

# ANNUAL REPORT

2015 -  
2016

California Schools Joint Powers Authorities



**CSR**  
California Schools  
Risk Management



**CSEBA**  
California Schools  
Employee Benefits Association



**CCA**  
The Community  
College Alliance



5 Counties Served  
55 School Districts



# About California Schools Joint Powers Authorities

California Schools Joint Powers Authorities (CSJPA) is comprised of two non-profit joint powers authorities; California Schools Employee Benefits Association (CSEBA) and California Schools Risk Management (CSRSM). CSEBA offers employee medical, dental, vision, and life insurance benefit programs, as well as a robust wellness program customized for each district. CSRSM helps schools share resources and mitigate their insurance risk exposures through daily risk management and innovative cost containment strategies.

Our JPAs are some of the state's longest standing and largest schools joint powers authorities in California, and hold an *Accreditation with Excellence* from CAJPA (California Association of Joint Powers Authorities). We have a commitment to excellence. Simply stated, the overall CSJPA organization is a not-for-profit insurance risk pool that provides insurance programs and risk management services for public schools, regional occupational programs (ROPs), and community college districts.

This year marked our 30th year as a JPA in California, and we have been honored to be a part of the community for so long. With our long-standing traditions of excellent service, expertise, trainings, and innovative new options for our members, we have also grown much in our 30 year history.

*Large enough to make a difference,  
small enough to care.*

Our age is more than just a testament to how long we can endure; rather, it is a measure of our members' many great accomplishments.

CSJPA's philosophy has always been to respond to the needs of our members and address all potential concerns before they become problems while supporting the communities in which our members reside. We have shown through the years our consistent drive to deliver innovative solutions designed specifically for the needs of our many different members; adapting all of our solutions so they perfectly fit the needs of each specific district.

CSJPA continually offers informational workshops, seminars, and trainings on topics relevant to our school districts and their needs. We have created grants to offer districts student resiliency programs as well as creating and supporting wellness programs. As we look to the future, we will continue to provide high quality, efficient, and cost effective insurance and benefit programs to all of our members.

We are a success story 30 years in the making, and we are so glad to be sharing those years with you.

# Dear CSJPA Members,

This is the annual report for the California Schools Employee Benefits Association (CSEBA) and the California Schools Risk Management (CSRM) Joint Powers Authorities. CSEBA and CSRM are two full-service insurance risk pools and providers of programs, products, services and insurance coverages designed to control insurance related costs for public school entities. We save schools money by being non-profit joint powers authorities, with hired school and insurance industry expertise, strategic operational models and a passion for public schools.

Our two organizations are composed of member occupied Board of Directors. Every district has representation that includes a voice in business related matters controlling the strategic directions of the pools and relative costs associated with purchased and self-funded insurance programs.

CSEBA and CSRM have a presence throughout Southern California. We currently have members in Los Angeles, Orange, Riverside, San Bernardino and San Diego counties. We have been insuring schools since 1986, expanding our programs to include a variety of insurance products, trainings and cost containment programs and onsite services.

As we close the books on fiscal 2016, both CSRM and CSEBA continue to demonstrate financial stability. We will maintain stability, even if our schools face tough economic challenges, and we are poised to continue to deliver the high level service our members have come to expect from us. We are successful because of you, our members, and we thank you for your loyalty and commitment as we strive to exceed our goals and provide exceptional service.

We are large enough to make a difference, small enough to care.



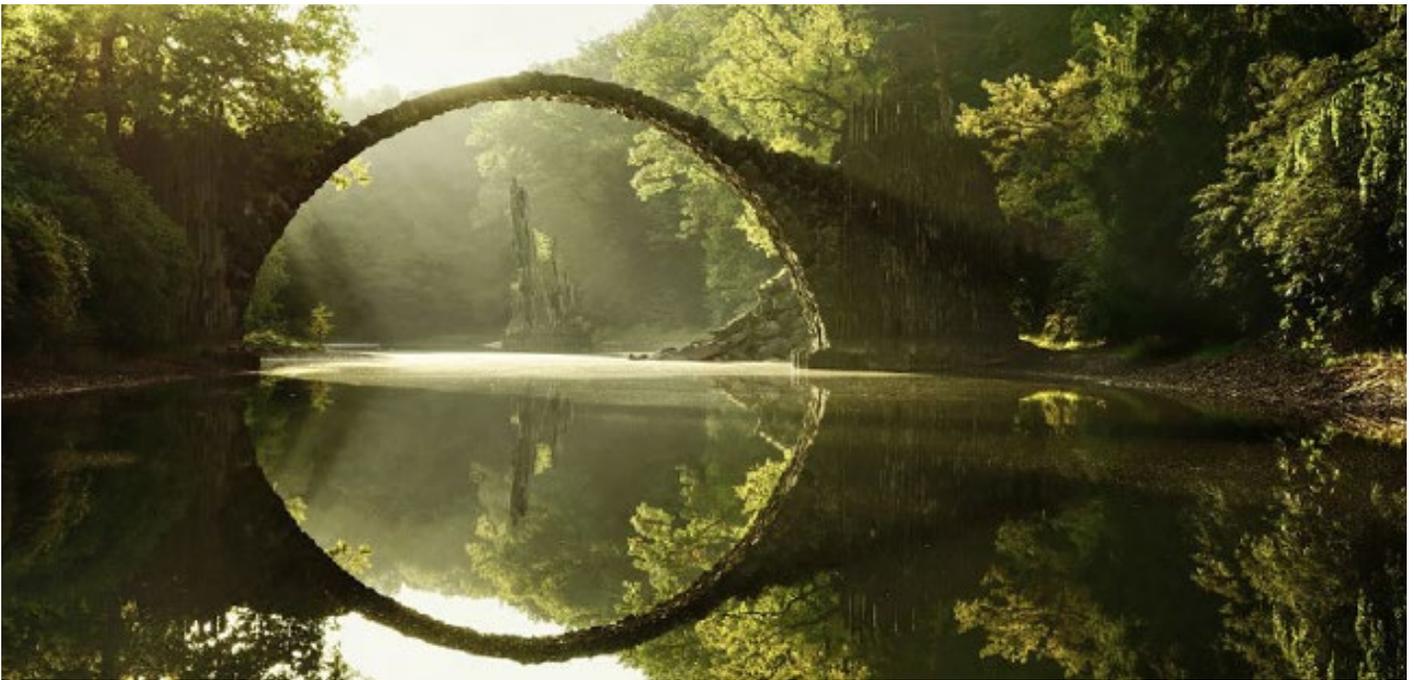
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***CSJPA is about  
empowering and  
equipping our members  
with the tools and  
resources that allow each  
district to focus on what  
they do best; changing  
the world one student at  
a time.***

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Dr. Karla Rhay,  
CEO

Handwritten signature of Karla Rhay in blue ink.



# CSRM Program Overview

*Our mission at CSRM is to promote student achievement by optimizing the financial and human resources of our member districts through providing high quality risk financing and loss reduction services. We do this through providing on-site risk managers that are assigned to each individual district so if a problem occurs, you know exactly who to call; and you know exactly who will stand by your side. We provide The Learning Institute trainings to keep all districts up to date on all current and upcoming issues as well as equip them with the tools to prevent these problems.*

We are a growing Joint Powers Authority located in San Bernardino, California, offering property, liability, workers' compensation and construction coverage under our Owner Controlled Insurance Plan. CSRM has acted as a Local Education Agency with complete transparency, including all audit requirements and having never received a management letter or "findings". Over the 30 years, we have focused on our members by identifying comprehensive programs, services and products to meet their needs and exceed their expectations. CSRM is member focused and continually invests in best practices and solution oriented innovation to achieve program stability and consistently excellent outcomes. As a full service not-for-profit joint powers authority, CSRM specializes in using a variety of risk funding models and techniques to bring our member districts comprehensive coverage, risk-financing options, cost containment programs and loss control services.

## CSRM Programs and Services

- \***Ergonomic Consultation** – loss control managers have CEASTM designations and will provide consultations and onsite training
- \***Return to Work Program** – structured program to return injured employees to temporary transitional work
- \***Company Nurse** – centralized injury reporting process and medical triage that transforms the day of injury experience for employees
- \***Workers' Compensation Hotline** – each member district has access to unlimited phone calls, emails, and facsimiles to contact legal representatives for Workers' Compensation questions as they arise
- \***Water Intrusion Plans** – CSRM loss control managers work with districts to complete and maintain a plan to prevent or reduce exposure to potential floods or leaks
- \***Radon Measurement** – advanced assessment used to measure air concentration in sick buildings

**\*Industrial Hygiene Surveys** – an advanced assessment used to measure contaminants in workplace air

**\*VOC & Microbial Sampling** – advanced testing measurement used to identify mold and other microbial sources in identified sick buildings

**\*Electromagnetic Frequency Radiation Measurement** – test used to determine EMF fields when there is a concern over healthy buildings

**\*Bullying Prevention Services** – specially designed programs to mitigate campus bullying

available to all participating districts. Each district can allocate funds for use on eligible student safety and loss control products, programs, and services

**\*Rent-A-Risk-Manager** – for districts needing additional onsite, hands on support, this program allows one of our risk-managers to take on the on-site risk management tasks

**\*Air Velocity Measurements** – an advanced test to determine the average filter face velocity and uniformity, and/or the average room airflow velocity and uniformity within a clean room

single or multiple impacts are sustained by football athletes

**\*InjureFree** – web based reporting platform that enables staff to log student injuries and aggregate injury data to identify areas of focus for injury prevention and improved levels of care

## *CSRM offers programs and services above and beyond traditional risk management services*

**\*Risk Management Action Plan** – individually customized plan created for each district to prevent potential losses and claims

**\*Hartford** – included in property coverage, the Hartford Steam Boiler Inspection and Insurance Company is included in property coverage and pays for direct property loss, related extra expense losses, and the loss value of spoiled products/materials when boilers, pressure vessels, A/C, refrigeration systems, communication equipment, mechanical equipment, and electrical equipment fail.

**\*Cal OSHA IIPP Compliance Development/Review** – Assistance with Injury and Illness Prevention Program (IIPP) development, training, and assessment by our in-house OSHA certified trainer

**\*"Free 5"** – five minute phone call with a JPA panel counsel on general liability matters to thwart a possible claim. This is particularly useful to avoid second-guessing and ensure that the decisions being considered are not going to lead the district into litigation

**\*Grants & Safety Credits** – a reimbursement funding program

**\*Risk Alerts** – provided via email to all Districts about heat warnings, flood warnings, air pollution warnings, and new or updated laws to alert districts of potential risks and how to mitigate them

**\*Safety Matters** – a weekly safety topic sent via email for staff meetings/weekly posting to promote safety in the working environment

## *Clearinghouse*

**\*School Bus GPS Accountability Tracking** – IRITRANS Student Transportation Safety and Security System will notify the bus driver visibly and audibly if a student is about to get on or off at the wrong bus stop

**\*HR Helpline** – this helpline will answer specific HR and employment law questions plus provide the tools to put the advice into action

**\*Riddell** – Riddell InSite Impact Response System is designed to alert coaches when significant

## *Professional Development*

Each year we send our members to multiple trainings and conferences including PARMA, CASBO, CAJPA, URMIA, and a two-day conference we host annually.

## *Legislative Advocacy*

Our team holds board positions on:  
**\*California State Associate of Counties Excess Insurance Authority's (CSAC EIA's)**

- Legislative committee;
- Loss Prevention Committee;
- EAGLE Awards Committee; and
- Property Committee.

**\*Governor Brown's California State Fraud Commission,**

**\*Workers' Compensation Forum,**  
**\*Association of California School Administrators,**

**\*The Leadership Connection,**  
**\*Riverside and San Bernardino Chambers of Commerce,**

**\*National Safety Council, and**  
**\*San Bernardino County Unified School District Personnel Commission Board**



*A group working together toward a common goal can achieve far greater results than an individual*

## CSRM on Bullying: Awareness and Prevention

Bullying is a form of aggressive behavior manifested by the use of force or coercion that is often associated with habitual behavior and an imbalance of power. Unfortunately, this is seen far too often in our schools. CSRM is pleased to be partnered with Community Matters, a nonprofit organization that provides youth-centered violence prevention programs, and to begin our partnership with the Blanchard Institute, an organization that has a robust student resiliency program. Districts who are committed to utilizing the tools and training from Community Matters have already benefitted from a more positive school climate. They experience a renewed sense of safety, where healthy relationships are formed, where respect and empowerment are the norm, and where student achievement can occur at both an academic and social level.

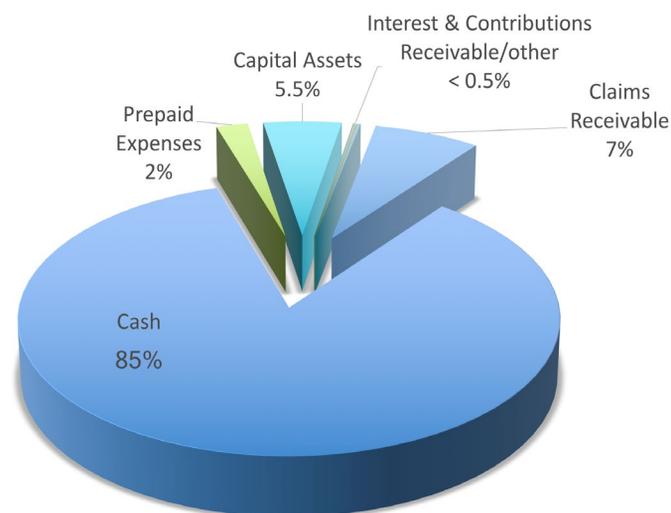
# CSRM 2015-2016 Highlights

- Alliant Cyber Enhancement Option (CEO) was added to the current Cyber Liability coverage structure, which included additional breach response services and a Notified Individual (NI) component
- Member access to over 300 trainings through The Learning Institute, the learning management system
- Risk Management Action Plans customized for each member district
- RMIS--Risk Management Information System for near real-time claims data
- The JPA became an official Associate in Risk Management (ARM) and Certified School Risk Management (CSRM) training and testing site with ARM and CSRM certified staff
- OSHA Certified and Ergonomic Assessment Specialists on staff
- Established Town Hall meetings and Focus Groups to more effectively respond to member needs
- Formed partnership with RPM to resolve liens
- Created a new "members only" login for the CSJPA website for data accessibility
- Implemented Safe School Ambassadors Trainer of Trainers Program through Community Matters
- Received excellent marks on the Property and Liability Claims Administration Audit; scores were more than 90% for all 14 components with 11 of the 14 scoring above the 95% target score

## CSRM Financial Overview

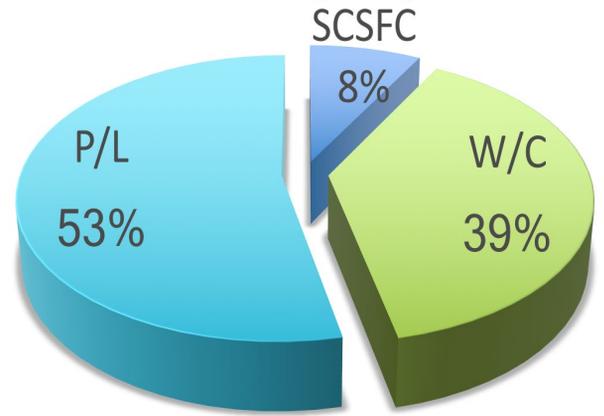
- Total operating revenues were \$41.556 million, an increase of 6.1%. This increase is primarily due to actuarially determined funding increase based on historical losses and trends in claims.
- Investment earnings were \$271 thousand, an increase of 66.0% or \$107 thousand. This increase is due primarily to the economic upturn resulting in higher cash balances and investment yields with the San Bernardino County Treasurer and Local Agency Investment Fund (LAIF).
- Total operating expenses were \$40.939 million, an increase of 6.5%, from \$38.441 million in the previous year.

### CSRM Pool Assets





### Liabilities by Program



#### CSRM Current Assets

Cash in county treasury	\$ 51,933,916
Cash in bank	\$ 1,946,836
Local agency investment fund	\$ 5,620,036
Trust accounts-restricted	\$ 438,080
<b>Total cash and cash equivalents</b>	<b>\$ 59,938,868</b>

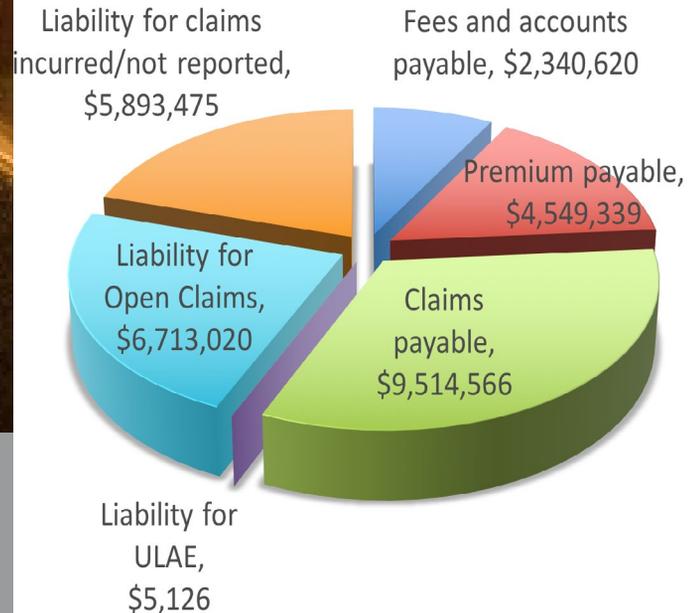
#### Liabilities and Net Position

##### Current Liabilities

Fees and accounts payable	\$ 2,340,620
Premium payable	\$ 4,549,339
<b>Total current liabilities</b>	<b>\$ 6,889,959</b>

##### Long-term Liabilities

Claims payable	\$ 9,514,566
Liability for ULAE	\$ 5,126
Liability for open claims	\$ 6,713,020
Liability claims incurred/not reported	\$ 5,893,475
<b>Total claim liabilities</b>	<b>\$ 22,126,187</b>
Unearned revenue	\$ 2,437,915
<b>Total long-term liabilities</b>	<b>\$ 24,564,102</b>
<b>Total liabilities</b>	<b>\$ 31,454,061</b>
<b>Net Position</b>	<b>\$ 28,484,807</b>



*In addition to increased assets, we also saw a decrease in the overall number of claims.*

# CSEBA

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*Our mission at CSEBA is to be the premier provider of quality, cost effective employee benefits programs, services and resources tailored to meet the unique needs of our members. As such, we conduct regular wellness challenges and campaigns to promote an overall sense of health and wellbeing among all of our members. We provide our members the resources to become healthier and maintain their health through trainings, workshops, and online health platforms such as Humana Vitality. We were the only JPA that has created a marketplace of plans so that not only each district's bargaining group can have their ideal plan; but each individual is able to have their ideal plan.*

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# Program Overview

California Schools Employee Benefits Association (CSEBA) has a rich, 30 year history of providing medical, dental, vision and life insurance benefit programs to public schools, regional occupational programs, and community colleges. CSEBA is a member-driven, non-profit, jointly managed Labor & Management JPA that was established for the purpose of providing self & fully insured medical, dental, vision, group life, and any other programs of a similar nature benefiting labor and management employees of public educational agencies. CSEBA offers efficient, value based plan designs, minimum value plans to comply with the Affordable Care Act, Disease Management programs, Wellness Initiatives, and the CSEBA Marketplace (an innovative Exchange-like product) to its



members. CSEBA also provides a forum for discussion, study, development and implementation of recommendations of mutual interest regarding such benefits. The CSEBA Advantage is a combination of customized CSEBA Signature Products -such as online benefits administration, Advocacy/Employee Assistance Programs (EAP), our robust wellness program, and our fully-funded and self-funded insurance plans. These options allow us to offer programs that are specific to each individual bargaining unit and/or district.

## CSEBA 2015 - 2016 Highlights

- Welcomed CharterSafe (a charter schools JPA), East Whittier School District, and Colton Joint Unified School District into our pool
- Added an “educational” component to all Board and Executive Committee meetings
- Began looking into ACO’s (Accountable Care Organizations) and suggested offering these as options for future years
- Member needs assessment was conducted for updating wellness programs by Anthem, Kaiser, and Humana
- Began “Know Your Numbers” campaign planning
- Hosted step challenges throughout the pool
- Creation of CSEBA finance committee which held its first meeting in January of 2016
- Kaiser Permanente announced and implemented tele-health services
- First annual CSEBA 5K set up to raise funds for student wellness campaigns

# Programs and Services

In addition to providing coverage from Anthem Blue Cross and Kaiser Permanente, CSEBA provides these and many other ancillary programs:

- Health Advocate – provides assistance resolving healthcare-related issues such as finding doctors, scheduling tests, locating specialty services, finding second opinions, explaining treatments and conditions. Also provides EAP + Work/Life for employees to speak to licensed, professional counselors about stress, depression, anxiety, relationships, work conflicts, anger, grief, loss, and even drug and alcohol abuse
- Humana Vitality – a wellness initiative where members are rewarded for healthy choices; members earn points for activities such as health assessments, step challenges, etc. that can then be spent on products within the Humana online store. Wellness and healthy lifestyles are encouraged to promote a healthy pool
- Knowledge N 60 - hour or less informational and training webinars about the most up to date healthcare options, plans, and related health information
- Health Fairs - CSEBA participates in health fairs all around Southern California to stay up-to-date with the most cutting edge health care practices/policies and build relationships with vendors and partners



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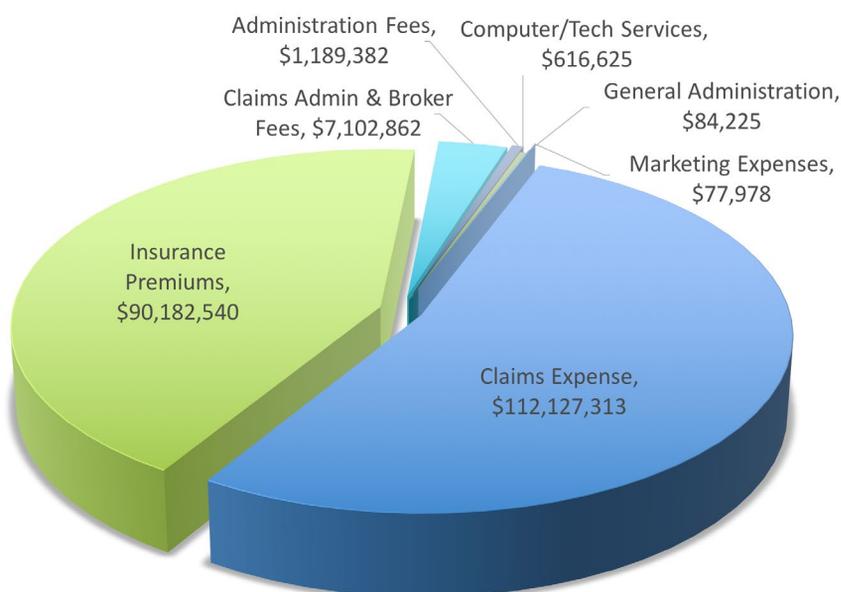
***CSEBA was the first, and is the only, JPA to create and offer a benefits exchange, known as the CSEBA Marketplace, to their members***

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# CSEBA Financial Overview

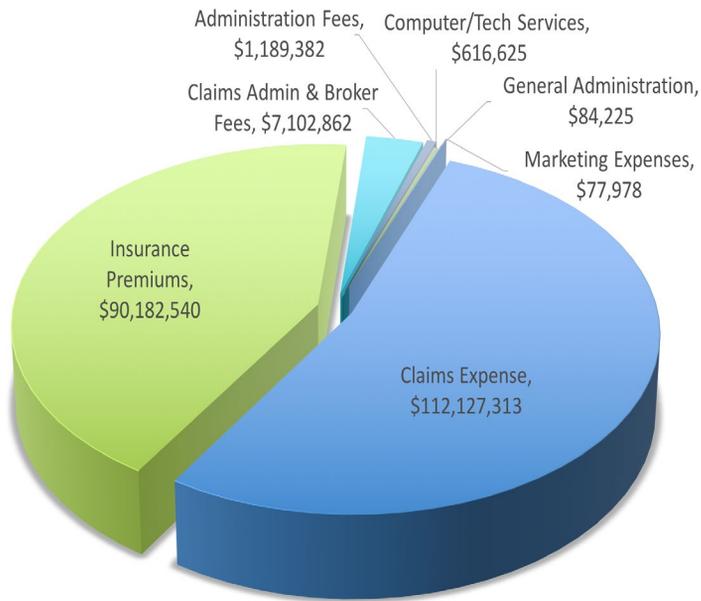
Total operating revenues were \$214.9 million, an increase of 29.54% or \$49.0 million. This increase is primarily due to actuarially determined funding increase based on historical losses and trends in claims experience.

- Investment earnings were \$390.3 thousand, an increase of 61% or \$148.3 thousand. This increase is due primarily to the economic upturn resulting in higher cash balances and investment yields with the San Bernardino County Treasurer and Local Agency Investment Fund (LAIF).
- Total operating expenses were \$211.3 million, an increase of 32.32% or \$51.6 million, from \$159.7 million in the previous year.
- Outstanding claims liabilities for the pool increased from \$12.9 million at June 30, 2015 to \$14.4 million at June 30, 2016, an increase of 11.9%.
- Total assets increased \$6.3 million from \$36,473,944 as of June 30, 2015 to \$42,758,638 at June 30, 2016. Member contributions for Fiscal Year 2015-16 increased 29.54% from the previous year and claims expense payments increased by 36.28%. This is primarily to increased claim utilization in the Anthem Blue Cross and Dental programs.



## Statement of Net Position

Total Cash/Cash Equivalents	\$38,976,296
Total Assets	\$42,758,638
Total Claim Liabilities	\$14,407,177
<b>Net Position</b>	<b>\$67,327,757</b>

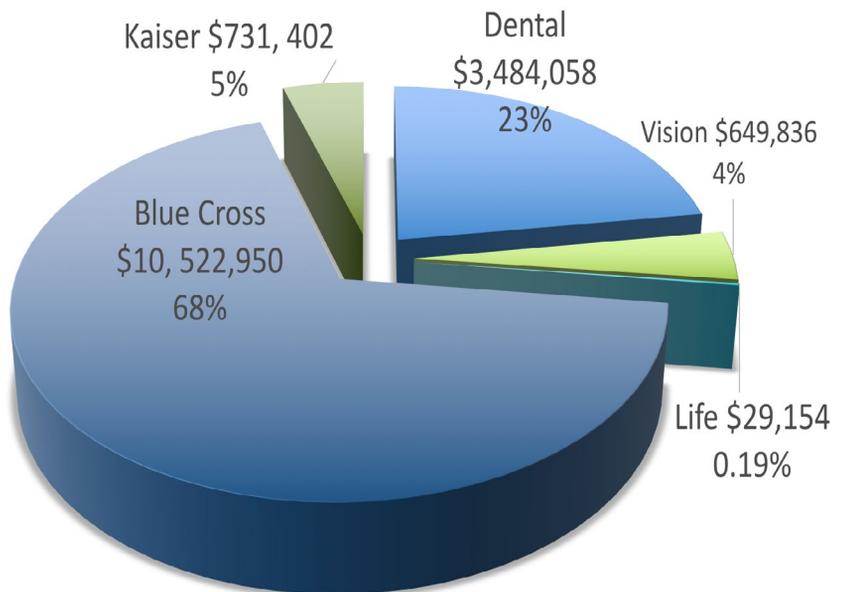


## Total Operating and Non-operating Expenses

Claims expense	\$112,127,313	53.05%
Insurance premiums	\$90,182,540	42.66%
Claims admin & broker fees	\$7,102,862	3.36%
Administration fees	\$1,189,382	0.56%
Computer/ Tech services	\$616,625	0.29%
General administration	\$84,225	0.04%
Marketing expenses	\$77,978	0.04%
<b>Total</b>	<b>\$211,380,925</b>	<b>100.00%</b>

## TOTAL Liabilities by Program 6/30/16

Dental	\$ 3,484,058	22.60%
Vision	\$ 649,836	4.21%
Life	\$ 29,154	0.19%
Blue Cross	\$ 10,522,950	68.25%
Kaiser	\$ 731,402	4.75%
<b>Total</b>	<b>\$ 15,417,400</b>	<b>100.00%</b>



# Membership 2015-2016

## CSEBA Members

Adelanto SD  
Alta Loma SD  
Apple Valley USD  
Baker Valley USD  
Baldy View ROP  
Bassett USD  
Bear Valley USD  
Central SD  
Centralia SD  
Chaffey CC  
CharterSAFE  
Chino Valley USD  
College and Career Academy  
Colton Joint USD  
Copper Mountain CCD  
Covina USD  
Cucamonga SD  
East San Gabriel Valley ROP  
East Whittier City SD  
Etiwanda SD  
Excelsior Education SD  
Hemet USD  
Hesperia USD  
Laguna Beach USD  
Lucerne Valley USD  
Morongo USD  
Mt. Baldy Joint SD  
Mt. View SD  
North Orange County ROP  
Ontario-Montclair USD  
Ramona USD  
Rialto USD  
Rim of the World USD  
Riverside USD  
San Bernardino City USD  
San Bernardino County  
    Superintendent of Schools  
San Marino SD  
Santee SD  
Savanna SD  
Silver Valley USD  
South Pasadena USD  
Summit Leadership Academy  
Victor Elementary SD  
Victor Valley CC  
Yucaipa-Calimesa Joint USD

## CSRM Members

Adelanto SD  
Alta Loma SD  
Baker Valley USD  
Baldy View ROP  
Barstow CCD  
Barstow USD  
Bear Valley USD  
BestNet  
CAHELP JPA  
Central SD  
Chaffey Community College  
Chino Valley USD  
Colton Joint USD  
Colton-Redlands-Yucaipa ROP  
Copper Mountain CCD  
Cucamonga SD  
East San Gabriel Valley  
Etiwanda SD  
Helendale SD  
Hesperia USD  
Lucerne Valley USD  
Morongo USD  
Mt. Baldy JSD  
Mr. View SD  
Needles USD  
Oro Grande SD  
Placentia-Yorba Linda USD  
Rim of the World USD  
Riverside Community College  
San Bernardino City USD  
San Bernardino County  
    Superintendent of Schools  
Snowline Joint USD  
Victor Elementary SD  
Yucaipa-Calimesa Joint USD



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