



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

Tel: 415.403.1400

Insurance License No.: 0C36861
Fax: 415.402.0773

OFFICERS:

Craig Murray, President
805.684.7214
Sandeep Karkal, Vice President
415.892.1694

PAST PRESIDENTS:

Greg Baatrup
2018-2020
Paul Bushee
2014-2018

**POOLED LIABILITY PROGRAM
COMMITTEE AGENDA**

Meeting Via Teleconference at the Following Locations:

1400 Radio Road, Redwood City 94065
500 Laurel Street, Menlo Park, CA. 94025
2655 Grant Avenue, San Lorenzo 94580
5072 Benson Road, Union City 94587
1010 Chadbourne Road, Fairfield, CA 94585

11301 E Conejo Ave, Kingsburg, CA 93631
3480 Buskirk Avenue, Suite 200, Pleasant Hill, CA 94523
17862 E. 17th Street, Suite 111, Tustin, CA 92780
1950 S. Sunwest Lane, San Bernardino, CA 92408
170 Dogwood Lane, Vallejo, CA 94591

Date/Time: Monday, May 6, 2024
10:00 AM

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

Phone One-Tap: [+16699006833,96250494645#...*733070#](tel:+1669900683396250494645)

Meeting URL: <https://alliantinsurance.zoom.us/j/96250494645?pwd=SnI4Szd3QkpVVXVmM3c0ZGhHRGJxZz09>

A. CALL TO ORDER	A=Action
B. PUBLIC AND COMMITTEE MEMBER COMMENTS	I = Information
C. GENERAL ADMINISTRATION	V=Verbal
D. CLOSED SESSION TO DISCUSS PENDING CLAIMS	S=Separate
1. Meeting Minutes: February 12, 2024 <i>Recommendation: Review and approve minutes from the last meeting.</i>	A p. 5
Action may be taken per Government Code Section 54956.95. See reverse for full listing of claims to be discussed.	A
1. Reporting and Ratification of Claim Settlements <i>Recommendation: Review and ratify claims settlements approved in closed session.</i>	A/V
2. Quarterly Claims Report as of March 31, 2024 <i>Recommendation: Review the quarterly claims report as of 03/31/24.</i>	I p. 10
1. Pooled Liability Program Actuarial Study <i>Recommendation: Engage AON to provide actuarial services.</i>	A p. 11
2. Primary Endorsement <i>Recommendation: Review proposed endorsement and provide direction.</i>	A p. 28
1. Risk Control Workplan for 2024/26 <i>Recommendation: Review the FY 24/26 Risk Control Work Plan</i>	I p. 31
2. Spring/Summer/Fall 2024 Area Training Update <i>Recommendation: Receive an update on upcoming area trainings.</i>	I p. 45
1. Property Program Actuarial Study <i>Recommendation: Receive the actuarial study results from Aon.</i>	I/H p. 47

2. FY 2024/25 Property Program Renewal

A

p. 48

Recommendation: Review and discuss the upcoming renewal.

I. INFORMATION ITEMS

- | | | |
|---|----------|--------------|
| 1. Poem of the Day | I | p. 50 |
| 2. Article - Russia-linked hacking group suspected of carrying out cyberattack on Texas water facility | I | p. 52 |
| 3. Article - Cyber defenses ramp up as hacks exploit gaps | I | p. 56 |
| 4. Article - Ask Leslie - Be Clear And Concise When Documenting Reasons For Termination | I | p. 58 |
| 5. CSRMA 2024 Meeting Calendar | I | p. 60 |
| 6. CSRMA Organizational Chart | I | p. 61 |
| 7. CSRMA Service Team | I | p. 62 |

Recommendation: Review the presented Information Items.

I. ADJOURNMENT

The next meeting is scheduled for September 9, 2024 at the Alliant Walnut Creek Office

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.



A VENBROOK COMPANY CSRMA - Claim Register

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: 109 | Report Run: 5/1/2024 04:32 AM

Member District	Claim Number	Claimant Name	Coverage	Claimant Number	Date Of Loss	Claim Date Reported
CARPINTERIA SANITARY DISTRICT	3019758	Casitas Village HOA	SUBROGATION	6	08/23/2021	08/25/2021
CARPINTERIA SANITARY DISTRICT	3064382	English, Vanessa	PROPERTY DAMAGE	1	08/12/2022	12/20/2023
DUBLIN SAN RAMON SERVICES DISTRICT	3064369	Ring, Kevin	PROPERTY DAMAGE	1	08/01/2023	12/20/2023
ENCINA WASTEWATER AUTHORITY	3035218	Fetu, John		1	11/08/2021	07/29/2022
FAIRFIELD/SUISUN SEWER DISTRICT	3063039	Karchesky, Wayne	BODILY INJURY	1	02/12/2022	10/30/2023
IRONHOUSE SANITARY DISTRICT	3071581	Paz, Susan		1	05/26/2023	04/26/2024
LAS GALLINAS VALLEY SANITARY DISTRICT	3006388	MENON, RAJU	PROPERTY DAMAGE	1	11/04/2020	11/04/2020
LAS GALLINAS VALLEY SANITARY DISTRICT	3043418	Ferguson, Teresa	PROPERTY DAMAGE	1	01/13/2023	02/14/2023
LAS GALLINAS VALLEY SANITARY DISTRICT	3056762	California River Watch	PROPERTY DAMAGE	1	01/14/2022	08/22/2023
MID-COASTSIDE	3042504	Sorfleet, Bill	PROPERTY DAMAGE	1	01/02/2023	01/17/2023
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
MID-COASTSIDE	3060601	Sorfleet, William	PROPERTY DAMAGE	1	02/04/2024	02/24/2024
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	3028986	Moehring/Trieselmann, Janet/Erich	PROPERTY DAMAGE	3	12/24/2021	01/11/2022
MONTARA WATER AND SANITARY DISTRICT	3039571	Kleckner, Ashley	PROPERTY DAMAGE	1	10/31/2022	10/31/2022
MONTECITO SANITARY DISTRICT	3066345	Withers, Cynthia	PROPERTY DAMAGE	1	02/19/2024	03/06/2024
MT. VIEW SANITARY DISTRICT	2003745	GUTIERREZ, ARTURO	PROPERTY DAMAGE	1	10/23/2019	10/23/2019
NEVADA COUNTY WASTEWATER	3062589	Logan, Derrick		1	11/16/2022	10/11/2023
NORTH OF RIVER SANITARY DISTRICT	3004508	United Rentals	SUBROGATION	8	08/26/2020	08/26/2020
NORTH OF RIVER SANITARY DISTRICT	3049847	Munoz, Salvador	PROPERTY DAMAGE	1	04/10/2023	08/03/2023
NORTH OF RIVER SANITARY DISTRICT	3049847	Munoz, Salvador	BODILY INJURY	1	04/10/2023	08/03/2023
NORTH OF RIVER SANITARY DISTRICT	3049847	Arismenidiz, Nancy	BODILY INJURY	2	04/10/2023	08/03/2023
NOVATO SANITARY DISTRICT	3065528	Gallardo, Len	PROPERTY DAMAGE	1	01/30/2024	02/06/2024
NOVATO SANITARY DISTRICT	3066603	Waters, Chris	PROPERTY DAMAGE	1	02/04/2024	03/14/2024
ORO LOMA SANITARY DISTRICT	3049147	Burns, Marilyn	PROPERTY DAMAGE	1	03/01/2023	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	3063149	Rodriguez, Eva	PROPERTY DAMAGE	1	09/30/2023	11/03/2023
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	3026209	Glassman, Jennifer	PROPERTY DAMAGE	1	10/24/2021	10/24/2021
ROSS VALLEY SANITARY DISTRICT	3028517	Reyes, Carol	PROPERTY DAMAGE	1	12/27/2021	12/29/2021
ROSS VALLEY SANITARY DISTRICT	3032249	Parkin, Leah	PROPERTY DAMAGE	1	10/24/2021	11/02/2021
ROSS VALLEY SANITARY DISTRICT	3061908	Rice, Sheri	PROPERTY DAMAGE	1	09/08/2023	09/15/2023
ROSS VALLEY SANITARY DISTRICT	3063524	Eichar, James	AUTO COLLISION	1	11/13/2023	11/16/2023
ROSS VALLEY SANITARY DISTRICT	3064837	Vannucci II, Robert	PROPERTY DAMAGE	1	12/01/2023	01/10/2024
ROSS VALLEY SANITARY DISTRICT	3063354	O'Dwyer, Wendie	PROPERTY DAMAGE	1	01/12/2024	01/31/2024
ROSS VALLEY SANITARY DISTRICT	3065766	Ferris, Brian	PROPERTY DAMAGE	1	01/31/2024	02/14/2024
SAN ELIJO JOINT POWERS AUTHORITY	3066442	Cordato, Tom	PROPERTY DAMAGE	1	12/01/2023	03/08/2024
SAN ELIJO JOINT POWERS AUTHORITY	3068999	City of Escondido	PROPERTY DAMAGE	1	04/15/2024	04/22/2024
SANITARY DISTRICT NO. 5 OF MARIN COUNTY	3066146	Boboc, Mihael	PROPERTY DAMAGE	1	02/27/2024	02/27/2024
SANTA MARGARITA WATER DISTRICT	3032924	Osorio, Mauricio	PROPERTY DAMAGE	1	11/10/2021	05/12/2022
SANTA MARGARITA WATER DISTRICT	3032924	Osorio, Mauricio		1	11/10/2021	05/12/2022
SANTA MARGARITA WATER DISTRICT	3032924	Ramsey, Maryam		2	11/10/2021	05/12/2022
SANTA MARGARITA WATER DISTRICT	3038480	Browning, Dan	PROPERTY DAMAGE	1	08/04/2022	09/23/2022
SANTA MARGARITA WATER DISTRICT	3038480	Collins, Rachelle (Ricki)	PROPERTY DAMAGE	2	08/04/2022	09/23/2022
SANTA MARGARITA WATER DISTRICT	3041926	Mobasherifar, Najmeh	PROPERTY DAMAGE	1	12/13/2022	01/12/2023
SANTA MARGARITA WATER DISTRICT	3041926	Mobasherifar, Najmeh	BODILY INJURY	1	12/13/2022	01/12/2023
SANTA MARGARITA WATER DISTRICT	3042107	Khan, Samrah	PROPERTY DAMAGE	1	01/16/2023	01/17/2023
SANTA MARGARITA WATER DISTRICT	3042107	Davis, Danny	PROPERTY DAMAGE	2	01/16/2023	01/17/2023
SANTA MARGARITA WATER DISTRICT	3063490	Lopez Jr., David	BODILY INJURY	1	12/22/2022	11/15/2023
SANTA MARGARITA WATER DISTRICT	3068531	McConneaughey, Christopher	PROPERTY DAMAGE	1	03/13/2024	04/05/2024
SANTA MARGARITA WATER DISTRICT	3069123	CAESAR A. GUYOT and IRENE K. GUYOT	PROPERTY DAMAGE	1	04/20/2022	04/24/2024
SEWER AUTHORITY MID-COASTSIDE (SBU)	3061621	Ball, Emma	PROPERTY DAMAGE	1	09/01/2023	09/06/2023
SEWER AUTHORITY MID-COASTSIDE (SBU)	3061621	Kitz, Madison	PROPERTY DAMAGE	2	09/01/2023	09/06/2023
SEWER AUTHORITY MID-COASTSIDE (SBU)	3061621	Whiting, Shane	PROPERTY DAMAGE	3	09/01/2023	09/06/2023
STEGE SANITARY DISTRICT	3061761	Guzman De Leon, Manuel I.	PROPERTY DAMAGE	1	08/04/2023	09/11/2023
STEGE SANITARY DISTRICT	3062453	Ivry, Richard	BODILY INJURY	1	03/01/2023	10/06/2023
STEGE SANITARY DISTRICT	3066967	Wolter, Jonathon and Lynn	PROPERTY DAMAGE	1	02/25/2024	03/25/2024
STEGE SANITARY DISTRICT	3068849	Wong, Jacob	PROPERTY DAMAGE	1	04/16/2024	04/17/2024
TRIUFO SANITATION DISTRICT	3028042	Sevack, Brendan	BODILY INJURY	1	07/03/2021	12/10/2021
UNION SANITARY DISTRICT	3045849	Lopez Jr, Sergio	PROPERTY DAMAGE	1	06/22/2022	04/19/2023
UNION SANITARY DISTRICT	3045849	Lopez Jr, Sergio	BODILY INJURY	1	06/22/2022	04/19/2023
UNION SANITARY DISTRICT	3045849	Lopez, Ava	BODILY INJURY	2	06/22/2022	04/19/2023
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	3042794	Martinez, Andrea	BODILY INJURY	1	08/05/2022	01/31/2023
VALLEJO FLOOD AND WASTE WATER DISTRICT	3045772	Cabrera, Trevor-James F.	BODILY INJURY	1	08/03/2022	04/14/2023
VALLEJO FLOOD AND WASTE WATER DISTRICT	3064127	Stewart, Brian	PROPERTY DAMAGE	1	12/06/2023	12/11/2023
VALLEJO FLOOD AND WASTE WATER DISTRICT	3064127	Ni, Wen	PROPERTY DAMAGE	2	12/06/2023	12/11/2023
VALLEJO FLOOD AND WASTE WATER DISTRICT	3064128	Ricafrente, Epifania D.	PROPERTY DAMAGE	2	12/06/2023	12/11/2023
VENTURA REGIONAL SANITATION DISTRICT	3028388	Sevack, Brendan	BODILY INJURY	1	07/03/2021	12/09/2021



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: 109 | Report Run: 5/1/2024 04:32 AM

Member District	Claim Number	Claimant Name	Coverage	Claimant Number	Date Of Loss	Claim Date Reported
VENTURA REGIONAL SANITATION DISTRICT	3049351	Portera, Julianne	PROPERTY DAMAGE	1	04/07/2023	07/27/2023
VENTURA REGIONAL SANITATION DISTRICT	3049351	Hanover Insurance Group	PROPERTY DAMAGE	2	04/07/2023	07/27/2023
VICTOR VALLEY WASTEWATER RECLAMATION AUT	1980783	VALLES, ANGELA	[REDACTED]	1	05/21/2018	05/21/2018
VICTOR VALLEY WASTEWATER RECLAMATION AUT	2005386	CLOUTIER, GINA	[REDACTED]	1	01/01/2014	12/17/2019
VICTOR VALLEY WASTEWATER RECLAMATION AUT	3009200	WILSON, EMILY	[REDACTED]	1	08/19/2020	02/17/2021
WEST BAY SANITARY DISTRICT	1973920	CHAN, TONY.	PROPERTY DAMAGE	1	07/01/2016	12/07/2017
WEST BAY SANITARY DISTRICT	1973920	ODEN, PEBBLES	PROPERTY DAMAGE	2	07/01/2016	12/07/2017
WEST BAY SANITARY DISTRICT	1973920	VESTRYS, CHRISTOPHER	PROPERTY DAMAGE	3	07/01/2016	12/07/2017
WEST BAY SANITARY DISTRICT	1973920	MORENO, JULIO	PROPERTY DAMAGE	4	07/01/2016	12/07/2017
WEST BAY SANITARY DISTRICT	1982103	1740 OAK AVE LP, .	PROPERTY DAMAGE	1	08/18/2015	06/20/2018
WEST BAY SANITARY DISTRICT	3065754	Trinity Church	PROPERTY DAMAGE	1	12/22/2023	02/14/2024
WEST BAY SANITARY DISTRICT	3066314	Ricci, Nicole	PROPERTY DAMAGE	1	10/25/2023	03/06/2024
WEST BAY SANITARY DISTRICT	3066947	Unknown, Unknown	BODILY INJURY	1	03/22/2024	03/25/2024
WEST COUNTY WASTEWATER DISTRICT	1960263	INSALCO, ROBERT AND, LOMAX, LESLIE	PROPERTY DAMAGE	1	02/16/2017	04/19/2017
WEST COUNTY WASTEWATER DISTRICT	1960263	WONG/DU, MARY & LUCAS	PROPERTY DAMAGE	2	02/16/2017	04/19/2017
WEST COUNTY WASTEWATER DISTRICT	3039920	Malek-Zadeh, Lisa	[REDACTED]	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	3045328	Christian, Evelyn	[REDACTED]	1	04/22/2022	08/15/2022
WEST COUNTY WASTEWATER DISTRICT	3056801	Martinez, Brenda	[REDACTED]	1	07/25/2023	08/21/2023
WEST COUNTY WASTEWATER DISTRICT	3061610	Cummings, Veronica	[REDACTED]	1	09/01/2023	09/05/2023
WEST COUNTY WASTEWATER DISTRICT	3061610	Cummings, Veronica	LIABILITY PERSONAL INJURY	1	09/01/2023	09/05/2023
WEST COUNTY WASTEWATER DISTRICT	3063620	Stowell, Samuel	PROPERTY DAMAGE	1	12/01/2022	11/17/2023
WEST COUNTY WASTEWATER DISTRICT	3064771	Hutton, Angelita	PROPERTY DAMAGE	1	08/15/2023	01/09/2024
WEST COUNTY WASTEWATER DISTRICT	3065343	Angelita	PROPERTY DAMAGE	1	11/22/2023	01/30/2024
WEST VALLEY SANITATION DISTRICT	1992584	YOUNGBLOOD, FRANKIE & DORIS	PROPERTY DAMAGE	1	03/17/2019	03/19/2019
WEST VALLEY SANITATION DISTRICT	1992584	RAMACCIOTTI, MARIA	BODILY INJURY	2	03/17/2019	03/19/2019
WEST VALLEY SANITATION DISTRICT	1992584	RAMACCIOTTI, MARIA	PROPERTY DAMAGE	2	03/17/2019	03/19/2019
WEST VALLEY SANITATION DISTRICT	1992584	RAMACCIOTTI, SOPHIA	BODILY INJURY	4	03/17/2019	03/19/2019
WEST VALLEY SANITATION DISTRICT	1992584	RAMACCIOTTI, GIULIANA	BODILY INJURY	5	03/17/2019	03/19/2019
WEST VALLEY SANITATION DISTRICT	3047315	Studzinski, Wanda	PROPERTY DAMAGE	1	05/29/2023	05/30/2023
WEST VALLEY SANITATION DISTRICT	3047315	Rhodes, Paul	PROPERTY DAMAGE	2	05/29/2023	05/30/2023
WEST VALLEY SANITATION DISTRICT	3064952	Fawcett, John	PROPERTY DAMAGE	1	12/21/2023	01/12/2024
WEST VALLEY SANITATION DISTRICT	3066980	Rahbar, Mahnaz	PROPERTY DAMAGE	1	03/23/2024	03/25/2024

**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY
MINUTES OF THE
POOLED LIABILITY COMMITTEE MEETING
FEBRUARY 12, 2024
TELECONFERENCE**

MEMBERS PRESENT

Mx. Teresa Herrera, Chair, Silicon Valley Clean Water
Mr. Jimmy Dang, Oro Loma Sanitary District
Mr. Mark Carlson, Union Sanitary District
Mr. Patrick Ostly, North of River Sanitary District, arrived 11:13 am

MEMBERS ABSENT

Mr. Sergio Ramirez, West Bay Sanitary District
Mr. Talyon Sortor, Fairfield-Suisun Sewer District

GUESTS AND CONSULTANTS PRESENT

Mr. Dennis Mulqueeney, Alliant Insurance Services, Inc.
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, Risk Management Solutions
Mr. Alan Dialon, Carl Warren & Company
Mr. Devon Thyme, Carl Warren & Company

A. CALL TO ORDER

Teresa Herrera called the meeting to order at 11:04 am.

B. PUBLIC AND COMMITTEE MEMBER COMMENTS

Seth Cole introduced Devon Thyme, a new member of the Carl Warren & Company team.

C. GENERAL ADMINISTRATION

C.1. Meeting Minutes of November 13, 2023

The Meeting Minutes of November 13, 2023 were reviewed.

A motion was made to approve the meeting minutes as presented.

MOTION: Mark Carlson **SECOND:** Teresa Herrera **MOTION CARRIED**

AYES: Carlson, Dang, Herrera

NAYS: None
ABSTAIN: None
ABSENT: Ostly, Ramirez, Sortor

D. CLOSED SESSION

The Committee entered Closed Session at 11:06 a.m. pursuant to Government Code Section 54956.95. The Committee left Closed Session at 11:19 a.m., at which time it was announced that the Claims Administrator was provided with direction concerning the disposition of certain claims; however, no final settlements were approved, nor was any action taken.

E. CLAIMS ADMINISTRATION

E.1. Reporting and Ratification of Claims Settlements

None.

E.2. Year in Review

Seth Cole directed the Committee to the snapshot of 2023 claims, a high-level summary of the claims activity in the Pooled Liability Program in 2023 prepared by Carl Warren & Company. Alan Dialon advised the top five causes of claims by frequency: sewer back-up, auto, water/sewer main defect, street design/defect, and slip/trip and fall. The top five causes of claims by severity were: increase/decrease in water pressure, failure to connect lateral line, water/sewer main defect, discrimination, and claims whose causes were still under review as of the time of the meeting.

Below is a snapshot claims activity in 2023:

Open claims as of 12/31/23	66
New Claims Reported 2023	61
Claims Closed 2023	49
Closing Ratio	80%

Seth mentioned that in addition to the snapshot provided by Carl Warren, David Patzer prepares an annual loss analysis each Fall that captures a 5-year history.

E.3 Quarterly Claims Report as of December 31, 2023

P.J. Skarlanic reviewed the Quarterly Claims Report with the Committee. This report reflects the claims activity as of December 31, 2023. P.J. explained that the loss ratio represents incurred claims as a percentage of pooled deposits collected.

The loss ratio for Program Year 37 through December 31, 2023 is approximately 33%, which is higher than the loss ratio at this point in the previous Program Year, but is still below the Program's historical average.

F. UNDERWRITING ISSUES

F.1. Retrospective Rating Calculation Policy & Procedure Recommendations

Seth Cole reviewed the item with the Committee. The Program Administrators engaged Bickmore Actuarial to rebuild the Pooled Liability Program Retrospective Rating Plan and Matrix databases with technology more suited to handling large amounts of data, requiring significant calculative power. Seth reminded the Committee that the Matrix tracks monies in and out of the Program by member by program year and the Retro is a look back at how much we collected vs actual losses, then we do a true up. Based on the review by Bickmore Actuarial, the Program Administrators recommended the several changes to the Pooled Liability Program Rating Plan, similar to the recommendations implemented to CSRMA's Workers' Compensation Retro P&P:

- Timing of the calculation. Currently the retro calculation is performed 6 months after expiration of a program year. This generally results in an immediate retro return to the membership, potentially overstating the health of the program. This has the potential to lead to needing to collect additional monies from the membership later on down the line. The Program Administrators recommend a 2-to-3-year gap between policy expiration date and retro eligibility. Seth reminded the group that the Committee took action at its last meeting to hold off on returning funds in the two most recent programs in line with Bickmore's recommendation.
- Discontinue the retro for programs years older than 20 years. Older program years generally see little to no claims activity that materially affects CSRMA's financial position. By removing these years from retro consideration, time and complexity is saved by both the Program Administrators and the membership.

Direction was given to the Program Administrators to make the changes discussed to the P&P and bring back a redlined version of the P&P to the Pooled Liability Committee at a future meeting for review and consideration.

G. LOSS CONTROL

G.1. FY 24/26 Risk Control Work Plan – Draft

David Patzer reviewed the item with the Committee. The Chairs of the Workers' Compensation and Pooled Liability Committees form the Risk Control Work Plan Sub-Committee and develop proposed risk control work plan items for the upcoming program year. David walked through the draft Risk Control Work Plan outlining the Core Services, Continuing Services, and Proposed New Initiatives.

Notable items:

Core Items

- No changes

Continuing Risk Control Programs

- Item 22 Continue to update 15 online training modules.
- Item 25 Increase in Vector Solutions subscription from \$120,100 to \$156,000 for 24/25. This contemplates a 10% increase in the seat license fee and increased member usage.
- Item 29 The Committee recommended this item be funded up to 10 new courses at the discretion of the Risk Control Advisor and Program Administrators

- Item 30 Reduction in SMART SOP subscription from \$25,000 to \$20,000 annually
- Item 31 The Committee recommended eliminating the physical demand software from the Work Plan.

New Initiatives

- Item 32 Cyber Security Services, up to \$85,000, that may include the following:
 - Cyber Health Checks,
 - Training,
 - Security audits/penetration testing
 - Development of Cyber Breach incident response plans
 - KYND Cyber Risk Services
- Item 33 Wildfire risk assessment at 3 member locations, up to \$9,000 for services provided by Fireline. The Committee recommended that this line item not be funded at this time, but rather have Fireline provide a seminar/webinar training to make members aware of this service.

David explained that in the past, there were items that remained on the New Initiatives list but those have since been moved to the appropriate categories within the Work Plan

The final version of the draft Risk Control Work Plan incorporating both the Pooled Liability and Workers' Compensation Committees input will be presented to the Executive Board for discussion and adoption at the annual Long Range Planning meeting in March.

H. PROPERTY PROGRAM

H.1. Actuarial Study

P.J. Skarlanic reviewed the item with the Committee. The CSRMA Property Program added a pooled layer at the 2021/22 renewal and each year prior to the renewal of the Program an actuarial study is performed in order to project outstanding liabilities from previous program years and to project funding requirements for future program years.

In 2021, CSRMA selected AON to provide Actuarial Services for the Pooled Layer of the CSRMA Property Program, engaging them for an initial one-year term and reengaging them for an additional year for the 2022/23 analysis. AON has provided a proposal to continue their engagement for another 1-year term. The proposed fee is an increase to \$5,200. The expiring engagement was \$5,000.

A motion was made to engage AON to perform the CSRMA Property Program actuarial study at a cost not to exceed \$5,200 with the agreement terms to be approved by staff.

MOTION: Patrick Ostly

SECOND: Jimmy Dang

MOTION CARRIED

AYES: Carlson, Dang, Herrera, Ostly

NAYS: None

ABSTAIN: None

ABSENT: Ramirez, Sortor

H.2. FY 2024/2025 Property Program Renewal

P.J. Skarlanic provided a verbal update to the Committee on the upcoming Property Program renewal. The Pooled Liability Program Committee has been tasked with monitoring and managing the Property program.

P.J. advised that it is very early in the renewal process, but the hard insurance market conditions of the last few years still persist due in large part to natural disasters and other events seen around the globe in 2023. It is expected that 2023 will be one of the most costly years for the Property market up to this point.

P.J. advised that one of the key factors to look for when considering a forecast of the Property market is the January 1 reinsurance renewal. Reinsurance renewals were generally more favorable on January 1, 2024, than last year and it appears that the market is beginning to stabilize for risks with good loss experience and non-CAT exposures.

As always, the Program Administrators will negotiate the best terms and rates available in the market for CSRMA's Property renewal, and are projecting approximately a 10% rate increase based on current market conditions.

The Program Administrators will provide the Committee with an update at its next meeting.

I. INFORMATION ITEMS

I.1. *"Poem of the Day"*

I.2. **Carl Warren and Company Team Directory**

I.3. *Article – Gift Card Scams – The Gift That Keeps on Taking*

I.4. *Article – Miami-Dade dumps sewage into the ocean – Overhaul will reduce the foul flow*

I.5. **CSRMA 2024 Meeting Calendar**

I.6. **CSRMA Organizational Chart**

I.7. **CSRMA Service Team**

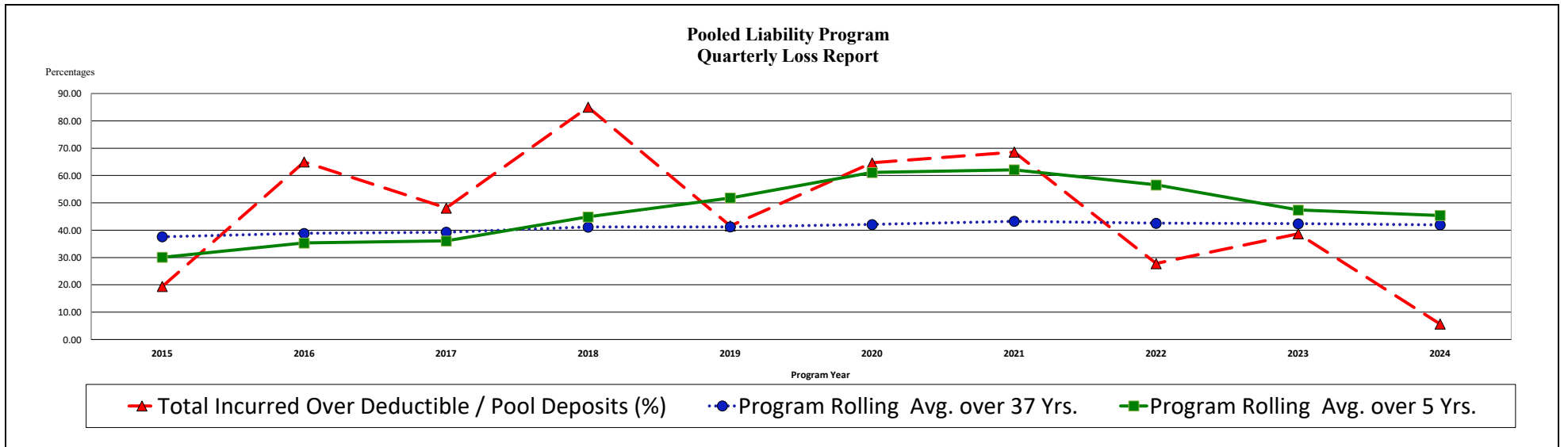
The Committee reviewed the presented information items.

J. ADJOURNMENT

The meeting was adjourned at 11:25 a.m. The next meeting is scheduled for May 6, 2024 via teleconference.

POOLED LIABILITY PROGRAM													
Quarterly Claims Report													
As of March 31, 2024													
Program Year	PY 1-28	PY 29	PY 30	PY 31	PY 32	PY 33	PY 34	PY 35	PY 36	PY 37	PY 38 *	Program Avg	Program Avg
	1987-2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Over 5 yrs	Over 38 yrs
Number of Members	N/A	40	40	40	40	40	40	40	41	41	41	N/A	N/A
Total Number of Claims	3,161	139	146	99	65	107	55	87	53	56	10	72	105
Initial Pool Deposits	53,302,491	2,756,403	2,715,342	2,718,212	2,682,244	2,496,726	2,641,494	3,206,015	3,436,283	3,679,709	1,005,015	2,793,703	2,122,103
Total Paid To Date	33,465,146	1,149,625	2,593,230	1,979,513	2,779,980	1,611,602	1,986,430	2,651,604	798,958	1,429,339	0	1,373,266	1,327,511
Total Reserved	147,747	7,020	5,174	23,978	162,534	155,162	79,930	475,669	734,545	742,816	157,216	438,035	70,837
Total Incurred	33,612,894	1,156,645	2,598,404	2,003,491	2,942,514	1,766,763	2,066,361	3,127,273	1,533,502	2,172,155	157,216	1,811,301	1,398,348
POOL PENETRATION													
No. of Occurrences Over Deductible	326	10	13	12	12	6	8	10	5	7	0	6	11
Total Paid Over Deductible (per occurrence)	20,410,854	528,614	1,758,382	1,284,123	2,119,288	886,640	1,628,016	1,801,262	460,437	1,001,385		1,222,775	861,595
Total Reserves Over Deductible (per occurrence)	129,129	7,020	5,174	23,978	162,534	151,852	79,930	397,213	494,919	423,840	57,507	290,682	50,871
Total Incurred Over Deductible	20,539,983	535,634	1,763,556	1,308,101	2,281,822	1,038,492	1,707,946	2,198,475	955,356	1,425,226	57,507	1,268,902	889,792
Total Incurred Over Deductible / Pool Deposits (%)	38.53	19.43	64.95	48.12	85.07	41.59	64.66	68.57	27.80	38.73	5.72	45.42	41.93

* - The pooled layer has been transferred to CWIC for the 12/31/23-24 program year.



Actuarial Study

ISSUE: An actuarial study for the Pooled Liability Program will be performed prior to the December 31, 2024 renewal of the Program. Aon has provided a proposal to continue their engagement for another 3-year term. A copy is attached to this item for the Committee's review.

RECOMMENDATION: The Program Administrators are recommending that CSRMA engage Aon for another 3-year term.

FISCAL IMPACT: The cost of the Actuarial Study will be a Flat Fee of \$13,500 annually. The fee for an onsite visit is \$1,750 annually. The expiring engagement was at a flat fee of \$12,500 annually for the past 3-years. The fee for an onsite visit was \$1,500 annually.

BACKGROUND: In 2018, Aon was selected to provide Actuarial Services for the Pooled Liability Program through a competitive bid (RFP) process. CSRMA engaged Aon for a 3-year term. Prior to Aon, Willis Towers Watson had been CSRMA's actuary for more than 20 years; while the firm had been the same, the actuaries performing the studies over the years had changed.

Each pooled program has an actuarial study performed in order to project outstanding liabilities from previous Program years, and to project funding requirements for future Program years. The actuarial study assists the Program in the following areas:

1. Analyzing whether prior pool deposits are sufficient to cover known and unknown liabilities for expired program years.
2. Setting adequate rates for future years in order to fund for future unknown loss amounts.
3. Calculating retrospective returns/assessments, updating the matrix, completing the financial audit and determining potential for dividend declaration.

ATTACHMENTS: Aon Proposal for Actuarial Services.

California Sanitation Risk Management Authority

Aon Risk Consultants, Inc.
Proposal for Actuarial Services

Issue Date – April 23, 2024





Table of Contents

Introduction	1
Scope of Work.....	1
Project Work Steps	2
Deliverable.....	3
Timeline	4
Project Team and Roles	4
Professional Fees.....	5
Project Risks.....	6
Representations and Warranties	6
Relationship.....	7
Confidentiality	8
Client Responsibility	9
Limitation of Liability	10
No Solicitation	11
Termination	11
Force Majeure	12
Ownership	12
Miscellaneous.....	13
Entire Proposal.....	13
Proposal Acceptance.....	14



Introduction

Aon Risk Consultants, Inc. (“Aon” or “Consultant”) is pleased to submit this proposal to provide actuarial services to the California Sanitation Risk Management Authority (Client) for its pooled liability program.

The broad scope of work is to develop estimated outstanding liabilities and funding amounts for future program years. This will provide important data for financial audit statements, including Governmental Accounting Standards Board (GASB) Statement No. 10 compliance.

Scope of Work

The following is our understanding of the objectives of the project and will serve as our scope of work for claim data valued as of June 30, 2024 . The years will be rolled forward by one year for subsequent studies. All estimates will be provided separately for general, automobile, and employment practices liability.

1. Estimated pooled outstanding losses as of June 30, 2024, June 30, 2025, and June 30, 2026. The estimated outstanding losses (including allocated loss adjustment expenses [ALAE]) within CSRMA’s pooled layer (i.e., net of member deductibles and limited to the applicable self-insured retention) will be provided.

The estimated outstanding losses are the cost of unpaid claims. The estimated outstanding losses include case reserves, the development of known claims and incurred but not reported (IBNR) claims. ALAE are the direct expenses for settling specific claims.

The estimated outstanding losses will be shown on a full-value basis (not discounted for investment earnings) and present-value basis (discounted for investment earnings). They will also be provided at the expected, 70%, 85%, 90%, and 98% confidence levels.

2. Estimated outstanding ULAE as of June 30, 2024. Estimated outstanding unallocated loss adjustment expenses (ULAE) are primarily composed of future claims administration for open claims.
3. Projected ultimate pooled losses for 2025 and 2026. The projected ultimate pooled losses are the accrual value of losses with accident dates in 2025 and 2026, regardless of report or payment date.



The estimates will be net of member deductibles and limited to self-insured retentions of \$750,000 and \$1 million.

The projected ultimate pooled losses will be shown on full-value and present-value bases. They will also be provided at the expected, 70%, and 85% confidence levels.

4. Estimated deductible credits. The estimated deductible credits will be applicable to the loss rates limited to a \$750,000 self-insured retention for deductibles ranging from \$2,500 to \$500,000.
5. Size of loss distribution analysis. The distribution of losses by size will be analyzed.
6. Affirmation of GASB Statement No. 10. A statement affirming the conclusions of the report are consistent with GASB Statement No. 10 will be provided.

Project Work Steps

To accomplish the objectives, Aon proposes the following work steps:

1. **Collect Data.** The analysis will require historical loss and exposure data, as well as a complete description of the past and present insurance programs. We anticipate that the following items will be needed to complete the project:
 - a. Detailed descriptions of insurance programs for all accident years within the scope of the project. These descriptions should include any per occurrence retentions and should specify whether coverage was provided on a claims-made or occurrence basis.
 - b. Individual claim data (paid and incurred loss amounts) for all accident years and coverages as of a current evaluation date and any required prior valuation dates for use in the loss development triangles.
 - c. Current and historical exposure information.

A detailed data request will be provided at project inception to facilitate completion of our work within Client's timeline.
2. **Compile Data.** The data received will be compiled and reviewed for reasonableness and consistency.
3. **Perform Analysis.** An analysis will be done to fulfill the project objectives. Based on our understanding of the scope of work, we anticipate using the following actuarial methodologies:
 - a. Paid loss development

- b. Reported incurred loss development
 - c. Case reserve analysis
 - d. Reported claims development
 - e. Frequency and severity analysis
 - f. Loss rate analysis
 - g. Bornhuetter-Ferguson analysis
4. **Draft Report.** A report will be written clearly and concisely presenting our conclusions and recommendations.
 5. **Peer Review.** A professional peer review of the draft report will be performed by another qualified professional.
 6. **Distribute Draft Report.** The draft report will be distributed and discussed with Client.
 7. **Corrections and/or Additions.** Any items highlighted in discussions of the draft report will be addressed.
 8. **Distribute Final Report.** The report will be finalized with signatures affixed.

Deliverable

The conclusions of our work will be in a written report for Client. The report will be designed to be easily understood by non-actuaries. It will contain a technical section with sufficient information to support all conclusions and facilitate future analysis. The report will include:

1. **Background.** Relevant details concerning the program history, administration, claims handling, and retention levels will be provided.
2. **Data Sources.** Descriptions of the loss and exposure data provided by Client will be included. Individual claims requiring special treatment in the analysis will be cited, including an explanation of how we treated the claims in the analysis. If industry data is used to supplement our analysis, a description of the data source will be provided; we will explain how we incorporated the industry data into the analysis.
3. **Methods Used.** Descriptions of the various actuarial methods used in the analysis will be provided. We will also explain the considerations associated with selecting the methods as well as the underlying assumptions.
4. **Exhibits.** The exhibits will show the details of our analysis and support all conclusions stated in the report.



Timeline

We have the resources available to complete the work on the following schedule. The schedule can be accelerated or amended in accordance with the needs of Client. We will work closely with Client to ensure that all deadlines are met.

Task	Timing
Project kickoff	Within 2 days of notification to proceed
Aon submits written data request	Within 2 days of project kickoff
Aon submits draft report	Within four to six weeks of receipt of data
Aon issues final report	Within 2 days of Client's approval of draft report

Project Team and Roles

Colleagues expected to work on this project include:

Tracy Fleck ACAS, MAAA Senior Consultant and Actuary	<p>Ms. Fleck, a senior consultant and actuary at Aon, will lead the actuarial analysis. She is an Associate of the Casualty Actuarial Society and a Member of the American Academy of Actuaries.</p> <p>Ms. Fleck has more than 20 years of experience providing loss projections, estimating outstanding losses, and conducting funding studies for self-insured workers compensation, automobile liability, and general liability programs.</p>
Ruqaya Alloo Actuarial Analyst	<p>Ms. Alloo, an actuarial analyst at Aon, will assist with the actuarial analysis.</p> <p>Ms. Alloo has experience in loss reserving and funding studies for self-insured workers compensation, automobile liability, general liability, and property programs.</p>



Professional Fees

Aon's fees for the actuarial services are shown in the table below.

Project period	2024/25	2025/26	2026/27
Valuation date	6/30/24	6/30/25	6/30/26
Actuarial study fee	\$13,500	\$14,000	\$14,500
Onsite visit fee	\$1,750	\$2,200	\$2,250

This fee includes expenses for telephone, postage, photocopying and teleconferences.

Duration

Aon's services for this proposal begin on July 1, 2024 and end on June 30, 2027. The contract may be extended beyond the duration noted with formal written approval amending this contract. Services may not begin nor payment authorized prior to execution of this proposal by an authorized signatory of Client.

Payment

Aon will invoice Client at project completion.

The invoice shall be due and payable to Aon within thirty (30) days following Client's receipt of invoice.

Project Risks

Aon believes several risk factors exist that could materially affect timelines for deliverables or Aon's ability to develop the analysis proposed herein. These include, but are not limited to:

- Lack of availability of key project personnel
- Misunderstanding of scope definition and success criteria.
- Delays in providing information required for the proposed analysis (if any additional information not already held by Aon is required).
- Changes in project scope, which can be made with a Change in Project Scope document agreed to by both Client and Aon – Aon notes that changes in project scope could potentially affect the engagement fee.

In the event the project is cancelled by the Client prior to the project start date, Aon reserves the right to charge for project start-up costs incurred.

Representations and Warranties

Aon represents and warrants to Client that:

Aon is an Illinois corporation duly organized, validly existing and in good standing under the laws of the State of Illinois, and Aon has the full and unrestricted power and authority to execute, deliver and perform this proposal and such execution, delivery and performance have been duly authorized by all necessary action on the part of Aon and the proposal, when executed and delivered by Aon in accordance with the provisions hereof, will be a legal, valid and binding obligation of Aon, enforceable against Aon in accordance with its terms;

Aon's execution and performance of this proposal or any Schedule shall not constitute a breach or default under any contract, instrument or agreement to which Aon is a party or by which Aon is bound and shall not violate or interfere with the rights of any other party.

The Services performed and the Deliverables tendered hereunder shall be of professional quality, conforming to generally accepted industry standards and practices for similar services and deliverables. The Services as delivered to Client will not infringe on any copyright, patent, trade secret, or other proprietary right held by any third party. THIS WARRANTY SHALL BE IN LIEU OF AND EXCLUDES ALL



OTHER IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE.

The Services to be provided by Aon are not of a legal nature, and Aon shall in no event give, or be required to give, any legal opinion or provided any legal representation to Client. Aon recommends that Client seek the review of the Client's legal or tax advisors before taking action based upon Aon's statements.

The Services will be performed only by Aon and its bona fide employees, unless and to the extent Client has given its written consent to the subcontracting of any portion of the Services.

The Services will be performed in strict accordance with the requirements of this proposal, applicable professional standards and laws.

Aon is not debarred, proposed for debarment, suspended or otherwise ineligible for participation in any federal procurement or non-procurement transaction.

Relationship

Consultant's employees assigned to perform Services hereunder shall be and remain employees of Consultant whether Services are performed at Consultant's facilities or Client's facilities and shall not for any purpose be considered Client's employees. Consultant shall be solely responsible for the payment of salaries and all matters relating thereto, including the withholding and/or payment of all payroll taxes, workers' compensation, unemployment compensation, public liability, insurance-related benefits, vacation pay, holiday pay and all such additional legal requirements applicable to Consultant's employees.

Consultant's relationship to Client hereunder is one of independent contractor and nothing contained in this proposal or any Schedule shall be construed to imply that Consultant or any of Consultant's officers, employees or agents is an employee or agent of Client for any purpose. Consultant shall have no right, power or authority to create any obligation, expressed or implied, or to make any representation on behalf of Client, except as may be expressly authorized from time to time by Client in writing and then only to the extent of such authorization. Nothing herein is to imply an agency, joint venture or partner relationship between the parties.



Confidentiality

“Confidential Information” shall mean various trade secrets and confidential information of Client and/or a third party who has provided such information to Client, including, but not limited to any process, system, formula, pattern, model, device, compilation, or other information, information concerning manufacturing methods, operational methods, business and technology plans, distribution strategies, sales, costs, pricing, marketing, customers, the terms and conditions of this proposal, and research and development of Client or any information that Client deems to be confidential to its business unless same: (i) was already in Aon’s possession prior to its receipt from Client without restriction on its use or disclosure; (ii) is or becomes available to the general public through no act or fault of Aon; or (iii) is rightfully disclosed to Aon by a third party, and to the best of Aon’s knowledge, without restriction on its use or disclosure; or (iv) is demanded by any state or federal government agency or by court order provided that Client receives prior written notice of such disclosure.

Aon will honor confidentiality regarding any data Client provides to Aon during this engagement as well as any analysis conducted or conclusions derived from such data. Except as required by the Scope of Work, no Client-identifiable data shall be shared with parties other than Aon or Client unless Client provides consent, which consent needs to be provided on a case-by-case basis, or compliance with any validly issued subpoena or court order is required. In turn, the techniques utilized and results produced by Aon will not be shared by Client with any other party that could utilize the information to gain a competitive advantage against Aon. Aon will be responsible for any breach of these obligations by its employees or agents. Aon agrees to take all necessary steps to protect any Confidential Information with the same degree of care that Aon uses to protect its own confidential and proprietary information of like kind, but in no event less than a reasonable degree of care.

Upon any expiration or termination of this proposal and upon Client’s written request, Aon will promptly return to Client or destroy the originals and all copies of all Confidential Information (which destruction shall include, without limitation, the process of expunging, to the extent reasonably practicable, all such Confidential Information from any computer, hard drive, word processor, server, backup tape, or other electronic device containing such Confidential Information), as well as any equipment or other items, furnished by Client to Aon. Notwithstanding the foregoing, Aon may retain one archival copy of the Confidential Information in its confidential files for the purpose of complying with applicable laws or established company procedure regarding the preservation of business records.

Aon gathers data containing information about our customers. This information may be shared among Aon affiliated businesses. In addition to being used to provide services to Aon customers, the information may be used for business administration, business reporting, statistical analysis, marketing of Aon products or services and providing consulting or other services to companies for which Aon or its affiliates may receive remuneration. Aon takes appropriate measures to protect the privacy and confidentiality of our Aon customers as well as to comply with applicable laws and regulations. Aon may use or disclose information about our customers if we are required to do so by law, Aon policy, pursuant to legal process or in response to a request from law enforcement authorities or other government officials.



Due to the global nature of services provided by Aon, the information/data you provide may be transmitted, used, stored and otherwise processed outside of the country where you submitted that information. If you have questions about Aon data processing, please contact your Aon consultant. The requirements of this Confidentiality provision shall survive the termination of this proposal.

Client Responsibility

Aon and Client acknowledge that the reliability of our services depends upon the accuracy and completeness of the data supplied to Aon. Client accepts sole responsibility for errors or delays in services solely resulting from inaccurate or incomplete data supplied to Aon, and acknowledges and agrees that any additional services thereby necessitated will result in additional fees payable by Client to Aon. Aon must receive promptly the information to deliver the Services as well as the Client's prompt updates to any information where there has been a material change which may affect the scope or delivery of the Services, such as a change in the nature of the Client's products or equipment, systems, and/or processes that are the focus of Aon's service(s).

Client agrees to provide its project data in the form agreed upon. Client understands and agrees that if data is submitted in a form other than agreed upon, Client shall pay Aon, in addition to the fees set forth in the proposal the reasonable expenses incurred to merge/convert the data to the agreed upon form so long as Aon has informed Client of such additional expenses and Client has consented in writing to those additional expenses prior to Aon incurring such.



Limitation of Liability

Both parties further agree that Aon and its personnel shall be released to the fullest extent permitted by applicable law from any and all claims, liabilities, costs and expenses attributable to any knowing misrepresentation by Client, its directors, its officers and/or its employees except for claims attributable solely to the negligence of Aon. In no event shall Aon be liable to the Client, whether in tort (including negligence), contract or otherwise for any amount, in the aggregate, in excess of three times the total fees paid by the Client under this proposal, except to the extent fully and finally determined by a court of competent jurisdiction to have resulted from the willful misconduct or fraudulent behavior of Aon, and neither Aon nor Client shall be liable to the other for any consequential, indirect, lost profit, lost opportunity or similar damages relating to Aon's services provided under this proposal.

As Aon and Client intend the aforementioned limitation of liability clause to be enforceable, they agree that any over breadth in the clause shall not itself render the clause void, but rather, the clause shall be interpreted and enforceable to the fullest extent permitted by the law of the applicable state.

This Liability Limitation shall apply to the Client and extend to the Client's parent(s), affiliates, subsidiaries, and their respective directors, officers, employees and agents (hereinafter, each a "Client Group Member" and together, "Client Group") wherever located that seek to assert claims against Aon, and its parent(s), affiliates, subsidiaries and their respective directors, officers, employees and agents (each an "Aon Group Member" and together, "Aon Group"). Nothing in this Liability Limitation section implies that any Aon Group Member owes or accepts any duty or responsibility to any Client Group Member.

If the Client or any Client Group Member asserts any claims or makes any demands against Aon or any Aon Group Member for a total amount in excess of this Liability Limitation, then the Client agrees to indemnify Aon for any and all liabilities, costs, damages and expenses, including attorneys' fees, incurred by Aon or any Aon Group Member that exceeds this Liability Limitation.

No Solicitation

The parties agree that during the term of each Schedule issued pursuant to this proposal and for a period of one (1) year after the termination of each such Schedule, neither party shall directly or indirectly solicit for employment, without the permission of the other party, any person employed then or within the preceding one (1) year if such person performed the Services under such Schedule; provided that, (a) general solicitations of employment for employees published in a journal, newspaper or other publication of general circulation and not directed specifically toward one or more employees of the other party and any resulting offer to hire shall not be deemed to be in violation of this Section, and (b) this Section shall not prevent a party from offering to employ or employing any employees of the other party who contacts the hiring party on his or her own initiative with no direct or indirect encouragement by the hiring party.

Termination

At any time, the parties may terminate the Services under this proposal or under any Schedule by giving the other thirty (30) days written notice, in which event Consultant shall be reimbursed for Services performed prior to the effective date of such termination.

Either party may terminate this proposal by written notice to the other party if the other party (i) breaches or is in default of any material obligation under this proposal which default is incapable of cure or which, being capable of cure, has not been cured with ten (10) days after receipt of notice of such default or (ii) becomes insolvent, makes a general assignment for the benefit of creditors, files a voluntary petition for protection under bankruptcy or insolvency law, or has wound up or liquidated its business.

Provisions of this proposal which by their express terms extend beyond expiration or termination or which by their nature so extend to give effect to their meaning will survive and continue in full force and effect after any expiration or termination of this proposal.



Force Majeure

The performance by either party or their approved subcontractors hereunder shall be subject to delays caused by an Act of God, war, riot, fire, explosion, accident, flood, sabotage, inability to obtain fuel or power, but not due to any act of the party claiming the force majeure event, new governmental laws, regulation or orders, acts or inaction of the other party, or any other cause beyond the reasonable control of a party.

In the event of any such delay, the times for performance will be extended accordingly for additional period(s) of delay. In the event, however that any such delay lasts for a period of forty-five (45) days, then either party may terminate this proposal immediately. In the event of such non-performance, the party which was delayed in its performance shall make reasonable efforts to promptly resume its performance hereunder.

Ownership

All data supplied by Client shall be and remain at all times the sole and exclusive property of Client.

Aon will provide the Client with a report and/or certain other tangible items specified as deliverables (“Deliverables”), set forth in the “Scope of Services” section of the attached Proposal. The Deliverables, upon full and final payment to Aon, shall become the property of the Client, except that Aon owns or has rights to all products, processes, concepts, know-how, techniques, software, and methodology used, and records created or maintained, (collectively “Prior Works”) for the production of the Deliverables, and Client shall gain no rights in or to them. To the extent that any Prior Works are contained in the Deliverables, Aon hereby grants the Client, upon full and final payment to Aon, a royalty-free, fully paid-up, worldwide, non-exclusive license to use such Prior Works in connection with the Deliverables.

Services and Deliverables are for the exclusive use of Client and are not to be relied upon by third parties.

Client acknowledges and agrees that Aon is in the business of providing consulting services to clients utilizing Aon’s Prior Works, and nothing contained herein shall prohibit Aon from using any of Aon’s general knowledge or knowledge acquired under this proposal to perform similar services for others.

Miscellaneous

Should any provisions of this proposal be held unenforceable or in conflict with the law of any jurisdiction, the validity of the remaining provisions shall not be affected by such holding. Consultant shall not assign, delegate, convey, encumber or otherwise dispose of this proposal or any rights or obligations hereunder without the prior express written consent of Client. This proposal is fully assignable by Client and shall inure to the benefit of any assignee or other legal successor in interest of Client herein.

Each party agrees to waive its right to a trial by jury in any lawsuit or other legal proceeding against the other party and/or its parent(s), affiliates, or subsidiaries, in connection with, arising out of or relating to this proposal or any services provided to the Client by Consultant or its affiliates. In any such action or legal proceeding, neither party shall name, as a defendant any individual employee, officer or director of the other party or its parent(s), affiliates or subsidiaries.

This proposal shall be binding upon the successors, and/or legal representatives of the parties.

Entire Proposal

This proposal contains the entire understanding and agreement between the parties with respect to the subject matter described herein and supersedes and replaces all prior and contemporaneous agreements, whether written or oral, as to such subject matter. This proposal may be modified only by a written agreement signed by both parties. This proposal shall be governed by and construed in accordance with the laws of the State of New York without regard for its conflicts of law rules.




Proposal Acceptance

By executing this proposal, the Client has read all of the terms and conditions stated herein and fully understands their contents. The execution of this proposal confirms the Client's understanding and acceptance of those terms.

The signing of this proposal by an authorized signatory of the Client indicates that the Client hereby authorizes Aon to proceed with the services as described herein. This document should be returned to Ruqaya Alloo.

This proposal is valid until September 30, 2024.

	Client	Aon Risk Consultants, Inc.
Signature:		
Printed Name:		Amy Sestito
Title:		Senior Vice President
Date:		April 23, 2024

Primary Endorsement

ISSUE: Many vendors and other jurisdictions require an entity’s coverage be “primary and non-contributory” before approving contracts and or granting annual permits. This standard practice presents a problem for CSRMA member agencies as the CSRMA Pooled Liability Memorandum of Coverage (MOC) contains an “Other Coverage or Insurance” clause.

F. Other Coverage or Insurance

If a COVERED PARTY has insurance or coverage provided to it by any insurer or other source, there shall be no obligation under this MEMORANDUM to pay a LOSS or portion thereof until all other such insurance or coverage has been exhausted.

In no case shall any of the ENTITY’S funds, which have been set aside in reserves or contingency accounts for purposes of self-insurance or responses to potential, contingent, catastrophic or incurred but not reported claims, be deemed to be other collectible coverage under this CONDITION F.

To remedy this, the Program Administrators are proposing language be added to the Additional Covered Party Endorsement as follows:

Coverage afforded by this Endorsement shall be Primary and Noncontributory with respect to any other valid and collectible insurance or coverage to an Additional Covered Party as its principal covered party, including any self-insured retention the Additional Covered Party may have, and where Primary and Noncontributory status is required by contract between a CSRMA MEMBER ENTITY and the Additional Covered Party.

A redlined strikeout version of the Additional Covered Party Endorsement is attached to this item for the Committee’s review.

RECOMMENDATION: The Program Administrators recommend that the Committee recommend that the Executive Board recommend to the Board of Directors approval of the proposed amendment to Additional Covered Party Endorsement.

FISCAL IMPACT: Unknown.

BACKGROUND: Insurance policies contain an “other insurance” clause, similar to the “other coverage or insurance” clause in the Memorandum of Coverage referenced above, which essentially states that if other valid or collectible insurance is available to an additional insured, the insurance policy is excess of that other insurance, which effectively defeats the purpose of requiring the other party to have insurance.

Below is an excerpt from the Insurance Requirements in Contracts Manual addressing this issue:

Require that the Other Party's Insurance be Primary

To simplify loss adjustment and to eliminate the possibility that the other party's insurer will seek contribution from your Entity, your Entity's standard requirements should state that the other party's insurance is to provide primary coverage, and that your Entity's insurance or self-insurance program will not be called upon to contribute to a loss that should otherwise be paid by the other party's insurer. You should require coverage at least as broad as ISO CG 20 01 04 13. If the agreement on primary insurance is merely stated in your contract with the other party and is not included in the policy, the condition is not binding on the insurer.

This is in line with the Program Administrators recommendation that CSRMA member agencies require insurance be 'primary and non-contributory' for all contracts and agreements that they have with third parties who are performing a service for the member agency.

ATTACHMENTS: Redline strikeout version of the Additional Covered Party Endorsement

ADDITIONAL COVERED PARTY ENDORSEMENT

This Endorsement forms a part of the Memorandum of Coverage issued by the CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY.

ADDITIONAL COVERED PARTY:

CSRMA MEMBER ENTITY:

DESCRIPTION OF ACTIVITY:

DATE(S) OF ACTIVITY:

LOCATION OF ACTIVITY:

MAXIMUM COVERAGE LIMIT:

DEDUCTIBLE:

The person or organization first named above is added as an ADDITIONAL COVERED PARTY pursuant to Section III(A), "Definitions" and Section VII, "Covered Parties." Coverage is provided through participation in a risk sharing joint powers authority, for general and automobile liability as defined in the Memorandum of Coverage.

The coverage being provided by this Endorsement is limited to "occurrences" arising out of the activity or location described, and the time period indicated herein, and is subject to all the terms, conditions and exclusions of the Memorandum of Coverage. Pursuant to Section III (A), the person or entity named above is only an Additional Covered Party with respect to operations performed by or on behalf of the CSRMA MEMBER ENTITY, or facilities owned or used by the CSRMA MEMBER ENTITY.

Coverage afforded by this Endorsement shall be Primary and Noncontributory with respect to any other valid and collectible insurance or coverage to an Additional Covered Party as its principal covered party, including any self-insured retention the Additional Covered Party may have, and where Primary and Noncontributory status is required by contract between a CSRMA MEMBER ENTITY and the Additional Covered Party.

Coverage is in effect for the DATE(S) OF ACTIVITY indicated above and will not be cancelled or allowed to expire at a date other than the last date indicated except upon 30 days' written notice to the Additional Covered Party.

Date issued:

CSRMA Risk Control Work Plan for 2024/25-25/26

ISSUE: Attached is the Executive Board-approved Risk Control Work Plan for FYs 24/25-25/26.

RECOMMENDATION: None – information only.

FISCAL IMPACT: As depicted on the work plan.

BACKGROUND: Each March, CSRMA Risk Control prepares an outline of the initiatives to be undertaken in the coming two years to address ongoing and new exposures.

At the 2011 Long Range Planning Session, the Executive Board thought it would be helpful and more efficient to form a Sub-Committee to review the Work Plan ahead of time. The Chairs of the Workers' Compensation and Liability Committees form the Risk Control Work Plan Sub-Committee and develop proposed risk control work plan items for the upcoming program year. The recommendations of the Risk Control Work Plan Sub-Committee are then presented to each Committee and their comments incorporated into the draft Risk Control Work Plan which is then presented to the Executive Board for discussion at the annual Long Range Planning meeting in March.

ATTACHMENTS: FY's 24/25-25/26 CSRMA Risk Control Work Plan.

Budget Version		Continuing Risk Control Tasks	New Risk Control Initiatives	Total Proposed Risk Control Budget 24/25	% Change from 23/25 Budget	Budget 1 Impacts
Budget 0		\$ 407,000	\$ 92,559	\$ 499,559	23%	This is the budget version recommended by both Committees and adopted by the Executive Board for inclusion in the FY24/25-25/26 budget at their March 2024 Long Range Planning retreat
Budget 1 (<i>reduced</i>)		\$ 377,500	\$ 92,559	\$ 470,059	16%	
Budget Detail for Proposed FY 24/25						
Task	FY23/24 Budget	Budget 0 - Committee and EB Selected	Budget 1	Notes		
Continuing Risk Control Items:						
•Update 15 online courses	\$ 36,000	\$ 36,000	\$ 24,000	Costs have remained flat at \$36k 5+ years		Update 10/123 courses rather than 15/123 courses: Possible reduced Vector usage due to content becoming stale faster
•Safety Reimbursement	\$ 75,000	\$ 75,000	\$ 75,000	Budget increased by EB FY23/24		
•Wellness Reimbursement	\$ 42,000	\$ 42,000	\$ 42,000	Budget increased by EB FY23/24		
•Vector annual subscription	\$ 120,100	\$ 156,000	\$ 156,000	Due to increased utilization and 10% fee increase after 3 yr contract term ended		
•Rco/Vector Utilization and General Support	\$ 24,000	\$ 24,000	\$ 24,000	Costs have remained flat 5+ years		
•RCO Tech Support	\$ 5,000	\$ 5,000	\$ 5,000	Costs have remained flat 5+ years		
•RCO Programming/Server Space	\$ 13,200	\$ 14,000	\$ 14,000	Increase due to increased server space needs and ADA compliance tools		
• Develop up 10 new online courses	\$ 35,000	\$ 35,000	\$ 17,500	Costs have remained flat at \$35k 5+ years		Develop 5 new courses rather than 10; Possible reduced Vector usage and inability to develop training mtls on new regs/risks throughout FY; Both Committees recommended this item be funded up to 10 courses at the discretion of the Risk Control Advisor and Program Administrators
•Smart SOP	\$ 25,000	\$ 20,000	\$ 20,000	Reduction due to reprogramming as a web vs mobile app; app will remain mobile friendly; conversion also included many feature upgrades and user experience enhancements		

Budget Version		Continuing Risk Control Tasks	New Risk Control Initiatives	Total Proposed Risk Control Budget 24/25	% Change from 23/25 Budget	Budget 1 Impacts
•Physical Demand Software	\$ 10,000	\$ -	\$ -	Costs have remained flat for 4+ years		Elimination of the Physical Demand Calculator software; Members will lose access to a tool that evaluates lifting tasks for risk against NIOSH and Liberty Mutual Tables; Members submitting Workers' Compensation Excellence applications will lose access to the calculator to complete certain tasks on the existing award application; Both Committees recommended this line item not be funded (\$12k) going forward as it has served its intended purpose
New Risk Control Initiatives						
•Cyber Security	\$ 20,000	\$ 92,559	\$ 92,559	2023 LRP Action Item to expand cyber risk control services		Cost increase from \$85k to add two webinars and a new CSRMA member.
•Wildfire Risk Assessments at 3 members	NA	\$ -	\$ -			Elimination of the wildfire risk assessments for 3 members; Alternative is for Fireline to provide seminar at CASA/CSRMA training; Both Committees recommended this line not be funded (\$9k) but to invite them to speak at a CSRMA/CASA event to make members aware of the service and its value
TOTAL	\$ 405,300	\$ 499,559	\$ 470,059			

California Sanitation Risk Management Authority
 ~ Risk Control Work Plan 24/25-25/26 Budget ~

#	Existing Task	New Task	Core, Continuing, or New	Projected Cost	Services Provided By	Notes	Value to Members
1	<p>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.</p> <p>Administer the CSRMA Risk Control Survey every 3 years to the pooled program members.</p> <p>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.</p> <p>Member site visits will be scheduled as member's complete the Risk Control Survey with priority given to those members scoring the lowest and with the highest x-mod.</p>	No change	Core	Included in Alliant contract for JPA Admin	Alliant		High
2	Write and distribute 12 monthly editions of the Did You Know e-newsletter.	No change	Core	Included in Alliant contract for JPA Admin	Alliant	These are used to convey risk control and compliance information and to highlight different features/updates available on Risk Control Online	High
3	Update & distribute the CSRMA Member Contact Directory	No change	Core	Included in Alliant contract for JPA Admin	Alliant	<p>This is used internally for targeted member communications and is also provided to other members for networking and problem-solving purposes.</p> <p>This is housed on the new Risk Control Online and is only accessible after logging into RCO with username and password.</p>	Low

#	Existing Task	New Task	Core, Continuing, or New	Projected Cost	Services Provided By	Notes	Value to Members
4	Provide member hotline service via phone & email	No change	Core	Included in Alliant contract for JPA Admin	Alliant	Approximately 3hours/day is spent responding to member emails/phone calls and researching issues assistance is requested.	High
5	Advertise and implement the CSRMA Risk Control and Wellness Reimbursement Programs	No change	Core	Included in Alliant contract for JPA Admin	Alliant		High
6	Provide annual workers' compensation and pooled liability loss analysis reports to each Committee and Executive Board	No change	Core	Included in Alliant contract for JPA Admin	Alliant	This reflects actual practice	High
7	Recommend expenditures from the CSRMA Safety Other budget to the Program Administrators that will benefit CSRMA's risk control efforts	No change	Core	Included in Alliant contract for JPA Admin	Alliant		High
8	Administer the CSRMA Workers' Compensation Excellence award program	No change	Core	Included in Alliant contract for JPA Admin	Alliant		High
9	Schedule, arrange & provide the following training seminars: a. CASA /CSRMA Risk Management Seminars 1. Summer 2. Winter b. A minimum of 18 webinars		Core	Included in Alliant contract for JPA Admin	Alliant		High
10	Training: <ul style="list-style-type: none"> • Provide up to 6 training workshops at member locations on risk control topics, excluding CalOSHA & CalEPA regulatory compliance, affecting CSRMA • Oversee the administration of 10 annual vendor-provided physical demand assessments or industrial ergonomics trainings at member locations • Schedule and oversee 10 annual EPL online seminars on topics suggested by CSRMA legal counsel and/or LCW • Oversee implementation and utilization of Vector Solutions (<i>formerly Target</i>) 	No change	Core	Included in Alliant contract for JPA Admin	Alliant	These workshops are provided to individual members, regionally and by request at CWEA training events. Typically, more than 6 requests are made per year and are provided, based on availability. Added 12/16/20: ergonomics and EPL training and Vector Solutions	Medium
11	Oversee the periodic update of the various CSRMA Risk Control manuals & training programs	No change	Core	Included in Alliant contract for JPA Admin	Alliant		High
12	Prepare agenda items for the various CSRMA meetings, as needed	No change	Core	Included in Alliant contract for JPA Admin	Alliant		High
13	Oversee the distribution of the CSRMA Well Workplace monthly newsletter	No change	Core	Included in Alliant contract for JPA Admin	Alliant	This is a popular monthly mailing encouraging workplace and personal	Medium (inc in monthly)

#	Existing Task	New Task	Core, Continuing, or New	Projected Cost	Services Provided By	Notes	Value to Members
						wellness issues. This supports CSRMA's risk control efforts targeting soft tissue injuries and health risk factors that can contribute to workplace injuries. CSRMA currently distributes ~800 copies per month.	Did You Know)
14	Assist CSRMA with the development of risk control programs, initiatives & trainings to address ongoing and new loss exposures as needed or directed. Past topics addressed include: -Cyber security issues for employees and IT staff	No change	Core	Included in Alliant contract for JPA Admin	Alliant		High
15	Oversee the implementation of the CSRMA Workers' Compensation Claims Management Program	No change	Core	Included in Alliant contract for JPA Admin	Alliant		High
16	Coordinate with the efforts of the CSRMA Return to Work Consultant	No change	Core	Included in Alliant contract for JPA Admin	Alliant		High
17	Provide CSRMA with research/analysis of various risk control topics affecting CSRMA as needed/directed	No change	Core	Included in Alliant contract for JPA Admin	Alliant		High
18	Maintain a library of sample risk control materials for distribution to CSRMA as requested	No change	Core	Included in Alliant contract for JPA Admin	Alliant	Members routinely request sample CalOSHA, SWRCB and employment policies to use as the basis for developing their own.	High
19	Communicate with the CSRMA Program Administrator's to facilitate the delivery of risk control services	No change	Core	Included in Alliant contract for JPA Admin	Alliant		High
20	Prepare an annual 2-year Risk Control Work Plan for presentation to the CSRMA Executive Board at their annual Long Range Planning meeting	No change	Core	Included in Alliant contract for JPA Admin	Alliant		High

Continuing Risk Control Programs for FY 24/25 & 25/26									
#	Task	Justification	Core, Continuing or New	Budget FY 23/24	Projected FY24/25 Costs	Projected FY25/26 Costs	Services Provided By	Notes	Value to Members
22	<p>Update and refresh 15 online training modules.</p> <p>Modules targeted for FY 24/25 will be the oldest modules and any requiring an update due to regulatory changes.</p> <ul style="list-style-type: none"> • IIPP • Sewer Cleaning Nozzle Selection • Temporary Traffic Control • Vacuuming: Comb Units • Backhoe Operation • Skid Steer Safety and Operation • Mechanical Rodding • Lateral Maintenance • Fall Harness Inspection and Adjustment • New Employee Safety Orientation for Office Workers • Hearing Conservation • Hazardous Waste Storage Inspection Requirements • Welding Safety • Workplace Bullying • Workplace Violence 	<p>History: CSRMA's goal was to update and refresh the look and feel of 10 out ~110 CSRMA online training modules each year in order to keep them current and maintain interest of the members and subscribers.</p> <p>CSRMA has consistently updated/refreshed 10CBTs/year. At the 2018 LRP, the EB discussed updating 20 each year so that CBTs are updated every 5-7years rather than the current rate of once every 10-12years.</p> <p>2020 LRP: Recommended to update 15CBTs/year</p>	Continuing	\$36,000	\$36,000	\$36,000	Proposed : DKF Solutions Group	<p>Updated FY23/24:</p> <ul style="list-style-type: none"> • Supervisor: Drug and Alcohol Awareness • Employees: Drug and Alcohol Awareness • Bypass Pumping • CCTV • Collections Systems 101 • Jet Rodding • Lateral Maintenance • Mechanical Rodding • Plugging Sewers • Roadway Resortation and Repairs • Respiratory Protection • Spot Repairs • Defensive Driving • Hotwork • SSO Emergency Response Preparedness 	High
23	Risk Control and Safety Reimbursement	Continuation of the incentive program created by the Workers' Compensation Committee in 2009.	Continuing	\$75,000 (increased to reflect reimb amount of \$2500); budget funds 30 members to participate annually	\$75,000	\$75,000	NA	<p>This budget item is fully utilized each year; the WCC has recommended this program be available to members of either pooled program.</p> <p>FY 23/24: EB increased reimbursement amount to \$2,500/member</p>	High

Continuing Risk Control Programs for FY 24/25 & 25/26									
#	Task	Justification	Core, Continuing or New	Budget FY 23/24	Projected FY24/25 Costs	Projected FY25/26 Costs	Services Provided By	Notes	Value to Members
								<p>The combined budget actual for Safety + Wellness =</p> <ul style="list-style-type: none"> • FY16/17 \$79,479 • FY17/18 \$78,181 • FY18/19 \$81,582 • FY19/20 \$89,493 • FY20/21 \$91,716 	
24	Employee Health Promotion Reimbursement	Continuation of the incentive program created by the Workers' Compensation Committee in 2009.	Continuing	\$42,000 (increased to reflect reimb amount of \$1400) budget funds 30 members to participate annually	\$42,000	\$42,000	NA	<p>This budget item is fully utilized each year; the WCC has recommended this program be available to members of either pooled program.</p> <p>FY 23/24: EB increased reimbursement amount to \$1,400/member</p>	High
25	CSRMA's subscription to Vector Solutions and annual maintenance fee		Continuing	\$120,100	\$156,000	\$156,000	Vector Solutions		High
26	Update, manage, provide support and drive utilization for the CSRMA Target Solutions, including instructional webinars and other video tutorials.	This service requires update, member training and oversight to remain useful to the membership.	Continuing	\$24,000	\$24,000	\$24,000	DKF Solutions	Vector indicates CSRMA is among the highest user subscribers they have for poll clients	High
27	Technical support for RCO and CSRMA-developed content.	The past year has been marked by a substantial increase for the need to have technical support available to RCO and CSRMA-developed tools/resources. SIPE is unable to provide this. KBF Services has provided this service largely at no cost in the past as the need was limited. Due to the increased volume of support requests, KBF Services is charging for their	Continuing	\$5,000	\$5,000	\$5,000	KBF Services		High

Continuing Risk Control Programs for FY 24/25 & 25/26									
#	Task	Justification	Core, Continuing or New	Budget FY 23/24	Projected FY24/25 Costs	Projected FY25/26 Costs	Services Provided By	Notes	Value to Members
		time this FY and going forward.							
28	Annual support for Builders (usage and programming)		Continuing	\$13,200	\$14,000	\$14,000	DKF Solutions	FY22/23: Add \$4,800 RCO maintenance and \$490 Accessibee	High

Continuing Risk Control Programs for FY 24/25 & 25/26

#	Task	Justification	Core, Continuing or New	Budget FY 23/24	Projected FY24/25 Costs	Projected FY25/26 Costs	Services Provided By	Notes	Value to Members
29	<p>Develop 5 new web based training modules. Topics envisioned target areas of CSRMA's highest loss frequency, greatest risk or new regulatory requirements.</p> <p>Topics envisioned for FY24/25 include:</p> <ul style="list-style-type: none"> • Water Sampling Following a Sewer Spill (2018) • How to Complete a JHA • Wastewater Treatment Plant Safety Inspections • Slips, Trips and Falls and the ASTM new Coefficient of Friction Std for Safety Footwear • CalOSHA Incident Reporting and Recordkeeping Requirements • How to Evaluate and Classify WWTP Confined Spaces • How to Complete the SWRCB Annual Collection System Reports • Soft Tissue Injury Risks and Solutions for Collection Workers • Ditto for Operations and Maintenance • FOG Program Best Practices 	<p>The goal of this annual work plan item is to help ensure members have access to training materials related to CSRMA's exposures and new regulatory requirements that may impact CSRMA member risks.</p>	Continuing	\$35,000	\$35,000	\$35,000	DKF Solutions Group	<p>FY22/23 budget = \$35,000</p> <p>Topics completed in FY23/24:</p> <ul style="list-style-type: none"> • New SSWDR Spill Emergency Response Plans and CSRMA p/p for Residential Sewer Backup Response • Spill Prevention Control and Countermeasure Plan • Hazwoper Awareness • Boiler and Pressure Vessel Safety Inspections • Lab Safety • Lab Basics for a WWTP Operator • Forklift Safety • Construction Site Safety For Engineers/Construction Inspectors • CalOSHA's Multi-Employer Safety Regulation • TBD 	High
30	SMART SOP improvements	<p>The following are items that we've either recv'd feedback members would like to see or we believe ought to be pursued. Please note this list would take ~\$75-\$125k to complete. The recommendation is that the</p>	New	\$25,000	\$20,000	\$20,000	DKF Solutions Group and AndPlus	<p>FY22/23 budget = \$25,000</p>	Medium

		<p>list be prioritized and tackled in \$15-\$25k chunks each year.</p> <ol style="list-style-type: none"> 1. Duplicate SOPs (create new from existing) 2. In-app image editing 3. Multi-step draft/edit process (i.e., procedures can be passed back and forth between creators and reviewers before publishing final—currently the workflow is Develop Draft >> Submit for Approval >> Approve) 4. Search/Filter SOP/LOTO lists 5. Download a certain number of SOPs for offline viewing 6. Template library (global) 7. Expand help/FAQs on website and/or in-app 8. Backend administrator management 9. add/delete users, etc.) 10. Bug fixes and backend maintenance (performance, security, compatibility, etc.) 11. Add a CSRMA Pool folder so CSRMA can push documents= SOPs, JITT tools, etc to the employees of members 							
--	--	---	--	--	--	--	--	--	--

34	Physical Demand Calculator: Identify the physical demands for various tasks and identify those tasks placing employees at risk.	<p>This tool provides data that helps match worker and task, identifies tasks that need to re-designed due the soft tissue hazards involved and will help address CSRMA's #1 type of injury (soft tissue) and the cause (strain/overexertion).</p> <p>Members currently pay Don Freeman \$6k to have him evaluate 10 positions. For \$10k/year all members would have access to his web application that will provide the same output. For members wanting additional help, members would pay \$100/job classification to have Don remotely work the application for them and provide/explain the results.</p>	New	\$10,000/year for 3 years	\$12,000 year for 3 years	\$12,000 year for 3 years	Occu-Metric	<p>FY22/23 budget = \$10,000</p> <p>The contract expires FY22/23. Recommend renewing for 3years.</p>	Medium Develop 5 new courses
Total Projected Cost for Continuing Items:				\$385,300	407,000	407,000			

New Initiatives for FY24/25 & 25/26

#	Task	Justification	Core, Continuing or New	Budget FY 23/24	Projected FY24/25 Costs	Projected FY25/26 Costs	Services Provided By	Notes
32	Cyber security services that may include: <ul style="list-style-type: none"> Kynd Cyber Risk Services 	Cyber security is a real threat to member agencies, especially smaller ones with limited cyber security resources	New	\$20k	\$92,559	\$92,559	Kynd	This is an action item from the 2023 Long Range Planning session: The Executive Board directed the Program Administrators and the CSRMA Risk Control Advisor to enhance and expand the cyber security services and resources CSRMA offers to its members. Objective: To prevent and mitigate cyber related losses impacting the CSRMA membership.
33	Wildfire risk assessments at 3 member locations	The intent on performing these at 3 member locations is to demonstrate the value of the service to members in areas with assets subject to wildfire risk. The results of the 4 assessments would be presented by Fireline at an upcoming CSRMA/CASA training session.	New	NA	\$9k	NA	Fireline	
TOTAL				\$20k	\$92,559	\$92,559		

	Adopted in FY22/23 for FY 23/24	Preliminary Projections for FY 24/25 in FY 23/24	Projected FY 24/25	Preliminary Projected FY 25/26	% Change FY23/24 (adopted budget) to FY 24/25 (proposed budget)
Proposed Continuing Risk Control Programs	\$385,300	\$397,060	\$407,000	\$407,000	+23%
Proposed New Initiatives	\$20,000	\$20,000	\$92,559	\$92,559	
Total	\$405,300	\$417,060	\$ 499,559	\$ 499,559	
Fiscal history: -FY 17/18 Outside Safety Consultant Budget: \$297,550 (actual 283,701) -FY 18/19 Outside Safety Consultant Budget: \$260,800 (actual \$260,800) -FY 19/20 Outside Safety Consultant Budget: \$284,600 (actual \$319,087) Covid – additional expenses due to training and additional support -FY 20/21 Outside Safety Consultant Budget: \$321,400 (actual \$345,919) Covid – additional expenses due to training and additional support					

-FY 21/20 Outside Safety Consultant Budget: \$353,900 (<i>actual \$303,756</i>) -FY 22/23 Outside Safety Consultant Budget: \$348,500 (<i>actual to date \$300,675</i>) <i>The majority of the work plan budget is used in the 1st/2nd quarter each year</i>	
--	--

DRAFT 1/22/23

**Agenda Item No.G.2
Pooled Liability Meeting
Meeting Date: May 6, 2024**

Spring/Summer/Fall 2024 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
Sentinel Training Program for WC members	FY23/24	Zoom
August CSRMA/CASA Risk Mgt Seminar <ul style="list-style-type: none"> • Janice Litvin (Banish Burnout) • Bonnie Kolesar (Managing Risk) • Fred Deschamps (FitMe) • Tamarin Austin (Austin Clean Water) 	July 31	Monterey
Sewer Summit	October 12	Virtual conference
Webinars:	May-July	Webinars
4/23/24	Effective Tailgate Safety Meetings/Trainings	
4/24/24	Wrong Chemical into the Wrong Tank - Could an incident like this occur at your Water or Wastewater Treatment Plant?	
4/25/24	Insurance Requirements in Contracts	
4/30/24	Accident Investigation Reporting Roles and Responsibilities - Who, What, When, Where, Why and How	
5/7/24	Navigating FEMA Assistance: An Insider’s Guide To Effectively Obtaining FEMA Assistance Following a Declared Disaster	
5/7/24	Navigating FEMA Assistance: An Insider’s Guide To Effectively Obtaining FEMA Assistance Following a Declared Disaster	
5/9/24	SERP Services – Professional Support for Sewer Spill Response, Training and Compliance	
5/14/24	Water Distribution & Treatment Operator Math Workshop - Webinar	
5/15/24	Developing a Stormwater Emergency Response Plan	
5/16/24	Underground Service Alert	
5/21/24	Managing Sidewalk Liability- Sidewalk Best Practices	
5/22/24	What Supervisors Need to Know About Workers' Compensation to Avoid Legal Pitfalls	
5/22/24	Mastering FOG Management: Best Practices for an Effective Fats, Oils, and Grease Program	
5/23/24	Finding Solutions to Drinking Water Treatment Scenarios	

5/28/24	Understanding The ASTM F3445 Slip Resistant Footwear Standard
5/30/24	Change Management Leading Your Team Through Transformation
6/4/24	Developing Your Leadership Skills Webinar
6/5/24	Smooth Operations, Solid Safety: Harnessing Smart SOP for SOPs and LOTO
6/11/24	NFPA 70E Electrical Safety for Water and Wastewater Workers
6/13/24	CalOSHA Inspection and Serious Injury Reporting - Understanding and Knowing Your Responsibilities, Rights and Requirements
6/19/24	Soft Tissue Injury Risks and Solutions for Collection, Ops and Maintenance Workers
6/20/24	How To ID and Classify Confined Spaces for Wastewater Workers
6/25/24	Wildfire Property Risk Mitigation for Agencies that Own and/or Operate Exposed Facilities
6/27/24	Forklift Safety Awareness
7/11/24	Developing Condition Assessment Programs

RECOMMENDATION: None – information only.

FISCAL IMPACT: Approximately \$60,000. These training programs are part of the 23/24 and 24/25 risk control training budget.

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

Property Program Actuarial Study

ISSUE: An Actuarial Study for the Pooled Property Program was performed to re-evaluate past projections using current loss data and to project future payment patterns to determine rates for the Program renewal. Key points from the Actuarial Study are summarized below:

- Estimated Outstanding Losses at June 30, 2024: \$806,273 (discounted at 2%).
- 2024/25 Projected Ultimate Loss Rate per \$1,000 TIV at a \$100,000 SIR: \$0.079 (70% Confidence Level, discounted at 2%). This represents a 2.5% increase over 2023/24.

RECOMMENDATION: None at this time. Information only.

FISCAL IMPACT: The cost of the annual review is \$5,250. This amount is budgeted for FY 2023/24.

BACKGROUND: Aon has performed the Actuarial study annually, since the inception of the Pooled layer of the Property Program in 2022.

ATTACHMENTS: Draft Actuarial Study of the Self-Insured Property Program as of December 31, 2023 and Extrapolated to June 30, 2024.

Property Program Renewal FY 2024/25

ISSUE: The Property Insurance Program renews July 1, 2024. 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.

As of the writing of this item we have not yet received the renewal quote, and as such the insurance costs depicted in the “Fiscal Impact” section of this item are estimates only.

RECOMMENDATION: The Program Administrators recommend that the Pooled Liability Committee provide direction to the Executive Board to approve renewing the Property Program based on the estimates provided.

FISCAL IMPACT: We are expecting an average increase in total costs to members of approximately 17%. The insurance cost estimates are based on an approximate 8% increase in Total Insurable Values (TIV). The TIV includes values for Lincoln-Sewer Maintenance District 1 Wastewater Authority (LiSWA), whom the CSRMA Board approved for participation in the Program at their January meeting. The TIV is subject to change prior to the renewal. A detailed breakout of the estimated costs is shown below.

Expense Item	2023-24	<i>Estimated</i> 2024-25	<i>Estimated</i> Cost Change	
	\$1 Billion Limit Excess of \$100K Pooled Layer	\$1 Billion Limit Excess of \$100K Pooled Layer		
Est. Pool Deposits (70% CL, Discounted at 2%)	593,907	658,863	64,956	11%
Est. Insurance Costs (Net)	8,349,771	9,861,080	1,511,309	18%
Est. Fixed Expense (JPA Charge)	66,356	111,894	45,538	69%
Program Director Fees	192,000	192,000	0	0%
Total Expected Costs	9,202,034	10,823,837	1,621,803	17.62%

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

Increase in JPA Charge due to expense for KYND Cyber Risk Services

BACKGROUND: For the past several years global catastrophic events have driven the property insurance market into a hard cycle. 2023 was the ninth consecutive year where the U.S. experienced at least 10 catastrophes causing over \$1B in losses. Total losses for 2023 exceeded \$100B, marking the fourth consecutive year with global losses topping that mark.

These industry and CSRMA specific losses coupled with unprecedented inflation and increases in the cost to rebuild/replace damaged structures, results in continued upward rate pressure from property insurers. However, there is more optimism in the market as we head towards the July 1 renewal, and all signs point towards a stabilizing market. This likely means smaller rate increases than we have experienced in recent years.

We are still in a challenging but stabilizing cyber insurance market. Abrupt pricing corrections experienced in the previous renewal cycles were a result of the uptick in severity of claims and pressure mounted to increase retentions from the market. The industry loss ratios and combined ratios saw improvements in 2022-23, but have moved back upward in recent months along with an increase in ransomware activity. Carriers have concerns over systemic type events that could be catastrophic for the industry and are addressing these concerns through coverage restrictions. Insureds can expect some stability in pricing, terms, and conditions for 2024, especially those with good cyber hygiene.

We are about 60 days out from the renewal and a lot can happen between now and when the Property insurance program renews. If CSRMA were to sustain a major loss, or there were to be a major catastrophic event domestically, underwriters could change their rate position.

The APIP underwriters have provided an estimated 10% *rate* increase based on what we know today. The table in this item provides our estimated renewal pricing for CSRMA's "All Risk" Property Insurance Program, including Terrorism and Boiler & Machinery coverage, at the current deductible and limit structure. The Program Administrators are evaluating the cost benefit of increasing the current program deductible (the 'Pooled Layer') from \$100K up to \$250K.

ATTACHMENTS: None.

W. H. AUDEN

W. H. AUDEN

DOGGEREL BY A SENIOR CITIZEN

(for Robert Lederer)

Our earth in 1969
Is not the planet I call mine,
The world, I mean, that gives me strength
To hold off Chaos at arm's-length.

My Eden landscapes and their climes
Are constructs from Edwardian times,
When bath-rooms took up lots of space,
And, before eating, one said Grace.

The automobile, the aeroplane,
Are useful gadgets, but profane.
The enginry of which I dream
Is moved by water or by steam.

Reason requires that I approve
The light-bulb which I cannot love:
To me more reverence-commanding
A fish-tail burner on the landing.

My family ghosts I fought and routed,
Their values, though, I never doubted:
I thought their Protestant Work-Ethic
Both practical and sympathetic.

When couples played or sang duets,
It was immoral to have debts:
I shall continue till I die
To pay in cash for what I buy.



JSTOR

JSTOR and the Poetry Foundation are collaborating to digitize, preserve, and extend access to *Poetry*.

Source: *Poetry* (December 1969)

Russia-linked hacking group suspected of carrying out cyberattack on Texas water facility, cybersecurity firm says

[cnn.com/2024/04/17/politics/russia-hacking-group-suspected-texas-water-cyberattack/index.html](https://www.cnn.com/2024/04/17/politics/russia-hacking-group-suspected-texas-water-cyberattack/index.html)



This undated photo from the City of Muleshoe, Texas, shows the Muleshoe Mules water tower.

From the City of Muleshoe, Texas
CNN —

A hacking group with ties to the Russian government is suspected of carrying out a cyberattack in January that caused a tank at a Texas water facility to overflow, experts from US cybersecurity firm Mandiant said Wednesday.

The hack in the small town of Muleshoe, in north Texas, coincided with at least two other towns in north Texas taking precautionary defensive measures after detecting suspicious cyber activity on their networks, town officials told CNN. The FBI has been investigating the hacking activity, one of the officials said.

The attack was a rare example of hackers using access to sensitive industrial equipment to disrupt regular operations at a US water facility, following a separate cyberattack last November on a Pennsylvania water plant that US officials blamed on Iran.

The cyber incidents in Texas also help explain a rare public appeal that US national security adviser Jake Sullivan made last month to state officials and water authorities to shore up their cyber defenses. Cyberattacks are hitting water and wastewater systems “throughout the United States” and state governments and water facilities must improve their defenses against the threat, Sullivan said in a joint letter with the Environmental Protection Agency chief to state officials.

US officials have been concerned that many of the country’s 150,000 public water systems have struggled to find the cash and personnel to deal with persistent hacking threats from criminal and state actors.

The Texas hacking incidents gained little national attention when they occurred as questions lingered about who was behind the activity. But on Wednesday, Mandiant publicly linked the channel on Telegram, a social media platform, where hackers claimed responsibility for the Muleshoe attack with previous hacking activity carried out by a notorious unit of Russia’s GRU military intelligence agency.

It was unclear, Mandiant analysts said, whether the GRU was behind the cyberattack on Muleshoe’s water facility or if other Russian-speaking hackers using the same persona were claiming responsibility for the hack.

The string of incidents did not affect drinking water in the towns. But if it is confirmed that the GRU or one of its proxies was involved, this would mark an escalation in targeting US critical infrastructure for a Russian group often known for focusing on Ukraine.

In Muleshoe, a town of about 5,000 people, the hackers broke into a remote login system for industrial software that allows operators to interact with a water tank, city manager Ramon Sanchez told CNN. The water tank overflowed for about 30 to 45 minutes before Muleshoe officials took the hacked industrial machine offline and switched to manual operations, Sanchez said in an email. Muleshoe officials replaced the hacked software system and took other steps to secure the network, Sanchez said.

“Water utilities are being abused by adversaries taking advantage of low-hanging fruit — vulnerable services directly accessible from the internet,” said Gus Serino, a water-sector cybersecurity expert who is president of security firm I&C Secure.

“Regulations have not required this low-hanging fruit to be addressed,” Serino told CNN. “This shows a pretty clear need to handle the basics.”

The EPA in October was forced to rescind a key cybersecurity regulation for public water systems following a legal challenge from Republican attorneys general.

The EPA rule “could have put simple measures in place and prevented recent attacks on the water systems,” Anne Neuberger, deputy national security adviser for cyber and emerging technology at the White House, said in a statement to CNN on Tuesday. “But, we remain steadfast in our efforts to ensure Americans’ water systems are secure against cyber attacks, calling on owners and operators to lock their digital doors.”

The Biden-Harris administration, Neuberger added, has recently advised state officials on setting up security plans for protecting their water systems from hacks.

‘Suspicious activity’ in nearby towns

The hack in Muleshoe set off concern in the region. In Lockney, about 75 miles east of Muleshoe, town officials detected “suspicious activity” on the town’s SCADA system — a type of industrial computer network that helps oversee water plants, Buster Poling, Lockney’s city manager, told CNN.

And in the nearby city of Hale Center, hackers also tried to unsuccessfully break into the town’s “firewall,” prompting the town to disable remote access to its SCADA system, city manager Mike Cypert told CNN in an email.

Neither Cypert nor Poling identified the hackers responsible for the attempted cyberattacks; Poling would only say he believed them to be operating from a foreign country but declined to elaborate.

Poling believes the hackers were trying to get access to the town’s water wells, but, he said, town officials were able to catch the threat early and prevent the hackers from having any impact.

“I’ve never experienced this before but ... we’re aware that those threats are out there,” Poling told CNN by phone. The FBI has been investigating the activity, he said.

The FBI declined to comment. CNN has requested comment from the Russian Embassy in Washington, DC, on the hacking incidents.

“Due to the ongoing investigation, EPA is not able to comment on this specific incident,” EPA spokesperson Nick Conger said in a statement to CNN. “However, EPA is coordinating with the State of Texas to support as needed.”

In its report published Wednesday, Mandiant found multiple links between a GRU sabotage and spying unit known as Sandworm and online infrastructure used by hackers using a persona called “CyberArmyofRussia_Reborn.” That includes a YouTube channel operated by the hacktivist persona that Mandiant believes was set up by the GRU-sponsored unit.

Sandworm is best known for series of disruptive cyberattacks that cut power in parts of Ukraine in 2015 and 2016. The group has pummeled Ukrainian infrastructure with cyberattacks throughout the ongoing war.

Sandworm also uses online personas to amplify and exaggerate the impacts of their hacks, according to Mandiant experts.

On January 18, the day that Sanchez, the Muleshoe city manager, told CNN that hackers took accessed the town's industrial computer network, the CyberArmyofRussia_Reborn group posted a video to their Telegram social media channel purporting to show the manipulation of Muleshoe's water valves.

"The haphazardness is part of their pathological emphasis on psychological impact," Dan Black, a Mandiant analyst, told CNN. "They want to make it look like they're doing more than they're doing."

Cyber defenses ramp up as hacks exploit gaps

Posted On: Mar. 1, 2024 12:00 AM CST

Judy Greenwald

Organizations continue to race against cybercriminals to keep their systems secure by focusing on defensive measures, including addressing supply chain weaknesses, removing software vulnerabilities and exploring alternatives to traditional passwords.

Ransomware remains the predominant attack approach they face. Last year's record number of ransomware attacks included a 67% year-over-year increase in fourth quarter incidents, according to a recent report by Corvus Insurance Holdings Inc.

Experts are also concerned about criminals' use of generative artificial intelligence, although it can also be effectively used by companies as a defense (see [related story](#)).

Cybersecurity is simultaneously fast and slow moving, said Chester Wisniewski, Vancouver, British Columbia-based director, field chief technology officer, for cybersecurity company Sophos Ltd.

Criminals and nation states are innovating incredibly quickly, Mr. Wisniewski said. "There's a pace of innovation among those profiting from stealing information that makes it harder for businesses to keep on top of," he said.

Meanwhile, security efforts are held back by long-standing issues, such as reusing passwords and failing to keep patches up to date, he said.

"We keep forgetting that all the bad guys really need is one little gap" to enter systems, said Ed Dubrovsky, Toronto-based chief operating officer and a partner at Cypfer Inc., a cybersecurity company.

The average ransomware model "hasn't changed very much" said Mark Stockley, Oxford, England-based cybersecurity evangelist for Malwarebytes, a cybersecurity company. "We still see criminals sending out malware in waves of email," some of which will get through.

While traditional ransomware "is still very much a thing," it tends to be used to target small and medium-sized enterprises, said John Dwyer, Pittsburgh-based head of research at IBM Security X-Force, a security division of IBM.

In attacking larger companies, criminals often buy readily available company data through the dark web that they threaten to release, he said.



CYBERSECURITY TIPS

Experts say effective cybersecurity practices include:

- Conducting an initial risk assessment to identify vulnerabilities.
- Prioritizing risks.
- Developing an incident response plan.
- Training employees.
- Updating and patching apps as needed.
- Monitoring operations.
- Implementing zero-trust policies, limiting system access to an "as-needed" basis.
- Moving beyond traditional passwords.
- Responding nimbly when warning signs emerge.
- Coordinating among company departments.

Source: *Business Insurance* interviews

Ryan Witt, Sunnyvale, California-based vice president of industry solutions for Proofpoint Inc., a cybersecurity company, said that while ransomware gets a lot of attention, “there’s way more money lost” by companies to broad-based attacks — where payments are redirected, data pilfered or credentials stolen — that permit criminals to navigate networks and determine what to attack or exploit.

An ongoing concern is third-party suppliers. In response to companies’ introduction of more rigorous firewalls and employment management systems, criminals have used suppliers as a way into their computer systems, said Eric Byres, CEO of Victoria, British Columbia-based aDolus Technology Inc.

He pointed to SolarWinds Corp. software which, beginning in 2019, was used in cyberattacks perpetrated by the Russian Foreign Intelligence Service to deploy malicious code into the computers of thousands of companies and government agencies worldwide.

“A zero-trust network is one of the ways to help manage that risk,” Mr. Wisniewski said. Such protocols require identity verification for every person and device trying to access a private network, and limiting even legitimate third parties to specific areas of the network.

Corporate software may also be a problem, experts say.

Complex software packages usually include open-source software with a source code that anyone can modify and whose vulnerabilities may be unknown even to the vendors that sell them.

In December 2021, for instance, a critical vulnerability was found in Log4J, a widely used open-source software.

According to Synopsys Inc.’s 2023 Open Source Security and Risk Report, 84% of codebases have at least one known open-source vulnerability, and 48% contain high-risk vulnerabilities.

One approach to dealing with the issue is to compile a software bill of materials, a list of all the opensource and third-party components present in a codebase, experts say. President Biden signed an executive order requiring SBOM’s use by the federal government in 2021.

This approach, though, is in its early stages of development. “It’s not there yet,” said Rani Osnat, Tel Aviv-based senior vice president, strategy and business development, for Aqua Security Software Ltd. It still “doesn’t necessarily go all the way to the base level,” he said.

And companies should prioritize their security concerns, said Andreas Kroier, Vienna-based senior principal, solution lead of application security, at software company Dynatrace Inc.

In analyzing software, it is important to distinguish the exposures that need to be fixed first from those that are relatively harmless and sit “in back of the environment” to avoid “chasing phantom problems,” he said.

Companies are also moving away from traditional passwords, which are vulnerable to cybercriminals, and toward using cell phones or biometric devices that may require a fingerprint or facial ID and multifactor authentication.

“I would love to see the password die,” Mr. Wisniewski said. “It is a leading way organizations are compromised.”

6 STEPS TO ASSESSING CYBERSECURITY RISKS

- 1 Name all assets. 
- 2 Prioritize the importance of each asset. 
- 3 Identify all possible threats to your assets. 
- 4 Identify all vulnerabilities in your environment. 
- 5 Determine the likelihood of a threat event occurring. 
- 6 Conduct an impact analysis to estimate the threat event’s potential consequences and cost impact. 

Source: Hyperproof Inc.

Travelers RMplusonline

rmplusonline.com/article.cfm



Ask Leslie: Be Clear And Concise When Documenting Reasons For Termination

By [Leslie Zieren](#), [The McCalmon Group, Inc.](#)

We want to terminate an employee, Silvie. She just isn't being a good team player. Any suggestions?

Termination is the riskiest employment decision an employer can make. That said, terminations are often necessary, despite the risk.

One way to manage the risk of termination is to make sure you have a documented, factual basis for discharging an employee.

You could tell Silvie she isn't being "a good team member" and write that in her personnel file – but that would not be sufficient documentation. That is your conclusion, your feelings, your personal belief. Terminating an employee because they are not a "team player" will not play well in front of a jury. It is vague and subjective. You stated nothing factual to support a termination.

What is missing is supportive facts, specifically facts regarding the harm Silvie's actions or inactions caused. For example, a documented termination reason might be:

We are terminating Silvie because she failed to inform others in the organization of an action she was going to take on behalf of a client to make sure the product met the terms of the client's contract in every way. This action should have, and traditionally does, involve, and require, the input of others in our organization with different skills and education. Silvie's failure to include, and work with, other employees resulted in:

Here, you can fill in the blank, depending on the result(s):

- We lost the client (documentable)
- The client is very disappointed (documented in emails)
- Other employees spent hours they don't have remedying the deliverable – hours that would not have been necessary had Silvie informed and worked with others ahead of the scheduled product delivery time (documentable)

Or worse ...

- The client has sued us for breach of contract (definitely, documents are involved now).

Bottom Line:

Effective documentation means the **results** or the **impact** of a "failure to be a team player" on clients, on your organization, and on other employees is included.

No matter the performance shortcoming or policy violation being used as the basis for a termination, always include a statement about the actual effect the behavior had on others and/or the project.

Jack McCalmon, Leslie Zieren, and Emily Brodzinski are attorneys with more than 50 years combined experience assisting employers in lowering their risk, including answering questions, like the one above, through the McCalmon Group's Best Practices Help Line. The Best Practice Help Line is a service of The McCalmon Group, Inc. Your organization may have access to The Best Practice Help Line or a similar service from another provider at no cost to you or at a discount. For questions about The Best Practice Help Line or what similar services are available to you via this Platform, call 888.712.7667.

If you have a question that you would like Jack McCalmon, Leslie Zieren, or Emily Brodzinski to consider for this column, please submit it to ask@mccalmon.com. Please note that The McCalmon Group cannot guarantee that your question will be answered. Answers are based on generally accepted risk management best practices. They are not, and should not be considered, legal advice. If you need an answer immediately or desire legal advice, please call your local legal counsel.

CSRMA MEETING CALENDAR 2024			
JANUARY	FEBRUARY	MARCH	APRIL
CSRMA EB - WED - 24	CSRMA LIAB (TC) - MON - 12	CSRMA LRP - SUN - TUE - 3, 4, 5	CSRMA FIN - MON - 15 (SFO)
CSRMA BD - WED - 24	CSRMA WC - THUR - 15		
<i>CASA January 24 - 26</i>	<i>PARMA February 20 - 23</i>		
<i>Palm Springs</i>	<i>Indian Wells</i>		
MAY	JUNE	JULY	AUGUST
CSRMA LIAB - MON - 6 (WC OFFICE)	CSRMA EB (TC) - MON - 10	CSRMA EB - TUE - 30	
CSRMA OC (TC) - TUES - 7	CSRMA BOD (TC) - THUR - 20	CSRMA BD - WED - 31	
CSRMA WC (TC) - THUR - 16	CSRMA OC (TC) - WED - 26		
		<i>CASA July 31 - August 2</i>	
		<i>Monterey</i>	
SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
CSRMA LIAB - MON - 9 (WC OFFICE)	CSRMA EB - MON - 7 (SFO)	CSRMA OC (TC) - FRI - 1	CSRMA EB (TC) - MON - 2
CSRMA OC (TC) - FRI - 13	CSRMA WC (TC) - WED - 16	CSRMA FIN (TC) - MON - 4	CSRMA OC (TC) - THUR - 12
		CSRMA LIAB - MON - 18 (WC OFFICE)	
<i>CAJPA September 10 - 13</i>			
<i>South Lake Tahoe</i>			

Meetings in RED are IN-PERSON

**CSRMA
Board of Directors
60 Members**

Finance Committee
Jason Dow, Chair
Matt Anderson
Philip Leiber
Ryan Green

Executive Board
Craig Murray, Carpinteria SD (President)
Sandeep Karkal, Novato SD (Vice President)
Michael Thornton, San Elijo JPA
Vince De Lange, Delta Diablo
Michelle Gallardo, Dublin San Ramon SD
Teresa Herrera, Silicon Valley Clean Water
Patrick Ostly, North of River SD
Tyson Zimmerman, Ironhouse SD (Alternate)

Officers Committee
Craig Murray
Sandeep Karkal

Treasurer-Auditor
Jason Dow

Secretary
Roland Williams

Legal Counsel
Byrne Conley, Esq.
Gibbons & Conley

Financial Auditor
James Marta,
James Marta & Company

**Program Management
Alliant Insurance Services, Inc.
JPA Administration & Insurance**
Dennis Mulqueeny
Seth Cole
Myron Leavell
Marilyn Schley
P.J. Skarlanic
Steve Davidson
Thary Ou
Tevea Him
Phuntsok Gaphel
Loss Control Services
David Patzer, Patzer Risk Control Services
CSRMA Risk Control Advisor
Heather Truro, HT Consulting
Return to Work Consultant
Accounting
Tami Giovanni

Financial Advisor
Michael Kronbeter,
PFM Asset Management
LLC

Pooled Liability Program Committee
Teresa Herrera, Silicon Valley Clean Water, Chair
Sergio Ramirez, West Bay SD
Jimmy Dang, Oro Loma SD
Mark Carlson, Union SD
Jordan Damerel, Fairfield-Suisun SD
Veronica Cazares, Selma-Kingsburg-Fowler County SD

Workers' Compensation Program Committee
Vince De Lange, Delta Diablo, Chair
Jeffrey Kingston, Sausalito-Marin City SD
Curtis Paxton, Las Gallinas Valley SD
Jennifer Sabine, Encina Wastewater Authority
Jan Lee, Dublin San Ramon SD
VACANT

Claims
Alan Dialon
Carl Warren & Co.

Claims
Stella Sebastiani
Athens

Service Team

