



# **The Joint Powers Authority Manual**

February 2017

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SECTION 1  
INTRODUCTION

### **FOREWORD**

The California Sanitation Risk Management Authority (CSRMA) was established to provide the best risk management services and coverages possible and at a cost savings to its members.

The Officers and Executive Board of CSRMA are dedicated to continually providing programs of value and interest to the membership.

This Joint Powers Authority manual is intended to serve as an overview of the California Sanitation Risk Management Authority. All pertinent information and documents concerning its operations will be found in this manual. Answers to questions regarding coverage and operation of specific programs will be found in the program manual for that coverage.

### **MISSION STATEMENT**

#### **Our Mission**

The California Sanitation Risk Management Authority provides broad coverage and risk management services to its members.

#### **Our Vision**

To sustain cutting edge service and value that fulfills our members' long term needs.

#### **Our Values**

- Protecting public resources through reducing risk of loss
- Creative, dynamic, and participative program management
- Responsible financial position at reasonable cost
- Unique industry specialization that is flexible and adaptable to change
- Commitment to member satisfaction, equity and fairness

# SECTION 2

## GOVERNING STRUCTURE

### Governing Structure

#### **Governing Documents**

The Joint Powers Authority is governed by the provisions of the Joint Exercise of Powers Agreement. The day-to-day operations are governed by the Bylaws and other executive directives adopted by the Board of Directors.

#### **Board of Directors**

The Board of Directors is composed of one representative from each member agency. The representative is either the Manager or other employee or officer of the member agency. Each agency may also appoint an alternate. Each agency has one vote. The Board of Directors has overall responsibility for governance of the Authority, including promulgation of policies, procedures and rules.

#### **Officers**

The Board of Directors elects from its membership a President and Vice President who hold office for two-year terms. The President presides at both the Board of Directors meetings and the Executive Board meetings. The Board of Directors also appoints a Treasurer and an Attorney.

#### **Executive Board**

The Board of Directors selects an Executive Board consisting of five members and an alternate, plus the President and Vice President. The Executive Board oversees the day-to-day business of the Authority and conducts business between the meetings of the Board of Directors.

#### **Standing Committees**

*Officers Committee* - The Officers Committee is comprised of the President and Vice President, who execute and implement directives of the Executive Board.

*Finance Committee* - Consists of five members, at least one of whom shall be a member of the Executive Board selected by the President and who shall serve as the Committee Chair.

*Pooled Liability Program Committee* - Six members of the Authority, one of whom is a member of the Executive Board and who acts as Chair, serve as the Pooled Liability Program Committee.

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## **JPA Program Manual**

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This Committee advises the Executive Board and the Board of Directors on all aspects of the Program. Specific duties and responsibilities are spelled forth in the Bylaws.

Workers' Compensation Program Committee - Six members of the Authority, one of whom is a member of the Executive Board and who acts as Chair, serve as the Workers' Compensation Program Committee. This Committee advises the Executive Board and the Board of Directors on all aspects of the Program. Specific duties and responsibilities are spelled forth in the Bylaws.

Other Committees - Other committees may be appointed by the Executive Board as deemed appropriate for the administration of the Authority.

### **Program Administrator**

A Program Administrator is retained by the Board of Directors to administer the business and activities of the Authority, subject to the general supervision and policy direction of the Board of Directors and Executive Board.

### **Authority Offices**

The principal executive office and official address for the transaction of business of the Authority is:

California Sanitation Risk Management Authority  
c/o Alliant Insurance Services, Inc.  
100 Pine Street, 11<sup>th</sup> Floor  
San Francisco, CA 94111  
Telephone: (415) 403-1400  
Facsimile: (415) 874-4813

SECTION 3

MEMBERSHIP



### Membership

Any agency may become a CSRMA member upon approval of the Executive Board and the Board of Directors. Participation in any of the Authority's insurance programs is conditioned upon the member agency's ability to satisfy the underwriting criteria for the program in which the member agency wishes to participate. Each program requires the signing of the Participation Agreement obligating the agency to certain conditions and responsibilities.

SECTION 4

FINANCIAL INFORMATION

**Financial Information**

**Budget**

An operating budget is adopted annually by the Authority. In the event a proposed budget is not approved, the Authority shall continue to operate using the budget figures from the previous fiscal year.

**Financial Statements**

A quarterly unaudited financial statement is prepared by the Treasurer in conjunction with the accounting staff and distributed to all members. An audit by a certified public accountant is conducted annually.

**Fund Investment Policy**

The Authority has adopted an investment policy meeting the requirements of the Government Code.

For a copy of any one of these documents please contact:

Myron Leavell  
(415) 403-1404  
mleavell@alliant.com

SECTION 5

JOINT EXERCISE OF POWERS  
AGREEMENT

**Joint Exercise of Powers Agreement**

The most recent Joint Exercise of Power Agreement can be found on CSRMA’s website, in the following location:

<http://www.csrma.org/docs/CSRMA-JEPA.pdf>

# SECTION 6

# BYLAWS

# **CSRMA – California Sanitation Risk Management Authority**

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### **Bylaws**

The most recent JPA Bylaws can be found on CSRMA’s website, in the following location:

<http://www.csrma.org/docs/CSRMA-Bylaws.pdf>

SECTION 7

RESOLUTIONS



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<b><u>Resolution No.</u></b>	<b><u>Subject</u></b>
2-14 (BD)	Recognizing the Contributions of Richard Currie to CSRMA
1-14 (BD)	Extension of the fiscal year 2013/14 budget figures to the 2014/15 fiscal year, to be amended as necessary in August 2014
8-13 (BD)	Analyzing and Select Discount Rates used in Establishing Claims Liabilities Policy and Procedure #6-JPA
7-13 (BD)	Recognizing the Contributions of Tom Selfridge to CSRMA
6-13 (BD)	Adopting Estimated Actual 2012/13 and Proposed 2013/14 Fiscal Year Revenue and Expense Projections and Investment Policy and Procedure
5-13 (BD)	Recognizing the Contributions of E.J. Shalaby to CSRMA
4-13 (BD)	Recognizing the Contributions of Al Miller to CSRMA
3-13 (BD)	Recognizing the Contributions of Zoanne Tafolla to CSRMA
2-13 (BD)	Recognizing the Contributions of Talyon Sortor to CSRMA
1-13 (BD)	Recognizing the Contributions of Marcia Beals to CSRMA
1-12 (BD)	Adopting Estimated Actual 2011/12 and Proposed 2012/13 Fiscal Year Revenue and Expense Projections and Investment Policy and Procedure

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<b><u>Resolution No.</u></b>	<b><u>Subject</u></b>
4-11 (BD)	Revised Workers' Compensation Excellence Aware Policy & Procedure #3-WC
3-11(BD)	Adopting Estimated Actual 2010/11 and Proposed 2011/12 Fiscal Year Revenue and Expense Projections and Investment Policy and Procedure
2-11(BD)	Recognizing the Contributions of Ron Shepherd to CSRMA
1-11 (BD)	Recognizing the Contributions of Robert Reid to CSRMA
4-10 (BD)	Adopting Estimated Actual 2009/10 and Proposed 2010/11 Fiscal Year Revenue and Expense Projections and Investment Policy and Procedure
3-10 (BD)	Adopting Revised Employee Driving Standards Policy and Procedure #3-L
2-10 (BD)	Revised Deductible Recovery Policy and Procedure #2-L
1-10 (BD)	Recognizing the Contribution of Diane Gabriel to CSRMA
5-09 (BD)	Recognizing the Contributions of George Emerson to CSRMA
4-09 (BD)	Recognizing the Contributions of Chuck Lemay to CSRMA
3-09 (BD)	Adopting Estimated Actual 2008/09 and Proposed 2009/10 Fiscal Year Revenue and Expense Projections and Investment Policy and Procedure

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### **Resolution No.    Subject**

2-09 (BD)	Recognizing the Contributions of Kenneth Spray to CSRMA
1-09 (BD)	Recognizing the Contributions of Bob Simmons to CSRMA
3-08 (BD)	Recognizing the Contributions of Michael Cameron to CSRMA
2-08 (BD)	Adopting Estimated Actual 2007/08 and Proposed 2008/09 Fiscal Year Revenue and Expense Projections and Investment Policy and Procedure
1-08 (BD)	Recognizing the Contributions of Timothy Clayton to CSRMA
5-07 (BD)	Adopting Residential Sewer Backup Response and Claims Handling Policy & Procedure #9-L
4-07 (BD)	Adopting Estimated Actual 2006/07 and Proposed 2007/08 Fiscal Year Revenue and Expense Projections and Investment Policy and Procedure
3-07 (BD)	Recognizing the Contributions of David Contreras to CSRMA
2-07 (BD)	Recognizing the Contributions of Kathy Hopkins to CSRMA
1-07 (BD)	Recognizing the Contributions of Kevin Hardy to CSRMA
4-06 (BD)	Recognizing the Contributions of Michael Cameron to CSRMA

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<b><u>Resolution No.</u></b>	<b><u>Subject</u></b>
3-06 (BD)	Adopting Estimated Actual 2005/06 and Proposed 2006/07 Fiscal Year Revenue and Expense Projections and Investment Policy and Procedure
2-06 (BD)	Revised Retrospective Rating Plan Policy & Procedure #5A-WC & #5B-WC
1-06 (BD)	Recognizing the Contributions of David Caretto to CSRMA
2-05 (BD)	Adopting Revised 2004/05 and Proposed 2005/06 Fiscal Year Revenue and Expense Projections and Investment Policy and Procedure
1-05 (BD)	Recognizing the Contributions of Douglas Humphrey to CSRMA
8-04 (BD)	Revised Deductible Selection Policy & Procedure #8-L
7-04 (BD)	Revised Claims Management Policy & Procedure #4-L
6-04 (BD)	Adopting Deductible Recovery Process Policy & Procedure #2-L
5-04 (BD)	Adopting Small Property Damage Claim Settlement Policy & Procedure #1-L
4-04 (BD)	Resolution Authorizing CSRMA to Join with Other Public Agencies as a Participant of the California Asset Management Trust and to Invest in Shares of the Trust and in Individual Portfolios
3-04 (BD)	Adopting Revised 2003/04 and Proposed 2004/05 Fiscal Year Revenue and Expense Projections and Investment Policy and Procedure

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<b><u>Resolution No.</u></b>	<b><u>Subject</u></b>
2-04 (BD)	Recognizing the Contributions of William Esselstein to CSRMA
1-04 (BD)	Recognizing the Contributions of Randall Musgraves to CSRMA
4-03 (BD)	Adopting Retrospective Assessments for Non Current Members Policy and Procedure #5-JPA
3-03 (BD)	Adopting Deductible Selection Policy and Procedure #8-L
2-03 (BD)	Adopting Revised 2002/03 and Proposed 2003/04 Fiscal Year Revenue and Expense Projections and Investment Policy and Procedure
1-03 (BD)	Recognizing the Contributions of Cynthia Jones to CSRMA
2-02 (BD)	Adopting Teleconferencing under the Brown Act Policy and Procedure #4-JPA
1-02 (BD)	Adopting Revised 2001/02 and Proposed 2002/03 Fiscal Year Revenue and Expense Projections and Investment Policy and Procedure
9-01 (BD)	Recognizing the Contributions of Jerry D. Smith
8-01 (BD)	Adopting Records Retention Policy and Procedure #3-JPA
7-01 (BD)	Approving Revised 2000/01 and Proposed 2001/02 Fiscal Year Revenue and Expense Projections and Investment Policy and Procedure

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<b><u>Resolution No.</u></b>	<b><u>Subject</u></b>
6-01 (BD)	Adopting Dividend Policy and Procedure #4-WC
5-01 (BD)	Adopting Target Equity Policy and Procedure #6-WC
4-01 (BD)	Adopting Retrospective Rating Policy and Procedure #5-WC
3-01 (BD)	Adopting Dividend Policy and Procedure #5-L
2-01 (BD)	Adopting Target Equity Policy and Procedure #7-L
1-01 (BD)	Adopting Retrospective Rating Policy and Procedure #6-L
10-01 (BD)	Amending the Fiscal Year Budget July 1, 1999 - June 30, 2000
3-00 (EB)	Declaring Certain Property as Surplus and Providing for its Disposition
1-99 (BD)	Amending Joint Exercise of Powers Agreement
1-97 (BD)	Conflict of Interest Code Amendment
3-96 (EB)	Recognizing the Contributions of William Becker

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### **Resolution No.   Subject**

1-96 (EB)	Recognizing the Contributions of Robert Leete
8-95 (BD)	Adopting Investment Policy and Guidelines
5-95 (BD)	Adopting Regulation 18720 to the Conflict of Interest Code
2-95 (EB)	Recognizing the Contributions of Lawrence Rugaard
1-95 (BD)	Amending Joint Exercise of Powers Authority
4-94 (EB)	Recognizing the Contributions of Felix Martinez
3-94 (EB)	Recognizing the Contributions of David Burkhart
2-94 (EB)	Reconciling Resolution No. 6-91 and Program Fund Balances at March 31, 1994
2-93 (BD)	Adopting a Budget for Fiscal Year 1993 - 94
1-93 (BD)	Conflict of Interest Code Amendment
12-93 (EB)	Authorizing Transfer of Budgeted Funds - FY 93/94

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<b><u>Resolution No.</u></b>	<b><u>Subject</u></b>
9-92 (BD)	Adopting a Records Retention Policy & Procedure (No. 3-JPA)
8-92 (EB)	Amending Policy & Procedure #4-L
8-92 (BD)	Amending Bylaws
7-92 (EB)	Authorizing Facsimile Signature for Workers' Compensation Trust Account
7-92 (BD)	Amending Joint Exercise of Powers Agreement
6-92 (EB)	Authorizing Expenditure of Funds in Recognition of Ronald L. Tsugita
6-92 (BD)	Recognizing the Contributions of Paul H. Causey to CSRMA
5-92 (EB)	Authorizing Transfer of Funds in Cash Budget
5-92 (BD)	Establishing Policy & Procedures Governing the Declaration of Workers' Compensation Program Dividend From Retained Funds
4-92 (EB)	Amending Policy & Procedure #2L: Deductible Recovery
4-92 (BD)	Establishing Policy & Procedures Governing the Declaration of Pooled Liability Program Dividend From Regained Funds



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### **Resolution No.    Subject**

3-92 (EB)	Recognizing the Contributions of Benton Price to CSRMA
3-92 (BD)	Establishing Policy & Procedures Governing withdrawal or Termination from Pooled Program
2-92 (EB)	Recognizing the Contributions of William Gissler to CSRMA
2-92 (BD)	Establishing Policy & Procedures Governing New Program Development
1-92 (EB)	Recognizing the Contributions of David Coe to CSRMA
1-92 (BD)	Amending Pooled Liability Program Employee Driving Standards
11-92 (BD)	Adopting Policy & Procedure #1-P: Allocation of Loss Limits
10-92 (BD)	Adopting a Budget for Fiscal Year 1992 - 93
5-91 (BD)	Adopting Liability Program Policy and Procedure on selection of counsel for defense of claims (08-09-91)
3-91 (EB)	Recognition of the contributions of Frank Grosso to CSRMA (05-16-91)
2-91 (EB)	Recognition of the contributions of Karyn Keese to CSRMA (01-16-91)

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<b><u>Resolution No.</u></b>	<b><u>Subject</u></b>
2-91 (BD)	Recognition of the contributions of James Bewley as member of the Board of Directors (01-17-91)
1-91 (EB)	Recognition of the contributions of Lawrence Montoya as member of the Underwriting/Loss Control Committee (01-16-91)
1-91 (BD)	Recognition of the contributions of Joan Geiselhart as member of the Board of Directors (01-17-91)
9-91 (BD)	Extending terms of office of incumbents until Election has been conducted (08-09-91)
8-91 (BD)	Amending Bylaws (08-09-91)
7-91 (BD)	Amending Joint Exercise of Powers Agreement (08-09-91)
6-91 (EB)	Reconciling Primary Insurance Program and Errors & Omissions Program Fund Balance at June 30, 1991
6-91 (BD)	Adopting Workers' Compensation Program Policy and Procedure on selection of counsel for defense of claims (08-09-91)
5-91 (EB)	Affirmation of Pooled Liability Program coverage for members with contracted solid waste franchise exposures (12-10-91)
4-91 (EB)	Authorizing transfer of funds from Pooled Liability Contingency Fund to Pooled Liability Contract Services Fund (10-15-91)
4-90 (BD)	Amendment of Pooled Liability Program Employee Driving Standards (5-11-90)

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<b><u>Resolution No.</u></b>	<b><u>Subject</u></b>
3-90 (BD)	Recognizing the contributions of William Heaslet to California Sanitation Risk Management Authority (11-09-90)
2-90 (EB)	Authorizing Transfer of Funds from Contingency Fund (Fund No. 9500-La) to Contract Services Fund (Fund No. 8010-La and No. 8020-La) (03-12-90)
2-90 (BD)	Adoption of Workers' Compensation Program Claims Settlement Authority (08-15-90)
1-90 (EB)	Authorizing Transfer of Funds from Contingency Fund (Fund No. 9500-La) to Contract Services Fund (Fund No. 8040-LA and No. 8020-La) (03-12-90)
1-90 (BD)	Adoption of Budget for Fiscal Year 1990-91 (5-11-90)
8-89 (BD)	Recognizing the Contributions of Joseph A. Remley to California Sanitation Risk Management Authority (11-03-89)
7-89 (BD)	Approving and adopting amended and Restated Liability Program Participation Agreement (11-03-89)
6-89 (BD)	Waiving Termination Requirements for Participants in Liability Program Wishing to Transfer participation to Primary Insurance Program (11-03-89)
3-89 (BD)	Adoption of Amended Conflict of Interest Codes and Rescinding previous Resolution (05-12-89)
2-89 (BD)	Establishment of Policies Governing Appointments to Committees. (05-12-89)
1-89 (EB)	Authorization to transfer funds from the Liability Fund to the General Fund (04-25-89)

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<b><u>Resolution No.</u></b>	<b><u>Subject</u></b>
1-89 (BD)	Recognition of the contributions of John N. Wiper to CSRMA (05-12-89)
7-88 (BD)	Adoption of Liability Program Employee Driving Standards (08-17-88)
6-88 (BD)	Adoption of Restated Bylaws (08-17-88)
5-88 (BD)	Adoption of the Liability Program Budget for FY 1988-89 (05-13-89)
4-88 (BD)	Adoption of the General Administrative Budget for FY 1988-89 (05-13-88)
3-88 (BD)	Adoption of an Investment Policy and Guidelines (05-13-88)
2-88 (BD)	Notice of intent to adopt a Conflict of Interest Code (5-13-88)
1-88 (BD)	Amendment to the Bylaws creating an alternate member position to the Executive Committee (01-14-88)
5-87 (BD)	Amendment to the Bylaws changing the official address of CSRMA (11-06-87)
4-87 (BD)	Amendment to JPA Agreement, Section 22(b) changing conditions of the membership termination clause (11-06-87)
3-87 (BD)	Amendment to JPA Agreement granting the Executive Committee the authority to grant JPA membership (05-22-87)

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<b><u>Resolution No.</u></b>	<b><u>Subject</u></b>
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2-87 (BD)	Adoption of the Liability Program Budget for FY 1987-88 (05-22-87)
1-87 (BD)	Adoption of the General Administrative Fund Budget for Fiscal year 1987-88 (05-22-87)
1-17 (BD)	Recognition of the Contributions of Shari Deutsch to CSRMA (01-18-17)
2-17 (BD)	Recognition of the Contributions of Brenda Krout to CSRMA (01-18-17)
3-17 (BD)	Recognition of the Contributions of Jason Warner to CSRMA (01-18-17)
4-17 (BD)	Recognition of the Contributions of Craig Murray to CSRMA (01-18-17)

## SECTION 8

# CSRMA MEMBER AGENCIES

## JPA Program Manual

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### Member Agencies

Bayshore Sanitary District  
Byron Sanitary District  
Carmel Area Wastewater District  
Carpinteria Sanitary District  
Castro Valley Sanitary District  
Central Contra Costa Sanitary District  
Central Marin Sanitation Agency  
Chino Basin Desalter Authority  
County Sanitation District No. 2-3 of Santa Clara County  
Crockett Community Services District  
Cupertino Sanitary District  
Delta Diablo Sanitation District  
Dublin San Ramon Services District  
East Bay Dischargers Authority  
Encina Wastewater Authority  
Fairfield-Suisun Sewer District  
Goleta Sanitary District  
Goleta West Sanitary District  
Inland Empire Utilities Agency  
Ironhouse Sanitary District  
Lake Arrowhead Community Services District  
Las Gallinas Valley Sanitary District  
Leucadia Wastewater District  
Montara Sanitary District  
Montecito Sanitary District  
Monterey Regional Water Pollution Control Agency  
Mt. View Sanitary District  
Napa Sanitation District  
North of River Sanitary District  
Novato Sanitary District  
Oceana Marin Sewer Improvement District  
Ojai Valley Sanitary District  
Oro Loma Sanitary District  
Richardson Bay Sanitary District  
Rodeo Sanitary District  
San Elijo Joint Powers Authority  
San Rafael Sanitation District  
Sanitary District No. 1 of Marin County  
Sanitary District No. 5 of Marin County

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Santa Margarita Water District  
Sausalito-Marín City Sanitary District  
Selma-Kingsburg-Fowler County Sanitation District  
Sewer Authority Mid-Coastside  
Sewerage Agency of Southern Marin  
South Bayside System Authority  
South Orange County Wastewater Authority  
South Tahoe Public Utility District  
Stege Sanitary District  
Tahoe-Truckee Sanitation Agency  
Triunfo Sanitation District  
Truckee Sanitary District  
Union Sanitary District  
Vallejo Sanitation & Flood Control District  
Valley Sanitary District  
Ventura Regional Sanitation District  
Victor Valley Wastewater Reclamation Authority  
West Bay Sanitary District  
West County Wastewater District  
West Valley Sanitation District  
Western Riverside County Regional Wastewater Authority



SECTION 9

ORGANIZATIONAL CHART

**Organizational Chart**

The most recent Organizational Chart can be found on CSRMA’s website, in the following location:

<http://www.csrma.org/docs/CSRMA-Organizational-Chart.pdf>

SECTION 10

POLICIES AND PROCEDURES

## **JPA Program Manual**

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**CSRMA  
POLICY AND PROCEDURE  
MEMORANDUM #I-JPA**

**EFFECTIVE:        January 16, 1992**

**SUBJECT:            New Program Development**

**Policy:**

It shall be CSRMA's policy to explore the feasibility of new programs considered compatible with the Mission Statement. It shall be the Executive Board's responsibility to explore the feasibility of new programs presented to it by the members, consultants, or staff.

**Procedure:**

The following steps shall be utilized in assessing the feasibility of any new program:

Step 1. Initial Consideration.

- (A) The Executive Board shall discuss the suggested program, and determine if it meets the purposes of the CSRMA Mission Statement.

Step 2. Interest Survey

- (A) A brief written survey shall be conducted of the membership by staff to determine possible interest in the proposed program.
- (B) Staff shall report the findings of the survey to the Executive Board.
- (C) If sufficient interest is expressed, and the Executive Board considers it worthy of further study, a feasibility study shall be developed.

Step 3. Feasibility Study

- (A) The feasibility study shall be funded by those members expressing an interest, and who are willing to share in the cost of determining the feasibility of such a program.
- (B) Staff shall determine the required elements of the study and the cost associated with it.

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The study shall address the following:

- The number of participants needed to fund the program.
  - Underwriting procedures.
  - Claims handling mechanism.
  - Potential benefits of the Program.
  - Potential drawbacks of the Program.
  - Time frames needed to implement the Program.
- (C) The proposed study shall be reviewed by the Executive Board and a per member fee established for participating in the study.
- (D) Staff shall contact all members, detailing the scope and costs entailed in performing the feasibility study. Members interested in pursuing the study shall be asked to pay in advance the established fee for their share of the feasibility costs.
- (E) Those members participating in the study may be asked to contribute up to twice the original fee should it be determined that additional study must be done that was not originally contemplated.

### Step 4. Evaluation of Study.

- (A) The Executive Board shall review the study, share it with those members participating in the feasibility study, and provide a recommendation.
- (B) The Board of Directors shall act on the Executive Board's recommendation with a majority of a quorum sufficient.

### Step 5. Implementation of Program.

- (A) A Participation Agreement shall be developed by staff.
- (B) Members committing to participation in the first year who contributed to the feasibility study shall be given a discount on the last year's Program administration fee.

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**CSRMA  
POLICY & PROCEDURE  
MEMORANDUM #2- JPA**

**EFFECTIVE:**           **January 16, 1992**

**SUBJECT:**           **Pooled Program Withdrawal or Termination**

**Policy:**

Participants in the California Sanitation Risk Management Authority's *pooled* programs (indicated in this policy as "**current programs**") have the ability to receive retrospective rating returns and dividends resulting from program years where losses are less than deposits and accumulated interest. The return of funds through these two mechanisms is governed by specific policies and procedures for each program. A member agency's withdrawal and termination from these programs is governed by the Joint Exercise of Powers Agreement, Bylaws, and Program Participation Agreements.

Withdrawal or termination from a program does not affect the responsibility of the member agency to continue to contribute its share of assessments or other financial obligations incurred by reason of its previous participation. Members are responsible for assessments resulting from the Retrospective Rating Plan (RRP) adjustments, and their share of cost to operate programs in which they may no longer participate, because these costs are associated with the prior program years of their involvement.

Although members will continue to be responsible for and benefit from Retrospective RRP adjustments and dividends resulting from the program's change in claims experience, administrative costs for program operation will be charged as a 10% reduction in returns to any member who has withdrawn or terminated from the program. If these funds available to a former member for return are less than \$50, no return will be made, and the funds will be retained by the Authority to cover administrative costs. A 10% surcharge will be added to any former members owing money to the pooled program through the RRP adjustments.

**Procedure:**

When a RRP adjustment or dividend is paid to members of a pooled program, 10% will be deducted from those members who are no longer members of the current program year. For any member surcharged through the RRP, 10% will be added for their share of administrative costs. These funds will be applied to the administrative account for that program, to offset future costs incurred by operating the pooled program.

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**Current Programs:**

Pooled Liability and Workers' Compensation

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**CSRMA  
POLICY AND PROCEDURE  
MEMORANDUM #3-JPA**

**EFFECTIVE:** August 17, 2001

**SUBJECT:** Records Retention

**POLICY STATEMENT**

WHEREAS, CSRMA has an obligation to create and maintain records and information in accordance with accepted records management practices and standards; and

WHEREAS, CSRMA will maintain records until the retention period has ended; and, once the retention period has ended, CSRMA will store the records by a means acceptable to standard records management practices.

NOW THEREFORE, BE IT RESOLVED THAT

The Board of Directors of CSRMA hereby resolves to maintain records in accordance with the following Records Retention Schedule:

**RECORDS RETENTION SCHEDULE**

<b><u>Type</u></b>	<b><u>Title</u></b>	<b><u>Retention Period</u></b>
ADM	Administration	
	Correspondence	
	Non Member	3 years
	Entity Member	7 years
	Policy and Procedures	Permanent
	Accreditation	Permanent
BC	Board/Committees	
	Meeting Notes	5 years
	Minutes/Executive Board	Permanent
	Minutes/Program Committees	Permanent
	Resolutions	Permanent
BOD	Board of Directors	
	Agendas	Permanent



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<u>Type</u>	<u>Title</u>	<u>Retention Period</u>
	Meeting Notes	5 years
	Meeting Notices	Permanent
	Minutes of Board Meetings	Permanent
	Resolutions	Permanent
CON	Contracts Agreements and Contracts	7 years following end of contract
ELE	Elections General	Permanent
FIN	Financial	
	Accounts Payable Correspondence A/P Distributions Journal Cash Disbursements Expense Reports Invoices	Current + 7 years
	Account Receivable A/R Register Aged Trial Balance Invoices	Current + 7 years
	Audit Reporting Correspondence/Workpapers Reports State Controller’s Reports	Current + 7 years
	Banking Correspondence Bank Confirmations Bank Reconciliations Bank Statements Canceled and Voided Checks Deposit Slips Signature Authorization	Current + 7 years

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<u>Type</u>	<u>Title</u>	<u>Retention Period</u>
	Financial Reporting Correspondence Reports and Studies Chart of Accounts	Current + 7 years
	Ledgers Account Analysis Balance Sheets General Ledger Journal Entries	Current + 7 years
INS	Insurance Memorandum of Coverage Insurance Policies Endorsements Premium Deposit Determination Retrospective Ratings Claims Audits Actuarial Studies Underwriting Files Certificates of Insurance	Permanent Permanent Permanent Permanent Permanent Permanent Permanent Permanent Permanent
LGL	Legal General Correspondence Attorney Correspondence Conflicts of Interest Code Conflict of Interest Statements All Claims Documents Litigation Claims involving minors  Opinions Loss Runs	Permanent Permanent Permanent Permanent 7 years (from closure) 7 years after litigation is concluded 3 years from age 18 or 7 years which ever is longer (from closure) Permanent Current + 7 years
MEM	Membership Membership Records Program Participation Agreements Appointment Resolutions & Letters	Permanent Permanent Permanent

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<u>Type</u>	<u>Title</u>	<u>Retention Period</u>
MIS	Miscellaneous	Permanent until reclassified

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**CSRMA  
POLICY & PROCEDURE  
MEMORANDUM NO. 4-JPA**

**EFFECTIVE:**           **January 18, 2002**

**SUBJECT:**           **TELECONFERENCING UNDER THE BROWN ACT**

**I.     POLICY**

It is CSRMA’s policy to allow for use of teleconferencing at meetings of the Executive Board and of Standing Committees.

**II.    PROCEDURES**

**A.    Agendas**

1. If a regular Executive Board and/or Standing Committee meeting is scheduled as a teleconference meeting, the agenda establishing the regular meeting will list teleconference locations.
2. Pursuant to Section 54953(b)(3) of the Government Code, all the locations where some member of the Executive Board and/or Standing Committee is expected to call in, or where the operator is directed to call, will be listed in the agenda.
3. To allow for public comment and to disclose actions taken during Closed Session, each teleconference location shall be accessible by the public and have capabilities for the public to participate in the meeting, e.g. have speakerphone capabilities.
4. The agenda must be posted at all the teleconference locations, pursuant to Government Code Section 54953(b)(3).
5. If a meeting is cancelled, a notice shall be posted at all locations of the meeting noticed in the agenda.

**B.    Meeting**

1. When the CSRMA Executive Board and/or Standing Committee takes roll call, each member shall declare his/her location, and a determination that a quorum exists within the State of California will be made. If any member is leaving the meeting

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- prior to its adjournment, that member shall announce that he or she is leaving the meeting. If a member joins or rejoins a meeting in process, such member shall announce his/her presence in the meeting.
2. If using an operator to establish an Executive Board and/or Standing Committee teleconference meeting, CSRMA will have the operator state the locations connected. If one or more locations are not connected, and there has been a diligent attempt to reach the location, the meeting may continue so long as there is a quorum.
  3. During a Closed Session of a teleconference Executive Board and/or Standing Committee meeting, each member of the Executive Board and/or Standing Committee present during the Closed Session shall ensure that members of the public and other persons not authorized to be present under the Ralph M. Brown Act are excluded from the meeting. A separate roll call will be taken at the beginning of the Closed Session and a request that all present who are not members of the Executive Board and/or Standing Committee identify themselves.
  4. In compliance with Government Code Section 54953.5(a), CSRMA shall allow the recording of any teleconference meeting. The Agenda shall include a notice that the meeting may be recorded electronically pursuant to the Brown Act and participants, by their participation, consent to such recording.
  5. All votes at a teleconference meeting shall be by roll call.

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**CSRMA  
POLICY & PROCEDURE  
MEMORANDUM # 5-JPA**

**Effective:** May 2, 2003

**Subject:** Retrospective Assessments for Non-Current Members

**PURPOSE:**

To establish an accounting policy and procedure to be applied when the Retrospective Rating Calculations in the Pooled Liability Program and the Workers' Compensation Program yield unpaid assessments to non-current members of CSRMA.

**POLICY:**

It is the policy of CSRMA that in the event the Board of Directors approves a retrospective assessment of its members, all amounts will be billed within thirty days and due within sixty days. If a retrospective assessment billed to a non-current member is not paid and the amount owing is less than \$100, the unpaid amount may be charged off CSRMA's books of account for the reason that the costs of collection of the debt would exceed the amount owed.

**PROCEDURE:**

The unpaid retrospective assessment amounts for non-current members to be charged off are to be presented to the Finance Committee for approval prior to taking action.

**DEFINITIONS:**

Non-Current Members

Non-current members are former members of CSRMA who no longer participate in the JPA.

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**CSRMA  
POLICY AND PROCEDURE  
MEMORANDUM #6-JPA**

**EFFECTIVE:** April 26, 2013

**SUBJECT:** Analyzing and Selecting Discount Rates used in Establishing Claims Liabilities

### **Policy Statement**

Given that CSRMA’s financial condition relies substantially on estimates of the future value of current liabilities, it is incumbent upon the Authority to calculate these estimates as accurately as possible. These estimates involve discounting the liabilities to account for the time value of money, including both inflationary and investment income assumptions.

CSRMA engages qualified financial professionals to assist in these calculations including, actuaries, investment advisors, financial auditors and insurance professionals, however estimates developed are ultimately the responsibility of CSRMA. A key factor in developing the estimates is the discount rate used in calculations. This policy is intended to assist the Authority in selecting the discount rate used in establishing claim liabilities that ultimately are recorded in the Authority’s financial statements.

### **Procedure**

At least every three (3) years at times relevant to the making of financial decisions for the Authority:

1. Review and determine the current rate of return on the Authority’s investment portfolio.
2. Work with the Authority’s investment advisor to determine a reasonable expected rate of return based on the current portfolio and expected future earnings.
3. Work with Authority’s actuary in setting a reasonable rate based on payout patterns for the respective programs.
4. Discuss with the Authority’s financial auditor the rationale for the discount rate being utilized.
5. Discuss with the various CSRMA Committees the discount rate assumptions being utilized, its rationale and gain formal approval for the factors then in use from at least the Executive Board.
6. Err on the side of conservatism.

SECTION 11  
ANNUAL REPORT



**Annual Report**

The most recent Annual Report can be found at:

<http://www.csrma.org/docs/CSRMA-Annual-Report.pdf>

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