

BYLAWS
OF
THE REDWOOD EMPIRE
SCHOOLS' INSURANCE
GROUP

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BYLAWS
REDWOOD EMPIRE SCHOOLS' INSURANCE GROUP

I. THE RESIG BOARD OF DIRECTORS

A. APPOINTMENT

Each participating member agency shall delegate one employee as a member of the Board of Directors, and one alternate who may serve in the absence of the representative. Such appointment shall be by resolution of the governing board of the member agency.

B. OFFICERS

The Board of Directors shall elect a President, Vice-President, and a Secretary /Treasurer/Auditor at each annual meeting. The President, Vice-President, and Secretary/Treasurer/Auditor may be re-elected at succeeding annual meetings and serve for successive or multiple terms. In the event that the President, Vice-President, or Secretary/Treasurer/Auditor so elected ceases to be employed by a member agency, otherwise resigns as a member of the Executive Committee, or resigns as an officer, the resulting vacancy shall be filled at the next regular meeting of the Board of Directors held after such vacancy occurs or by vote of the Executive Committee. Officers so elected shall serve in the same capacity for both the Executive Committee and the Board of Directors. In the absence or inability of the President to act, the Vice-President shall act as President. The President, or in his or her absence the Vice President, shall preside at and conduct all meetings of the Executive Committee and of the Board of Directors.

C. MEETINGS OF THE BOARD OF DIRECTORS

1. Regular Meetings

The Executive Committee shall provide by resolution for Board meetings. The Board shall hold at least one regular meeting in

each year, and it is the Board's intent to hold at least one additional meeting in every year in which there is sufficient business to justify a second meeting of the RESIG Board of Directors. A copy of such resolution shall be filed with each member agency. The place of the regular meeting shall be such public building or other place as may be designated from time to time by the Executive Committee.

2. Ralph M. Brown Act

The Board of Directors shall adopt rules for conducting its meetings and other business. All meetings of the Board, including without limitation regular, adjourned regular, and special meetings, shall be called, noticed, held, and conducted in accordance with the provisions of the Ralph M. Brown Act (California Government Code section 54950 *et seq.*).

D. MINUTES

The Secretary of the Board shall cause minutes of all meetings to be kept, except for closed sessions; and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each member of the Board.

E. QUORUM

A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business. Less than a quorum may meet for other than the transaction of business.

F. MEMBERSHIP

Any Public Educational Agency in the State of California may be considered for membership, subject to the limitations contained in the Joint Powers Agreement, these Bylaws or any policy or procedure that RESIG may enact or adopt. A Public Educational Agency shall, for this purpose, be defined as a School District, a Public Charter School, a Community College District, a County Office of Education, a Regional

Occupation Program, or a Joint Powers Authority composed of any of the foregoing.

G. ACCOUNTS AND RECORDS

1. RESIG shall establish and maintain such funds and accounts as may be required by good accounting practice or by any provision of law or any resolution of RESIG. Books and records of RESIG in the hands of the Secretary/Treasurer/Auditor shall be open to inspection at all reasonable times by representatives of the parties. The Executive Committee, as soon as practical after the close of each fiscal year, shall give a complete written report of all financial activities for such fiscal year to each of the parties to the Joint Powers Agreement.
2. RESIG shall either make, or contract with a Certified Public Accountant to make, an annual audit of the accounts and records of RESIG. In each case, the minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California, and shall conform to generally accepted auditing standards. When such an audit of accounts and records is made by a Certified Public Accountant, a report thereof shall be filed as public record with each of the parties hereto, and also with the County Auditor of the County of Sonoma. Such report shall be filed within six (6) months after the end of the fiscal year under examination.
3. Any costs of the audit, including contracts with or employment of Certified Public Accountants, in making an audit pursuant to this section, shall be borne by RESIG and shall be a charge against any unencumbered funds of RESIG available for this purpose.

4. Additionally, the Secretary/Treasurer/Auditor or designee of RESIG shall assume and perform the duties described in California Government Code section 6505.5, to wit:
 - a. Receive and receipt for all money of RESIG and deposit it in the treasury of RESIG, which shall be by deposit with the Sonoma County Office of Education, which shall place it in the Sonoma County Treasury to the credit of RESIG.
 - b. Be responsible upon his or her official bond for the safekeeping and disbursement of all RESIG money so held by him or her.
 - c. Draw, or cause to be drawn, warrants to pay demands against RESIG when the demands have been approved by the Executive Committee.
 - d. Verify and submit quarterly financial reports in writing by the last day of July, October, January and April of each year to the Executive Committee.
5. Investing of Reserves: The Executive Committee shall invest or cause to be invested such reserves as are not necessary for immediate operation of RESIG in such securities as are prudent and legal for Public Educational Agencies or Joint Powers Authorities. The Executive Committee shall solicit the advice of the County Treasurer toward these ends.

Any investments outside of the County Treasurer's office shall conform to Section 53600 *et seq.* of the California Government Code and be authorized by action of the Executive Committee.

RESIG shall enact an investment policy that complies with Government Code section 53600 *et seq.*, which shall be reviewed annually by the Board of Directors.

H. LOSS RECORDS

The Board of Directors shall maintain, or cause to be maintained, accurate loss records for all risks insured or self-insured against, and all claims paid. Loss reports shall be forwarded to member districts on at least a quarterly basis.

II. EXECUTIVE COMMITTEE

A. ELECTION

The seven-person Executive Committee shall be elected by the Board of Directors for three-year terms, which shall be staggered. Thus, three members of the committee shall be elected in one year, two members of the committee shall be elected in the following year, and two members of the committee shall be elected in the third year. Executive Committee members may be elected, and serve, for successive or multiple terms.

B. DUTIES AND POWERS

The Executive Committee shall be responsible for the ongoing operations of RESIG, and is hereby empowered to implement and enforce these Bylaws and such other rules, regulations, and procedures as the Board of Directors shall adopt.

C. MEETINGS OF THE EXECUTIVE COMMITTEE

The Executive Committee shall provide for its regular, adjourned regular, and special meetings provided, however, that it shall hold at least one regular meeting in each quarter. The dates upon which, and the hour and place at which, any regular meeting shall be held, shall be determined by the President of the Board. The place of the regular meetings shall be such public building or other place as may be designated from time to time by the President.

D. MINUTES

The Secretary of the Executive Committee shall cause minutes of regular, adjourned regular, and special meetings to be kept, except for closed sessions. As soon as possible after each meeting, the Secretary shall have a report of actions taken forwarded to each member of the Executive Committee.

E. QUORUM

A majority of the members of the Executive Committee shall constitute a quorum for the transaction of business. Less than a quorum may meet for other than the transaction of business.

F. VACANCIES

Whenever a vacancy occurs on the Executive Committee, the vacancy shall be filled by one of the following methods:

1. Expired Terms

The Executive Committee member opening shall be filled by election of the Board of Directors in accordance with Section II. A., of these Bylaws.

2. Vacated Terms

The Executive Committee shall be empowered to appoint a member to fill the balance of the vacated term after notification to the Board of Directors and solicitation of interested candidates. Such notification shall describe the term of the vacancy and the procedure the Executive Committee shall use in appointing a replacement.

III. STAFF TO THE BOARD OF DIRECTORS

The Executive Committee shall designate the staff positions for the administration and operation of RESIG, or contract for consultants, claims administrators, general counsel, and/or risk management services. The Board of Directors shall direct the Executive Committee to establish job descriptions and recruitment procedures, and to hire job candidates for designated staff positions.

The hiring of job candidates shall be recorded in the official minutes of the Executive Committee.

IV. ADDITIONAL PARTIES

- A. Any Public Educational Agency within the State of California may become a party to this Joint Powers Agreement upon the approval of the RESIG Board of Directors and due execution of a copy of the RESIG Joint Powers Agreement as in effect at that time.
- B. A Public Educational Agency desiring to join RESIG shall submit a properly executed copy of the Joint Powers Agreement to the RESIG Board of Directors prior to April 1 preceding the fiscal year in which it wishes to become a member. A two-thirds (2/3) affirmative vote of the RESIG Board of Directors, upon the recommendation of the RESIG Executive Committee, shall be required for acceptance of such additional member. Such participation shall begin July 1. The RESIG Board of Directors may authorize other dates for the commencement of a new member's membership in RESIG.
- C. Each additional party shall pay to RESIG the appropriate contributions as determined by the RESIG Board of Directors.

V. AMENDMENTS

Amendments to these Bylaws may be proposed by the designated Board representative of any member agency, and may be passed by a two-thirds (2/3) affirmative vote of all Board members (or alternates) present at a regular meeting at which a quorum is present.

VI. WITHDRAWAL FROM, OR INVOLUNTARY TERMINATION OF, MEMBERSHIP

- A. Should a party to the Joint Powers Agreement refuse to abide by a duly-enacted amendment to either the Joint Powers Agreement or these Bylaws, the membership of that party in RESIG may be involuntarily terminated by a two-thirds (2/3) vote of all Board members (or alternates) present at a Board of Directors meeting at which a quorum is present.
- B. If, for any reason, two-thirds (2/3) of the RESIG Board of Directors shall vote for involuntary termination of a member agency, such agency's membership in RESIG shall be so terminated.
- C. Unless otherwise specified by the RESIG Board of Directors, involuntary termination shall be effective at the end of the fiscal year in which the involuntary termination occurs, upon a minimum sixty (60) calendar days' written notice.
- D. No member may terminate its membership as a party to the RESIG Joint Powers Agreement for three (3) years following initial membership and participation in any RESIG Program. Any member having completed three (3) complete consecutive years as a member of RESIG and a participant in any of RESIG's Programs may withdraw from its status as a member and party to the Joint Powers Agreement at the end of any fiscal year by notifying the Board of Directors in writing prior to December 31 of any fiscal year.

VII. ENFORCEMENT

The Executive Committee is hereby given full authority to enforce the RESIG Joint Powers Agreement, these Bylaws and all policies and procedures adopted or enacted by RESIG.

VIII. INVALIDITY

Should any portion, term, condition, or provision of these Bylaws, or of the RESIG Joint Powers Agreement be determined by a court of competent

jurisdiction to be illegal or in conflict with any law of the State of California, or be otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms, conditions, and provisions shall not be affected thereby.

IX. FINANCE

- A. Each Member Agency shall pay to RESIG its fiscal year premium contribution as set forth by Executive Committee policy for each of RESIG's Programs. Redwood Empire Schools' Insurance Group shall inform members of the projected premium contribution, for the following year, no later than June 1.
- B. The expenditure of RESIG'S funds shall be made by RESIG's administrative staff in accordance with the Executive Committee's final adopted budget and policies.
- C. The Sonoma County Office of Education may act as fiscal agent for RESIG.

X. EFFECTIVE DATE

Unless otherwise specified by the Board at the time of enactment, all amendments to these Bylaws shall go into effect immediately upon the date of the Board action amending them.

XI. PROPERTY, FUNDS, CONTRIBUTIONS AND INCOME

- A. DISPOSITION OF PROPERTY AND FUNDS
In the event of the dissolution, complete rescission or other final termination of the RESIG Joint Powers Agreement by all agencies then a party thereto, any property interest remaining in RESIG following a discharge of all obligations shall be returned to the current members, by pro-rata shares based on the total contributions made by such members.
- B. FUNDS AND ACCOUNTS

The Treasurer of RESIG shall establish and maintain such funds and accounts as required by the Executive Committee and as required by generally accepted accounting principles. Books and records of RESIG in the hands of the Treasurer shall be open to inspection at all reasonable times by authorized representatives of member agencies or as otherwise required by law.

C. RESIG'S FISCAL YEAR

RESIG shall operate on a fiscal year from July 1 to June 30.

D. CONTRIBUTIONS

Without in any way limiting the powers otherwise provided for in the Joint Powers Agreement, or by statute, RESIG shall have the power and authority to receive, accept and utilize property, real or personal, with or without compensation, from any member or its agents or representatives; to receive, hold, dispose of, construct, operate and maintain buildings and other improvements; and to receive, accept, expend and disburse funds by contract or otherwise, for purposes consistent with the provisions of RESIG, which funds may be contributed by any members or their agents or representatives.

E. ASSESSMENTS

The Board of Directors or the Executive Committee shall annually adopt a budget showing each of the purposes for which RESIG, and each of RESIG's Programs, will need money for the ensuing fiscal year. A copy of the adopted budget shall be transmitted to each of the participating members.

The Board of Directors or the Executive Committee shall annually adopt a schedule of payments which will be necessary to provide for funding of the annual appropriations as adopted in the budget.

Should the total claims and other obligations against all members of RESIG or all participants in a RESIG Program exceed, in any year, the

total amount of members' contributions and other revenue paid to RESIG or to a RESIG Program, the members shall be assessed a pro-rata share of additional contributions necessary to return the fiscal year for RESIG, or for a RESIG Program, to a solvent position. Additional assessments shall be as determined by the RESIG Board of Directors.

- F. Each Program offered by RESIG shall be legally separate from every other RESIG Program, and shall stand fully on its own financially. No debts of, liabilities of, or charges against, one RESIG Program shall be considered debts of, liabilities of, or charges against, any other RESIG Program. However, the Executive Committee may authorize a loan of funds from one RESIG Program to another, upon a finding that such a loan is in RESIG's best interests. Any such loan shall bear interest at the then-current market rate.

XII. BYLAWS APPLICABLE TO SPECIFIC RESIG PROGRAMS

In addition to the rules set forth in the remaining Articles of these Bylaws, all RESIG member agencies agree to abide by the following rules.

- A. **REQUIRED PARTICIPATION IN WORKERS' COMPENSATION, AND PROPERTY AND LIABILITY, PROGRAMS**

A member agency must participate in both of these Programs, in order to participate in either of them.

- B. **VOTING RIGHTS ON ISSUES AFFECTING SPECIFIC PROGRAMS**

A Board of Directors or Executive Committee member may vote only on issues that affect RESIG Programs in which his or her member agency is currently a participant.

- C. **WORKERS' COMPENSATION PROGRAM**

- 1. Description of Program

RESIG shall have the power, authority, and duty to handle all aspects of workers' compensation claims against members arising out of facts occurring during membership in RESIG.

2. Membership

Any member of RESIG may participate in the Workers' Compensation Program subject to the terms of the Joint Powers Agreement, the Bylaws, and any Memorandum or Memoranda of Coverage, policies, and procedures that RESIG may adopt from time to time.

3. Claim Fund

This fund shall be established and maintained out of the member contributions, and shall be solely for the purpose of paying workers' compensation claims, except that the Board of Directors may authorize a transfer from this fund to the operating fund to cover unexpected expenses. The Claim Fund shall be the repository of the "reserves" to be used for future workers' compensation payments, averaging up to eleven (11) years.

4. Subrogation

RESIG shall have the authority to seek and recover subrogation monies wherever possible. Such monies shall be deposited in the Claim Fund.

5. Premium Contributions

The premium in each year for each member shall be as follows: The rate as determined by the RESIG Board of Directors multiplied by the member's estimated annual payroll, multiplied by the member's current Experience Modification Factor. Payment shall be

by Journal Voucher and shall include audit adjustment for the previous year.

6. Experience Modification Factor

Each member's current Experience Modification Factor shall be calculated by the Board of Directors using the experience of the earliest three of the last four years (W.C.I.R.B. method).

7. Investing Of Reserves (Claim Fund)

The Executive Committee shall invest, or cause to be invested, such reserves as are not necessary for immediate operation of the Claim Fund in such securities as are prudent and legal for Public Educational Agencies. The Executive Committee shall solicit the advice of the County Treasurer toward these ends. The level of cash to be retained in the Operating and Claim Funds shall be determined by the Board of Directors.

8. Assessments

Should workers' compensation claims (including related administrative expenses) against all participants in the Workers' Compensation Program exceed, in any year, the total amount of all Program participants' contributions and other revenues, each Program participant may be assessed by the Board of Directors an additional amount or additional amounts based upon the percentage of yearly contributions paid by each Program participant relative to the total yearly contributions paid by all Program participants. Each Program participant hereby authorizes the Board of Directors to bill it for an amount sufficient to pay any required assessment to be placed in the RESIG Workers' Compensation Program. Upon withdrawal, the withdrawing member shall continue to be responsible for any costs, liabilities, assessments, or contingencies that the withdrawing member has incurred for those

years in which the withdrawing member was a member of the Authority and a participant in the Workers' Compensation Program.

8. Excess Workers' Compensation Insurance

Excess workers' compensation insurance may be purchased in an amount to be set by the RESIG Board of Directors.

D. PROPERTY AND LIABILITY PROGRAM

1. Description of Program

A plan for the payment and handling of such first-party property and third-party liability claims, filed under the laws of the State of California and arising out of facts occurring during the period of membership with RESIG, as the RESIG Board of Directors may determine, from time to time, that the Property and Liability Program shall cover.

2. Membership

Any member of RESIG may participate in the Property and Liability Program subject to the terms of the Joint Powers Agreement, the Bylaws, and any Memorandum or Memoranda of Coverage, policies, and procedures that RESIG may adopt from time to time.

3. Assessments

Should the total claims and other obligations (including related administrative expenses) against all participants in the Property and Liability Program exceed, in any year, the total amount of all Program participants' contributions and other revenues, each Program participant may be assessed by the Board of Directors an additional amount or additional amounts based upon the percentage of yearly contributions paid by each Program participant relative to the total yearly contributions paid by all Program participants. Each Program participant hereby authorizes the Board of Directors to bill it for an amount sufficient to pay any required

assessment to be placed in the RESIG Property and Liability Program. Upon withdrawal, the withdrawing member shall continue to be responsible for any costs, liabilities, assessments, or contingencies that the withdrawing member has incurred for those years in which the withdrawing member was a member of the Authority and a participant in the Property and Liability Program.

4. As soon as practicable following the effective date of the self-insurance plan for liability and property damage protection, the Executive Committee shall distribute to members a Memorandum of Coverage.
5. The Memorandum of Coverage shall contain:
 - a. The precise cost allocation plan.
 - b. The scope of protection provided against liability and property damage.
 - c. The manner in which liability and property damage will be reported and paid.
 - d. Other terms and conditions which the Board of Directors may consider necessary.
6. The Memorandum of Coverage will provide the same scope of coverage as the excess insurance policies purchased by the Authority, unless changes are adopted by the RESIG Board of Directors.
7. Until the RESIG Property and Liability Program Memorandum of Coverage is formally created, the matters listed in paragraphs 4., 5., and 6., immediately above, may be effectuated by duly-enacted RESIG policies or procedures.

E. DENTAL BENEFITS PROGRAM

1. The Dental Benefits Program shall provide a self-funded plan for all dental insurance claims for eligible employees and eligible

dependents of employees of Public Agencies which are members of RESIG, as required by state law and the Dental Contract. Such claim payment and handling for any member shall be for all dental insurance claims in accordance with the Contract arising out of circumstances occurring during the period of membership in the Authority. RESIG shall not pay, or handle for a member, any dental insurance claims which arise out of facts occurring before membership commences or after membership terminates.

2. Any member of RESIG may participate in the Dental Benefits Program subject to the terms of the Joint Powers Agreement, the Bylaws, and any Memorandum or Memoranda of Coverage, policies, and procedures that RESIG may adopt from time to time.
3. RESIG members who are not participants in the Dental Benefits Program shall not have any voting rights on issues pertaining exclusively to the Dental Benefits Program.

4. Assessments

Should the total claims and other obligations (including related administrative expenses) against all participants in the Dental Benefits Program exceed in any year the total amount of all Program participants' contributions and other revenues, each Program participant may be assessed by the Board of Directors an additional amount or additional amounts based upon the percentage of yearly contributions paid by each Program participant relative to the total yearly contributions paid by all Program participants. Each Program participant hereby authorizes the Board of Directors to bill it for an amount sufficient to pay any required assessment to be placed in the RESIG Dental Benefits Program. Upon withdrawal, the withdrawing member shall continue to be responsible for any costs, liabilities, assessments, or contingencies

that the withdrawing member has incurred for those years in which the withdrawing member was a member of the Authority and a participant in the Dental Benefits Program.

5. Stakeholders' Committee

The RESIG member agencies participating in the Dental Benefits Program may form a Stakeholders' Committee which shall represent the interests of the employees of RESIG member agencies currently participating in the Dental Benefits Program. The RESIG Board, through RESIG staff, shall solicit and obtain the input of the Stakeholders' Committee each year when RESIG is formulating its Dental Benefits Program offering(s) for the coming year.

F. HEALTH BENEFITS PROGRAM

1. The Health Benefits Program shall provide for group purchasing, self funding or other joint underwriting arrangements for the payment and handling of all health benefit claims for eligible employees and eligible dependents of employees of Public Agencies which are participants in this Program, as required by state law.
2. Any member of RESIG may participate in the Health Benefits Program subject to the terms of the Joint Powers Agreement, the Bylaws, and any Memorandum or Memoranda of Coverage, policies, and procedures that RESIG may adopt from time to time.
3. RESIG members who are not participants in the Health Benefits Program shall not have any voting rights on issues pertaining exclusively to the Health Benefits Program.
4. Assessments
Should the total claims and other obligations (including related administrative expenses) against all participants in the Health Benefits Program exceed in any year the total amount of all

Program participants' contributions and other revenues, each Program participant may be assessed by the Board of Directors an additional amount or additional amounts based upon the percentage of yearly contributions paid by each Program participant relative to the total yearly contributions paid by all Program participants. Each Program participant hereby authorizes the Board of Directors to bill it for an amount sufficient to pay any required assessment to be placed in the RESIG Health Benefits Program. Upon withdrawal, the withdrawing member shall continue to be responsible for any costs, liabilities, assessments, or contingencies that the withdrawing member has incurred for those years in which the withdrawing member was a member of the Authority and a participant in the Health Benefits Program.

5. Stakeholders' Committee

The RESIG member agencies participating in the Health Benefits Program may form a Stakeholders' Committee which shall represent the interests of the employees of RESIG member agencies currently participating in the Health Benefits Program. The RESIG Board, through RESIG staff, shall solicit and obtain the input of the Stakeholders' Committee each year when RESIG is formulating its Health Benefits Program offering(s) for the coming year.

XIII. INDEMNIFICATION AND CONTRIBUTION

A. INDEMNIFICATION

The Members of the Board of Directors and their alternates are hereby indemnified and RESIG does hereby agree to defend, indemnify and hold them, and each of them, free and harmless from all claims, expenses, demands, penalties, fines, forfeitures, judgments, settlements, attorney

fees, and any other amounts whatsoever actually and reasonably incurred or threatened by reason of, or as a result of, their official participation and action in pursuance of the execution or the administration of the RESIG Joint Powers Agreement, the Bylaws, or any RESIG Program or policy or procedure in the operation of the Joint Powers Authority thereby created, including but not limited to amounts arising out of or by reason of any judicial or quasi-judicial action or proceeding, whether civil, criminal, administrative or investigative, provided that it appear to the satisfaction of the Board of Directors that the indemnitee acted in good faith and in a manner reasonably believed by him or her to be in the best interest of RESIG, or that such person reasonably believed his or her actions to be in the best interest of RESIG, or that such person had reasonable cause to believe that his or her conduct under the circumstances was not unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or plea of *nolo contendere* or its equivalent shall not, for purposes of this indemnification agreement, of itself create any presumption that the indemnitee did not act in good faith and in a manner which he or she reasonably believed to be in the best interest of RESIG, nor any presumption that such person had reasonable cause to believe that his or her conduct under the circumstances was unlawful. This provision of indemnity shall not be construed to obligate RESIG to pay any liability, including but not limited to punitive damages, which by law would be contrary to public policy or itself unlawful. The Board of Directors in its discretion may provide for errors and omissions insurance coverage for directors, officers, and employees of RESIG, at RESIG's expense.

B. CONTRIBUTION

Pursuant to the provisions of Government Code Section 895 *et seq.*, the members of RESIG are jointly and severally liable for any liability which is otherwise imposed by law upon any one of the members or upon RESIG

for injury caused by a negligent or wrongful act or omission occurring in the performance of the RESIG Joint Powers Agreement. However, as between RESIG's members themselves, if a member of RESIG is held liable for any such liability and pays in excess of its *pro rata* share in satisfaction of such liability, such member is entitled to contribution from the other members of RESIG. A RESIG member's *pro rata* share will be based on that member's premium contributions paid in the fiscal year in which the liability arose, compared with the premium contributions paid by all RESIG members in such fiscal year. No member may be compelled to make contribution to the satisfaction of such a liability, beyond its own *pro rata* share of the entire liability.

XIV. GLOSSARY

Unless the context otherwise requires, the terms used herein shall have the following meanings:

ASSESSMENT—shall mean a member's or former member's obligation, as determined by the RESIG Board, to pay additional funds to RESIG in order to maintain or restore the financial integrity of any fund created to pay self-insured losses and related expenses.

BROKER—shall mean the broker engaged by the Board of Directors for the purpose of acquiring an insurance policy.

CLAIM FUND—shall mean the fund established for the purpose of paying the medical costs and disability payments of workers' compensation claims.

CLAIMS ADJUSTER—shall mean the claims adjuster engaged by the Board of Directors for the purpose of determining losses and payments with respect to the Claims Fund.

CONTRIBUTION—shall mean money paid by a member agency to RESIG in return for the handling of workers' compensation, property, liability, dental benefits, health benefits, or other claims.

EXECUTIVE COMMITTEE—shall mean the seven-member committee, including officers, which is responsible for the continuing operations of RESIG.

EXPERIENCE MODIFICATION FACTOR—shall mean a factor used in determining individual member contributions, derived from the claim activity of the member using the earliest three of the last four years in accordance with WCIRB ratings procedure.

GROUP—Redwood Empire Schools' Insurance Group.

BOARD OF DIRECTORS—shall mean the governing board of RESIG.

LOSS REPORTS—shall mean a data processing or similar report showing a member's workers' compensation, property, liability, dental benefits, health benefits, or other claims in detail, including current status.

MEMBER—shall mean an individual Public Educational Agency which belongs to RESIG.

OPERATING FUND—shall mean the fund established by RESIG for the purpose of paying insurance premiums and administrative and other costs.

PUBLIC EDUCATIONAL AGENCY—shall mean a School District, a Public Charter School, a Community College District, a County Office of Education, a Regional Occupation Program, or a Joint Powers Authority composed of any of the foregoing.

RESERVES—shall mean that part of the members' contributions held by RESIG to pay future workers' compensation, property, liability, dental benefits, health benefits, or other, claims payments, or related expenses.

RESIG—Redwood Empire Schools' Insurance Group.

SELF-INSURANCE—(permissively uninsured) shall mean setting aside funds to pay for losses not covered by insurance.

UNALLOCATED RESERVES—shall mean that part of the member contributions surplus to the following: current operating costs, claim funds and reserves.

W.C.I.R.B.—shall mean Workers' Compensation Inspection Rating Bureau.

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