

# AGENDA



## SELF INSURANCE GROUP

### SPECIAL BOARD OF DIRECTORS MEETING

THURSDAY AUGUST 15, 2024

10 A.M.

This meeting will be conducted via Zoom.

<https://zoom.us/j/94065237628?pwd=6ZvirFYEaJo2K9DgdewS69VBS0t1lo.1>

Meeting ID: 940 6523 7628

Passcode: 080907

#### I. CALL TO ORDER

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#### II. ROLL CALL

##### OFFICERS & BOARD OF DIRECTORS:

SOUTHWEST TRANSPORTATION AGENCY  
FRESNO COUNTY SUPERINTENDENT OF SCHOOLS  
KINGSBURG JOINT UNION ELEMENTARY SCHOOL DISTRICT  
ALVINA ELEMENTARY CHARTER SCHOOL DISTRICT  
FIREBAUGH-LAS DELTAS JOINT UNIFIED SCHOOL DISTRICT  
FOWLER UNIFIED SCHOOL DISTRICT  
FOWLER UNIFIED SCHOOL DISTRICT  
KERMAN UNIFIED SCHOOL DISTRICT  
KINGSBURG JOINT UNION ELEMENTARY SCHOOL DISTRICT  
SELMA UNIFIED SCHOOL DISTRICT  
SELMA UNIFIED SCHOOL DISTRICT

Gary Geringer, President  
Tannon Pafford, Vice President  
Dr. Wesley Sever, Treasurer  
Mike Iribarren, Secretary  
Dr. Roy Mendiola  
May Yang  
Albert Ordonez  
Kraig Magnussen  
Carol Bray, Accountant  
Jessica Villareal  
Laura Frost

##### ADMINISTRATORS & CONSULTANTS:

KEENAN  
KEENAN

Tyler Houston, Account Executive  
Pia Bayetti, Account Manager

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#### III. APPROVAL OF AGENDA

2024/2025-01

**ACTION Page 1-3**

The Authority retains the right to change the order in which agenda items are discussed. Subject to review by the Board of Directors, the agenda is to be approved as presented. Items may be deleted or added for discussion only according to G.C. Section 54954.2.

PUBLIC COMMENTS  
BOARD CONSIDERATION

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#### IV. PUBLIC COMMENTS

Members of the community wishing to address the Board about items on the agenda or items not on the agenda may do so. Speakers are requested to limit comments to three (3) minutes; individual speakers may not give their time away to another spokesperson.

PUBLIC COMMENTS

**V. ADMINISTRATION**

**SANGER WRA AGREEMENT UPDATE**

**2024/2025-02**  
**ACTION Page 4-19**

Tyler Houston, Account Executive, will present: Sanger USD has agreed to transfer all outstanding claims and pay off WRA in full. An objection to part of the contract was given by DIR and an amendment to the contract was made by legal counsel and will be presented to the Board of Directors for approval.

PUBLIC COMMENTS

BOARD CONSIDERATION

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**VI. INFORMATION**

**MEMBER COMMENTS**

Each member may report about various matters involving the Authority. There will be no Authority discussion except to ask questions, and no action will be taken unless listed on a subsequent agenda.

**ADMINISTRATION COMMENTS**

The Administrator will report to the Authority about various matters involving the Authority. There will be no Authority discussion except to ask questions, and no action will be taken unless listed on a subsequent agenda.

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**VII. ADJOURNMENT**

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**Americans with Disabilities Act:**

Fresno County Self-Insurance Group, Workers' Compensation JPA conforms to the protections and prohibitions contained in Section 202 of the Americans with Disabilities Act of 1990 and the federal rules and regulations adopted in implementation thereof. A request for disability-related modification or accommodation, in order to participate in a public meeting of the Fresno County Self-Insurance Group, Workers' Compensation JPA, shall be made to: Pia Bayetti, Account Manager, Keenan & Associates, 10860 Gold Center Drive, Rancho Cordova, CA 95670. Documents and materials relating to an open session agenda item that are provided to F.C.S.I.G. Board of Directors less than 72 hours prior to a regular meeting will be available for public inspection and copying at 10860 Gold Center Drive, Suite 350, Rancho Cordova, CA 95670.

**TELECONFERENCE LOCATIONS**

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**Southwest Transportation Agency**

16644 S. Elm Ave, Caruthers, CA 93609

**Selma Unified School District**

3036 Thompson Ave., Selma, CA 93662

**Alvina Elementary Charter School Dist.**

295 W. Saginaw Ave., Caruthers, CA 93609

**Kingsburg Jt Union Elem School District**

1310 Stroud Ave., Kingsburg, CA 93631

**Firebaugh-Las Deltas Unified School District**

1976 Morris Kyle Dr., Firebaugh, CA 93622

**Fowler Unified School District**

658 E. Adams Ave., Fowler, CA 93625

**Fresno County Superintendent of Schools**

1111 Ness Av., Fresno, CA 93721

**Kerman Unified School District**

151 South First St., Kerman, CA 93630



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PRESENTED TO:	DATE:	<u>August 15, 2024</u>
Board of Directors	Info/Action:	Action

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SUBJECT:	ITEM #:	<u>2024/2025-01</u>
Approval of Agenda	Enclosure:	<u>Yes</u>

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Category:	<u>Approval of Agenda</u>
Prepared by:	<u>Keenan</u>
Requested by:	<u>Board of Directors</u>

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**BACKGROUND:**

Under California Government Code Section 54950 the “Legislative Body” is required to post an agenda detailing each item of business to be discussed. The Board of Directors posts the agenda in compliance with California Government Code Section 54954.2

**STATUS:**

Unless items are added to the agenda according to G.C. 54954.2 (b) (1) (2) (3), the agenda is to be approved as posted.

**RECOMMENDATION:**

Subject to changes or corrections, the agenda is to be approved as posted.



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PRESENTED TO: \_\_\_\_\_ DATE: August 15, 2024

Board of Directors Info/Action: Action

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SUBJECT: \_\_\_\_\_ ITEM #: 2024/2025-02

Sanger WRA Agreement Update Enclosure: Yes

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Category: Administration

Prepared by: Keenan, Gabriel Delgado Law

Requested by: Board of Directors

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**BACKGROUND:**

A WRA is to be established for each terminated member based on their pro-rata share of the change in equity during the years in which they were a member, reflecting all revenue (contribution and investment income) and expenses (claims, excess premiums, overhead, etc) and the case reserves on their FCSIG claims. In accordance with the Fresno County Self Insurance Group (FCSIG) bylaws, effective July 1, 2005 and revised June 14, 2016, the WRA calculations for districts that have terminated their membership with FCSIG are to be updated by the actuary.

**STATUS:**

Sanger USD has agreed to transfer all outstanding claims and pay off WRA in full. An objection to part of the contract was given by DIR and an amendment to the contract was made by legal counsel and will be presented to the Board of Directors for approval.

**RECOMMENDATION:**

For review and action.

**AGREEMENT OF ASSUMPTION AND GUARANTEE OF WORKERS' COMPENSATION  
LIABILITIES AND FOR TRANSFER OF WORKERS' COMPENSATION CLAIMS**

This Agreement of Assumption and Guarantee of Workers' Compensation Liabilities and for Transfer of Workers' Compensation Claims (this "**Agreement**") is entered into as of AUGUST 12, 2024 by and among (1) **FRESNO COUNTY SELF-INSURANCE GROUP**, a California joint powers agency ("**FCSIG**"); (2) **SANGER UNIFIED SCHOOL DISTRICT**, a California school district (the "**District**"); and (3) **CALIFORNIA RISK MANAGEMENT AUTHORITY**, a California joint powers agency ("**CRMA**"). FCSIG, the District, and CRMA shall be referred to as the "**Parties**," or individually as a "**Party**".

**RECITALS**

**WHEREAS**, FCSIG is engaged in the business of operating and maintaining a self-funded program for workers' compensation and other self-insurance risk management programs for the benefit of its member agencies;

**WHEREAS**, the District is a former member agency of FCSIG and is currently a member district of CRMA;

**WHEREAS**, the District withdrew from FCSIG, effective June 30, 2016, pursuant to Article IX of the restated bylaws adopted by the FCSIG Board of Directors on June 14, 2016 (the "**2016 Bylaws**");

**WHEREAS**, upon the District's withdrawal from FCSIG, in accordance with the 2016 Bylaws, a Withdrawal Reserve Account ("**WRA**") was established to fund the District's post-withdrawal claims;

**WHEREAS**, the District maintains a deficit WRA balance with FCSIG in relation to the outstanding claims that remain open and administered by TRISTAR, FCSIG's Third-Party Workers' Claim Administrator (hereinafter "**TRISTAR**");

**WHEREAS**, CRMA has engaged Intercare Insurance Services as its Third-Party Workers' Compensation Claims Administrator (hereinafter "**Intercare**");

**WHEREAS**, FCSIG and the District have met and conferred to discuss the District's objections to the established amounts owed under the District's WRA, the Parties have good and sufficient reason for executing this Agreement, and the Parties now desire to compromise and settle any and all existing workers' compensation liabilities and obligations to FCSIG with respect to the WRA deficit balance and administration of all outstanding workers' compensation claims;

**WHEREAS**, in order to compromise and settle such liabilities and obligations, the Parties further desire that CRMA, on behalf of and at the direction of the District, shall assume and guarantee to pay all the liabilities and obligations arising from the District's membership participation in FCSIG under its active membership in CRMA.

**NOW, THEREFORE**, in consideration of the mutual promises contained in this Agreement, and for good and valuable consideration, the receipt and sufficiency of which each of the Parties acknowledges, the Parties hereby agree as follows:

1. **Transfer of Liabilities; Assumption and Guarantee.** In accordance with its Certificate of Consent to Self-Insure and California Code of Regulations ("**CCR**") section 15360, the District elects to transfer, FCSIG agrees to transfer, and CRMA agrees to assume and guarantee to pay, or otherwise discharge promptly, all the workers' compensation claims, liabilities and obligations incurred, or may be incurred, by FCSIG in connection the District's period as a member agency of FCSIG ("**Claims Liabilities**"). This Agreement shall cover and extend to all potential liability of workers' compensation benefits as required by law of any and all of its Claims Liabilities. This Agreement shall remain in effect and may not be terminated at any time while there are any outstanding Claims Liabilities.
2. **Third-Party Claims Administration; Transfer of Claims.** This Agreement calls for the transfer of the Claims Liabilities from FCSIG to CRMA. Accordingly, TRISTAR is asked to facilitate the transfer of claims administration duties to Intercare, as CRMA's Third-party workers' compensation claims administrator. The transfer, conveyance, and assignment of administrative work is inclusive of all past, current, and future Claims Liabilities associated with the District.
3. **Payment.** Subject to the terms and conditions of this Agreement, the District agrees to pay FCSIG, and FCSIG agrees to accept, the total sum of **One Hundred Eighty-Three Thousand Eighty-Seven and No/100 Dollars (\$183,087.00)** in full settlement and satisfaction of the District's outstanding WRA balance calculated on a cumulative paid basis since the District's withdrawal from FCSIG ("**WRA Payment**"). The WRA Payment shall be due and owing as of April 26, 2024. FCSIG and the District acknowledge that said payment has been delivered to FCSIG via USPS as of April 29, 2024, check number 512631106.
4. **Reimbursement of Costs.** The District further agrees to reimburse FCSIG for all reasonable costs incurred by FCSIG that arise out of the transfer, conveyance, and assignment of the Claims ("**Reimbursement Costs**"). Such costs may

include, but are not limited to, any additional actuarial or legal fees incurred to administer this Agreement.

5. **True-Up Payment.** The Parties acknowledge that the process of transferring the Claims from FCSIG/TRISTAR to CRMA/Intercare (the "**Transition Period**") will require steps and measures that are unknown to the Parties and the Third-party claims administrators. Accordingly, the District hereby agrees to pay to FCSIG all future claims costs and administration fees incurred during the Transition Period ("**True-Up Payment**"). FCSIG shall inform the District of the True-Up Payment amount within ninety (90) days of the completion of the transfer of Claims Liabilities. Payment shall be due immediately upon delivery and receipt of an invoice from FCSIG.
  
6. **Mutual Release of Claims.** In consideration of the payments and other benefits provided for in this Agreement, CRMA and the District hereby releases and forever discharges FCSIG, its officers, directors, agents, representatives, employees, successors, and assigns, and FCSIG hereby releases and forever discharges CRMA and the District, their respective officers, directors, agents, representatives, employees, successors, and assigns, from any and all claims, causes of action, demands, rights, damages, costs, expenses, or liabilities of any kind or nature whatsoever, whether known or unknown, suspected or unsuspected, that each Party may have against any of them arising out of or related to the Claims Liabilities, up to the date of execution of this Agreement.

This Agreement resolves any claim for relief that has or could have been alleged by any Party against the other Parties, no matter how characterized, including, without limitation, compensatory damages, damages for breach of contract, bad faith damages, reliance damages, liquidated damages, punitive damages, costs, and attorneys' fees related to or arising from a potential dispute.

Each Party certifies that it has read the provisions of California Civil Code section 1542 and has consulted its own counsel regarding that section. Accordingly, each Party waives any and all rights under California Civil Code Section 1542, which states:

**"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE**

**RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."**

7. **Representations and Warranties.** Each signatory to this Agreement represents and warrants that he/she is authorized to execute this Agreement on behalf of the Party for which he/she executed this Agreement. Each Party further warrants and represents that the Party's execution of this Agreement is not in violation of any Bylaw, Covenants, and/or other restrictions placed upon them by their respective entities.
8. **Cooperation.** Each Party agrees to take all actions and to make, deliver, sign, and file any other documents and instruments necessary to carry out the terms, provisions, purpose, and intent of this Agreement, including for notification of all relevant stakeholders, such as employees, employers, and regulatory authorities, about the transfer of the Claims Liabilities.
9. **No Admission of Liability.** The Parties acknowledge that this Agreement represents a compromise and final settlement of matters involving the Parties in relation to the outstanding workers' compensation claims and agree that the performance of the conditions and provisions of this Agreement, including the payment and acceptance of the WRA Payment, is not to be construed as an admission of any liability or wrongdoing whatsoever by any Party to this Agreement.
10. **Agreement is Legally Binding.** The Parties intend this Agreement to be legally binding upon and shall inure to the benefit of each of them and their respective successors and assigns.
11. **Entire Agreement.** This Agreement, including the recitals, constitutes the entire agreement and understanding of the Parties and supersedes all prior negotiations and/or agreements, proposed or otherwise, written or oral, concerning the subject matter hereof. Each Party acknowledges that in entering into this Agreement, it has not relied on any promise, representation, or warranty not contained in this Agreement.
12. **Modification.** No modification of this Agreement shall be binding unless in writing and signed by each of the Parties hereto.



13. **New or Different Facts: No Effect.** Except as provided herein, this Agreement shall be, and remain, in effect despite any alleged breach of this Agreement or the discovery or existence of any new or additional fact, or any fact different from that which either Party now knows or believes to be true.
14. **Interpretation.** The headings in this Agreement are purely for convenience and are not to be used as an aid in interpreting its terms. The Parties agree that this Agreement shall not be construed against either Party as the author or drafter of the Agreement.
15. **Severability.** Should any provision of this Agreement be declared or be determined by any court to be illegal, invalid, or unenforceable, the validity of the remaining parts, terms, or provisions shall not be affected thereby and the illegal, invalid, or unenforceable part, term, or provision shall be deemed not to be a part of this Agreement.
16. **Enforcement.** Nothing in this Agreement shall be construed as, or constitute, a release of any Party's right to enforce the terms of this Agreement.
17. **Choice of Law.** This Agreement and all related documents, including all exhibits attached hereto, and all matters arising out of or relating to this Agreement, whether sounding in contract, tort, or statute are governed by, and construed in accordance with, the laws of the State of California.
18. **Choice of Forum.** Each Party irrevocably and unconditionally agrees that it will not commence any action, litigation, or proceeding of any kind whatsoever against any other Party in any way arising from or relating to this Agreement and all contemplated transactions, including, but not limited to, contract, equity, tort, fraud, and statutory claims, in any forum other than the state or federal courts of California located in the County of Fresno. Each Party irrevocably and unconditionally submits to the exclusive jurisdiction of such courts. Each Party agrees that a final judgment in any such action, litigation, or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.
19. **Notice.** Each Party shall deliver all notices, requests, consents, claims, demands, waivers, and other communications under this Agreement (each, a "**Notice**") in

writing and addressed to the other Party at its address set out below (or to any other address that the receiving Party may designate from time to time in accordance with this Section). Each Party shall deliver all Notices by personal delivery, nationally recognized overnight courier (with all fees prepaid), email (with confirmation of transmission), or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only (a) upon receipt by the receiving Party; and (b) if the Party giving the Notice has complied with the requirements of this Section 19. The Parties shall deliver any Notice at least seven (7) days before the event addressed by the Notice, unless it is impossible to do so or a longer period is required by other terms of this Agreement.

If to FCSIG: Fresno County Self Insurance Group  
c/o Keenan & Associates  
Attn: Tyler Houston  
10860 Gold Center Drive, Suite 350  
Rancho Cordova, CA 95670  
Email: thouston@keenan.com  
Fax: (408) 436-9308

If to the District: Sanger Unified School District  
Attn: Ryan Kilby, Chief Financial Officer  
1905 Seventh Street, Sanger, CA 93657  
Email: ryan\_kilby@sangerusd.net

If to CRMA: California Risk Management Authority  
Attn: Alan Caeton, JPA Administrator  
7170 N Financial Drive, Ste. 130  
Fresno, CA 93720  
Email: acaeton@crma-jpa.org

20. **Reliance on Own Counsel.** In entering into this Agreement, each Party acknowledges that (a) it has had the opportunity to seek and rely upon the legal advice of attorneys of its own choosing; (b) it fully understands and voluntarily accepts the Agreement's terms based on the consideration set forth in this Agreement and not on any other promises or representations by the other Party or any attorney or other agent or representative of the other Party; and (c) in deciding to execute this Agreement, it did not rely and has not relied on any oral or written representation or statement by the other Party or any attorney, or other agent or

representative of the other Party, including but not limited to any representation or statement about the subject matter, basis, or effect of this Agreement.

21. **Counterparts.** This Agreement may be executed by the Parties in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Facsimile signatures and signature pages sent by email shall be binding as though they are originals.

22. **Effective Date.** The terms of the Agreement will be effective as of the date set out in the introductory paragraph of this Agreement (the "**Effective Date**").

**EACH OF THE PARTIES CERTIFIES THAT IT HAS READ ALL OF THIS AGREEMENT AND FULLY UNDERSTANDS AND AGREES TO EACH OF THE ABOVE TERMS, CONDITIONS, AND PROVISIONS.**

**IN WITNESS WHEREOF**, and intending to be legally bound, each of the Parties hereto has caused this Agreement to be executed as of the Effective Date.

**"FCSIG"**

**"District"**

**Fresno County Self-Insurance Group**

**Sanger Unified School District**

By: \_\_\_\_\_

By:  \_\_\_\_\_

Name: \_\_\_\_\_

Name: Ryan Kilby

Title: \_\_\_\_\_

Title: Chief Financial Officer

**"CRMA"**

**California Risk Management Authority**

By:  \_\_\_\_\_

Name: ALAN CAETON

Title: ADMINISTRATOR

**AGREEMENT OF ASSUMPTION AND GUARANTEE OF WORKERS' COMPENSATION  
LIABILITIES AND FOR TRANSFER OF WORKERS' COMPENSATION CLAIMS**

This Agreement of Assumption and Guarantee of Workers' Compensation Liabilities and for Transfer of Workers' Compensation Claims (this "**Agreement**") is entered into as of \_\_\_\_\_, 2024 by and ~~between~~among (1) **FRESNO COUNTY SELF-INSURANCE GROUP**, a California joint powers agency (~~the "JPA"; and ("FCSIG");~~); (2) **SANGER UNIFIED SCHOOL DISTRICT**, a California school district (the "**District**"). ~~The JPA and~~); and (3) **CALIFORNIA RISK MANAGEMENT AUTHORITY**, a California joint powers agency ("**CRMA**"). ~~FCSIG, the District, and CRMA~~ shall be referred to as the "**Parties**," or individually as a "**Party**".

**RECITALS**

**WHEREAS**, ~~the JPA~~FCSIG is engaged in the business of operating and maintaining a self-funded program for workers' compensation and other self-insurance risk management programs for the benefit of its member agencies;

**WHEREAS**, the District is a former member agency of ~~the JPA~~FCSIG and is currently a member district of CRMA;

**WHEREAS**, the District withdrew from ~~the JPA~~FCSIG, effective June 30, 2016, pursuant to Article IX of the restated bylaws adopted by the JPAFCSIG Board of Directors on June 14, 2016 (the "**2016 Bylaws**");

**WHEREAS**, upon the District's withdrawal from ~~the JPA~~FCSIG, in accordance with the 2016 Bylaws, a Withdrawal Reserve Account ("**WRA**") was established to fund the District's post-withdrawal claims;

**WHEREAS**, the District maintains a deficit WRA balance with ~~the JPA~~FCSIG in relation to the outstanding claims that remain open and administered by TRISTAR, ~~the JPA's~~FCSIG's Third-Party Workers' Claim Administrator (hereinafter "**TRISTAR**");

**WHEREAS**, ~~upon the District's withdraw from the JPA, the District joined another JPA, California Risk Management Authority (CRMA), who has~~ engaged Intercare Insurance Services as its Third-Party Workers' Compensation Claims Administrator (hereinafter "**Intercare**");

**WHEREAS**, ~~FCSIG and the Parties~~District have met and conferred to discuss the District's objections to the established amounts owed under the District's WRA, the Parties have good and sufficient reason for executing this Agreement, and the Parties now desire to compromise and settle any and all existing workers' compensation liabilities and obligations

to ~~the JPAFCSIG~~ with respect to the WRA deficit balance and administration of all outstanding workers' compensation claims;

**WHEREAS**, in order to compromise and settle such liabilities and obligations, the Parties further desire that CRMA, on behalf of and at the direction of the District, shall assume and guarantee to pay all the liabilities and obligations arising from the District's membership participation in ~~the JPAFCSIG~~ under its active membership in CRMA.

**NOW, THEREFORE**, in consideration of the mutual promises contained in this Agreement, and for good and valuable consideration, the receipt and sufficiency of which each of the Parties acknowledges, the Parties hereby agree as follows:

1. **Transfer of Liabilities; Assumption and Guarantee.** -In accordance with its Certificate of Consent to Self-Insure and California Code of Regulations ("**CCR**") section 15360, the ~~JPA~~District elects to transfer, FCSIG agrees to transfer, and ~~the District~~CRMA agrees to assume and guarantee to pay, or otherwise discharge promptly, all the workers' compensation claims, liabilities and obligations incurred, or may be incurred, by ~~the JPAFCSIG~~ in connection the District's period as a member agency of ~~the JPAFCSIG~~ ("**Claims Liabilities**").- This Agreement shall cover and extend to all potential liability of workers' compensation benefits as required by law of any and all of its Claims Liabilities. This Agreement shall remain in effect and may not be terminated at any time while there are any outstanding Claims Liabilities.
2. **Third-Party Claims Administration; Transfer of Claims.** ~~The~~is Agreement calls for ~~the~~ transfer of the ~~District's liabilities and obligations for its Workers' Compensation claims~~Claims Liabilities from ~~the JPAFCSIG~~ to CRMA. Accordingly, TRISTAR is asked to facilitate the transfer of claims administration duties to Intercare, as ~~CRMA's third~~CRMA's Third-party workers' compensation claims administrator. The transfer, conveyance, and assignment of administrative work is inclusive of all past, current, and future ~~Claims~~s Liabilities associated with the District.
3. **Payment.** Subject to the terms and conditions of this Agreement, the District agrees to pay ~~the JPAFCSIG~~, and ~~the JPAFCSIG~~ agrees to accept, the total sum of **One Hundred Eighty-Three Thousand Eighty-Seven and No/100 Dollars (\$183,087.00)** in full settlement and satisfaction of the District's outstanding WRA balance calculated on a cumulative paid basis since the District's withdrawal from ~~the JPA~~ (~~FCSIG~~ ("**WRA Payment**"). The WRA Payment shall be due and

owing as of April 26, 2024. ~~The parties~~ FCSIG and the District acknowledge that said payment has been delivered to ~~the JPA~~ FCSIG via USPS as of April 29, 2024, check number 512631106.

4. **Reimbursement of Costs.** The District further agrees to reimburse ~~the JPA~~ FCSIG for all reasonable costs incurred by ~~the JPA~~ FCSIG that arise out of the transfer, conveyance, and assignment of the Claims ("**Reimbursement Costs**"). Such costs may include, but are not limited to, any additional actuarial or legal fees incurred to administer this Agreement.
  
5. **True-Up Payment.** The Parties acknowledge that the process of transferring the Claims from FCSIG/TRISTAR to CRMA/Intercare (the "**Transition Period**") will require steps and measures that are unknown to the Parties and the ~~TPAs. Third-party claims administrators.~~ Accordingly, the District hereby agrees to pay to ~~the JPA~~ FCSIG all future claims costs and administration fees incurred during the Transition Period ("**True-Up Payment**"). ~~The JPA~~ FCSIG shall inform the District of the True-Up Payment amount within ninety (90) days of the completion of the transfer of Claims Liabilities. Payment shall be due immediately upon delivery and receipt of an invoice from ~~the JPA~~ FCSIG.
  
6. **Mutual Release of Claims.** In consideration of the payments and other benefits provided for in this Agreement, ~~each Party~~ CRMA and the District hereby releases and forever discharges ~~the other Party~~ FCSIG, its officers, directors, ~~shareholders~~ agents, representatives, employees, successors, and assigns, and FCSIG hereby releases and forever discharges CRMA and the District, their respective officers, directors, agents, representatives, employees, successors, and assigns, from any and all claims, causes of action, demands, rights, damages, costs, expenses, or liabilities of any kind or nature whatsoever, whether known or unknown, suspected or unsuspected, that each Party may have against any of them arising out of or related to the Claims Liabilities, up to the date of execution of this Agreement.

This Agreement resolves any claim for relief that has or could have been alleged by ~~either any~~ Party against the other ~~Parties~~ ies, no matter how characterized, including, without limitation, compensatory damages, damages for breach of contract, bad faith damages, reliance damages, liquidated damages, punitive damages, costs, and attorneys' fees related to or arising from a potential dispute.

Each Party certifies that it has read the provisions of California Civil Code section 1542 and has consulted its own counsel regarding that section. Accordingly, each Party waives any and all rights under California Civil Code Section 1542, which states:

**"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."**

7. **Representations and Warranties.** Each signatory to this Agreement represents and warrants that he/she is authorized to execute this Agreement on behalf of the Party for which he/she executed this Agreement. Each Party further warrants and represents that the Party's execution of this Agreement is not in violation of any Bylaw, Covenants, and/or other restrictions placed upon them by their respective entities.
8. **Cooperation.** Each Party agrees to take all actions and to make, deliver, sign, and file any other documents and instruments necessary to carry out the terms, provisions, purpose, and intent of this Agreement, including for notification of all relevant stakeholders, such as employees, employers, and regulatory authorities, about the transfer of the Claims Liabilities.
9. **No Admission of Liability.** The Parties acknowledge that this Agreement represents a compromise and final settlement of matters involving the Parties in relation to the outstanding workers' compensation claims and agree that the performance of the conditions and provisions of this Agreement, including the payment and acceptance of the WRA Payment, is not to be construed as an admission of any liability or wrongdoing whatsoever by any Party to this Agreement.
10. **Agreement is Legally Binding.** The Parties intend this Agreement to be legally binding upon and shall inure to the benefit of each of them and their respective successors and assigns.

11. **Entire Agreement.** This Agreement, including the recitals, constitutes the entire agreement and understanding of the Parties and supersedes all prior negotiations and/or agreements, proposed or otherwise, written or oral, concerning the subject matter hereof. Each Party acknowledges that in entering into this Agreement, it has not relied on any promise, representation, or warranty not contained in this Agreement.
12. **Modification.** No modification of this Agreement shall be binding unless in writing and signed by each of the Parties hereto.
13. **New or Different Facts: No Effect.** Except as provided herein, this Agreement shall be, and remain, in effect despite any alleged breach of this Agreement or the discovery or existence of any new or additional fact, or any fact different from that which either Party now knows or believes to be true.
14. **Interpretation.** The headings in this Agreement are purely for convenience and are not to be used as an aid in interpreting its terms. The Parties agree that this Agreement shall not be construed against either Party as the author or drafter of the Agreement.
15. **Severability.** Should any provision of this Agreement be declared or be determined by any court to be illegal, invalid, or unenforceable, the validity of the remaining parts, terms, or provisions shall not be affected thereby and the illegal, invalid, or unenforceable part, term, or provision shall be deemed not to be a part of this Agreement.
16. **Enforcement.** Nothing in this Agreement shall be construed as, or constitute, a release of any Party's right to enforce the terms of this Agreement.
17. **Choice of Law.** This Agreement and all related documents, including all exhibits attached hereto, and all matters arising out of or relating to this Agreement, whether sounding in contract, tort, or statute are governed by, and construed in accordance with, the laws of the State of California.
18. **Choice of Forum.** Each Party irrevocably and unconditionally agrees that it will not commence any action, litigation, or proceeding of any kind whatsoever against any other Party in any way arising from or relating to this Agreement and all contemplated transactions, including, but not limited to, contract, equity, tort,



fraud, and statutory claims, in any forum other than the state or federal courts of California located in the County of Fresno. Each Party irrevocably and unconditionally submits to the exclusive jurisdiction of such courts. Each Party agrees that a final judgment in any such action, litigation, or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

19. **Notice.** Each Party shall deliver all notices, requests, consents, claims, demands, waivers, and other communications under this Agreement (each, a "**Notice**") in writing and addressed to the other Party at its address set out below (or to any other address that the receiving Party may designate from time to time in accordance with this Section). Each Party shall deliver all Notices by personal delivery, nationally recognized overnight courier (with all fees prepaid), email (with confirmation of transmission), or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only (a) upon receipt by the receiving Party; and (b) if the Party giving the Notice has complied with the requirements of this Section 19. The Parties shall deliver any Notice at least seven (7) days before the event addressed by the Notice, unless it is impossible to do so or a longer period is required by other terms of this Agreement.

If to ~~the JPAFCSIG~~: Fresno County Self Insurance Group  
c/o Keenan & Associates  
Attn: Tyler Houston  
10860 Gold Center Drive, Suite 350;  
Rancho — Cordova, CA 95670  
Email: thouston@keenan.com  
Fax: (408) 436-9308

If to the District: Sanger Unified School District  
Attn: Ryan Kilby, Chief Financial Officer  
1905 Seventh Street, Sanger, CA 93657  
Email: ryan\_kilby@sangerusd.net

If to CRMA: California Risk Management Authority  
Attn: Alan Caeton, JPA Administrator  
7170 N Financial Drive, Ste. 130  
Fresno, CA 93720  
Email: [acaeton@crma-jpa.org](mailto:acaeton@crma-jpa.org)

- 20. **Reliance on Own Counsel.** In entering into this Agreement, each Party acknowledges that (a) it has had the opportunity to seek and rely upon the legal advice of attorneys of its own choosing; (b) it fully understands and voluntarily accepts the Agreement's terms based on the consideration set forth in this Agreement and not on any other promises or representations by the other Party or any attorney or other agent or representative of the other Party; and (c) in deciding to execute this Agreement, it did not rely and has not relied on any oral or written representation or statement by the other Party or any attorney, or other agent or representative of the other Party, including but not limited to any representation or statement about the subject matter, basis, or effect of this Agreement.
  
- 21. **Counterparts.** This Agreement may be executed by the Parties in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Facsimile signatures and signature pages sent by email shall be binding as though they are originals.
  
- 22. **Effective Date.** The terms of the Agreement will be effective as of the date set out in the introductory paragraph of this Agreement (the "**Effective Date**").

**EACH OF THE PARTIES CERTIFIES THAT IT HAS READ ALL OF THIS AGREEMENT AND FULLY UNDERSTANDS AND AGREES TO EACH OF THE ABOVE TERMS, CONDITIONS, AND PROVISIONS.**

**IN WITNESS WHEREOF**, and intending to be legally bound, each of the Parties hereto has caused this Agreement to be executed as of the Effective Date.

**"JPA"**

**"District"**

**"FCSIG"**

**Sanger Unified School District**

**Fresno County Self-Insurance Group**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**"CRMA"**

**California Risk Management Authority**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_