AGENDA

SPECIAL MEETING OF THE BOARD OF TRUSTEES
June 29, 2020 | 5:00 p.m. | Conference Room & Zoom

IN AN EFFORT TO PROTECT PUBLIC HEALTH AND PREVENT THE SPREAD OF COVID-19, THE BANNING LIBRARY DISTRICT BOARD MEETING WILL NOT BE OPEN TO THE PUBLIC. THE BANNING LIBRARY DISTRICT ENCOURAGES THE PUBLIC TO CALL IN VIA TELECONFERENCE AT:

https://zoom.us/j/99761160869?pwd=RDd1eS91KzAvajBVNFN6dGZaZkJuQT09 (Pass: 144862)

Members of the public who wish to comment on matters before the Board may submit comments on or before 3 pm, Monday, June 29, 2020 to christian@banninglibrarydistrict.org. Any comments received will be read and must still be limited to 5 minutes.

Americans with Disabilities Act Compliance: If you need special assistance to participate in this meeting, please contact the administration office at (951) 849-3192 at least 72 hours prior to the meeting.

Public Requests for Documents: The District provides a public inspection copy of all materials included in the agenda packet distributed to the Board members. Members of the public who wish to obtain a copy of any document may do so by completing a Request for Public Document form and submitting it to the Administration who will arrange for the documents to be copied at a charge of 10¢ per page. Request forms are available at the District Administration offices.

1. Call to Order, Pledge of Allegiance, Roll Call

2. Adoption of Agenda

3. Public Comment
   Individuals may address the Board regarding any item of Library District business on or not on the agenda. Comments are limited to 5 minutes per person. While all comments are welcome, the Brown Act does not allow the Board to take action on any item not on the agenda. Please complete the “Request to Address the Board” card by filling out your name and the specific item you wish to address.

4. New Business
   4.1 Discuss and Approve the Notice of General District Election Form for the November 3, 2020 General District Elections
   4.2 Authorize the Director to enter into an Agreement with Kinsale for Employment Practices Liability and Director & Officer Liability (D&O) in the amount of $10,571.75

5. Adjournment
BOARD OF TRUSTEES

Meeting Date: June 29, 2020
By: Kevin Lee, District Director
Exhibit 4.1

TITLE:
Discuss and Approve the Notice of General District Election Form for the November 3, 2020 General District Elections

DISCUSSION/INFORMATION:
The Board needs to discuss and approve the Notice of General District Election Form for the upcoming November 3, 2020 General District Elections.

RECOMMENDATION:
That the Board approve the Notice of General District Election Form.
NOTICE TO THE REGISTRAR OF VOTERS
(ELECTIONS CODE §§ 10509, 10522; W.C. § 71451)
GENERAL DISTRICT ELECTION, NOVEMBER 3, 2020

DISTRICT: Banning Library District PHONE: 951.849.3192
ADDRESS: 21 W. Nicolet St. Banning, CA 92220 FAX: 951.849.6355
MAILING ADDRESS: 21 W. Nicolet St. Banning, CA 92220
E-MAIL: keving@banninglibrarydistrict.org

LIST NAMES OF DISTRICT DIRECTORS WHOSE TERMS EXPIRE ON DECEMBER 4, 2020

<table>
<thead>
<tr>
<th>NAME OF DIRECTOR</th>
<th>DIVISION NUMBER (IF APPLICABLE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Melanie Lara</td>
<td></td>
</tr>
<tr>
<td>Wemida J. Ayo-Thompson</td>
<td></td>
</tr>
</tbody>
</table>

The following section applies only if a Director(s) was/were appointed to fill a vacancy in an office, which is not normally scheduled to be voted on this year (Short term).

<table>
<thead>
<tr>
<th>NAME</th>
<th>DIVISION (IF APPLICABLE)</th>
<th>DATE APPOINTED</th>
<th>DIRECTOR REPLACED</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
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<td></td>
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</tbody>
</table>

STATEMENT OF ECONOMIC INTERESTS: The Government Code now requires all candidates to file a Form 700 with the Registrar of Voters by the nomination period deadline. If the candidate has previously filed an initial, assuming office, or annual statement for the same office sought within 60 days before the nomination deadline then the candidate does not have to file the Form 700 again.

CANDIDATE’S STATEMENT: Who is to pay the cost of the printing and handling of statement?
Please check appropriate box.  CANDIDATE ☒ DISTRICT ☐

NOTICE OF ELECTION published by Registrar of Voters in Record Gazette (Insert name of Local Newspaper)

CANDIDATES may obtain nomination documents from the Registrar of Voters, 2720 Gateway Drive, Riverside, CA 92507, or from the District Secretary located at:

Registrar of Voters Only
(Insert Location Name, Address, and Business Hours)

DISTRICT MAP: Attach 34” x 42” map showing district boundaries and divisions, if applicable.

Enclosed Map Contains Boundary/Division Changes YES ☐ NO ☐

I certify that the enclosed map of the district boundaries and divisions is true and correct as of this date, and is submitted in compliance with Section 10522 of the California Elections Code for use in the General District Election to be held on November 3, 2020, or that there have been no changes to the boundaries as of the last General District Election.

Dated: Contact Person: ____________________________

Sign: ____________________________

(District Secretary)

(DISTRICT SEAL)
BOARD OF TRUSTEES

Meeting Date: June 29, 2020
By: Kevin Lee, District Director
Exhibit 4.2

-----------------------------------------------

TITLE:
Authorize the Director to enter into an Agreement with Kinsale for Employment Practices Liability and Director & Officer Liability (D&O) in the amount of $10,571.75

DISCUSSION/INFORMATION:
Attached.

RECOMMENDATION:
That the Board approve and authorize the Director to enter into an Agreement with Kinsale in the amount of $10,571.75.
This quote is valid until 07/18/2020

We are pleased to offer the following quotation. This proposal is based on the underwriting and rating information in the application provided by you. The coverage and terms being offered may not be the same or as broad as required in your application. Please review carefully and advise us immediately if you have any questions.

Name of Insurer(s): Kinsale Insurance Company 100% AM Best Rated: A-, VIII

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Liability</td>
<td>$9,800.00</td>
</tr>
<tr>
<td>Brokerage fee</td>
<td>350.00</td>
</tr>
<tr>
<td>Carrier policy fee</td>
<td>100.00</td>
</tr>
<tr>
<td>CA Surplus lines tax</td>
<td>297.00</td>
</tr>
<tr>
<td>CA Stamping fee</td>
<td>24.75</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$10,571.75</strong></td>
</tr>
</tbody>
</table>

Proposed Term: 12 Months

COVERAGE IS NOT EFFECTED BY THIS DOCUMENT AND MAY BE RENDERED ONLY BY AN AUTHORIZED REPRESENTATIVE OF THE INSURER.

Thank you for the opportunity regarding this prospective insured. We look forward to receiving your order.

Monarch Contact: Wayne Bernstein License No. OL09546

40 W. Cochran St, Suite 203/205, Simi Valley, CA 93065 ~Phone 805-577-6800 ~Fax 805-577-1915
Kinsale Insurance Company
A.M. Best Company Rating: A- (Excellent)
Financial Size Category: IX

Monarch E&S Insurance Serv. - Burbank, CA - Wayne Bernstein

QUOTE

RE: Banning Library District
21 West Nicolet St
Banning, CA 92220

Submission #:02055643
Quote Letter #:06588078
Quote Date:06/18/2020

We are pleased to offer the following quote. This quote is valid until 07/18/2020 unless extended and agreed to in writing by us. Please read carefully as the terms and conditions of coverage may differ from those requested. THIS IS NOT A BINDER OF INSURANCE.

Company: Kinsale Insurance Company
Policy Term: 12 Month(s) - Effective Date TBD
Coverage Form: Non-Profit Directors & Officers with EPL - Claims Made
Retro Date: Inception

<table>
<thead>
<tr>
<th>Limits</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Each Claim - Non-Profit D&amp;O Liability</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Aggregate Limit - Non-Profit D&amp;O Liability</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Each Claim - Employment Practices Liability</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Aggregate Limit - Employment Practices Liability</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Policy Aggregate Limit</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Deductible</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Each Claim Deductible - Employment Practices Liability</td>
<td>$25,000</td>
</tr>
<tr>
<td>Each Claim Deductible - Non-Profit D&amp;O Liability</td>
<td>$15,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Premium</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Fees</td>
<td>$9,800</td>
</tr>
<tr>
<td>Total Due at Inception</td>
<td>$9,900</td>
</tr>
</tbody>
</table>

Minimum Earned Premium: 25.00%

ERP Terms:
12 Months at 125.0% of Annual Premium
ERP Premium is a % of annual premium plus any premium adjustments by endorsement. See your policy for complete details. If purchased, a reduced commission will apply to ERP premium.

Class Description
- Non-Profit D&O
- Employment Practices Liability

Company Fees are fully earned.
Premium is 100.00% minimum and deposit.
Taxes, fees and surcharges are the responsibility of the broker.
This quote is subject to the specified conditions and may be withdrawn at any time prior to acceptance and in no event will it remain open beyond the quote expiration date unless extended by us in writing. Changes in classifications, operations, exposure or risk specific information require notification to us and may result in changes to this quote. Coverage may not be bound without written confirmation from us. Once bound, coverage may not be cancelled flat and the minimum earned premium will apply.

Policy Terms and Conditions - please review policy for complete details
Third Party Discrimination Liability Endorsement Including ADA and Class Action Exclusions - MLEPL2006

Included

Quote Options - Optional premiums below are in addition to the Total Due at Inception amount shown above.

Contingencies:
This Quote is subject to our receipt and acceptance of the following items:
1) Currently valued 5 year loss runs.
2) Completed, currently signed and dated Kinsale Non-Profit D&O new business application. Terms are based off of information provided on application submitted and are subject to change after review of the Kinsale application.
3) How is COVID-19 impacting staff layoffs? If impacted, does insured intend to bring staff back on as allowable?
4) All contingencies due prior to binding.
Contingency items must be submitted to a Kinsale Underwriter for favorable review prior to a bind request to confirm this quote remains valid. Quote subject to revision or withdrawal pending final review.

Comments:
Prior & Pending Litigation Date is the inception date of this policy.
The Coverage Limits per coverage part are a SHARED limit with the Policy Aggregate Limit.

Policy Form and Endorsements: Applicable to mandatory and included coverage options. See above endorsement number references for OPTIONAL coverage forms and endorsements.
MLGEN1000-0717 - Declarations - Management Liability Policy
ADF9013-0419 - Notice - Where To Report A Claim
ADF4001-0110 - Schedule of Forms
MLGEN0001-0817 - Management Liability Policy
MLNP0001-0917 - Directors & Officers Liability Coverage Section - Not For Profit Organization
MLEPL0001-0318 - Employment Practices Liability Coverage Section
MLEPL2006-0916 - Third Party Discrimination Liability Endorsement Including ADA and Class Action Exclusions
ADF3013-0811 - Exclusion - Collection of Personal Identification Information
MLEPL3004-0819 - Exclusion-Statutory Attorneys’ Fees
MLGEN3001-0916 - Exclusion - Class Action
MLGEN3002-0916 - Exclusion of Designated Person or Entity (Daniel Rodriguez; Bianca Rodriguez; Melissa Butler)
MLGEN3003-0916 - Exclusion of Other Acts of Terrorism; Exclusion of Punitive Damages and NBCR Related Terrorism; Cap on Losses From Certified Acts of Terrorism
MLGEN3007-0520 - Exclusion - Communicable Disease
THIS QUOTE IS FOR A CLAIMS MADE AND REPORTED POLICY. THE COVERAGE REQUIRES THAT A CLAIM BE FIRST MADE AGAINST AN INSURED DURING THE POLICY PERIOD AND BE REPORTED IN WRITING TO THE COMPANY WITHIN THE POLICY PERIOD OR AN EXTENDED REPORTING PERIOD, IF APPLICABLE. IF YOUR POLICY PERMITS REPORTING OF INCIDENTS, INCIDENTS MUST BE REPORTED WITHIN THE POLICY PERIOD. PLEASE REFER TO SECTION VIII-ADDITIONAL TIME IN WHICH TO REPORT CLAIMS FIRST MADE AT THE END OF THE POLICY PERIOD. THE LIMIT OF INSURANCE MAY BE REDUCED BY PAYMENT OF DAMAGES AND DEFENSE COSTS. PLEASE READ THE ENTIRE POLICY CAREFULLY.
NOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the federal Terrorism Risk Insurance Act, as amended ("the Act"), the Company must make available insurance coverage for losses arising out of acts of terrorism, as defined in Section 102(1) of the Act. This policy includes such coverage for damages arising out of certified acts of terrorism and is limited by the terms, conditions, exclusions, limits, other provisions of the coverage quote or renewal application/questionnaire to which this offer is attached and by the policy, any endorsements to the policy and generally applicable rules of law.

The term “act of terrorism” means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security, and the Attorney General of the United States to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT COVERAGE PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020 OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE.

NO PREMIUM IS CHARGED FOR THIS COVERAGE NOR IS ANY CHARGE MADE FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE ACT, AS AMENDED, CONTAINS A $100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT, AS WELL AS INSURERS’ LIABILITY FOR LOSSES, RESULTING FROM CERTIFIED “ACTS OF TERRORISM” WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS $100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED $100 BILLION, YOUR COVERAGE MAY BE REDUCED.

COVERAGE FOR “INSURED LOSSES” AS DEFINED IN THE ACT IS SUBJECT TO THE COVERAGE TERMS, CONDITIONS, AMOUNTS AND LIMITS IN THIS POLICY APPLICABLE TO LOSSES ARISING FROM EVENTS OTHER THAN “ACTS OF TERRORISM.”
GUIDE TO BEST’S FINANCIAL STRENGTH RATINGS – (FSR)

A Best’s Financial Strength Rating (FSR) is an independent opinion of an insurer’s financial strength and ability to meet its ongoing insurance policy and contract obligations. An FSR is not assigned to specific insurance policies or contracts and does not address any other risk, including, but not limited to, an insurer’s claims-payment policies or procedures, the ability of the insurer to dispute or deny claims payment on grounds of misrepresentation or fraud; or any specific liability contractually borne by the policy or contract holder. An FSR is not a recommendation to purchase, hold or terminate any insurance policy, contract or any other financial obligation issued by an insurer, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser. In addition, an FSR may be displayed with a rating modifier, modifier or affiliation code that denotes a unique aspect of the opinion.

**Best’s Financial Strength Rating (FSR) Scale**

<table>
<thead>
<tr>
<th>Rating Categories</th>
<th>Rating Symbols</th>
<th>Rating Notches*</th>
<th>Category Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Superior</td>
<td>A+</td>
<td>A++</td>
<td>Assigned to insurance companies that have, in our opinion, a superior ability to meet their ongoing insurance obligations.</td>
</tr>
<tr>
<td>Excellent</td>
<td>A</td>
<td>A-</td>
<td>Assigned to insurance companies that have, in our opinion, an excellent ability to meet their ongoing insurance obligations.</td>
</tr>
<tr>
<td>Good</td>
<td>B+</td>
<td>B++</td>
<td>Assigned to insurance companies that have, in our opinion, a good ability to meet their ongoing insurance obligations.</td>
</tr>
<tr>
<td>Fair</td>
<td>B</td>
<td>B-</td>
<td>Assigned to insurance companies that have, in our opinion, a fair ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.</td>
</tr>
<tr>
<td>Marginal</td>
<td>C+</td>
<td>C++</td>
<td>Assigned to insurance companies that have, in our opinion, a marginal ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.</td>
</tr>
<tr>
<td>Weak</td>
<td>C</td>
<td>C-</td>
<td>Assigned to insurance companies that have, in our opinion, a weak ability to meet their ongoing insurance obligations. Financial strength is very vulnerable to adverse changes in underwriting and economic conditions.</td>
</tr>
<tr>
<td>Poor</td>
<td>D</td>
<td>-</td>
<td>Assigned to insurance companies that have, in our opinion, a poor ability to meet their ongoing insurance obligations. Financial strength is extremely vulnerable to adverse changes in underwriting and economic conditions.</td>
</tr>
</tbody>
</table>

* Each Best’s Financial Strength Rating Category from “A++” to “C” includes a Rating Notch to reflect a gradation of financial strength within the category. A Rating Notch is expressed with either a second plus “++” or a minus “-”.

**Financial Strength Non-Rating Designations**

<table>
<thead>
<tr>
<th>Designation Symbols</th>
<th>Designation Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>E</td>
<td>Status assigned to insurers that are publicly placed, via court order into conservatorship or rehabilitation, or the international equivalent, or in the absence of a court order, clear regulatory action has been taken to delay or eliminate policyholder payments.</td>
</tr>
<tr>
<td>F</td>
<td>Status assigned to insurers that are publicly placed via court order into liquidation after a finding of insolvency, or the international equivalent.</td>
</tr>
<tr>
<td>S</td>
<td>Status assigned to rated insurance companies to suspend the outstanding FSR when sudden and significant events impact operations and rating implications cannot be evaluated due to a lack of timely or accurate information; or in cases where continued maintenance of the previously published rating opinion is in violation of existing regulatory requirements.</td>
</tr>
<tr>
<td>NR</td>
<td>Status assigned to insurance companies that are not rated; may include previously rated insurance companies or insurance companies that have never been rated by AM Best.</td>
</tr>
</tbody>
</table>

**Rating Disclosure – Use and Limitations**

A Best’s Credit Rating (BCR) is a forward-looking independent and objective opinion regarding an insurer’s, issuer’s or financial obligation’s relative creditworthiness. The opinion represents a comprehensive analysis consisting of a quantitative and qualitative evaluation of balance sheet strength, operating performance, business profile and enterprise risk management or, where appropriate, the specific nature and details of a security. Because a BCR is a forward-looking opinion as of the date it is released, it cannot be considered as a fact or guarantee of future credit quality and therefore cannot be described as accurate or inaccurate. A BCR is a relative measure of risk that implies credit quality and is assigned using a scale with a defined population of categories and notches. Entities or obligors assigned the same BCR symbol developed using the same scale, should not be viewed as completely identical in terms of credit quality. Alternatively, they are alike in category (or notches within a category), but given there is a prescribed progression of categories (and notches) used in assigning the ratings of a much larger population of entities or obligors, the categories (notches) cannot mirror the precise subtleties of risk that are inherent within similarly rated entities or obligors. While a BCR reflects the opinion of A.M. Best Rating Services, Inc. (AM Best) of relative creditworthiness, it is not an indicator or predictor of defined impairment or default probability with respect to any specific insurer, issuer or financial obligation. A BCR is not investment advice, nor should it be construed as a consulting or advisory service, as such; it is not intended to be utilized as a recommendation to purchase, hold or terminate any insurance policy, contract, security or any other financial obligation, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser. Users of a BCR should not rely on it in making any investment decision; however, if used, the BCR must be considered as only one factor. Users must make their own evaluation of each investment decision. A BCR opinion is provided on an “as is” basis without any expressed or implied warranty. In addition, a BCR may be changed, suspended or withdrawn at any time for any reason at the sole discretion of AM Best.

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