



# MEMORANDUM

Schools  
Excess  
Liability  
Fund

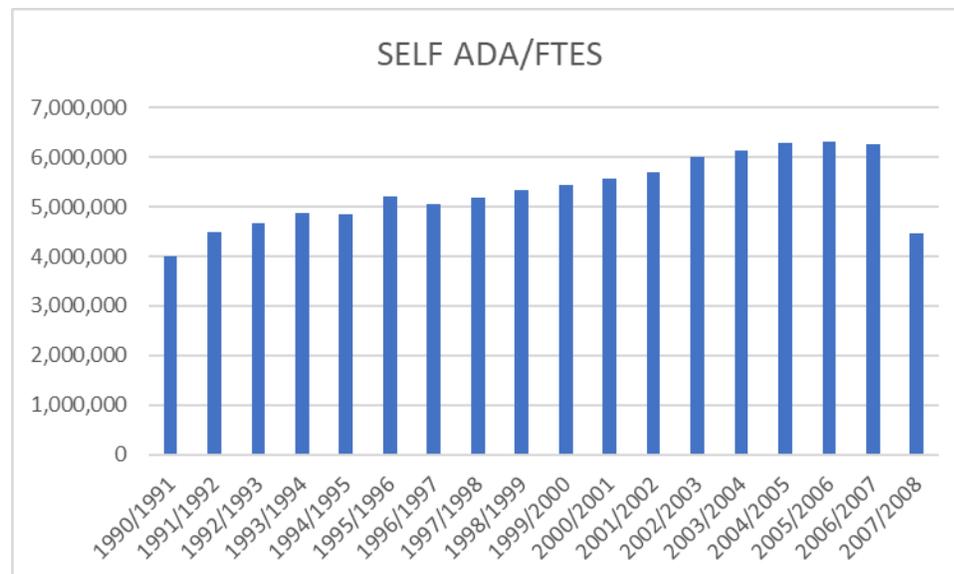
**To: SELF Members**  
**From: Dave George, Chief Executive Officer**  
**Date: June 9, 2022**  
**Subject: AB 218 Revived Liability Funding Plan Budget Guidance**

Schools Excess Liability Fund continues to receive claims from districts throughout the State following the implementation of The California Child Victims Act (AB 218). From January 1, 2020 through March 31, 2022, the oldest claims (those from 1986-2008), total 61 claims with 105 plaintiffs.

The three-year open window for filing claims expires December 31, 2022, but only for those over the age of 40, which is the current age for the statute of limitations following the Act's passage. Claims of those under the age of 40 will continue to be allowed beyond this date.

The fiscal impact of these claims largely falls between 1986 and 2008, a period when participation in SELF's Excess Liability Program included a significant portion of all public educational entities in California. As a result, your legal exposure in these older years is through SELF.

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In light of the ongoing claim development and the financial exposure faced by SELF and its members; the SELF Board voted June 3 to





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formally declare a second assessment to provide additional funding to the AB 218 Revived Liability Funding program.

**No invoices will be issued until early 2023**, however, in order to assist with budget guidance as you finalize your 2022-23 budget, we are providing the estimated per-year ADA/FTES cost for the eight historic years that will be invoiced. The rates detailed are conservative estimates for budget planning purposes only and will vary by member type, years of participation and whether you had a \$1M or \$5M self-insured retention with us.

Your invoice will be based on your district's original Lottery ADA/FTES from the impacted years. **Along with this memo, attached in this email, is a report listing your historic ADA for those years and which SIR you held at that time.** The non-ADA member rates are still under development and will be provided in later communications.

### **Why am I receiving this now?**

The reason for providing this information now is to meet requests from members to utilize anticipated district funding available in 2022-23. **Note that any payment in 2022-23 will be VOLUNTARY and the timing is meant to allow districts to optimize the current budget forecast.** If you choose to defer payment in 2022-23, your district's invoice may be spread over two years in equal installments; in the 2023/24-2024/25 fiscal years. For those of you who utilize Fund 67 within your budgets, you may wish to consider setting these amounts aside regardless of the payment timing you choose.

Initial invoices are anticipated to be delivered in early 2023, allowing time for those choosing to pay in the 22/23 fiscal year. Once again, members who opt to pay the full amount due in 2022/23 will be able to take advantage of a 3% discount.

Our second Annual Report on the state of claims related to AB 218 will be available this fall, providing further details on liabilities as of June 30, 2022. The first AB 218 Annual Report is available [here](#).

The SELF Board continues to monitor this ever-evolving situation. For those seeking additional information on AB 218, and for all previous communications on this topic including FAQs, please visit the [AB 218 Resources](#) page on our website. For any questions not addressed in those documents please contact us at [info@selfjpa.org](mailto:info@selfjpa.org).

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## AB 218 Revived Liability Funding Plan

### BUDGET INDICATIONS

The following are the AB 218 RLFP indications per ADA/FTES to help you budget for the invoices that will go out in early 2023:

	1990/91	1996/97	1998/99	1999/00	2000/01	2003/04	2004/05	2006/07	Total
<b>\$1M SIR</b>									
<b>K-12</b>	\$0.74	\$0.63	\$3.87	\$3.17	\$5.26	\$1.70	\$3.50	\$3.09*	\$21.96
<b>CCD</b>	\$0.42	\$0.36	\$2.19	\$1.80	\$2.98	\$0.96	\$1.98	\$1.75*	\$12.43
<b>\$5M SIR</b>									
<b>K-12</b>	N/A	\$0.21	\$1.55	\$1.03	\$1.70	\$0.41	\$0.68	\$3.09	\$8.67
<b>CCD</b>	N/A	\$0.12	\$0.88	\$0.58	\$0.96	\$0.23	\$0.39	\$1.75	\$4.91

*\*Assessment for 2006/07 only relates to coverage above \$5M.*

Rates for non-ADA members will be forthcoming at a later date.

If you have any questions, please don't hesitate to contact our office at [info@selfjpa.org](mailto:info@selfjpa.org).

### SAMPLE CALCULATION

**Along with this rate table you should have received a historic ADA report for any of the above years your district participated in SELF. Using that report:**

1. Take the ADA for the year in question, for example we'll use the 2004/05 year, that line item on the report will have your ADA for that historic year and your attachment point to SELF. You would take the ADA, let's say its 200 and your attachment point listed next to it is \$5M.
2. Next, on the chart above you would locate the appropriate year, 2004/05, the appropriate attachment \$5M and the appropriate member type (K-12 or Community College) and select your rate, which in this example would be \$0.68/ADA.
3. Multiply your ADA (200) by the rate (\$0.68) for a total of \$136. That is your total conservative estimate for the 2004/2005 year.
4. You would then repeat these steps for each year on your ADA report and then add all of those year totals together and that will give you a total conservative estimate for the invoice that will go out in early 2023.

**Please note: if your district had affiliated charter schools in those older years or unified with other districts, that ADA has been provided for you on your report. You must add all the ADA for the year, the district and the charter ADA before you calculate the yearly total, otherwise your estimate will be low.**