE SHEET
# June 30, 2025

| | | July 1, 2024 BALANCE | June 30, 2025 BALANCE |
|---|---|---|---|
| ASSETS | | | |
| 9110.00 | Cash in County Treasury | $16,447,014.19 | $19,129,750.29 |
| 9120.02 | Bank Account-Claims Fund | $1,411,199.66 | $7,899,095.86 |
| 9130.00 | Revolving Fund | $1,500.00 | $0.00 |
| 9150.01 | Local Agency Investment Fund | $6,424.38 | $6,723.67 |
| 9150.03 | Investments | $83,353,981.92 | $86,814,695.88 |
| 9200.00 | Accounts Receivable | $414,887.60 | $0.00 |
| 9330.00 | Prepaid Insurance | $5,831,838.00 | $5,306,094.00 |
| TOTAL ASSETS | | $107,466,845.75 | $119,156,359.70 |
| LIABILITIES | | | |
| 9500.00 | Current Liabilities | $756,803.90 | $275,492.43 |
| 9650.00 | Deferred Income | $0.00 | $0.00 |
| 9668.00 | Unpd Clms Liab (90% Conf Lvl) | $95,137,124.00 | $110,151,000.00 |
| TOTAL LIABILITIES | | $95,893,927.90 | $110,426,492.43 |
| NET ASSETS - Funding Stabilization Reserves | | $11,572,917.85 | $8,729,867.27 |
| TOTAL LIABILITIES AND NET ASSETS | | $107,466,845.75 | $119,156,359.70 |

AUTHORIZED SIGNATURE

PREPARED BY: Nancy Russo

**SISC II**
**Investments**
**June 30, 2025**

## 24-HOUR LIQUID FUNDS

SISC II maintains much of its cash in the Kern County Treasury and Local Agency Investment Fund. Both agencies pool these funds with those of other entities in the state. These pooled funds are carried at cost which approximates market value.

| AGENCY | BALANCE | RETURN | PERIOD | DATES |
|---|---|---|---|---|
| COUNTY OF KERN | $19,129,750.29 | 3.75% | LAST QUARTER | JAN-MAR 2025 |
| | | 2.11% | 5 YEAR AVERAGE | APR 2020-MAR 2025 |
| LOCAL AGENCY | | | | |
| INVESTMENT FUND | $6,723.67 | 4.27% | CURRENT MONTH | June, 2025 |
| | | 4.48% | LAST QUARTER | JAN-MAR 2025 |
| | | 2.26% | 5 YEAR AVERAGE | APR 2020-MAR 2025 |

## INVESTMENT MANAGEMENT ACCOUNTS

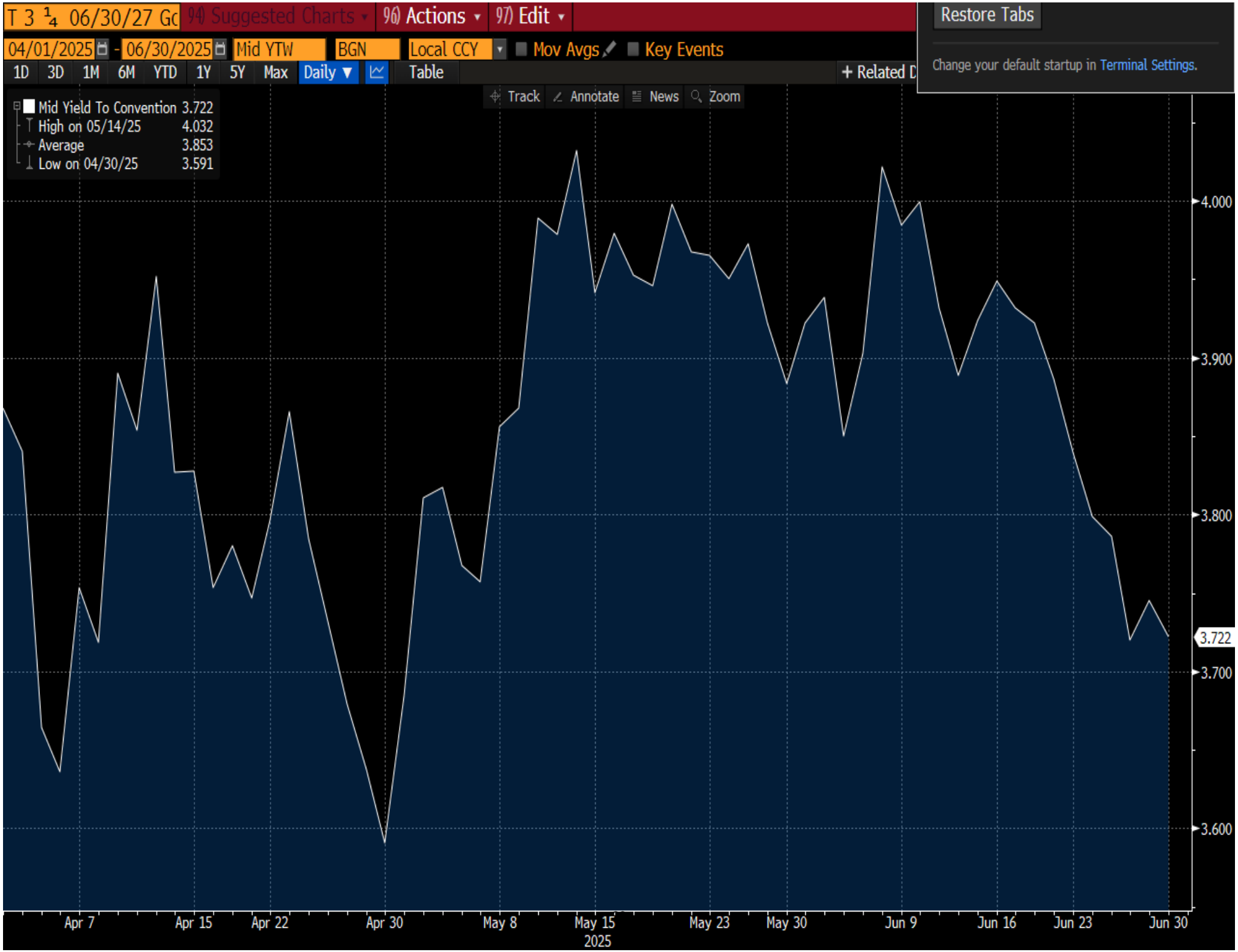
The investment securities portfolio is comprised of securities carried at fair market value.

The fair market value of the investment securities available for sale at March 31, 2025 was:

| INVESTMENT FIRM | MARKET VALUE | QUARTERLY RETURN | ANNUALIZED RETURN | PERIOD | DATES |
|---|---|---|---|---|---|
| MADISON INVESTMENTS | $27,098,192.00 | 1.85% | 7.48% | LAST QUARTER | JAN-MAR 2025 |
| (SISC INVESTMENT POOL) | | | 1.45% | 5 YEAR AVERAGE | APR 2020-MAR 2025 |
| | | | 4.11% | YIELD TO MATURITY | AS OF MAR 31, 2025 |
| WELLS FARGO ADVISORS | $59,716,503.88 | 1.30% | 5.27% | LAST QUARTER | JAN-MAR 2025 |
| (RICH EDWARDS) | | | 1.31% | 5 YEAR AVERAGE | APR 2020-MAR 2025 |
| | | | 2.03% | YIELD TO MATURITY | AS OF MAR 31, 2025 |
| | $86,814,695.88 | | | | |

## 5-YEAR HISTORY OF RETURNS - ANNUALIZED

| Quarter Ending: | Co of Kern | LAIF | INVESTMENT POOL | RICH WELLS FARGO | COMBINED WEIGHTED AVERAGE RETURN |
|---|---|---|---|---|---|
| 3/31/2025 | 3.75% | 4.48% | 7.48% | 5.27% | 5.40% |
| 12/31/2024 | 3.56% | 4.62% | -0.76% | 2.29% | 2.13% |
| 9/30/2024 | 3.53% | 4.71% | 11.61% | 8.04% | 7.16% |
| 6/30/2024 | 3.46% | 4.55% | 3.67% | 4.51% | 4.12% |
| 3/31/2024 | 3.37% | 4.30% | 1.19% | 3.24% | 2.76% |
| 12/31/2023 | 3.15% | 4.00% | 10.98% | 8.28% | 7.37% |
| 9/30/2023 | 2.91% | 3.93% | 2.14% | 2.59% | 2.60% |
| 6/30/2023 | 2.65% | 3.15% | -0.66% | -0.50% | 0.42% |
| 3/31/2023 | 2.42% | 2.74% | 6.06% | 5.65% | 4.63% |
| 12/31/2022 | 2.16% | 2.07% | 3.47% | 3.48% | 2.89% |
| 9/30/2022 | 1.06% | 1.35% | -4.79% | -7.15% | -2.24% |
| 6/30/2022 | 1.00% | 0.75% | -2.22% | -2.88% | -1.35% |
| 3/31/2022 | 0.95% | 0.32% | -9.06% | -9.18% | -5.11% |
| 12/31/2021 | 0.84% | 0.23% | -2.39% | -2.02% | -0.55% |
| 9/30/2021 | 1.24% | 0.24% | -0.20% | 0.26% | 0.69% |
| 6/30/2021 | 1.00% | 0.33% | 0.80% | 0.00% | 0.65% |
| 3/31/2021 | 1.07% | 0.44% | -1.86% | -0.90% | -0.47% |
| 12/31/2020 | 1.16% | 0.63% | 0.18% | 0.55% | 0.72% |
| 9/30/2020 | 1.30% | 0.84% | 0.43% | 0.40% | 0.83% |
| 6/30/2020 | 1.70% | 1.47% | 2.89% | 4.28% | 3.23% |
| 5-Yr Average | 2.11% | 2.26% | 1.45% | 1.31% | 1.79% |


T 3 ¼ 06/30/27 Gc
94) Suggested Charts
96) Actions
97) Edit
Restore Tabs
Change your default startup in Terminal Settings.
04/01/2025 - 06/30/2025
Mid YTW
BGN
Local CCY
Mov Avgs
Key Events
1D 3D 1M 6M YTD 1Y 5Y Max Daily Table
+ Related
Track Annotate News Zoom
Mid Yield To Convention 3.722
High on 05/14/25 4.032
Average 3.853
Low on 04/30/25 3.591
4.000
3.900
3.800
3.722
3.700
3.600
Apr 7
Apr 15
Apr 22
Apr 30
May 8
May 15
2025
May 23
May 30
Jun 9
Jun 16
Jun 23
Jun 30

**SISC II – Property & Liability**
**JULY 2025 BOARD MEETING**

## Excess Liability Renewal for 2025-26

Policy Term: July 1, **2025** to June 30, **2026**

Self-Insured Retention: $2.00 million (no change)
$2.00 million corridor deductible (no change)

Limits: $53 million (no change)

**Rate per ADA:** 1st Layer - **$6.05** (6.22% increase)
2nd Layer - **$30.40** (19.69% increase)

**Premium – 1st Layer $1,877,498**
**Excess Limit: $3,000,000 x/s of $2,000,000 SIR**

| Carrier | A.M. Best Rating | Limits | Premium |
|---|---|---|---|
| Safety National Casualty Corp | **A++ XV (Superior)** | **$3,000,000** | **$1,877,798** |

**Premium – 2nd Layer $9,046,966**
**Excess Limit: $50,000,000 x/s of $5,000,000**

| Carrier | A.M. Best Rating | Limits | Premium |
|---|---|---|---|
| Schools Excess Liability Fund | **N/A** | **$50,000,000** | **$9,046,966** |

| | |
|---|---|
| **Total Premiums** | **$ 10,924,764** |
| **Taxes** | **$ 0.00** |
| **Grand Total** | **$ 10,924,764** |

***It is respectfully requested that the Board retroactively approve the 2025-26 Excess Property renewal.***

SISC
Self-Insured Schools of California
*Schools Helping Schools*

# Memorandum of Coverage

## No. SLP 7125 26

## School Liability Program

## General Liability

## Declarations

In consideration of the payment of all required contributions and subject to the following terms and conditions, Self-Insured Schools of California, hereinafter referred to as the **Authority**, and the party named in the declarations, hereinafter referred to as the **Member**, agree as set forth herein and in the accompanying **memorandum**.

Throughout these Declarations and in the accompanying **memorandum**, words and phrases that appear in bold print have special meanings and are defined in the "Definitions" section of the **memorandum**.

A. **Covered party**:

B. Covered period: from 07-01-2025 through 07-01-2026

C. **Limit of liability** per **occurrence**: $2,000,000 under all coverages **A-H,** subject to certain sub-limits

D. Excess **Limit of Liability**: $53,000,000 Per Occurrence

E. Deductible per claimant, except for **Sexual Misconduct** and claims arising out of bounce houses, inflatables or rebounding devices (other than in the special education setting): _____. However:

1. For **occurrences** arising out the use of bounce houses, inflatables, or rebounding devices (except in the special education setting) the following special deductibles shall apply:

   a. For **members** with an ADA below 4,000, a $25,000 per claimant deductible will apply to claims and/or suits arising out of the use of bounce houses, inflatables, or rebounding devices (except in the special education setting);

   b. For **members** with an ADA of 4,000 or more, a $50,000 per claimant deductible will apply to claims and/or suits arising out of the use of bounce houses, inflatables, or rebounding devices (except in the special education setting).

2. For **occurrences** arising out of **Sexual Misconduct**, the following special deductibles shall apply:

   a. For **members** with an ADA below 4,000, a $25,000 per claimant deductible will apply to claims and/or suits arising out of **Sexual Misconduct**;

   b. For **members** with an ADA of 4,000 or more, a $50,000 per claimant deductible will apply to claims and/or suits arising out of **Sexual Misconduct**.

SISC
Self-Insured Schools of California
*Schools Helping Schools*

Property & Liability Division

June 2025
Volume 5, Issue 2

# Quarterly Update

## CASE STUDY—STUDENT INJURY

BY KERRI JONES, SAFETY & LOSS CONTROL SPECIALIST

By nature, children are curious and keep adults on their toes. This includes school staff, as well as parents. SISC recently had a claim where a five-year-old autistic student's finger was significantly injured during recess.

The child was enrolled in the district's special education program, which made him more vulnerable and required increased supervision. The area used for recess at the time was a temporary play area while awaiting a permanent designated area for special education. The student and his classmate were intrigued by a storm drain grate in the designated temporary play area. Students would drop objects through the drain grate to watch them fall, and determine what would fit through the grate openings, as part of their recess activities. On this particular day, the claimant's classmate was able to partially lift the storm grate. Unfortunately, the claimant's finger was damaged, when the classmate accidentally dropped the grate, causing it to land on the claimant's finger.

The claimant sustained a traumatic laceration to his middle finger that required a digital nerve block and sutures. The claimant had increased finger sensitivity, psychologic distress and was referred to a neurologist for specialized evaluation. Due to claimant's autism and limited verbal skills, assessing sensation and potential nerve damage were challenging.

Additional contributing factors were the staff's knowledge of this activity during recess. While they were aware students engaged in this activity on a frequent basis, they did not recognize the grate was unsecured. The grate was not secured, as maintenance staff frequently had to access this drain and clean out debris, to allow for proper drainage.

This drain grate has since been secured by bolts to prevent lifting, without proper tools. While this was originally designated as a temporary location, the location had been in use for longer than originally anticipated.

Curiosity and experimentation are part of the learning process for all students. As adults, we must take our knowledge of how students learn, and look at the environment from their perspective. Evaluation of how students may find new and creative ways to use items in the environment, is critical for safety and risk mitigation. While the staff were aware of this activity by students, they did not address the risk of an unsecured drain grate. In this situation, the claimant's finger has healed well, with no lasting physical impairment or scarring.

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**PROPERTY & LIABILITY DIVISION**

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## Podcasts

Did you know SISC Property & Liability has a podcast series? It 's true! Our very own Director, Robert Kretzmer has compiled over 25 different podcasts with guests from the insurance industry, education and service delivery organizations.

Podcast topics include the fentanyl crisis, reinsurance, politics of education, court cases impacting school districts, and school finance. The latest edition is also available as a YouTube video. Each podcast is approximately 30 minutes.

To see a full listing of podcast topics or to tune in, visit our website at https://sisc.kern.org/pl/sisc-podcasts/

SISC's excess liability provider Schools Excess Liability Fund (SELF) also has a podcast series called SELF Reflections. Available topics include:

- Youth Protection in Community College Environments
- AB 218 FAQs 2025
- Community Matters: Empowering Students to Change their World
- Impact of CSA Legislation on CA Public Education Liability
- CSA Statistics and Prevention Efforts
- Let Us Introduce Ourselves

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# HEAT SAFETY FOR STUDENTS

BY KERRI JONES, SAFETY & LOSS CONTROL SPECIALIST

As Californians, we are well aware of how warm it gets in the summer. Some of our member districts experience more moderate temperatures in the mountains or near the coast. While some districts in the valleys or Imperial County, it is common to see repeated heat waves in the 100's during the summer.

The California Department of Public Health reports approximately 1,220 people die from extreme heat every year in the United States. In addition, they report an average of more than 5,000 emergency department visits and 60 deaths per year due to heat illness between 2010 and 2020. The death of a 12-year-old student during P.E. class in Riverside County led to legislation for student health in extreme heat. The high temperature that day was 107 degrees. This tragic death of Yahushua Robinson lead to Senate Bill 1248, called Yahushua's Law, which requires public schools to adopt safety guidelines for physical activity during extreme weather. The law required the California Interscholastic Federation (CIF), in conjunction with the State Department of Education, to develop rules and regulations by July 1, 2024. The bill further requires school districts, county office of education and charter schools to develop, adopt and implement weather protocols for extreme weather conditions on or before July 1, 2026.

Districts are reminded that AB 2800 the California High School Coaching Education and Training program was signed into law on June 1, 2018. This law requires coaches to complete training in the signs and symptoms of heat illness. In addition, CalOSHA has requirements for both indoor and outdoor heat illness prevention employers must follow for employees.

Whatever your geography, unusually high temperatures for your area should give you pause for thought when you organize activities for your students as part of summer school sessions, summer camps or preparing for the 2025-26 school year. Below are some consideration to reduce the risks of heat related illnesses for your student population:

- Monitor the forecast daily and adjust activities as needed to protect students and staff.
- Discuss with parents the use of sunscreen and if the student is acclimated to forecasted heat.
- Humidity, air quality, hydration and clothing are factors that can contribute to heat illness.
- Conduct outdoor activities in the early morning hours when temperatures are cooler.
- Playground equipment and surfacing material can heat up quickly. Staff should check the surface temperature before play is allowed.
- Provide adequate hydration options such as drinking fountains, filling stations, coolers, or bottled water.
- Young children are often not familiar with recognizing and adjusting to their body's heat and hydration levels.
- Avoid or limit sugary drinks which are not as hydrating as water.

(continued on page 5)

## BUSINESS PARTNER SPOTLIGHT—RANEE FINDLEY

Ranee Findley, a native of Bakersfield, has dedicated her life to both her community and the insurance industry. Her journey began in the local schools of Bakersfield, where she attended elementary, high school, and college, laying the foundation for a career that would span decades. After graduating from Foothill High School in 1986, Findley embarked on her college education while simultaneously stepping into the world of insurance—a field that would become her lifelong career. Additionally she holds both the Associate in Risk Management (ARM) and Certified Insurance Counselor (CIC) designations.

In the dynamic and ever-evolving insurance industry, Findley discovered her niche in the intricate task of aligning specific risks and exposures with the right carriers and coverages. Her journey with INSURICA began in 2005, and over the past 18 years, she has excelled as a Property & Casualty Account Executive. Her leadership of the West Coast Marketing Team is a testament to her extensive expertise and commitment to excellence.

Findley's career is distinguished by her specialization in a diverse array of industries, including: Alternative Energy, Municipalities, Aviation, Non-Profits, and Education. As Bakersfield's go-to expert, she is instrumental in crafting exclusive program strategies, nurturing carrier relationships, and expanding market options for the production staff. Her dedication to providing the highest level of commitment, expertise, and professionalism extends not only to her clients, but also to her colleagues. Findley is a resource to many of our districts who need one day Special Event coverage, Builder's Risk and School Connected Organization (SCO) policies. She also serves as the SISC Broker for our large excess liability annual purchase.

Beyond her professional achievements, Findley has contributed significantly to the industry by serving on numerous advisory boards for national insurance companies. Her insights have been invaluable in product development, piloting new programs, and mentoring emerging talent within the industry.

Outside the office, Findley enjoys many diverse interests. She enjoys reading, cooking, gardening, traveling, horseback riding, and spending time with her family, especially attending her grandchildren's activities.

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Kerri Jones,
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Elsa Lara,
Student Insurance
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Sabrina Moten,
Student Insurance
661-636-4414

## Legislation

There are a number of new laws enacted by the California Legislature during the 2024 session related to education. We have highlighted a few below.

**AB 5— Safe and Supportive Schools Act. Cultural Competency Training.** Effective 7-1-25, certificated staff must receive 1 hour of training of LGBTQ+ Cultural Competency training. This applies only to certificated staff serving students in grades 7-12. The California Department of Education is working with PRISM (Providing Relevant, Inclusive Support that Matters for LGBTQ+ Students), to fulfill training requirements. You can visit the CDE website https://www.cde.ca.gov/ci/pl/prism.asp or the PRISM website at https://prismcalifornia.org to learn more.

**AB 1913— Pupil Safety: Child Abuse Prevention Training.** Effective 7-1-25 school districts, county offices of education and charter schools are required to receive annual training on the prevention of abuse, including sexual abuse of children on school grounds, by school personnel or in school sponsored programs and the proper action to take in suspected cases. This may be combined with the Child Abuse Neglect Reporting Act (CANRA) training.

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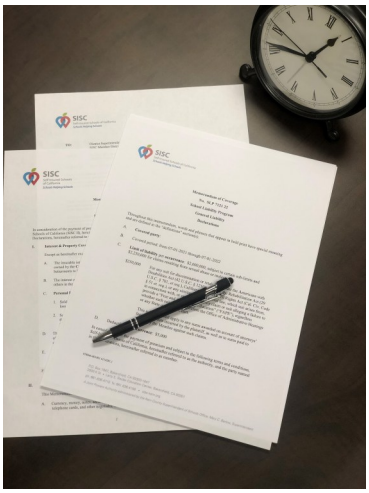
# LIABILITY MEMORANDUM OF COVERAGE CHANGES

Each year SISC goes through a coverage review process to make sure we are providing the coverage necessary for our members, while at the same time protecting the integrity and solvency of the pool as a whole. On June 18, 2025, the SISC Board of Directors approved changes and clarifications to the SISC Liability Memorandum of Coverage (MOC) for the July 1, 2025 to July 1, 2026 coverage period.

- As a point of clarification, the 2025/2026 coverage document will reinforce existing policy that SISC applies a liability deductible to each claimant that is involved in any liability occurrence. In other words, should there be three or four individuals involved in the physical altercation, a separate liability deductible will be charged to the involved district for each claimant.

- Beginning with the new coverage period, a higher liability deductible will be charged to our districts for claims or suits resulting from the use of a bounce house, inflatables or rebounding devices. Those districts with an ADA of below 4,000 will be charged a $25,000 deductible. Those with an ADA of 4,000 or more will be charged a $50,000 deductible. While these activities are relatively popular for school carnivals and similar celebrations, we believe they are best left to other venues. However, we recognize that some districts may still choose to have these activities. In the event your district chooses to sponsor a bounce house activity, you should speak with your assigned Safety & Loss Specialist well in advance of the event to make sure appropriate contract language is in place with the involved vendor.

- As an additional point of clarification, we have relaced the term *childhood sexual abuse* with *sexual misconduct* in the declarations page of the Liability MOC where we discuss the application of the higher deductible to claims or suits of this nature. This clarification was made to make it clear to our members that the higher deductible applies to all types of sexual misconduct, and not just those cases involving children.



In the event you have any questions regarding these changes and clarifications for the 2025/2026 coverage period, please call Robert Kretzmer, Executive Director, at 661-636-4709 or at rokretzmer@siscschools.org

## PROOF OF COVERAGE REQUESTS

BY LILIA MORENTIN, EXECUTIVE SECRETARY

As we begin the new year of coverage, we thought it might be helpful to include information on requesting proof of coverage or certificates of insurance. A good starting point is our webpage at https://sisc.kern.org/pl/proof-of-insurance/.

When you only need a generic proof of coverage certificate, these can be printed from the website. Two links are provided depending on whether your districts is a member of SISC Property & Liability only, or is also a member of our SISC Workers' Compensation department. Districts can provide these certificates when basic evidence of coverage is all that is needed.

When the district needs to provide proof of coverage for an additional insured, the written contract (or agreement) between the parties is required. The contract or agreement should include the insurance requirements and additional insured language. When there is a provision in the contract to be named additional insured, the following information is needed:

- ✔ The entity name (as they wish to be listed in the certificate holder box)
- ✔ Entity mailing address and email
- ✔ Copy of the entire executed contract (or agreement)
- ✔ Request for certificate coverage

This information is needed at least two weeks prior to the event date. If your request requires immediate action for time-sensitive items, please let us know.

## HEAT SAFETY FOR STUDENTS (CONTINUED FROM PAGE 2)

- Be aware of any health conditions such as asthma or heart conditions that may require greater consideration.
- Medications can have an impact on the body's sensitivity to heat.
- Be familiar with the different signs of heat illness, including heat exhaustion, heat cramps and heat stroke and the treatment for each, including when to call 911.

For more information, see the resources listed below:

California Department of Public Health (or your local health department)
www.cdph.ca.gov/Programs/EPO/Pages/Extreme%20Heat%20Pages/extreme-heat-guidance-for-schools.aspx

California Interscholastic Foundation
https://www.cifstate.org/sports-medicine/heat_illness/index

CalOSHA
www.dir.ca.gov/DOSH/HeatIllnessInfo.html

### Special Education Voluntary Coverage Program

As part of the Special Education Voluntary Coverage Program (SEVCP), participating districts or SELPAs are eligible for reimbursement of defense fees and costs associated with due process complaints filed with the Office of Administrative Hearings (OAH), Special Education Division.
To qualify for reimbursement for the 2024–2025 fiscal year, all supporting documentation must be submitted by August 1, 2025.

Required documentation includes:

- A copy of the due process complaint
- Legal invoices from the district's representing attorney
- Copies of warrants issued for payment to the law firm
- The assigned OAH case number for each filing

If you have any questions regarding the documentation requirements, please don't hesitate to contact Hilda Hankins at (661) 636-4694 or hitabora@siscschools.org

## Maintaining District Contacts

Communicating with our member districts is a top priority for SISC. Communicating items such as coverage summary memos; Memorandums of Coverage (MOC); insurance and school industry updates and memos; and information of training opportunities are types of information important to share with our members. In that effort, we strive to maintain current contact information for our district administrative contacts.

If you have changes in administrative staffing, e-mail addresses, phone numbers or mailing addresses for your district, please e-mail Lilia Morentin, Administrative Secretary at limorentin@siscschools.org

## Did you know?

- For just a single $60 payment, your athlete is covered for the entire tackle football season.
- Tackle Football Coverage has no deductible, meaning benefits begin immediately without any upfront payment required from the family.
- Supplemental plans like this one can help prevent delays in care since no pre-authorization is needed.
- Tackle Football Coverage is not only for the uninsured; it is also designed for any family looking to reduce high medical expenses.



## FROM THE DIRECTOR

We are pleased to announce that a new feature has come to the Quarterly Report that can be accessed through the SISC website at https://sisc.kern.org

Kerri Jones, our Editor, has been working hard on the creation of an index for all of the wonderful articles that have been part of the Quarterly Update since the first publication in December of 2020. As many of you will recall, the COVID-19 pandemic came on with a vengeance in March of 2020. Our publication was created in part, and born out of a need we saw to keep our members well informed about the SISC Property & Liability division, as well as broader developments that impact the work we do with our school districts.

Since our first publication, we have tried to bring articles of interest to you, ranging from legislative developments to school site maintenance issues. This current edition, among other topics, is updating our members on some changes to the Liability Memorandum of Coverage and we bring you a profile of one of SISC's most valued business partners.

Please take a moment to visit the SISC website, and in particular the index of articles. Our hope is to continue to create a valued library of articles that can be referenced at your convenience. The index will be updated in January of each year following the final issue of the Quarterly Update in December.

Thank you and we wish you all a relaxing and safe summer.

## TACKLE FOOTBALL

BY ELSA LARA, STUDENT INSURANCE CLAIMS EXAMINER

Tackle football is one of the most intense and physically demanding sports offered at the high school level. With a significantly higher risk of injury than most other student activities, medical coverage is not optional—it's required for all student-athletes before they can take the field.

To support this need, SISC is proud to continue offering Tackle Football Coverage for the 2025-2026 season, ensuring that every player has access to vital medical protection.

What the Plan Includes:

- Rate: One-time premium of $60.00 per participant
- Deductible: None
- Maximum Benefit: $15,000 (subject to contract limitations)
- Application: Available for download at https://sisc.kern.org/pl/forms/

Important Information to share with parents:

Even if your student-athlete already has private insurance, the Tackle Football Coverage can be purchased to use as supplemental coverage, helping reduce out-of-pocket expenses like co-pays, deductibles, or non-covered services. It's an affordable way to add an extra layer of protection for your athlete during the tackle football season.

In Summary:

High school tackle football requires all athletes to have medical coverage due to the sport's physical nature. A low-cost, one-time $60 plan is available to ensure no player is left unprotected. It's not just about following the rules—it's about keeping our athletes safe, supported, and ready to play.

If you would like more information in regards Tackle Football Coverage enrollment, please contact Elsa Lara at (661) 636-4736 or at ellara@siscschools.org

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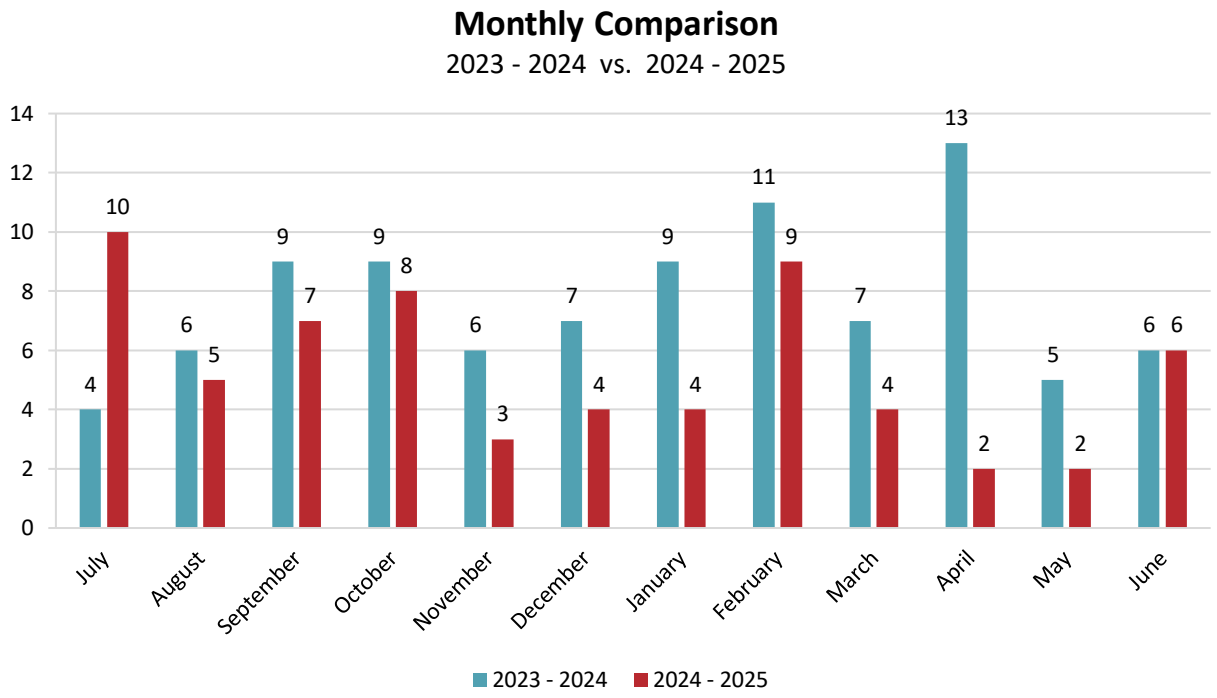
# PROPERTY CLAIM ASSIGNMENTS

2023 – 2024 Coverage Term vs. 2024 – 2025 Coverage Term

*Q4: Year-End Review*




| Property Claims per Quarter | 2023 – 2024 | 2024 - 2025 |
|---|---|---|
| 1st Quarter (July – September) | 19 | 22 |
| 2nd Quarter (October – December) | 22 | 15 |
| 3rd Quarter (January – March) | 27 | 17 |
| 4th Quarter (April – June) | 24 | 10 |
| **Total** | **92** | **64** |

| Total Claim Types (1st – 3rd Quarter) | 2023 – 2024 | 2024 - 2025 |
|---|---|---|
| Water | 23 | 15 |
| Wind | 8 | 6 |
| Fire | 3 | 7 |
| Theft | 33 | 16 |
| Vehicle | 15 | 15 |
| Other‡ | 10 | 5 |
| **Total** | **92** | **64** |

‡ Other to include the following: All Physical Loss, Boiler/Machinery, Crime, Lightning, and Vandalism.

SISC
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# PROPERTY CLAIM ASSIGNMENTS

2023 – 2024 Coverage Term vs. 2024 – 2025 Coverage Term

*Q4: Year-End Review*

| | 23 – 24 | 24 – 25 |
|---|---|---|
| **July** – Total | **4** | **10** |
| Water | 1 | 4 |
| Wind | 0 | 0 |
| Fire | 0 | 1 |
| Theft | 3 | 2 |
| Vehicle | 0 | 2 |
| Other | 0 | 1 |
| **August** – Total | **6** | **5** |
| Water | 2 | 0 |
| Wind | 0 | 1 |
| Fire | 0 | 1 |
| Theft | 1 | 2 |
| Vehicle | 0 | 1 |
| Other | 3 | 0 |
| **September** – Total | **9** | **7** |
| Water | 1 | 2 |
| Wind | 2 | 0 |
| Fire | 0 | 1 |
| Theft | 4 | 1 |
| Vehicle | 1 | 2 |
| Other | 1 | 1 |

Quarter 1

| | 23 – 24 | 24 – 25 |
|---|---|---|
| **October** – Total | **9** | **8** |
| Water | 2 | 5 |
| Wind | 0 | 0 |
| Fire | 0 | 2 |
| Theft | 3 | 1 |
| Vehicle | 3 | 0 |
| Other | 1 | 0 |
| **November** – Total | **6** | **3** |
| Water | 1 | 0 |
| Wind | 1 | 0 |
| Fire | 1 | 0 |
| Theft | 3 | 2 |
| Vehicle | 0 | 0 |
| Other | 0 | 1 |
| **December** – Total | **7** | **4** |
| Water | 1 | 0 |
| Wind | 0 | 1 |
| Fire | 1 | 0 |
| Theft | 3 | 0 |
| Vehicle | 2 | 3 |
| Other | 0 | 0 |

Quarter 2

| | 23 – 24 | 24 – 25 |
|---|---|---|
| **January** – Total | **9** | **4** |
| Water | 0 | 1 |
| Wind | 0 | 2 |
| Fire | 0 | 0 |
| Theft | 4 | 1 |
| Vehicle | 2 | 0 |
| Other | 3 | 0 |
| **February** – Total | **11** | **9** |
| Water | 4 | 1 |
| Wind | 2 | 2 |
| Fire | 0 | 1 |
| Theft | 3 | 2 |
| Vehicle | 2 | 2 |
| Other | 0 | 1 |
| **March** – Total | **7** | **4** |
| Water | 2 | 0 |
| Wind | 1 | 0 |
| Fire | 0 | 1 |
| Theft | 2 | 2 |
| Vehicle | 1 | 1 |
| Other | 1 | 0 |

Quarter 3

| | 23 – 24 | 24 – 25 |
|---|---|---|
| **April** – Total | **13** | **2** |
| Water | 6 | 1 |
| Wind | 2 | 0 |
| Fire | 1 | 0 |
| Theft | 2 | 0 |
| Vehicle | 1 | 1 |
| Other | 1 | 0 |
| **May** – Total | **5** | **2** |
| Water | 2 | 1 |
| Wind | 0 | 0 |
| Fire | 0 | 0 |
| Theft | 2 | 0 |
| Vehicle | 1 | 1 |
| Other | 0 | 0 |
| **June** – Total | **6** | **6** |
| Water | 1 | 0 |
| Wind | 0 | 0 |
| Fire | 0 | 0 |
| Theft | 3 | 3 |
| Vehicle | 2 | 2 |
| Other | 0 | 1 |

Quarter 4

SISC
Self-Insured Schools of California
*Schools Helping Schools*

# SELF-INSURED SCHOOLS OF CALIFORNIA (SISC)

## Bond Investment Policy

2000 K Street – Larry E. Reider Bldg
P.O. Box 1808
Bakersfield, CA 93303-1808

*Rev. August 2018*

## 1.0 POLICY STATEMENT

It is the policy of Self-Insured Schools of California (SISC) to invest funds in a manner which will provide maximum security of principal invested. The secondary objective is the liquidity of capital to meet expenditure requirements. The third objective is to achieve a positive return on the funds invested. This policy shall conform to all applicable State statutes governing the investment of public funds. (CA Gov. Code 53601)

## 2.0 SCOPE

This investment policy applies to all surplus funds not required for the immediate operating need of Self-Insured Schools of California. These funds are accounted for in the monthly financial report and include all or a portion of:

- 9110.00 Kern County Treasurer
- 9150.01 California Local Agency Investment Fund (LAIF)
- 9150.03 Investments

## 3.0 PRUDENCE

SISC is a Joint Powers Agreement (JPA), comprised of public school districts and county offices that have come together to self-insure various programs. Investment law imposes the role of trustee on California's local government agencies or persons authorized to make investment decisions for them, in effect making them a fiduciary subject to the prudent investor standard (CA Gov. Code 53600.3).

A fiduciary is "a person who has legal responsibility for the conservation and management of property in which another person has a beneficial interest." As a governing body and fiduciary investing public funds, the standard of prudence to be used when investing SISC funds shall be the "Prudent Investor Standard." This Standard states that the fiduciary shall act with care, skill, prudence, and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with those matters, would use in the conduct of funds of a like character and with like aims to safeguard the principal and to maintain the liquidity needs of the agency.

## 4.0 OBJECTIVE

The primary objectives, in order of priority, of the Self-Insured Schools of California's investment activities shall be:

4.1 Safety: Safety of principal is the foremost objective of the investment program. SISC investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

4.2 Liquidity: SISC's investment portfolio will remain sufficiently liquid to enable SISC to meet all operating requirements which might be reasonably anticipated.

4.3 Return on Investment: SISC's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account SISC's investment risk constraints and the cash flow characteristics of the portfolio.

## 5.0 DELEGATION OF AUTHORITY

The SISC Board is responsible for the management and oversight of the investment program. The SISC Finance Department shall monitor and review all investments for consistency and compliance with this investment policy. The Board may delegate the daily investment decision making execution authority to the Chief Executive Officer or his designee. The Chief Executive Officer shall follow this policy and such other written instructions as provided. Further, he or she shall be responsible for all transactions undertaken and will establish a system of controls to regulate the activities of appropriate staff members.

## 6.0 AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

Investment services may be provided only by institutions and security broker/dealers authorized by SISC. Criteria used to select broker/dealers shall be credit worthiness and verification of authorization to provide investment services in California. All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply SISC with the following:

- Annual Audited Financial Statements

- Proof of National Association of Security Dealers Certification
- Proof of California Registration
- Verification of having read SISC's Investment Policy and agreement to comply with said Policy

Where applicable, the broker/dealer will facilitate a competitive pricing approach when purchasing securities. It is also understood that the broker/dealer will adhere to applicable Government Code specifications and stay abreast of Government Code revisions and advise the client in a timely fashion of changes that may affect the investment policy or portfolio assets.

## 7.0 AUTHORIZED & SUITABLE INVESTMENTS

SISC is empowered by California Government Code 53601 to invest in the following types of securities:

- U.S. Treasury obligations
- Repurchase Agreements
- Bankers' Acceptances
- Medium-Term Notes
- Equipment Lease-Backed Certificates
- California Local Agency Investment Fund
- Federal agency securities
- Certificates of Deposit
- Commercial Paper
- Mortgage Pass-Through Securities
- Consumer Receivable Pass-Through Certificates
- Local Treasury
- Obligations of the State of California, its agencies, and local agencies within California
- Shares of beneficial interest issued by diversified management companies
- Insured savings account or money market account

SISC further reduces its investment risk by establishing a fixed income portfolio restricted to the types of securities listed below. Where this section specifies a percentage limitation for a particular category of investment, that percentage is applicable only at the date of purchase.

- U.S. Treasury obligations: 10 year maximum maturity
- Federal agency securities: 10 year maximum maturity
- Corporate Medium-Term Notes, including corporate bonds: 5 year maximum maturity
- Mortgage Pass-Through Securities: 5 year maximum maturity
- Consumer Receivable Pass-Through Certificates (Asset-Backed Securities): 5 year maximum maturity
- Commercial Paper: 270 days maximum maturity
- Bankers' Acceptances: 180 days maximum maturity
- Negotiable Certificates of Deposit (CD): 10 year maximum maturity
- Cash Equivalent Securities

Funds may also be invested with: • California Local Agency Investment Fund • Local Treasury

Additionally, each individual portfolio established by an approved broker/dealer will adhere to the following guidelines:

1. Corporate securities shall be rated at least 'A' by Moody's and 'A' by Standard and Poor's. If a security rating drops below 'A,' the security will be evaluated by the SISC Finance Department for continuance in the portfolio. A report of the downgrade and the course of action taken will be presented to the SISC Board at the next regularly scheduled meeting.

2. No security shall have a stated maturity date in excess of five years, except those investment types approved by the SISC Board for a maximum maturity up to ten years.

3. The portfolio shall be comprised of no more than 30 percent in Medium-Term Notes or corporate bonds, or any combination of the two.

4. The portfolio shall be comprised of no more than 20 percent in Mortgage Pass-Through Securities, or Consumer Receivable Pass-Through Certificates, or any combination of the two.

5. Purchases of eligible Commercial Paper may not exceed 270 days maturity nor represent more than 10 percent of the portfolio.

6. Purchases of Bankers' Acceptances may not exceed 180 days maturity or 40 percent of the portfolio.

7. The portfolio shall be comprised of no more than 30 percent in negotiable CDs.

8. All assets selected for the portfolio must have a readily available market value and be marketable.

Further, SISC or a SISC approved security broker/dealer shall not invest in derivatives, such as, but not limited to, inverse floaters, range notes, or interest-only strips that are derived from a pool of mortgages, or in any security that could result in zero interest accrual if held to maturity.

Note: Although funds held in SISC's bank accounts are not considered surplus under this Policy, they are deposited in a Premium Interest Checking account that is fully collateralized at 110%, provides daily liquidity, and earns a competitive rate of interest.

## 8.0 SAFEKEEPING AND CUSTODY

All security transactions entered into by SISC shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third-party custodian designated by the SISC Board and evidenced by safekeeping receipts (CA Gov Code 53635).

## 9.0 DIVERSIFICATION

In an effort to reduce overall portfolio risk while attaining market average rates of return, diversification will be utilized in terms of maturity, as well as security type and issuer. The portfolio will be well diversified to avoid undue exposure to any single economic sector, industry group, or individual security.

## 10.0 MAXIMUM MATURITIES

The SISC Finance Department will match its investments with anticipated cash flow requirements. Furthermore, SISC will not invest in any single security with a stated maturity date in excess of five years, except the security types approved by the SISC Board for a maximum ten year maturity. Further, at any one time no more than 30% of the portfolio shall be invested in securities with maturities up to ten years.

## 11.0 INTERNAL CONTROL

Internal controls shall be utilized to maintain efficiency and prevent fraud. Controls may include, but are not limited to, separation of functions, checks and balances, screening of employees and consultants, and training. The SISC Finance Department shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures.

## 12.0 PERFORMANCE STANDARDS

The investment portfolio will be designed to obtain a positive market rate of return, taking into account SISC's investment risk constraints and cash flow needs.

12.1 Market Return-On-Investment (Benchmark):
The basis used by the SISC Finance Department to determine whether market returns are being achieved shall be the return for the California Local Agency Investment Fund (LAIF).

## 13.0 REPORTING

The SISC Finance Department is charged with the responsibility of including a market report on investment activity and returns in SISC's Financial Statements. Quarterly Investment Reports will include:

- Type of Investment
- Issuer
- Purchase Date
- Par/Face Value
- Dollar amount invested (cost)
- Security Rating at Purchase
- Security Rating at Current Quarter
- Yield-to-Maturity at Current Quarter
- Maturity Date
- Security Reduced by Principal Payments (%)
- Principal Balance (%)
- Market Value and source of valuation
- A description of funds or investments under the management of contracted parties:
  California Local Agency Investment Fund
  Kern County Treasurer

Further, the Quarterly Report shall verify that the SISC investment portfolio is in compliance with SISC's investment policy. The report will also include a statement indicating the ability of SISC to meet its cash requirements for the ensuing six months or to provide an explanation as to why sufficient money shall not or will not be available. A copy of the Quarterly Report will be rendered to SISC's Chief Executive Officer, the internal auditor, and the Board within 60 days following the end of the quarter (CA Gov. Code 53646).

## 14.0 INVESTMENT POLICY ADOPTION

SISC's Investment Policy shall be adopted by the Board. The Policy will be reviewed on an annual basis by the SISC Finance Department, and any modifications made thereto must be approved by the SISC Board.

**Adopted: January 4, 1989**
**Revised: September 16, 1992**
**Revised: September 15, 1993**
**Revised: June 19, 1996**
**Revised: October 16, 1996**
**Revised: July 15, 1998**
**Revised: October 19, 2005**
**Revised: July 26, 2012**
**Revised: August 23, 2018**