

WHEATLAND SCHOOL DISTRICT GOVERNING BOARD
STAFF REPORT

TO: WHEATLAND SCHOOL GOVERNING BOARD

FROM: CRAIG GUENSLER - SUPERINTENDENT

SUBJECT: Discussion and consideration to notify SELF of intent to withdrawal.

PURPOSE:

The Governing Board consider adopting Resolution # authorizing Wheatland School District to notify SELF of intent to withdraw.

BACKGROUND:

Historically, the Wheatland School District has been a party to the Schools Excess Liability Fund JPA coverage through Tri-County Schools Insurance Group.

Tri-County Schools Insurance Group (TCSIG) has concerns regarding a potential change of the Memorandum of Coverage for SELF. It is TCSIG's understanding that SELF has set forth an Ad hoc committee which has been pursuing the subject of moving SELF on SAM claims from an occurrence-based policy to a claims-made policy.

The proposal being made to withdraw is being made contingent on SELF's decision to modify the Memorandum of Coverage during the 2020/2021 plan year. TCSIG will suspend the withdraw if SELF agrees to either postpone any action on modifying the Memorandum of Coverage until the 2021/2022 plan year or in the alternative offer a reduced policy limit of \$35MIL that provides occurrence coverage. SELF controls the issue at this point and will make a determination at their December 6 board meeting at which time TCSIG will know whether to withdraw or not.

SELF requires each member of TCSIG to withdraw individually. TCSIG's board has elected to withdraw vesting the discretion in TCSIG's administration to make the final determination based on how the contingencies unfold. Each member of TCSIG is required to provide a separate resolution that we request be sent to the TCISG administration in order to protect all of our members by ensuring a timely withdraw.

It is TCISG's recommendation that member districts not enter a year with a plan that is based on claims-made coverage since it creates a number of significant problems in the future. A few examples are outlined in the letter that was sent to SELF by the CFO of TCSIG enclosed for your review. It is requested that all members provide their resolutions to the TCSIG office no later than 12/15/2020.

RECOMMENDATION:

Wheatland School District recommends approval of resolution #20/21-04 to withdrawal from SELF effective July 1, 2021; and serve the Tri-County Schools Insurance Group Chief Financial Officer a copy of the resolution on or before December 15, 2020 and designates TCSIG's CFO to retain said resolution and further grants total discretion to Tri-County Schools Insurance Group's CFO to serve said resolution on SELF no later than December 30, 2020.