

ENSURING THE FUTURE OF CLEAN WATER

CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY

2025
ANNUAL REPORT

CSRMA  California Sanitation
Risk Management Authority





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CSRMA PROGRAM
ADMINISTRATORS

MISSION

We provide excellent coverage and comprehensive risk management services in a reliable and cost-effective manner.

VALUES

We are a member-owned organization working together for the benefit of all members to:

- Reduce risk of loss;
- Maintain fiscal stability;
- Ensure employee safety;
- Protect public resources;

Through innovative risk management solutions and knowledge transfer.



PRESIDENT'S MESSAGE

Dear Members and Friends of CSRMA:

It's an honor to present this Annual Report for the first time as CSRMA's President. I'd like to extend my thanks to my predecessor, Craig Murray, for his leadership and service to CSRMA and its members, and for helping my transition to this new role be as successful as it can be. Craig's vision and dedication, coupled with relentless support from CSRMA's committees, boards and staff, continue to drive CSRMA's mission to provide excellent risk management solutions to California's water and wastewater agencies.

CSRMA has only just begun to realize the benefits of Clean Water Insurance Captive, Inc. (CWIC). CWIC, which was launched in 2023, is already demonstrating its strategic importance. By broadening our options for reinsurance coverage, CWIC is directly providing greater stability to CSRMA's pooled programs. Further, CWIC is generating robust investment returns that directly contribute to the long-term financial health and viability of CSRMA. Although captive insurance companies require a long-term perspective, these early results are encouraging and energizing.

CWIC is just one of many innovative tools that CSRMA is using to uphold our values. As we look ahead to 2026 and beyond, we intend to emphasize solutions that address our members' most pressing issues. CSRMA is expanding its resources and trainings that address the increasingly complex cybersecurity threat landscape, all while we explore the potential of new technologies such as Artificial Intelligence. We are also continuing to develop effective strategies and support for members facing employment-related risks, and enhancing our Risk Control offerings to prevent and reduce the impact of claims across all coverage areas.



Our members' collaborative spirit and enthusiasm for shared knowledge — particularly with respect to challenging experiences and circumstances — are CSRMA's greatest assets. I look forward to working alongside our members to preserve and promote these assets to ensure a strong and resilient future for CSRMA.

Sincerely,
SANDEEP KARKAL
CSRMA President



EXECUTIVE BOARD AND OFFICERS

SANDEEP KARKAL

President

Novato Sanitary District

VINCE DE LANGE

Vice President

Delta Diablo

ROLAND WILLIAMS

Secretary

Castro Valley Sanitary District

JASON DOW

Treasurer-Auditor

Central Marin
Sanitation Agency

MICHAEL THORNTON

San Elijo JPA

TYSON ZIMMERMAN

Ironhouse Sanitary District

CURTIS PAXTON

Las Gallinas Valley
Sanitary District

TERESA HERRERA

Silicon Valley Clean Water

PATRICK OSTLY

North of River Sanitary District

JIMMY DANG

Oro Loma Sanitary District

FINANCIAL SUMMARY

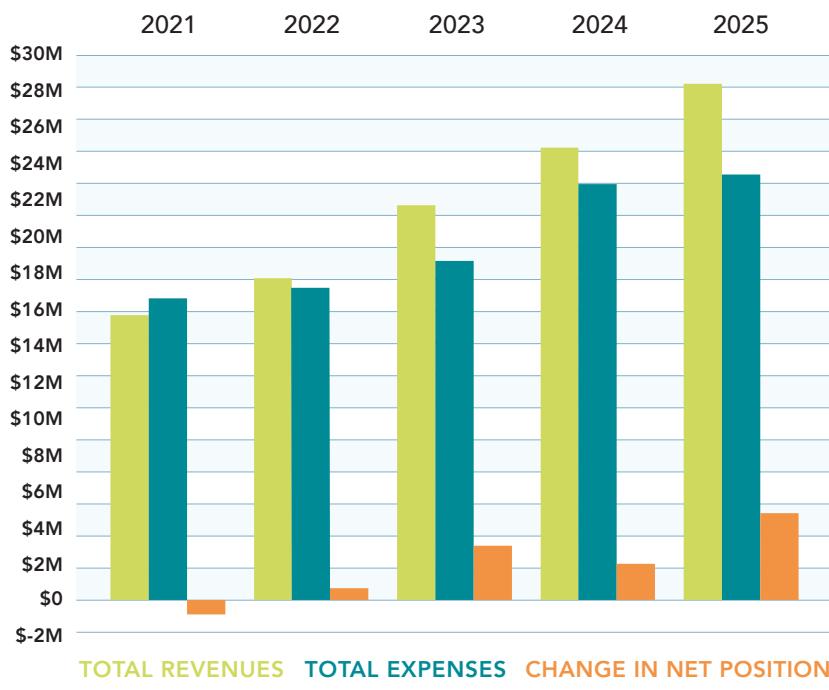
The CSRMA Joint Powers Authority keeps its financial records in accordance with Government Accounting Standards Board (GASB) recommendations and produces an annual comprehensive financial report each year.

The financial data represented in this report consolidates CSRMA and Clean Water Insurance Captive, Inc. (CWIC), CSRMA's wholly owned subsidiary, as of June 30, 2025. CSRMA has been awarded the Government Finance Officers Association's Certificate of Excellence in Financial Reporting for its ACFR annually since 2010.

Investments are governed by a Board-approved policy and procedure. Cash beyond short-term needs is invested with California's Local Agency Investment Fund, the California Asset Management Program and Public Financial Management (PFM) Portfolios.

FINANCIAL POSITION

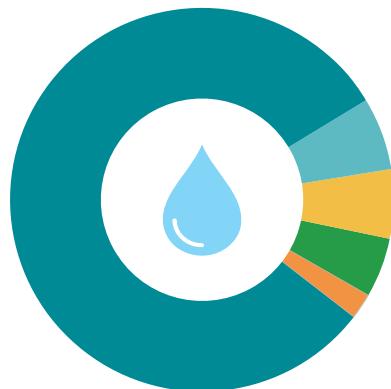
CSRMA	2025
Member Contributions	\$24,099,563
Retrospective Contributions	\$16,021
Member Fees	\$1,450,834
Investment Income	\$2,620,118
TOTAL REVENUES	\$28,186,536
Program Expenses	\$22,956,654
General & Administrative Expenses	\$416,766
TOTAL EXPENSES	\$23,373,420
CHANGE IN NET POSITION	\$4,813,116



Fiscal year ended June 30, 2025



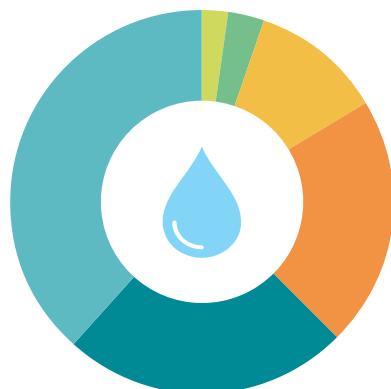
ASSETS



TOTAL: \$43,782,162

81% Noncurrent Assets — Investments \$35,327,377	6% Prepaid Expenses \$2,836,811	6% Cash and Cash Equivalents \$2,784,104
5% Accounts Receivable \$2,009,751	2% Investments — Current \$824,119	

LIABILITIES & RETAINED EARNINGS



TOTAL: \$43,782,162

38% Net Position \$16,649,327	24% Claims Incurred but not Reported \$10,612,504	22% Claims Reserves \$9,359,380
11% Unearned Revenue \$4,956,983	3% Unallocated Loss Adjustment Expenses \$1,437,627	2% Accounts Payable \$766,341

SHARED RISK PROGRAMS

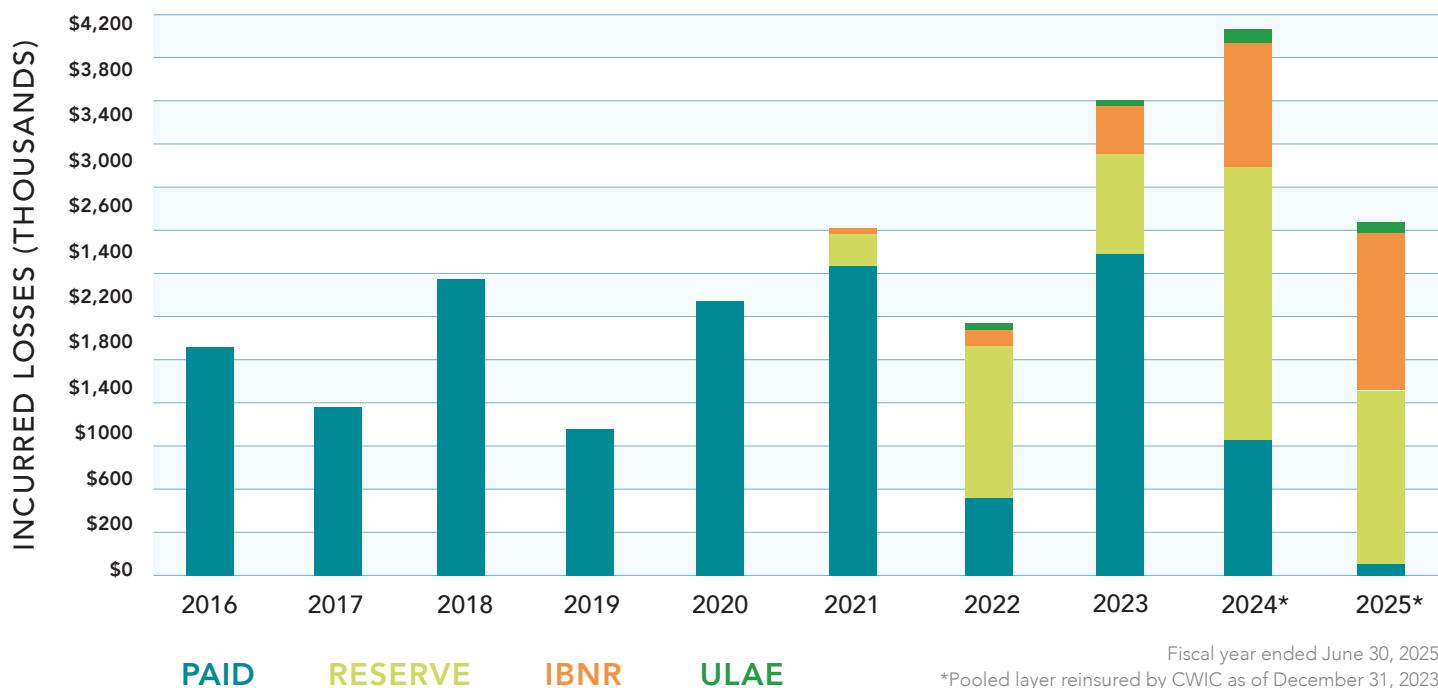
CSRMA MEMBERS CAN CHOOSE TO PARTICIPATE IN THE JPA'S POOLING PROGRAMS: THE POOLED LIABILITY PROGRAM AND THE WORKERS' COMPENSATION PROGRAM.

These programs are alternatives to traditional commercial insurance, in that they are member-owned and operated. Interest-earning funds are placed on deposit with the Authority where they are used to pay members' claims and related expenses. Funds not spent or reserved are refunded to members through retrospective rating adjustments and dividend payments.



POOLED LIABILITY PROGRAM

The Pooled Liability Program provides its members with third-party liability coverage specifically designed to meet the exposures faced by the wastewater industry. Members are provided with coverage for General Liability, Automobile Liability, Employment Practices Liability and Public Entity Errors & Omissions Liability.



2025 ACCOMPLISHMENTS

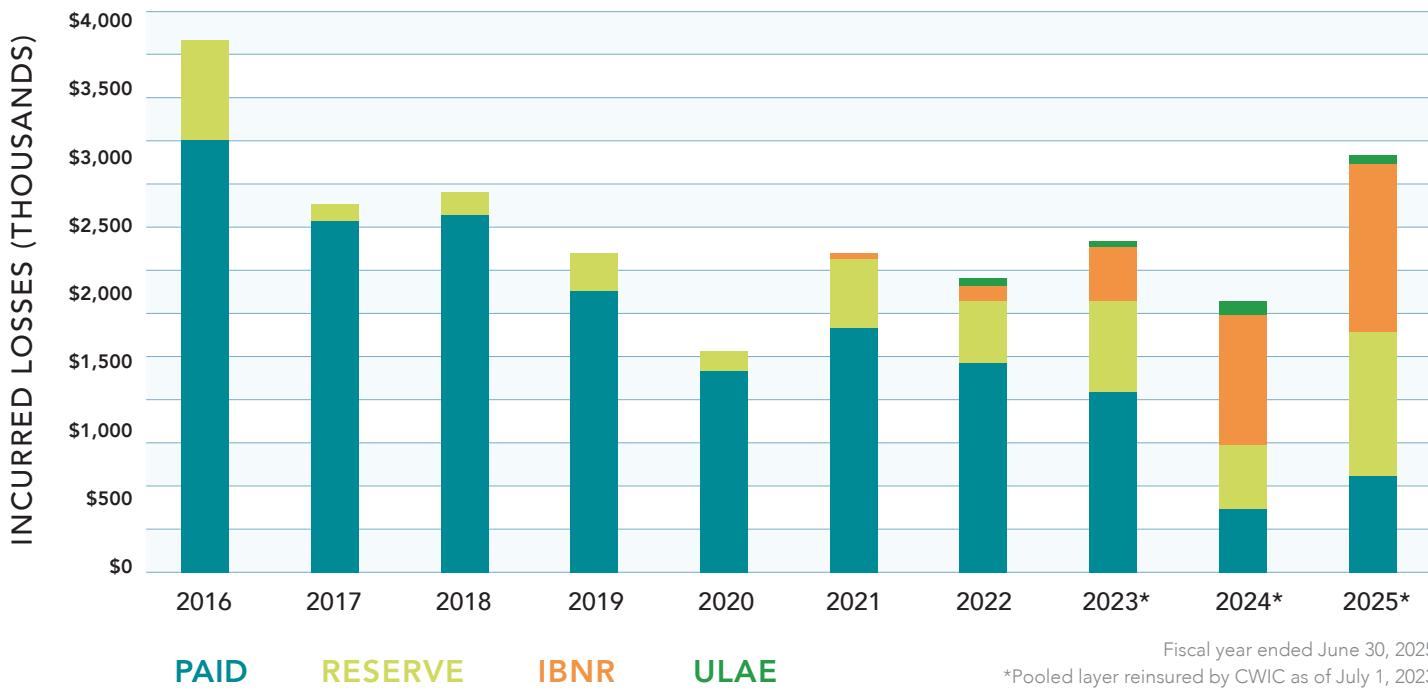
A claims audit was performed this year, showing that the Program's claims administrator, Carl Warren & Co., is providing efficient and cost-effective claims handling services.

Members can now complete their Pooled Liability Program application via a new application portal.

Six new annual webinars from CSRMA and DKF Solutions Group were introduced to address employment-related losses.

POOLED WORKERS' COMPENSATION PROGRAM

The Workers' Compensation Program provides State-mandated benefits to employees of member agencies. The Program enables its members to retain control of the cost and delivery of services to participating members.



2025 ACCOMPLISHMENTS

Workers' Compensation losses remained well below historical averages.

Athens Administrators received high marks in an audit of the services they provide to CSRMA. This was the first audit of Athens since becoming CSRMA's Third-Party Claims Administrator in 2023.

CSRMA's continued partnerships with both HT Consulting and Sentinel have proved integral in CSRMA's return to work efforts, ultimately helping to reduce the cost of claims for the membership.





GROUP PURCHASE PROGRAMS

CSRMA's Group Purchase Programs provide members the benefit of buying power while assuring that members' individual needs are addressed.

PRIMARY INSURANCE PROGRAM (PIP)

The PIP increases the buying power of members through group purchase of insurance, offering competitive pricing to its members that is otherwise hard to achieve. The Program continues to provide coverage for General Liability, Automobile Liability, Employment Practices Liability, Public Entity Errors & Omissions and Auto Physical Damage to members that do not wish to pool their risk with other members.

PROPERTY INSURANCE PROGRAM

The Property Insurance Program provides the benefit of a group purchase program, offering its members "All-Risk" Property and Boiler & Machinery insurance. This includes Terrorism, Pollution Legal Liability specific to a member's schedule of values, and Cyber Liability. In 2021, a new Pooled Layer was implemented in an effort to reduce some of the year-to-year market volatility.

OTHER PROGRAMS

CSRMA members have access to an array of group purchase programs made available by the Program Administrators, including but not limited to:

Crime/Bond Programs: The Commercial Crime Program affords its members public employee dishonesty Coverage. Additional Coverages available include forgery or alteration, theft, disappearance and destruction of money and securities and computer fraud. The Public Official Bond Program provides its members with Coverage for dishonest acts of public officials.

Cyber Liability: The Cyber Liability Program provides third-party coverage for information security and privacy liability, privacy notification costs, regulatory defense and website media content liability. First-party coverage is provided for cyber extortion, data protection and business interruption loss.

Public Entity Vehicle & Mobile Equipment Physical Damage Program: This Program provides "All-Risk" property (physical damage) coverage for private passenger vehicles, light trucks and high value specialized vehicles with limited "over-the-road" exposures.

Special Events Liability Program: The Special Events Liability Program grants its members protection against third-party liability for bodily injury, personal/advertising injury and property damage resulting from a covered special event. Special events include receptions, tours and parties.

Pollution & Remediation Legal Liability Program: The Pollution and Remediation Legal Liability Program provides coverage for environmental exposures unique to the wastewater industry.

Storage Tank Program: The Storage Tank Program furnishes its members with third party pollution legal liability and clean-up for above and below ground storage tank exposures.

Travel Accident Program: The Travel Accident Program provides coverage for employees who travel domestically and internationally. Some of the benefits include 24/7 travel assistance, medical network, and emergency evacuation and repatriation expense.

Vendors/Contractors General Liability Program: The Vendors/Contractors General Liability Program furnishes general liability coverage for a wide range of vendors and contractors.

Deadly Weapons Response Program: The Deadly Weapons Response Program provides third-party liability, first-party property damage, business interruption and crisis management for crisis events.





RISK CONTROL SERVICES

In 2025, CSRMA continued its commitment to providing leading-edge risk control services for its members. This year included expansions in online training, new partnerships to address employment and cyber-related risks, and increased investment in emerging technologies intended to support members more efficiently in the years ahead.

RISK CONTROL CONSULTING

Members continued to utilize CSRMA's Risk Control Advisor for assistance with a broad range of safety and operational issues. Remote meeting platforms such as Zoom continue to enable flexibility in consulting — whether from an office, in the plant, or directly in the field — ensuring timely access to the Risk Control Advisor.

VECTOR SOLUTIONS®

CSRMA members continued high utilization of the Vector Solutions online training platform in 2025. As of September, more than 2,800 users were registered and had completed over 19,000 online courses during the fiscal year. CSRMA updated 15 internally developed modules and added 10 new courses, expanding the CSRMA library to more than 150 online learning opportunities.

Maintaining and improving online courses continue to be core parts of CSRMA's long-term strategy of providing relevant and comprehensive training resources.

TRAININGLINK® PRO — BIWEEKLY LIVE SAFETY TAILGATE TRAININGS

CSRMA continued to make available biweekly live safety tailgate trainings through TrainingLink. These short, targeted 30-minute sessions (15-20 minutes of prepared content and 10-15 minutes of discussion) are taught by Certified Safety Professionals, and focus on practical safety topics relevant to wastewater workers. All sessions are recorded and added to an on-demand library that has grown to include over 120 titles.

SENTINEL — WORKERS' COMPENSATION BENCHMARKING & RETURN TO WORK SUPPORT

CSRMA continued its partnership with Sentinel to benchmark workers' compensation claims against a national database of more than one million claims. This benchmarking allows CSRMA and its members to identify outliers and intervene effectively whenever and wherever additional attention is needed.

Members also engaged with Sentinel's Return-to-Work portal, which helps agencies identify modified duty tasks that match physician-prescribed work restrictions. Extensive research has shown that early and appropriate return-to-work efforts support faster recovery and reduce claim costs.

RISK CONTROL ONLINE

Risk Control Online continues to serve as CSRMA's central hub for online tools, resources, and applications — including the Employment Law Resources Hub, cybersecurity and wellness resources. The platform, updated in 2024, offers increased security, functionality, content and other enhancements to the member experience.

RISK CONTROL SEMINARS AND WEBINARS

In 2025, CSRMA increased its webinar production and delivered 51 live webinars, increased from 35 the year prior. All sessions were recorded and made available for on-demand viewing through Risk Control Online. Webinar subjects covered a wide range of topics including employment law, safety, technical job skills, contract management, emergency preparedness, insurance issues, and sewer operations.

RISK CONTROL AND SAFETY PROGRAM REIMBURSEMENT INCENTIVE

CSRMA's two reimbursement programs — Safety/Risk Control and Health & Wellness (up to \$2,500 and \$1,400 per member respectively) — showed exceptional utilization in 2025, with more than 95% of members participating. These programs support initiatives intended to reduce workplace injuries and promote employee well-being.

WORKERS' COMPENSATION CONSULTING SERVICES

CSRMA continued to benefit from the expertise of Heather Truro of HT Consulting. Heather provides specialized workers' compensation claims management support to members, including implementation of the Workers' Compensation Claims Management and Return to Work Programs. She continues to work closely with members and Athens Administrators to support effective claims handling and management practices.

SEWER AND STORMWATER SUMMIT 2025

CSRMA again partnered with three other public entity risk pools to co-host the annual Sewer and Stormwater Summit. The virtual format allowed attendance from 45 public agencies with a combined 246 registered participants. The 25 one-hour classes — organized across five tracks — covered key subjects such as regulatory compliance, engineering, collections system safety, operations and management, and stormwater compliance. All sessions remain available to members through Spring 2026.

2025 WORKERS' COMPENSATION EXCELLENCE AWARD WINNERS

CSRMA is honored to recognize the winners of the Workers' Compensation Excellence Award. Each member's achievements in reducing soft tissue and strain-related injuries met criteria designed to target these claims, set by the Workers' Compensation Committee, and adopted by the Executive Board.

These members will share in a \$50,000 award, distributed directly to their employees in amounts not to exceed \$499 per person.



2025 WORKERS' COMPENSATION EXCELLENCE AWARD WINNERS

FAIRFIELD-SUISUN SEWER DISTRICT

MT. VIEW SANITARY DISTRICT

ROSS VALLEY SANITARY DISTRICT

SMART SOP

SMART SOP, CSRMA's mobile app for creating photo- and video-based lockout/tagout procedures and standard operating procedures, saw a noteworthy increase in use following its 2024 redesign. Enhancements such as speech-to-text, multi-user editing, and the ability to include videos within SOPs enable members to create, update, and deploy procedures more quickly and efficiently in the field.

EMPLOYMENT LAW TRAINING

Though generally infrequent, employment law claims continue to be among the most expensive claim types facing CSRMA members. To help address this exposure, CSRMA offered 10 virtual employment law seminars during 2025, focusing on the types of issues most likely to result in employment-related claims. All seminars were recorded and made available to members for 90 days following each session.

INTERPERSONAL SKILLS VIRTUAL SEMINARS

Recognizing the rise in the severity of employment-related claims across public agencies, CSRMA partnered with DKF Solutions Group to provide six virtual interpersonal skills seminars annually. These sessions focus on communication, conflict resolution, and supervisory soft skills — areas that directly influence workplace culture and help reduce the likelihood of employment-related disputes.

CYBERSECURITY

KYND Cyber Risk Services continued to provide 24/7 monitoring of members' internet-facing domains, alerting agencies to vulnerabilities so they can be addressed promptly. KYND also supported the completion of member cyber risk surveys in order to identify common vulnerabilities across the pool.

New in 2025, KYND provided five cybersecurity seminars specifically designed for members' IT professionals. These sessions addressed common cyber threats facing public agencies and outlined practical steps for strengthening network defenses.

CSRMA LARGE LANGUAGE MODEL

In 2025, CSRMA launched an initiative with Bonfire AI to develop a custom Large Language Model (LLM) trained on CSRMA's accumulated resources dating back to its inception. The goal of this project is to provide staff, and ultimately the membership, with a centralized and easy-to-access knowledge system that can:

- Provide quick answers to operational, safety, and regulatory questions
- Support staff during emergencies with real-time guidance
- Improve consistency in the interpretation of policies and procedures
- Reduce time spent searching for documents or historical information
- Increase the efficiency of onboarding and training new staff

This initiative represents a long-term investment in CSRMA's ability to deliver timely and accurate information to members.

ADDRESSING EMERGING RISKS IN 2026 AND BEYOND

CSRMA continues to monitor and respond to emerging risks including cybersecurity threats, climate-driven challenges, new regulatory requirements, and shifting workforce dynamics. The ongoing expansion of online tools, training resources, and technology-driven solutions positions CSRMA to proactively meet members' needs for years to come.



MEMBER AGENCIES

Bayshore Sanitary District	Leucadia Wastewater District	Sausalito-Marin City Sanitary District
Byron Sanitary District	Lincoln-Sewer Maintenance District 1 Wastewater Authority	Selma-Kingsburg-Fowler County Sanitation District
Carmel Area Wastewater District	Montara Water & Sanitary District	Sewer Authority Mid-Coastside
Carpinteria Sanitary District	Montecito Sanitary District	Sewerage Agency of Southern Marin
Castro Valley Sanitary District	Monterey One Water	Silicon Valley Clean Water
Central Contra Costa Sanitary District	Mt. View Sanitary District	South Orange County Wastewater Authority
Central Marin Sanitation Agency	Napa Sanitation District	Stege Sanitary District
County Sanitation District No. 2-3 of Santa Clara County	Nevada County Sanitation District #1	Tahoe-Truckee Sanitation Agency
Crockett Community Services District	North of River Sanitary District	Triunfo Water & Sanitation District
Cupertino Sanitary District	Novato Sanitary District	Truckee Sanitary District
Delta Diablo	Oceana Marin Sewer Improvement District	Union Sanitary District
Dublin San Ramon Services District	Ojai Valley Sanitary District	Vallejo Flood & Wastewater District
East Bay Dischargers Authority	Oro Loma Sanitary District	Valley Sanitary District
Encina Wastewater Authority	Richardson Bay Sanitary District	Ventura Regional Sanitation District
Fairfield-Suisun Sewer District	Rodeo Sanitary District	Victor Valley Wastewater Reclamation Authority
Goleta Sanitary District	Ross Valley Sanitary District	West Bay Sanitary District
Goleta West Sanitary District	San Elijo Joint Powers Authority	West County Wastewater District
Inland Empire Utilities Agency	San Rafael Sanitation District	West Valley Sanitary District
Ironhouse Sanitary District	Sanitary District No. 5 of Marin County	Western Riverside County Regional Wastewater Authority
Lake Arrowhead Community Services District	Santa Margarita Water District	
Las Gallinas Valley Sanitary District		

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CSRMA is a member-driven organization focused on ensuring the future of clean water. We provide excellent insurance coverage and comprehensive risk management services in a reliable and cost-effective manner, actively engaging with member agencies to achieve sustained organizational excellence through strategic, proactive, and innovative risk management solutions.

CSRMA offers a wide range of insurance coverage programs and services unique to the wastewater and water utility industry designed to manage and reduce members' cost of risk. Members can choose to participate in the JPA's pooling programs or one or more of the many group purchase programs created to meet members' individual needs.

Members have access to various risk management services and risk control tools designed to support their needs and complement their efforts ranging from cost-effective training, education, resource documents to consultation services.

CSRMA.ORG

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