



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

Insurance License No.: 0C36861
Fax: 415.402.0773

OFFICERS:

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

PAST PRESIDENTS:

Craig Murray
2020-2024
Greg Baatrup
2018-2020

**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
170 Dogwood Lane, Vallejo, CA 94591

Phone One-Tap: [+16699006833](tel:+16699006833)..93418355387#....*286629#
<https://alliantinsurance.zoom.us/j/93418355387?pwd=y8AZVsyOs9NLvb0KdwGwpU3QEev6kP.1>

Date/Time: Monday, February 18, 2025
11:00 AM

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

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	
E. CLAIMS ADMINISTRATION	H = Handout	
1. Meeting Minutes of November 18, 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. <i>See Reverse for Full Listing of Claims to be Discussed</i>	A	
1. Reporting and Ratification of Claims Settlements <i>Recommendation: Review and ratify claims settlements approved in closed session.</i>	A/V	
2. Carl Warren Staffing Update <i>Recommendation: Receive an update on Carl Warren staffing.</i>	I	p. 11
3. Year in Review <i>Recommendation: Receive a report on claims activity from the prior year.</i>	I	p. 15
4. Quarterly Claims Report as of December 31, 2024 <i>Recommendation: Review the quarterly claims report as of 12/31/24.</i>	I	p. 18
5. Pooled Liability Program Claims Audit <i>Recommendation: Discuss the biennial claims audit and provide direction.</i>	A	p. 19
6. E.6. Claims Handling Philosophy <i>Recommendation: Review and discuss the current claims handling process.</i>	I	p. 20
1. Prospective New Member: Central Contra Costa Sanitary District <i>Recommendation: Discuss Central Contra Costa Sanitary District's interest in joining the Pooled Liability Program.</i>	V	
1. FY 25/27 Risk Control Work Plan - Draft <i>Recommendation: Review the proposed FY 25/27 Risk Control Work Plan.</i>	A	p. 21

H. PROPERTY PROGRAM			
1.	Actuarial Study	A	p. 39
	<i>Recommendation: Review and approve the proposed fee agreement from AON to provide actuarial services.</i>		
2.	FY 2025/26 Property Program Renewal	V	
	<i>Recommendation: Review and discuss the upcoming renewal.</i>		

I. INFORMATION ITEMS			
1.	"Poem of the Day"	I	p. 56
2.	Article - <i>Why clearing brush around Los Angeles wont reduce fire danger - npr.org</i>	I	p. 58
3.	Article - <i>Use Common Sense Cybersecurity To Limit Access And Exposure To Malware</i>	I	p. 64
4.	Article - <i>From Cyber Prank To Wrongful Death - Negligence Risks From Former Employee Hacks</i>	I	p. 66
5.	CSRMA 2025 Meeting Calendar	I	p. 68
6.	CSRMA Organizational Chart	I	p. 69
7.	CSRMA Service Team	I	p. 70
	<i>Recommendation: Review the Information Items.</i>		

J.	ADJOURNMENT
	<i>The next meeting is scheduled for Monday, May 6, 2024 at the Alliant Walnut Creek Office.</i>

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

Report Criteria: Feature Status <> C And Tier 1 = CAL SANITATION RMA And As-Of Transaction Begin Date = And As-Of Transaction End Date = And Loss Run? = Yes | Row Count: 68 | Report Run: 2/1/2025 04:32 AM

Member District	Claim Number	Claimant Name	Coverage	Claimant Number	Date Of Loss	Claim Date Reported
ENCINA WASTEWATER AUTHORITY	3035218	[REDACTED]	EMPLOYMENT PRACTICES	1	11/08/2021	07/29/2022
ENCINA WASTEWATER AUTHORITY	3074475	Salinas, Dario	BODILY INJURY	1	07/01/2024	08/12/2024
FAIRFIELD/SUISUN SEWER DISTRICT	3063039	Karchesky, Wayne	BODILY INJURY	1	02/12/2022	10/30/2023
IRONHOUSE SANITARY DISTRICT	3071581	[REDACTED]	EMPLOYMENT PRACTICES	1	05/26/2023	04/26/2024
MID-COASTSIDE	3042504	Sorfleet, Bill	PROPERTY DAMAGE	1	01/02/2023	01/17/2023
MID-COASTSIDE	3042504	Reiken, Chris & Beth	PROPERTY DAMAGE	3	01/02/2023	01/17/2023
MONTARA WATER AND SANITARY DISTRICT	3028986	Blum, Gonul & Mitch	PROPERTY DAMAGE	1	12/24/2021	01/11/2022
MONTARA WATER AND SANITARY DISTRICT	3028986	Kaplan/Pettigrew-Kap, Jerry/Michelle	PROPERTY DAMAGE	2	12/24/2021	01/11/2022
MONTARA WATER AND SANITARY DISTRICT	3028986	Moehring/Trieselmann, Janet/Erich	PROPERTY DAMAGE	3	12/24/2021	01/11/2022
MONTARA WATER AND SANITARY DISTRICT	3072779	Carroll, Susan	BODILY INJURY	1	12/15/2023	06/10/2024
MONTECITO SANITARY DISTRICT	3066345	Withers , Cynthia	PROPERTY DAMAGE	1	02/19/2024	03/06/2024
MT. VIEW SANITARY DISTRICT	3077430	Frankel, Chris	PROPERTY DAMAGE	1	11/28/2024	11/28/2024
MT. VIEW SANITARY DISTRICT	3078748	Dambrusio, Vanessa	PROPERTY DAMAGE	1	01/17/2025	01/17/2025
NEVADA COUNTY WASTEWATER	3062589	[REDACTED]	EMPLOYMENT PRACTICES	1	11/16/2022	10/11/2023
NORTH OF RIVER SANITARY DISTRICT	3077466	Breakthrough Intl Church	PROPERTY DAMAGE	1	11/27/2024	12/02/2024
NOVATO SANITARY DISTRICT	3065528	Gallardo, Len	PROPERTY DAMAGE	1	01/30/2024	02/06/2024
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	11/01/2021	07/04/2023
ORO LOMA SANITARY DISTRICT	3049970	Cooper, Melody	BODILY INJURY	1	02/21/2019	08/11/2023
ORO LOMA SANITARY DISTRICT	3049970	Nand, Ajish	BODILY INJURY	2	02/21/2019	08/11/2023
ORO LOMA SANITARY DISTRICT	3049970	Nand, Lalita	BODILY INJURY	3	02/21/2019	08/11/2023
ORO LOMA SANITARY DISTRICT	3074368	Corral, Domingo	BODILY INJURY	1	05/14/2024	08/07/2024
ROSS VALLEY SANITARY DISTRICT	3065766	Ferris, Brian	PROPERTY DAMAGE	1	01/31/2024	02/14/2024
ROSS VALLEY SANITARY DISTRICT	3077866	Kane, Ari	PROPERTY DAMAGE	1	12/14/2024	12/16/2024
S A S M	3074783	Watson, Gemma Suzanne	PROPERTY DAMAGE	1	08/19/2024	08/21/2024
SANTA MARGARITA WATER DISTRICT	3032924	[REDACTED]	EMPLOYMENT PRACTICES	1	11/10/2021	05/12/2022
SANTA MARGARITA WATER DISTRICT	3032924	[REDACTED]	EMPLOYMENT PRACTICES	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	BODILY INJURY	1	12/13/2022	01/12/2023
SANTA MARGARITA WATER DISTRICT	3041926	Mobasherifar, Najmeh	PROPERTY DAMAGE	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	3068531	Progressive Ins a/s/o, Gruszczynski	PROPERTY DAMAGE	1	03/13/2024	04/05/2024
SANTA MARGARITA WATER DISTRICT	3069123	GUYOT, CAESAR & IRENE	PROPERTY DAMAGE	1	04/20/2022	04/24/2024
SANTA MARGARITA WATER DISTRICT	3075790	Sweeney, Kevin	PROPERTY DAMAGE	1	09/28/2024	09/30/2024
SANTA MARGARITA WATER DISTRICT	3076326	Malfavon, Fidel and Amber	PROPERTY DAMAGE	1	10/18/2024	10/18/2024
SANTA MARGARITA WATER DISTRICT	3078391	[REDACTED]	EMPLOYMENT PRACTICES	1	10/15/2024	01/07/2025
SANTA MARGARITA WATER DISTRICT	3106293	Thomas, Julie	PROPERTY DAMAGE	1	01/17/2025	01/24/2025
SELMA-KINGSBURG-FOWLER COUNTY SANITARY D	3077808	Lake, Joslin	BODILY INJURY	1	11/17/2022	12/11/2024
STEGE SANITARY DISTRICT	3068849	Wong, Jacob	PROPERTY DAMAGE	1	04/16/2024	04/17/2024
STEGE SANITARY DISTRICT	3075601	Barrett, Bebe	PROPERTY DAMAGE	1	11/02/2021	09/20/2024
TAHOE-TRUCKEE SANITATION AGENCY	3078127	[REDACTED]	EMPLOYMENT PRACTICES	1	06/27/2024	12/23/2024
UNION SANITARY DISTRICT	3049241	Johnson, Davina	BODILY INJURY	1	01/10/2023	07/10/2023
UNION SANITARY DISTRICT	3056915	Chen , Chung-Ho	BODILY INJURY	1	02/07/2023	08/28/2023
VALLEJO FLOOD AND WASTE WATER DISTRICT	3045772	Cabrera, Trever-James F.	BODILY INJURY	1	08/03/2022	04/14/2023
VALLEJO FLOOD AND WASTE WATER DISTRICT	3073566	Vincenty, Clifford	BODILY INJURY	1	03/27/2023	07/09/2024
VICTOR VALLEY WASTEWATER RECLAMATION AUT	1980783	[REDACTED]	EMPLOYMENT PRACTICES	1	05/21/2018	05/21/2018
VICTOR VALLEY WASTEWATER RECLAMATION AUT	2005386	[REDACTED]	EMPLOYMENT PRACTICES	1	01/01/2014	12/17/2019
VICTOR VALLEY WASTEWATER RECLAMATION AUT	3009200	[REDACTED]	EMPLOYMENT PRACTICES	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	3106422	Lim, Kyna	PROPERTY DAMAGE	1	07/23/2024	01/29/2025
WEST COUNTY WASTEWATER DISTRICT	3039920	[REDACTED]	EMPLOYMENT PRACTICES	1	11/09/2022	11/09/2022
WEST COUNTY WASTEWATER DISTRICT	3045201	Williams, Maurice & Mohania	PROPERTY DAMAGE	1	03/28/2023	03/30/2023
WEST COUNTY WASTEWATER DISTRICT	3045201	McKneely , Wilford & Gwendolyn	PROPERTY DAMAGE	2	03/28/2023	03/30/2023
WEST COUNTY WASTEWATER DISTRICT	3056801	[REDACTED]	EMPLOYMENT PRACTICES	1	07/25/2023	08/21/2023
WEST COUNTY WASTEWATER DISTRICT	3061610	[REDACTED]	EMPLOYMENT PRACTICES	1	09/01/2023	09/05/2023



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: 68 | Report Run: 2/1/2025 04:32 AM

Member District	Claim Number	Claimant Name	Coverage	Claimant Number	Date Of Loss	Claim Date Reported
WEST COUNTY WASTEWATER DISTRICT	3061610	[REDACTED]	LIABILITY PERSONAL INJURY	1	09/01/2023	09/05/2023
WEST COUNTY WASTEWATER DISTRICT	3071849	Ashley Rollins C/O AAA Insurance	PROPERTY DAMAGE	1	04/10/2024	05/08/2024
WEST COUNTY WASTEWATER DISTRICT	3071849	Rollins, Ashley	BODILY INJURY	2	04/10/2024	05/08/2024
WEST COUNTY WASTEWATER DISTRICT	3077882	Shapiro, Matt	PROPERTY DAMAGE	1	12/15/2024	12/16/2024
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	3075653	Carnico Tools and Provisions	PROPERTY DAMAGE	1	09/20/2024	09/23/2024

**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY
MINUTES OF THE
POOLED LIABILITY COMMITTEE MEETING
NOVEMBER 18, 2024
WALNUT CREEK, CALIFORNIA**

MEMBERS PRESENT

Mx. Teresa Herrera, Chair, Silicon Valley Clean Water
Mr. Sergio Ramirez, West Bay Sanitary District
Mr. Mark Carlson, Union Sanitary District (via teleconference)
Mr. Jimmy Dang, Oro Loma Sanitary District
Mr. Jordan Damerel, Fairfield-Suisun Sewer District
Ms. Veronica Cazares, Selma-Kingsburg-Fowler Community Services District

GUESTS AND CONSULTANTS PRESENT

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. Byrne Conley, Gibbons & Conley
Mr. Alan Dialon, Carl Warren & Company
Ms. Beth Tavares, Carl Warren & Company

A. CALL TO ORDER

Teresa Herrera, Chair, called the meeting to order at 11:02 a.m.

B. PUBLIC AND COMMITTEE MEMBER COMMENTS

None.

C. GENERAL ADMINISTRATION

C.1. Meeting Minutes of September 9, 2024

The Meeting Minutes of September 9, 2024 were reviewed.

A motion was made to approve the minutes as presented.

MOTION: Jimmy Dang **SECOND:** Jordan Damerel **MOTION CARRIED**

AYES: Carlson, Cazares, Damerel, Dang, Herrera, Ramirez

NAYS: None

ABSTAIN: None

ABSENT: None

C.2. Proposed 2025 Meeting Calendar

Seth Cole reviewed the proposed 2025 meeting calendar with the Committee and reported that at their last meeting, the Committee had requested the timing of the meetings be pushed back to 11:00 a.m. to allow Committee members flexibility in travel.

A motion was made to approve the Meeting Calendar as presented.

MOTION: Jimmy Dang **SECOND:** Jordan Damerel **MOTION CARRIED**

AYES: Carlson, Cazares, Damerel, Dang, Herrera, Ramirez

NAYS: None

ABSTAIN: None

ABSENT: None

D. CLOSED SESSION

The Committee entered Closed Session at 11:08 a.m. pursuant to Government Code Section 54956.95. The Committee left Closed Session at 11:27 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. Quarterly Claims Report as of September 30, 2024

P.J. Skarlanic reviewed the Quarterly Claims Report with the Committee. This report reflects the claims activity as of September 30, 2024. P.J. explained that the loss ratio represents incurred claims as a percentage of pooled deposits collected.

The loss ratio for Program Year 38 through September 30, 2024 is 6.31%, well below the 5-year and total program averages of 50.78% and 43.09%, respectively.

Seth Cole added that the Program overall is performing well. Loss frequency is continuing a downward trend in recent years; however, severity has increased, most notably in the more recent program years, due to a number of factors, including inflation and increased loss costs.

F. UNDERWRITING ISSUES

F.1. Actuarial Study Presentation

Seth Cole reported that both CSRMA and the Captive (CWIC) have actuarial studies performed. CSRMA's actuarial study was performed to re-evaluate past liability loss projections using current loss data. CWIC uses an actuary to develop the go forward gross premium to reinsure the Pooled

Liability Program pooled layer. Effective 12/31/23 CSRMA began transferring the risk of the pooled layer to CWIC.

Seth reviewed the results of the CSRMA actuarial study with the Committee highlighting slides 15 and 16 showing the increase with changed in incurred > \$100,000. Overall, outstanding liabilities increased by \$0.5M from 6/30/23 to 6/30/24, with favorable development on General Liability claims in 2021 and prior, but an increase in the most recent years and an increase in EPL case reserves.

F.2. PY 38 (2024-25) Renewal

Seth Cole presented the expected costs for the Program Year 38 Renewal, effective December 31, 2024, at the expiring program structure to the Committee CSRMA currently transfers the Pooled Layer risk (member deductible to \$750,000) to the Clean Water Insurance Captive (CWIC).

The CWIC Gross Premium is developed by the Alliant actuarial team. The analysis includes the cost to fund losses in the pooled layer, underwriting margin and CWIC's administrative expenses. The actuary has projected a 27.24% increase in funding due to unfavorable loss development, particularly EPL.

The reinsurance/excess premium is conservatively estimated at a 15% increase. The Program Administrators are currently negotiating the reinsurance and excess insurance with the incumbent markets. Munich Re, the incumbent on the lead layer has quoted the renewal at a 12.62% increase. It is expected that the renewal quotes for all layers will be received ahead of the Executive Board meeting.

The Fixed Expense (JPA Charge) is expected to increase by 13.30% (\$51,454), driven primarily due to an increase in the approved Risk Control Work Plan.

Overall, the total estimated costs for the Program renewal at the expiring structure are expected to be \$8.8M, approximately a 18.57%% increase over the previous year, which is in line with the original estimates of 15% - 20%.

A motion was made to recommend the renewal of the Pooled Liability Program to the Executive Board as presented.

MOTION: Jordan Damerel **SECOND:** Jimmy Dang **MOTION CARRIED**

AYES: Carlson, Cazares, Damerel, Dang, Herrera, Ramirez

NAYS: None

ABSTAIN: None

ABSENT: None

F.3. Deductible Selection Policy and Procedure

Seth Cole reviewed the item for the Committee. At their September 8, 2024 meeting, the Committee directed the Program Administrators to schedule meeting with two member agencies who met the threshold for having Adverse Loss Experience. David Patzer visited West County

Wastewater District to address their General Liability and EPL loss experience and reported that some noteworthy improvements were implemented to prevent future loss. The Program Administrators also met with Santa Margarita Water District. David felt that the meeting was positive and will be working with them to move towards standards-based training with competency assessments. The Program Administrators are not recommending an increase in deductible for either agency, however, did note that due to SMWD's size, they may be more suited to increase their deductible at a future renewal.

F.4. DRAFT Retrospective Rating Calculation as of 6/30/24

Seth Cole reported that the draft Retrospective Rating Calculation based on updated loss information and financial data as of June 30, 2024 is still in process and is expected to be completed ahead of the Executive Board's June meeting. The Program Administrators will report to the Committee when the calculation is completed and will present the results to the Executive Board for approval.

F.5. DRAFT Dividend Calculation as of 12/31/24

Seth Cole reported that the Pooled Liability Program Policy & Procedure No. 5-L allows for dividends to be declared from completed program years if the following requirements are met:

- Dividends can be declared only if, on an aggregate basis, all eligible program years are fully funded at the confidence level established in the procedure, and the retained fund amount is in excess of seven (7) times the pooled layer program's per occurrence limit currently in force prior to the dividend calculation, subject to a minimum retained fund balance in the program after the dividend is calculated in the amount of \$5,000,000.
- Dividends cannot be declared sooner than five years after expiration of a program year.
- No more than 25% of any years' retained earnings will be declared as dividends.

As of June 30, 2024, the Pooled Liability Program retained funds were \$4,578,402, and therefore dividends are not eligible for declaration.

F.6. Retrospective Rating Calculation Policy & Procedure Amendments

Seth Cole reviewed the item. The Program Administrators had 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. This project presented opportunities to create efficiencies and improve the administrative components of the Program. Bickmore's observations and recommendations were summarized for the Committee.

- The Retro calculation should be performed three and a half years following the expiration date of a program year.
- Discontinue the retro for program years prior to 2013-14.

The Committee discussed the recommended amendments to the Policy & Procedure and directed the Program Administrators to amend the second bullet to discontinue the retro for program years 10 years or older.

A motion was made to recommend that the Executive Board recommend accepting the proposed changes to the full Board of Directors with the noted amendment.

MOTION: Sergio Ramirez **SECOND:** Jimmy Dang **MOTION CARRIED**

AYES: Carlson, Cazares, Damerel, Dang, Herrera, Ramirez

NAYS: None

ABSTAIN: None

ABSENT: None

G. LOSS CONTROL

G.1. 2-Year Risk Control Work Plan

Seth Cole reported each year, the Risk Control Subcommittee, which is made up of the chairs of the Workers' Compensation Committee and the Pooled Liability Committees, meets with the Risk Control Advisor (David Patzer), to update the rolling 2-year Risk Control Work Plan. Seth encouraged the Committee to share ideas to be considered for the work plan with either David Patzer, Teresa Herrera or Vince De Lange and we will add to the discussion. A draft of the work plan will be brought to each Committee to review, comment, and make additional recommendations. Once both Committees have had a chance to review the plan, it will be taken to the Executive Board at their Long-Range Planning Session for their review in March. The plan will then be finalized and brought back to both Committees.

H. PROPERTY PROGRAM

None.

I. INFORMATION ITEMS

I.1. *Poem of the Day*

I.2. *Article – Is That QR Code an Entry Point to Stealing Your Data – Alliant.com*

I.3. *Article – Copper Theft - PRISM*

I.4. *Article – Fraud And Favoritism: A Harmful Combo – Travelers RMplusonline*

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 12:15 p.m. The next meeting is scheduled for February 18, 2025 via teleconference.

Carl Warren Staffing Update

ISSUE: Alan Dialon, the Sr. Adjuster who was handling CSRMA's claims submitted his resignation to Carl Warren & Company (CWC). CWC has identified a replacement for Alan. Teresa Collier will manage the property and bodily injury claims, and Beth Taveras will continue to handle the employment practices claims for the Pooled Liability Program. Teresa and Beth will attend the meeting and will be available to answer any questions that the Committee may have.

RECOMMENDATION: None. Information only.

FISCAL IMPACT: None.

BACKGROUND: None.

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

California Sanitation Risk Management Authority
Carl Warren Team Directory



CARL WARREN & COMPANY

Claims Management and Solutions

A  **VENBROOK** Company

Please report all claims to:
CSRMAclaims@carlwarren.com

EXECUTIVE VICE PRESIDENT, [ANGELIQUE KING](#)

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

CLAIMS MANAGER, [BETH TAVARES](#)

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

SR. CLAIMS EXAMINER, [TERESA COLLIER](#)

Tel: (818) 265-6721 | Email: tcollier@carlwarren.com

Mailing Address: PO Box 2411, Tustin, CA 92781

CLIENT SERVICES DEPARTMENT

For Loss Runs, Reports or Questions: clientsupport@carlwarren.com

TRUST ACCOUNTING

trustaccounts@carlwarren.com

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

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

CLIENT SERVICES DIRECTOR, [KELLY CARTER](#)

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

SUBROGATION SUPERVISOR, [SHEILA NEUMAN](#)

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

January 24, 2025

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

Re: Carl Warren & Company Succession Plan for CSRMA

Dear Mr. Cole:

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

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

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

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

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

Sr Adjuster: Teresa Collier (Timothy Robinson)
Manager: Beth Tavares (Dianna Wheeler)

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



Sincerely,

CARL WARREN & COMPANY

Kelly Carter

Kelly Carter

Director of Client Services

kcarter@carlwarren.com

Tel: (818) 265-6712 | Fax: (866) 254-4423

Claims Administration – Year in Review

ISSUE: Carl Warren & Company will review a high-level summary of the claims activity for the Pooled Liability Program in 2024 with the Committee. A copy of the summary is attached to this item.

RECOMMENDATION: None.

FISCAL IMPACT: None.

BACKGROUND: None.

ATTACHMENTS: Summary of Claims Activity

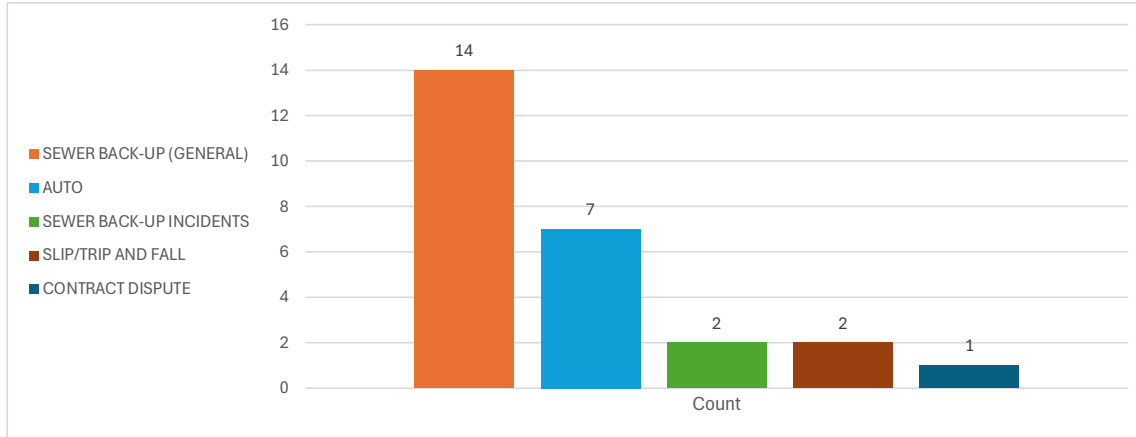
2024 Snapshot Report

CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY (CSRMA)

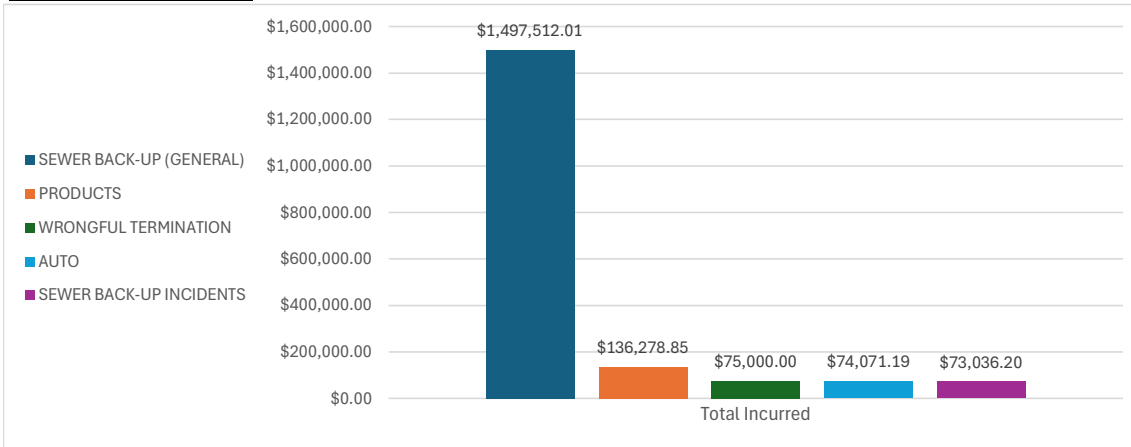
As of: 12/31/2024

Policy Year: 12/31/2023 TO 12/31/2024

Top 5 Causes by Frequency



Top 5 Causes by Severity



2024 Claim Activity - All Policy Years

Open Claims as of 12/31/24	85
Claims Reported 2024	54
Claims Closed 2024	42
Closing Ratio	78%

Policy Year Overview

Policy Begin Date	Policy End Date	Feature Status	Feature Count	Reserve Loss	Reserve Expense	Payment Loss	Payment Expense	Incurred Loss	Incurred Expense
12/31/2023	12/31/2024	Closed	8	\$0.00	\$0.00	\$78,759.21	\$7,342.07	\$78,759.21	\$7,342.07
12/31/2023	12/31/2024	Open	26	\$1,313,490.38	\$83,016.00	\$474,919.11	\$29,305.18	\$1,788,409.49	\$112,321.18
Overall Totals			34	\$1,313,490.38	\$83,016.00	\$553,678.32	\$36,647.25	\$1,867,168.70	\$119,663.25

Top 10 Open Occurrences by Total Incurred

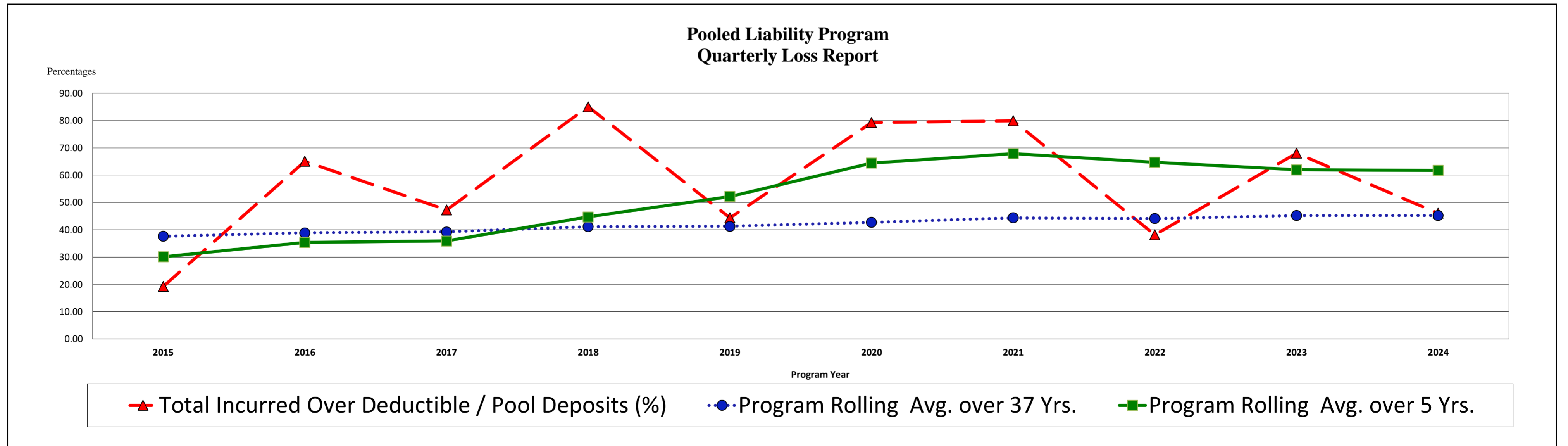
Description	Claim #	Reserve Loss	Reserve Expense	Payment Loss	Payment Expense	Total Incurred
General sewer back up into basement	3075790	\$237,443.80	\$4,661.00	\$318,071.80	\$2,962.50	\$563,139.10
Claim Total	3075790	\$237,443.80	\$4,661.00	\$318,071.80	\$2,962.50	\$563,139.10
Sewer Backup into Church – Due to Grease in main line.	3077466	\$350,000.00	\$7,500.00	\$0.00	\$1,444.84	\$358,944.84
Claim Total	3077466	\$350,000.00	\$7,500.00	\$0.00	\$1,444.84	\$358,944.84

a liner on the sewer main was obstructing the customer's lateral. We have no records of that liner but based on the type of liner it appears to be installed in the 2000-2005.	3076326	\$275,000.00	\$1,645.00	\$55,380.00	\$8,860.10	\$340,885.10
Claim Total	3076326	\$275,000.00	\$1,645.00	\$55,380.00	\$8,860.10	\$340,885.10
Leaking control valve owned by DSRSD caused damage to claimants property.	3077294	\$134,502.00	\$1,500.00	\$0.00	\$276.85	\$136,278.85
Claim Total	3077294	\$134,502.00	\$1,500.00	\$0.00	\$276.85	\$136,278.85
General SSO – Clog in main line.	3077882	\$80,000.00	\$1,500.00	\$0.00	\$0.00	\$81,500.00
Claim Total	3077882	\$80,000.00	\$1,500.00	\$0.00	\$0.00	\$81,500.00
Debris in sewer main caused backup	3068849	\$56,375.84	\$1,270.00	\$18,624.16	\$4,317.80	\$80,587.80
Claim Total	3068849	\$56,375.84	\$1,270.00	\$18,624.16	\$4,317.80	\$80,587.80
Claimant alleges harassment and wrongful termination.	3078127	\$50,000.00	\$25,000.00	\$0.00	\$0.00	\$75,000.00
Claim Total	3078127	\$50,000.00	\$25,000.00	\$0.00	\$0.00	\$75,000.00
Sewer back up. System was overwhelmed by Storms.	3066603	\$913.13	\$3,000.00	\$63,084.80	\$3,787.97	\$70,785.90
Claim Total	3066603	\$913.13	\$3,000.00	\$63,084.80	\$3,787.97	\$70,785.90
Employee made unsafe lane change into claimant vehicle.	3071849	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Employee made unsafe lane change into claimant vehicle.	3071849	\$50,000.00	\$2,500.00	\$0.00	\$0.00	\$52,500.00
Employee made unsafe lane change into claimant vehicle.	3071849	\$0.00	\$0.00	\$4,462.52	\$849.30	\$5,311.82
Claim Total	3071849	\$50,000.00	\$2,500.00	\$4,462.52	\$849.30	\$57,811.82
SEJPA staff made a programming error that resulted in a valve on the outfall system to close incorrectly causing a spill of treated wastewater on Escondido's land outfall (upstream from SEJPA).	3068999	\$25,000.00	\$1,000.00	\$0.00	\$1,892.57	\$27,892.57
Claim Total	3068999	\$25,000.00	\$1,000.00	\$0.00	\$1,892.57	\$27,892.57
General sewer back up – Main line blockage	3061621	\$5,133.99	\$2,000.00	\$14,866.01	\$0.00	\$22,000.00
General sewer back up – Main line blockage	3061621	\$2,179.18	\$1,500.00	\$7,820.82	\$0.00	\$11,500.00
Claim Total	3061621	\$10,529.18	\$5,000.00	\$31,542.65	\$756.00	\$47,827.83
Pothole damage claimant was a passenger in the vehicle upon impact he sustained injuries	3049847	\$15,000.00	\$2,500.00	\$0.00	\$0.00	\$17,500.00
Pothole damage claimant was a passenger in the vehicle upon impact he sustained injuries	3049847	\$15,000.00	\$1,000.00	\$0.00	\$0.00	\$16,000.00
Pothole damage claimant was a passenger in the vehicle upon impact he sustained injuries	3049847	\$10,000.00	\$1,000.00	\$0.00	\$518.40	\$11,518.40
Claim Total	3049847	\$40,000.00	\$4,500.00	\$0.00	\$518.40	\$45,018.40

POOLED LIABILITY PROGRAM
Quarterly Claims Report
As of December 31, 2024

Program Year	PY 1-28 1987-2014	PY 29 2015	PY 30 2016	PY 31 2017	PY 32 2018	PY 33 2019	PY 34 2020	PY 35 2021	PY 36 2022	PY 37 2023	PY 38* 2024	Program Avg Over 5 yrs	Program Avg 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	109	55	89	55	58	34	58	106
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	3,015,044	3,195,709	2,174,999
Total Paid To Date	33,502,039	530,098	1,763,028	1,284,123	2,137,872	1,092,486	1,691,227	2,302,346	549,370	1,865,172	367,620	1,355,147	1,239,089
Total Reserved	113,171	0	3,424	0	143,950	15,000	403,301	259,235	762,220	637,308	1,021,344	616,681	88,393
Total Incurred	33,615,210	530,098	1,766,452	1,284,123	2,281,822	1,107,486	2,094,528	2,561,582	1,311,590	2,502,479	1,388,964	1,971,829	1,327,482
POOL PENETRATION													
No. of Occurrences Over Deductible	327	10	13	12	12	6	8	12	8	9	6	9	11
Total Paid Over Deductible (per occurrence)	20,429,128	530,098	1,763,028	1,284,123	2,137,872	1,092,486	1,691,227	2,302,346	549,370	1,865,172	367,620	1,355,147	895,065
Total Reserves Over Deductible (per occurrence)	113,171	0	3,424	0	143,950	15,000	403,301	259,235	762,220	637,308	1,021,344	616,681	88,393
Total Incurred Over Deductible	20,542,300	530,098	1,766,452	1,284,123	2,281,822	1,107,486	2,094,528	2,561,582	1,311,590	2,502,479	1,388,964	1,971,829	983,458
Total Incurred Over Deductible / Pool Deposits (%)	38.54	19.23	65.05	47.24	85.07	44.36	79.29	79.90	38.17	68.01	46.07	61.70	45.22

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



Pooled Liability Program Claims Audit

ISSUE: Every two years the Third-Party Administrator (TPA) undergoes a claims administration audit. The last audit was performed in August 2023, and it is therefore time to initiate another audit.

RECOMMENDATION: The Program Administrators recommend that the Pooled Liability Committee discuss the audit process and direct staff to solicit proposals from claims auditing firms through an RFP process.

FISCAL IMPACT: \$9,000 has been budgeted in the FY 24/25 budget for the claims audit. The prior audit conducted by Farley Consulting was at a total cost of \$5,900.

BACKGROUND: The claims audit is designed to capture key measurements that allow a JPA to gauge the effectiveness of its Third-Party Administrator (TPA) to resolve claims in a prompt, equitable and efficient manner. It not only reviews what our TPA is doing, but also how claims are being reported and managed by our members. Auditing claims services is not only a good risk management practice, but also is recommended by the California Association of Joint Powers Authority (CAJPA), and is a benchmark for their accreditation process, in which we participate.

The typical areas of focus for the audit include: Claims Intake, Caseloads & Supervision, Claims Investigation, Statutory Compliance, Diary & Action Plan, Litigation Management, Reserve Practices, File Organization & Documentation, Recoveries, Claims Disposition, Payments, Reinsurance and Claims Information. The Committee should review these audit areas and provide direction to the Program Administrators for any additional areas they would like to be included.

Carl Warren and Company has been CSRMA's claims administrator since the inception of the Pooled Liability Program and has undergone an audit every two years since its involvement with CSRMA. An RFP process was conducted prior to the audit in 2018, and Farley Consulting Services was selected by the Committee amongst five respondents. Farley Consulting has notified the Program Administrators that they will not be providing a proposal for the 2025 audit.

ATTACHMENTS: None.

Claims Handling Philosophy

ISSUE: “Claims Handling Philosophy” will be a discussion topic for the Executive Board’s Long-Range Planning (LRP) Session in March. The Executive Board would like the Committee’s thoughts and feedback on this topic in preparation for their discussion.

The Program Administrators have been fielding questions from member agencies recently regarding the claims process, best practices and generally CSRMA's claims handling philosophy. The LRP Session will provide the Executive Board with an opportunity to gather their thoughts on this topic and communicate CSRMA’s claims handling philosophy to the membership.

Committee feedback on claim experiences at your own agency, general thoughts on the topic and or questions regarding the claims process would be valuable to the Executive Board’s discussion.

RECOMMENDATION: Discuss and provide direction.

FISCAL IMPACT: None.

BACKGROUND: Every year the Program Administrators arrange an off-site Long-Range Planning Session as directed by the Executive Board. These sessions allow the Executive Board to review last year’s accomplishments as well as project future goals and concepts for the JPA and its members.

ATTACHMENTS: None.

Risk Control Work Plan for 2025/26 and 2026/27 - DRAFT

ISSUE: 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.

The draft Risk Control Work Plan for 2025/26 and 2026/27 is attached for the Committee's review.

RECOMMENDATION: The Risk Control Subcommittee recommends that the Pooled Liability Committee recommend that the Executive Board approve the draft Risk Control work plan with any verbal changes that may be noted at the meeting.

FISCAL IMPACT: As indicated on the attached draft risk control work plan.

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

The Executive Board decided in 2016 to formulate the Risk Control Work Plan for two fiscal years each year to better plan for activities that span more than one fiscal year.

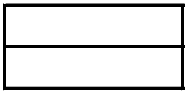
ATTACHMENTS: DRAFT FY's 2025/26 and 2026/27 CSRMA Risk Control Work Plan:

- Risk Control Work Plan Comparison Summary
- Risk Control Work Plan Detail

Budget		Continuing Risk Control Tasks	New Risk Control Initiatives
Budget		\$ 499,559	\$ -
Budget Detail for Proposed FY 25/26			
Task	FY24/25 Budget	Proposed 25/26 Budget	
Continuing Risk Control Items:			
•Update 15 online courses	\$ 36,000	\$ 36,000	Costs have remain
•Safety Reimbursement	\$ 75,000	\$ 75,000	Budget increased k
•Wellness Reimbursement	\$ 42,000	\$ 42,000	Budget increased k
•Vector annual subscription	\$ 156,000	\$ 156,000	Waiting on final bu Vector
•Rco/Vector Utilization and General Support	\$ 24,000	\$ 24,000	Costs have remain
•RCO Tech Support	\$ 5,000	\$ 5,000	Costs have remain
•RCO Programming/Server Space	\$ 14,000	\$ 14,000	
• Develop up 10 new online courses	\$ 35,000	\$ 35,000	Costs have remain
•Smart SOP	\$ 20,000	\$ 20,000	Reduction due to r
•Cyber Security - Kynd	\$ 92,559	\$ 92,559	2023 LRP Action It
New Risk Control Initiatives			
KnowB4 cyber risk control services pool incentive	0	0	KnowB4 is request Standing Offer agre order to offer men their cyber risk ser direct cost to CSRM
TOTAL	\$ 499,559	\$ 499,559	

DRAFT Budget Summary FY25/26

Total Risk Control Budget 24/25	Total Risk Control Budget Proposed 25/26	% Change from 24/25 Budget
\$ 499,559	\$ 499,559	0%
Notes		
ed flat at \$36k 5+ years		
oy EB FY23/24		
oy EB FY23/24		
udget number from		
ed flat 5+ years		
ed flat 5+ years		
ed flat at \$35k 5+ years		
eprogramming as a web		
em to expand cyber risk		
ing to enter into a reement with CSRMA in rbers a 20% discount off vices subscription. No /A.		



California Sanitation Risk Management Authority

~ **DRAFT** Risk Control Work Plan 25/26-26/27 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 25/26 & 26/27									
#	Task	Justification	Core, Continuing or New	Budget FY 24/25	Projected FY25/26 Costs	Projected FY26/27 Costs	Services Provided By	Notes	Value to Members
22	<p>Update and refresh 15 online training modules.</p> <p>Modules targeted for FY 25/26 will be the oldest modules and any requiring an update due to regulatory changes.</p> <ul style="list-style-type: none"> Multi-Employer Liability under CalOSHA Easement Maintenance Office Safety Machine Safeguarding Hearing Conservation CalOSHA's Emergency Action Plan Requirements Sewer Cleaning/Nozzle Selection Welding Safety Workers' Comp 101 Vac Truck Safety Combo Truck Best Practices Skid Steer Operations Rodder Safety Excavation Safety Bloodborne Pathogens 	<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	\$38,000	Proposed : DKF Solutions Group	<p>Updated FY24/25:</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 	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> <p>The combined budget actual for Safety + Wellness =</p>	High

Continuing Risk Control Programs for FY 25/26 & 26/27									
#	Task	Justification	Core, Continuing or New	Budget FY 24/25	Projected FY25/26 Costs	Projected FY26/27 Costs	Services Provided By	Notes	Value to Members
								<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 time this FY and going forward.	Continuing	\$5,000	\$5,000	\$5,000	KBF Services		High

Continuing Risk Control Programs for FY 25/26 & 26/27									
#	Task	Justification	Core, Continuing or New	Budget FY 24/25	Projected FY25/26 Costs	Projected FY26/27 Costs	Services Provided By	Notes	Value to Members
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
29	<p>Develop 10 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 FY 25/26:</p> <ul style="list-style-type: none"> •Tips for Successful Peer to Peer Communication •Business Writing Fundamentals •Workplace Communication Basics •Resolving Conflict with Coworkers •Guide to Effective Mtgs •Online Security Essentials •How to Protect Yourself Against Phishing Attacks •Forklift Safety and Operating Fundamentals •Spill Prevention Control and Countermeasure (SPCC) Planning •Hazwoper 	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.	Continuing	\$35,000	\$35,000	\$38,000	DKF Solutions Group	<p>FY22/23 budget = \$35,000</p> <p>Topics completed in FY24/25:</p> <p>Water Sampling Following a Sewer Spill</p> <p>How to Complete a JHA Incident Investigation: Getting to the Root Cause for Accident Prevention"</p> <p>Slips, Trips and Falls and the ASTM new Coefficient of Friction Std for Safety Footwear</p> <p>CalOSHA Incident Reporting and Recordkeeping Requirements</p> <p>How to Evaluate and Classify WWTP Confined Spaces</p> <p>"Wrong Chemical in the Wrong Tank: Could an Incident like this Occur at your Waste or Wastewater Treatment Plant?"</p> <p>Soft Tissue Injury Risks and Solutions for Collection Workers</p> <p>"CalOSHA's Fall Rescue Requirement: Are You Prepared to Rescue a Coworker" replaced "Ditto for Operations and Maintenance"</p> <p>FOG Program Best Practices</p>	High
30	SMART SOP improvements	The following are items that we've either recv'd feedback members would like to see or	New	\$25,000	\$20,000	\$20,000	DKF Solutions Group	FY22/23 budget = \$25,000	Medium

Continuing Risk Control Programs for FY 25/26 & 26/27

#	Task	Justification	Core, Continuing or New	Budget FY 24/25	Projected FY25/26 Costs	Projected FY26/27 Costs	Services Provided By	Notes	Value to Members
		<p>we believe ought to be pursued. Please note this list would take ~\$75-\$125k to complete. The recommendation is that the 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 					and AndPlus		
32	<p>Cyber security services that may include:</p> <ul style="list-style-type: none"> • Kynd Cyber Risk Services 	<p>Cyber security is a real threat to member agencies, especially smaller ones with limited cyber security resources</p>	New	\$92,559	\$92,559	\$92,559	Kynd	<p>This is an action item from the 2023 Long Range Planning session: The Executive Board directed the Program Administrators and the CSRMA Risk Control</p>	High

Continuing Risk Control Programs for FY 25/26 & 26/27									
#	Task	Justification	Core, Continuing or New	Budget FY 24/25	Projected FY25/26 Costs	Projected FY26/27 Costs	Services Provided By	Notes	Value to Members
								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.	
Total Projected Cost for Continuing Items:				\$407,000	\$499,559	\$504,559			

New Initiatives for FY 25/26 & 26/27									
#	Task	Justification	Core, Continuing or New	Budget FY 24/25	Projected FY25/26 Costs	Projected FY26/27 Costs	Services Provided By	Notes	
33	KnowB4 cyber risk services	KnowB4 is requesting to enter into a Standing Offer agreement with CSRMA in order to offer members a 20% discount off their cyber risk services subscription. No direct cost to CSRMA.	New	\$0	\$0	\$0	KnowB4		
TOTAL				\$0	\$0	\$0			

	Adopted in FY23/24 for FY 24/25	Preliminary Projections for FY 25/26 in FY 24/25	Projected FY 25/26	Preliminary Projected FY 26/27	% Change FY24/25 (adopted budget) to FY 25/26 (proposed budget)
Proposed Continuing Risk Control Programs	\$407,000	\$499,559	\$499,559	\$504,559	0% (waiting on Vector budget adjustment)
Proposed New Initiatives	\$92,559	\$0	\$0	\$0	
Total	\$499,559	\$ 499,559	\$ 499,559	\$ 504,559	

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 ex - Kyndpenses 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 (actual \$303,756)
 -FY 22/23 Outside Safety Consultant Budget: \$348,500
 -FY 24/25 Outside Safety Consultant Budget: \$499,559 The majority of the work plan budget is used in the 1st/2nd quarter each year

DRAFT 1/22/23

Property Program Actuarial Study

ISSUE: An actuarial study for the Pooled Layer of the Property Program will be performed prior to the July 1, 2025 renewal of the Program. Aon has provided a proposal to continue their engagement for another 1-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 1-year term.

FISCAL IMPACT: The cost of the Actuarial Study for the July 2025 renewal will be a Flat Fee of \$5,500. The expiring engagement was at a cost of \$5,200.

BACKGROUND: In 2021, Aon was selected to provide Actuarial Services for the Pooled Layer of the Property Program. CSRMA engaged Aon for an initial 1-year term, and since has continued to reengage Aon for additional 1-year increments.

Each pooled program has an actuarial study performed 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 to fund for future unknown loss amounts.

ATTACHMENTS: Aon Proposal for Actuarial Services.

California Sanitation Risk Management Authority

Aon Risk Consultants, Inc.
Proposal for Actuarial Services

Issue Date – December 3, 2024





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Introduction

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

The goal of our actuarial services will be to estimate outstanding losses and project loss rates for the pooled property program.

Scope of Work

The following is our understanding of the objectives of the project and will serve as our scope of work:

1. Estimated outstanding losses as of December 31, 2024. The estimated outstanding losses will be provided gross and net of member deductibles.
2. Projected ultimate loss rate for 2025/26. The projected ultimate limited loss rate is the accrual value of losses with accident dates in 2025/26, regardless of report or payment date.

The limited loss rate will be gross of member deductibles. Estimates assuming self-insured retentions of \$100,000 and \$250,000 will be provided.

The projected ultimate limited loss rates 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%, 80%, and 90% confidence levels.



3. Estimated deductible credits. The estimated credits will be applicable to the limited loss rates for deductibles ranging from \$5,000 to \$250,000.
4. Projected ultimate pooled loss rate for 2025/26. The pooled loss rate will be net of member deductibles. Estimates assuming self-insured retentions of \$100,000 and \$250,000 will be provided on both a full-value and present-value basis. They will also be provided at the expected, 70%, 80%, and 90% confidence levels.

Deliverable

The conclusions of our work will be in a written report for the 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.

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.
2. Compile Data – The data received from all services will be compiled and reviewed for reasonableness and consistency.
3. Perform Analysis – An analysis will be done addressing the items listed above.
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.

Required Data

Based on our understanding of the project, we anticipate that the following items will be needed to complete the project:

1. 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.
2. Individual claim data (paid and incurred loss amounts) for all accident years and coverages as of a current evaluation date.



3. Current and historical exposure information.
4. Historical premiums by member and coverage.

Timetable

We anticipate the draft report will be completed within four weeks of receiving all data.



Project Team and Roles

Colleagues expected to work on this project include:

<p>Tracy Fleck ACAS, MAAA Senior Consultant and Actuary</p>	<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>
<p>Ethan Kershaw Actuarial Analyst</p>	<p>Mr. Kershaw, an actuarial analyst will assist with the actuarial analysis. Mr. Kershaw has experience in loss reserving and funding studies for self-insured workers compensation, automobile liability, general liability, and property programs.</p>



Professional Fees

We propose the annual fixed fees in the table below:

Project	Project Period	Annual Fixed Fee
Actuarial Study as of 12/31/24	1/1/25 to 9/30/25	\$5,500
Actuarial Study as of 12/31/25 (Optional)	1/1/26 to 9/30/26	\$5,750
Actuarial Study as of 12/31/2026 (Optional)	1/1/27 to 9/30/27	\$6,000

Duration

Aon's services for this proposal begin on January 1, 2025 and end on September 30, 2025. 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 the Client.

Payment

Aon will invoice the Client at project completion.

The invoice shall be due and payable to Aon within thirty (30) days following the 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 Tracy Fleck.

This proposal is valid until April 30, 2025.

	Client	Aon Risk Consultants, Inc.
Signature:		
Printed Name:		Amy Sestito
Title:		Senior Vice President
Date:		December 3, 2024

Poet Wrestling with {Artificial} Intelligence

By [Rosebud Ben-Oni](#)

Personification is inevitable. It goes hand

-in-hand with reinventing the wheel.
It reeks of misfortune. Gives a mess

its mass. Is why slime
never forgets

its shapelessness,
while memory

foam must, in what doesn't leave
an impression. My memory spins

our negative capabilities round,
round, like a record the dead

once held, as if listening were human

invention. Imagine someone who only touched
needle to vinyl. That generation who lost *things*

as *memories*, while I run from thunder,
huddle inside a train long gone

off the rails. I call for an Uber. A call
I did not even place. It's all part

of this new deal, for which I am the delay.
Oh, blissful ooze. Oh, quantum soldier

of fortune. There will be an app for judgment
that we can't delete. You correct me:

execution. Let's get *into* this. That sentencing
is quite empty. The sentence is doubling

down. *Computerication* is enviable. I'm pretty
beetles you'd like to stick a pin through

& then trash can. Why care
for the shepherd tricked

into the slaughter pen. Let's get it out in the open.
Herds. Human. Break. Bliss. Silo. Haze. Quant-
ify looking forward. To tomorrow, to block
me from negative space. Mince this

tender. Say slime can be a crown
of onions & it cries into my eyes.

Say chop away at wing & antenna.
Say leave me alone with my own

device. Say I'll refuse rubber shell
& puckered mutton. I try & reinvent

new spin. It's a table with too
many hands in it. It's communal

as plague. It's that you were invented,
but came first. The wheel who'll originate

the hands that spin it. Say they only reach
a single herd so milky & sweet. Say it grazes

from beneath the screen,
free of my cutting board,

where you're filtering all
of my chemical elements,

until I'm a looted grave, a generic
greeting for the slaughterhouse &

day of rest. Say until I press
the air

like a switch
& ask: *when*.

Say you keep all the bells
tolling & line every fence

in the schoolyard with birds of prey.
Say no car can escape into spacecraft

or credits.
& you cut

to blank,
cursor still

swarming over
whatever dares next.

Source: *Poetry* (December 2019)

Why clearing brush around Los Angeles won't reduce fire danger : NPR

[npr.org/2025/02/11/nx-s1-5270034/los-angeles-fires-risk-brush-chaparral-trump](https://www.npr.org/2025/02/11/nx-s1-5270034/los-angeles-fires-risk-brush-chaparral-trump)

Why clearing the brush around Los Angeles won't reduce the wildfire danger

February 11, 2025 5:00 AM ET

Heard on Morning Edition



Lauren Sommer



Fire experts say trimming the vegetation directly around a home goes a long way in reducing fire danger, but clearing vast areas of Los Angeles' chaparral brush could actually make the problem worse.

DAVID SWANSON/AFP via Getty Images/AFP

The hills above Los Angeles are covered with dense, dark green brush, a unique plant community known as chaparral. In the wake of the extreme wildfires that destroyed more than 12,000 homes and buildings, some are blaming the destruction squarely on that.

"You have thirty years of leaves and those leaves are dry as a bone and they burn," President Donald Trump said as he visited Los Angeles during the fires. In a congressional hearing this month, witnesses blamed "overgrown brush" and environmental regulations they say prevent it from being cleared.

But wildfire experts say cutting down Southern California's chaparral won't make the region safer from wildfires. In fact, because of the local ecology, they say clearing vast swaths of native brush could actually make the landscape even more flammable.

Sponsor Message

That's the opposite of what California's forests need. In forests, too much dense undergrowth has built up, creating the fuel for extreme wildfires. Clearing forest undergrowth and using controlled burns, a practice used for thousands of years by Native Americans, has become a priority to protect communities.



California Wildfires

Some Los Angeles homes made it through the firestorm. Here's how

In Los Angeles, some experts say there may be cases where clearing patches of chaparral around neighborhoods of houses is warranted. But the biggest improvement will come from clearing any vegetation within five feet of a structure to create a buffer zone in case of fire, as well as making homes themselves safer by using fire-resistant building materials.

"If there's a simple message, it is that one size does not fit all, not only within California, but within ecosystems across the world," Alexandra Syphard, senior research scientist at the Conservation Biology Institute, a non-profit research group. "One-size-fits-all has a very high potential of leading to unintended consequences."

Too much wildfire

It's not easy to walk through a patch of chaparral.

"If you're going through chaparral, you're probably army crawling because it's very dense," says Joseph Algiers, restoration ecologist at the Santa Monica Mountains National Recreation Area, a park of more than 150,000 acres managed by the National Park Service.



Joseph Algiers of the Santa Monica Mountains National Recreation Area says the native chaparral plants are being replaced by invasive grasses, which are even more flammable.

Lauren Sommer/NPR

In the mountains north of Los Angeles, Algiers pushes his way through the brush, which tops 10 feet tall, and points out the fragrant leaves of a bay laurel. Most chaparral plants have small leaves that conserve water, one way they survive hot summers with virtually no rain.

"We're standing in a biodiversity hotspot right now, and chaparral is unique to California," Algiers says. "It's a very rare part of the world."

Chaparral plants are also adapted to wildfires, which are a regular part of the Southern California landscape. While the dry shrubs burn at high intensity, they can bounce back after burning to the ground. Some resprout from the roots. Other plants rely on seeds that have been dropped in the soil over decades, which germinate after a fire.

"If you give them enough time, 30 years or so, that's enough time for them to replenish the seed bank and get ready for that next fire," Algiers says.

But over the last century, the mountains of Los Angeles have been burning more frequently than they used to, mostly caused by human activity. Lightning-caused fires used to happen every 30 to 100 years in the area. Now, ignitions are started by power lines, fireworks, cars and heavy equipment.

"We have areas that have burned 12 times in the last hundred years," Algiers says. "That's not enough time for the vegetation to recover."

Lauren Sommer/NPR

A toyon produces red berries in the winter. These bushes stay green year-round despite getting almost no summer rainfall. Frequent burns also leave the landscape vulnerable to invasive grasses, which move in quickly and displace native plants. After the 2018 Woolsey Fire, the National Park Service found that areas that burned had an 8 percent increase in invasive species. Over multiple fires, native chaparral shrubs get sparser.



The invasive grasses that take over are even more flammable than chaparral, leading to an even greater risk of extreme wildfires. Algiers says it's why the National Park Service doesn't clear large areas of chaparral or do prescribed burns.

"The problem we have is not a lack of fire – it's too much fire," Algiers says. "And it's always traced to ignitions that are caused by human activity."

Chaparral vs forests

Managing chaparral ecosystems is starkly different from managing California's forests. Heavily wooded areas are accustomed to more frequent fires, which mostly burned at low intensity, clearing the debris and vegetation on the forest floor without killing the larger trees.

Over the last century, humans have dramatically changed that cycle. The U.S. Forest Service and other government agencies started fighting wildfires, adopting a rule to extinguish all fires on public lands by 10 a.m. the next day. Without regular fires, brush and small trees built up on the forest floor, providing the fuel for catastrophic fires.

In recent years, California has sought to restore the role of "good fire" in forests, a practice that Native American communities used until it was halted by Western settlers. Both tribes and fire agencies are now increasingly using controlled burns to help make forests healthier and less prone to extreme wildfires.



California Wildfires

What LA did right before the fires — and why it wasn't enough

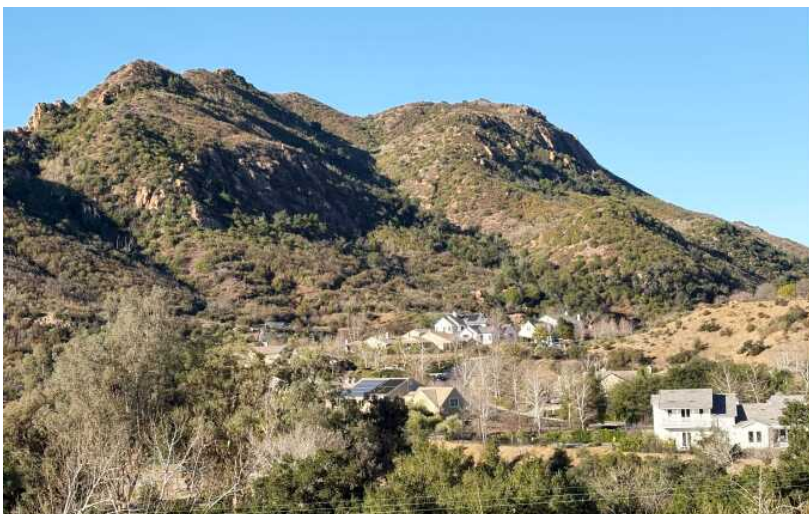
"In those areas, it's beneficial, it's useful," Algiers says. "But in our mountains, that's not the case. There's not this problem with the accumulation of fuels that we see in forest systems."

Fire experts say it shows there are no simple solutions when it comes to wildfires.

"They are very different ecosystems," Syphard says. "The narrative of 'fire is bad' is bad. But the flipside that 'all fire is good' is an overcorrection."

What can make communities safer

While cutting down chaparral overall may not help communities be safer, fire experts say there could be limited cases where trimming it directly next to a neighborhood could make sense. It's known as a fuel break, a buffer of cleared vegetation that's several hundred feet wide.



California is instituting new rules requiring homeowners to clear vegetation within five feet of a house in risky areas. While new homes must be built with wildfire-resistant materials, there are many older homes that are vulnerable.

Lauren Sommer/NPR

These fuel breaks don't stop a wildfire by themselves. In high winds, burning embers can travel for up to a mile, easily jumping over a fuel break and igniting homes and trees. But with less vegetation to burn, the areas can provide an access point for firefighters.

"They can slow the fire momentarily to just buy a little bit of time for firefighters to do something," Syphard says. "Fuel breaks are ecologically costly, so they should be done strategically where they're actually going to be putting firefighters on them to defend houses."

The most effective way to make communities safer is to focus on homes and their immediate surroundings, fire experts say. Embers are the primary way that wildfires spread, so houses need to be prepared for that onslaught. Clearing the brush and vegetation directly next to a house reduces the chances that they'll spread fire to a structure.

California already has rules that require homeowners in risky areas manage their vegetation to create this "defensible space." The state is planning even tougher rules that severely restrict vegetation within five feet of a house. Governor Gavin Newsom recently signed an executive order urging state officials to speed up implementation.

Homes that are built from fire-resistant materials also fare better in wildfires, as was seen in the Los Angeles fires. Replacing wood roofs and using non-combustible siding is key, as well as covering the openings to attics and crawl spaces with a fine mesh so embers can't fly inside. California has building codes that require that for new homes being built in wildfire-prone areas, but even some retrofits of existing homes can be affordable.

"You get a lot more bang for your buck and it's much more effective when you have groups of homes who are all working together to make a more fire-resilient community," Syphard says.

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Use Common Sense Cybersecurity To Limit Access And Exposure To Malware

January 30, 2025

The Bumblebee malware is resurging. Bumblebee is a sophisticated downloader used by cybercriminals to infiltrate corporate networks. Despite a major law enforcement operation called Operation Endgame in May, which targeted various botnets including Bumblebee, the malware has re-emerged.

Bumblebee was first identified by the Google Threat Analysis Group in March 2022. After its takedown, there were no signs of it until recently, when researchers at Netskope discovered a new instance of Bumblebee being used with a different payload. This indicates a new iteration of the malware.

The malware spreads through phishing, malicious advertising, and SEO poisoning. The latest version is more sophisticated and harder to detect, using legitimate tools like MSI installers to hide in plain sight. Once inside a corporate network, Bumblebee can harvest credentials and access various corporate resources, including SaaS applications.

According to the source:

... Bumblebee's latest attack chain is even more difficult for defenders to spot than previous versions, according to Tamir Passi, senior product director at DoControl. "What makes this version particularly concerning is its sophistication," Passi says. "Instead of the noisy, obvious attacks we've seen before, it's using a stealthier approach that makes it harder to detect. The attackers are leveraging legitimate tools like MSI installers — it's basically hiding in plain sight."

Scarier still is what happens after Bumblebee gets inside a corporate network, he adds.

"But here's the real kicker — this isn't just about compromising individual machines," Passi says. "Once attackers gain access, they can potentially harvest credentials and access all sorts of corporate resources, including SaaS applications. Think about it — one successful phishing email could lead to widespread access across your entire cloud environment."

With stakes that high, cybersecurity teams need to rely on a healthy combination of user awareness training, a zero-trust cybersecurity model, strong password security, and more, Tiquet advises. <https://www.darkreading.com/threat-intelligence/bumblebee-malware-buzzing-back> (Oct. 23, 2024).

Commentary

The source mentions a cybersecurity model called "Zero Trust".

The Zero Trust model is a cybersecurity framework that operates on the principle of "never trust, always verify." Unlike traditional security models that assume everything inside the network is safe, Zero Trust requires continuous authentication and authorization for every user, device, and interaction, regardless of their location.

<https://hbr.org/sponsored/2024/12/protect-your-organization-from-cyber-threats-with-a-zero-trust-approach> (Dec. 09, 2024).

Some components of Zero Trust are to always authenticate and authorize based on all available data points; limit user access and minimize the impact of a breach by segmenting access and verifying end-to-end encryption.

Of the aspects of Zero Trust that every organization should consider is to limit access. As the source article referenced, the Bumblebee primarily uses phishing and other common social engineering techniques to breach a target's system. If a target limits the access to the system, a target decreases its exposure.

Limiting access is just common sense.

The final takeaway is that malware types come and go and so do the models to combat them. Often it is the model of "common sense" that works the best.

Finally, your opinion is important to us. Please complete the opinion survey:

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From Cyber Prank To Wrongful Death: Negligence Risks From Former Employee Hacks

February 6, 2025

According to a federal criminal complaint filed in Florida, former Disney employee, Michael Scheuer, has been accused of hacking into Disney restaurant software to falsely indicate that certain food items were peanut-free.

Scheuer, who was terminated in June for the alleged misconduct, was responsible for creating and publishing menus for Disney's entire restaurant portfolio. After his termination, he allegedly continued to access the menu software from a personal device, changing menu prices, adding profanity, and altering allergen information.

The FBI investigation concluded that Scheuer breached the company's software several times over three months. Scheuer denied any wrongdoing and claimed Disney was trying to frame him due to concerns surrounding the conditions of his termination. His attorney stated that no one was injured or harmed and that Scheuer has a disability that impacted his termination. Disney has not yet commented on the case.

<https://www.salon.com/2024/11/04/fbi-ex-disney-world-employee-accused-of-hacking-menus-altering-peanut-allergen-warnings/> (Nov. 04, 2024).

Commentary

The crimes allegedly committed include knowingly causing the transmission of a program to a protected computer and intentionally causing damage without authorization.

In addition to these crimes, had someone become ill from an allergic reaction because menus were altered, Disney would likely face civil complaints for negligence. Although a disgruntled ex-employee was primarily responsible, a likely argument would be that Disney

was also negligent in allowing the disgruntled former employee the access and means to alter the allergy information on the menus.

In other words, had Disney performed its cybersecurity in a reasonable manner, the ex-employee would not have been able to hack the menus.

The employee's hacking of the menus could have led to an injury or death because of the risk peanut allergies present. Here are some key statistics:

- Approximately 6.2 million people in the United States have a peanut allergy. This includes both children and adults.
- Peanut allergies are one of the most common food allergies among children. The prevalence of self-reported peanut or tree nut allergy in children more than tripled between 1997 and 2008.
- One-third to one-half of those with peanut allergies may experience anaphylaxis, a severe and potentially life-threatening allergic reaction.
- In the United States, approximately 150 to 200 people die each year from food allergies, with 50% to 62% of these deaths attributed to peanut allergies.
- Sources: https://www.foodallergy.org/sites/default/files/2024-07/FARE%20Food%20Allergy%20Facts%20and%20Statistics_April2024.pdf, <https://onlinelibrary.wiley.com/doi/pdf/10.1111/all.14666>, and <https://health.howstuffworks.com/diseases-conditions/allergies/food-allergy/peanut/how-many-people-die-each-year-from-peanut-allergies.htm>

The final takeaway is that cybercrimes can quickly spin off into different forms of civil liability like breaches, privacy and, as this case illustrates, even negligent injury or wrongful death.

Jack McCalmon, Leslie Zieren, and Emily Brodzinski are attorneys with more than 60 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.

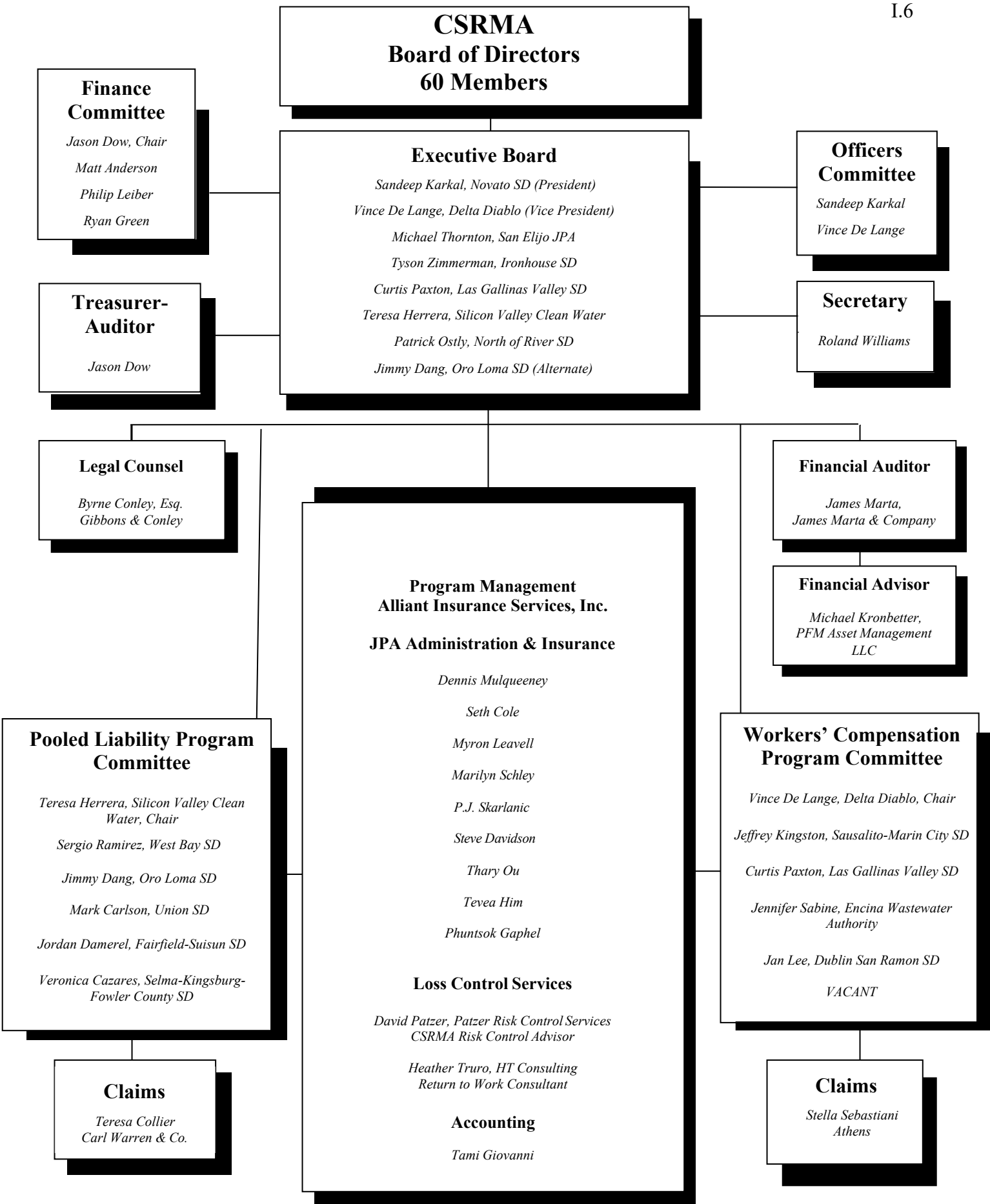
If you have a question that you would like Jack McCalmon, Leslie Zieren, or Emily Brodzinski to consider for this column, please submit it to ask@mccalmon.com. Please note that The McCalmon Group cannot guarantee that your question will be answered. Answers are based on generally accepted risk management 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.

Finally, your opinion is important to us. Please complete the opinion survey:

CSRMA MEETING CALENDAR 2025

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

Meetings in RED are IN-PERSON



Service Team

