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Board Cover Memorandum

To Board of Education

From Dr. Denise G. Saddler, Interim Superintendent
Jenine Lindsey, General Counsel
Rebecca Littlejohn, Risk Management Officer

Meeting Date June 10, 2026

Subject Approval of Insurance Premium Payments for the 2026-2027 Fiscal Year

Ask of the Board Approval by the Board of Education of membership contributions, Fiscal Year 2026-2027, for Excess Workers’ Compensation, procured from PRISM a Joint Powers Authority (JPA), in the amount of \$888,000 and Excess General Liability and Property Coverage through Northern California ReLiEF (“NCR”) JPA in the amount of \$4,318,365.

Background The District is permissibly self-insured for purposes of California Workers’ Compensation coverage. The ultimate risk of such self-insurance is limited by the purchase of excess workers’ compensation coverage above the self-insured retention (“SIR”) level, which currently is \$500,000 per claim. The District joined PRISM (formally CSAC Excess Insurance Authority) in 2018 (retroactive Enactment Number 19-1022) for the purpose of Excess Workers’ Compensation coverage. Limits are statutory.

Additionally, the District self-insures its risk of property & general liability coverage through membership in Northern California ReLiEF (“NCR”), which is a Joint Power Authority (“JPA”) composed of school districts and administered by Keenan & Associates. The District currently has a Member Retained Limit (“MRL”) of \$250,000 for both property and liability with other lines of coverage (Equipment Breakdown, Crime, Cyber Liability, Electronic Data Processing) having lower MRLs as outlined in the attached *pro forma*. The limits for liability coverage is \$75 Million and the limits for property coverage is \$1 Billion. **Note - this renewal has doubled the property coverage per occurrence.**

Discussion The District Workers’ Compensation excess program is under the JPA PRISM. PRISM has managed to secure reinsurance renewals with minimal increases despite medical inflation and claim severity increasing among all JPA members. This is because the pool is able to absorb the increase without fully being passed on to its members. Although California’s workers’ comp industry is seeing rising

costs, PRISM's EWC program has used its size and scale to act as a stabilizer against the volatility in the market.

NCR achieved a strong and favorable renewal this year, particularly in the context of continued hardening in the public education liability environment. This trend is being driven by social inflation, increased frequency and severity of liability claims, and ongoing concerns related to sexual abuse and molestation exposures, including the potential long-term impact of AB 218 and AB 452. Even with the continued hard market and concerns, NCR was able to retain the \$75 Million per occurrence coverage limit for liability claims. For property, NCR secured an exceptional property renewal, which includes increased coverage up to **\$1 Billion in per-occurrence limits**, no wildfire deductibles, and an overall rate decrease.

Fiscal Impact

Funding for the excess insurance is covered under Fund 67 (Self Insurance Fund), Resource Code 9030 (Workers' Compensation), not to exceed \$888,000 and Fund 67, Resource Code 9031 (Property & Liability), not to exceed \$4,318,365

Attachment(s)

- Public Risk Innovation, Solutions, and Management (PRISM) 2026/27EXCESS Workers' Compensation Preliminary Budget Projections
- Northern California ReLiEF ProForma July 1, 2026 to July 1, 2027



Alliant Insurance Services, Inc
 18100 Von Karman Avenue, 10th Floor
 Irvine, CA 92612

May 6, 2026

Rebecca Littlejohn
 Risk Management Officer
 Oakland Unified School District
 1011 Union Street
 Oakland, CA 94607

Sent via Email only

**RE: OAKLAND UNIFIED SCHOOL DISTRICT 2026 -2027
 EXCESS WORKERS' COMPENSATION PRELIMINARY BUDGET PROJECTIONS**

Dear Ms. Littlejohn,

Pursuant to your request, Alliant Insurance Services is providing Oakland USD with a **preliminary budget estimate**. These projections have been updated to reflect estimated 2026/2027 exposure information submitted through the renewal application, as well as losses evaluated as of June 30, 2025. We encourage you to budget towards the high end of the provided range below.

Excess Workers' Compensation Program

<u>Premium</u>			
24/25 Premium:	\$829,008	2024/25 Estimated Payroll:	\$395,692,722
25/26 Premium:	\$851,554	2025/26 Estimated Payroll:	\$426,321,063
26/27 Estimated Premium:	\$852,000 to \$888,000	2026/27 Estimated Payroll:	\$448,997,498

Please note that the estimate may vary from this preliminary projection, however PRISM makes every effort to keep final premiums within the range provided above. The estimate can and may be impacted by changing market conditions and are our best estimate at this time.

Current market conditions affecting the renewal are outlined as follows:

Excess Workers Compensation

- Medical cost inflation
- Workplace violence

- Cancer & PTSD Presumptions
- Aging workforce
- Mental health

We appreciate the opportunity to serve Oakland Unified School District and assure you that we are diligently working to provide the best renewal terms available in the insurance marketplace.

Sincerely,

A handwritten signature in cursive script that reads "Lilian A. Vanvieldt".

Lilian A. Vanvieldt
Sr. Executive Vice President



PROFORMA

JULY 1, 2026 to JULY 1, 2027

ESTIMATED CONTRIBUTION /PREMIUM SUMMARY

ReLiEF COVERAGES		MEMBER RETAINED LIMIT/ DEDUCTIBLE	CONTRIBUTION/ PREMIUM
LIABILITY	\$10,000,000 Limit Of Liability	\$250,000	\$1,968,850
PROPERTY	\$1,000,250,000 Total Insured Values (TIV)	\$250,000	\$1,530,073
ACTIVE ASSAILANT	\$1,000,000 per Event/\$3,000,000 Annual Aggregate	\$25,000	\$7,366
CRIME	\$5,000,000 Employee Dishonesty/Faithful Performance	\$2,500	\$10,242
CYBER LIABILITY	\$4,000,000 per Event/\$12,000,000 Annual Aggregate MRL is subject to terms and conditions per policy. See policy for member limit.	\$35,000	\$62,214
DEDICATED EXCESS CYBER	\$2,000,000 per Event/\$2,000,000 Annual Aggregate Limits are per Member that opted in.		\$46,473
ELECTRONIC DATA PROCESSING EQUIPMENT	\$22,129,692 Total Insured Values (TIV)	\$250	\$60,923
EQUIPMENT BREAKDOWN	\$100,000,000 Total Insured Values (TIV)	\$1,000	\$73,339
SUBTOTAL PROGRAM COSTS			\$3,759,480
EXCESS LIABILITY	\$25,000,000 Excess Limit of Liability	\$10,000,000	\$404,404
EXCESS LIABILITY	\$50,000,000 Excess Limit of Liability	\$25,000,000	\$96,424
EXCESS LIABILITY	\$75,000,000 Excess Limit of Liability	\$50,000,000	\$58,057
TOTAL PROGRAM COSTS			\$4,318,365

LIABILITY

2024/2025 LOTTERY ADA: 31,708
 EX MOD. - RETAINED 139.67 %
 EX MOD. - REINSURANCE 106.96 %

PROPERTY

TIV: \$2,868,162,148
 EX MOD. - RETAINED 130.27 %
 EX MOD. - REINSURANCE 90.88 %

Service Team:

Account Executive: Kyle McKibbin
 Account Manager: David Burnside



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PROFORMA

JULY 1, 2026 to JULY 1, 2027

ESTIMATED CONTRIBUTION/ PREMIUM SUMMARY

- PROGRAM COSTS	\$4,318,365
Property Appraisal Funding Program*	\$ 17,884
26/27 NCR PFP Loss Corridor Funding (Worst Case Est.)	\$ 197,246
TOTAL PROGRAM COSTS	\$4,533,495
*Property Appraisal Funding Program (\$0.01096 x 7,164,429 SQ. FT.)	FIVE YEAR CONTRACT

Service Team:

Account Executive: Kyle McKibbin

Account Manager: David Burnside



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Manager: Keenan & Associates, 2355 Crenshaw Blvd, Suite 200, Torrance, CA 90501

Phone: (310) 212-3344, Fax (310) 212-0300 License No. 0451271

Run By: Kyle McKibbin



PROFORMA

JULY 1, 2026 to JULY 1, 2027

ESTIMATED CONTRIBUTION/ PREMIUM SUMMARY

Accepted by: _____ Date: _____
Authorized School District Representative Signature

Print Name: _____
Authorized School District Representative Print Name

Title: _____
Authorized School District Representative Title

Witnessed by: _____ Date: _____
Kyle McKibbin

SIGNATURE OF THE AUTHORIZED REPRESENTATIVE WILL BIND COVERAGE.

Keenan is compensated for the various services it provides in connection with the management and administration of Northern California ReLIEF ("NCR"), including general administration, financial processing, claims administration, loss control, reporting, marketing, underwriting, brokerage (reinsurance and other coverages) and reinsurance/insurance services. The compensation paid to Keenan is approved by the governing board of NCR and is included in the cost of member contributions. It is anticipated that the total compensation to be received by Keenan for these services for the 2025 / 2016 program year will not exceed 13% of total member contributions. This compensation does not include amounts payable to Keenan pursuant to separate contracts for services provided directly to individual members, the cost of allocated loss adjustment services provided in connection with individual claims, or reinsurance premium payable to Meritage Insurance Group, a wholly-owned subsidiary of Keenan, pursuant to a reinsurance contract. For additional information concerning Keenan compensation, see www.keenan.com/disclosure.asp.



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Oakland Unified School District
Estimated Contribution/Premium Summary
July 1, 2026 to July 1, 2027
Member Retained Limit
Liability \$ 250,000 Property \$ 250,000

Proforma Footnote Report

- 1. 2024/2025 LOTTERY ADA:** Average Daily Attendance from the Department of Education with the exception of certain special agencies which use special ADA Exposure data. ADA has been factor updated by 1.04446 in compliance with the Government Code Section 8880.5(m) to compensate for the rate of excused absences.

- 2. T.I.V. Property:** Total Insurable Values(T.I.V.) based upon Statement of Values as confirmed by the District (TIV for Charter Schools, EDP and COC included, if applicable.)

- 3. T.I.V. EDP:** EDP T.I.V. as confirmed by the District.

- 4. Liability:** Risk Factored ADA x adjusted ReLIEF rate plus ADA x \$9 Mil excess of \$1 Mil rate. Does not consider Special Agency flat fees and Super Pool minimum contributions.

- 5. Excess Liability:** Lottery ADA x Excess Liability Rate + Lottery ADA x Reinsurance Liability Rate + Lottery ADA x Reinsurance Liability Rate

- 6. Property:** TIV/\$100 x Property Rate

- 7. EDP:** EDP TIV/\$100 x EDP Rate

- 8. Crime:** Lottery ADA x Crime Rate

- 9. Cyber Liability:** Lottery ADA x Cyber Liability Rate

- 10. EQB:** Equipment Breakdown (B&M) Property TIV/\$100 x Equipment Breakdown Rate

- 11. Active Assailant:** Lottery ADA x Active Assailant Rate

- 12. Dedicated Excess Cyber:** Price Band is dependent on Lottery ADA.

- 13. Program Total:** Sum of Liability, Excess Liability, Property, EDP, Crime, Cyber, EQB, Active Assailant, and Dedicated Excess Cyber.