

c/o ALLIANT INSURANCE SERVICES, INC.  
560 Mission Street, 6th Floor, San Francisco, CA 94105

Insurance License No.: 0C36861  
Tel: 415.403.1400 Fax: 415.874-4813

## OFFICERS:

Sandeep Karkal, President  
415.892.1694  
Vince De Lange, Vice President  
925.756.1920

## PAST PRESIDENTS:

Craig Murray  
2020-2024  
Greg Baatrup  
2018-2020

## EXECUTIVE BOARD MEETING AGENDA

Meeting Via Teleconference at the Following Location(s):

500 Davidson Street, Novato, CA 94945  
1301 Andersen Dr, San Rafael, CA 94901  
21040 Marshall Street, Castro Valley, CA 94546  
2695 Manchester Avenue, Cardiff by the Sea, CA 92007  
2500 Pittsburg-Antioch Hwy, Antioch, CA 94509  
300 Smith Ranch Road, San Rafael, CA 94902  
2655 Grant Avenue, San Lorenzo 94580

1400 Radio Road, Redwood City, CA 94065  
204 Universe Avenue, Bakersfield, CA 93308  
450 Walnut Meadows Drive, Oakley, CA 94561  
170 Dogwood Lane, Vallejo, CA 94591  
3480 Buskirk Avenue, Suite 200, Pleasant Hill, CA 94523  
17862 E. 17th Street, Suite 111, Tustin, CA 92780

Date/Time: Monday, June 9, 2025  
10:00 AM

LOCATION: Alliant Offices  
560 Mission Street, 6th Floor  
San Francisco, CA 94105

Phone One-Tap: +16699006833,,97024342183#....\*467660#

Meeting URL: <https://alliantinsurance.zoom.us/j/97024342183?pwd=Jk57H5VzmwmBuLOUaSxMtY44WnG8J4.1>

<b>A. CALL TO ORDER</b>		<b>A: Action</b>
<b>B. PUBLIC COMMENTS</b>		<b>S: Separate</b>
<b>C. EXECUTIVE BOARD MEMBER COMMENTS</b>		<b>V: Verbal</b>
<b>D. CONSENT CALENDAR</b>		<b>I: Information</b>
1. Meeting Minutes: March 18, 2025	A	p. 7
Recommendation: Approve minutes from their last meeting.		
2. Demands as of March 1 & 15, April 1 & 15, May 1 & 15, 2025	A	p. 11
Recommendation: Approve demands issued for payment.		
3. Budget to Date Report as of March 31, 2025	I	p. 17
Recommendation: Review the budget to date report.		
<b>E. CLOSED SESSION TO DISCUSS PENDING CLAIMS</b>		<b>A</b>
Action may be taken per Government Code Section 54956.95		
See Reverse for Full Listing of Claims that may be Discussed		
<b>F. GENERAL ADMINISTRATION</b>		
1. Reporting and Ratification of Claim Settlements	A/V	
Recommendation: Receive report and ratify claims settlements approved in closed session.		
2. Captive Update	I	p. 31
Recommendation: Receive an update on CWIC captive insurance company.		
3. Estimated Actual 24/25 Budget & Proposed 25/26 Budget	A/S	p. 49
Recommendation: Review and approve the proposed FY 25/26 Budget.		
4. LRP Action Plan 2025-26	A	p. 54
Recommendation: Review and approve the 2025/26 Long Range Action Plan.		
<b>G. OFFICER/PROGRAM DIRECTORS/COMMITTEE REPORTS</b>		
1. CSRMA Program Director Performance Standards 2024-25	I	p. 66
Recommendation: Review the Performance Standards grading sheet for 2024-25.		

<b>H. POOLED LIABILITY PROGRAM</b>			
1.	<b>Carl Warren Staffing Update</b> <i>Recommendation: Receive an update on staffing at Carl Warren &amp; Company</i>	I	p. 70
<b>I. WORKERS' COMPENSATION PROGRAM</b>			
1.	<b>Program Renewal</b>		
a.	<b>Actuarial Study</b> <i>Recommendation: Receive the actuarial study from Willis Towers Watson.</i>	I	p. 74
b.	<b>Retrospective Rating Calculation as of June 30, 2025</b> <i>Recommendation: Review and approve the retrospective rating calculation.</i>	A	p. 105
c.	<b>PY 36 (2025-26) Renewal Costs</b> <i>Recommendation: Review and approve the upcoming renewal costs.</i>	A	p. 107
2.	<b>Dividend Calculation as of June 30, 2024</b> <i>Recommendation: Discuss the dividend calculation.</i>	I	p. 109
3.	<b>Prospective New Member: Triunfo Water and Sanitation District</b> <i>Recommendation: Review and approve Triunfo Water and Sanitation District's membership application.</i>	A	p. 110
<b>J. PROPERTY PROGRAM</b>			
1.	<b>Property Program Renewal</b> <i>Recommendation: Review and approve the upcoming renewal costs.</i>	A	p. 114
a.	<b>Cyber Liability Coverage Renewal</b> <i>Recommendation: Review and approve the upcoming renewal costs.</i>	A	p. 116
2.	<b>Deadly Weapons Response Coverage Renewal</b> <i>Recommendation: Review and approve the upcoming renewal costs.</i>	A	p. 117
<b>K. PRIMARY INSURANCE PROGRAM</b>			
	None		
<b>L. LOSS CONTROL</b>			
1.	<b>Spring/Summer/Fall 2025 Area Training Update</b> <i>Recommendation: Receive an update on upcoming area trainings.</i>	I	p. 133
<b>M. INFORMATION ITEMS</b>			
1.	<b>Poem of the Day</b>	I	p. 135
2.	<b>Article - KYND Email Security Guide</b>	I	p. 137
3.	<b>Article - Should American Employers Offer Hangover Leave? - Travelers RMplusonline</b>	I	p. 139
4.	<b>Article - Keep Your Information Safe - US Bank</b>	I	p. 141
5.	<b>CSRMA 2025 Meeting Calendar</b>	I	p. 143
6.	<b>CSRMA Organizational Chart</b>	I	p. 144
7.	<b>CSRMA Service Team</b> <i>Recommendation: Review the presented Information Items.</i>	I	p. 145
<b>N. ADJOURNMENT</b>			
<i>The next meeting is scheduled for July 29, 2025 in conjunction with the CASA Conference in San Diego.</i>			

*Per Government Code section 54954.2, persons requesting disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, are requested to contact Alliant at (415) 403-1400 twenty-four hours in advance of the meeting. Entrance to the meeting location requires routine provision of identification to building security. However, CSRMA does not require any member of the public to register his or her name, or to provide other information, as a condition to attendance at any public meeting and will not inquire of building security concerning information so provided. See Government Code section 54953.3.*

Report Criteria: Feature Status <> C And Tier 1 = CAL SANITATION RMA And As-Of Transaction Begin Date = And As-Of Transaction End Date = And Loss Run? = Yes | Row Count: 58 | Report Run: 6/1/2025 04:32 AM

Member District	Claim Number	Claimant Name	Coverage	Claimant Number	Date Of Loss	Claim Date Reported
CENTRAL MARIN SANITATION AGENCY	3109827	LaMunyon, Toby	PROPERTY DAMAGE	1	05/21/2025	05/21/2025
ENCINA WASTEWATER AUTHORITY	3035218		EMPLOYMENT PRACTICES	1	11/08/2021	07/29/2022
ENCINA WASTEWATER AUTHORITY	3074475	Salinas, Dario	BODILY INJURY	1	07/01/2024	08/12/2024
FAIRFIELD/SUISUN SEWER DISTRICT	3063039	Karchesky, Wayne	BODILY INJURY	1	02/12/2022	10/30/2023
FAIRFIELD/SUISUN SEWER DISTRICT	3109769	Frank-Lin Distillers, Ltd	PROPERTY DAMAGE	1	09/01/2022	05/19/2025
IRONHOUSE SANITARY DISTRICT	3071581		EMPLOYMENT PRACTICES	1	05/26/2023	04/26/2024
LAKE ARROWHEAD COMMUNITY SERVICES DISTRI	3108148	Ayou, Camille	BODILY INJURY	1	08/10/2024	03/27/2025
MID-COASTSIDE	3042504	Love, Bobbie Sue	PROPERTY DAMAGE	2	01/02/2023	01/17/2023
MID-COASTSIDE	3042504	Reiken, Chris & Beth	PROPERTY DAMAGE	3	01/02/2023	01/17/2023
MONTARA	3028986	Blum, Gonul & Mitch	PROPERTY DAMAGE	1	12/24/2021	01/11/2022
MONTARA	3028986	Kaplan/Pettigrew-Kap, Jerry/Michelle	PROPERTY DAMAGE	2	12/24/2021	01/11/2022
MONTARA WATER AND SANITARY DISTRICT	3109904	Kim, Nayoung Susie.	PROPERTY DAMAGE	1	05/23/2025	05/27/2025
MT. VIEW SANITARY DISTRICT	3078748	Dambrusio, Vanessa	PROPERTY DAMAGE	1	01/17/2025	01/17/2025
NEVADA COUNTY WASTEWATER	3062589		EMPLOYMENT PRACTICES	1	11/16/2022	10/11/2023
NORTH OF RIVER SANITARY DISTRICT	3077466	Breakthrough Intl Church	PROPERTY DAMAGE	1	11/27/2024	12/02/2024
NOVATO SANITARY DISTRICT	3065528	Gallardo, Len	PROPERTY DAMAGE	1	01/30/2024	02/06/2024
ORO LOMA SANITARY DISTRICT	3049147	Burns, Marilyn	PROPERTY DAMAGE	1	11/01/2021	07/04/2023
ORO LOMA SANITARY DISTRICT	3049970	Cooper, Melody	BODILY INJURY	1	02/21/2019	08/11/2023
ORO LOMA SANITARY DISTRICT	3049970	Nand, Ajish	BODILY INJURY	2	02/21/2019	08/11/2023
ORO LOMA SANITARY DISTRICT	3049970	Nand, Lalita	BODILY INJURY	3	02/21/2019	08/11/2023
ORO LOMA SANITARY DISTRICT	3065955	Daniels, Deidra	PROPERTY DAMAGE	1	11/16/2023	02/20/2024
ORO LOMA SANITARY DISTRICT	3065955	Daniels, Deidra	BODILY INJURY	1	11/16/2023	02/20/2024
ROSS VALLEY SANITARY DISTRICT	3065766	Ferris, Brian	PROPERTY DAMAGE	1	01/31/2024	02/14/2024
ROSS VALLEY SANITARY DISTRICT	3107809		EMPLOYMENT PRACTICES	1	02/14/2025	03/14/2025
SANTA MARGARITA WATER DISTRICT	3032924		EMPLOYMENT PRACTICES	1	11/10/2021	05/12/2022
SANTA MARGARITA WATER DISTRICT	3032924		EMPLOYMENT PRACTICES	2	11/10/2021	05/12/2022
SANTA MARGARITA WATER DISTRICT	3041926	Mobasherifar, Najmeh	BODILY INJURY	1	12/13/2022	01/12/2023
SANTA MARGARITA WATER DISTRICT	3068531	Progressive Ins a/s/o, Gruszczynski	PROPERTY DAMAGE	1	03/13/2024	04/05/2024
SANTA MARGARITA WATER DISTRICT	3069123	GUYOT, CAESAR & IRENE	PROPERTY DAMAGE	1	04/20/2022	04/24/2024
SANTA MARGARITA WATER DISTRICT	3075790	Sweeney, Kevin	PROPERTY DAMAGE	1	09/28/2024	09/30/2024
SANTA MARGARITA WATER DISTRICT	3076326	Malfavon, Fidel and Amber	PROPERTY DAMAGE	1	10/18/2024	10/18/2024
SANTA MARGARITA WATER DISTRICT	3078391		EMPLOYMENT PRACTICES	1	10/15/2024	01/07/2025
SELMA-KINGSBURG-FOWLER COUNTY SANITARY D	3077808	Lake, Joslin	BODILY INJURY	1	11/17/2022	12/11/2024
SEWER AUTHORITY MID-COASTSIDE (SBU)	3061621	Ball , Emma	SUBROGATION	1	09/01/2023	09/06/2023
SEWER AUTHORITY MID-COASTSIDE (SBU)	3061621	Kitz , Madison	SUBROGATION	2	09/01/2023	09/06/2023
SEWER AUTHORITY MID-COASTSIDE (SBU)	3061621	Whiting, Shane	SUBROGATION	3	09/01/2023	09/06/2023
SILICON VALLEY CLEAN WATER	3107114		EMPLOYMENT PRACTICES	1	08/01/2016	02/19/2025
STEGE SANITARY DISTRICT	3066967	Wolter, Jonathon and Lynn	PROPERTY DAMAGE	1	02/25/2024	03/25/2024
TAHOE-TRUCKEE SANITATION AGENCY	3078127		EMPLOYMENT PRACTICES	1	06/27/2024	12/23/2024
UNION SANITARY DISTRICT	3049241	Johnson, Davina	BODILY INJURY	1	01/10/2023	07/10/2023
UNION SANITARY DISTRICT	3056915	Chen , Chung-Ho	BODILY INJURY	1	02/07/2023	08/28/2023
VALLEJO FLOOD AND WASTE WATER DISTRICT	3045772	Cabrera, Trever-James F.	BODILY INJURY	1	08/03/2022	04/14/2023
VALLEJO FLOOD AND WASTE WATER DISTRICT	3073566	Vincenty, Clifford	BODILY INJURY	1	03/27/2023	07/09/2024
VALLEJO FLOOD AND WASTE WATER DISTRICT	3109030	Dean, Megan	BODILY INJURY	1	01/28/2024	04/24/2025
VICTOR VALLEY WASTEWATER RECLAMATION AUT	1980783		EMPLOYMENT PRACTICES	1	05/21/2018	05/21/2018
VICTOR VALLEY WASTEWATER RECLAMATION AUT	2005386		EMPLOYMENT PRACTICES	1	01/01/2014	12/17/2019
VICTOR VALLEY WASTEWATER RECLAMATION AUT	3009200		EMPLOYMENT PRACTICES	1	08/19/2020	02/17/2021
WEST BAY SANITARY DISTRICT	3106422	Lim, Kyna	PROPERTY DAMAGE	1	07/23/2024	01/29/2025
WEST COUNTY WASTEWATER DISTRICT	3039920		EMPLOYMENT PRACTICES	1	11/09/2022	11/09/2022
WEST COUNTY WASTEWATER DISTRICT	3045201	Williams, Maurice & Mohania	PROPERTY DAMAGE	1	03/28/2023	03/30/2023
WEST COUNTY WASTEWATER DISTRICT	3045201	McKneely , Wilford & Gwendolyn	PROPERTY DAMAGE	2	03/28/2023	03/30/2023
WEST COUNTY WASTEWATER DISTRICT	3061610		EMPLOYMENT PRACTICES	1	09/01/2023	09/05/2023
WEST COUNTY WASTEWATER DISTRICT	3071849	Ashley Rollins C/O AAA Insurance	PROPERTY DAMAGE	1	04/10/2024	05/08/2024
WEST COUNTY WASTEWATER DISTRICT	3071849	Rollins, Ashley	BODILY INJURY	2	04/10/2024	05/08/2024
WEST VALLEY SANITATION DISTRICT	1992584	YOUNGBLOOD, FRANKIE & DORIS	PROPERTY DAMAGE	1	03/17/2019	03/19/2019
WEST VALLEY SANITATION DISTRICT	3075653	Carnico Tools and Provisions	PROPERTY DAMAGE	1	09/20/2024	09/23/2024
WEST VALLEY SANITATION DISTRICT	3107412	Augar, Robert	PROPERTY DAMAGE	1	09/01/2024	02/28/2025
WEST VALLEY SANITATION DISTRICT	3108890	Zarate, Brian	PROPERTY DAMAGE	1	04/17/2025	04/22/2025

**CSRMA WORKERS' COMPENSATION PROGRAM**  
**CLAIMS INCURRED AS OF 05.31.25**

**INDEMNITY**

Claimant Name	Account Name	Loss Date
Acosta, Gilbert	Lake Arrowhead Community Services District	05/12/2022
Alejos, Sylvia	Silicon Valley Clean Water	08/17/2021
Baggerly, Russ	Ojai Valley Sanitary District	12/17/2018
Bailey, David	Dublin San Ramon Services District	08/25/2023
Baxter, Kenneth	Dublin San Ramon Services District	03/01/2021
Carrera, Benjamin	Victor Valley Wastewater Reclamation Authority	11/04/2019
Chavarela, Jesse	Santa Margarita Water District	02/21/2023
Derrick, DeWayne	Central Contra Costa Sanitary District	06/01/2021
Egan, Mark	Napa Sanitation District	04/10/2021
Ford, Thomas	Central Contra Costa Sanitary District	08/13/2019
Fontaine, Tyrell	Dublin San Ramon Services District	08/29/2024
Gallagher, Raymond	Ventura Regional Sanitation District	02/24/2019
Gamble Holley, Robin	Napa Sanitation District	12/30/2021
Gamble Holley, Robin	Napa Sanitation District	09/22/2021
Gray, Mark	South Tahoe Public Utility District	02/06/2015
Griewe, Adam	Santa Margarita Water District	10/05/2020
Herrera, Jason	Silicon Valley Clean Water	04/21/2021
Hill, Nathan	Central Contra Costa Sanitary District	11/06/2024
Hughes, Tim	Union Sanitary District	02/03/2024
Hughes, Timothy	Union Sanitary District	09/10/2024
Hunsaker, James	Victor Valley Wastewater Reclamation Authority	07/13/2022
Kupel, Nora	West Valley Sanitation District	10/21/2013
Loaiza, Stephen	Santa Margarita Water District	07/07/2020
Lucia, Jesse	Central Contra Costa Sanitary District	01/18/2024
Mayor, Joseph	Ross Valley Sanitary District	12/08/2013
McDuffie, Jacqueline	Delta Diablo	07/22/2022
Morales, Hugo	Monterey Water One	11/16/2022
Mosing, James	Fairfield/Suisun Sewer District	07/20/2021
Pearson, Derrick	Dublin San Ramon Services District	05/16/2022
Petersen, Blake	Central Marin Sanitation Agency	08/30/2023
Pimm, Michael	Central Marin Sanitation Agency	03/16/2022
Prentice, Robert	Santa Margarita Water District	10/14/2022
Proschold, Darrell	Ross Valley Sanitary District	12/10/2024
Sandoval, Ruperto	West Bay Sanitary District	12/02/2024
Sharp, Noah	Ojai Valley Sanitary District	08/27/2024
Smith, Michael	Tahoe Truckee Sanitation Agency	09/08/2022
Valdez, Ivan	Santa Margarita Water District	02/06/2023
Valikonis, John	Carpinteria Sanitary District	08/30/2024
Villafana, Miguel	Montecito Sanitary District	12/27/2024
Walker, Michael	Silicon Valley Clean Water	08/06/2022
Woolwine, Dwight	Ojai Valley Sanitary District	12/06/2024
Wright, Robert	Delta Diablo	09/01/2018

**FUTURE MEDICAL**

Alsbury, Jay	South Tahoe Public Utility District	04/23/1999
Anderson, Frederick	Silicon Valley Clean Water	11/21/2021
Armstrong, Albert	West Valley Sanitation District	11/10/1998
Ayers, James	Vallejo Flood and Wastewater District	09/11/2002
Bailey, David	Dublin San Ramon Services District	06/08/2004

**CSRMA WORKERS' COMPENSATION PROGRAM**  
**CLAIMS INCURRED AS OF 05.31.25**

<b>Claimant Name</b>	<b>Account Name</b>	<b>Loss Date</b>
Baker, Jacob	Lake Arrowhead Community Services District	01/06/2005
Bally, Robert	Central Marin Sanitation Agency	08/20/2020
Benitez, Victor	Ironhouse Sanitary District	03/31/2016
Bish, Mark	West County Wastewater District	05/12/2015
Branum, Aaron	Lake Arrowhead Community Services District	02/14/2014
Brough, Robert	Dublin San Ramon Services District	07/28/2016
Comito, Anthony	Montecito Sanitary District	11/16/1995
Dimalanta, Cornelia	Fairfield/Suisun Sewer District	07/25/2023
Dincau, Dustin	Ventura Regional Sanitation District	01/10/2018
Dugan, Jodey	Santa Margarita Water District	03/28/2007
Eastland, Jerry	Delta Diablo	05/15/2015
Fiore, Alan	Central Marin Sanitation Agency	05/24/2016
Flanders, Dolores	Central Contra Costa Sanitary District	04/16/2009
Ford Sr, Thomas	Central Contra Costa Sanitary District	06/22/2009
Ford Sr, Thomas	Central Contra Costa Sanitary District	03/27/2019
Freitas, Ronald	Dublin San Ramon Services District	11/09/2015
Godinez, Ignacio	Ventura Regional Sanitation District	09/06/2010
Golshani, Sahar	Las Gallinas Valley Sanitation District	10/30/2023
Gonzales, Frank	Carpinteria Sanitary District	06/19/2001
Grabowski, Mathew	Union Sanitary District	11/09/2015
Gregory, Leonard	Union Sanitary District	09/10/1993
Hernandez, Ralph	Delta Diablo	04/17/1997
Inman, Erin	Ventura Regional Sanitation District	05/06/2014
James, Gregory	South Tahoe Public Utility District	08/18/2015
Jannings, Andrew	Vallejo Flood and Wastewater District	10/27/2010
Jones, Lorine	Silicon Valley Clean Water	10/05/2005
Kaur, Akusha	Selma Kingsbury Fowler County Sanitation District	07/09/2024
Keeton, Bonnie	Central Contra Costa Sanitary District	05/17/2014
Kurz, Charles	Dublin San Ramon Services District	01/17/2001
Lawhon, Lance	Carpinteria Sanitary District	09/09/2022
Lofgren, Russell	Delta Diablo	11/25/1997
Lucia, Jesse	Central Contra Costa Sanitary District	06/10/2020
Lynskey, Andrew	Vallejo Flood and Wastewater District	11/30/2016
Marin, James	Union Sanitary District	11/01/1990
Martinez, David	Central Contra Costa Sanitary District	10/10/2015
Moore, James	Ironhouse Sanitary District	11/25/2015
Moore, Paul	Vallejo Flood and Wastewater District	04/23/2007
Mueller Piombo, Gretchen	Central Marin Sanitation Agency	02/07/2017
Myers, Charles	West County Wastewater District	06/14/2016
Pelupessy, Louis	Ventura Regional Sanitation District	05/11/2016
Plascencia, Jose	Central Contra Costa Sanitary District	04/19/2022
Potter, Timothy	Central Contra Costa Sanitary District	02/27/2007
Potter, Timothy	Central Contra Costa Sanitary District	04/11/2018
Prieto, Tony	South Tahoe Public Utility District	10/12/2004
Rabago, Francine	Ventura Regional Sanitation District	03/01/2010
Raphael, Zandra	Delta Diablo	02/11/2010
Rojo, Jamie	Union Sanitary District	09/24/2020
Rubio, Francis	Fairfield/Suisun Sewer District	10/10/2023
Smith, David	Ironhouse Sanitary District	04/09/2012

**CSRMA WORKERS' COMPENSATION PROGRAM**  
**CLAIMS INCURRED AS OF 05.31.25**

<b>Claimant Name</b>	<b>Account Name</b>	<b>Loss Date</b>
Solari, Tom	Union Sanitary District	08/24/2020
Stanovich, Danilo	Vallejo Flood and Wastewater District	06/09/2021
Strickland, David	South Tahoe Public Utility District	08/25/1998
Tarnowski, Allen	Union Sanitary District	11/07/2016
Tarnowski, Allen	Union Sanitary District	10/03/2018
Tyler, Alan	Santa Margarita Water District	04/24/2019
Van Horn, James	Carmel Area Wastewater District	08/04/2011
Vasut, Victor	Union Sanitary District	11/26/2011
Whitman, Joshua	Central Contra Costa Sanitary District	07/19/2017
Wilkinson, Edward	South Tahoe Public Utility District	01/24/2014
Wright, Robert	Delta Diablo	04/09/2013

**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY  
EXECUTIVE BOARD MEETING  
SANTA BARBARA, CA  
March 18, 2025**

**MEMBERS & OFFICERS PRESENT**

Mr. Sandeep Karkal, President, Novato Sanitary District  
Mr. Vince De Lange, Vice President, Delta Diablo  
Mr. Jason Dow, Treasurer-Auditor, Central Marin Sanitation Agency  
Mx. Teresa Herrera, Silicon Valley Clean Water  
Mr. Michael Thornton, San Elijo Joint Powers Authority  
Mr. Patrick Ostly, North of River Sanitary District  
Mr. Tyson Zimmerman, Ironhouse Sanitary District  
Mr. Jimmy Dang, Oro Loma Sanitary District  
Mr. Curtis Paxton, Las Gallinas Valley Sanitary District

**MEMBERS & OFFICERS ABSENT**

Mr. Roland Williams, Secretary, Castro Valley Sanitary District

**GUESTS & CONSULTANTS**

Mr. Dennis Mulqueeney, Alliant Insurance Services, Inc. (arrived at 10:46 a.m.)  
Mr. Seth Cole, Alliant Insurance Services, Inc.  
Mr. P.J. Skarlanic, Alliant Insurance Services, Inc.  
Mr. Myron Leavell, Alliant Insurance Services, Inc.  
Mr. Steve Davidson, Alliant Insurance Services, Inc.  
Mr. David Patzer, DKF Solutions Group  
Mr. Byrne Conley, Gibbons & Conley  
Ms. Teresa Collier, Carl Warren & Company  
Ms. Beth Tavares, Carl Warren & Company  
Ms. Stella Sebastiani, Athens Administrators, via teleconference (left at 10:32 a.m.)  
Ms. Erika Alvarado, Athens Administrators, via teleconference (left 10:32 a.m.)

**A. CALL TO ORDER**

The meeting was called to order by President Sandeep Karkal at 10:11 a.m.

**B. PUBLIC & BOARD MEMBER COMMENTS**

None.

**C. CONSENT CALENDAR**

### **C.1. Meeting Minutes: January 28, 2025**

The minutes of the meetings on January 28, 2025 were reviewed.

### **C.2. Demands as of January 15, February 1 & 15, 2025**

The Executive Board reviewed the demands as of January 15, February 1 & 15, 2025.

### **C.3. Captive Update**

No significant developments from Clean Water Insurance Captive (CWIC) were reviewed with the Executive Board. The Program Administrators will continue to keep the Board updated with critical information from CWIC.

### **C.4. Long Range Action Plan 2024/25 Update**

The Executive Board reviewed the Long Range Action Plan document.

A motion was made to approve the Consent Calendar as presented above.

**MOTION:** Teresa Herrera

**SECOND:** Jason Dow

**MOTION CARRIED**

**AYES:** Dang, De Lange, Herrera, Karkal, Ostly, Paxton, Thornton Zimmerman

**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Williams

## **D. CLOSED SESSION TO DISCUSS PENDING CLAIMS**

The Board entered Closed Session at 10:12 a.m. pursuant to Government Code Section 54956.95. The Board left Closed Session at 10:51 a.m., at which time it was announced that legal counsel was provided direction concerning the disposition of certain claims, however no final settlements were approved, nor was any action taken.

## **E. GENERAL ADMINISTRATION**

### **E.1. Reporting and Ratification of Claims Settlements**

None.

### **E.2. CAJPA Conference Attendance 2025**

Seth Cole announced to the Executive Board that the Annual CAJPA Conference will be held in Monterey, California, September 16-19, 2025. CSRMA budgets to send representatives to the conference each year, covering conference registration and reasonable travel expenses. Roland Williams attended in 2024. Members of the Executive Board were advised to contact the Program Administrators, who will assist with arrangements for attendance, if they are interested in attending.



**F. OFFICER/PROGRAM DIRECTORS/COMMITTEE REPORTS**

None.

**G. POOLED LIABILITY PROGRAM**

None.

**H. PROPERTY PROGRAM**

None.

**I. WORKERS' COMPENSATION PROGRAM**

**I.1. Workers' Compensation Program Claims Audit**

P.J. Skarlanic reviewed the item with the Executive Board. Tim Farley, from Farley Consulting Services, presented his audit to the Workers' Compensation Committee at their February meeting via teleconference. The audit reflected favorably on Athens' performance, with only one minor deficiency identified in diary maintenance. Athens was present at the meeting and acknowledged the areas of deficiencies found in the audit and prepared a written response addressing each of the recommendations made by the auditor.

**I.2. Workers' Compensation Excellence Award Criteria**

David Patzer reviewed the item for the Executive Board. Typically, CSRMA uses the same award criteria for two consecutive years to allow more members the time needed to meet the criteria. The criteria were last updated in 2024, so no changes are recommended for the current year.

A motion was made to adopt the Workers' Compensation Program Excellence Award Criteria for 2025 as presented, with no changes from the criteria as approved by the Executive Board in March 2024.

**MOTION:** Curtis Paxton      **SECOND:** Jason Dow      **MOTION CARRIED**

**AYES:** Dang, De Lange, Herrera, Karkal, Ostly, Paxton, Thornton Zimmerman

**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Williams

**J. PRIMARY INSURANCE PROGRAM**

None.

**K. LOSS CONTROL**

None.

**L. INFORMATION ITEMS**

**L.1. *Poem of the Day***

**L.2. Article – *El Paso Is Going to Turn Wastewater Into Drinking Water. Other Cities Will Soon Follow***

**L.3. Article – *Water is about to get a lot more expensive for millions in California***

**L.4. Article – *Unpatched Edimax IP camera flaw actively exploited in botnet attacks***

**L.5. Article – *What is vishing? Voice phishing is surging – expert tips on how to spot it and stop it***

**L.6. CSRMA 2025 Meeting Calendar**

**L.7. CSRMA Organizational Chart**

**L.8. CSRMA Service Team**

The Executive Board reviewed the information items.

**M. ADJOURNMENT**

The meeting was adjourned at 11:00 a.m. The next meeting is scheduled for June 9, 2025 via teleconference.

CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY  
DISBURSEMENT REGISTER GENERAL ACCOUNT NO. xxxxxx2488  
DEMANDS AS OF March 1, 2025

DISB. #	VENDOR	INVOICE DATE	INVOICE NUMBER	AMOUNT	DESCRIPTION
	ATHENS INSURANCE SERVICE, INC. - CCD				
ACH - 756	Total for ATHENS INSURANCE SERVICE, INC. - CCD CLEAN WATER INSURANCE CAPTIVE - CCD	02/28/2025	ivc00000000038918	31,999.00 Claim Admin <b>\$ 31,999.00</b>	
ACH - 757	Total for CLEAN WATER INSURANCE CAPTIVE - CCD DKF SOLUTIONS GROUP, LLC - CCD	02/14/2025	4	1,882,342.00 CWIC 1/2 Liab Premium 24/25 <b>\$ 1,882,342.00</b>	
ACH - 758	Total for DKF SOLUTIONS GROUP, LLC - CCD HEATHER TRURO - CCD	03/01/2025	22722	2,000.00 Vector Solutions <b>\$ 2,000.00</b>	
ACH - 759	Total for HEATHER TRURO - CCD LIEBERT CASSIDY WHITMORE - CCD	02/20/2025	6006	2,748.75 Consulting/Printing <b>\$ 2,748.75</b>	
ACH - 760	Total for LIEBERT CASSIDY WHITMORE - CCD Erik Brown	01/31/2025	288280	2,425.00 training & program consulting <b>\$ 2,425.00</b>	
25161	Total for Erik Brown	01/31/2025	2025 02 Brown	29.61 WC meeting <b>\$ 29.61</b>	
	<b>TOTAL</b>			<b>\$ 1,921,544.36</b>	

I HEREBY CERTIFY THAT THE ABOVE LISTED DISBURSEMENTS ARE FOR CORRECT AND JUST SERVICES OR MATERIALS RECEIVED THAT PAYMENT HAS NOT BEEN PREVIOUSLY MADE, AND THAT FUNDS ARE AVAILABLE TO COVER THESE PAYMENTS.

Jason Dow, Treasurer-Auditor

Roland Williams, Secretary

CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY  
DISBURSEMENT REGISTER GENERAL ACCOUNT NO. xxxxxx2488  
DEMANDS AS OF March 15, 2025

DISB. #	VENDOR	INVOICE DATE	INVOICE NUMBER	AMOUNT	DESCRIPTION
	BRIAN BIEHLE - CCD				
ACH - 761	Total for BRIAN BIEHLE - CCD	03/01/2025	766	400.00	CSRMA Website Maint
	CARL WARREN & CO. - CCD			<b>\$ 400.00</b>	
ACH - 762	Total for CARL WARREN & CO. - CCD	03/01/2025	February 2025	4,701.79	Monthly Claims Admin & Billings
	GIBBONS & CONLEY - CCD			<b>\$ 4,701.79</b>	
ACH - 763	Total for GIBBONS & CONLEY - CCD	03/12/2025	25Feb4848	2,127.62	Program/Gen Fees & Exp
	MYRON D. LEAVELL - CCD			<b>\$ 2,127.62</b>	
ACH - 764	Total for MYRON D. LEAVELL - CCD	03/12/2025	205 03 Leavell	12,104.21	LRP
	PATZER RISK CONTROL SERVICES LLC - CCD			<b>\$ 12,104.21</b>	
ACH - 765	Total for PATZER RISK CONTROL SERVICES LLC - CCD	03/01/2025	1105	2,171.95	CASA handouts & Excellence Awards
	ARCLIGHT MEDIA			<b>\$ 2,171.95</b>	
25164	Total for ARCLIGHT MEDIA	03/01/2025	12193	675.00	RCO Web Hosting/Consulting
	DAVID CLOVIS			<b>\$ 675.00</b>	
25165	Total for DAVID CLOVIS	02/20/2025	24-08 25-02	800.00	Webinar
	ENCINA WASTEWATER AUTH.			<b>\$ 800.00</b>	
25162	Total for ENCINA WASTEWATER AUTH.	03/11/2025	2025 03 Encina	843.04	WC meeting reimbursement
	IRONHOUSE SANITARY DIST.			<b>\$ 843.04</b>	
25166	Total for IRONHOUSE SANITARY DIST.	01/16/2025	Property Ironhouse	46,777.66	Property Claim 002.060975.mi.v
	RUDY SCHROEDER CONSULTING			<b>\$ 46,777.66</b>	
25163	Total for RUDY SCHROEDER CONSULTING	03/13/2025	1556	400.00	Webinar
	TOTAL			<b>\$ 400.00</b>	
				<b>\$ 71,001.27</b>	

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Jason Dow, Treasurer-Auditor

Roland Williams, Secretary

CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY  
DISBURSEMENT REGISTER GENERAL ACCOUNT NO. xxxxxx2488  
DEMANDS AS OF April 1, 2025

DISB. #	VENDOR	INVOICE DATE	INVOICE NUMBER	AMOUNT	DESCRIPTION
	AON RISK CONSULTANTS, INC. - CCD				
ACH - 766	Total for AON RISK CONSULTANTS, INC. - CCD	03/27/2025	9400000004502	5,500.00	Actuarial Study
	ATHENS INSURANCE SERVICE, INC. - CCD			<b>\$ 5,500.00</b>	
ACH - 767	Total for ATHENS INSURANCE SERVICE, INC. - CCD	04/01/2025	ivc0000000039281	31,999.00	Claim Admin
	DKF SOLUTIONS GROUP, LLC - CCD			<b>\$ 31,999.00</b>	
ACH - 768	Total for DKF SOLUTIONS GROUP, LLC - CCD	04/01/2025	22777	2,000.00	Vector Solutions
	LIEBERT CASSIDY WHITMORE - CCD			<b>\$ 2,000.00</b>	
ACH - 769	Total for LIEBERT CASSIDY WHITMORE - CCD	02/28/2025	290217	1,925.00	training & program consulting
	MCLARENS LLC - CCD			<b>\$ 1,925.00</b>	
ACH - 770	Total for MCLARENS LLC - CCD	03/24/2025	90095762	901.00	Professional Services
	MYRON D. LEAVELL - CCD			<b>\$ 901.00</b>	
ACH - 771	Total for MYRON D. LEAVELL - CCD	03/31/2025	2025 03 31 Leavell	2,960.60	LRP
	STEVE DAVIDSON - CCD			<b>\$ 2,960.60</b>	
ACH - 772	Total for STEVE DAVIDSON - CCD	03/31/2025	2025 03 Davidson	4,708.94	meeting
	BRUSH STROKES CONSULTING			<b>\$ 4,708.94</b>	
25168	Total for BRUSH STROKES CONSULTING	03/19/2025	22025	4,244.00	LRP
	FARLEY CONSULTING SERVICES			<b>\$ 4,244.00</b>	
25167	Total for FARLEY CONSULTING SERVICES	02/21/2025	1698	8,200.00	Liab Claims Audit
	WEST VALLEY SANITATION DISTRICT			<b>\$ 8,200.00</b>	
25169	Total for WEST VALLEY SANITATION DISTRICT	03/31/2025	Property West Valley	34,428.66	Property Claim
	TOTAL			<b>\$ 34,428.66</b>	
				<b>\$ 96,867.20</b>	

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CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY  
DISBURSEMENT REGISTER GENERAL ACCOUNT NO. xxxxxx2488  
DEMANDS AS OF April 15, 2025

DISB. #	VENDOR	INVOICE DATE	INVOICE NUMBER	AMOUNT	DESCRIPTION
	ARCLIGHT MEDIA - CCD				
ACH - 773	Total for ARCLIGHT MEDIA - CCD BRIAN BIEHLE - CCD	04/01/2025	12254	900.00	RCO Web Hosting/Consulting
				<b>\$ 900.00</b>	
ACH - 774	Total for BRIAN BIEHLE - CCD CARL WARREN & CO. - CCD	04/01/2025	767	400.00	CSRMA Website Maint
				<b>\$ 400.00</b>	
ACH - 775	Total for CARL WARREN & CO. - CCD DKF SOLUTIONS GROUP, LLC - CCD	03/31/2025	March 2025	4,002.10	Monthly Claims Admin & Billings
				<b>\$ 4,002.10</b>	
ACH - 776	Total for DKF SOLUTIONS GROUP, LLC - CCD GIBBONS & CONLEY - CCD	04/02/2025	22792	700.00	Vector Solutions
				<b>\$ 700.00</b>	
ACH - 777	Total for GIBBONS & CONLEY - CCD KBF COLLABORATIVE SERVICES - CCD	04/02/2025	25Mar4922	7,410.62	Program/Gen Fees & Exp
				<b>\$ 7,410.62</b>	
ACH - 778	Total for KBF COLLABORATIVE SERVICES - CCD LIEBERT CASSIDY WHITMORE - CCD	03/31/2025	CSR-188	1,237.50	program update
				<b>\$ 1,237.50</b>	
ACH - 779	Total for LIEBERT CASSIDY WHITMORE - CCD PETER KUCHINSKY II	11/30/2024	283879	1,925.00	training & program consulting
				<b>\$ 1,925.00</b>	
25170	Total for PETER KUCHINSKY II TYSON ZIMMERMAN	01/24/2025	25-1004	750.00	Survey Questionnaire
				<b>\$ 750.00</b>	
25171	Total for TYSON ZIMMERMAN TOTAL	04/02/2025	2025 04 Zimmerman	513.43	LRP
				<b>\$ 513.43</b>	
				<b>\$ 17,838.65</b>	

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Roland Williams, Secretary

CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY  
DISBURSEMENT REGISTER GENERAL ACCOUNT NO. xxxxxx2488  
DEMANDS AS OF May 1, 2025

DISB. #	VENDOR	INVOICE DATE	INVOICE NUMBER	AMOUNT	DESCRIPTION
	ARCLIGHT MEDIA - CCD				
ACH - 780	Total for ARCLIGHT MEDIA - CCD	05/01/2025	12308	675.00	RCO Web Hosting/Consulting
	ATHENS INSURANCE SERVICE, INC. - CCD			<b>\$ 675.00</b>	
		05/01/2025	ivc0000000039635	31,999.00	Claim Admin
ACH - 781	Total for ATHENS INSURANCE SERVICE, INC. - CCD			<b>\$ 31,999.00</b>	
	DKF SOLUTIONS GROUP, LLC - CCD				
		05/01/2025	22821	2,000.00	Vector Solutions
ACH - 782	Total for DKF SOLUTIONS GROUP, LLC - CCD			<b>\$ 2,000.00</b>	
	HEATHER TRURO - CCD				
		04/20/2025	06012 15	7,642.50	Consulting/Printing
ACH - 783	Total for HEATHER TRURO - CCD			<b>\$ 7,642.50</b>	
	LIEBERT CASSIDY WHITMORE - CCD				
		03/31/2025	290910	560.50	training & program consulting
ACH - 784	Total for LIEBERT CASSIDY WHITMORE - CCD			<b>\$ 560.50</b>	
	MYRON D. LEAVELL - CCD				
		04/21/2025	2025 05 Leavell	6,486.31	Hilton Palm Springs
ACH - 785	Total for MYRON D. LEAVELL - CCD			<b>\$ 6,486.31</b>	
	SILICON VALLEY CLEAN WATER DIST				
		04/21/2025	Property Silicon Vall	95,000.00	Property Claim
25172	Total for SILICON VALLEY CLEAN WATER DIST			<b>\$ 95,000.00</b>	
	TOTAL			<b>\$ 144,363.31</b>	

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CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY  
DISBURSEMENT REGISTER GENERAL ACCOUNT NO. xxxxxx2488  
DEMANDS AS OF May 15, 2025

DISB. #	VENDOR	INVOICE DATE	INVOICE NUMBER	AMOUNT	DESCRIPTION
	BRIAN BIEHLE - CCD				
ACH - 786	Total for BRIAN BIEHLE - CCD	05/01/2025	768	400.00	CSRMA Website Maint
	CARL WARREN & CO. - CCD			<b>\$ 400.00</b>	
		04/30/2025	April 2025	6,143.82	Monthly Claims Admin & Billings
ACH - 787	Total for CARL WARREN & CO. - CCD			<b>\$ 6,143.82</b>	
	GIBBONS & CONLEY - CCD	05/07/2025	25Apr5008	369.00	Program/Gen Fees & Exp
ACH - 788	Total for GIBBONS & CONLEY - CCD			<b>\$ 369.00</b>	
	California Assoc. of Joint Powers Authorities	05/15/2025	Accreditation Fee	7,500.00	CAJPA Accreditation
25173	Total for California Assoc. of Joint Powers Authorities			<b>\$ 7,500.00</b>	
	TOTAL			<b>\$ 14,412.82</b>	

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PREVIOUSLY MADE, AND THAT FUNDS ARE AVAILABLE TO COVER THESE PAYMENTS.

Jason Dow, Treasurer-Auditor

Roland Williams, Secretary



### **Budget to Date Report as of March 31, 2025**

**ISSUE:** Attached is the budget to date report as of March 31, 2025, and corresponding balance sheet. A variance report highlighting notable variances in the actual year to date figures versus what was budgeted is included.

There are no major concerns about CSRMA's finances at this writing.

**RECOMMENDATION:** None at this time.

**FISCAL IMPACT:** As depicted in the attached document.

**BACKGROUND:** The Program Administrators have remapped the budget to date report format to line up with the financial audit report so that all financial reporting will be consistent.

**ATTACHMENTS:**

1. Profit & Loss Budget to Actual
2. Variance Report
3. Balance Sheet

# California Sanitation Risk Management Authority - Unconsolidated

## Budget vs. Actuals by Program

July 2024 - March 2025

Preliminary Unaudited\*

	TOTAL			
	Actual	Budget	over Budget	% of Budget
Income				
40 Operating Revenue				
400 Member Contributions				
4100 JPA Charge	849,768.52	1,175,971.00	-326,202.48	72.26%
4220 Pooled Deposit	491,296.50	653,298.00	-162,001.50	75.20%
4400 Insurance Premium (Net)	11,556,624.04	15,978,913.00	-4,422,288.96	72.32%
4450 Affiliate Insurance Premium Rev	5,282,434.00	6,806,001.00	-1,523,567.00	77.61%
Total 400 Member Contributions	\$ 18,180,123.06	\$ 24,614,183.00	-\$ 6,434,059.94	73.86%
410 Retrospective Contribution				
4300 Retro Adjustment	883.25	-500,000.00	500,883.25	-0.18%
Total 410 Retrospective Contribution	\$ 883.25	-\$ 500,000.00	\$ 500,883.25	-0.18%
420 Member Fees				
4110 Program Directors' Fee	1,088,079.93	1,451,000.00	-362,920.07	74.99%
Total 420 Member Fees	\$ 1,088,079.93	\$ 1,451,000.00	-\$ 362,920.07	74.99%
Total 40 Operating Revenue	\$ 19,269,086.24	\$ 25,565,183.00	-\$ 6,296,096.76	75.37%
Total Income	\$ 19,269,086.24	\$ 25,565,183.00	-\$ 6,296,096.76	75.37%
Gross Profit	\$ 19,269,086.24	\$ 25,565,183.00	-\$ 6,296,096.76	75.37%
Expenses				
50 Operating Expense				
500 Program Expense				
4500 Deductible Recoveries	-397,144.65	-400,000.00	2,855.35	99.29%
5201 Claims Expense	4,340,001.07	4,000,000.00	340,001.07	108.50%
5205 Loss Adjustment Exp	298,312.81	0.00	298,312.81	
5300 Risk Control Online	0.00	0.00	0.00	
Total 500 Program Expense	\$ 4,241,169.23	\$ 3,600,000.00	\$ 641,169.23	117.81%
610 Insurance Expense				
6432 Net Insurance Premium	11,552,192.90	15,978,913.00	-4,426,720.10	72.30%
6435 Affiliate Insurance Premium Exp	5,282,434.00	7,776,601.00	-2,494,167.00	67.93%
Total 610 Insurance Expense	\$ 16,834,626.90	\$ 23,755,514.00	-\$ 6,920,887.10	70.87%
620 Management Consultants				
6523 Outside Safety Consultant	397,114.45	549,560.00	-152,445.55	72.26%
Total 620 Management Consultants	\$ 397,114.45	\$ 549,560.00	-\$ 152,445.55	72.26%
630 Program Director Fee				
6330 Program Directors' Fee Exp.	1,088,249.40	1,451,000.00	-362,750.60	75.00%
Total 630 Program Director Fee	\$ 1,088,249.40	\$ 1,451,000.00	-\$ 362,750.60	75.00%
640 Other Program Expense				
6464 User/Fraud Fund Assessment	87,842.08	124,379.00	-36,536.92	70.62%
6506 Actuarial	44,920.00	69,890.00	-24,970.00	64.27%
6510 Claims Audit	8,200.00	9,000.00	-800.00	91.11%
6512 Claims Admin. Annual Fee	18,400.00	24,600.00	-6,200.00	74.80%
6516 Coverage Counsel	0.00	5,000.00	-5,000.00	0.00%
6650 Program Legal	10,957.49	26,500.00	-15,542.51	41.35%
6652 Program Committee	881.65	2,500.00	-1,618.35	35.27%
6660 Program Consulting	14,794.00	35,000.00	-20,206.00	42.27%
6667 CSRMA Provided Seminars	75,668.18	95,000.00	-19,331.82	79.65%
Total 640 Other Program Expense	\$ 261,663.40	\$ 391,869.00	-\$ 130,205.60	66.77%

# California Sanitation Risk Management Authority - Unconsolidated

## Budget vs. Actuals by Program

July 2024 - March 2025

Preliminary Unaudited\*

	TOTAL			% of Budget
	Actual	Budget	over Budget	
700 General & Administrative Expense				
7804 Accounting Consulting	0.00	0.00	0.00	
7808 Financial Audit	18,945.00	22,946.00	-4,001.00	82.56%
7822 Board Counsel	9,889.82	20,700.00	-10,810.18	47.78%
8942 Supplies	86.88	0.00	86.88	
8944 Printing/Promotion	0.00	1,000.00	-1,000.00	0.00%
8945 Computer Software/Programming	29,915.13	34,900.00	-4,984.87	85.72%
8946 Memberships/Other	5,725.00	10,987.00	-5,262.00	52.11%
8948 Banking Service Charges	1,692.27	5,804.00	-4,111.73	29.16%
8954 Executive/Officers Committee	32,044.57	35,000.00	-2,955.43	91.56%
8956 Board of Directors	7,881.32	13,800.00	-5,918.68	57.11%
8960 JPA Insurance	63,331.40	83,406.00	-20,074.60	75.93%
8990 General Contingency	0.00	6,000.00	-6,000.00	0.00%
<b>Total 700 General &amp; Administrative Expense</b>	<b>\$ 169,511.39</b>	<b>\$ 234,543.00</b>	<b>-\$ 65,031.61</b>	<b>72.27%</b>
<b>Total 50 Operating Expense</b>	<b>\$ 22,992,334.77</b>	<b>\$ 29,982,486.00</b>	<b>-\$ 6,990,151.23</b>	<b>76.69%</b>
<b>Total Expenses</b>	<b>\$ 22,992,334.77</b>	<b>\$ 29,982,486.00</b>	<b>-\$ 6,990,151.23</b>	<b>76.69%</b>
<b>Net Operating Income</b>	<b>-\$ 3,723,248.53</b>	<b>-\$ 4,417,303.00</b>	<b>\$ 694,054.47</b>	<b>84.29%</b>
Other Income				
4660 Investment Earnings				
4620 Interest Income	434,893.30	0.00	434,893.30	
4660.10 Investment Income - Realized	-83,267.07	830,503.00	-913,770.07	-10.03%
4660.15 Investment Income - Unrealized	0.00	0.00	0.00	
<b>Total 4660 Investment Earnings</b>	<b>\$ 351,626.23</b>	<b>\$ 830,503.00</b>	<b>-\$ 478,876.77</b>	<b>42.34%</b>
<b>Total Other Income</b>	<b>\$ 351,626.23</b>	<b>\$ 830,503.00</b>	<b>-\$ 478,876.77</b>	<b>42.34%</b>
Other Expenses				
9120 Dividends	0.00	500,000.00	-500,000.00	0.00%
Reconciliation Discrepancies	-0.79	0.00	-0.79	
<b>Total Other Expenses</b>	<b>-\$ 0.79</b>	<b>\$ 500,000.00</b>	<b>-\$ 500,000.79</b>	<b>0.00%</b>
<b>Net Other Income</b>	<b>\$ 351,627.02</b>	<b>\$ 330,503.00</b>	<b>\$ 21,124.02</b>	<b>106.39%</b>
<b>Net Income</b>	<b>-\$ 3,371,621.51</b>	<b>-\$ 4,086,800.00</b>	<b>\$ 715,178.49</b>	<b>82.50%</b>

\*Excludes results of CWIC subsidiary; excludes unearned income from investments and 3rd quarter investment earnings.

# California Sanitation Risk Management Authority - Unconsolidated

## Budget vs. Actuals by Program

July 2024 - March 2025

Preliminary Unaudited\*

	.021 - PIP			
	Actual	Budget	over Budget	% of Budget
<b>Income</b>				
40 Operating Revenue				
400 Member Contributions				
4100 JPA Charge	47,878.95	72,482.00	-24,603.05	66.06%
4220 Pooled Deposit			0.00	
4400 Insurance Premium (Net)	631,591.02	911,300.00	-279,708.98	69.31%
4450 Affiliate Insurance Premium Rev			0.00	
<b>Total 400 Member Contributions</b>	<b>\$ 679,469.97</b>	<b>\$ 983,782.00</b>	<b>-\$ 304,312.03</b>	<b>69.07%</b>
410 Retrospective Contribution				
4300 Retro Adjustment			0.00	
<b>Total 410 Retrospective Contribution</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	
420 Member Fees				
4110 Program Directors' Fee	103,333.62	138,000.00	-34,666.38	74.88%
<b>Total 420 Member Fees</b>	<b>\$ 103,333.62</b>	<b>\$ 138,000.00</b>	<b>-\$ 34,666.38</b>	<b>74.88%</b>
<b>Total 40 Operating Revenue</b>	<b>\$ 782,803.59</b>	<b>\$ 1,121,782.00</b>	<b>-\$ 338,978.41</b>	<b>69.78%</b>
<b>Total Income</b>	<b>\$ 782,803.59</b>	<b>\$ 1,121,782.00</b>	<b>-\$ 338,978.41</b>	<b>69.78%</b>
<b>Gross Profit</b>	<b>\$ 782,803.59</b>	<b>\$ 1,121,782.00</b>	<b>-\$ 338,978.41</b>	<b>69.78%</b>
<b>Expenses</b>				
50 Operating Expense				
500 Program Expense				
4500 Deductible Recoveries			0.00	
5201 Claims Expense			0.00	
5205 Loss Adjustment Exp			0.00	
5300 Risk Control Online	0.00		0.00	
<b>Total 500 Program Expense</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	
610 Insurance Expense				
6432 Net Insurance Premium	624,250.06	911,300.00	-287,049.94	68.50%
6435 Affiliate Insurance Premium Exp			0.00	
<b>Total 610 Insurance Expense</b>	<b>\$ 624,250.06</b>	<b>\$ 911,300.00</b>	<b>-\$ 287,049.94</b>	<b>68.50%</b>
620 Management Consultants				
6523 Outside Safety Consultant	35,825.90	38,256.00	-2,430.10	93.65%
<b>Total 620 Management Consultants</b>	<b>\$ 35,825.90</b>	<b>\$ 38,256.00</b>	<b>-\$ 2,430.10</b>	<b>93.65%</b>
630 Program Director Fee				
6330 Program Directors' Fee Exp.	103,500.00	138,000.00	-34,500.00	75.00%
<b>Total 630 Program Director Fee</b>	<b>\$ 103,500.00</b>	<b>\$ 138,000.00</b>	<b>-\$ 34,500.00</b>	<b>75.00%</b>
640 Other Program Expense				
6464 User/Fraud Fund Assessment			0.00	
6506 Actuarial			0.00	
6510 Claims Audit			0.00	
6512 Claims Admin. Annual Fee			0.00	
6516 Coverage Counsel			0.00	
6650 Program Legal			0.00	
6652 Program Committee			0.00	
6660 Program Consulting	474.40	1,500.00	-1,025.60	31.63%
6667 CSRMA Provided Seminars	7,366.81	9,500.00	-2,133.19	77.55%
<b>Total 640 Other Program Expense</b>	<b>\$ 7,841.21</b>	<b>\$ 11,000.00</b>	<b>-\$ 3,158.79</b>	<b>71.28%</b>

# California Sanitation Risk Management Authority - Unconsolidated

## Budget vs. Actuals by Program

July 2024 - March 2025

Preliminary Unaudited\*

	.021 - PIP			
	Actual	Budget	over Budget	% of Budget
700 General & Administrative Expense				
7804 Accounting Consulting	0.00		0.00	
7808 Financial Audit	1,894.50	2,295.00	-400.50	82.55%
7822 Board Counsel	988.99	2,070.00	-1,081.01	47.78%
8942 Supplies	8.69		8.69	
8944 Printing/Promotion		100.00	-100.00	0.00%
8945 Computer Software/Programming	1,104.26	3,490.00	-2,385.74	31.64%
8946 Memberships/Other	572.50	1,099.00	-526.50	52.09%
8948 Banking Service Charges	169.23	332.00	-162.77	50.97%
8954 Executive/Officers Committee	3,191.71	3,500.00	-308.29	91.19%
8956 Board of Directors	788.14	1,400.00	-611.86	56.30%
8960 JPA Insurance	6,333.14	8,341.00	-2,007.86	75.93%
8990 General Contingency		600.00	-600.00	0.00%
<b>Total 700 General &amp; Administrative Expense</b>	<b>\$ 15,051.16</b>	<b>\$ 23,227.00</b>	<b>-\$ 8,175.84</b>	<b>64.80%</b>
<b>Total 50 Operating Expense</b>	<b>\$ 786,468.33</b>	<b>\$ 1,121,783.00</b>	<b>-\$ 335,314.67</b>	<b>70.11%</b>
<b>Total Expenses</b>	<b>\$ 786,468.33</b>	<b>\$ 1,121,783.00</b>	<b>-\$ 335,314.67</b>	<b>70.11%</b>
<b>Net Operating Income</b>	<b>-\$ 3,664.74</b>	<b>-\$ 1.00</b>	<b>-\$ 3,663.74</b>	<b>366474.00%</b>
Other Income				
4660 Investment Earnings				
4620 Interest Income	2,485.69		2,485.69	
4660.10 Investment Income - Realized	-466.36	5,219.00	-5,685.36	-8.94%
4660.15 Investment Income - Unrealized	0.00		0.00	
<b>Total 4660 Investment Earnings</b>	<b>\$ 2,019.33</b>	<b>\$ 5,219.00</b>	<b>-\$ 3,199.67</b>	<b>38.69%</b>
<b>Total Other Income</b>	<b>\$ 2,019.33</b>	<b>\$ 5,219.00</b>	<b>-\$ 3,199.67</b>	<b>38.69%</b>
Other Expenses				
9120 Dividends			0.00	
Reconciliation Discrepancies			0.00	
<b>Total Other Expenses</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	
<b>Net Other Income</b>	<b>\$ 2,019.33</b>	<b>\$ 5,219.00</b>	<b>-\$ 3,199.67</b>	<b>38.69%</b>
<b>Net Income</b>	<b>-\$ 1,645.41</b>	<b>\$ 5,218.00</b>	<b>-\$ 6,863.41</b>	<b>-31.53%</b>

\*Excludes results of CWIC subsidiary; excludes unearned income from investments and 3rd quarter investment earnings.

# California Sanitation Risk Management Authority - Unconsolidated

## Budget vs. Actuals by Program

July 2024 - March 2025

Preliminary Unaudited\*

.023 - Property				
	Actual	Budget	over Budget	% of Budget
<b>Income</b>				
40 Operating Revenue				
400 Member Contributions				
4100 JPA Charge	83,920.47	111,894.00	-27,973.53	75.00%
4220 Pooled Deposit	491,296.50	653,298.00	-162,001.50	75.20%
4400 Insurance Premium (Net)	6,977,286.27	9,602,238.00	-2,624,951.73	72.66%
4450 Affiliate Insurance Premium Rev			0.00	
<b>Total 400 Member Contributions</b>	<b>\$ 7,552,503.24</b>	<b>\$ 10,367,430.00</b>	<b>-\$ 2,814,926.76</b>	<b>72.85%</b>
410 Retrospective Contribution				
4300 Retro Adjustment			0.00	
<b>Total 410 Retrospective Contribution</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	
420 Member Fees				
4110 Program Directors' Fee	143,999.97	192,000.00	-48,000.03	75.00%
<b>Total 420 Member Fees</b>	<b>\$ 143,999.97</b>	<b>\$ 192,000.00</b>	<b>-\$ 48,000.03</b>	<b>75.00%</b>
<b>Total 40 Operating Revenue</b>	<b>\$ 7,696,503.21</b>	<b>\$ 10,559,430.00</b>	<b>-\$ 2,862,926.79</b>	<b>72.89%</b>
<b>Total Income</b>	<b>\$ 7,696,503.21</b>	<b>\$ 10,559,430.00</b>	<b>-\$ 2,862,926.79</b>	<b>72.89%</b>
<b>Gross Profit</b>	<b>\$ 7,696,503.21</b>	<b>\$ 10,559,430.00</b>	<b>-\$ 2,862,926.79</b>	<b>72.89%</b>
<b>Expenses</b>				
50 Operating Expense				
500 Program Expense				
4500 Deductible Recoveries			0.00	
5201 Claims Expense	145,407.85	500,000.00	-354,592.15	29.08%
5205 Loss Adjustment Exp	4,276.60		4,276.60	
5300 Risk Control Online	0.00		0.00	
<b>Total 500 Program Expense</b>	<b>\$ 149,684.45</b>	<b>\$ 500,000.00</b>	<b>-\$ 350,315.55</b>	<b>29.94%</b>
610 Insurance Expense				
6432 Net Insurance Premium	6,976,760.73	9,602,238.00	-2,625,477.27	72.66%
6435 Affiliate Insurance Premium Exp			0.00	
<b>Total 610 Insurance Expense</b>	<b>\$ 6,976,760.73</b>	<b>\$ 9,602,238.00</b>	<b>-\$ 2,625,477.27</b>	<b>72.66%</b>
620 Management Consultants				
6523 Outside Safety Consultant	68,221.55	70,652.00	-2,430.45	96.56%
<b>Total 620 Management Consultants</b>	<b>\$ 68,221.55</b>	<b>\$ 70,652.00</b>	<b>-\$ 2,430.45</b>	<b>96.56%</b>
630 Program Director Fee				
6330 Program Directors' Fee Exp.	144,000.00	192,000.00	-48,000.00	75.00%
<b>Total 630 Program Director Fee</b>	<b>\$ 144,000.00</b>	<b>\$ 192,000.00</b>	<b>-\$ 48,000.00</b>	<b>75.00%</b>
640 Other Program Expense				
6464 User/Fraud Fund Assessment			0.00	
6506 Actuarial	5,500.00	5,500.00	0.00	100.00%
6510 Claims Audit			0.00	
6512 Claims Admin. Annual Fee			0.00	
6516 Coverage Counsel			0.00	
6650 Program Legal	0.00	1,500.00	-1,500.00	0.00%
6652 Program Committee			0.00	
6660 Program Consulting	474.40	1,500.00	-1,025.60	31.63%
6667 CSRMA Provided Seminars	7,366.81	9,500.00	-2,133.19	77.55%
<b>Total 640 Other Program Expense</b>	<b>\$ 13,341.21</b>	<b>\$ 18,000.00</b>	<b>-\$ 4,658.79</b>	<b>74.12%</b>

# California Sanitation Risk Management Authority - Unconsolidated

## Budget vs. Actuals by Program

July 2024 - March 2025

Preliminary Unaudited\*

	.023 - Property			
	Actual	Budget	over Budget	% of Budget
700 General & Administrative Expense				
7804 Accounting Consulting	0.00		0.00	
7808 Financial Audit	1,894.50	2,295.00	-400.50	82.55%
7822 Board Counsel	988.99	2,070.00	-1,081.01	47.78%
8942 Supplies	8.69		8.69	
8944 Printing/Promotion		100.00	-100.00	0.00%
8945 Computer Software/Programming	976.79	3,490.00	-2,513.21	27.99%
8946 Memberships/Other	572.50	1,099.00	-526.50	52.09%
8948 Banking Service Charges	169.23	348.00	-178.77	48.63%
8954 Executive/Officers Committee	3,319.18	3,500.00	-180.82	94.83%
8956 Board of Directors	788.14	1,400.00	-611.86	56.30%
8960 JPA Insurance	6,333.14	8,341.00	-2,007.86	75.93%
8990 General Contingency		600.00	-600.00	0.00%
<b>Total 700 General &amp; Administrative Expense</b>	<b>\$ 15,051.16</b>	<b>\$ 23,243.00</b>	<b>-\$ 8,191.84</b>	<b>64.76%</b>
<b>Total 50 Operating Expense</b>	<b>\$ 7,367,059.10</b>	<b>\$ 10,406,133.00</b>	<b>-\$ 3,039,073.90</b>	<b>70.80%</b>
<b>Total Expenses</b>	<b>\$ 7,367,059.10</b>	<b>\$ 10,406,133.00</b>	<b>-\$ 3,039,073.90</b>	<b>70.80%</b>
<b>Net Operating Income</b>	<b>\$ 329,444.11</b>	<b>\$ 153,297.00</b>	<b>\$ 176,147.11</b>	<b>214.91%</b>
Other Income				
4660 Investment Earnings				
4620 Interest Income	10,399.35		10,399.35	
4660.10 Investment Income - Realized	-2,033.19	31,157.00	-33,190.19	-6.53%
4660.15 Investment Income - Unrealized	0.00		0.00	
<b>Total 4660 Investment Earnings</b>	<b>\$ 8,366.16</b>	<b>\$ 31,157.00</b>	<b>-\$ 22,790.84</b>	<b>26.85%</b>
<b>Total Other Income</b>	<b>\$ 8,366.16</b>	<b>\$ 31,157.00</b>	<b>-\$ 22,790.84</b>	<b>26.85%</b>
Other Expenses				
9120 Dividends			0.00	
Reconciliation Discrepancies			0.00	
<b>Total Other Expenses</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	
<b>Net Other Income</b>	<b>\$ 8,366.16</b>	<b>\$ 31,157.00</b>	<b>-\$ 22,790.84</b>	<b>26.85%</b>
<b>Net Income</b>	<b>\$ 337,810.27</b>	<b>\$ 184,454.00</b>	<b>\$ 153,356.27</b>	<b>183.14%</b>

\*Excludes results of CWIC subsidiary; excludes unearned income from investments and 3rd quarter investment earnings.

# California Sanitation Risk Management Authority - Unconsolidated

## Budget vs. Actuals by Program

July 2024 - March 2025

Preliminary Unaudited\*

	.024 - Liability			
	Actual	Budget	over Budget	% of Budget
<b>Income</b>				
40 Operating Revenue				
400 Member Contributions				
4100 JPA Charge	302,987.50	438,287.00	-135,299.50	69.13%
4220 Pooled Deposit			0.00	
4400 Insurance Premium (Net)	2,675,937.25	3,702,029.00	-1,026,091.75	72.28%
4450 Affiliate Insurance Premium Rev		2,982,467.00	-2,982,467.00	0.00%
<b>Total 400 Member Contributions</b>	<b>\$ 2,978,924.75</b>	<b>\$ 7,122,783.00</b>	<b>-\$ 4,143,858.25</b>	<b>41.82%</b>
410 Retrospective Contribution				
4300 Retro Adjustment	275,885.00	-250,000.00	525,885.00	-110.35%
<b>Total 410 Retrospective Contribution</b>	<b>\$ 275,885.00</b>	<b>-\$ 250,000.00</b>	<b>\$ 525,885.00</b>	<b>-110.35%</b>
420 Member Fees				
4110 Program Directors' Fee	514,497.00	686,000.00	-171,503.00	75.00%
<b>Total 420 Member Fees</b>	<b>\$ 514,497.00</b>	<b>\$ 686,000.00</b>	<b>-\$ 171,503.00</b>	<b>75.00%</b>
<b>Total 40 Operating Revenue</b>	<b>\$ 3,769,306.75</b>	<b>\$ 7,558,783.00</b>	<b>-\$ 3,789,476.25</b>	<b>49.87%</b>
<b>Total Income</b>	<b>\$ 3,769,306.75</b>	<b>\$ 7,558,783.00</b>	<b>-\$ 3,789,476.25</b>	<b>49.87%</b>
<b>Gross Profit</b>	<b>\$ 3,769,306.75</b>	<b>\$ 7,558,783.00</b>	<b>-\$ 3,789,476.25</b>	<b>49.87%</b>
<b>Expenses</b>				
50 Operating Expense				
500 Program Expense				
4500 Deductible Recoveries	-397,144.65	-400,000.00	2,855.35	99.29%
5201 Claims Expense	2,750,486.95	1,750,000.00	1,000,486.95	157.17%
5205 Loss Adjustment Exp	44,444.01		44,444.01	
5300 Risk Control Online	0.00		0.00	
<b>Total 500 Program Expense</b>	<b>\$ 2,397,786.31</b>	<b>\$ 1,350,000.00</b>	<b>\$ 1,047,786.31</b>	<b>177.61%</b>
610 Insurance Expense				
6432 Net Insurance Premium	2,675,936.86	3,702,029.00	-1,026,092.14	72.28%
6435 Affiliate Insurance Premium Exp	2,414,783.50	2,982,467.00	-567,683.50	80.97%
<b>Total 610 Insurance Expense</b>	<b>\$ 5,090,720.36</b>	<b>\$ 6,684,496.00</b>	<b>-\$ 1,593,775.64</b>	<b>76.16%</b>
620 Management Consultants				
6523 Outside Safety Consultant	164,870.39	209,652.00	-44,781.61	78.64%
<b>Total 620 Management Consultants</b>	<b>\$ 164,870.39</b>	<b>\$ 209,652.00</b>	<b>-\$ 44,781.61</b>	<b>78.64%</b>
630 Program Director Fee				
6330 Program Directors' Fee Exp.	514,500.00	686,000.00	-171,500.00	75.00%
<b>Total 630 Program Director Fee</b>	<b>\$ 514,500.00</b>	<b>\$ 686,000.00</b>	<b>-\$ 171,500.00</b>	<b>75.00%</b>
640 Other Program Expense				
6464 User/Fraud Fund Assessment			0.00	
6506 Actuarial	13,500.00	15,250.00	-1,750.00	88.52%
6510 Claims Audit			0.00	
6512 Claims Admin. Annual Fee	12,400.00	18,600.00	-6,200.00	66.67%
6516 Coverage Counsel		5,000.00	-5,000.00	0.00%
6650 Program Legal	10,912.49	23,500.00	-12,587.51	46.44%
6652 Program Committee	9.00	1,500.00	-1,491.00	0.60%
6660 Program Consulting	12,134.80	16,750.00	-4,615.20	72.45%
6667 CSRMA Provided Seminars	34,150.68	42,750.00	-8,599.32	79.88%
<b>Total 640 Other Program Expense</b>	<b>\$ 83,106.97</b>	<b>\$ 123,350.00</b>	<b>-\$ 40,243.03</b>	<b>67.37%</b>



# California Sanitation Risk Management Authority - Unconsolidated

## Budget vs. Actuals by Program

July 2024 - March 2025

Preliminary Unaudited\*

.024 - Liability					
	Actual	Budget	over Budget	% of Budget	
700 General & Administrative Expense					
7804 Accounting Consulting	0.00		0.00		
7808 Financial Audit	8,525.25	10,325.00	-1,799.75	82.57%	
7822 Board Counsel	4,450.41	9,315.00	-4,864.59	47.78%	
8942 Supplies	39.09		39.09		
8944 Printing/Promotion		450.00	-450.00	0.00%	
8945 Computer Software/Programming	23,969.17	15,705.00	8,264.17	152.62%	
8946 Memberships/Other	2,576.25	4,944.00	-2,367.75	52.11%	
8948 Banking Service Charges	761.51	2,363.00	-1,601.49	32.23%	
8954 Executive/Officers Committee	14,362.70	15,750.00	-1,387.30	91.19%	
8956 Board of Directors	3,546.58	6,200.00	-2,653.42	57.20%	
8960 JPA Insurance	28,499.13	37,532.00	-9,032.87	75.93%	
8990 General Contingency		2,700.00	-2,700.00	0.00%	
<b>Total 700 General &amp; Administrative Expense</b>	<b>\$ 86,730.09</b>	<b>\$ 105,284.00</b>	<b>-\$ 18,553.91</b>	<b>82.38%</b>	
<b>Total 50 Operating Expense</b>	<b>\$ 8,337,714.12</b>	<b>\$ 9,158,782.00</b>	<b>-\$ 821,067.88</b>	<b>91.04%</b>	
<b>Total Expenses</b>	<b>\$ 8,337,714.12</b>	<b>\$ 9,158,782.00</b>	<b>-\$ 821,067.88</b>	<b>91.04%</b>	
<b>Net Operating Income</b>	<b>-\$ 4,568,407.37</b>	<b>-\$ 1,599,999.00</b>	<b>-\$ 2,968,408.37</b>	<b>285.53%</b>	
Other Income					
4660 Investment Earnings					
4620 Interest Income	143,276.33		143,276.33		
4660.10 Investment Income - Realized	-27,144.85	289,266.00	-316,410.85	-9.38%	
4660.15 Investment Income - Unrealized	0.00		0.00		
<b>Total 4660 Investment Earnings</b>	<b>\$ 116,131.48</b>	<b>\$ 289,266.00</b>	<b>-\$ 173,134.52</b>	<b>40.15%</b>	
<b>Total Other Income</b>	<b>\$ 116,131.48</b>	<b>\$ 289,266.00</b>	<b>-\$ 173,134.52</b>	<b>40.15%</b>	
Other Expenses					
9120 Dividends		500,000.00	-500,000.00	0.00%	
Reconciliation Discrepancies	-0.79		-0.79		
<b>Total Other Expenses</b>	<b>-\$ 0.79</b>	<b>\$ 500,000.00</b>	<b>-\$ 500,000.79</b>	<b>0.00%</b>	
<b>Net Other Income</b>	<b>\$ 116,132.27</b>	<b>-\$ 210,734.00</b>	<b>\$ 326,866.27</b>	<b>-55.11%</b>	
<b>Net Income</b>	<b>-\$ 4,452,275.10</b>	<b>-\$ 1,810,733.00</b>	<b>-\$ 2,641,542.10</b>	<b>245.88%</b>	

\*Excludes results of CWIC subsidiary; excludes unearned income from investments and 3rd quarter investment earnings.

# California Sanitation Risk Management Authority - Unconsolidated

## Budget vs. Actuals by Program

July 2024 - March 2025

Preliminary Unaudited\*

	.025 - WC			
	Actual	Budget	over Budget	% of Budget
<b>Income</b>				
40 Operating Revenue				
400 Member Contributions				
4100 JPA Charge	414,981.60	553,308.00	-138,326.40	75.00%
4220 Pooled Deposit			0.00	
4400 Insurance Premium (Net)	1,271,809.50	1,763,346.00	-491,536.50	72.12%
4450 Affiliate Insurance Premium Rev	5,282,434.00	3,823,534.00	1,458,900.00	138.16%
<b>Total 400 Member Contributions</b>	<b>\$ 6,969,225.10</b>	<b>\$ 6,140,188.00</b>	<b>\$ 829,037.10</b>	<b>113.50%</b>
410 Retrospective Contribution				
4300 Retro Adjustment	-275,001.75	-250,000.00	-25,001.75	110.00%
<b>Total 410 Retrospective Contribution</b>	<b>-\$ 275,001.75</b>	<b>-\$ 250,000.00</b>	<b>-\$ 25,001.75</b>	<b>110.00%</b>
420 Member Fees				
4110 Program Directors' Fee	326,249.34	435,000.00	-108,750.66	75.00%
<b>Total 420 Member Fees</b>	<b>\$ 326,249.34</b>	<b>\$ 435,000.00</b>	<b>-\$ 108,750.66</b>	<b>75.00%</b>
<b>Total 40 Operating Revenue</b>	<b>\$ 7,020,472.69</b>	<b>\$ 6,325,188.00</b>	<b>\$ 695,284.69</b>	<b>110.99%</b>
<b>Total Income</b>	<b>\$ 7,020,472.69</b>	<b>\$ 6,325,188.00</b>	<b>\$ 695,284.69</b>	<b>110.99%</b>
<b>Gross Profit</b>	<b>\$ 7,020,472.69</b>	<b>\$ 6,325,188.00</b>	<b>\$ 695,284.69</b>	<b>110.99%</b>
<b>Expenses</b>				
50 Operating Expense				
500 Program Expense				
4500 Deductible Recoveries			0.00	
5201 Claims Expense	1,444,106.27	1,750,000.00	-305,893.73	82.52%
5205 Loss Adjustment Exp	249,592.20		249,592.20	
5300 Risk Control Online	0.00		0.00	
<b>Total 500 Program Expense</b>	<b>\$ 1,693,698.47</b>	<b>\$ 1,750,000.00</b>	<b>-\$ 56,301.53</b>	<b>96.78%</b>
610 Insurance Expense				
6432 Net Insurance Premium	1,275,245.25	1,763,346.00	-488,100.75	72.32%
6435 Affiliate Insurance Premium Exp	2,867,650.50	4,794,134.00	-1,926,483.50	59.82%
<b>Total 610 Insurance Expense</b>	<b>\$ 4,142,895.75</b>	<b>\$ 6,557,480.00</b>	<b>-\$ 2,414,584.25</b>	<b>63.18%</b>
620 Management Consultants				
6523 Outside Safety Consultant	128,196.61	231,000.00	-102,803.39	55.50%
<b>Total 620 Management Consultants</b>	<b>\$ 128,196.61</b>	<b>\$ 231,000.00</b>	<b>-\$ 102,803.39</b>	<b>55.50%</b>
630 Program Director Fee				
6330 Program Directors' Fee Exp.	326,249.40	435,000.00	-108,750.60	75.00%
<b>Total 630 Program Director Fee</b>	<b>\$ 326,249.40</b>	<b>\$ 435,000.00</b>	<b>-\$ 108,750.60</b>	<b>75.00%</b>
640 Other Program Expense				
6464 User/Fraud Fund Assessment	87,842.08	124,379.00	-36,536.92	70.62%
6506 Actuarial	25,920.00	49,140.00	-23,220.00	52.75%
6510 Claims Audit	8,200.00	9,000.00	-800.00	91.11%
6512 Claims Admin. Annual Fee	6,000.00	6,000.00	0.00	100.00%
6516 Coverage Counsel			0.00	
6650 Program Legal	45.00	1,500.00	-1,455.00	3.00%
6652 Program Committee	872.65	1,000.00	-127.35	87.27%
6660 Program Consulting	1,710.40	15,250.00	-13,539.60	11.22%
6667 CSRMA Provided Seminars	26,783.88	33,250.00	-6,466.12	80.55%
<b>Total 640 Other Program Expense</b>	<b>\$ 157,374.01</b>	<b>\$ 239,519.00</b>	<b>-\$ 82,144.99</b>	<b>65.70%</b>

# California Sanitation Risk Management Authority - Unconsolidated

## Budget vs. Actuals by Program

July 2024 - March 2025

Preliminary Unaudited\*

	.025 - WC			
	Actual	Budget	over Budget	% of Budget
700 General & Administrative Expense				
7804 Accounting Consulting	0.00		0.00	
7808 Financial Audit	6,630.75	8,031.00	-1,400.25	82.56%
7822 Board Counsel	3,461.43	7,245.00	-3,783.57	47.78%
8942 Supplies	30.41		30.41	
8944 Printing/Promotion	0.00	350.00	-350.00	0.00%
8945 Computer Software/Programming	3,864.91	12,215.00	-8,350.09	31.64%
8946 Memberships/Other	2,003.75	3,845.00	-1,841.25	52.11%
8948 Banking Service Charges	592.30	2,761.00	-2,168.70	21.45%
8954 Executive/Officers Committee	11,170.98	12,250.00	-1,079.02	91.19%
8956 Board of Directors	2,758.46	4,800.00	-2,041.54	57.47%
8960 JPA Insurance	22,165.99	29,192.00	-7,026.01	75.93%
8990 General Contingency		2,100.00	-2,100.00	0.00%
<b>Total 700 General &amp; Administrative Expense</b>	<b>\$ 52,678.98</b>	<b>\$ 82,789.00</b>	<b>-\$ 30,110.02</b>	<b>63.63%</b>
<b>Total 50 Operating Expense</b>	<b>\$ 6,501,093.22</b>	<b>\$ 9,295,788.00</b>	<b>-\$ 2,794,694.78</b>	<b>69.94%</b>
<b>Total Expenses</b>	<b>\$ 6,501,093.22</b>	<b>\$ 9,295,788.00</b>	<b>-\$ 2,794,694.78</b>	<b>69.94%</b>
<b>Net Operating Income</b>	<b>\$ 519,379.47</b>	<b>-\$ 2,970,600.00</b>	<b>\$ 3,489,979.47</b>	<b>-17.48%</b>
Other Income				
4660 Investment Earnings				
4620 Interest Income	278,731.93		278,731.93	
4660.10 Investment Income - Realized	-53,622.67	504,861.00	-558,483.67	-10.62%
4660.15 Investment Income - Unrealized	0.00		0.00	
<b>Total 4660 Investment Earnings</b>	<b>\$ 225,109.26</b>	<b>\$ 504,861.00</b>	<b>-\$ 279,751.74</b>	<b>44.59%</b>
<b>Total Other Income</b>	<b>\$ 225,109.26</b>	<b>\$ 504,861.00</b>	<b>-\$ 279,751.74</b>	<b>44.59%</b>
Other Expenses				
9120 Dividends			0.00	
Reconciliation Discrepancies			0.00	
<b>Total Other Expenses</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	
<b>Net Other Income</b>	<b>\$ 225,109.26</b>	<b>\$ 504,861.00</b>	<b>-\$ 279,751.74</b>	<b>44.59%</b>
<b>Net Income</b>	<b>\$ 744,488.73</b>	<b>-\$ 2,465,739.00</b>	<b>\$ 3,210,227.73</b>	<b>-30.19%</b>

\*Excludes results of CWIC subsidiary; excludes unearned income from investments and 3rd quarter investment earnings.

# California Sanitation Risk Management Authority - Unconsolidated Budget vs. Actuals

July 2024 - March 2025

Preliminary & Unaudited\*

	Actual	Budget	over Budget	% of Budget	
<b>Income</b>					
40 Operating Revenue					
400 Member Contributions					
4100 JPA Charge	849,768.52	1,175,971.00	-326,202.48	72.26%	Three quarters of amortized revenue
4220 Pooled Deposit	491,296.50	653,298.00	-162,001.50	75.20%	Three quarters of amortized revenue
4400 Insurance Premium (Net)	11,556,624.04	15,978,913.00	-4,422,288.96	72.32%	Three quarters of amortized revenue
4450 Affiliate Insurance Premium Rev	5,282,434.00	6,806,001.00	-1,523,567.00	77.61%	Three quarters of amortized revenue
<b>Total 400 Member Contributions</b>	<b>\$ 18,180,123.06</b>	<b>\$ 24,614,183.00</b>	<b>-\$ 6,434,059.94</b>	<b>73.86%</b>	
410 Retrospective Contribution					
4300 Retro Adjustment	883.25	-500,000.00	500,883.25	-0.18%	Retro adjustments in the WC and PLP
<b>Total 410 Retrospective Contribution</b>	<b>\$ 883.25</b>	<b>-\$ 500,000.00</b>	<b>\$ 500,883.25</b>	<b>-0.18%</b>	Programs offset each other
420 Member Fees					
4110 Program Directors' Fee	1,088,079.93	1,451,000.00	-362,920.07	74.99%	Three quarters of amortized revenue
<b>Total 420 Member Fees</b>	<b>\$ 1,088,079.93</b>	<b>\$ 1,451,000.00</b>	<b>-\$ 362,920.07</b>	<b>74.99%</b>	
<b>Total 40 Operating Revenue</b>	<b>\$ 19,269,086.24</b>	<b>\$ 25,565,183.00</b>	<b>-\$ 6,296,096.76</b>	<b>75.37%</b>	
<b>Total Income</b>	<b>\$ 19,269,086.24</b>	<b>\$ 25,565,183.00</b>	<b>-\$ 6,296,096.76</b>	<b>75.37%</b>	
<b>Gross Profit</b>	<b>\$ 19,269,086.24</b>	<b>\$ 25,565,183.00</b>	<b>-\$ 6,296,096.76</b>	<b>75.37%</b>	
<b>Expenses</b>					
50 Operating Expense					
500 Program Expense					
4500 Deductible Recoveries	-397,144.65	-400,000.00	2,855.35	99.29%	
5201 Claims Expense	4,340,001.07	4,000,000.00	340,001.07	108.50%	Liability settlements more than expected
5205 Loss Adjustment Exp	298,312.81	0.00	298,312.81		Rolled up into Claims Expense previously
5300 Risk Control Online	0.00	0.00	0.00		
<b>Total 500 Program Expense</b>	<b>\$ 4,241,169.23</b>	<b>\$ 3,600,000.00</b>	<b>\$ 641,169.23</b>	<b>117.81%</b>	
610 Insurance Expense					
6432 Net Insurance Premium	11,552,192.90	15,978,913.00	-4,426,720.10	72.30%	Three quarters of amortized expense
6435 Affiliate Insurance Premium Exp	5,282,434.00	7,776,601.00	-2,494,167.00	67.93%	Three quarters of amortized expense
<b>Total 610 Insurance Expense</b>	<b>\$ 16,834,626.90</b>	<b>\$ 23,755,514.00</b>	<b>-\$ 6,920,887.10</b>	<b>70.87%</b>	
620 Management Consultants					
6523 Outside Safety Consultant	397,114.45	549,560.00	-152,445.55	72.26%	
<b>Total 620 Management Consultants</b>	<b>\$ 397,114.45</b>	<b>\$ 549,560.00</b>	<b>-\$ 152,445.55</b>	<b>72.26%</b>	
630 Program Director Fee					
6330 Program Directors' Fee Exp.	1,088,249.40	1,451,000.00	-362,750.60	75.00%	Three quarters of amortized expense
<b>Total 630 Program Director Fee</b>	<b>\$ 1,088,249.40</b>	<b>\$ 1,451,000.00</b>	<b>-\$ 362,750.60</b>	<b>75.00%</b>	
640 Other Program Expense					
6464 User/Fraud Fund Assessment	87,842.08	124,379.00	-36,536.92	70.62%	Less than expected
6506 Actuarial	44,920.00	69,890.00	-24,970.00	64.27%	
6510 Claims Audit	8,200.00	9,000.00	-800.00	91.11%	
6512 Claims Admin. Annual Fee	18,400.00	24,600.00	-6,200.00	74.80%	
6516 Coverage Counsel	0.00	5,000.00	-5,000.00	0.00%	
6650 Program Legal	10,957.49	26,500.00	-15,542.51	41.35%	
6652 Program Committee	881.65	2,500.00	-1,618.35	35.27%	Travel expenses less than expected
6660 Program Consulting	14,794.00	35,000.00	-20,206.00	42.27%	
6667 CSRMA Provided Seminars	75,668.18	95,000.00	-19,331.82	79.65%	Includes Sewer Summit
<b>Total 640 Other Program Expense</b>	<b>\$ 261,663.40</b>	<b>\$ 391,869.00</b>	<b>-\$ 130,205.60</b>	<b>66.77%</b>	

**California Sanitation Risk Management Authority - Unconsolidated**  
**Budget vs. Actuals**  
**July 2024 - March 2025**  
**Preliminary & Unaudited\***

	Actual	Budget	over Budget	% of Budget	
700 General & Administrative Expense					
7804 Accounting Consulting	0.00	0.00	0.00		
7808 Financial Audit	18,945.00	22,946.00	-4,001.00	82.56%	
7822 Board Counsel	9,889.82	20,700.00	-10,810.18	47.78%	
8942 Supplies	86.88	0.00	86.88		
8944 Printing/Promotion	0.00	1,000.00	-1,000.00	0.00%	
8945 Computer Software/Programming	29,915.13	34,900.00	-4,984.87	85.72%	
8946 Memberships/Other	5,725.00	10,987.00	-5,262.00	52.11%	
8948 Banking Service Charges	1,692.27	5,804.00	-4,111.73	29.16%	
8954 Executive/Officers Committee	32,044.57	35,000.00	-2,955.43	91.56%	
8956 Board of Directors	7,881.32	13,800.00	-5,918.68	57.11%	
8960 JPA Insurance	63,331.40	83,406.00	-20,074.60	75.93%	Three quarters of amortized expense
8990 General Contingency	0.00	6,000.00	-6,000.00	0.00%	
<b>Total 700 General &amp; Administrative Expense</b>	<b>\$ 169,511.39</b>	<b>\$ 234,543.00</b>	<b>-\$ 65,031.61</b>	<b>72.27%</b>	
<b>Total 50 Operating Expense</b>	<b>\$ 22,992,334.77</b>	<b>\$ 29,982,486.00</b>	<b>-\$ 6,990,151.23</b>	<b>76.69%</b>	
<b>Total Expenses</b>	<b>\$ 22,992,334.77</b>	<b>\$ 29,982,486.00</b>	<b>-\$ 6,990,151.23</b>	<b>76.69%</b>	
<b>Net Operating Income</b>	<b>-\$ 3,723,248.53</b>	<b>-\$ 4,417,303.00</b>	<b>\$ 694,054.47</b>	<b>84.29%</b>	
Other Income					
4660 Investment Earnings					
4620 Interest Income	434,893.30	0.00	434,893.30		
4660.10 Investment Income - Realized	-83,267.07	830,503.00	-913,770.07	-10.03%	Total investment earnings are budgeted.
4660.15 Investment Income - Unrealized	0.00	0.00	0.00		
<b>Total 4660 Investment Earnings</b>	<b>\$ 351,626.23</b>	<b>\$ 830,503.00</b>	<b>-\$ 478,876.77</b>	<b>42.34%</b>	
<b>Total Other Income</b>	<b>\$ 351,626.23</b>	<b>\$ 830,503.00</b>	<b>-\$ 478,876.77</b>	<b>42.34%</b>	
Other Expenses					
9120 Dividends	0.00	500,000.00	-500,000.00	0.00%	Divdends were not declared
Reconciliation Discrepancies	-0.79	0.00	-0.79		
<b>Total Other Expenses</b>	<b>-\$ 0.79</b>	<b>\$ 500,000.00</b>	<b>-\$ 500,000.79</b>	<b>0.00%</b>	
<b>Net Other Income</b>	<b>\$ 351,627.02</b>	<b>\$ 330,503.00</b>	<b>\$ 21,124.02</b>	<b>106.39%</b>	
<b>Net Income</b>	<b>-\$ 3,371,621.51</b>	<b>-\$ 4,086,800.00</b>	<b>\$ 715,178.49</b>	<b>82.50%</b>	

\*Excludes results of CWIC subsidiary; excludes unearned income from investments and 3rd quarter investment earnings; excludes changes to long term liabilities for this fiscal year.

# California Sanitation Risk Management Authority

## Unconsolidated Balance Sheet

As of March 31, 2025

Preliminary & Unaudited\*

### ASSETS

<b>Current Assets</b>	
<b>Bank Accounts</b>	
1002 LAIF	624,656.53
1005 Checking - US Bank	70,607.96
1006 WC Trust - US Bank 280	150,000.00
1007 Liability Trust - US Bank 272	100,046.38
1008 PFM/CA Asset Mgmt Program	20,720,344.94
1009 PFM-CAMP Cash Reserve	351,463.80
<b>Total Bank Accounts</b>	<b>\$ 22,017,119.61</b>
<b>Accounts Receivable</b>	
1100 Accounts Receivable	1,165,324.00
<b>Total Accounts Receivable</b>	<b>\$ 1,165,324.00</b>
<b>Other Current Assets</b>	
1150 Due from/to Subsidiary	878,375.89
1200 Interest Receivable	166,360.49
1300 Other Current Assets	121,069.50
1540 Prepaid Insurance Premium	10,182,040.39
1550 Prepaid Program Directors' Fee	774,749.80
1575 Prepaid Other	3,000.00
<b>Total Other Current Assets</b>	<b>\$ 12,125,596.07</b>
<b>Total Current Assets</b>	<b>\$ 35,308,039.68</b>
<b>Other Assets</b>	
1700 Investment in Subsidiary	1,365,000.00
<b>Total Other Assets</b>	<b>\$ 1,365,000.00</b>
<b>TOTAL ASSETS</b>	<b>\$ 36,673,039.68</b>
<b>LIABILITIES AND EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2000 Accounts Payable	62,868.20
<b>Total Accounts Payable</b>	<b>\$ 62,868.20</b>
<b>Other Current Liabilities</b>	
2200 Deferred JPA Charge	549,206.01
2210 Deferred Program Directors' Fee	774,671.34
2220 Deferred Pooled Deposits	163,765.51
2240 Deferred Insurance Premium	10,140,295.40
<b>Total Other Current Liabilities</b>	<b>\$ 11,627,938.26</b>
<b>Total Current Liabilities</b>	<b>\$ 11,690,806.46</b>
<b>Long-Term Liabilities</b>	
2300 Claims Reserves	8,264,986.00
2500 Claims IBNR	8,826,350.00
2600 Claims ULAE	1,500,465.00
<b>Total Long-Term Liabilities</b>	<b>\$ 18,591,801.00</b>
<b>Total Liabilities</b>	<b>\$ 30,282,607.46</b>
<b>Equity</b>	
3900 Retained Earnings	9,762,053.73
Net Income	-3,371,621.51
<b>Total Equity</b>	<b>\$ 6,390,432.22</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 36,673,039.68</b>

\*Excludes results of CWIC subsidiary; excludes unearned income from investments and 3rd quarter investment earnings; excludes changes to long term liabilities for this fiscal year.

**Clean Water Insurance Captive Update**

**ISSUE:** The Program Administrators will provide the Executive Board with an update on the Clean Water Insurance Captive (CWIC).

**RECOMMENDATION:** None. Information Only.

**FISCAL IMPACT:** None.

**BACKGROUND:** Below is an update since the last Executive Board meeting, as well as a brief history on CSRMA's formation of CWIC.

- 1) **Investment Performance Update** – CWIC's investment manager PFM presented their Investment Performance Report for the quarter ending 3/31/25 to the Finance Committee at their April meeting, and the report is attached to this item for the Executive Board's review. First quarter 2025 returns were 1.03%, compared to returns of 5.18% for the prior 12 months, and 9.49% returns since CWIC's inception.
- 2) **Annual In-Person Board Meeting** – The CWIC Board is in the process of scheduling their annual in-person meeting, as required by the State of Utah. The Board is targeting the month of October for this meeting.
- 3) **CSRMA Workers' Compensation Renewal** – CWIC's actuaries performed an actuarial study to develop the recommended premium amount to charge CSRMA to reinsure their pooled layer (\$0 - \$250K) of the Pooled Workers' Compensation Program for the July 1, 2025 renewal. The actuary is projecting a year-over-year decrease of approximately 12% in funding as a result of favorable loss development. The renewal premium is \$3,360,105 compared to the expiring \$3,823,534. This proposal was made to CSRMA's Workers' Compensation Committee at their May meeting, with their recommendation to the Executive Board discussed in more detail under the Workers' Compensation renewal item in this agenda.
- 4) **CWIC Performance** – One way to measure the financial benefit of CWIC is to compare its investment performance to CSRMA. The below table compares CWIC performance to that of CSRMA's over the same full calendar year 2024 period. The table shows that the \$8.5M invested in CWIC at the beginning of 2024 earned \$354K more than it would have had that same amount been invested in CSRMA. The financial benefit of CWIC will of course fluctuate over time due to factors such

as claims payments to CSRMA and the investment environment, but in taking a long-term strategic approach with the captive, over time the expectation is that CWIC's investment portfolio will yield a higher rate of return.

Total Calendar Year 2024			
	Beginning Principal	Rate of Return %	ROI \$
CSRMA	23,608,660	3.21%	757,838
CWIC	8,534,484	7.36%	628,138
CWIC Benefit	n/a	4.15%	354,181

*Note: 1) CWIC's overhead expenses in FY 2023-24 were \$182,999.  
2) CWIC's Investment Policy allows for a 60% equities / 40% fixed income balance.*

#### A Brief History on CSRMA's Formation of CWIC

A captive insurance company (captive) is a special purpose insurance or reinsurance company that is owned and controlled by its parent company, (in this case CSRMA). The captive's purpose is to insure some or all the risk of its parent. In so doing, the parent can secure coverage from the captive, and benefit from the captive's profitable underwriting of the parents' risk.

Many public agency risk-sharing pools have formed captives for both insurance needs and investment purposes. A captive could be used to expand product offerings to include new lines of insurance that may not be applicable to all members, or to offer coverage to third parties, or in CSRMA's case, assume risk in CSRMA programs to diversify our panel of program carriers and capture underwriting profit. Captives are also created to broaden the pool's permissible investment universe and increase the opportunity for higher investment returns. As the captive matures the goal is to have surplus funds that can then be utilized for the financial benefit of CSRMA and its members (i.e. issue dividends, retrospectively rate coverage programs, provide rate relief, etc.).

**ATTACHMENTS:** CWIC Investment Performance Report, Quarter Ending 3/31/25



# Clean Water Insurance Captive

**Performance Report**  
**Quarter Ending March 31, 2025**

April 15, 2025

512.364.4007

**pfmam.com**

Mallory Sampson CFP®, Director

*PFM Asset Management LLC*

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# Factors to Consider for 6-12 Months

## Factors to Consider Over the Next 6-12 Months

### Monetary Policy (Global):



- Recent uncertainty had led Fed to continue to pause on rate cuts so far this year. Market expects first rate cut in June. Path and magnitude of rate cuts for 2025 remains uncertain.
- European Central Bank has continued to ease this year while the Bank of Japan has delivered rate hikes – both diverging from the Fed.

### Economic Growth (Global):



- U.S. GDP is expected to grow slower than in 2024. Recession probability is rising, and we are closely watching economic activity indicators.
- Economic growth outside the U.S. remains modest with some improvement in Eurozone expected due to increased fiscal spending. Tariffs pose growth and inflation risks.

### Inflation (U.S.):



- While inflation has fallen since its peak in 2022, progress towards 2% target remains slow.
- The Fed has acknowledged higher inflation and slower growth in their recent projections. Proposed tariff policies may put pressure on input costs and goods while demand side pullback could ease some pressure.

### Financial Conditions (U.S.):



- Even after the recent bout of volatility, risk, and credit conditions still point to the stability of financial conditions.
- While our base case is not for a dramatic shift in conditions, the uncertainty associated with tariff policies could lead to pullback in financial conditions in the near-term.

### Consumer Spending (U.S.):



- Broad consumer metrics are supportive of economic strength. A growing divergence among consumers exists as lower-income cohorts continue to feel more strain due to the higher overall level of prices.
- An unexpected material deterioration of labor market conditions is the biggest risk to consumer spending.

### Labor Markets (U.S.):



- The labor market remains well-positioned, but continued tariff uncertainty could lead to an increase in unemployment rate. Federal layoffs make up a smaller proportion of overall labor force but sustained slowdown in pace of hiring as negative impact on economic growth expectations.

### Corporate Fundamentals:



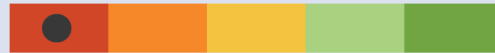
- Earnings growth expectations are positive across global equities, but tariff impact need to closely monitored for any impact on profit margins.
- In the U.S., any tax cuts/deregulation initiatives are positives while near term headwinds from tariff uncertainty could impact both earnings growth expectations and profit margins negatively.

### Valuations:



- U.S. equity experienced increased volatility in Q1, and credit markets widened from historical lows – both still remain expensive relative to history and are susceptible to increased economic uncertainty.
- International equities look attractive but continued economic and geopolitical uncertainty is leading to increased volatility.

### Political/Policy Risks:



- Geopolitical risks continue to remain elevated. Prospects of peace deal in Middle East and Russia/Ukraine are positives, while reciprocity in global tariffs and strained relationships with major trading partners for the U.S. due to ongoing tariffs cause economic and political uncertainty.

● Current outlook ○ Outlook one quarter ago

Stance Unfavorable  
to Risk Assets

Negative

Slightly  
Negative

Neutral

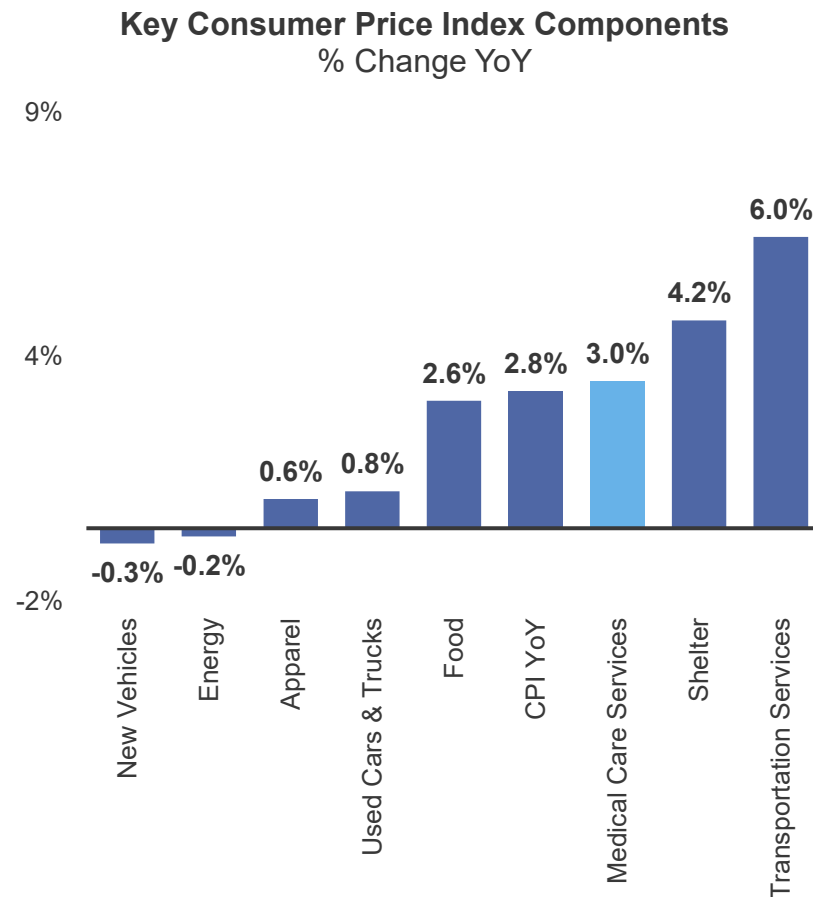
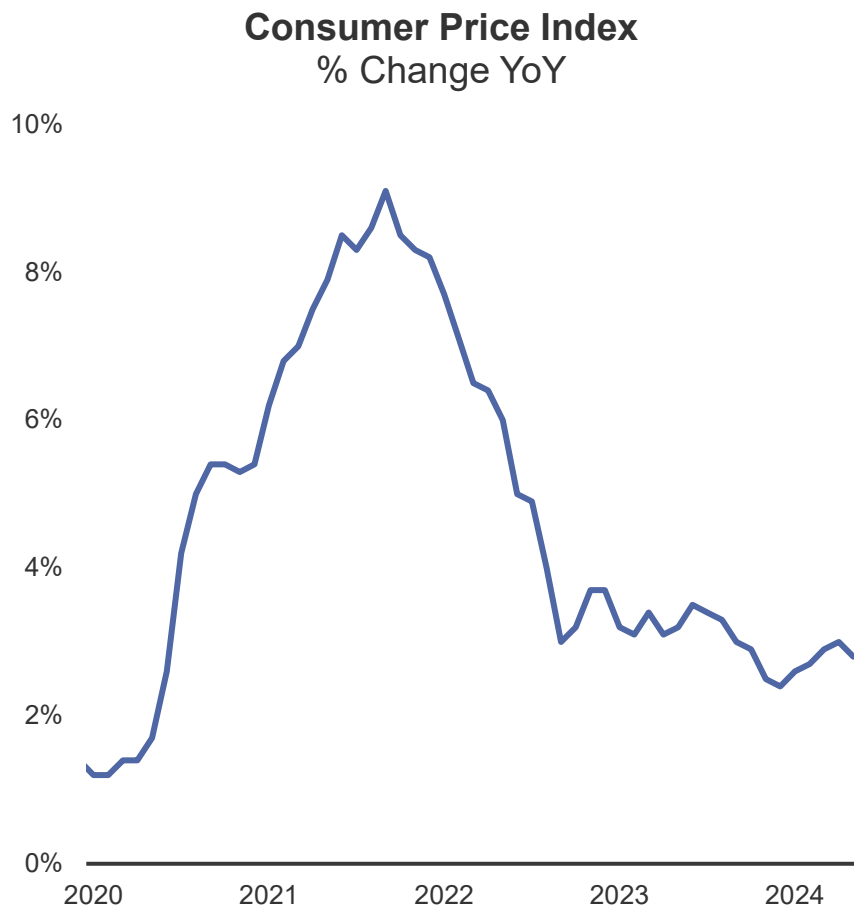
Slightly  
Positive

Positive

Stance Favorable  
to Risk Assets

Statements and opinions expressed about the next 6-12 months were developed based on our independent research with information obtained from Bloomberg and FactSet. The views expressed within this material constitute the perspective and judgment of PFM Asset Management LLC at the time of distribution (6/30/2024) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management LLC cannot guarantee its accuracy, completeness, or suitability.

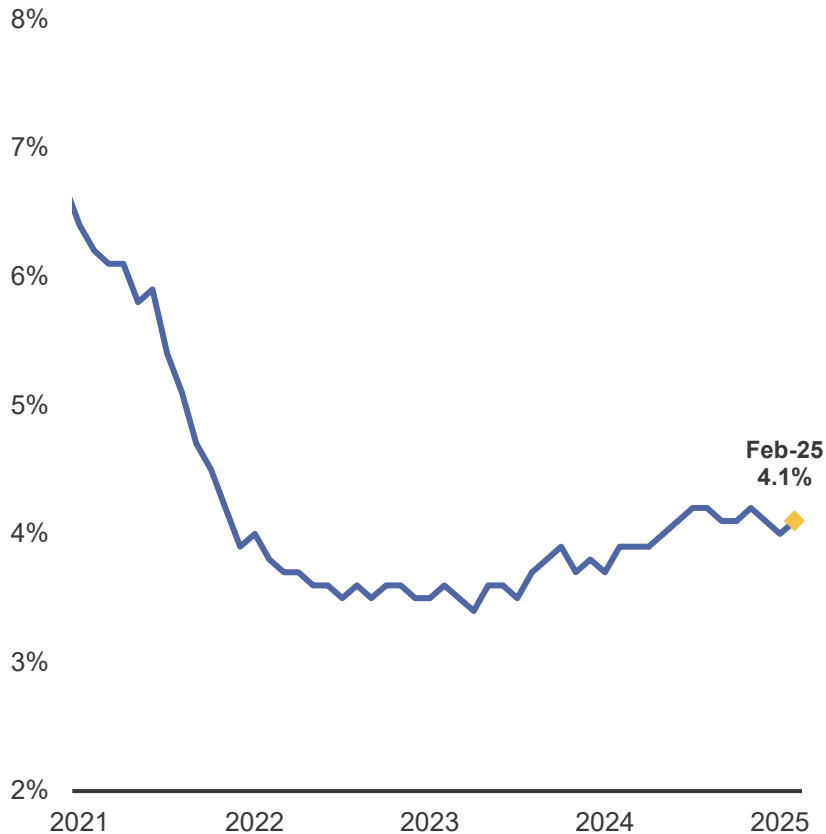
# Consumer Price Index



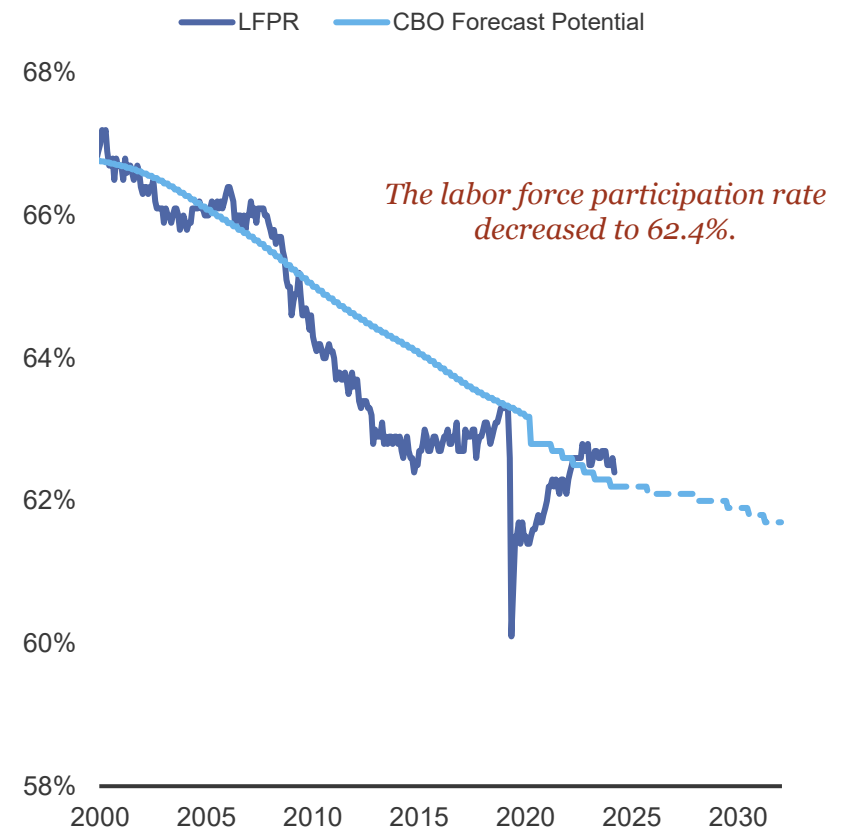
Source: Bloomberg Finance L.P., as of February 2025.

# Labor Market: Unemployment and Labor Force Participation Rates

## Unemployment Rate

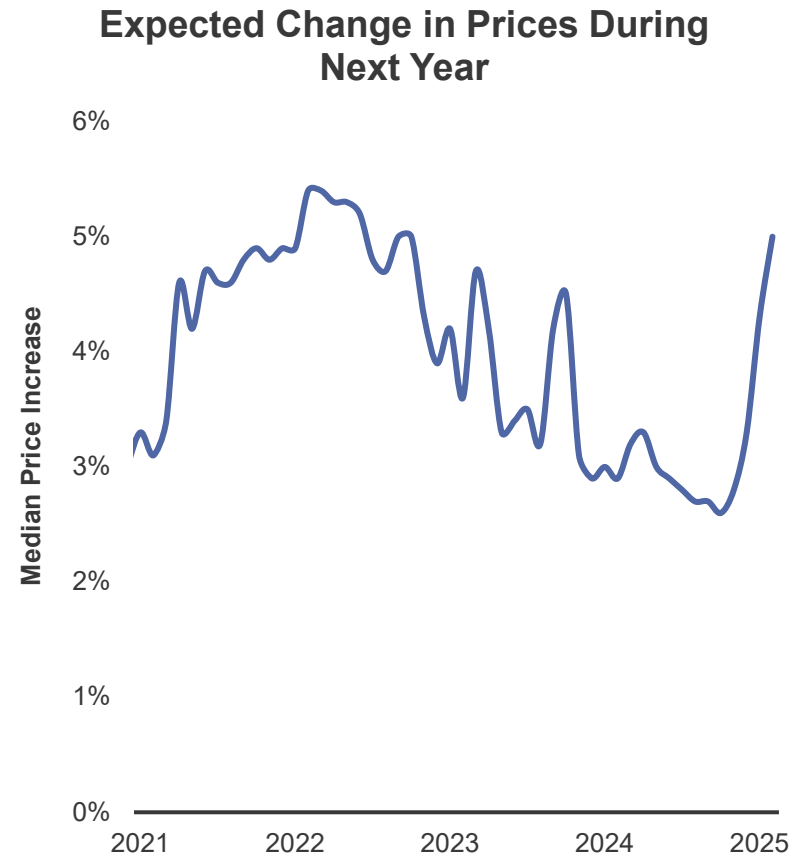
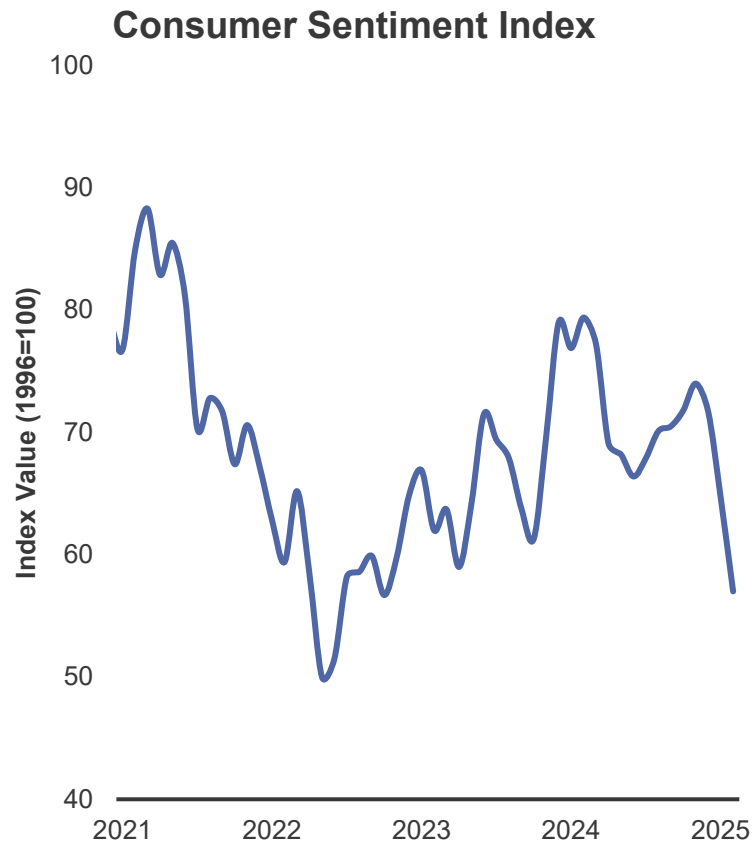


## Labor Force Participation Rate



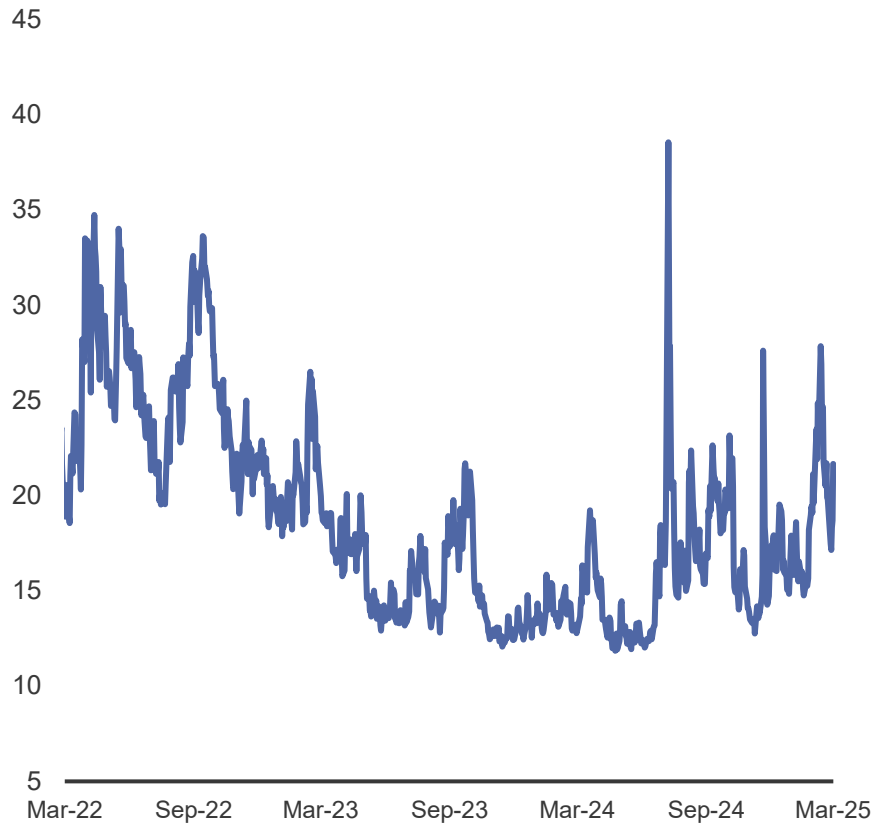
Source: Congressional Budget Office May 2024 economic projections, Bureau of Labor Statistics. Bloomberg Finance L.P., as of February 2025. Data is seasonally adjusted.

# Consumer Sentiment

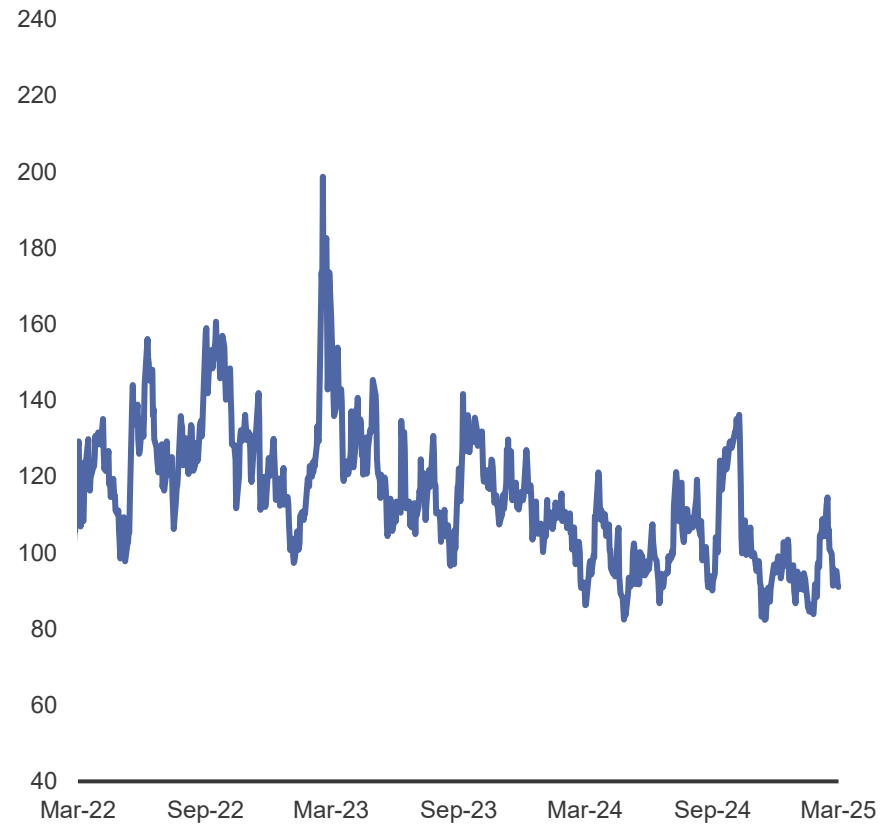















# Bond and Equity Markets Volatility

## Equity Market Volatility (VIX)



## Bond Market Volatility (MOVE)



Asset Class	Our Q2 2025 Investment Outlook	Comments
U.S. Equities		<ul style="list-style-type: none"> <li>Risks to growth narrative has unnerved the markets leading to pick up to volatility. Tariffs and their possible impact on business and consumer confidence, corporate profit margins, inflation and economic growth has led to increased uncertainty leading us to remain neutral across U.S. equities. We also expect rate cut related volatility to remain as Fed remains data dependent amidst this increased uncertainty.</li> <li>Market performance has broadened beyond the Mag-7 names in Q1. Earnings growth for large caps are also expected to broaden outside of Mag-7, but current macro environment leads to increased uncertainty.</li> <li>Small-caps continued to lag large-caps during the recent sell-off reversing the gains since election. Macro uncertainty and high level of rates are headwinds while attractive valuations and improving earnings expectations are tailwinds.</li> </ul>
Large-Caps		
Small-Caps		
Non-U.S. Equities		<ul style="list-style-type: none"> <li>International equities have outperformed U.S. equities in Q1 and continue to trade at a discount to U.S. equities. Improved sentiment is driven by increased fiscal spending efforts in Europe and continued stimulus in China, but tariff overhang remains for these export-oriented economies.</li> <li>Across Europe and China, we believe that there are structural/geopolitical issues that need to be addressed for long-term sustained outperformance.</li> </ul>
Developed Markets		
Emerging Markets		
Fixed Income		<ul style="list-style-type: none"> <li>The Fed continues to be in pause mode as they assess uncertainty amidst widened range of outcomes combined with lower growth and higher unemployment rate as seen in the recent Fed projections. Yields look attractive across the fixed income sectors which leads us to closer to neutral. We maintain duration close to the benchmark duration across the portfolios.</li> <li>Credit markets remain attractive due to strong corporate fundamentals. We remain positive on investment grade but are staying closer to targets on high yield given tighter spreads and rising uncertainty. We continue to closely watch for signs for any distress in the corporate credit space.</li> </ul>
Core Bonds		
Investment Grade Credit		
High Yield Credit		
Diversifying Assets		<ul style="list-style-type: none"> <li>During the recent risk-asset sell-off in Q1 in the U.S., listed REITs and listed infrastructure held up well pointing to their characteristics of lower correlation. While the underlying fundamentals within listed real estate and listed infrastructure are healthy, we remain neutral due to ongoing uncertainty regarding economic growth.</li> </ul>
Listed Real Estate		
Listed Global Infrastructure		

● Current outlook    ○ Outlook one quarter ago



# Performance as of March 31, 2024





# Asset Allocation & Performance

	Allocation		Performance(%)						
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	Since Inception	Inception Date
<b>Total Fund</b>	<b>14,361,094</b>	<b>100.00</b>	<b>1.03</b>	<b>1.03</b>	<b>5.18</b>	<b>N/A</b>	<b>N/A</b>	<b>9.49</b>	<b>12/01/2023</b>
<i>Blended Benchmark</i>			1.17	1.17	5.78	N/A	N/A	9.93	
<b>Domestic Equity</b>	<b>3,690,670</b>	<b>25.70</b>							
First American Multi-Manager Domestic Equity Fund	3,690,670	25.70	-4.86	-4.86	5.45	6.45	16.72	16.14	12/01/2023
<i>Russell 3000 Index</i>			-4.72	-4.72	7.22	8.22	18.18	17.66	
Schwab US Large-Cap ETF - 74.6%			-4.54	-4.54	7.90	8.73	18.43	7.54	06/01/2024
<i>Russell 1000 Index</i>			-4.49	-4.49	7.82	8.65	18.47	7.55	
Aristotle Atlantic Core Equity - 9.9% (^)			N/A	N/A	N/A	N/A	N/A	N/A	12/01/2023
<i>Russell 1000 Index (since 8/1/24, Russell 3000 prior)</i>			-4.49	-4.49	7.88	8.44	18.33	18.21	
Putnam US Core Equity - 10.0% (^)			N/A	N/A	N/A	N/A	N/A	N/A	12/01/2024
<i>Russell 1000 Index</i>			-4.49	-4.49	7.82	8.65	18.47	-7.15	
Jacobs Levy Small Cap - 5.1% (^)			-9.78	-9.78	-6.23	-0.92	18.42	6.23	12/01/2023
<i>Russell 2000 Index (since 8/1/24, S&amp;P 600 prior)</i>			-9.48	-9.48	-3.28	0.74	15.12	8.71	
<b>International Equity</b>	<b>1,981,935</b>	<b>13.80</b>							
First American Multi-Manager International Equity Fund	1,981,935	13.80	5.93	5.93	6.29	4.01	10.58	12.98	12/01/2023
<i>MSCI AC World ex USA (Net)</i>			5.23	5.23	6.09	4.48	10.92	12.23	
WCM Focused Growth International - 14.8% (^)			N/A	N/A	N/A	N/A	N/A	N/A	12/01/2023
Ninety One Int'l Dynamic Equity - 14.9% (^)			N/A	N/A	N/A	N/A	N/A	N/A	12/01/2023
Acadian Non-U.S. Equity - 7.6% (^)			7.42	7.42	9.72	7.91	14.83	18.51	12/01/2023
<i>MSCI AC World ex USA (Net)</i>			5.23	5.23	6.09	4.48	10.92	12.23	
Aristotle International Equity - 7.7% (^)			N/A	N/A	N/A	N/A	N/A	N/A	12/01/2023
<i>MSCI EAFE (net)</i>			6.86	6.86	4.88	6.05	11.77	12.38	
Schwab International Equity ETF - 32.7%			6.04	6.04	4.21	5.17	11.94	-1.31	09/01/2024
<i>MSCI EAFE (net)</i>			6.86	6.86	4.88	6.05	11.77	-0.90	
Schroders Global Emerging Markets - 10.2% (^)			N/A	N/A	N/A	N/A	N/A	N/A	12/01/2023
<i>MSCI EM (net)</i>			2.93	2.93	8.09	1.44	7.94	11.03	
Schwab Emerging Markets Equity ETF - 11.8%			2.30	2.30	11.81	2.54	8.96	3.72	09/01/2024
<i>MSCI EM (net)</i>			2.93	2.93	8.09	1.44	7.94	1.01	

Returns are net of mutual fund fees and are expressed as percentages.

(^) Performance information is gross of fees and reflects sleeve level information (not specific to this client/investor). It is provided by sub-advisers of the PFM Multi-Manager Equity Fund, PFM Multi-Manager International Equity Fund and PFM Multi-Manager Fixed-Income Fund.

# Asset Allocation & Performance

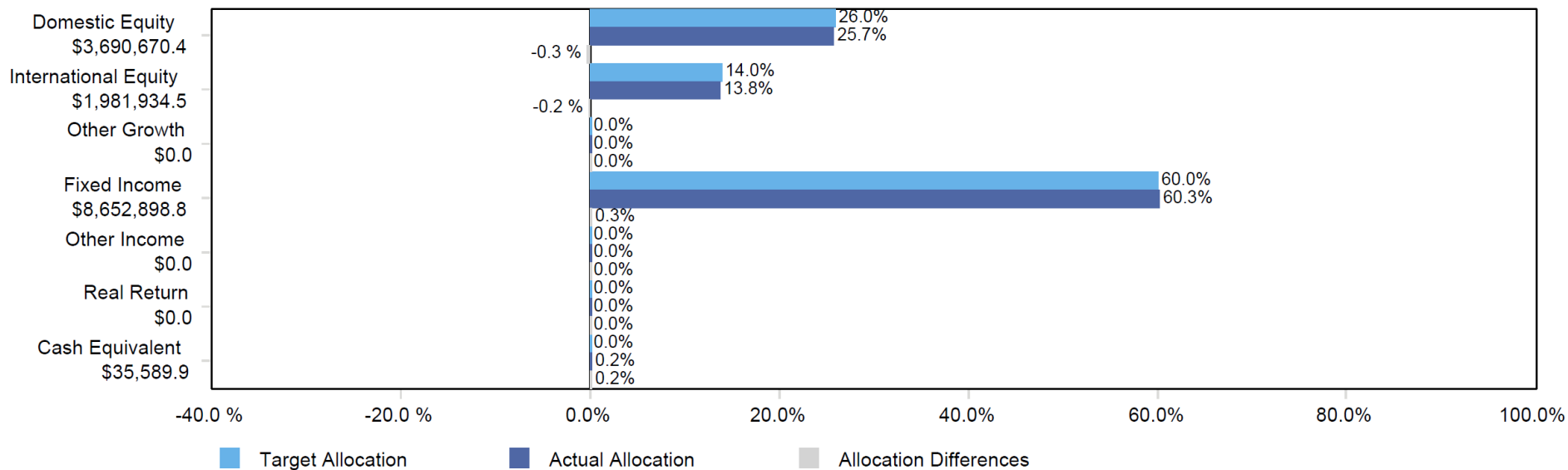
	Allocation		Performance(%)						
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	Since Inception	Inception Date
<b>Fixed Income</b>	<b>8,652,899</b>	<b>60.25</b>							
First American Multi-Manager Fixed Income Fund	8,652,899	60.25	2.49	2.49	5.28	1.10	1.17	6.64	12/01/2023
<i>Blmbg. U.S. Aggregate</i>			2.78	2.78	4.88	0.52	-0.40	5.98	
PGIM Core Fixed - 32.1% (^)			2.77	2.77	5.46	1.08	0.68	7.07	12/01/2023
TIAA Core Fixed - 32.0% (^)			2.73	2.73	5.67	0.84	1.02	7.15	12/01/2023
<i>Blmbg. U.S. Aggregate</i>			2.78	2.78	4.88	0.52	-0.40	5.98	
Penn Mutual Core Plus - 9.0% (^)			2.94	2.94	N/A	N/A	N/A	3.08	08/01/2024
<i>Blmbg. U.S. Aggregate</i>			2.78	2.78	4.88	0.52	-0.40	2.42	
iShares Core U.S. Aggregate Bond ETF - 5.9%			2.76	2.76	4.96	0.53	-0.40	5.97	12/01/2023
<i>Blmbg. U.S. Aggregate</i>			2.78	2.78	4.88	0.52	-0.40	5.98	
iShares 10-20 Year Treasury Bond ETF - 3.2%			4.84	4.84	2.97	-4.95	-6.39	3.95	03/01/2024
<i>ICE U.S. Treasury 10-20 Year Bond Index</i>			4.87	4.87	2.98	-4.94	-6.38	4.00	
PineBridge IG Credit - 4.9% (^)			2.47	2.47	5.38	1.18	2.57	7.30	12/01/2023
<i>Blmbg. U.S. Credit Index</i>			2.36	2.36	4.87	1.13	1.35	6.55	
Brown Bros. Harriman Structured - 6.6% (^)			1.99	1.99	8.24	5.34	5.29	8.88	12/01/2023
<i>ICE BofA ABS Fxd &amp; Fltng Rate AA-BBB Idx</i>			1.94	1.94	7.17	4.72	4.68	8.42	
Brandywine Global High Yield - 4.0%			0.40	0.40	7.42	6.27	9.23	10.31	12/01/2023
<i>Blmbg. Ba to B U.S. High Yield</i>			1.19	1.19	6.70	4.58	6.72	8.66	
NYLI MacKay High Yield Corp Bond Fund - 2.2%			1.18	1.18	6.61	4.95	7.25	8.63	12/01/2023
<i>ICE BofA US High Yield Index</i>			0.94	0.94	7.60	4.84	7.21	9.78	
<b>Cash Equivalent</b>	<b>35,590</b>	<b>0.25</b>							
First American Government Obligation - Z	35,590	0.25	1.05	1.05	4.89	4.22	2.53	5.01	12/01/2023
<i>ICE BofA 3 Month U.S. T-Bill</i>			1.02	1.02	4.97	4.23	2.56	5.08	

Returns are net of mutual fund fees and are expressed as percentages.

(^) Performance information is gross of fees and reflects sleeve level information (not specific to this client/investor). It is provided by sub-advisers of the PFM Multi-Manager Equity Fund, PFM Multi-Manager International Equity Fund and PFM Multi-Manager Fixed-Income Fund.

# Asset Allocation Summary

	Asset Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Differences (%)
<b>Total Fund</b>	<b>100.0</b>	<b>100.0</b>	<b>N/A</b>	<b>N/A</b>	<b>0.0</b>
Domestic Equity	25.7	26.0	6.0	46.0	-0.3
International Equity	13.8	14.0	0.0	34.0	-0.2
Other Growth	0.0	0.0	0.0	10.0	0.0
Fixed Income	60.3	60.0	40.0	80.0	0.3
Other Income	0.0	0.0	0.0	10.0	0.0
Real Return	0.0	0.0	0.0	10.0	0.0
Cash Equivalent	0.2	0.0	0.0	20.0	0.2



Values as of March 31, 2025.



Year		Tactical Asset Allocation Changes
2024	March	Within International Equity removed dedicated International Small Cap
	May	Reduced tactical overweight to high yield back to strategic weight and removed tactical allocation to EM Ex China
	September	Added tactical overweight to REITs sourcing from Emerging Markets
2025	February	Removed tactical overweight to REITS, returning Emerging Markets allocation to strategic weight



# Performance as of December 31, 2024



# Asset Allocation & Performance

	Allocation		Performance(%)						
	Market Value (\$)	%	1 Quarter	2024	1 Year	3 Years	5 Years	Since Inception	Inception Date
<b>Total Fund</b>	<b>13,098,870</b>	<b>100.00</b>	<b>-1.84</b>	<b>7.36</b>	<b>7.36</b>	<b>N/A</b>	<b>N/A</b>	<b>10.75</b>	<b>12/01/2023</b>
<i>Blended Benchmark</i>			-2.23	7.43	7.43	N/A	N/A	11.15	
<b>Domestic Equity</b>	<b>3,468,735</b>	<b>26.48</b>							
First American Multi-Manager Domestic Equity Fund	3,468,735	26.48	2.56	21.53	21.53	6.32	12.75	25.87	12/01/2023
<i>Russell 3000 Index</i>			2.63	23.81	23.81	8.01	13.86	27.74	
Schwab US Large-Cap ETF - 64.6%			2.81	24.91	24.91	8.48	14.36	12.65	06/01/2024
<i>Russell 1000 Index</i>			2.75	24.51	24.51	8.41	14.28	12.60	
Vaughan Nelson Select - 10.0% (^)			-0.03	11.06	11.06	4.72	14.22	14.82	12/01/2023
<i>Russell 1000 Index (since 8/1/24, Russell 3000 prior)</i>			2.75	24.26	24.26	8.14	13.95	28.18	
Aristotle Atlantic Core Equity - 10.4% (^)			4.24	27.91	27.91	7.43	N/A	32.62	12/01/2023
<i>Russell 1000 Index (since 8/1/24, Russell 3000 prior)</i>			2.75	24.26	24.26	8.14	13.95	28.18	
Putnam US Core Equity - 9.7% (^)			N/A	N/A	N/A	N/A	N/A	N/A	12/01/2024
<i>Russell 1000 Index</i>			2.75	24.51	24.51	8.41	14.28	-2.79	
Jacobs Levy Small Cap - 5.1% (^)			1.82	7.35	7.35	1.05	11.35	18.45	12/01/2023
<i>Russell 2000 Index (since 8/1/24, S&amp;P 600 prior)</i>			0.33	9.47	9.47	2.15	8.51	21.49	
<b>International Equity</b>	<b>1,570,544</b>	<b>11.99</b>							
First American Multi-Manager International Equity Fund	1,570,544	11.99	-6.74	5.41	5.41	-1.45	3.55	10.18	12/01/2023
<i>MSCI AC World ex USA (Net)</i>			-7.60	5.53	5.53	0.82	4.10	9.96	
WCM Focused Growth International - 16.2% (^)			-6.73	9.11	9.11	-2.52	7.78	13.52	12/01/2023
Ninety One Int'l Dynamic Equity - 16.5% (^)			-4.89	9.21	9.21	-0.15	N/A	13.78	12/01/2023
Acadian Non-U.S. Equity - 8.5% (^)			-4.36	10.43	10.43	3.74	7.23	15.37	12/01/2023
<i>MSCI AC World ex USA (Net)</i>			-7.60	5.53	5.53	0.82	4.10	9.96	
Aristotle International Equity - 8.5% (^)			-6.66	6.29	6.29	0.05	5.27	10.95	12/01/2023
<i>MSCI EAFE (net)</i>			-8.11	3.82	3.82	1.65	4.73	8.59	
Schwab International Equity ETF - 35.9%			-7.92	3.42	3.42	1.36	4.97	-6.94	09/01/2024
<i>MSCI EAFE (net)</i>			-8.11	3.82	3.82	1.65	4.73	-7.26	
Schroders Global Emerging Markets - 11.0% (^)			-6.30	8.35	8.35	-2.31	2.77	10.86	12/01/2023
<i>MSCI EM (net)</i>			-8.01	7.50	7.50	-1.92	1.70	10.76	
Schwab Emerging Markets Equity ETF - 3.0%			-6.25	11.59	11.59	-0.04	2.62	1.39	09/01/2024
<i>MSCI EM (net)</i>			-8.01	7.50	7.50	-1.92	1.70	-1.86	

Returns are net of mutual fund fees and are expressed as percentages.

(^) Performance information is gross of fees and reflects sleeve level information (not specific to this client/investor). It is provided by sub-advisers of the PFM Multi-Manager Equity Fund, PFM Multi-Manager International Equity Fund and PFM Multi-Manager Fixed-Income Fund.

# Asset Allocation & Performance

December 31, 2024

	Allocation		Performance(%)						
	Market Value (\$)	%	1 Quarter	2024	1 Year	3 Years	5 Years	Since Inception	Inception Date
<b>Other Growth</b>	<b>171,188</b>	<b>1.31</b>							
Cohen & Steers Inst Realty Shares - (CSRIX)	171,188	1.31	-8.59	6.24	6.24	-3.40	4.58	-5.95	11/01/2024
<i>MSCI US REIT Index</i>			-6.12	8.75	8.75	-2.26	4.31	-3.33	
<b>Fixed Income</b>	<b>7,828,543</b>	<b>59.77</b>							
First American Multi-Manager Fixed Income Fund	7,828,543	59.77	-2.60	2.57	2.57	-1.64	0.35	5.81	12/01/2023
<i>Blmbg. U.S. Aggregate</i>			-3.06	1.25	1.25	-2.41	-0.33	4.72	
PGIM Core Fixed - 32.1% (^)			-2.79	2.33	2.33	-1.98	0.33	6.06	12/01/2023
TIAA Core Fixed - 32.1% (^)			-2.75	2.82	2.82	-2.11	0.45	6.19	12/01/2023
<i>Blmbg. U.S. Aggregate</i>			-3.06	1.25	1.25	-2.41	-0.33	4.72	
Penn Mutual Core Plus - 8.8% (^)			-2.60	N/A	N/A	N/A	N/A	0.14	08/01/2024
<i>Blmbg. U.S. Aggregate</i>			-3.06	1.25	1.25	-2.41	-0.33	-0.35	
iShares Core U.S. Aggregate Bond ETF - 5.9%			-3.05	1.37	1.37	-2.37	-0.34	4.73	12/01/2023
<i>Blmbg. U.S. Aggregate</i>			-3.06	1.25	1.25	-2.41	-0.33	4.72	
iShares 10-20 Year Treasury Bond ETF - 3.2%			-7.63	-4.00	-4.00	-9.38	-4.36	-0.52	03/01/2024
<i>ICE U.S. Treasury 10-20 Year Bond Index</i>			-7.67	-3.98	-3.98	-9.47	-4.35	-0.50	
PineBridge IG Credit - 4.8% (^)			-2.85	2.61	2.61	-2.17	1.41	6.62	12/01/2023
<i>Blmbg. U.S. Credit Index</i>			-3.04	2.03	2.03	-2.20	0.23	5.81	
Brown Bros. Harriman Structured - 6.7% (^)			0.82	8.26	8.26	3.94	3.65	9.03	12/01/2023
<i>ICE BofA ABS Fxd &amp; Flting Rate AA-BBB Idx</i>			0.27	7.29	7.29	2.84	2.84	8.53	
Brandywine Global High Yield - 4.0%			1.54	9.71	9.71	4.65	6.62	12.42	12/01/2023
<i>Blmbg. Ba to B U.S. High Yield</i>			-0.15	6.76	6.76	2.42	3.93	9.56	
NYLI MacKay High Yield Corp Bond Fund - 2.2%			0.20	7.14	7.14	3.41	4.17	9.54	12/01/2023
<i>ICE BofA US High Yield Index</i>			0.16	8.20	8.20	2.91	4.04	11.20	
<b>Cash Equivalent</b>	<b>59,860</b>	<b>0.46</b>							
First American Government Obligation - Z	59,860	0.46	1.16	5.15	5.15	3.86	2.38	5.18	12/01/2023
<i>ICE BofA 3 Month U.S. T-Bill</i>			1.17	5.25	5.25	3.89	2.46	5.29	



# Disclaimer

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## **Estimated Actual 24/25 Budget & Proposed 25/26 Budget**

**ISSUE:** Review and discuss the budget for Fiscal Year 2025/26.

The Program Administrators have remapped the budget format to line up with the financial audit report so that all financial reporting will be consistent.

**RECOMMENDATION:** The Finance Committee recommends that the Executive Board recommend that the Board of Directors adopt the proposed budget for the 2025-2026 fiscal year as presented with any verbal changes that may be noted at the meeting.

**FISCAL IMPACT:** As depicted in the budget document.

**BACKGROUND:** The proposed budget is the result of a number of assumptions and the analysis of many disparate factors. Each Program of the JPA is analyzed individually with “general expenses” of the JPA allocated to each program on a percentage basis. The majority of expenses, however, are program specific.

The Primary Insurance Program (PIP) is a group purchase program and is designed to “break even” each year as there is no risk sharing involved and monies generally do not need to be accrued beyond a single fiscal year.

The revenue and expenses of the pooling programs (liability, workers’ comp. and property) however are driven heavily by actuarial projections and the underwriting results of prior Program Years as reflected through the retrospective rating and dividend calculations. For these reasons there is not necessarily a balance between revenue and expenses in any one year. A “pooled” layer was implemented for the Property Insurance Program in fiscal year 21-22. Losses between the program deductible (\$100,000) and member deductibles are retained by the program. The property program is driven more heavily by insurance premiums.

The Program Administrators have identified some items that the Finance Committee may want to focus on, or review. These are described as follows:

1. Allocation percentages are used in the budget to calculate: JPA Expenses and Safety Expenses for each Program, as follows:
  - A. JPA Expenses are allocated back to each program based on the total expenses for the JPA, *unless* an expense item is program specific. The percentages used are 10% PIP, 10% Property, 45% Liability, and 35% Workers’ Compensation.

The percentages are based on an estimate of how much time each Program takes as a percentage of overall JPA administration time.

- B. Safety Expenses allocation percentages are 10% PIP, 10% Property, 45% Liability, and 35% Workers' Compensation *unless* an expense item is program specific. These percentages are based on the Risk Control Advisor's time and resources applied to each program.
2. Interest Earning. PFM provided CSRMA with an earnings projection for fiscal year 25-26. They used an average earnings rate of 3.90% for total projected earnings of \$730,503. Projected LAIF earnings are in addition to PFM's earnings projection.
  3. The Program Directors' Fee is program specific and is based on the annual hours worked on each program in accordance with the contract agreement between Alliant Insurance Services and CSRMA. No change to the Program Directors' Fee account is proposed for fiscal year 2025-26.
  4. Dividends are not budgeted for either the Pooled Liability or Workers' Compensation Programs in fiscal year 25-26, as it is anticipated that dividends will not be eligible for declaration based on the Dividend Policy & Procedure.
  5. The Investment Policy is included in the Budget. No changes were recommended by PFM.
  6. Net Insurance Premium for all programs is budgeted to increase 6% (\$1,037,918) over the 24-25 'budget' amount. This is largely driven by insurance market conditions and changes in exposure (total insured values and payroll).
  7. Affiliate Insurance Premiums were added to the budget last year. This line item accounts for the premiums paid to the CSRMA captive insurance company CWIC. Premiums to the captive are expected to increase 16% (\$1,091,436) largely driven by an increase in the severity of Pooled Liability Program claims.
  8. Retro Adjustments are unknown at the time the budget is formulated, and as it is difficult to budget these amounts because they are unknown, the retrospective adjustments are budgeted conservatively. The amount of the actual Retro (credit or debit) can vary greatly from the budgeted amount as a result of claims activity.
  9. Deductible Recoveries can fluctuate considerably given the uncertainty of claims activity for members with various deductible levels and can vary greatly from the budgeted amount because of this uncertainty.
  10. The Risk Control expenses are budgeted to increase 1% (\$4,725) due an increase in the Vector Solutions annual subscription.

11. General & Admin Expenses (Legal, Board, Operations, etc.) are budgeted to increase approximately 39% (\$92,192) largely due to an increase in Computer Software/Programming to hire a consultant to scope a Large Language Model (LLM) and provide a roadmap to develop the LLM.

12. CSRMA/CWIC Consolidated Budget Schedules. Like last year, exhibits were created to show the projected consolidated budget for CSRMA and CWIC.

**ATTACHMENTS:** 1. Estimated Actual 24/25 Budget & Proposed 25/26 Budget (Separate)  
2. Exhibits: CSRMA/CWIC Projected Consolidated Budget 24/25 and CSRMA/CWIC Consolidated Budget 25/26

# CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY

Proposed Budget for the Fiscal Year 2025-26  
CSRMA / CWIC Projected Consolidated Budget

Description	Adopted CSRMA 2024-25	Adopted CWIC 2024-25	Adopted Elimination 2024-25	Adopted Consolidated 2024-25		Projected CSRMA 2024-25	Projected CWIC 2024-25	Projected Elimination 2024-25	Projected Consolidated 2024-25		Adopted v Projected Higher/Lower	Percent Variance Higher/Lower
<b>Operating Revenue:</b>												
<b>Member Contribution</b>												
JPA Charge	\$ 1,175,970	\$ -	\$ -	\$ 1,175,970		\$ 1,143,703	\$ -	\$ -	\$ 1,143,703		(32,267)	(3%)
Pooled Deposit	653,298	-	-	653,298		655,062	-	-	655,062		1,764	0%
Net Insurance Premium	15,978,913	-	-	15,978,913		15,510,051	-	-	15,510,051		(468,862)	(3%)
Affiliate Insurance Premium	6,806,001	7,776,601	(7,776,601)	6,806,001		7,179,489	7,179,489	(7,179,489)	7,179,489		373,488	5%
<b>Retrospective Contribution</b>												
Retro Adjustments	(500,000)	-	-	(500,000)		883	-	-	883		500,883	100%
<b>Member Fees</b>												
Program Director Fee	1,451,000	-	-	1,451,000		1,450,804	-	-	1,450,804		(196)	(0%)
<b>Total Operating Revenue</b>	<b>25,565,182</b>	<b>7,776,601</b>	<b>(7,776,601)</b>	<b>25,565,182</b>		<b>25,939,992</b>	<b>7,179,489</b>	<b>(7,179,489)</b>	<b>25,939,992</b>		<b>374,810</b>	<b>1%</b>
<b>Operating Expense:</b>												
<b>Program Expense</b>												
Claims & Loss Adjustment Expense	4,000,000	841,646	-	4,841,646		5,781,194	1,577,316	-	7,358,510		2,516,864	52%
Deductible Recoveries	(400,000)	-	-	(400,000)		(500,000)	-	-	(500,000)		(100,000)	(25%)
<b>Insurance Expense</b>												
Net Insurance Premium	15,978,913	-	-	15,978,913		15,506,789	-	-	15,506,789		(472,124)	(3%)
Affiliate Insurance Premium	7,776,601	-	(7,776,601)	-		7,179,489	-	(7,179,489)	-		0	0%
<b>Management Consultants</b>												
Risk Control	549,559	-	-	549,559		529,703	-	-	529,703		(19,856)	(4%)
<b>Program Director Fee</b>	1,451,000	-	-	1,451,000		1,450,999	-	-	1,450,999		(1)	(0%)
<b>Other Program Expense</b>	391,869	-	-	391,869		328,863	-	-	328,863		(63,006)	(16%)
<b>General &amp; Administrative Expenses</b>	234,542	192,057	-	426,599		233,545	192,057	-	425,602		(997)	(0%)
<b>Total Operating Expense:</b>	<b>29,982,484</b>	<b>1,033,703</b>	<b>(7,776,601)</b>	<b>23,239,586</b>		<b>30,510,581</b>	<b>1,769,373</b>	<b>(7,179,489)</b>	<b>25,100,465</b>		<b>1,860,879</b>	<b>8%</b>
<b>Operating Income/(Loss)</b>	<b>(4,417,302)</b>	<b>6,742,898</b>	<b>-</b>	<b>2,325,596</b>		<b>(4,570,589)</b>	<b>5,410,116</b>	<b>-</b>	<b>839,526</b>		<b>(1,486,070)</b>	<b>(64%)</b>
<b>Non-Operating Revenue:</b>												
Investment Earnings	830,503	460,592	-	1,291,095		617,194	644,869	-	1,262,063		(29,032)	(2%)
<b>Non-Operating Expense:</b>												
Dividends	500,000	-	-	500,000		0	-	-	0		(500,000)	(100%)
<b>Change in Net Position</b>	<b>(4,086,799)</b>	<b>7,203,490</b>	<b>-</b>	<b>3,116,691</b>		<b>(3,953,395)</b>	<b>6,054,984</b>	<b>-</b>	<b>2,101,589</b>		<b>(1,015,102)</b>	<b>(33%)</b>

# CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY

Proposed Budget for the Fiscal Year 2025-26

CSRMA / CWIC Consolidated Budget

Description	Adopted CSRMA 2024-25	Adopted CWIC 2024-25	Adopted Elimination 2024-25	Adopted Consolidated 2024-25		Budget CSRMA 2025-26	Budget CWIC 2025-26	Budget Elimination 2025-26	Budget Consolidated 2025-26		Year Over Year Higher/Lower	Percent Variance Higher/Lower
<b>Operating Revenue:</b>												
<b>Member Contribution</b>												
JPA Charge	\$ 1,175,970	\$ -	\$ -	\$ 1,175,970		\$ 1,245,265	\$ -	\$ -	\$ 1,245,265		69,295	6%
Pooled Deposit	653,298	-	-	653,298		696,413	-	-	696,413		43,115	7%
Net Insurance Premium	15,978,913	-	-	15,978,913		17,016,831	-	-	17,016,831		1,037,918	6%
Affiliate Insurance Premium	6,806,001	7,776,601	(7,776,601)	6,806,001		7,897,437	7,897,437	(7,897,437)	7,897,437		1,091,436	16%
<b>Retrospective Contribution</b>												
Retro Adjustments	(500,000)	-	-	(500,000)		(250,000)	-	-	(250,000)		250,000	50%
<b>Member Fees</b>												
Program Director Fee	1,451,000	-	-	1,451,000		1,451,000	-	-	1,451,000		0	0%
<b>Total Operating Revenue</b>	<b>25,565,182</b>	<b>7,776,601</b>	<b>(7,776,601)</b>	<b>25,565,182</b>		<b>28,056,946</b>	<b>7,897,437</b>	<b>(7,897,437)</b>	<b>28,056,946</b>		<b>2,491,764</b>	<b>10%</b>
<b>Operating Expense:</b>												
<b>Program Expense</b>												
Claims & Loss Adjustment Expense	4,000,000	841,646	-	4,841,646		4,025,392	2,097,830	-	6,123,222		1,281,576	26%
Deductible Recoveries	(400,000)	-	-	(400,000)		(400,000)	-	-	(400,000)		0	0%
<b>Insurance Expense</b>												
Net Insurance Premium	15,978,913	-	-	15,978,913		17,016,831	-	-	17,016,831		1,037,918	6%
Affiliate Insurance Premium	7,776,601	-	(7,776,601)	-		7,897,437	-	(7,897,437)	-		0	0%
<b>Management Consultants</b>												
Risk Control	549,559	-	-	549,559		554,284	-	-	554,284		4,725	1%
<b>Program Director Fee</b>	<b>1,451,000</b>	<b>-</b>	<b>-</b>	<b>1,451,000</b>		<b>1,451,000</b>	<b>-</b>	<b>-</b>	<b>1,451,000</b>		<b>0</b>	<b>0%</b>
<b>Other Program Expense</b>	<b>391,869</b>	<b>-</b>	<b>-</b>	<b>391,869</b>		<b>364,248</b>	<b>-</b>	<b>-</b>	<b>364,248</b>		<b>(27,621)</b>	<b>(7%)</b>
<b>General &amp; Administrative Expenses</b>	<b>234,542</b>	<b>192,057</b>	<b>-</b>	<b>426,599</b>		<b>326,734</b>	<b>199,739</b>	<b>-</b>	<b>526,473</b>		<b>99,874</b>	<b>23%</b>
<b>Total Operating Expense:</b>	<b>29,982,484</b>	<b>1,033,703</b>	<b>(7,776,601)</b>	<b>23,239,586</b>		<b>31,235,926</b>	<b>2,297,569</b>	<b>(7,897,437)</b>	<b>25,636,058</b>		<b>2,396,472</b>	<b>10%</b>
<b>Operating Income/(Loss)</b>	<b>(4,417,302)</b>	<b>6,742,898</b>	<b>-</b>	<b>2,325,596</b>		<b>(3,178,980)</b>	<b>5,599,868</b>	<b>-</b>	<b>2,420,888</b>		<b>95,292</b>	<b>4%</b>
<b>Non-Operating Revenue:</b>												
Investment Earnings	830,503	460,592	-	1,291,095		791,474	715,351	-	1,506,824		215,729	17%
<b>Non-Operating Expense:</b>												
Dividends	500,000	-	-	500,000		-	-	-	-		(500,000)	(100%)
<b>Change in Net Position</b>	<b>(4,086,799)</b>	<b>7,203,490</b>	<b>-</b>	<b>3,116,691</b>		<b>(2,387,506)</b>	<b>6,315,219</b>	<b>-</b>	<b>3,927,713</b>		<b>811,022</b>	<b>26%</b>

**Long Range Action Plan – 2025/26 - DRAFT**

**ISSUE:** As a result of discussion at the Long Range Planning Session, the Program Administrators have drafted a Long Range Action Plan for 2025/26. The draft Action Plan is attached to this item for the Executive Board’s review and consideration.

**RECOMMENDATION:** The Program Administrators recommend that the Executive Board review and approve the 2025/26 Long Range Action Plan document with any necessary changes made at the meeting.

**FISCAL IMPACT:** None.

**BACKGROUND:** Every year the Executive Board meets in an off-site LRP Session. These sessions allow the Executive Board to review last year’s accomplishments as well as project future goals and concepts for the JPA and its members.

Additionally, through discussions at the LRP Session this year, the Program Administrators have created a separate “to-do” list not discussed in the Draft Long Range Action Plan document and will be working through these items in a timely fashion.

**ATTACHMENTS:** Long Range Action Plan – 2025/26 - DRAFT



**California Sanitation Risk Management Authority**  
*Ensuring the Future of Clean Water*

## **Long-Range Action Plan**

**2025/26**



***Alliant Insurance Services, Inc.***  
560 Mission St, 6<sup>th</sup> Floor  
San Francisco, CA 94105  
(415) 403-1400

As of: June 2, 2025

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DRAFT



## **I. Risk Control Analytics**

**Description:** The Executive Board directed the Risk Control Advisor and Program Administrators to compile key analytics related to various Risk Control services.

**Objective:** To better quantify the usage, effectiveness and return on investment of the items included in the Risk Control Workplans.

**Action(s):**

1. Identify those items that are measurable
2. Develop methodology and identify resources necessary for measuring each service selected
3. Present draft/sample analytics report to Executive Board
4. Implement as necessary and produce report on an ongoing basis

**Responsibility:**

1. Risk Control Advisor
2. Risk Control Advisor and Alliant Insurance Services
3. Risk Control Advisor, Alliant Insurance Services and Executive Board
4. Risk Control Advisor and Alliant Insurance Services

**Deadlines:**

1. July – August 2025
2. August – December 2025
3. January 2026
4. February 2026

**Fiscal Impact:** None.

**Background:** Each March the CSRMA Risk Control Advisor, David Patzer, prepares an outline of the initiatives to be undertaken in the coming year to address ongoing and emerging exposures. While reviewing this outline at the March 2025 Long Range Planning Session, the Executive Board thought it would be useful to have analytics to help measure the usage, effectiveness and return on investment of the items included in the Risk Control Workplans.

**Status:** This item currently in draft format.

## **II. Communications Plan**

**Description:** Create a Communications Plan for CSRMA.

**Objective:** To educate and remind members of the coverages and services provided by CSRMA, as well as the claims reporting procedures and other important information.

**Action(s):**

1. Review the materials and training information already created
2. Develop new content as necessary
3. Create a plan to communicate this information to the members
4. Share draft Communications Plan with the Executive Board
5. Implement Communications Plan and update as necessary

**Responsibility:**

1. Alliant Insurance Services
2. Alliant Insurance Services
3. Alliant Insurance Services
4. Alliant Insurance Services and Executive Board
5. Alliant Insurance Services

**Deadlines:**

1. August 2025
2. September – December 2025
3. January - March 2026
4. March 2026
5. April 2026 – ongoing

**Fiscal Impact:** Unknown at this time.

**Background:** At the March 2025 Long Range Planning Session, the Executive Board provided direction to the Program Administrators to develop a Communications Plan for CSRMA. The goal is to provide continual education to the members on the coverages and services provided, and procedures for reporting a claim as well as other important information.

**Status:** This item currently in draft format.

### **III. Refine Strategies for Controlling Employment Practices Liability Risk**

**Description:** The Executive Board directed the Program Administrators to continue CSRMA's efforts in reducing the impact of Employment related matters on CSRMA and its members.

**Objective:** To reduce both the frequency and severity of Employment Practices Liability claims, and ultimately reduce the impact of these claims on the Pool.

**Action(s):**

1. Conduct an analysis of the current EPL Incentive Program and Training provided
2. Review current EPL Incentive Program and Training provided and make recommended changes with the Pooled Liability Committee
3. Review Pooled Liability Committee's recommended changes with the Executive Board
4. Review and gain approval from Board of Directors if necessary
5. Educate members on any changes made to the EPL Incentive Program and Trainings
6. Implement as necessary

**Responsibility:**

1. Alliant Insurance Services and Risk Control Advisor
2. Alliant Insurance Services, Risk Control Advisor and Pooled Liability Committee
3. Alliant Insurance Services, Risk Control Advisor and Executive Board
4. Alliant Insurance Services, Risk Control Advisor and Board of Directors
5. Alliant Insurance Services and Risk Control Advisor
6. Alliant Insurance Services and Risk Control Advisor

**Deadlines:**

1. January – February 2026
2. February
3. March 2026
4. August 2026
5. December 2026
6. December 2026

**Fiscal Impact:** Unknown at this time.

**Background:** CSRMA currently engages Liebert Cassidy Whitmore (LCW) to provide ten 2-hour employment law virtual seminars each fiscal year (24/25 schedule below). The seminars are announced to the Pooled Liability Program (PLP) members in the following ways:

- Schedule posted on Risk Control Online
- Schedule emailed to PLP members monthly (sent to PLP Primary Contacts, EPL Hotline Authorized Users and Past CSRMA PLP LCW Seminar Attendees email lists)
- Each seminar's registration information is emailed to the above 2-3x leading up to the next scheduled class
  - Member participation results are:

	PY24/25	PY23/24	PY22/23	PY21/22	PY20/21
# of Participating Agencies	29	41	34	31	31
# of Individual Attendees	193	555	188	216	155

\*PY 23/24: start of EPL Deductible Reduction Incentive Program

\*\*PY 24/25: 5 of 10 webinars completed

Additionally, CSRMA has begun to incorporate soft skills/interpersonal skills training into the CSRMA annual training schedule. To date, CSRMA has provided the following:

- How to Have Difficult Conversations
- De-Escalation Skills

CSRMA engaged the Verbal Judo Institute to provide training at the January 2025 CSRMA/CASA seminar. The intent was to introduce Verbal Judo, which has been a very popular training program within the membership, to new member management and their Boards with the goal of members considering bringing Verbal Judo training to their agency.

Currently the EPL deductible in the Pooled Liability Program is \$50,000 for all member agencies. The deductible can be reduced to \$25,000 if member agencies meet the criteria in the EPL Deductible Reduction Incentive Program implemented 12/31/23. Twenty-two member agencies have completed the process to have their deductible reduced to \$25,000 in the current Program Year. The Deductible Selection Policy & Procedure also provides for a mechanism to increase the deductible for members who experience adverse loss experience.

#### *EPL Hotline*

LCW provides Members of CSRMA "hotline" telephone consultations. Members have the opportunity to pick up the phone and ask questions of an attorney on matters relating to employment and labor law.

LCW schedule of virtual seminars for CSRMA FY24/25:

1. Managing the Marginal Employee: Emanuela Tala on September 11, 2024
2. Prevention and Control of Absenteeism and Abuse of Leave: Christopher Frederick on October 9, 2024
3. Maximizing Performance thru Documentation, Evaluation and Corrective Action: Emanuela Tala on November 6, 2024
4. The Art of Writing the Performance Evaluation: Nicholas Grether on December 11, 2024
5. A Guide to Implementing Public EE Discipline: Christopher Frederick on January 15, 2025
6. Finding the Facts: EE misconduct and Disciplinary Investigations: Emanuela Tala on February 12, 2025
7. Supervisor's Guide to Understanding and Managing EE's Rights: Labor, Leaves and Accommodations: Christopher Frederick on March 12, 2025

8. Labor Code 101 for Public Agencies: Nicholas Grether on April 9, 2025
9. Terminating the Employment Relationship: Nicholas Grether on May 15, 2025
10. Leaves, Leaves and More Leaves: Christopher Frederick on June 12, 2025

**Status:** This item currently in draft format

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#### **IV. Evolution of Clean Water Insurance Captive (CWIC)**

**Description:** The Executive Board directed the Program Administrators to explore additional opportunities for the captive to insure CSRMA exposures, and to establish policies and procedures to guide the utilization of potential future surplus. Additionally, CSRMA should consider an amendment to its Investment Policy & Procedure to define parameters on how much CSRMA can invest in CWIC.

**Objective:** To ensure the financial longevity of CWIC, and as a result CSRMA and its members.

**Action(s):**

1. Identify opportunities for additional opportunities for CWIC to insure CSRMA exposures
2. Conduct feasibility studies on those opportunities as necessary
3. Draft a Mission Statement for CWIC
4. Draft Policies and Procedures to guide utilization of potential future surplus, including Target Equity Ratios
5. Review with Executive Board
6. Seek approval from the Board of Directors as necessary
7. Implement as necessary

**Responsibility:**

1. Alliant Insurance Services and CWIC Captive Manager
2. Alliant Insurance Services and CWIC Captive Manager
3. Alliant Insurance Services, CWIC Board of Directors and CWIC Captive Manager
4. Alliant Insurance Services, CWIC Board of Directors and CWIC Captive Manager
5. Alliant Insurance Services and CSRMA Executive Board
6. Alliant Insurance Services and CSRMA Board of Directors
7. Alliant Insurance Services, CWIC Board of Directors and CWIC Captive Manager

**Deadlines:**

1. July – October 2025
2. November 2025
3. July – October 2025
4. July – October 2025
5. December 2025
6. January 2026
7. January 2026 – July 2026

**Fiscal Impact:** Unknown.

**Background:** At the captive’s annual in-person meeting in September 2024 the CWIC Board asked that the CSRMA Executive Board consider additional opportunities to capitalize on the captive’s early success through participation in CSRMA’s coverage programs.

As the captive matures additional details regarding its operation will need to be decided upon (i.e. what to do with future surplus – issue dividends to CSRMA, premiums retrospectively rated, etc.).

**Status:** This item currently in draft format

DRAFT

## **V. Large Language Model and Artificial Intelligence**

**Description:** The Executive Board directed the Program Administrators to explore the development and usage of a Large Language Model (LLM) and other means of Artificial Intelligence (AI) for CSRMA.

**Objective:** To seek opportunities to use AI for efficiency and effectiveness for CSRMA and its members.

**Action(s):**

1. Research the time and expense associated with creating an LLM for CSRMA
2. Identify a consultant(s) to develop the scope, budget and timeline for developing the LLM
3. Present findings to Executive Board and seek approval as necessary
4. Develop the LLM
5. Implement as necessary

**Responsibility:**

1. Risk Control Advisor and Alliant Insurance Services
2. Risk Control Advisor and Alliant Insurance Services
3. Risk Control Advisor, Alliant Insurance Services, Executive Board
4. Risk Control Advisor and selected consultant
5. Risk Control Advisor and selected consultant

**Deadlines:**

1. July 2025
2. September 2025
3. December 2025
4. January 2026 – July 2026
5. August 2026

**Fiscal Impact:** \$75,000 estimate to hire a consultant to create a roadmap to develop.

**Background:** CSRMA has a proud tradition of providing state-of-the-art and leading-edge services to its members. At their March 2025 Long Range Planning Session the Executive Board discussed the potential merits of utilizing AI to improve efficiency for CSRMA and its members. More specifically, the discussion centered around exploring the idea of creating a custom Large Language Model built around CSRMA's vast knowledge and history base.



**Status:** This item currently in draft format

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**CSRMA Program Director Performance Standards 2024-25**

**ISSUE:** The CSRMA Performance Standards grading sheet for the 2024-25 contract year is attached to this item for the Executive Board's review.

**RECOMMENDATION:** None, information only.

**FISCAL IMPACT:** None

**BACKGROUND:** Per Alliant's contract with CSRMA, Alliant is to report accomplishment on the Performance Standards to the Executive Board annually.

**ATTACHMENTS:** CSRMA Performance Standards Grading Sheet 2024-25

**Attachment D**  
**CSRMA PROGRAM DIRECTOR PERFORMANCE STANDARDS**  
**Review of July 1, 2024 to July 1, 2025 Period**

If the Executive Board amends or adjusts Attachment A- Scope of Work, judgment on the performance of these standards will take into consideration such amendment or adjustment.			
		<b>Grade</b>	<b>Comments</b>
<b>A. JPA ADMINISTRATION SERVICES</b>			
1.	Produce and distribute to the membership Annual Operating Report within 60days of calendar year end.	A	Distributed at the January 2025 BOD meeting.
2.	Produce a Proposed Annual Operating Budget not later than the Board of Director's regularly scheuled June Board meeting.	A	FY 25/26 budget will be presented to the BOD at their June meeting.
3.	Produce an annual Independent Financial Report in compliance with all applicable statutes and professional standards that reflects an unqualified opinion by the independent auditor, no material weaknesses, and implementation of any Management Letter items within 30 days of report issuance.	A	The independent financial report as of 6/30/24 was presented to the BOD at their January 2025 meeting. The report reflected an unqualified opinion and no material weaknesses.
4.	Cooperate fully with Executive Board in any substantive review process of the contract between CSRMA and Alliant Insurance Services. Judgment of the degree of performance of this item is left to the discretion of the Executive Board.	A	We cooperated with the Executive Board in their substantive review of our contract renewal effective 7/1/23.
5.	Present Budget Performance Reports to the CSRMA Board of Directors not less than two (2) times each fiscal year.	A	Budget to date reports were presented to the BOD at their August 2024 and January 2025 meetings.
6.	Report accomplishment on these Performance Standards to the CSRMA Executive Board at their meeting in June.	A	Accomplishment of these Performance Standards will be presented to the Executive Board at their June meeting.
7.	Distribute 90% of Executive Board, Board of Directors and Committee Agendas, including all supplemental information required for the board or Committee to effectively conduct its meeting, not less than seven (7) days prior to the meeting.	A	All agendas were emailed seven days prior to the meeting with one exception. The September PLP agenda was delayed one day due to the Labor Day holiday.
8.	Provide for the Executive Board's bi-annual review of each third party administration contract.	A	Claims audits are performed of the TPAs bi-annually. Athens Administrators (WC) audit was completed in 2025. Carl Warren & Company (Liability) will be scheduled later in the year.
9.	Contract with a third-party actuary to conduct an actuarial study of at least one (1) of the pooled programs annually.	A	Pooled Liability actuarial study was performed in 2024; Property and WC actuarial studies were performed in 2025.
10.	Include a current update of the Long-Range Plan Action Items at each regularly scheduled Executive Board Meeting. Make progress on each item with no undue delays in implementation of the goals of the Executive Board. Determination of performance on this item is left to the discretion of the Executive Board.	A	The 24/25 Action Plan document was updated regularly with updates on progress provided to the EB in writing at their regularly scheduled meetings.

	Grade	Comments
11. Issue accurate Pooled Program Memorandum of Coverage document(s) within 60 days of renewal or amendment. Insurance policies may be transmitted under separate cover, but are to be issued no later than 60 days from receipt.	C	The WC MOC and Excess policies were issued > 60 days. The PLP MOC and Excess policies were issued > 60 days. The 24/25 Property MOC was issued timely. The excess insurance policy documents were issued within 60 days of receipt.
<b>B. BROKERAGE SERVICES</b>		
1. Issue accurate Group Purchased Commercial Insurance Policy Forms within 60 of receipt from insurance carriers.	A	The group purchased policies were issued within 60 days of receipt from insurance carriers.
2. Recommend Excess Liability, Excess Workers' Compensation Insurance or coverage placement with supporting analysis customary in the profession to Executive Board not later than the last regularly scheduled Executive Board meeting prior to the renewal of each Program	A	The Excess Liability and Excess Workers' Compensation insurance placements will be presented to the Executive Board at their June meeting prior to the renewal of the programs.
3. Recommend Property Insurance placement with supporting analysis customary in the profession to Executive Board not later than the last regularly scheduled meeting prior to the renewal of the Program.	A	The Property insurance placement will be presented to the Executive Board at their June meeting prior to the renewal of the program.
<b>C. LOSS CONTROL SERVICES</b>		
1. Update the CSRMA Risk Control Survey Engine every 3 years to reflect regulatory changes, new and emerging exposures and best practices as directed by the Executive Board and the Workers' Compensation and Pooled Liability Committees.  Administer the CSRMA Risk Control Survey every 3 years to the pooled program members.  Following the deadline to complete the Risk Control Survey, conduct a follow up visit to review deficiencies and recommendations in each member's risk control survey report. All follow up visits will be completed prior to the administration of the next Risk Control Survey.	A	FY23/24 worked with Peter Kachinsky, retired Sr. Risk Control Advisor at ACWA to develop condensed version of RC audit to be administered winter FY24/25. As of 5/7/25 the updated survey administered to 11 members w/ a due date of 6/12; follow up Zoom mtgs will be scheduled with each and the Survey sent to another group of 10-12 members.
2. Attend, or be available to participate in, CSRMA meetings as necessary or required by the Officers Committee.	A	As of 5/7/25 90% of applicable meetings have been attended this FY.
3. Distribute monthly editions of the Did You Know e-newsletter; produce and distribute to the membership Safety Bulletins on items of high interest.	A	Developed and distributed monthly.
4. Produce and distribute to the Board of Directors the Quarterly Pooled Liability Program and Pooled Workers Compensation Program Loss Analysis.	A	Included in the Board of Directors agendas.
5. Administer the CSRMA Workers' Compensation Excellence award program.	A	Administered the Excellence Awards for FY 23/24 in the Fall of '24 and released the FY24/25 application beginning in March and sent monthly.
6. Provide the following Loss Control and Safety Training:		
a. Winter and Summer CASA/CSRMA Risk Management Seminars	A	The July '24 and Jan '25 CASA/CSRMA training completed and the July '25 CASA/CSRMA training scheduled and being advertised.
b. A minimum of 18 webinars.	A	As of 5/7/25 we're on track to deliver >40 webinars for FY 24/25.

	Grade	Comments
c. Schedule and oversee 10 annual EPL online seminars on topics suggested by CSRMA legal counsel and/or LCW.	A	As of 5/7/25 10 LCW seminars have been scheduled and 8 administered so far. The 10 seminars for FY 25/26 have been ID'd and are in process of being scheduled/marketed.
d. Provide up to 6 training workshops at member locations on risk control topics, excluding CalOSHA & CalEPA regulatory compliance, affecting CSRMA.	C	No on site trainings FY24/25 but several Zoom meetings/trainings provided on misc topics to individuals at member agencies; recommend this item be edited to read as follows to reflect current practices and technology: d. Provide up to 6 Zoom or in person trainings to members on risk control topics affecting CSRMA.

### **Carl Warren Staffing Update**

**ISSUE:** Teresa Collier, the Sr. Adjuster who was handling CSRMA's bodily injury and property damage claims is no longer with Carl Warren & Company (CWC). Bill Kirker has been managing the property and bodily injury claims since May 14th, and Beth Taveras continues to handle the employment practices claims for the Pooled Liability Program. Bill and Beth will attend the meeting and will be available to answer any questions that the Executive Board may have.

**RECOMMENDATION:** None. Information only.

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**ATTACHMENTS:** 1. CSRMA CWC Team Directory  
2. Updated CSRMA CWC Succession Plan



**CARL WARREN & COMPANY**

Claims Management and Solutions

A  **VENBROOK** Company

## California Sanitation Risk Management Authority Carl Warren Team Directory

Please report all claims to:  
**[CSRMAclaims@carlwarren.com](mailto:CSRMAclaims@carlwarren.com)**

**PRESIDENT, [ANGELIQUE KING](#)**

Tel: (951) 565-3005 | Email: [aking@carlwarren.com](mailto:aking@carlwarren.com)

**CLAIMS MANAGER, [BETH TAVARES](#)**

Tel: (657) 622-4215 | Email: [btavares@carlwarren.com](mailto:btavares@carlwarren.com)

**SR. CLAIMS EXAMINER, [WILLIAM "BILL" KIRKER](#)**

Tel: (657) 622-4218 | Email: [wkirker@carlwarren.com](mailto:wkirker@carlwarren.com)

Mailing Address: PO Box 2411, Tustin, CA 92781

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**CLIENT SERVICES DEPARTMENT**

For Loss Runs, Reports or Questions: [clientsupport@carlwarren.com](mailto:clientsupport@carlwarren.com)

**TRUST ACCOUNTING**

[trustaccounts@carlwarren.com](mailto:trustaccounts@carlwarren.com)

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**VICE PRESIDENT BUSINESS DEVELOPMENT, [SUZIE SPENCER](#)**

Tel: (916) 970-1954 | [sspencer@carlwarren.com](mailto:sspencer@carlwarren.com)

**CLIENT SERVICES DIRECTOR, [KELLY CARTER](#)**

Tel: (818) 265-6712 | [kcarter@carlwarren.com](mailto:kcarter@carlwarren.com)

**SUBROGATION SUPERVISOR, [SHEILA NEUMAN](#)**

Tel: (657) 622-4259 | [sneuman@carlwarren.com](mailto:sneuman@carlwarren.com)

May 14, 2025

California Sanitation Risk Management Authority  
C/o Alliant Insurance Services  
Attn: Seth Cole  
100 Pine St., 11<sup>th</sup> Floor  
San Francisco, CA 94111

**Re: Carl Warren & Company Succession Plan for CSRMA**

Dear Mr. Cole:

As the Third-Party Liability Claims Administrator for the California Sanitation Risk Management Authority (CSRMA), we have been asked to prepare a succession plan as it relates to CSRMA's claims team, specifically Beth Taveres and William "Bill" Kirker.

William "Bill" Kirker will manage the property and bodily injury claims. Beth Taveres will handle the employment practices claims and manage the program. Kelly Carter is the Director of Client Services and will oversee administration functions. Angelique King, the President has oversight of the company. Enclosed is our Team Directory for further reference.

If Beth and/or Bill are suddenly unable to continue to handle CSRMA claims, we have established a plan and a bench that is ready to take over. In this regard, we have identified backups Dianna Wheeler and Timothy Robinson, in conjunction with our sister company, DMA, for field inspections. Dianna is a seasoned manager with extensive claims and litigation experience and could step in to Beth's role. Timothy currently has a bodily injury and property damage adjuster role and could take the place of Bill. Both would need a limited amount of training to assimilate to CSRMA policies and procedures.

In case a transition is necessary, our leadership team will step in to ensure a smooth process.

Below is the summary of our plan with the backup person(s) identified in parenthesis.

Sr Adjuster: Bill Kirker (Timothy Robinson)  
Manager: Beth Tavares (Dianna Wheeler)

The above information serves as an outline of the succession plan in place should any sort of emergency or change occur. It positions us for a smooth transition, seamless to the rate payers and district members. Should you have any questions, please contact me at your convenience.





Sincerely,

CARL WARREN & COMPANY

*Kelly Carter*

Kelly Carter  
Director of Client Services  
[kcarter@carlwarren.com](mailto:kcarter@carlwarren.com)  
Tel: (818) 265-6712 | Fax: (866) 254-4423

**Workers' Compensation**  
**Actuarial Study Presentation**

**ISSUE:** Every year, CSRMA has an Actuarial Study performed with the results presented to the Workers' Compensation Committee. The actuary, Trevor Herzig of Willis Towers Watson presented the results of the Actuarial Study to the Committee at their May meeting.

The actuary's presentation is included in the agenda packet for the Executive Board's review. The Program Administrators will review the results of the Actuarial Study with the Executive Board at the meeting.

**RECOMMENDATION:** Information only.

**FISCAL IMPACT:** The cost of the actuarial study was \$43,200.

**BACKGROUND:** The actuarial report is used to re-evaluate past projections with current loss data and to project future payment patterns to determine rates for the upcoming renewal.

Since CSRMA has transferred the go forward risk for the pooled layer to the captive (CWIC), the unpaid loss and LAE in the WTW study excluded policy years 7/1/23-24 and 7/1/24-25. WTW continues to provide projected funding for the pooled layer (ultimate net loss) in future years should CSRMA wish to retain the risk in lieu of transferring it to CWIC.

Included in the presentation the actuary will provide an overview of California's workers' compensation environment and examine CSRMA's experience in relation to the industry's experience with additional commentary on sanitation-specific industry insured experience and loss costs.

**ATTACHMENTS:** Willis Towers Watson Presentation

# California Sanitation Risk Management Authority

## Self-Funded Workers' Compensation Program

By: Maureen Stazinski, FCAS, MAAA  
Trevor Herzig, ACAS, MAAA

May 15, 2025

# Agenda

- Purpose and Scope
- Summary of Findings
- Changes from Prior Analysis
  - Actual vs. Expected
  - Changes in Selected Ultimate Loss and ALAE
- Comparison to California Workers' Compensation Industry
- CA WC Industry: Looking Ahead
- Appendix

# Purpose and Scope

# Purpose and Scope

- Estimate the unpaid loss and loss adjustment expense (LAE)
  - For accident periods through 7/1/2022-2023 only (excludes captive-insured accident periods)
  - As of February 28, 2025; June 30, 2025; December 31, 2025 and June 30, 2026
  - At expected level, and 70%, 80% and 90% confidence levels
  - Undiscounted and discounted at 2.5% annual interest rate
- Compare estimated unpaid loss and LAE with CSRMA's estimated fund balance as of June 30, 2025 to determine the adequacy of funds held to pay claims
- In the report, we provide projected funding estimates for the amount of loss and LAE to be incurred in fiscal periods 7/1/2025-2026 and 7/1/2026-2027 assuming self-insured retention limits of:
  - \$250,000, \$500,000, \$750,000, and \$1 million per claim
  - For discussion with management. Not included in this presentation.

# Summary of Findings

# Estimated Unpaid Loss and LAE\*

As of February 28, 2025, June 30, 2025, and June 30, 2026

Through Accident Periods 7/1/2022-2023

Interest Rate of 2.5%

(In \$000's)	Undiscounted Unpaid as of			Discounted Unpaid as of		
	2/28/2025	6/30/2025	6/30/2026	2/28/2025	6/30/2025	6/30/2026
Expected Level	\$12,773	\$12,050	\$10,244	\$10,723	\$10,076	\$8,478
70% Confidence Level	13,885	13,101	11,141	11,641	10,940	9,208
80% Confidence Level	15,158	14,303	12,167	12,693	11,929	10,044
90% Confidence Level	17,223	16,254	13,833	14,399	13,534	11,400

\* LAE = Loss Adjustment Expense; includes Allocated Loss Adjustment Expense (ALAE) and Unallocated Loss Adjustment Expense (ULAE). Loss and ALAE are discounted, and ULAE is not discounted.



# Unpaid Loss and LAE and Funding Position

As of June 30, 2025

CSRMA assets available to pay claims (est.) –Through Accident Periods 7/1/2022-2023		\$15.1M
Estimated unpaid loss and LAE*		\$10.1M
CSRMA's workers' compensation program assets exceed unpaid loss & LAE		\$5.0M

- Amount in which assets exceed unpaid loss & LAE increased by \$0.3M, from \$4.7M as of June 30, 2024, to \$5.0M as of June 30, 2025.
- LAE = Loss Adjustment Expense; includes Allocated Loss Adjustment Expense (ALAE) and Unallocated Loss Adjustment Expense (ULAE). Unpaid loss and LAE are at the expected level, loss and ALAE are discounted, and ULAE is not discounted.

# Unpaid Loss and LAE and Funding Position (cont.)

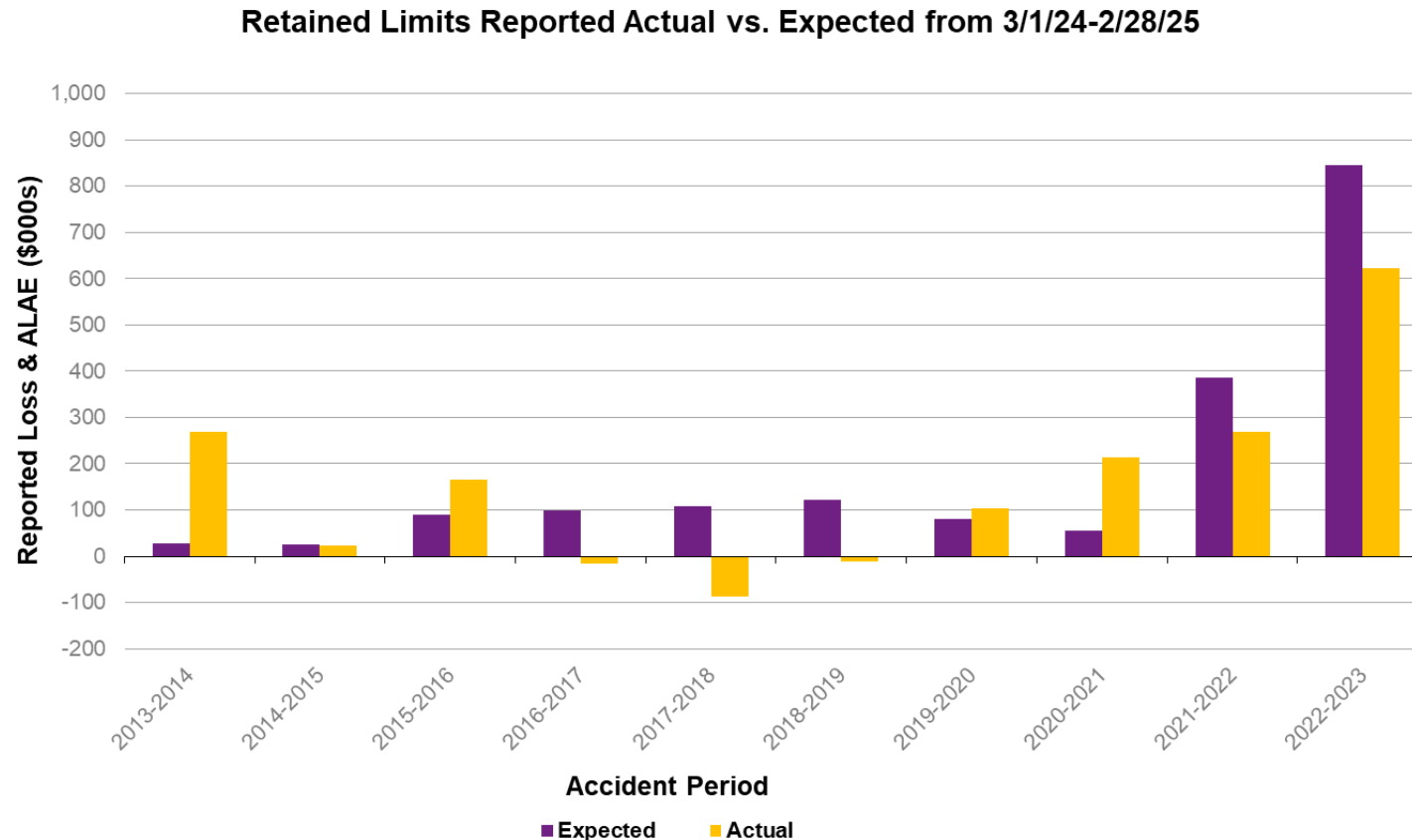
As of June 30, 2025

<b>CSRMA assets available to pay claims (est.) –Through Accident Periods 7/1/2022-2023</b>	<b>\$15.1M</b>
Estimated unpaid loss and LAE* - Central Estimate	\$10.1M
Estimated unpaid loss and LAE* - 70 <sup>th</sup> Percentile	\$10.9M
Estimated unpaid loss and LAE* - 80 <sup>th</sup> Percentile	\$11.9M
Estimated unpaid loss and LAE* - 90 <sup>th</sup> Percentile	\$13.5M

- Funding position is adequate to above the 90th Percentile of discounted unpaid loss and LAE as of June 30th, 2025.
- 
- LAE = Loss Adjustment Expense; includes Allocated Loss Adjustment Expense (ALAE) and Unallocated Loss Adjustment Expense (ULAE). Unpaid loss and LAE are at the expected level, loss and ALAE are discounted, and ULAE is not discounted.

# Changes from Prior Analysis

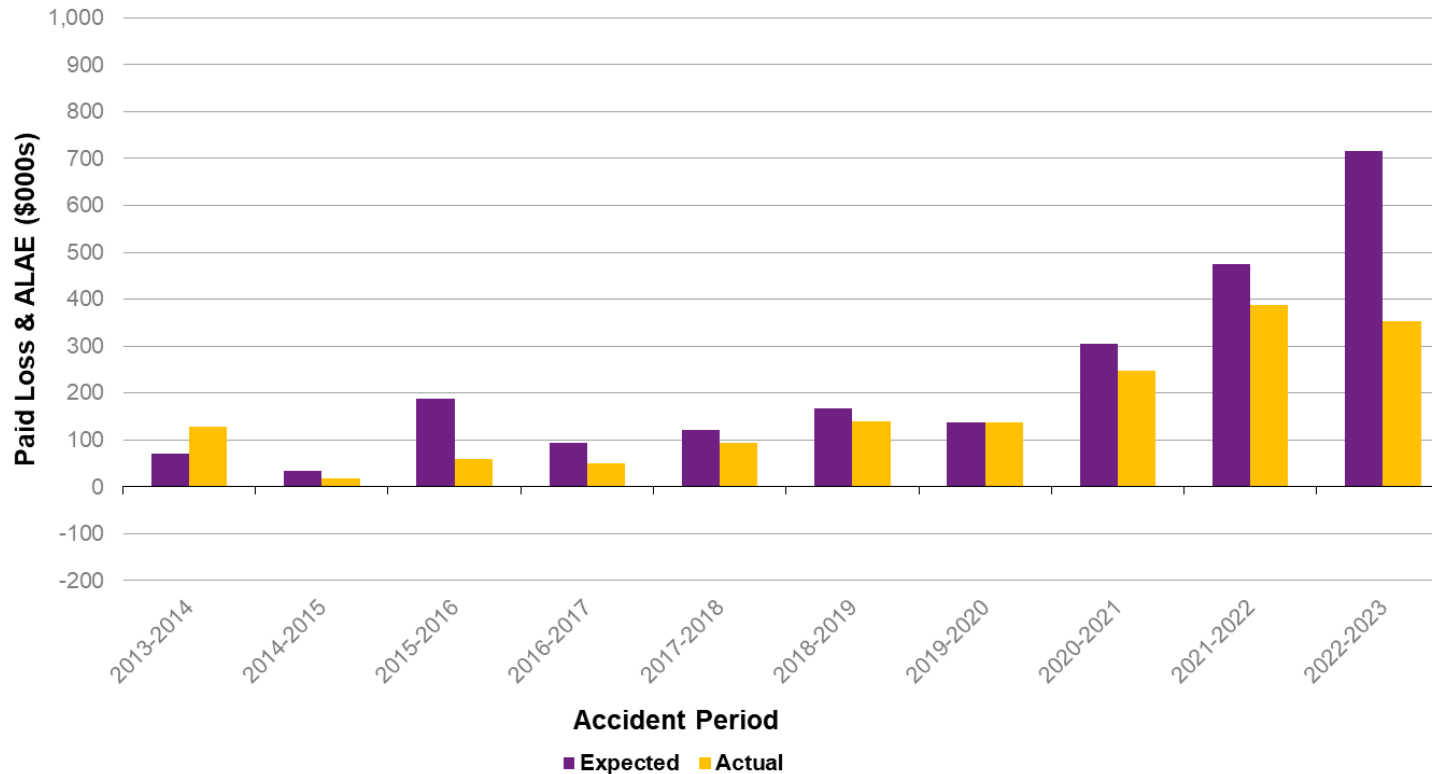
# Actual reported losses have been lower than expected by \$0.3M



- Expected reported losses for all years (1990/1991 through 2022/2023) in the 12-month period were \$1.9M
- Actual reported losses during the same period were \$1.6M, which is \$0.3M lower than expected

# Actual paid losses have been lower than expected by \$0.7M

Retained Limits Paid Actual vs. Expected from 3/1/24-2/28/25



- Expected paid losses for all years (1990/1991 through 2022/2023) in the 12-month period were \$2.5M
- Actual paid losses during the same period were \$1.8M, which is \$0.7M lower than expected

# Estimates of ultimate loss & ALAE have been reduced to reflect favorable experience

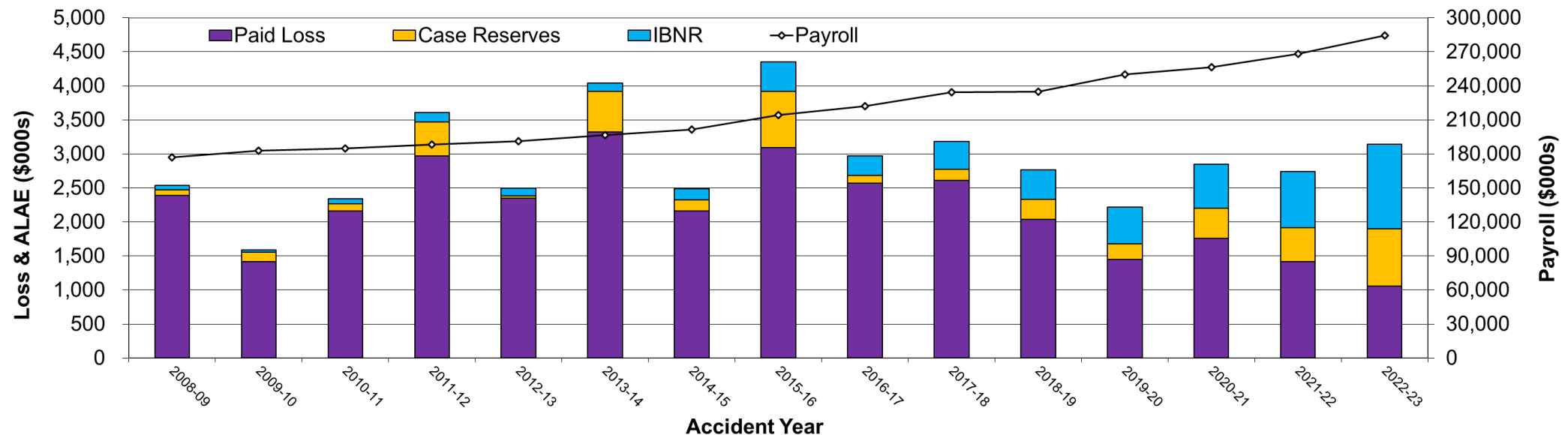
Comparison of Estimates - Ultimate Loss & ALAE (\$000s)				
Based on Data as of				
Accident Year	02/28/2025	02/29/2024	\$ Difference	% Difference
2003 - 2004 and Prior	\$21,119	\$21,185	(\$66)	-0.3%
2004 - 2005	1,910	1,918	(8)	-0.4%
2005 - 2006	1,927	1,916	11	0.6%
2006 - 2007	3,466	3,472	(6)	-0.2%
2007 - 2008	1,844	1,856	(12)	-0.6%
2008 - 2009	2,534	2,624	(90)	-3.4%
2009 - 2010	1,590	1,570	20	1.3%
2010 - 2011	2,344	2,305	39	1.7%
2011 - 2012	3,612	3,620	(8)	-0.2%
2012 - 2013	2,495	2,509	(14)	-0.6%
2013 - 2014	4,040	3,878	162	4.2%
2014 - 2015	2,489	2,518	(29)	-1.2%
2015 - 2016	4,350	4,250	100	2.4%
2016 - 2017	2,970	3,067	(97)	-3.2%
2017 - 2018	3,184	3,392	(208)	-6.1%
2018 - 2019	2,770	2,884	(114)	-4.0%
2019 - 2020	2,218	2,215	3	0.1%
2020 - 2021	2,848	2,854	(6)	-0.2%
2021 - 2022	2,743	2,996	(253)	-8.4%
2022 - 2023	3,141	3,483	(342)	-9.8%
<b>Total</b>	<b>\$73,594</b>	<b>\$74,512</b>	<b>(\$918)</b>	<b>-1.2%</b>

# Ultimate Loss & ALAE

## Paid Loss & ALAE + Case Reserves + IBNR

- The older the accident year, typically the higher proportion of loss that has been paid.
- Total unpaid loss & ALAE = the sum of case reserves (yellow bar) and IBNR (blue bar).
- The less mature the accident year, the greater proportion of IBNR in the unpaid amounts.
- Ultimate losses can be higher or lower each year depending on many factors including:
  - Payroll (exposure)
  - SIR Retention Limits
  - WC benefit levels
  - Large losses
  - Favorable/adverse AvE

Ultimate Loss & ALAE Based on Data as of February 28, 2025



# Observations of Changes in Claims Experience

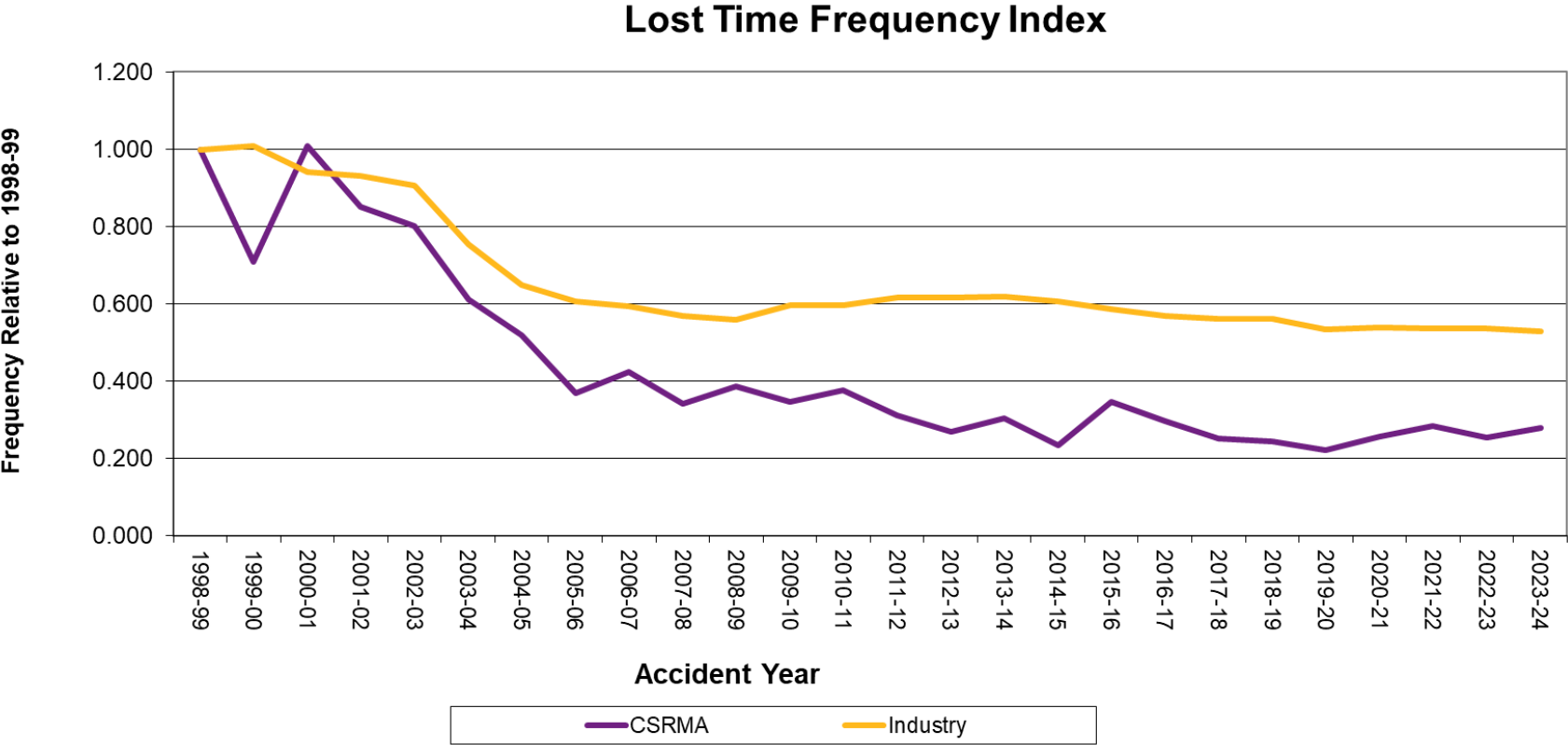
Comments from 2024 Analysis (includes Accident Period 7/1/2023-2024)	Current Analysis of Accident Periods Through 7/1/2022-2023
<p><b>Average case reserve on open claims has increased</b></p> <ul style="list-style-type: none"> <li>• An increase of 24% from \$27,818 as of 2/28/2023 to \$34,557 as of 2/29/2024</li> <li>• Number of open claims decreased 25% from 245 to 183 year-over-year</li> <li>• Total case reserve amount decreased 7% from \$6.8M to \$6.3M year-over-year</li> </ul>	<p><b>Average case reserve on open claims has increased</b></p> <ul style="list-style-type: none"> <li>• An increase of 20% from \$39,670 as of 2/29/2024 to \$47,513 as of 2/28/2025</li> <li>• Number of open claims decreased 19% from 156 to 126 year-over-year</li> <li>• Total case reserve amount decreased 3% from \$6.2M to \$6.0M year-over-year</li> </ul>
<p><b>Slight increase in large claims activity</b></p>	<p><b>9 claims with an increase in reported losses &gt; \$75K since last year contribute \$1.2M</b></p> <ul style="list-style-type: none"> <li>• In 2024 study, 7 claims with \$0.7M increase in reported losses</li> <li>• In 2023 study, 4 claims with \$0.4M increase in reported losses</li> </ul>
	<p><b>Slight increase in large claims activity</b></p> <ul style="list-style-type: none"> <li>• 106 claims with reported loss &amp; ALAE &gt; \$100K from fiscal years 2008-2009 through 2022-2023</li> <li>• In 2024 study, 100 claims for the same period (93 in the 2023 study, 94 in the 2022 study)</li> <li>• 12 claims breached SIR on a reported basis (4 claims in the 2024 study, 3 claims in the 2023 study)</li> </ul>



# Comparison to CA WC Industry

# CSRMA vs. Industry

## Claim Frequency



Claim frequencies for Industry have remained steady in the latest four years.

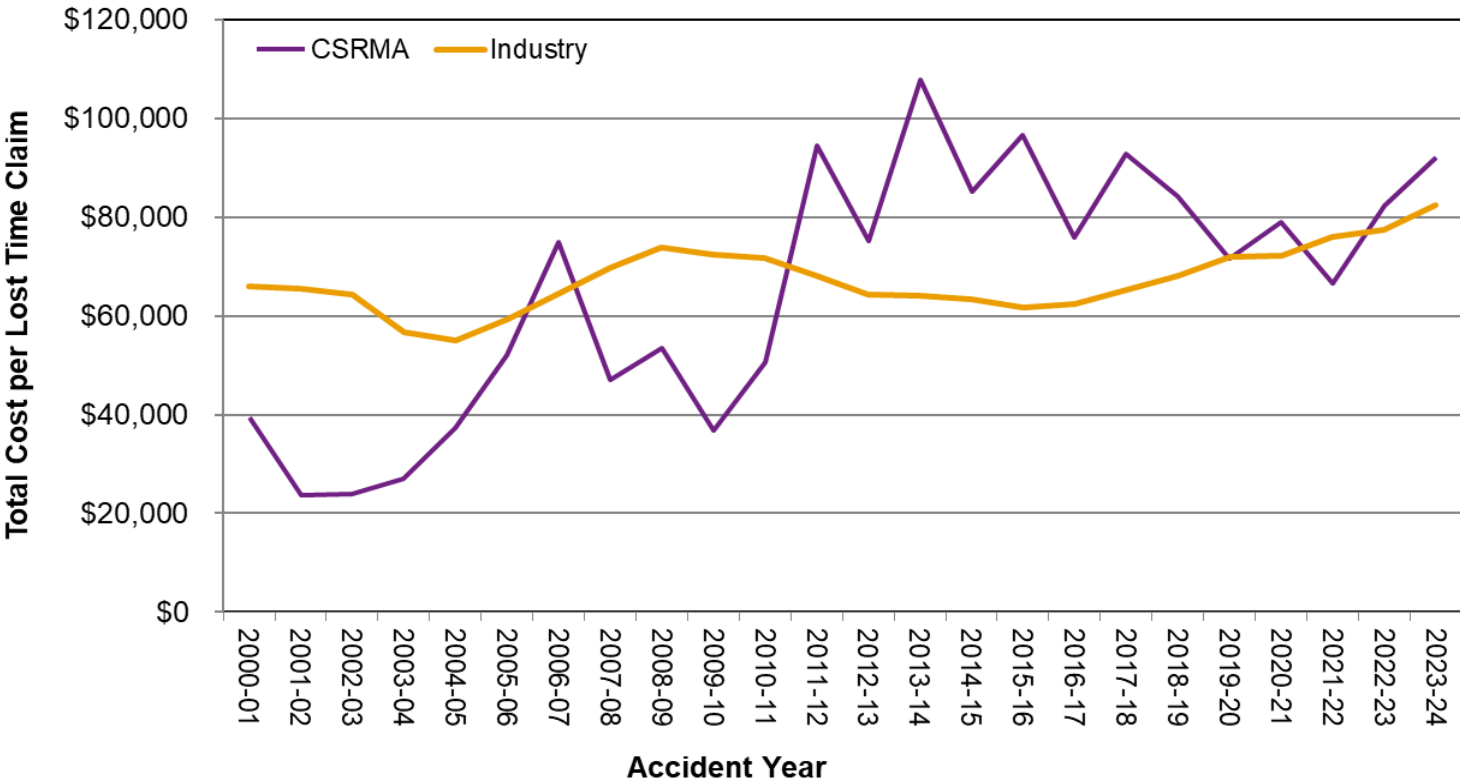
Claim frequencies for CSRMA have increased slightly in the latest four years.

**Note:** Industry data from WCIRB as of 12/31/2024. WCIRB data based on calendar accident year, while CSRMA data based upon 7/1/YYYY – 6/30/YYYY+1 accident period. Frequencies are adjusted to a common wage basis.

# CSRMA vs. Industry

## Claim Severity

Severity



Industry unlimited severity has shown a gradual increase since AY 2015.

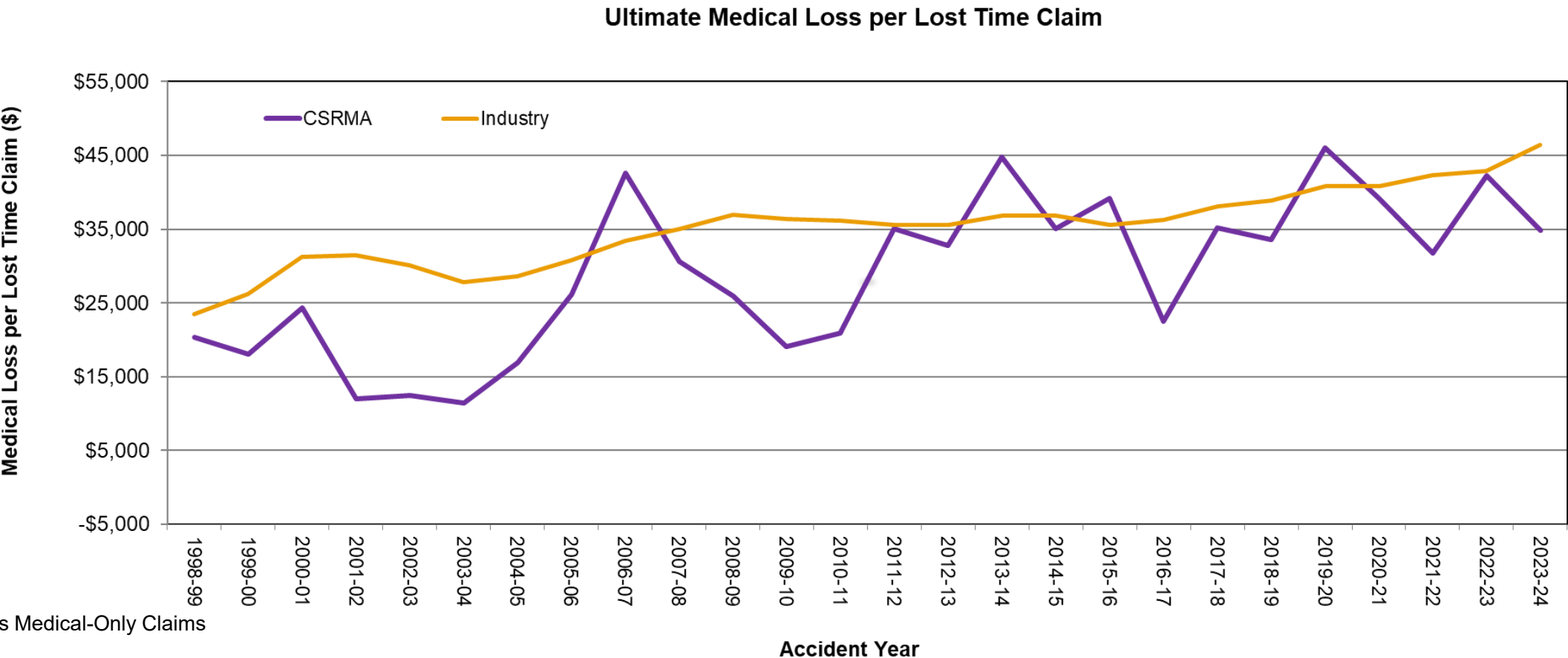
CSRMA severity, retained at the limits below, has shown a gradual decrease over the past decade, although shows increases in accident years 2022-23 and 2023-24.

Period	CSRMA Per Occurrence Retention
1996 – 2002	\$300,000
2002 – 2003	500,000
2003 – 2019	750,000
2019 – 2026	250,000

- Notes:
1. CSRMA Severity data has been restated based on new claim type definitions from Athens loss run: "Indemnity – No Lost Time" claim types are now excluded.
  2. Industry data from WCIRB as of 12/31/2024. WCIRB data based on calendar accident year, while CSRMA data based upon 7/1/YYYY – 6/30/YYYY+1 accident period.

# CSRMA vs. Industry

## Ultimate Medical\* Losses Per Lost Time Claim



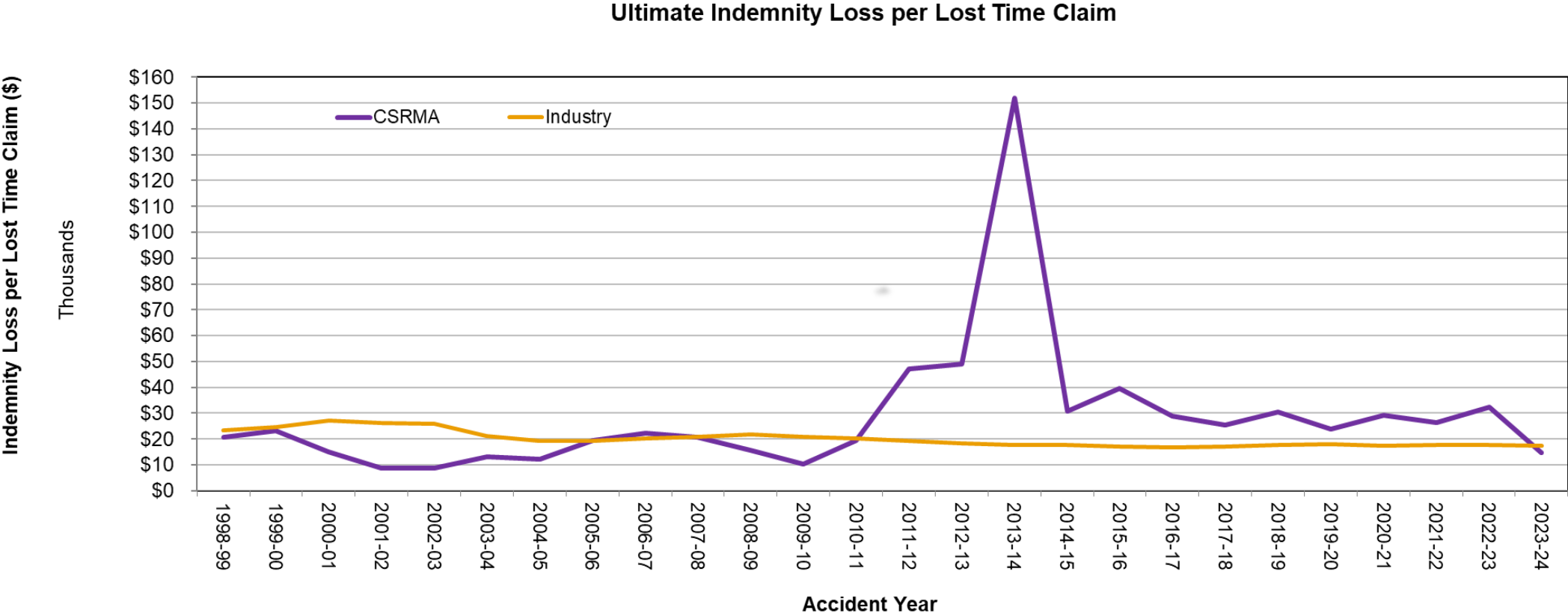
\*Excludes Medical-Only Claims

**Notes:**

1. Industry data from WCIRB as of 12/31/2024. CSRMA data evaluated as of 2/28/2025. WCIRB data based on calendar accident year, while CSRMA data based upon 7/1/YYYY – 6/30/YYYY+1 accident period.
2. CSRMA Medical IBNR allocated to claim based on IBNR to case ratios.
3. The CSRMA data is gross of retention.

# CSRMA vs. Industry

## Ultimate Indemnity Loss per Lost Time Claim

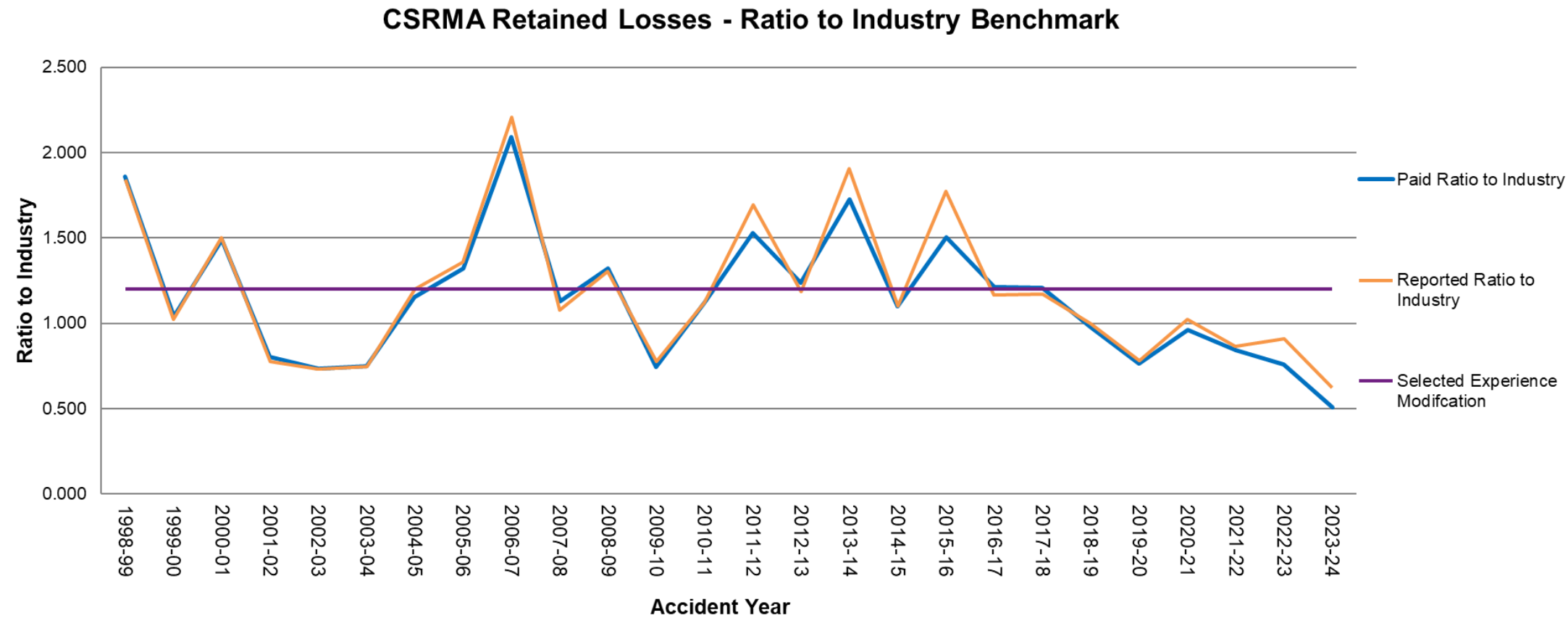


**Notes:**

- 1. Indemnity Loss in Accident Year 2013-14 includes large claim CSNC-548160. Claim is open as of 2/28/2025 loss run; incurred loss is 3.3M.
- 2. Industry data from WCIRB as of 12/31/2024. CSRMA data evaluated as of 2/28/2025. WCIRB data based on calendar accident year, while CSRMA data based upon 7/1/YYYY – 6/30/YYYY+1 accident period.
- 3. CSRMA indemnity IBNR allocated to claim based on IBNR to case ratios.
- 4. The CSRMA data is gross of retention.

# CSRMA vs. Industry

## Ratio to Industry Benchmark



**Note:** Industry data from WCIRB as of 12/31/2024. CSRMA data evaluated as of 2/28/2025. WCIRB data based on calendar accident year, while CSRMA data based upon 7/1/YYYY – 6/30/YYYY+1 accident period.

# CA WC Industry: Looking Ahead

# The Current CA WC Environment

## Notes from the April 10, 2025 WCIRB Meeting

### Study of Recent Increases in ALAE (Allocated Loss Adjustment Expense) Costs

- Background:
  - Intended to analyze rising ALAE costs and identify cost drivers.
  - Methodology: Classified claims by ALAE severity and analyzed trends by settlement type, claim type (Cumulative Trauma vs non-Cumulative Trauma), and region. COVID-19-related claims were excluded from the analysis.
  - ALAE is considered “significant” in this analysis when exceeding \$1,000.
- Key Findings:
  - Overall number of significant ALAE claims rose from 42% (2012) to 48% (2022)
  - Compromise & Release share of significant ALAE claims rose from 62% (2012) to 82% (2022)
  - Cumulative Injury share of significant ALAE claims rose from 53% (2012) to 64% (2022)
  - Rising paid ALAE costs in areas outside Los Angeles
    - Increasingly, applicant’s attorneys represent further from their office location
    - Likely facilitated by statewide transition to more fully remote hearings
- Source: WCIRB Actuarial Committee Presentation, April 10, 2025.



# The Current CA WC Environment (continued)

## WCIRB Proposed Pure Premium Rate – September 1, 2025

### Proposed rate change of +11.2% over the approved September 1, 2024 rates

- Drivers of the Increase
  - Rising medical loss development
  - Higher frequency of cumulative trauma claims
  - Elevated ALAE trends
  - Adverse loss experience
- Historical Comparison:

Effective Date	Rate Change %
September 1, 2022	0.0%
September 1, 2023	-2.6%
September 1, 2024	-2.1%
September 1, 2025	+11.2% <i>(Proposed)</i>

- Source: WCIRB Bulletin No 2025-06, April 30, 2025.

# Workers' Compensation benefits are adjusted annually to account for changes in the cost of living.

## Effective January 1, 2025, California WC benefits have increased

- State Average Weekly Wage (SAWW) in the state of California increased from \$1,642 to \$1,704 between 2023 and 2024, an increase of 3.78%.
- This increase is reflected in the temporary total disability (TTD) benefits and the permanent total disability (PTD) benefits effective January 1, 2025.
- Historical increases to benefit levels in California are as follows:

Effective Date	Annual Benefit Level Increase
January 1, 2022	13.52%
January 1, 2023	5.16%
January 1, 2024	0.00%
January 1, 2025	3.78%

# Appendix

# Terminology

## **CSRMA's Workers' Compensation Unpaid Loss & ALAE are the Sum of:**

- Reserves estimated on a case-by-case basis ("Case Reserves") by CSRMA's claims examiners at Athens
- Reserves estimated on an aggregate basis ("Incurred But Not Reported" or "IBNR") by CSRMA's actuary at WTW; IBNR provides dollars in reserve for:
  - Claims which have occurred but haven't been reported yet
  - Value increases ("development") on known claims that cannot be foreseen by the examiner given the known facts of the case

## **Unpaid Loss & ALAE are expected to cover all future payments for:**

- Medical benefits
- Indemnity benefits
- Adjustment costs that can be attributed/allocated to specific claims
  - "Allocated loss adjustment expense" or ALAE
- Adjustment costs that cannot be allocated to individual claims
  - "Unallocated loss adjustment expense" or ULAE

# Terminology (continued)

## CSRMA's Self-Insured Retention (SIR)

- The maximum amount of each occurrence for which CSRMA is responsible
- Any amounts above the SIR are paid by the insurer
- The SIR was lowered from \$750,000 to \$250,000 effective 7/1/2019
- CSRMA annually evaluates whether to self-fund the risk under the SIR layer or transfer the risk to Clean Water Insurance Captive (CWIC) to reinsure the layer.

## “Accident Year” = Fiscal year during which the workers’ injury occurred

### For each accident year, we measure the following quantities:

- “Exposure” = an objective quantity that measures the potential for workers’ compensation losses, usually measured in units of \$100 of payroll
- “Pure Premium” = the cost of workers’ compensation losses per exposure in an accident year
  - $\text{Frequency} \times \text{Severity} = \text{Pure Premium}$
- “Frequency” = the number of claims per year, usually stated relative to exposure
- “Severity” = the (average) cost of a claim
- “Reported Losses” = Paid Losses + Case Reserves
- “Ultimate Losses” = Paid Losses + Case Reserves + IBNR

# Methodology for Unpaid Loss & ALAE

## Loss Development Method – For paid and reported losses

- Extrapolate and apply the growth (“development”) patterns of older accident years to more recent accident years.

## Bornhuetter-Ferguson Method – For paid and reported losses

- Knowing the average “height” of an accident year you would expect, and given the “height” of the accident year to date, estimate its remaining growth
- Replaces future expected losses with actual losses as they unfold

## Select ultimate losses based on the results from various methods

**Subtract paid losses as of an evaluation date from ultimate losses to determine unpaid loss and ALAE at the evaluation date**

# Methodology for Estimating Funding for Upcoming Years

**Adjust ultimate loss & ALAE for all years so that they are all at next year's level ("on-level")**

- Changes in benefit levels
- Change in trend
  - Medical costs
  - Payroll trend
- Changes in CSRMA's retention levels

**Divide by historical payroll to estimate projected workers' compensation cost per \$100 of payroll (i.e., pure premium)**

**Multiply selected pure premium by proposed future payroll to get future dollar costs**

Questions?



**Workers' Compensation**  
**Retrospective Rating Calculation as of June 30, 2024**

**ISSUE:** The Retrospective Rating Calculation based on updated loss information and financial data as of June 30, 2024 is in process. An update will be provided at the meeting.

**RECOMMENDATION:** A recommendation/update will be made at the meeting.

**FISCAL IMPACT:** The calculation results will be discussed at the meeting.

Willis Towers Watson's May 5, 2025 draft Actuarial Report indicates that the Program will have estimated surplus of \$5,092,365 as of June 30, 2025, *before* consideration of the retro adjustments.

Individual member results are as shown on the attachment with some members owing, and others getting a return based on their size and loss history.

**BACKGROUND:** The Retro plan was adopted in 1990 as the mechanism to spread equitably losses amongst members. Each program year is evaluated beginning 36 months after expiration, and annually thereafter to either return or collect money to the membership according to their level of contribution to the success of the pool. Since the program year begins on July 1, the retro calculation is performed based on financial data at June 30 of the prior year. Major components of the retrospective rating plan include:

- Paid Losses
- Claims Reserves
- Incurred but not reported (IBNR) losses
- Administrative Costs
- Investment Income

After the calculation is run, retro deposit (premium) adjustments appear as a debit or credit on member's renewal invoices. The calculation is performed by a computer program, which applies the retro formula adopted by the Board of Directors.

**ATTACHMENTS:** Retrospective Rating Results as of June 30, 2024 for Program Years Twelve through Thirty-One. (TENTATIVE HANDOUT)



**Workers' Compensation Program**  
**PY 36 (2025-26) Renewal Costs**

**ISSUE:** The Workers' Compensation Program will be renewing July 1, 2025. The Executive Board should consider a recommendation for the upcoming renewal from the Workers' Compensation Committee.

**RECOMMENDATION:** The Workers' Compensation Committee is recommending that the Executive Board approve the renewal at the expiring program structure transferring the Pooled Layer risk (\$0 - \$250,000) to the Clean Water Insurance Captive (CWIC).

**FISCAL IMPACT:** The following table outlines the fiscal impact for Program Year 36 at the expiring program structure.

Expense Item	PY 2024/25	PY 2025/26	Change	
Ult. Net Loss/ CWIC Gross Premium	3,823,534	3,360,105	-463,429	-12.12%
Est. XS Insurance Exp. (Net)	782,326	843,135	60,809	7.77%
Buy Down Insurance Exp.	913,420	1,036,267	122,847	13.45%
Estimated Program Expense	<u>988,308</u>	<u>984,565</u>	<u>-3,743</u>	<u>-0.38%</u>
<b>Total Expected Costs</b>	<b>6,507,588</b>	<b>6,224,072</b>	<b>-283,516</b>	<b>-4.36%</b>

**BACKGROUND:** The cost of the renewal can be summarized in three major categories: CWIC Gross Premium / Ultimate Net Loss, Estimated Excess/Reinsurance Insurance Expense and Estimated Program Expense.

Alliant's actuarial team performed the actuarial analysis to develop the "CWIC gross premium". The analysis includes the costs to fund losses in the \$0 - \$250K layer and CWIC's administrative expenses. The actuary is projecting a year-over-year decrease in funding as a result of favorable loss development.

The premium for the "estimated excess insurance expense" increased 7.77%, mainly due to an increase in member exposure (payroll) and loss development into the excess layer. Safety National provides Statutory Limits excess of \$1,000,000.

The premium for the "buy down insurance expense" (reinsurance) is expected to increase 13.45%. The rate remained flat however, the year over year payroll submitted to the reinsurer increased excess of 10%. State National Insurance Company provides coverage for a buffer layer (\$750,000 x \$250,000) between CWIC and Safety National.

The “Estimated Program Expense” comes from the Board approved budget. The 0.38% decrease is mainly due to a projected decrease in the User Fund/Fraud Assessment expense.

**ATTACHMENTS:** None.

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**Workers' Compensation Program**  
**Dividend Calculation as of June 30, 2024**

**ISSUE:** Each year, the Board of Directors evaluates declaring a dividend from retained funds held in the Workers' Compensation Program. Declaration of dividends is governed by Policy & Procedure No. 4-WC, which allows for dividends to be declared from completed program years if the following requirements are met:

- The Program, on an aggregate basis, is funded to a 70% confidence level with retained funds in excess of the pooled layer per occurrence limit currently in force.
- Dividends cannot be declared sooner than five years after expiration of a program year.
- No more than 25% of any years' retained earnings will be declared as dividends.
- The retained funds amount is in excess of seven (7) times the pooled layer per occurrence limit currently in force prior to the dividend calculation, subject to a minimum retained fund balance in the program after the dividend is calculated in the amount of \$5,000,000.

As of June 30, 2024, the Workers' Compensation Program audited net equity figure was \$5,092,365. Declaration of a dividend would drop the retained fund balance below the minimum threshold.

**RECOMMENDATION:** None. Information only.

**FISCAL IMPACT:** None.

**BACKGROUND:** The Retrospective Rating Plan (RRP) limits retrospective returns to 25% of the members' original deposits. This means that additional funds are left in the pool; which are not necessary to pay claims. The Board of Directors adopted Policy & Procedure No. 4-WC to govern calculation and declaration of dividends. The Dividend Policy & Procedure allows that up to 25% of the retained funds of an eligible program year may be returned to members in the form of a dividend. Unlike the RRP, which assesses members with poor loss performance, dividends are shared among all members, although the share of members with poor loss performance is reduced.

**ATTACHMENTS:** None.

### **Prospective New Member: Triunfo Water and Sanitation District**

**ISSUE:** The Triunfo Water and Sanitation District (TWSD) has asked CSRMA to provide them with a quotation for inclusion into the Workers' Compensation Program effective July 1, 2025.

**RECOMMENDATION:** The Program Administrators recommend that the Executive Board authorize the Program Administrators to provide TWSD with a quotation for inclusion into the Workers' Compensation Program effective July 1, 2025. Further, it is recommended that the Executive Board recommend that the Board of Directors approve TWSD's participation in the Workers' Compensation Program.

**FISCAL IMPACT:** The approximate annual deposit is \$90,000.

**BACKGROUND:** TWSD was established in 1963, but it wasn't until 2020 that the District had any staff of its own. Prior to that, work was conducted, via contract, by Ventura Regional Sanitation District or consultants, and the only Triunfo employees were the elected Board of Directors. During 2020, the District hired its own management team (General Manager, Director of Finance, Engineering Program Manager, and Administrative Program Manager). The District started hiring non-management employees in 2021.

TWSD is currently a member of the JPA and participates in the Pooled Liability Program.

The reinsurers and the excess carrier for the Program have approved the addition of TWSD to the Workers' Compensation Program.

The Workers' Compensation Committee was provided with a verbal update at their May meeting as TWSD's application had not been received ahead of the meeting.

**ATTACHMENTS:** Workers' Compensation Payroll Reporting Form and Application

Member Agency:

**California Sanitation Risk Management Authority**  
**Program Year 36 (2025/2026) Renewal**  
**Payroll Reporting Form**

WCIRB Class Code	Description	Estimated 2025/26 Payroll	Employee Count
7580	Sanitary or Sanitation Operations	\$1,291,989	10
8810	Clerical	\$1,296,790	9
8871	Clerical Telecommuter Employees	\$	
6307	Sewer Construction (< \$26.00 per hour)	\$	
6308	Sewer Construction (\$26.00 or > per hour)	\$	
8742	Salespersons Outside	\$191,160	6
7520	Waterworks Operation	\$	
8601	Engineers	\$218,533	1
9424	Landfill Operations	\$	
0251	Irrigation/Drainage/Reclamation	\$	
	<b>Total</b>	<b>\$2,779,939</b>	<b>26</b>

	<b>Estimated 2025/26 Payroll</b>	
Indicate Payroll for Officials Included above	\$191,160	6
<b>PLEASE NOTE: Maximum remuneration for executive officers for 2025 is \$159,900</b>		

Number of Public Officials ( <i>if payroll not included above</i> )	
<b>TOTAL</b> Number of Employees at <b>ALL</b> Locations (including Public Officials)	

<b>Does your agency own or operate any watercraft?</b>	
<input checked="" type="checkbox"/> <b>NO</b>	District <b>DOES NOT</b> own or operate any watercraft.
<input type="checkbox"/> <b>YES</b>	Please describe size and number of craft and their usage on separate sheet

<b>Does your agency own or lease vehicles and transport your employees to and from work sites?</b>	
<input type="checkbox"/> <b>NO</b>	District <b>DOES NOT</b> own or lease vehicles.
<input checked="" type="checkbox"/> <b>YES</b>	Please provide the number of owned or leased vehicles by type and indicate the average number of employees occupying each vehicle on a separate sheet

<b>Employee Concentration of Risk</b>
Please complete the accompanying Employee Concentration of Risk Reporting Form

Signature of person completing form:	<i>Vickie Dragan</i>
Please print name:	<b>Vickie Dragan</b>
Phone:	<b>( 805 ) 658-4649</b>

Please return the completed form and attachments to us via email.

Member Agency:

**California Sanitation Risk Management Authority**  
**Excess Workers Compensation**  
**Employee Concentration of Risk Reporting Form**

**Please provide complete physical address (per location) where employees are working:**

Name and Address of Physical Location	Occupied as	# of Employees	# of Shifts	# of Stories	# of Floors Occupied	# of Employees per Floor	Zip code	Only complete These columns For Any Locations Where 200 or More Employees Work		
								Year Built	Building Construction	Has building been retro-fitted?
370 N. Westlake Blvd., Suite 100, Westlake Village, CA 91362	Office	13	1	2	1	13	91362			
5000 Bishopwood Lane, Oak Park, CA 91377	Office	8	1	1	1	8	91377			

Signature of person completing form:	<i>Vickie Dragan</i>
Please print name:	<b><u>Vickie Dragan</u></b>
Phone:	<b>( 805 ) 658-4649</b>

Please return the completed form to my attention by mail, by fax to (415) 874-4813  
or electronically to [mleavell@alliant.com](mailto:mleavell@alliant.com)



Triunfo Water Sanitation District  
Schedule of Vehicles/ Equipment  
Policy Number: TBD  
07/01/2025 – 07/01/2026

Insured: Triunfo Water & Sanitation District  
Alliant Mobile Vehicle Program (AMVP)  
2025-2026 Pre-Renewal Schedule Update

Unit#	Year	Make	Model	Vin #	Deductible	Current Values			New Updated Values			Garaging Address (Required)
						Equipment Value	Vehicle Value	Vehicle/ Equipment Total	Equipment Value	Vehicle Value	Vehicle/ Equipment Total	
635	2019	Ford	F-350 Truck	1FDRF3GT1KEG07856	1,000	\$ 10,000	\$ 56,000	\$ 66,000	\$ 10,000	\$ 56,000	\$ 66,000	TWSD Operations Facility, 5000 Bishopswood, Oak Park, CA 91377
632	2005	Chevrolet	Colorado	1GCCS148258213201	1,000	\$ 1,000	\$ 5,000	\$ 6,000	\$ 1,000	\$ 5,000	\$ 6,000	TWSD Operations Facility, 5000 Bishopswood, Oak Park, CA 91377
631	2008	Ford	F-350 Utility w/Small Crane	1FDWFF36508EB16080	1,000	\$ 5,000	\$ 10,000	\$ 15,000	\$ 5,000	\$ 10,000	\$ 15,000	TWSD Operations Facility, 5000 Bishopswood, Oak Park, CA 91377
634	2019	Ford	F-150 Truck	1FTMF1CB7KKG65091	1,000	\$ 7,000	\$ 30,000	\$ 37,000	\$ 7,000	\$ 30,000	\$ 37,000	TWSD Operations Facility, 5000 Bishopswood, Oak Park, CA 91377
633	2015	Ford	F-350 W/Ladder Rack	1FDRF3G68FEB14496	1,000	\$ 5,000	\$ 28,000	\$ 33,000	\$ 5,000	\$ 28,000	\$ 33,000	TWSD Operations Facility, 5000 Bishopswood, Oak Park, CA 91377
637	2022	Chevrolet	Colorado	1GCGSCEN4N1328036	1,000	\$ -	\$ 37,250	\$ 37,250	\$ -	\$ 37,250	\$ 37,250	Operations Manager David Rydman's Home (for Emergency Response), 60 Smoketree, Oak Park, CA 91377
642	2023	Chevrolet	Traverse	1GNERFKW9PJ327430	1,000	\$ -	\$ 41,253	\$ 41,253	\$ -	\$ 41,253	\$ 41,253	TWSD Administration Office, 370 N Westlake Blvd, Westlake Village, CA 91362
643	2023	Chevrolet	Silverado 2500	1GB1WLE78PF245652	1,000	\$ 7,250	\$ 61,500	\$ 68,750	\$ 7,250	\$ 61,500	\$ 68,750	TWSD Operations Facility, 5000 Bishopswood, Oak Park, CA 91377
638	2024	International	HV607 Vactor	3HAEKTAT5RL229764	1,000	\$ -	\$ 646,984	\$ 646,984	\$ -	\$ 646,984	\$ 646,984	TWSD Operations Facility, 5000 Bishopswood, Oak Park, CA 91377

NOTE: THE AVERAGE EMPLOYEES OCCUPYING EACH VEHICLE IS TWO (2).

## **Property Program Renewal** **FY 2025/26**

**ISSUE:** The Property Insurance Program renews July 1, 2025. Currently, CSRMA participates in the Alliant Property Insurance Program (APIP), a group purchase program that has historically offered extensive coverage and competitive rates. The Program also includes coverage for Cyber Liability and Pollution Liability insurance.

The Pooled Liability Committee reviewed this item at their May 5<sup>th</sup> meeting, at which time the renewal quotes had not yet been received. Therefore, an estimated Total Expected Cost of \$11,004,158 (7.23% higher than expiring) was presented to the Committee. Their recommendation to the Executive Board was based on this being a “not to exceed” total cost. We are now in receipt of the quote, and as depicted in the table below, the quote is less than the estimate provided to the Committee.

**RECOMMENDATION:** The Pooled Liability Committee recommends that the Executive Board approve renewing the Property Program.

**FISCAL IMPACT:** The total cost of the Program is down by 3.6% compared to the expiring year. This is largely based on an 2.5% increase in TIV and 4.6% reduction in the rate charged by underwriters on the Insurance Costs. A detailed breakout of all the renewal costs is shown below.

Expense Item	2024-25 \$1 Billion Limit Excess of \$100K Pooled Layer	2025-26 \$1 Billion Limit Excess of \$100K Pooled Layer	Cost Change	
			\$	%
Est. Pool Deposits (70% CL, Discounted at 2%)	655,062	691,514	36,452	5.6%
Est. Insurance Costs (Net)	9,149,125	8,732,130	-416,995	-4.6%
Est. Dedicated Excess Cyber Liability Insurance	153,922	153,922	0	0.0%
Est. Fixed Expense (JPA Charge)	111,894	121,820	9,926	8.9%
Program Director Fees	192,000	192,000	0	0.0%
<b>Total Expected Costs</b>	<b>10,262,003</b>	<b>9,891,386</b>	<b>-370,617</b>	<b>-3.61%</b>

*Insurance Cost includes Prop, B&M, Cyber & Pollution*

*Increase in JPA Charge due to an increase in computer software/programming expense*

**BACKGROUND:** Over the past year the commercial property market has seen rates stabilize as capacity in the market has increased. The competition from this increased capacity has driven competition among carriers, generally resulting in improved pricing for insureds who have not been negatively impacted by losses. Although we are hopeful that this trend continues, large scale natural disasters such as hurricanes Milton and Helene, the recent California wildfires and severe convective storms, are keeping some pressure on the industry. While not all regions of the United States are impacted by these particular exposures, the overall impact that these

events have on the insurance and reinsurance markets does influence the underwriting decisions of carriers. Current key drivers of the commercial property market are:

- More frequent and severe natural catastrophes. The average insured catastrophe losses per year (inflation adjusted) have increased about 700% since the 1980's and continues to rise. In 2024, there were 27 weather related loss events that were greater than \$1 billion. This is the second largest in history, with the largest number of \$1B natural catastrophes in a year being 28 in 2023. This increased frequency of severe loss is challenging for the insurance industry.
- Increased cost of construction is resulting in inadequate values. Although inflation has tapered off, construction costs continue to rise because the cost of building materials are high, and contractors and skilled labor continue to be in short supply. Additionally, regulatory changes such as updates to building codes, have further driven up the cost of construction. Together, those factors are leading to increased replacement cost of buildings. Even with meticulous attention to valuation, accuracy can be a challenge when considering additional coverages. Across the industry carriers are paying claims that far exceed the reported values. As a result, many markets are performing their own analysis of values adequacy and pricing based on values assumptions that are often higher than reported.

The table in this item provides renewal pricing for CSRMA's "All Risk" Property Insurance Program, including Terrorism, Boiler & Machinery, Cyber Liability and Pollution Liability coverage, at the current deductible and limit structure.

The costs shown in the table are subject to change if member's reported values change between now and July 1.

**ATTACHMENTS:** None. At the meeting the Program Administrators will handout the APIP Executive Summary and Description of Coverage Changes for 25-26

### **Cyber Liability Coverage Renewal**

**ISSUE:** Separate from the coverage purchased by the individual members, CSRMA purchases Cyber Liability coverage for the entity itself via an endorsement to the “core” Cyber Liability coverage purchased by the Property Program members. The Executive Board should consider renewing this coverage on July 1, 2025.

**RECOMMENDATION:** The Program Administrators recommend that the Executive Board renew the Cyber Liability entity coverage.

**FISCAL IMPACT:** The annual renewal cost is \$798, compared to the expiring \$760 cost. This represents a 5% increase compared to the expiring year. Funds are included in the FY 25/26 Budget to cover this expenditure.

**BACKGROUND:** In July 2020 CSRMA began to purchase Cyber Liability insurance to cover the JPA. CSRMA’s potential exposure to a cyber-liability event is rather low, as CSRMA owns no assets and contracts out its administrative operations. This low exposure is reflected in the relatively low premium charged for the coverage, and therefore recommended to be renewed by the Program Administrators.

**ATTACHMENTS:** None. APIP Cyber Liability Proposal to be handed out at meeting.

## **Deadly Weapons Response Coverage Renewal**

**ISSUE:** CSRMA purchases Deadly Weapons Response (Active Assailant) coverage for the membership, unless a member opts out of the coverage. The cover provides crisis management services, and specific liability, property and (limited) workers compensation, and related medical payments coverage designed for the unique circumstances of a deadly weapons event. The incumbent carrier, Beazley has offered a renewal as outlined in the attachment to this item. This year, a significant program enhancement is being included and is discussed in more detail in the Background section of this item.

**RECOMMENDATION:** The Program Administrators recommend that the Executive Board renew the Deadly Weapons Response Program coverage.

**FISCAL IMPACT:** The annual renewal cost is \$34,832 compared to the expiring cost of \$33,183. Funds are included in the FY 25/26 Budget to cover this expenditure.

**BACKGROUND:** As indicated in the Issue section above, the Program has been enhanced by adding crisis response services for *non*-deadly weapon events, effectively making such services available on an “as needed” basis when a “business unusual” event occurs. This would be best described as an event that creates a crisis situation for the policyholder. Such events typically involve interactions with the press and constituents, where anger, blame and an undesired media attention may exist, or the concern of harm to the organization exists. An event need not be catastrophic in nature, trigger any insurance coverage at all, or lead to a demand for compensation. The Deadly Weapons Program crisis response firm, CrisisRisk, will now offer guidance and support on how to prevent a perceived crisis from occurring, or assist in mitigating impacts if a “business unusual” event has occurred.

As respects the core coverage, “Active Shooter” situations are unpredictable, develop quickly, and leave devastating personal and financial impact on those involved. They can involve random third-party shootings, or violent employee interactions. It is recognized that coverage for events with certain characteristics *may already* be provided by standard property and liability insurance programs, and as such, this coverage is designed to be primary to these programs and therefore would serve as a buffer to any deductible or retention of these programs. This cover is not intended to replace any other coverage that a member may already have for such incidents.

Expiring limits remain intact, but as respects **the enhancement**, new sublimits are as follows:

20 hours	Of crisis advisory services for each crisis event or crisis circumstance and for counselling services unrelated to a gun event or threat.
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\$50,000	Each and every crisis event and/or crisis circumstance unrelated to a gun even or threat and USD 200,000 in the annual policy aggregate. Such expense is additionally sub-limited to an amount of USD 10,000 for each eligible person and each of their immediate family member(s). The limit of insurance for this Section is part of and not in addition to the Policy Limit of Liability and Policy Aggregate Limit stated in the declarations.
\$10,000	At the sole and entire discretion of underwriters, each and every crisis event and/or crisis circumstance and USD 50,000 in the annual policy aggregate, in the process of responding to the crisis event or crisis circumstance we will consider other expense costs not listed above.

Despite an uptick in reported and insured events across the United States affecting the market, CSRMA was able to achieve a favorable renewal with the incumbent carrier Beazley. A TIV increase of 2.5% combined with a rate increase of approximately 2.5%, generates a total cost increase of 5% offered by Beazley. The coverage, in general terms, is “location based”, so members that have provided a property schedule (i.e. those in the property program, which comprises most of the membership), and those who have otherwise responded positively to an outreach for a schedule, are covered.

**ATTACHMENTS:** 2025-26 ADWRP Renewal Proposal



# California Sanitation Risk Management Authority (CSRMA)

**2025 - 2026**

## **Alliant Deadly Weapon Response Program (ADWRP) Proposal**

Issued on May 26, 2025

Alliant Insurance Services, Inc  
18100 Von Karman Avenue 10<sup>th</sup> Floor  
Irvine, CA 92612  
O (949) 756-0271  
CA License No. 0C36861

## ALLIANT DEADLY WEAPON RESPONSE PROGRAM (ADWRP) PROPOSAL

<b>INSURED</b>	California Sanitation Risk Management Authority (CSRMA)
<b>INSURANCE COMPANY:</b>	Underwriters at Lloyd's of London
<b>LLOYD'S CONSORTIUM:</b>	Deadly Weapon Protection Consortium 9492 Comprising 100%: 72.0000% Lloyd's Syndicate 2623 AFB 28.0000% Lloyd's Syndicate 0623 AFB
<b>A.M. BEST RATING:</b>	A (Excellent) XV; Greater than \$2,000,000,000
<b>STANDARD AND POOR'S RATING:</b>	A+, Strong Financial Security
<b>STATE LICENSE STATUS:</b>	Non-Admitted
<b>POLICY TERM:</b>	July 1, 2025 – July 1, 2026
<b>COVERAGE FORM:</b>	Claims Made & Reported
<b>COVERAGE TYPE:</b>	Liability to Insured Person(s), Property Damage, Crisis Management Services for events occurring at a location appearing on your Schedule of Values on file with Alliant Insurance Services, Inc.
<b>LIMITS:</b>	
Each and Every Deadly Weapon Event including Claim Expenses	\$ 500,000
Annual Aggregate (Shared by Members of Pool/JPA)	\$ 2,500,000
<b>RETENTION:</b>	\$10,000 Each and every Deadly Weapon Event including Claims Expenses  \$2,500 for Counseling Services within Crisis Management Service Endorsement
<b>RETROACTIVE DATE:</b>	7/1/2018
<b>PRE-EVENT SERVICES (AVAILABLE):</b>	<ul style="list-style-type: none"><li>• Deadly Weapon Protection Webinars</li><li>• Deadly Weapon Post-Underwriting Consultation</li><li>• California SB 553 Toolkit (if applicable)</li></ul>



## ALLIANT DEADLY WEAPON RESPONSE PROGRAM (ADWRP) PROPOSAL – CONTINUED

### SUB-LIMITS:

(Each Sublimit is part of the Overall Limit of Liability and not in addition to it)

\$	250,000	Crisis Management Services
\$	250,000	Counseling Services (\$15,000 per person maximum)
\$	250,000	Funeral Expenses (\$15,000 per person maximum)
\$	250,000	Business Interruption
\$	250,000	Demo/Clearance/Memorialization (\$10k Mem.)
\$	250,000	Extra Expense
\$	250,000	Extra Expense Extension for Threat Endorsement
	\$25,000,000	Automatic Acquisitions
	\$10,000,000	Errors and Omissions
	\$25,000,000	90 Day Reporting Provisions
\$	500,000	Transit Extension – Bus, Coach, Train owned by insured and reported on schedule
\$Non Declared		Educational Offsite Coverage
\$Non Declared		Offsite Coverage (Event Responder Fees only)
\$	25,000	Per Person for Medical Expenses with a \$500,000 annual aggregate
\$	50,000	Per Person Deadly Weapon Death and Dismemberment with a \$500,000 annual aggregate
	20 hours	Crisis Advisory Services for each crisis event or crisis circumstance and for counselling services involving events unrelated to a deadly weapon event
\$	50,000	Each and every crisis event and/or crisis circumstance unrelated to a gun even or threat and 200,000 in the annual policy aggregate. Such expense is additionally sub-limited to an amount of \$10,000 for each eligible person and each of their immediate family member(s). The limit of insurance for this Section is part of and not in addition to the Policy Limit of Liability and Policy Aggregate Limit stated in the declarations.
\$	10,000	At our sole and entire discretion each and every crisis event and/or crisis circumstance and \$50,000 in the annual policy aggregate,

**ENDORSEMENTS:** (Including But Not Limited To)

- Liability to Insured Person(s)
- Property Damage
- Medical Expenses
- Deadly Weapon Death & Dismemberment
- Crisis Management Services
- Circumstance Extension
- Counselling Services
- Funeral Expenses
- Crisis Advisory Services
- Premium Payment Clause
- Lloyd's Privacy Policy Statement
- Sanction Limitation & Exclusion Clause
- Notice of Terrorism Insurance Coverage
- Other Insurance Clause: Primary
- Crisis Management/Event Responder Fees do not erode policy limits
- Crisis Services Provided by CrisisRisk:  
<https://www.crisisrisk.com/>

**GENERAL EXCLUSIONS:**  
(Including But Not Limited To)

- Any vehicle not defined as a road vehicle
- Any weapon mounted (or designed to be mounted) on a vehicle
- Any weapon, device or substance delivered by an airborne weapon delivery system including, but not limited to, fixed wing aircraft, helicopter or drone
- Loss of market, loss of use or any other consequential loss
- Confiscation, nationalization, requisition or destruction of or damage to property by government, public or local authority
- Criminal, dishonest, fraudulent or malicious conduct
- Ionizing radiations or contamination by radioactivity from nuclear waste or fuel
- Radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor, assembly or component
- Any weapon or device employing atomic or nuclear fission, fusion or other like reaction or force or matter
- The radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter

**SPECIFIC EXCLUSIONS RELATING TO  
LIABILITY TO INSURED PERSON(S):**  
(Including But Not Limited To)

- Chemical, biological, bio-chemical or electromagnetic weapon. This exclusion does not, however, apply to a substance when used in conjunction with a deadly weapon event.
- Named Insured's recklessness or deliberate misconduct
- Strikes, labor unrest, riots or civil commotion
- War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection; civil commotion assuming the proportions of, or amounting to, an uprising; military or usurped power.
- The transmission or alleged transmission of a communicable disease or the fear or threat (whether actual perceived) of a communicable disease
- Swatting and any other fictitious event or hoax
- Injury or death to those who provide services directly to insured or on insured's behalf in connection with business (ie. leased temporary, statutory, seasonal, borrowed, contracted or subcontracted employees
- Any obligation under a workers' compensation, disability benefits, unemployment compensation law, or any similar law
- Employment Practices Liability related claims
- Any actual or alleged negligent act, error, omission, misstatement, misleading statement, neglect or breach of duty by your directors or officers, individually or collectively, in the discharge of their duties solely in their capacity as directors or officers.
- Euthanasia, mercy killing(s), and suicide
- Any claim or claims made by, or on behalf of, any assailant, including any Medical Expense claims
- Loss, injury or damage arising out of any mental injury or mental anguish related claim where no actual bodily injury has occurred to the claimant.
- Any affiliate, subsidiary or joint venture insured under this insurance making a claim or claims against any other affiliate, subsidiary or joint venture insured under this Policy.
- Loss, injury or damage arising from goods or products which you have designed, manufactured, constructed, altered, repaired, serviced, treated, sold, supplied or distributed.
- Any liability arising out of property damage

**SPECIFIC EXCLUSIONS RELATING TO  
PROPERTY DAMAGE:**

(Including But Not Limited To)

**SPECIFIC EXCLUSIONS RELATING TO  
BUSINESS INTERRUPTION:**

(Including But Not Limited To)

- Fines, penalties, punitive damages, exemplary damages, sanctions or any additional damages resulting from the multiplication of compensatory damages.
- Events at locations specifically leased or loaned by insured to any other entity to host a permitted event planned and ticketed for with more than 2,500 attendees, except with prior written agreement. Additional premium may apply.
- Land or land values
- Aircraft, watercraft or any vehicle licensed for highway use
- Animals
- Money, currency, checks, coins, stamps, securities, valuable papers, evidences of debt, precious stones, precious metals (unless forming an integral part of insured property), jewelry, furs, fine arts and antiques
- Electronic Data
- Any property in Transit not at the locations insured
- Increase in loss caused by suspension, lapse, cancellation of any lease, license, contract or order, unless loss results directly from the insured Interruption of Business
- Increase in loss caused by the enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any property at the Location(s), except to the extent specifically insured by this Endorsement and provided that such loss results directly from the insured Interruption of Business
- Fines, penalties, or Damages incurred by, or imposed upon, the Named Insured at the order of any Government Agency, Court or other Authority, whether arising from or in connection with a Deadly
- Weapon Event or otherwise.
- Physical loss of, physical damage to, or physical destruction of, any buildings, equipment or business personal property owned by the Named Insured, or any such property owned by others in the Named Insured's care, custody or control, whether or not resulting from or in connection with an Deadly Weapon Event

## ALLIANT DEADLY WEAPON RESPONSE PROGRAM (ADWRP) PROPOSAL – CONTINUED

<b>ANNUAL PREMIUM:</b>	<div> <div>\$ 33,758.00</div> <div>Premium</div> </div> <div> <div>\$ 1,012.74</div> <div>Surplus Lines Taxes</div> </div> <div> <div>\$ <u>60.76</u></div> <div>Surplus Lines Fees</div> </div> <div> <div><b>\$ 34,831.50</b></div> <div><b>Total Cost</b></div> </div>
<b>DEFENSE INSIDE/OUTSIDE THE LIMITS:</b>	Inside
<b>MINIMUM EARNED PREMIUM:</b>	25% Minimum Earned Premium
<b>PROPOSAL VALID UNTIL:</b>	No expiry date, however, insurers may withdraw it at any time without notice.
<b>CLIENT SCHEDULE TOTAL:</b>	\$8,537,215,028
<b>SUBJECTIVITIES:</b>	<ul style="list-style-type: none"> <li>Completed and Signed Request to Bind Coverage Form (See last page)</li> <li>Completed and Signed Surplus Lines Document(s) (If applicable)</li> <li>Complete Schedule of Values on file to share with the carrier. <ul style="list-style-type: none"> <li>If the binding Schedule of Values fluctuates by 20% in either direction than what was quoted the premium may be adjusted.</li> </ul> </li> <li>No known or reported losses or incidents likely to give rise to a claim over the last 12 months.</li> <li>Payment is required 20 days prior to the settlement due date of 60 days from inception to enable us to pay insurers in a timely manner. If payment is not received by insurers on this date they may issue notice of cancellation of coverage. In the event of cancellation for non payment of premium, the time on risk premium will be due and payable, calculated at pro rata from inception to the date cancellation is effective.</li> </ul>

**See Disclaimer Page for Important Notices and Acknowledgement**

## Disclosures

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal, whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at [www.alliant.com](http://www.alliant.com). For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at [www.ambest.com](http://www.ambest.com). For additional information regarding insurer financial strength ratings visit Standard and Poor's website at [www.standardandpoors.com](http://www.standardandpoors.com).

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

## New York Regulation 194

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

## Privacy

At Alliant, one of our top priorities is making sure that the information we have about you is protected and secure. We value our relationship with you and work hard to preserve your privacy and ensure that your preferences are honored. At the same time, the very nature of our relationship may result in Alliant's collecting or sharing certain types of information about you in order to provide the products and services you expect from us. Please take the time to read our full Privacy Policy posted at [www.alliant.com](http://www.alliant.com), and contact your Alliant service team should you have any questions.

## Other Disclosures/Disclaimers

### FATCA

The Foreign Account Tax Compliance Act (FATCA) requires the notification of certain financial accounts to the United States Internal Revenue Service. Alliant does not provide tax advice so please contact your tax consultant for your obligation regarding FATCA.

### NRRA

*(Applicable if the insurance company is non-admitted)*

The Non-Admitted and Reinsurance Reform Act (NRRA) went into effect on July 21, 2011. Accordingly, surplus lines tax rates and regulations are subject to change which could result in an increase or decrease of the total surplus lines taxes and/or fees owed on this placement. If a change is required, we will promptly notify you. Any additional taxes and/or fees must be promptly remitted to Alliant Insurance Services, Inc.

### Guarantee Funds

Established by law in every state, guaranty funds are maintained by a state's insurance commissioner to protect policyholders in the event that an insurer becomes insolvent or is unable to meet its financial obligations. *If your insurance carrier is identified as 'Non-Admitted', your policy is not protected by your state's Guaranty Fund.*

## Other Disclosures / Disclaimers - Continued

### Claims Reporting

Your policy will come with specific claim reporting requirements. Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

### Claims Made Policy

*(Applicable to any coverage that is identified as claims made)*

This claims-made policy contains a requirement stating that this policy applies only to any claim first made against the Insured and reported to the insurer during the policy period or applicable extended reporting period. Claims must be submitted to the insurer during the policy period, or applicable extended reporting period, as required pursuant to the Claims/Loss Notification Clause within the policy in order for coverage to apply. Late reporting or failure to report pursuant to the policy's requirements could result in a disclaimer of coverage by the insurer.

Any Employment Practices Liability (EPL) or Directors & Officers (D&O) with EPL coverage must give notice to the insurer of any charges / complaints brought by any state / federal agency (i.e. EEOC and similar proceedings) involving an employee. To preserve your rights under the policy, it is important that timely notice be given to the insurer, whether or not a right to sue letter has been issued.

### Changes and Developments

It is important that we be advised of any changes in your operations, which may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

- Changes in any operations such as expansion to another state, new products, or new applications of existing products.
- Travel to any state not previously disclosed.
- Permanent operations outside the United States, Canada or Puerto Rico.
- Mergers and/or acquisition of new companies and any change in business ownership, including percentages.
- Any newly assumed contractual liability, granting of indemnities or hold harmless agreements.
- Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed or occupied
- Circumstances which may require an increased liability insurance limit.
- Any changes in fire or theft protection such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to the system.
- Immediate notification of any changes to a scheduled of equipment, property, vehicles, electronic data processing, etc.
- Property of yours that is in transit, unless previously discussed and/or currently insured.



## Certificates / Evidence of Insurance

A Certificate or Evidence is issued as a matter of information only and confers no rights upon the certificate holder. The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy, nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or recipient.

You may have signed contracts, leases or other agreements requiring you to provide this evidence. In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a Certificate or Evident of Insurance, you may be required to name your landlord, client or customer on your policy as a loss payee on property insurance or as an additional insured on liability insurance. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

- Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.
- Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.
- There may be conflicts in defense when your insurer has to defend both you and the additional insured.
- An additional insured endorsement will most likely not provide notification of cancellation. Some insurance companies use a “blanket” additional insured endorsement that provides coverage automatically when it is required in a written contract. Most insurance companies do not want to be notified of all additional insureds when there is a blanket endorsement on the policy. If a notice of cancellation is required for the additional insured party, you must notify us immediately and we will request an endorsement from your insurance company. There may be an additional premium for adding a notice of cancellation endorsement for an additional insured.

***See Request to Bind Coverage page for acknowledgment of all disclaimers and disclosures.***

## Optional Coverages

The following represents a list of insurance coverages that may not be included in this proposal but are optional and may be available with further underwriting information. This list is not inclusive of all coverages and if you have questions contact your Alliant representative. If you would like addition quotes please check Yes/No across from the coverage below, sign and return.

Servicer - Remove any coverage lines that are currently insured.

### Target Coverages

	Yes	No
<b>CRIME</b>		
Employee Dishonesty	<input type="checkbox"/>	<input type="checkbox"/>
Computer Fraud	<input type="checkbox"/>	<input type="checkbox"/>
Social Engineering	<input type="checkbox"/>	<input type="checkbox"/>
Increased Limits	<input type="checkbox"/>	<input type="checkbox"/>
<b>CYBER RISK</b>	<input type="checkbox"/>	<input type="checkbox"/>
<b>MANAGEMENT LIABILITY</b>		
Directors & Officers Liability	<input type="checkbox"/>	<input type="checkbox"/>
Employment Practices Liability	<input type="checkbox"/>	<input type="checkbox"/>
Fiduciary Liability	<input type="checkbox"/>	<input type="checkbox"/>
<b>UMBRELLA / EXCESS LIABILITY</b> (Increased Liability Limits)	<input type="checkbox"/>	<input type="checkbox"/>
selections you have made above	<input type="checkbox"/>	<input type="checkbox"/>

Signature of Authorized Insurance Representative

Date

Title

Printed / Typed Name

## Other Coverage Options

Note some of these coverages may be included with limitations or insured elsewhere. This is a partial listing as you may have additional risks not contemplated here which are unique to your organization.

- Business Income/Extra Expense
- Earthquake
- Employed Lawyers
- Employee Benefits Liability
- Equipment Breakdown
- Food Borne Illness
- Foreign Insurance
- Garagekeepers Liability
- Hired Auto Physical Damage
- Kidnap & Ransom
- Law Enforcement Liability
- Media and Publishers Liability
- Network Security / Privacy Liability and Internet Media Liability
- Non-Owned & Hired Automobile Liability
- Pollution Liability
- Owned/Non-Owned Aircraft
- Owned Watercraft
- Professional Liability
- Property in Transit
- Property of Others (Clients, Employees, Other)
- Special Events Liability
- Spoilage
- Student Accident
- Volunteer Accidental Death & Dismemberment (AD&D)
- Workers Compensation & Employers Liability
- Workplace Violence

## Glossary of Insurance Terms

Below are links to assist you in understanding the insurance terms you may find within your insurance policies:

<http://insurancecommunityuniversity.com/university-resources/insurance-glossary-free>

<http://www.ambest.com/resource/glossary.html>

<http://www.irmi.com/online/insurance-glossary/default.aspx>

## Request to Bind Coverage

### California Sanitation Risk Management Authority (CSRMA)

We have reviewed the proposal and agree to the terms and conditions of the coverages presented.

We are requesting coverage to be bound as outlined by coverage line below:

Coverage Line	Annual Premium	Bind	Decline
<b>DEADLY WEAPON RESPONSE PROGRAM JULY 1, 2025-JULY 1, 2026</b>			
<b>Occurrence Limit \$500,000/ Annual Aggregate (Shared by Members of Pool/JPA) \$2,500,000</b>	<b>\$34,831.50</b>	<input type="checkbox"/>	<input type="checkbox"/>

*This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers and disclosures, including exposures used to develop insurance terms, contained within this proposal.*

---

**Signature of Authorized Insurance Representative**

---

**Date**

---

**Title**

---

**Printed / Typed Name**

**This proposal does not constitute a binder of insurance. Binding is subject to final carrier approval. *The actual terms and conditions of the policy will prevail.***

## Spring/Summer/Fall 2025 Area Training Update

**ISSUE:** As part of CSRMA’s ongoing risk control efforts, training is provided on topics of interest to the CSRMA membership at multiple locations throughout the year.

Topic		Tentative Dates	Tentative Locations
<b>Sentinel Training Program for WC members</b>		Ongoing	• Zoom
<b>August CSRMA/CASA Risk Mgt Seminar</b>		July 30	<ul style="list-style-type: none"> <li>• Chris Ewers</li> <li>• Mike Davidson</li> <li>• Gerry Preciado</li> </ul>
<b>Sewer Summit</b>		October 9	Virtual conference
<b>Webinars Scheduled To Date:</b>		May-July	Webinars
4/22/25	Wildfire Property Risk Mitigation for Agencies that Own and/or Operate Exposed Facilities		
5/7/25	Understanding ICS 100 & ICS 200 ñ Essential Training for Public Agencies		
5/13/25	Wastewater Operator Math Fundamentals: Essential Calculations for the CA Grades I & II Exams		
5/20/25	Understanding the CSRMA Mandatory Policy/Procedure for Residential Sewer Backup Response and Claims Handling		
5/21/25	Effective Tailgate Safety Meetings/Trainings		
5/22/25	Accident Investigation - A Supervisor's Roles and Responsibilities - Who, What, When, Where, Why and How		
5/27/25	Kynd Cyber Risk Services		
5/29/25	Maximizing Infrastructure Longevity: Smart Asset Management & Funding Strategies		
6/4/25	Best Practices in Safety and Wastewater Facility Maintenance		
6/10/25	Developing a Condition Assessment Program for All of Your Assets		
6/24/25	KnowledgeVine- Leveraging Technology to Create a Sustainable Safety Culture.		
6/26/25	Basics of Process Control Testing		
7/16/25	Sewer Backups: Does Your SERP Address This? Best Practices and Risk Management for 1st Responders		
7/22/25	The 6 Types of Working Genius		
7/24/25	Lab Safety, Process Control, Math Best Practices		
8/19/25	How to Keep Lone Rangers Safe When There Isn't a Tonto- Lone Worker Best Practices		

8/20/25	SOPs- The Key to Effective Training and Employee Safety
9/3/25	WeTip and CSRMA
11/4/25	KnowledgeVine- Leveraging Technology to Create a Sustainable Safety Culture.
12/10/25	The Importance of Documentation, Reports, and SCADA
2/11/26	Public Sector Communication and Administration Skills

**RECOMMENDATION:** None – information only.

**FISCAL IMPACT:** Approximately \$40,000. These training programs are part of the 24/25 and 25/26 risk control training budgets.

**BACKGROUND:** As part of CSRMA’s ongoing risk control efforts, training is provided on topics of interest to the CSRMA membership at multiple locations throughout the year. Each training topic is selected based on timeliness and member need. Further, each training event has two goals:

- To provide information and training that is timely, useful, understandable and practical for the purpose s of loss control and regulatory compliance;
- To reach the largest number of people for which the training was designed in the most cost-effective manner possible.

**ATTACHMENTS:** None

**POETRY FOUNDATION**

## Adult Acne

BY ELAINE KAHN

In the damp sick  
In the dough  
In the chewed on chew of faces  
of expensive car owner faces  
chewed ons of the world:  
I do not fetishize the truth  
I poke around  
Holding my bland sandwich  
in my non-dominant hand, I think  
what could be worse, I think  
what could be as bad?

To feel the thing you want  
to feel and not to care

To be a wet road  
in the dark

I'd like to thank  
Toyota, like to thank  
my parents, esthetician  
Ritalin Clonazepam internet TV weed  
my beautiful dresses

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# Email security: a guide

For public entities, email remains one of the most targeted and vulnerable entry points for cyber attackers. Strengthening email security isn't just about protecting inboxes — it's about safeguarding sensitive citizen data, ensuring continuity of essential services, and reducing the financial and reputational fallout that can follow a breach. In a landscape of increasing threats and public accountability, robust email protection is a critical part of your cyber resilience strategy.

## Why email security matters

Much like a security guard ensuring authorized individuals have access to a building, email security allows organizations to control and validate what email material enters their digital space. Similar to managing building keys and validating IDs, effective email security ensures that only legitimate users and devices have access to sensitive communications, preventing unauthorized entry and protecting against potential data breaches or malicious activities.

## Email domain filtering and flagging

Because email is a natural entry point to any organization's network, you must verify the legitimacy of emails before granting access to your network and end users. Akin to a bouncer scrutinizing IDs, email domain filtering allows organizations to filter and verify the legitimacy of incoming emails based on their domain, ensuring that only emails from trusted sources are permitted entry. Where you cannot outright filter emails, flagging emails for end users based on domain is a necessary precaution to ensure unauthorized communication does not affect network and operations.

## Email attachment and link security

Robust email attachment and link security protocols ensure that any files or links arriving in emails are thoroughly examined for malicious content, reducing the risk of malware, phishing or other cyber threats entering the organization's digital space. Meticulous examination protects against potential data breaches and reinforces the overall integrity of email communications. Additionally, these measures provide the end user with sufficient notice to make informed decisions about what they access within email services.

## SPF & DMARC

Sender Policy Framework (SPF) and Domain-based Message Authentication, Reporting and Conformance (DMARC) records are about setting up stringent access controls and identity checks for emails requesting access to your network. The use of these frameworks ensures that emails can only be successfully sent from domains authorized by the SPF and DMARC records. These records play a pivotal role in defending against email spoofing, phishing attacks, and receiving emails from unauthorized sources; overall contributing to more secure and trustworthy email communication.

### Phishing training and exercises

Providing email phishing training and exercises ensure employees are well-prepared to identify and respond effectively to suspicious or malicious emails. Just as fire drills enhance awareness and readiness for unseen events, phishing training provides users with the knowledge to recognize and thwart phishing attempts. The combination of phishing education material and phishing exercises affords an organization with a vigilant user base that actively contributes to the organization's overall cyber security resilience.

### Email on personal devices

If you allow members of your organization to access emails on their personal devices, then you must insist on a layer of MFA (multi factor authentication). Firstly, this is because personal devices are “authorized guests” on your organization network, and need to meet security standards before being allowed major network access. Secondly, personal devices like cell phones are often lost or stolen. If this happens to a device with an organization email on it a threat actor can gain access to a legitimate user profile and launch attacks from inside your network.

### Email security and assessment

A rigorous cyber security assessment for compliance certification, insurance application, or similar will cover your email security because it is one of the most common ways organizations of all sizes and types get attacked. You should be able to demonstrate that all users are regularly trained in identifying common email attacks such as phishing and that there are processes in place for users to report this swiftly. They also will assess whether organizations have robust filtering, flagging, and appropriate SPF and DMARC in place.

### Checklist

When reviewing email security, consider the following:

1. Use filtering and flagging to become aware of unexpected traffic.
2. Analyze links and attachments before they reach users and detonate anything suspicious in a sandbox.
3. Ensure SPF and DMARC records are in place for all domains (even ones that are not being used for email)
4. Mandate training in email security for all users
5. Enforce MFA for users who want to access emails on their personal devices.

# Travelers RMplusonline

 [rmplusonline.com/article.cfm](http://rmplusonline.com/article.cfm)

May 23, 2025

## Should American Employers Offer Hangover Leave?

TrustRing, a tech company based in Osaka, Japan, has introduced unconventional employee benefits to attract and retain staff amid chronic labor shortages.

The company offers "hangover leave," allowing employees to take time off to recover from hangovers. Additionally, employees can take leave when they hear upsetting news about their favorite celebrities.

One employee shared that the hangover leave allows them to sleep for two to three hours more and return to work feeling refreshed, which increases their efficiency.

Japan's labor crunch is particularly challenging for SMEs, which account for seven out of every ten jobs in the country. Large companies have responded by increasing salaries for new graduates, but smaller businesses like TrustRing cannot afford such high salaries. Instead, they offer unique benefits to compete.

Unemployment in Japan has remained below three percent for four years, one of the lowest rates among advanced nations. The aging population and limited immigration contribute to the labor shortage. Bankruptcies among SMEs are on the rise, with projections suggesting they may surpass 10,000 in 2024, the highest figure in over a decade.

## **So, the question for our readers is: Should American Employers Offer Hangover Leave? You Make The Call**

Here is the opinion of one of the McCalmon editorial staff:

*Jack McCalmon, Esq.*

*This is a terrible idea. If employees need to take a day off, whether it is for a hangover or a stubbed toe, they should be able to do so without declaring why they need the time off - all an employer needs to know is that the employee will be off that day. If an employee must declare that the leave is for a hangover, it may create questions about behavior unrelated to work which is intrusive and can lead to future work-related claims should managers or supervisors use private behavioral-related information or perceptions about private behavior to influence their decisions regarding employees.*

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# Fraud cases are on the rise – keep your information safe.



Safeguarding your information is our top priority. That's why we will never request sensitive information, such as usernames, passwords, or SinglePoint security tokens. Use the following tips to help protect your organization:

## **Never share sensitive information with someone requesting it.**

Be vigilant when interacting with unknown individuals, even if they identify themselves as a member of a known company or present personal information. A scammer may try to trick you into giving them your information through an email (phishing), a phone call or voicemail (vishing), or a text message (smishing). Again, U.S. Bank will never request any sensitive information via email, phone or text message.

## **Use only a bookmarked SinglePoint® address.**

Do not click into URLs. Scammers may create a spoofed SinglePoint site that looks very real. Bookmark <https://singlepoint.usbank.com/> and only access SinglePoint from that bookmark.

## **Watch for messages with a threatening tone or request for immediate action.**

Indicators of a phishing, vishing or smishing attempt could include a message that is vague, confusing, inaccurate, threatening in tone or requesting immediate action.

## **Consider dual authorization for payment initiation and approval (if not already implemented).**

We recommend requiring different authorized individuals to execute and approve these tasks. This practice significantly reduces the likelihood of fraud on your account(s), as well as reduces manual errors by a single System

Administrator. Contact your relationship manager or treasury management consultant to discuss this option further.

## Report it.

If someone claims to be from U.S. Bank and you suspect it's a scam, do not give them your personal information or your money. Contact your Commercial Customer Service team immediately. If you were a victim of a social engineering attack in the past and would like to report it, email us at [WCIBFraudShared@usbank.com](mailto:WCIBFraudShared@usbank.com).

Please contact your relationship manager or treasury management consultant if you have questions. For additional information on social engineering, see our [Social Engineering and How it Happens flyer](#). We appreciate our relationship and look forward to continuing to serve you.

U.S. Bank



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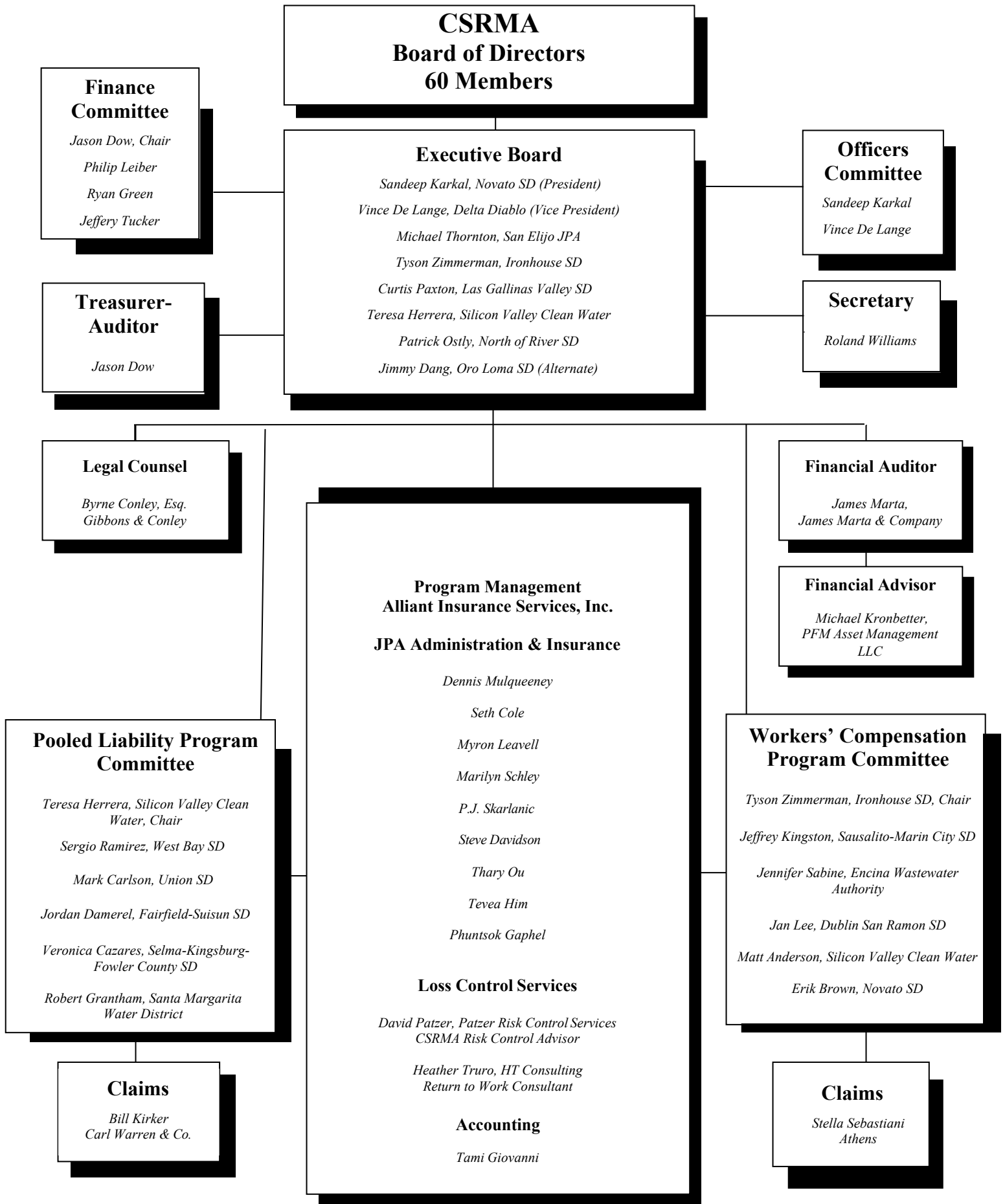
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CSRMA MEETING CALENDAR 2025			
JANUARY	FEBRUARY	MARCH	APRIL
CSRMA EB - TUE - 28	CSRMA LIAB (TC) - TUE - 18	CSRMA LRP - SUN - TUE - 16, 17, 18	CSRMA FIN - TUE - 15 (SFO)
CSRMA BD - WED - 29	CSRMA WC - THUR - 20 (SFO)		
CASA January 29 - 31	PARMA February 23 - 26		
Palm Springs	Anaheim		
MAY	JUNE	JULY	AUGUST
CSRMA LIAB - MON - 5 (WC OFFICE)	CSRMA EB (TC) - MON - 9	CSRMA EB - TUE - 29	
CSRMA OC (TC) - TUES - 6	CSRMA BOD (TC) - WED - 18	CSRMA BD - WED - 30	
CSRMA WC (TC) - THUR - 15	CSRMA OC (TC) - WED - 25		
		CASA July 30 - August 1	
		San Diego	
SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
CSRMA LIAB - MON - 8 (WC OFFICE)	CSRMA EB - MON - 6 (SFO)	CSRMA FIN (TC) - MON - 3	CSRMA EB (TC) - MON - 8
CSRMA OC (TC) - FRI - 12	CSRMA WC (TC) - WED - 15	CSRMA LIAB - MON - 17 (WC OFFICE)	CSRMA OC (TC) - THUR - 11
	CSRMA OC (TC) - FRI - 31		
CAJPA September 16 - 19			
Monterey			

Meetings in RED are IN-PERSON





# CSRMA California Sanitation Risk Management Authority

## Service Team

