

Workers' Compensation Program Committee Meeting



YOUR BEST PROTECTION

ACWA JPIA Executive Conference Room
2100 Professional Drive
Roseville, CA 95661

Thursday
June 20, 2024
1:00 p.m.

Chair: David Drake, Rincon del Diablo Municipal Water District

Vice-Chair: David Wheaton, Citrus Heights Water District

Fred Bockmiller, Mesa Water District

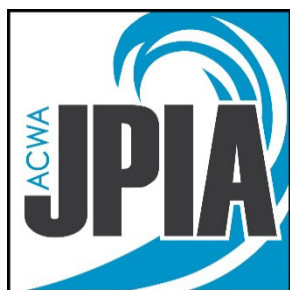
Cathy Green, Orange County Water District

Robert Kunde, Wheeler Ridge-Maricopa Water Storage District

Stacey Lollar, Calaveras County Water District

Lenet Pacheco, Valley County Water District

Scott Quady, Calleguas Municipal Water District



YOUR BEST PROTECTION

WORKERS' COMPENSATION PROGRAM COMMITTEE MEETING

AGENDA

JPIA Executive Conference Room
2100 Professional Drive
Roseville, CA 95661

Thursday, June 20, 2024 – 1:00 p.m.

Zoom Link Meeting ID: 532 180 4035; Password: 5742; Telephone No.: 1 (669) 900-6833

This meeting shall consist of a simultaneous Zoom teleconference call at the ACWA JPIA, 2100 Professional Drive, Roseville, CA 95661, and the following remote sites:

- Green – 6151 Kimberly Drive, Huntington Beach
- Pacheco – Real Palácio, Rua Tomás Ribeiro 115, Lisboa, Portugal

WELCOME

CALL TO ORDER AND ANNOUNCEMENT OF QUORUM

PLEDGE OF ALLEGIANCE

EVACUATION PROCEDURES

ANNOUNCEMENT OF RECORDING OF MEETING This meeting may be recorded to assist in preparation of minutes. Recordings will only be kept 30 days following the meeting, as mandated by the Ralph M. Brown Act.

PUBLIC COMMENT Members of the public will be allowed to address the Workers' Compensation Program Committee on any agenda item prior to the Committee's decision on the item. They will also be allowed to comment on any issues that they wish which may or may not be on the agenda. If anyone present wishes to be heard, please let the Chair know.

HYBRID PARTICIPATION GUIDELINES (see last page of the packet)

INTRODUCTIONS

ADDITIONS TO OR DELETIONS FROM THE AGENDA

I. CONSENT AGENDA

- | | | | |
|-------|---|---|----------|
| Drake | * | A. Approve the Minutes of the June 20, 2023 Meeting | 5 |
|-------|---|---|----------|

II. ADMINISTRATION

- | | | | |
|-----|--|--|--|
| All | | A. Report on Meetings Attended on Behalf of the JPIA | |
|-----|--|--|--|

III. PROGRAM UPDATES

- | | | | |
|----------|---|--|-----------|
| Jobe | * | A. Membership Report | 11 |
| Bowles | * | B. Claims Department Update and Trends | 17 |
| Phillips | * | C. Risk Management Update | 29 |

IV. COVERAGE AND CONTRIBUTIONS

- | | | | |
|------------|---|---|-----------|
| Jobe | * | A. Review and Provide Recommendation Regarding the 2024-25 Memorandum of Coverage (MOC) | 30 |
| Jobe | * | B. Review and Provide Recommendation Regarding the 2024-25 Workers' Compensation Program Excess Insurance Renewal | 44 |
| deBernardi | * | C. Review and Provide Recommendation Regarding the 2024-25 Member Contributions | 67 |

V. STAFF UPDATES

- | | | | |
|------|---|---------------------------------------|-----------|
| Jobe | * | A. Director of Pooled Programs Update | 81 |
|------|---|---------------------------------------|-----------|

VI. UPCOMING MEETING

- | | | | |
|-------|---|--|-----------|
| Drake | * | A. There are no additional meetings scheduled for the remainder of the year. | 82 |
|-------|---|--|-----------|

ADJOURN

*Related items enclosed.

Americans with Disabilities Act – The JPIA conforms to the protections and prohibitions contained in Section 202 of the Americans with Disabilities Act of 1990 and the Federal Rules and Regulations adopted in implementation thereof. A request for disability-related modification or accommodation, in order to participate in a public meeting of the JPIA, shall be made to: Jillian Sciancalepore, Administrative Assistant III, ACWA JPIA, PO Box 619082, Roseville, CA 95661-9082; telephone (916) 786-5742. The JPIA's normal business hours are Monday – Friday, 7:30 a.m. to 4:30 p.m. (Government Code Section 54954.2, subdivision. (a)(1).)

Written materials relating to an item on this Agenda that are distributed to the JPIA's Workers' Compensation Program Committee within 72 hours before it is to consider the item at its regularly scheduled meeting will be made available for public inspection at ACWA JPIA, 2100 Professional Drive, Roseville, CA 95661-3700; telephone (916) 786-5742. The JPIA's normal business hours are Monday – Friday, 7:30 a.m. to 4:30 p.m.



Unapproved Minutes

Workers' Compensation Program Committee Meeting

ACWA Joint Powers Insurance Authority
2100 Professional Drive
Roseville, CA 95661
(916) 786-5742

June 20, 2023

MEMBERS PRESENT

Chair: David Drake, Rincon del Diablo Municipal Water District
Vice-Chair: David Wheaton, Citrus Heights Water District
Fred Bockmiller, Mesa Water District
Cathy Green, ACWA Vice President
Robert Kunde, Wheeler Ridge-Maricopa Water Storage District
Lenet Pacheco, Valley County Water District
Scott Quady, Calleguas Municipal Water District

MEMBERS ABSENT

Stacey Lollar, Calaveras County Water District

STAFF PRESENT

Chief Executive Officer/Secretary: Walter "Andy" Sells
Adrienne Beatty, Assistant Executive Officer
Erin Bowles, Workers' Compensation Claims Manager
Kristan Brown, Administrative Assistant II (Recording Secretary)
Chimene Camacho, Executive Assistant to the CEO
Sarah Crawford, Training Manager
Debbie Cruz, Lead Member Services Representative
David deBernardi, Director of Finance
Robin Flint, Risk Control Manager
Robert Greenfield, General Counsel
Jennifer Jobe, Director of Pooled Programs
Erik Kowalewski, System/Network Administrator
Jennifer Nogosek, Liability/Property Claims Manager
Sandra Smith, Employee Benefits Manager
Dan Steele, Finance Manager
Tony Waterford, Human Resources Manager
Nidia Watkins, Member Services Representative II

OTHERS IN ATTENDANCE

Chris Kapheim, Kings River Conservation District

Szu Pei Lu-Yang, Rowland Water District
Melody A. McDonald, San Bernardino Valley Water Conservation District
Randall Reed, Cucamonga Valley Water District
J. Bruce Rupp, Humboldt Bay Municipal Water District
Alex Tokar, Aon Risk and Insurance Services

WELCOME

Chair Drake welcomed everyone.

CALL TO ORDER AND ANNOUNCEMENT OF QUORUM

Chair Drake called the meeting to order at 1:00 p.m. He announced there was a quorum.

ANNOUNCEMENT RECORDING OF MINUTES

Chair Drake announced that the meeting would be recorded to assist in preparation of minutes. Recordings are only kept 30 days following the meeting, as mandated by the California Brown Act.

PUBLIC COMMENT

Chair Drake noted that, as the agenda stated, members of the public would be allowed to address the Workers' Compensation Program Committee on any agenda item prior to the Committee's decision on that item. Comments on any issues on the agenda, or not on the agenda, were also welcomed. No comments were brought forward.

INTRODUCTIONS

Roll call was taken for Committee attendance and Chair Drake introduced the Executive Committee, guests, and staff on the Zoom meeting.

ADDITIONS TO OR DELETIONS FROM THE AGENDA

Chair Drake asked for any additions to, or deletions from, the agenda. Staff had none.

CONSENT AGENDA

Approval of the minutes

Chair Drake called for approval of the May 8, 2023, minutes.

M/S/C (Green/Bockmiller) (Bockmiller-Yes; Drake-Yes; Green-Yes; Kunde-Yes; Pacheco-Yes; Quady-Yes; Wheaton-Yes): That the Workers' Compensation Program Committee approve the minutes of the May 8, 2023, meeting, as presented.

Meeting attended on behalf of the JPIA

None reported.

LOSS REPORTS

Review Claims Data

Mr. Greenfield stated that the Workers' Compensation Program continues to be a positive and stable program. He presented the standard claims reports which emphasized JPIA's favorable claims history with no significant losses, along with a newly requested report which showed the closed claims over \$100,000 from the 1984-2020 policy years. In addition, Mr. Greenfield also provided a chart that showed Workers' Compensation Total Net Incurred (TNI) and premium acquired for each of the policy years (2018-2023). The TNI expenses have seen a downward trend and the premium rate has remained stable and flat, which demonstrates the consistency and success of the Workers' Compensation Program.

MEMBERSHIP

Ms. Cruz reported that JPIA's last Workers' Compensation Program Committee meeting was held on May 8, 2023, so there were few changes to discuss. For the 2023-24 policy year, Rio Linda/Elverta Community Water District is approved and will be joining on July 1, 2023. Three agencies, Lake Arrowhead Community Services District, San Diego County Water Authority, and Santa Margarita Water District, are being presented to the Executive Committee on June 21, 2023, for JPIA membership approval.

Santa Margarita Water District has passed its resolution to join the Workers' Compensation Program and Lake Arrowhead Community Services District has a board meeting next week (June 26-30) and is expected to pass its resolution as well. San Diego County Water Authority has a meeting with its board on June 22, and their status is pending.

In addition, the JPIA has received an intent from Las Virgenes Municipal Water District to withdraw for the July 1, 2024, program renewal, and the District will have until April 1, 2024, to confirm or rescind their withdrawal from the Program.

NEW BUSINESS

Premiums for Inmate, Work Release and Court Referred Community Service Programs

Ms. Bowles reviewed the change made last year; the Workers' Compensation Program Committee recommended and the EXCO Committee approved the premium to be adjusted to \$200.00 per day for each day using work release labor regardless of the number of workers. Ms. Bowles stated that in the history of the Workers' Compensation Program, there have only been two claims from work release participants, one in 2015 and the other in 2018, and there have been no adverse effects thus far to the change in policy. This past year, JPIA has been collecting premiums from only one member who currently utilizes this service.

Memorandum of Workers' Compensation Coverage (MOWC)

Ms. Beatty stated that the JPIA staff reviews the MOWC annually to present recommended changes to the Workers' Compensation Program Committee; the Committee then votes and submits these recommendations to the Executive Committee

for approval. Ms. Beatty explained that MOWC changes are rarely made because the Memorandum is mostly statutorily driven.

In review of the MOWC, staff has recommended changes to Section VII-Dispute Resolution, which are mostly structural and administrative. Mr. Greenfield, JPIA's General Counsel, researched and changed the language in Section VII-Dispute Resolution to align with other risk pools' dispute resolution and arbitration commonplace practices. Ms. Beatty concluded that implementation of these changes to Section VII-Dispute Resolution will aid in simplifying the process for members and staff and also provide clarifying and consistent language within all the Programs' (General Liability, Property, and Workers' Compensation) Memorandum of Coverages.

M/S/C (Kunde/Pacheco) (Bockmiller-Yes; Drake-Yes; Green-Yes; Kunde-Yes; Pacheco-Yes; Quady-Yes; Wheaton-Yes): That the Workers' Compensation Program Committee recommend that the Executive Committee approve the Memorandum of Workers' Compensation Coverage, as revised, to be effective July 1, 2023.

Workers' Compensation Excess Insurance Renewal Proposal

Ms. Beatty stated that the Workers' Compensation Program renews on July 1, 2023. The Program consists of the primary pooled layer as well as one reinsurance carrier, Safety National, which provides coverage after JPIA's pooled retention of \$2 million up to the Statutory limits.

Ms. Beatty declared that the Workers' Compensation Program renewal will be one of the best Program renewals JPIA will have this year. Safety National has been at the forefront in providing the JPIA with very favorable rates and has been a good partner through the years.

Currently, JPIA would have been starting the second year of the flat rate renewal terms on July 1, 2023. However, because of our good standing with Safety National, they have offered a 5% rate decrease, which equates to \$0.0821 per \$100 of payroll rate for the 2023-24 policy year. In addition, Safety National has provided a multi-year deal rate for the 2024-2025 policy years with an up to a 3% rate decrease, subject to conditions provided in the Program Commitment Agreement. Ms. Beatty stated that JPIA had a phenomenal year in the Workers' Compensation Program with successful loss history trends aiding in securing these terms.

M/S/C (Green/Bockmiller) (Bockmiller-Yes; Drake-Yes; Green-Yes; Kunde-Yes; Pacheco-Yes; Quady-Yes; Wheaton-Yes): That the Workers' Compensation Program Committee recommend that the Executive Committee approve Safety National's excess renewal terms, as presented, with an effective date of July 1, 2023.

Renewal Pricing for the Workers' Compensation Program

Mr. deBernardi reported that the Workers' Compensation Program renews on July 1, 2023. He explained that billing rates for the Workers' Compensation Program are based on projected costs for a given policy year. Rates charged to the members are reviewed and adjusted, if needed, prior to the beginning of a policy year.

In addition, Mr. DeBernardi stated that the largest factor impacting the costs is estimated losses. For the 2022-23 policy year, JPIA's third-party actuary projected the loss rate per \$100 of payroll to be \$1.23, and for the 2023-24 policy year, the projected loss rate per \$100 of payroll to be \$1.11. Mr. deBernardi was happy to report that this amounts to nearly a 10% decrease and losses continue to trend downward.

Mr. DeBernardi provided three rate options for consideration and listed them as follows:

Option 1 showed budgeted numbers with no price change. If all estimates given were correct under this pricing, members would be returned \$5.6 million in refunds (line 2).

Option 2 displayed pricing with a 10% decrease in all class code rates. Under this pricing scenario, members would potentially be returned \$3.7 million in refunds (line 2).

Option 3 presented pricing with a 5% decrease. Under this pricing members would be returned \$4.6 million in refunds (line 2).

Mr. deBernardi discussed how State legislation could be the biggest factor in potentially adversely affecting future costs. Since the State has delayed proposed legislation, we have yet to see the conceivable outcome.

Much discussion was held among the Committee Members. The Committee had several factors to consider which include the following: State legislation, medical care cost increases, members' Property and Liability Programs rate increases (for those members that also participate in these other Programs), and marketplace trends.

The Committee expressed gratitude to the members for the persistent reduction in claims and focus on safety. In addition, they commended the members for doing a terrific job and all their efforts to make the Program so successful.

M/S/C (Bockmiller/Pacheco) (Bockmiller-Yes; Drake-Yes; Green-No; Kunde-No; Pacheco-Yes; Quady-Yes; Wheaton-Yes): That the Workers' Compensation Program Committee recommends that the Executive Committee approve Option 1, no price change for the Workers' Compensation Program, with an effective date of July 1, 2023.

Department Claims Manager Update

Ms. Bowles addressed the Committee's request for more comprehensive claims data. She informed the Committee that she collaborated with JPIA's IT department to develop the system's ability to provide additional data fields and classifications, so the department could improve the tracking and reporting capability for claims severity.

She presented various charts and graphs, asking for feedback from the Committee. The Committee asked about the upward trend for the Average Total Incurred Per Medical Only Claim Graph. Mr. Greenfield indicated this was due to the new legislation driving the costs up, such as the Agreed Medical Evaluators or Qualified Medical Evaluators (AME/QME) Fee Schedule. Ms. Bowles agreed and added that some of the claims may start as a medical only claim, but then develop into an indemnity claim, which is more costly. Temporary disability benefit rate and the mileage rate increase were other legislative changes that could be contributing factors. Suggestions were given on a couple of the graphs to provide the age/duration of the claim, add multiple policy years, and include the number of employees per class code. Ms. Bowles agreed these factors would be beneficial in order to get a better understanding of cost drivers and emerging trends.

CEO Update

Mr. Sells provided an update regarding new employees within the JPIA. Jennifer Jobe is starting as the Director of Pooled Programs in July. In addition, he commented on Ms. Bowles, the new Workers' Compensation Claims Manager, providing the JPIA with new perspectives and pertinent information. Mr. Sells is confident that the new employees will provide a fresh outlook with new concepts.

Mr. Sells conveyed that currently, the Workers' Compensation Program is one of our best programs with regard to renewal rates, whereas the Property and Liability Programs are more complicated due to recent natural disasters and marketplace trends.

MISCELLANEOUS

Availability for Upcoming Meeting(s)

There are no scheduled meetings for the remainder of the year.

The Workers' Compensation Program Committee meeting adjourned at 2:22 p.m.

ACWA JPIA
Membership Report
June 20, 2024

BACKGROUND

In order to review the membership progress, a list of new and prospective members is provided annually to the Workers' Compensation Program Committee.

CURRENT SITUATION

For the 2024-25 program year, the following agency will join the Workers' Compensation Program:

Member	Payroll	Join Date
Reclamation District No. 784	\$600,000	7/1/24

Current Program Membership Status as of June 1, 2024:

Total number of program members:	208
Total number of employees covered:	8,133
Total estimated annual payroll:	\$840,238,099

Prospective New Members:

The Workers' Compensation Program remains stable; staff is in discussions with prospective new members and expect applications to be forthcoming.

Notices of Withdrawal:

Las Virgenes Municipal Water District has withdrawn from the Workers' Compensation Program, effective July 1, 2024.

In accordance with the Joint Powers Agreement, Article 22 (c) (2), a Member may withdraw only at the end of the program year following receipt of a 12-month notice of intent to withdraw.

Grassland Basin Water Authority has provided notice of intent to withdraw and may withdraw at the end of 2024-25 program year.

RECOMMENDATION

None, information only.

ACWA JPIA
2024-25 Workers' Compensation Program
Estimated Payroll
June 20, 2024

MEMBER	EST. PAYROLL
Alameda County Water District	\$ 31,783,342
Orange County Water District	\$ 28,139,006
Santa Clarita Valley Water Agency	\$ 25,759,040
El Dorado Irrigation District	\$ 23,654,478
Santa Margarita Water District	\$ 22,255,345
Western Municipal Water District	\$ 21,959,207
Moulton Niguel Water District	\$ 21,850,495
Water Employees Services Authoirty	\$ 20,719,419
Merced Irrigation District	\$ 19,262,194
Helix Water District	\$ 17,960,600
Rancho California Water District	\$ 17,812,760
Otay Water District	\$ 16,107,990
Cucamonga Valley Water District	\$ 15,179,769
Yuba County Water Agency	\$ 15,060,695
Sweetwater Authority	\$ 14,208,006
South Tahoe Public Utility District	\$ 12,757,791
San Luis & Delta-Mendota Water Authority	\$ 11,710,229
South Coast Water District	\$ 11,577,937
Truckee Donner Public Utility District	\$ 11,243,878
Vallecitos Water District	\$ 10,899,387
Calleguas Municipal Water District	\$ 10,817,859
Palmdale Water District	\$ 10,642,522
Desert Water Agency	\$ 9,981,039
Goleta Water District	\$ 9,634,802
Vista Irrigation District	\$ 9,091,888
Solano Irrigation District	\$ 8,602,215
Yorba Linda Water District	\$ 8,274,765
Sacramento Suburban Water District	\$ 8,234,978
Tahoe City Public Utility District	\$ 8,031,442
Valley Center Municipal Water District	\$ 7,902,642
Calaveras County Water District	\$ 7,590,226
Fallbrook Public Utility District	\$ 7,409,770
Kern County Water Agency	\$ 7,386,286
El Toro Water District	\$ 7,292,591
Water Replenishment District of Southern California	\$ 7,276,741
Mesa Water District	\$ 7,200,662
Tuolumne Utilities District	\$ 7,091,740
Fresno Metropolitan Flood Control District	\$ 6,969,636
ACWA JPIA	\$ 6,958,519
Rainbow Municipal Water District	\$ 6,867,835
Antelope Valley East Kern Water Agency	\$ 6,866,274
Walnut Valley Water District	\$ 6,735,264
South Feather Water & Power Agency	\$ 6,687,882
San Juan Water District	\$ 6,168,992
Lake Arrowhead Community Services District	\$ 6,089,204
San Bernardino Valley Municipal Water District	\$ 5,922,697
Soquel Creek Water District	\$ 5,898,237
Laguna Beach County Water District	\$ 5,673,160
Glenn-Colusa Irrigation District	\$ 5,382,544

MEMBER	EST. PAYROLL
Mission Springs Water District	\$ 5,326,062
Santa Fe Irrigation District	\$ 5,260,259
Marina Coast Water District	\$ 5,182,535
Stockton East Water District	\$ 5,036,558
Ramona Municipal Water District	\$ 4,988,620
Kings River Conservation District	\$ 4,732,216
Amador Water Agency	\$ 4,619,613
Mammoth Community Water District	\$ 4,538,359
Monte Vista Water District	\$ 4,360,651
Citrus Heights Water District	\$ 4,301,555
Three Valleys Municipal Water District	\$ 4,016,735
Beaumont Cherry Valley Water District	\$ 4,006,015
Rowland Water District	\$ 3,852,045
Wheeler Ridge-Maricopa Water Storage District	\$ 3,847,081
Valley County Water District	\$ 3,804,362
Central Coast Water Authority	\$ 3,772,876
Montecito Water District	\$ 3,611,794
Solano County Water Agency	\$ 3,530,749
Florin Resource Conservation District - Elk Grove Water District	\$ 3,479,924
Camrosa Water District	\$ 3,336,844
Paradise Irrigation District	\$ 3,280,446
Crescenta Valley Water District	\$ 3,227,378
Diablo Water District	\$ 3,201,200
Coastside County Water District	\$ 2,993,404
Humboldt Bay Municipal Water District	\$ 2,972,275
Trabuco Canyon Water District	\$ 2,920,088
Westside Water Authority	\$ 2,793,713
Rincon Del Diablo Municipal Water District	\$ 2,761,518
Reclamation District No. 108	\$ 2,758,387
Fair Oaks Water District	\$ 2,656,330
Carmichael Water District	\$ 2,601,771
Sunnyslope County Water District	\$ 2,556,632
Mid-Peninsula Water District	\$ 2,522,331
Joshua Basin Water District	\$ 2,438,247
Kaweah Delta Water Conservation District	\$ 2,419,973
San Dieguito Water District	\$ 2,348,958
Carpinteria Valley Water District	\$ 2,332,829
North Coast County Water District	\$ 2,314,302
Scotts Valley Water District	\$ 2,196,688
Tehachapi-Cummings County Water District	\$ 2,158,683
Georgetown Divide Public Utility District	\$ 2,124,749
Yolo County Flood Control & Water Conservation District	\$ 2,103,416
East Orange County Water District	\$ 2,073,611
Pebble Beach Community Services District	\$ 2,039,443
San Benito County Water District	\$ 2,038,717
Bella Vista Water District	\$ 2,025,697
East Contra Costa Irrigation District	\$ 2,010,994
Buena Vista Water Storage District	\$ 1,985,667
Tulare Irrigation District	\$ 1,972,470

MEMBER	EST. PAYROLL
San Gabriel County Water District	\$ 1,892,340
La Puente Valley County Water District	\$ 1,766,880
Santa Ynez River Water Conservation District Improvement District No. 1	\$ 1,765,088
Valley of the Moon Water District	\$ 1,741,085
San Bernardino Valley Water Conservation District	\$ 1,694,854
Woodbridge Irrigation District	\$ 1,693,683
Twentynine Palms Water District	\$ 1,685,756
Chowchilla Water District	\$ 1,681,158
Upper San Gabriel Valley Municipal Water District	\$ 1,678,620
Cachuma Operation & Maintenance Board	\$ 1,678,036
Consolidated Irrigation District	\$ 1,606,977
Humboldt Community Services District	\$ 1,590,265
Pajaro Valley Water Management Agency	\$ 1,580,457
Byron-Bethany Irrigation District	\$ 1,567,876
Rosedale-Rio Bravo Water Storage District	\$ 1,529,570
Banta Carbona Irrigation District	\$ 1,495,369
Panoche Water District	\$ 1,464,033
San Luis Water District	\$ 1,442,581
Clearlake Oaks County Water District	\$ 1,404,724
Chino Basin Water Conservation District	\$ 1,404,434
Orchard Dale Water District	\$ 1,330,199
Thermalito Water & Sewer District	\$ 1,324,189
Foothill Municipal Water District	\$ 1,315,333
Kern Water Bank Authority	\$ 1,302,092
Borrego Water District	\$ 1,295,891
Quartz Hill Water District	\$ 1,289,841
Lakeside Water District	\$ 1,274,184
Kern-Tulare Water District	\$ 1,273,663
Patterson Irrigation District	\$ 1,261,289
West Stanislaus Irrigation District	\$ 1,252,855
Serrano Water District	\$ 1,230,595
San Geronio Pass Water Agency	\$ 1,198,006
La Habra Heights County Water District	\$ 1,196,396
Main San Gabriel Basin Watermaster	\$ 1,171,192
Regional Water Authority	\$ 1,169,893
Purissima Hills Water District	\$ 1,159,902
Terra Bella Irrigation District	\$ 1,119,011
Browns Valley Irrigation District	\$ 1,108,126
Bard Water District	\$ 1,101,810
Pico Water District	\$ 1,054,315
Montara Water & Sanitary District	\$ 1,050,890
Stinson Beach County Water District	\$ 1,014,594
San Gabriel Basin Water Quality Authority	\$ 984,510
Westborough Water District	\$ 970,213
Vandenberg Village Community Services District	\$ 961,729
Pajaro/Sunny Mesa Community Services District	\$ 945,233
Calaveras Public Utility District	\$ 936,454
Western Canal Water District	\$ 935,880
Shafter-Wasco Irrigation District	\$ 927,235

MEMBER	EST. PAYROLL
Alta Irrigation District	\$ 919,107
South Sutter Water District	\$ 914,882
Del Puerto Water District	\$ 903,378
American River Flood Control District	\$ 884,462
Clear Creek Community Services District	\$ 852,787
Tulare Lake Basin Water Storage District	\$ 817,197
Bodega Bay Public Utility District	\$ 816,923
Mission Hills Community Services District	\$ 809,284
Rio Linda/Elverta Community Water District	\$ 803,706
Reclamation District No. 784	\$ 600,000
Channel Islands Beach Community Services District	\$ 798,956
Yuima Municipal Water District	\$ 798,242
Mojave Public Utility District	\$ 777,046
San Joaquin River Exchange Contractors Water Authority	\$ 740,459
Kinneloa Irrigation District	\$ 708,083
Butte Water District	\$ 696,628
Idyllwild Water District	\$ 695,349
Richvale Irrigation District	\$ 691,027
Chino Basin Desalter Authority	\$ 690,362
South Montebello Irrigation District	\$ 669,735
Forestville Water District	\$ 666,912
La Canada Irrigation District	\$ 656,578
Bolinas Community Public Utility District	\$ 604,181
Littlerock Creek Irrigation District	\$ 589,494
Rio Alto Water District	\$ 574,284
San Andreas Sanitary District	\$ 572,194
Sutter Extension Water District	\$ 568,121
Grassland Basin Authority	\$ 510,625
Pleasant Valley County Water District	\$ 484,063
Los Alamos Community Services District	\$ 475,977
Del Paso Manor Water District	\$ 475,917
Reclamation District No. 1004	\$ 473,828
Centerville Community Services District	\$ 451,565
Palm Ranch Irrigation District	\$ 424,539
Alpaugh Irrigation District	\$ 394,920
Porterville Irrigation District	\$ 393,447
Angiola Water District	\$ 383,604
Kings County Water District	\$ 377,163
Sierra Lakes County Water District	\$ 364,286
Weaverville Community Services District	\$ 332,350
Reclamation District No. 2068	\$ 331,647
Fall River Valley Community Services District	\$ 309,555
Kanawha Water District	\$ 297,503
Midway Heights County Water District	\$ 271,720
Saucelito Irrigation District	\$ 237,624
Berrenda Mesa Water District	\$ 217,518
Corcoran Irrigation District	\$ 207,042
Tri-County Water Authority	\$ 203,689
Tri-District Water Authority	\$ 200,726

MEMBER	EST. PAYROLL
Mariana Ranchos County Water District	\$ 187,135
Majestic Pines Community Services District	\$ 185,744
Orosi Public Utility District	\$ 182,057
Madera Water District	\$ 146,829
Montague Water Conservation District	\$ 144,221
Elsinore Valley Municipal Water District	\$ 98,550
Dunnigan Water District	\$ 55,339
Sonoma Mountain County Water District	\$ 34,912
Belridge Water Storage District	\$ 10,300
Lost Hills Water District	\$ 10,300
South Bay Irrigation District	\$ 5,974
Ramirez Water District	\$ 1
Total Payroll	\$ 840,238,099

ACWA JPIA
Claims Department Update and Trends
June 20, 2024

BACKGROUND

Last year, we reported our efforts to enhance our claims reporting system by collaborating with our IT department. This collaboration focused on introducing additional data fields and classifications to improve our ability to track and report on claim severity. The objective was to better identify cost drivers, recognize emerging trends, and enhance our claims management strategies.

CURRENT SITUATION

Over the past year, we have made significant advancements in automating our claims processes and integrating new technology. These efforts have included:

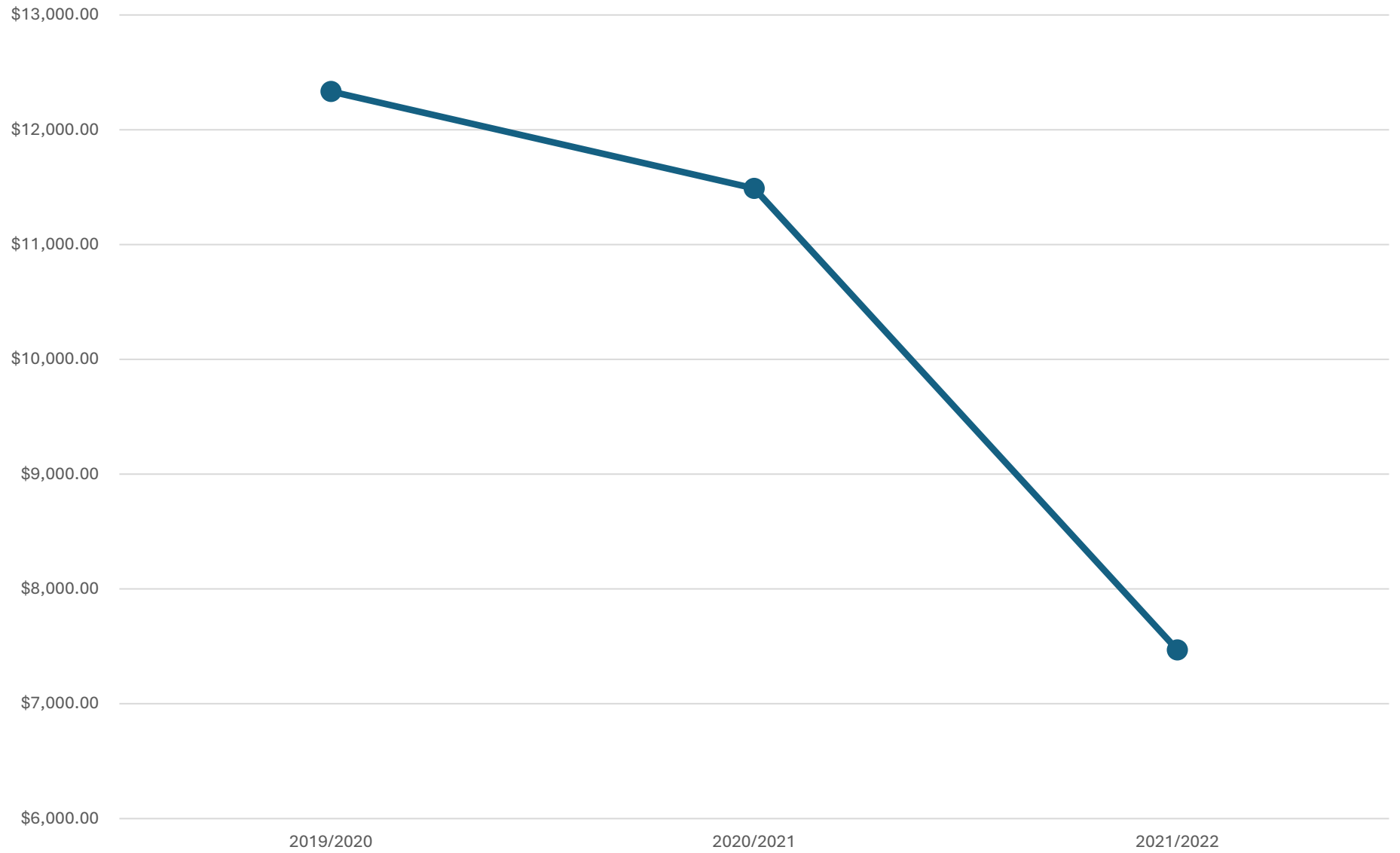
1. Automation Enhancements: We have automated several manual processes, reducing administrative overhead and improving efficiency. This has allowed our team to focus more on strategic claims management rather than routine tasks.
2. Technological Integration: We have introduced new technology solutions to capture additional claims data, enhancing our analytics capabilities. These solutions enable more granular and accurate reporting, providing deeper insights into claim trends and cost drivers.
3. Vendor Partnerships: We have leveraged our vendor partnerships to help mitigate claims costs effectively. By collaborating with specialized vendors, we have implemented cost-saving measures and improved our overall claims handling procedures.

These advancements have not only streamlined our operations but have also positioned us to better manage and control claims costs. Our enhanced data analytics capabilities are now providing us with actionable insights that support informed decision-making and strategic planning.

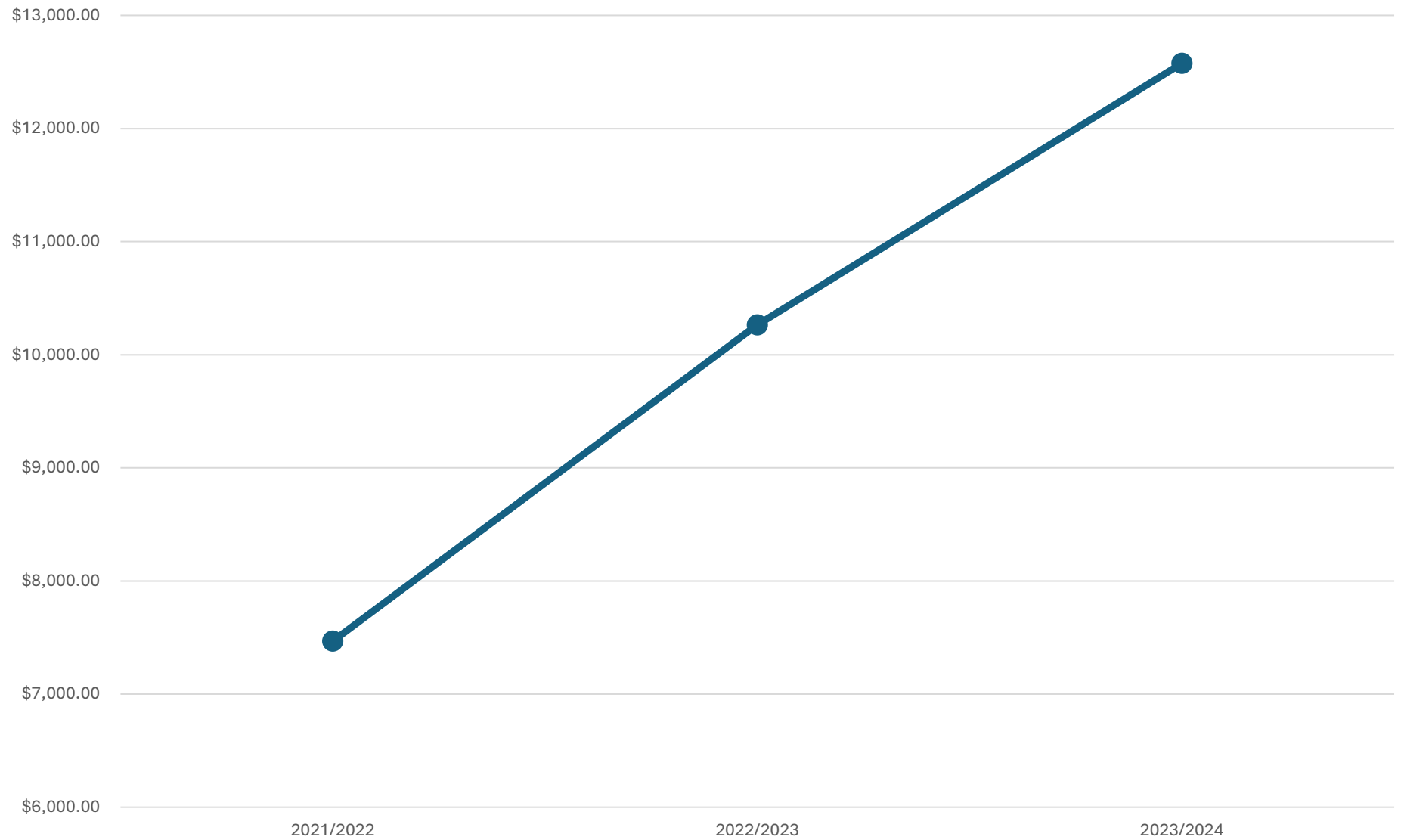
RECOMMENDATION

None, information only.

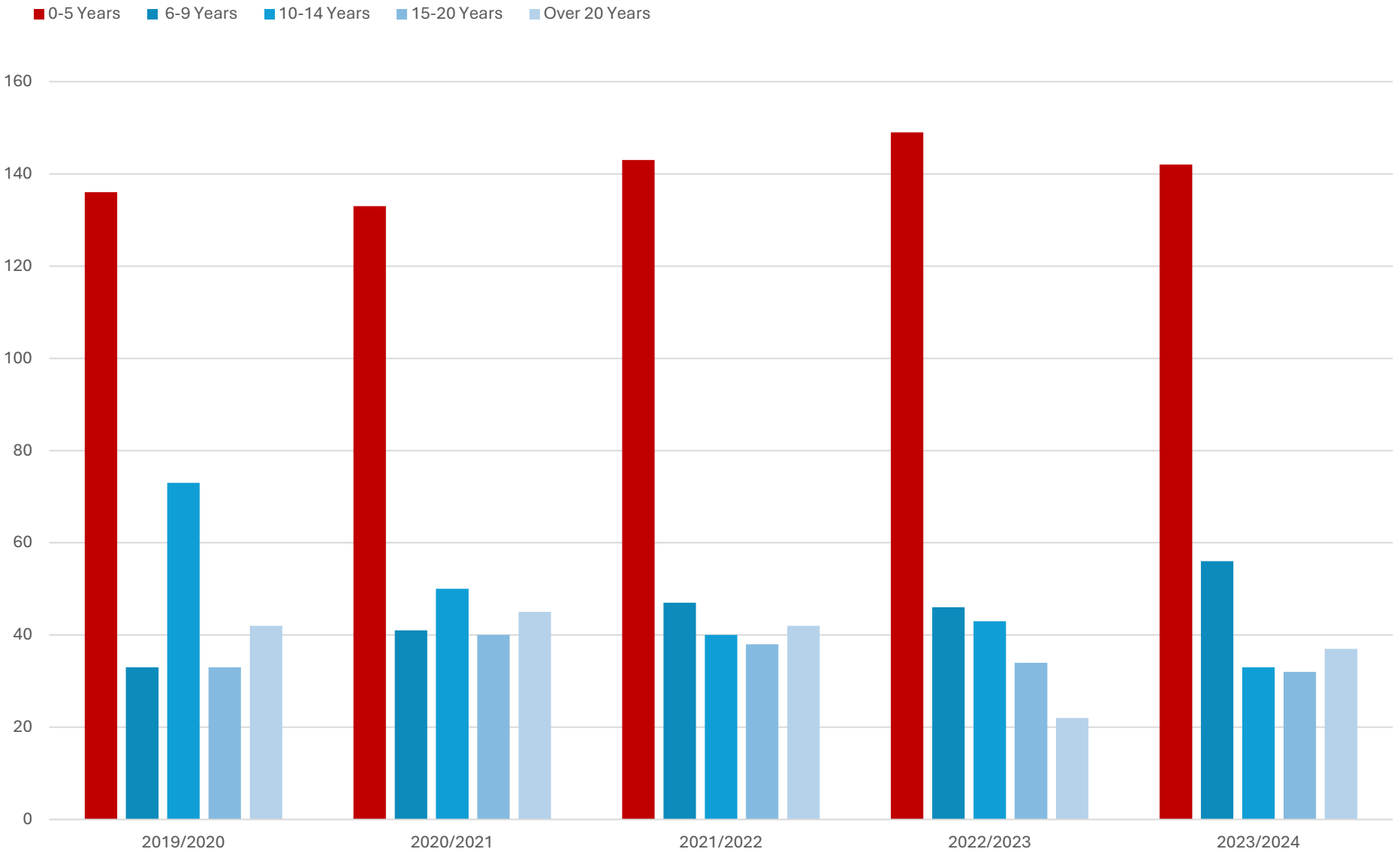
Average Total Incurred Per Claim



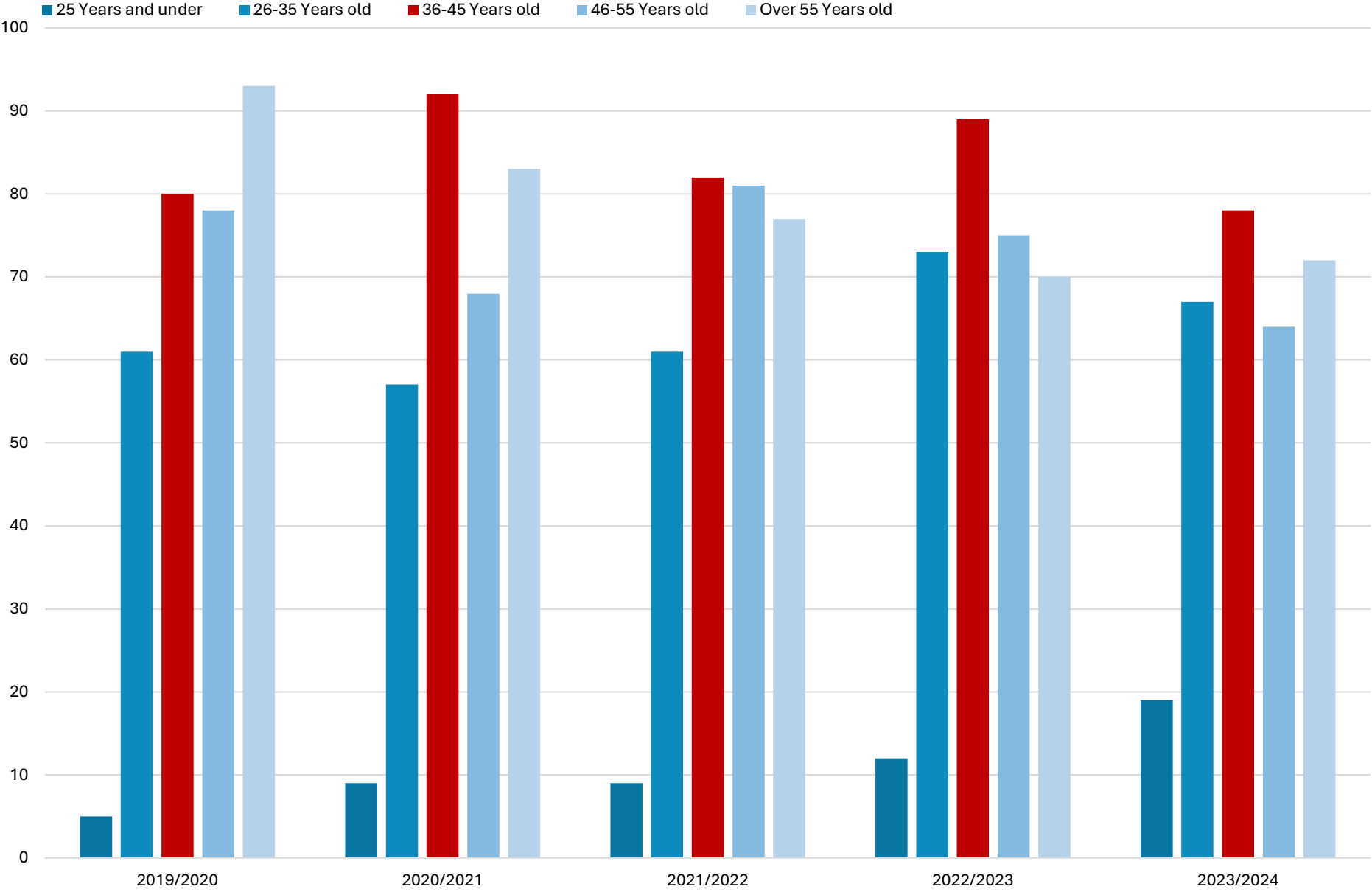
Average Total Incurred Per Claim **as of 05/15/2024*



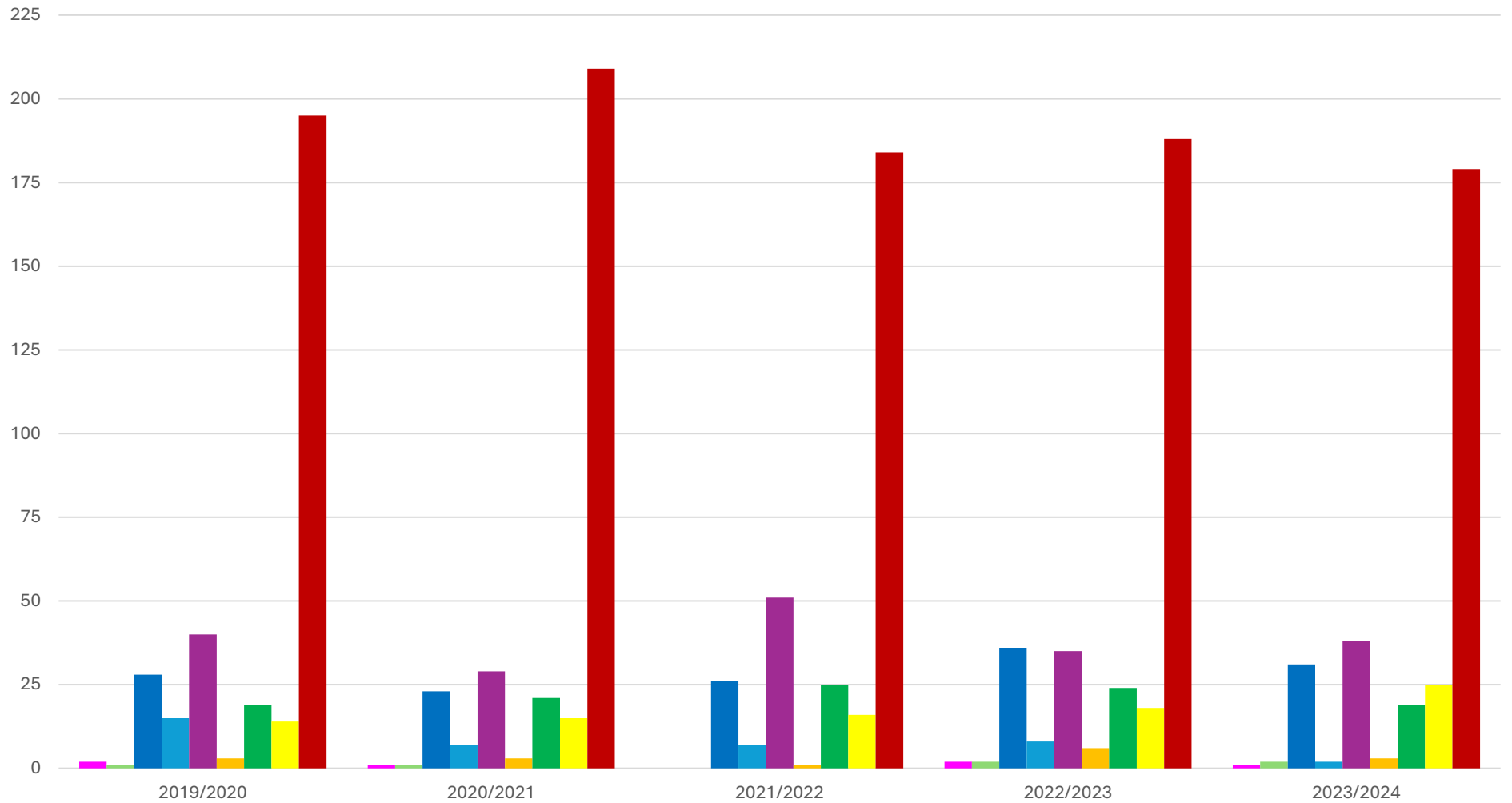
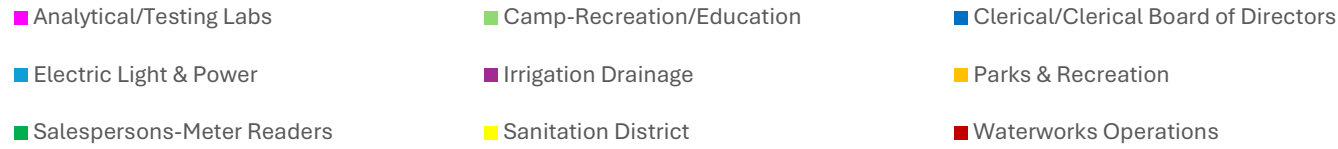
Claims by Years of Employment **as of 05/15/2024*



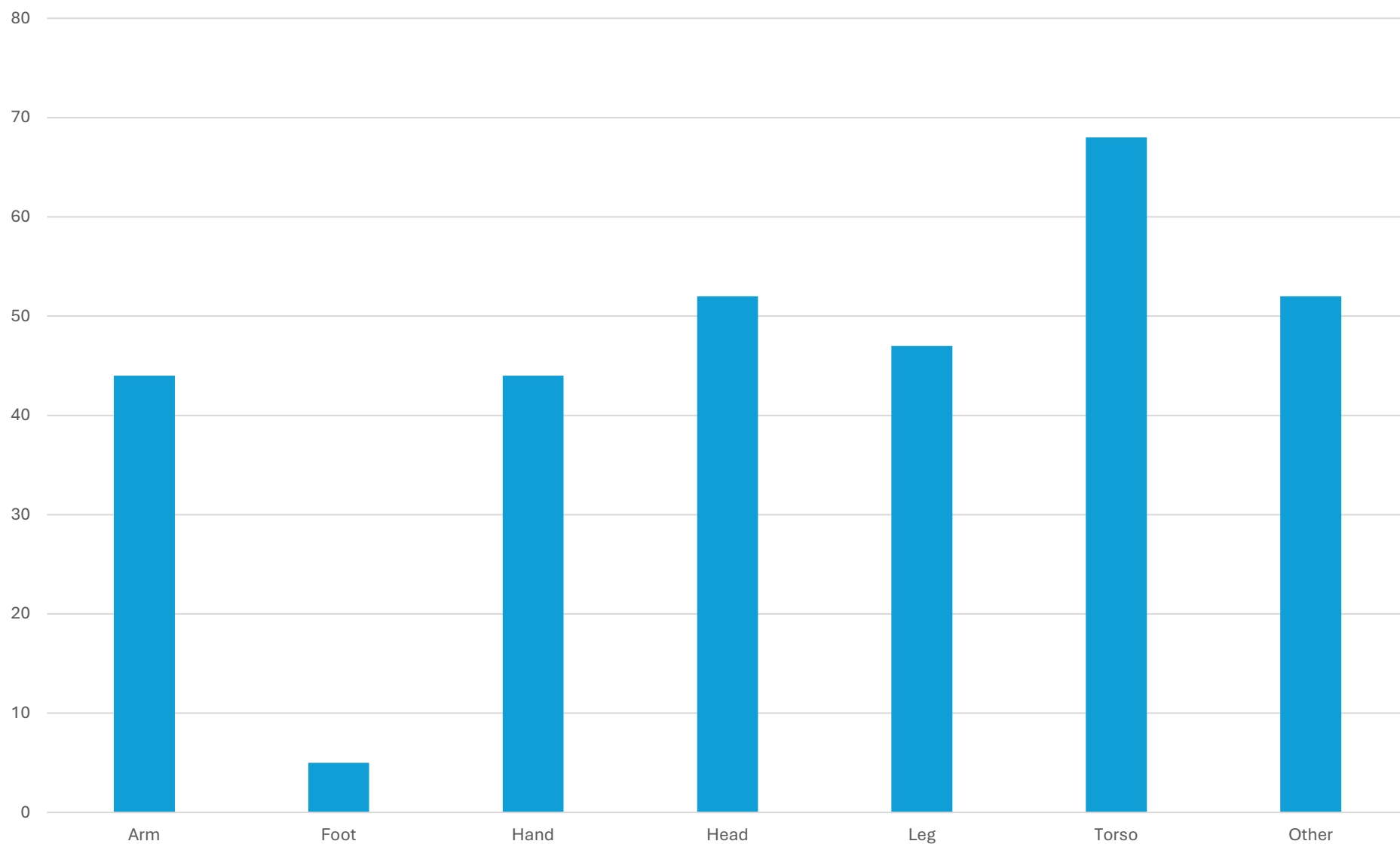
Claims by **Age at Time of Injury** **as of 05/15/2024*



Claims by **Occupation** **as of 05/15/2024*

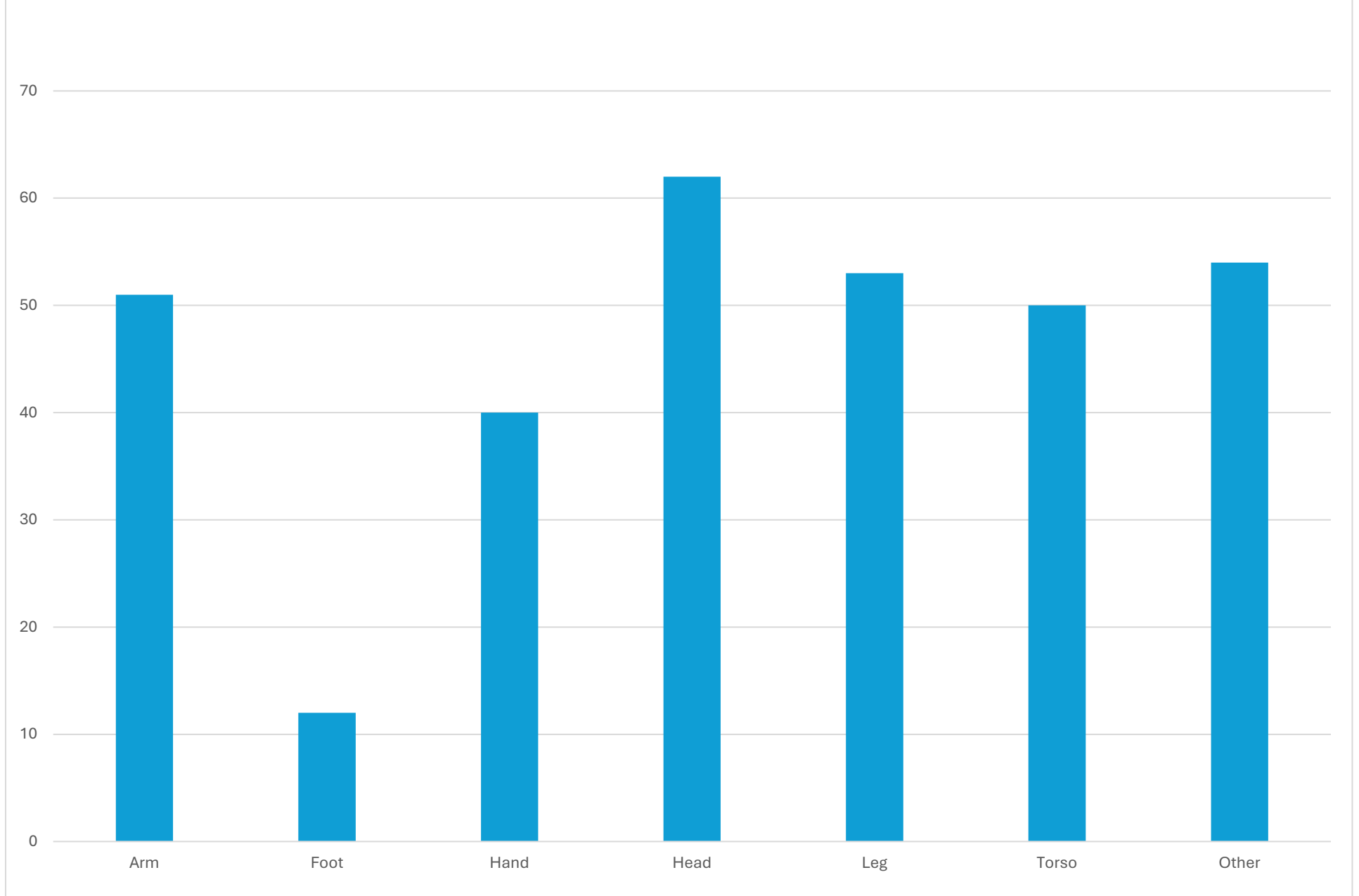


Claims by **Body Part Groups** 2021-2022



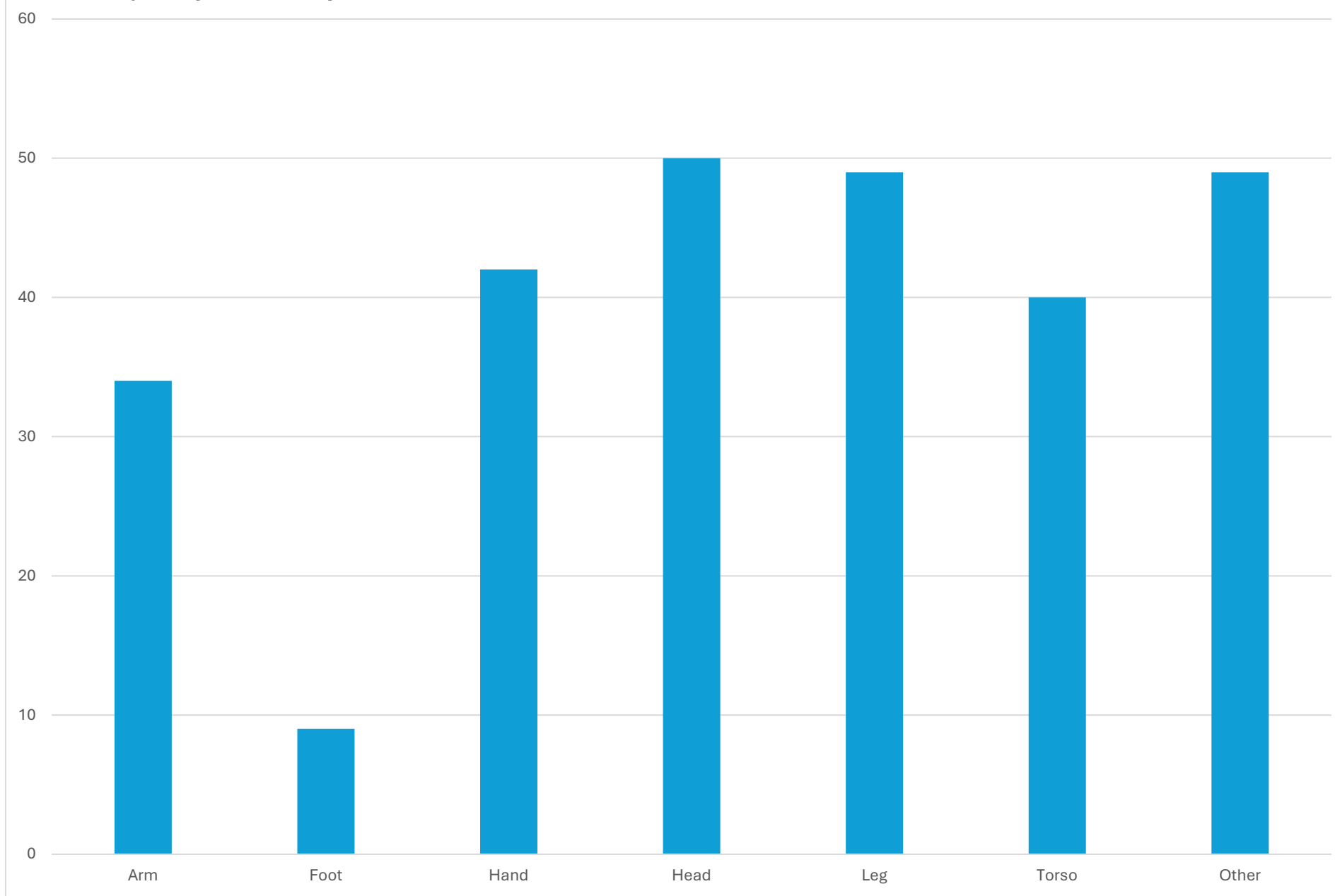
**Other includes Buttocks, Epidermis (skin), Miscellaneous-not otherwise classified, Multiple body parts, & Multiple extremities*

Claims by **Body Part Groups** 2022-2023



**Other includes Buttocks, Epidermis (skin), Miscellaneous-not otherwise classified, Multiple body parts, & Multiple extremities*

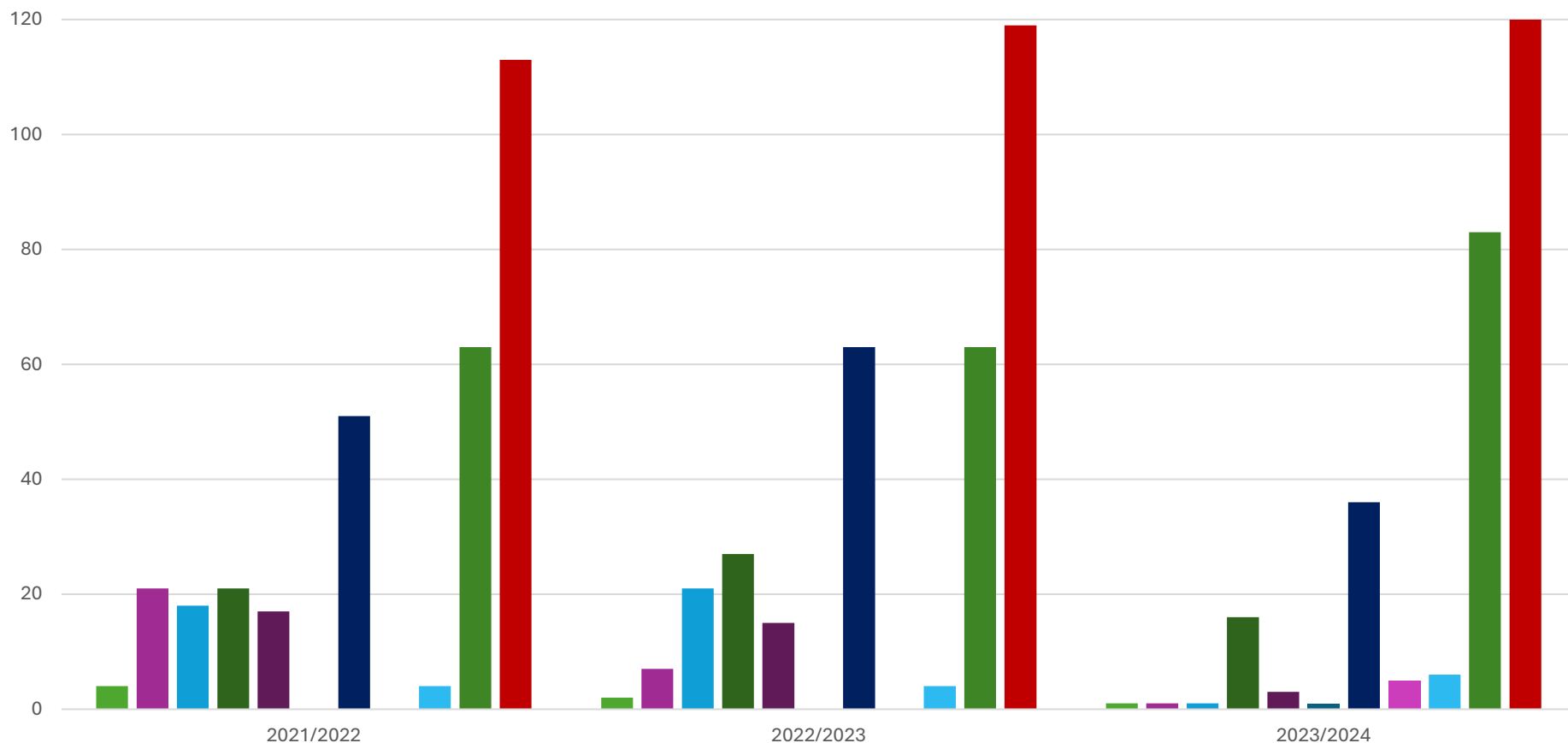
Claims by **Body Part Groups 2023-2024** **as of 05/15/2024*



***Other** includes Buttocks, Epidermis (skin), Miscellaneous-not otherwise classified, Multiple body parts, & Multiple extremities

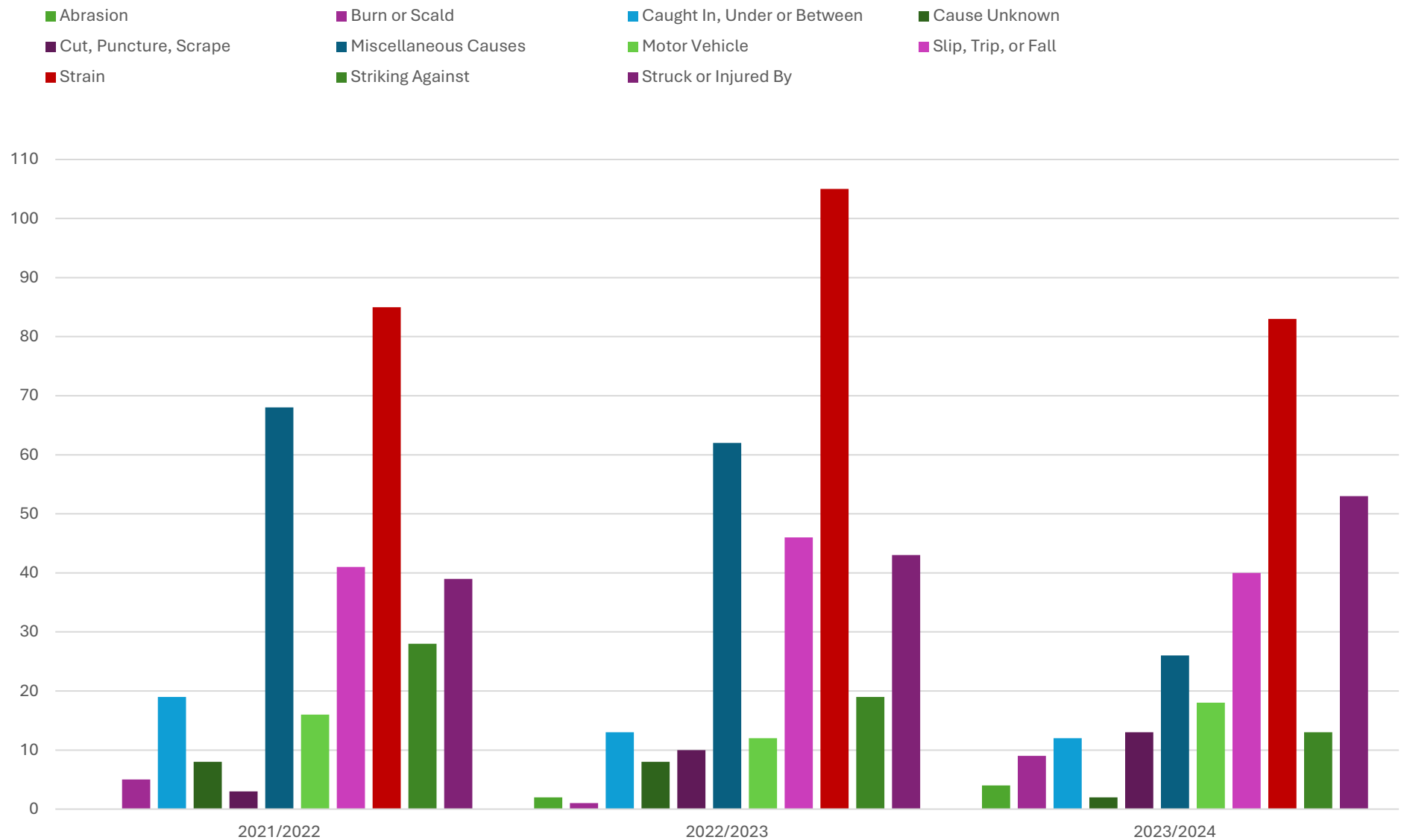
Claims by Nature of Injury Groups **as of 05/15/2024*

■ Burns ■ Contagious Disease ■ Infection, degeneration, inflam ■ Injury to bones
■ Mental Strain ■ Non-contagious Disease ■ Not Otherwise Classified ■ Occupational Disease
■ Respiratory problems ■ Skin Abrasion/Abnormalities ■ Strain or Sprain



***Not Otherwise Classified includes** Carpal tunnel, Concussion, Death, Exhaustion due to exposure, Internal injury, Tendonitis, Multiple Physical Injuries, Fainting, Conjunctivitis, Foreign object, Hearing loss, Nausea, Puncture, Vision loss, Stroke, Rupture, Asbestosis, Internal Organ, Physical Contact w/Another Person, No Physical Injury, Angina Pectoris, Foreign Body, Severance, Multiple Injuries (Physical & Psychological), & not classified.

Claims by Cause of Injury Group **as of 05/15/2024*



**Miscellaneous includes absorption, ingestion, pandemic, foreign matter in eyes, stress, & cumulative.*

Most Likely Claimant Profile

Claimant Profile 5 Year Analysis **as of 05/15/2024*

- Age Group:
 - 36-45 years old: 27%
- Occupation:
 - Waterworks Operations: 61.4%
- Employment Duration:
 - 0-5 Years: 46%
- Body Part:
 - Torso: 18%
- Type of Injury:
 - Strain or Sprain: 40%

ACWA JPIA
Risk Management Update
June 20, 2024

BACKGROUND

The JPIA would like to keep the Workers' Compensation Program Committee informed about ongoing activities to support the pool's claims reduction and risk management efforts.

CURRENT SITUATION

The JPIA's Director of Member Outreach, Kevin Phillips, will update the Workers' Compensation Program Committee on risk management emphasis areas supporting the Workers' Compensation Program and potential future opportunities.

RECOMMENDATION

None, information only.

ACWA JPIA
2024-25 Memorandum of Coverage
June 20, 2024

BACKGROUND

The Workers' Compensation Program Committee meets annually to discuss the overall program and any required adjustments. Staff is bringing forward the Memorandum of Coverage (MOC) for the July 1, 2024 – June 30, 2025, program year.

CURRENT SITUATION

Staff recommends one change to the MOC for the upcoming program year; clarification of the prior year's revisions of Section VII – DISPUTE RESOLUTION. Staff has reviewed the dispute resolution sections for the liability, property, and workers' compensation memoranda of coverage and is universally recommending the proposed language be approved to further clarify the dispute resolution process and bring the process across programs into alignment.

RECOMMENDATION

That the Workers' Compensation Program Committee recommend that the Executive Committee approve the Memorandum of Coverage, as presented, effective July 1, 2024.

**ASSOCIATION OF CALIFORNIA WATER AGENCIES
JOINT POWERS INSURANCE AUTHORITY (ACWA JPIA)**

**MEMORANDUM OF WORKERS' COMPENSATION &
EMPLOYER'S LIABILITY COVERAGE**

FORM NO. MOWC&EL-07012~~43~~

This is a **Memorandum** of understanding between all of the **Member Agencies** of the Association of California Water Agencies Joint Powers Insurance Authority (**Authority**), a California public entities risk pool operating under Sections 990.4 and 990.8 of the California Government Code and other provisions of law. The purpose of this **Memorandum** is to set forth the terms on which the **Authority's Member Agencies** have agreed to pool certain Workers' Compensation risks among their membership, and have agreed to purchase excess insurance (or reinsurance) above the limit of coverage provided by the **Member Agencies'** pooled funds. This **Memorandum** shall be applied according to the principles of contract law, giving full effect to the intent of the **Member Agencies** of the **Authority** in adopting this **Memorandum**. None of the parties to the **Memorandum** are entitled to rely on any contract interpretation principle which would require the interpretation of ambiguous language against the drafter of an agreement. The **Member Agencies** participating in the pool understand and acknowledge that their risk-pooling arrangement governed by this **Memorandum** is not insurance nor is it subject to regulation under the Insurance Code.

Throughout this **Memorandum**, words and phrases that are shown in **bold** type have special meaning and are defined in SECTION I - DEFINITIONS. Words that appear in CAPITAL LETTERS have reference to the like titled section in the **Memorandum**.

INTRODUCTION

In return for the payment of the premium and subject to all terms and conditions of this **Memorandum**, we (the **Authority**) agree with you (the **Member Agency** named in the **Declarations**) as follows:

SECTION I - DEFINITIONS

Authority means the Association of California Water Agencies Joint Powers Insurance Authority.

Bodily injury shall have the meaning as provided by the applicable **Workers' Compensation Law**, and include death resulting therefrom, but shall not include **occupational disease**.

Communicable disease means a disease caused by an infectious organism, which is transmissible from one source to another, directly or indirectly.

Coverage Period means the period of time in which an accident or exposure to disease must occur in order for this **Memorandum** to provide coverage.

Declarations means the statements made on page one of this **Memorandum** and presumed to be true and accurate.

Deposit Premium means the initial premium which a **Member Agency** must pay for coverage. This premium may be later adjusted as a result of any audit by the **Authority** or its agent.

Employee means any person performing work which renders the **Member Agency** legally liable under the Workers' Compensation Act of the State of California, or under the common law of the State of California.

Member Agency means the local public agency, designated in the **Declarations**, which is a party signatory to the **Authority**, a participant in its Workers' Compensation Program.

Memorandum means this document, the **Memorandum Of Workers' Compensation & Employer's Liability Coverage**.

Occupational disease shall have the same meaning as provided by the applicable **Workers' Compensation Law**, and include (1) death resulting therefrom and (2) related cumulative trauma injuries or illnesses.

Occurrence means an injury or disease of an **employee** arising out of and in the course of employment, **Bodily Injury**, illness, or disease sustained by one or more **employees** as a result of a single accident, incident or exposure, shall be deemed to arise from a single **occurrence**. The **occurrence** shall be deemed to take place for the earlier of (a) the last day of the last exposure, in the employment of the **Member Agency**, to conditions causing or aggravating the disease, or (b) the date upon which the **employee** first suffered disability and either knew, or in the exercise of reasonable diligence should have known, that such disability was caused by employment with the **Member Agency**. All **occupational disease** sustained by one or more **employees** as result of an outbreak of the same **communicable disease** shall be deemed to arise from a single **occurrence**. An outbreak of the same **communicable disease** that spans more than one **coverage period** shall be deemed to take place during the first such **coverage period**.

Volunteers means any person while acting within the course and scope of his or her duties of the **Member Agency**, provided that, prior to the **occurrence**, the governing Board of the **Member Agency** has adopted a resolution as provided in Division 4, Part 1, Chapter 2, Article 2, of the California Labor Code, declaring such volunteer workers to be **employees** of the **Member Agency** for purposes of the Workers' Compensation Act; or provided that such volunteer workers are statutorily deemed by the Workers' Compensation Act to be **employees** for the purposes of workers' compensation. **Volunteers** shall include, but are not limited to, inmates and work release and community service program workers.

Workers' Compensation Law means the **Workers' Compensation Laws** of the State of California and includes injury by both accidents and diseases. It includes any amendments to those laws which are in effect during the **coverage period**. It does not include the provisions of any law that provides non-occupational disability benefits.

SECTION II - GENERAL

A. The Memorandum

This **Memorandum** includes the **Declarations** and all addenda and schedules attached to it. It is a contract of coverage between you and us. The only agreements relating to this coverage are stated in this **Memorandum**.

Neither the terms nor conditions of this **Memorandum** may be changed, except by addendum issued by us to become part of this **Memorandum**. You are responsible for telling us at once when the information contained in the **Memorandum** is no longer accurate for your operations.

B. Who Is Covered

You are covered for your liability to your **employees** if you are the **Member Agency** named in the **Declarations**, subject to the provisions of this **Memorandum**.

This **Memorandum** does not cover the liability of any employer other than the **Member Agency** named in the **Declarations**.

C. Locations

This **Memorandum** covers all of your workplaces in the United States of America, its territories or possessions, or while **employees** are working temporarily outside the country.

D. Qualified Self Insurer

The **Member Agency** represents that it is a duly qualified self-insured under the **Workers' Compensation Law** of the State of California, with a current and valid certificate of self-insurance, and will continue to maintain such qualifications during the term this **Memorandum** is in effect. If the **Member Agency** should fail to qualify or fail to maintain such qualifications, the coverage provided under this **Memorandum** may be terminated the first date of such failure.

SECTION III - COVERAGE PROVISIONS

PART ONE – WORKERS' COMPENSATION COVERAGE

This workers' compensation coverage applies to **bodily injury** by accident or **bodily injury** by disease, includes resulting death, subject to the following conditions:

1. **Bodily injury** by accident must occur during the **coverage period**. A disease is not **bodily injury** by accident unless it results directly from **bodily injury** by accident.
2. **Bodily injury** by disease must be caused or aggravated by the conditions of your employment. Your **employee's** last day of last exposure to those conditions causing or aggravating such **bodily injury** by disease must occur during the **coverage period**. **Bodily injury** by disease does not include disease that results directly from **bodily injury** by accident.

PART TWO - EMPLOYER'S LIABILITY COVERAGE

This employer's liability coverage applies to **bodily injury** by accident or **bodily injury** by disease.

1. The **bodily injury** must arise out of and in the course of the covered **employee's** employment by you.

2. The employment must be necessary or incidental to your work in California.
3. **Bodily injury** by accident must occur during the **coverage period**.
4. **Bodily injury** by disease must be caused or aggravated by the conditions of your employment. The **employee's** last day of last exposure to the conditions causing or aggravating such **bodily injury** by disease must occur during the **coverage period**.
5. If you are sued, the original suit and any related legal actions for damages for **bodily injury** by accident or by disease must be brought in the United States of America, its territories or possessions.

A. **We Will Pay**

We will pay promptly when due, the benefits required by the **Workers' Compensation Law**, to those eligible under PART ONE - Workers' Compensation Coverage.

We will also pay all sums you legally must pay as damages because of **bodily injury** to your **employees** eligible for benefits under this coverage, provided that the **bodily injury** is covered by the PART TWO - Employers Liability Coverage.

The damages we will pay, where recovery is permitted by law, include damages:

1. For which you are liable to a third party by reason of a claim or suit against you by that third party to recover the damages claimed against such third party as a result of injury to your **employee**;
2. For care and loss of services;
3. For consequential **bodily injury** to a spouse, child, parent, brother or sister of the injured **employee**;

Provided that these damages are the direct consequence of **bodily injury** that arises out of and in the course of the injured **employee's** employment by you; and

4. Because of **bodily injury** to your **employee** that arises out of and in the course of employment claimed against you in a capacity other than as employer.

B. We Will Defend

We have the right and duty to defend at our expense any claim, proceeding or suit against you for benefits payable by this coverage. We also have the right to investigate and settle any such claim, proceeding or suit.

We have no duty to defend a claim, proceeding or suit that is not covered by this **Memorandum** except we hereby assume the duty of defending against claims, proceedings or suits brought under Labor Code Section 132(a) and Serious or Willful Misconduct, Labor Code Sections 4553 and 4553.1.

However, even if the defense is unsuccessful, we shall not be obligated to pay any related judgment or award entered on such claims, proceedings or suits nor shall we be obligated to pay any settlement that is either proposed or accepted. We have no duty to defend or continue defending after we have paid our limit of liability under this **Memorandum**.

C. We Will Also Pay

We will pay the following costs, in addition to other amounts payable under this coverage, as part of any claim, proceeding or suit we defend:

1. Reasonable expenses incurred at our request, but not loss of earnings;
2. Premiums for bonds to release attachments and for appeal bonds in amounts up to twice the amount payable under this coverage;
3. Litigation costs taxed against you;
4. Interest on an award or judgment as required by law; and
5. Expenses we incur.

D. Other Coverage Or Insurance

If there is any other indemnity, insurance or reinsurance protecting against benefits, damages or expenses covered by this **Memorandum**, the coverage afforded by this **Memorandum** shall apply in excess of such other indemnity, insurance or reinsurance unless such other indemnity, insurance or reinsurance specifically applies to this coverage.

E. Limit Of Liability

Our liability to pay for claims is limited.

With regards to PART ONE - Workers' Compensation Coverage: Our limit is shown in the **Declarations**. It is the most we will pay for claims covered by this **Memorandum** because of any one accident or **occurrence**, or series of accidents or **occurrences** arising out of any one event to one or more **employees**.

With regards to PART TWO - Employers Liability Coverage: Our limit is shown in the **Declarations**. It is the most we will pay for all damages covered by this **Memorandum** because of **bodily injury** to one or more **employees** in any one accident or **occurrence**, or series of accidents or **occurrences** arising out of any one event or for disease to any one **employee**.

We will not pay any claims for damages after we have paid the limit of our liability under this **Memorandum** as explained above.

F. Exclusions - Payments You Must Make

1. PART ONE - Workers' Compensation Coverage

You are responsible for any payments in excess of the benefits regularly provided by the **Workers' Compensation Law**, including but not limited to those required because:

- a. Of your serious and willful misconduct;
- b. Of knowingly employing an **employee** in violation of law;
- c. Of knowingly failing to comply with a health or safety law or regulation;
- d. Of discharging, coercing, criticism, evaluation, reassignment, discipline, harassment, discriminating against or termination of any **employee** or any personnel policies, practices, omissions or acts in violation of the law; or
- e. Of fines, penalties, punitive damage or exemplary damages of any kind or imposed for violation of law whether state or federal.

2. PART TWO - Employers Liability Coverage

This Coverage Does Not Apply to:

- a. Liability assumed under a contract;

- b. Punitive or exemplary damages where coverage for such liability is prohibited by law or contrary to public policy;
- c. **Bodily injury** to an **employee** while employed in violation of law with your actual knowledge or the actual knowledge of any of your executive officers;
- d. Any obligation imposed by a Workers' Compensation, **Occupational Disease**, Unemployment Compensation or Disability Benefits law, or any similar law;
- e. **Bodily injury** intentionally caused or aggravated by you;
- f. **Bodily injury** occurring outside of the United States of America, or its territories. This exclusion does not apply to **bodily injury** to a citizen or resident of the United States of America who is temporarily outside these countries;
- g. Damages arising out of the discharge of, coercion, criticism, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any **employee**, or any personnel practices, policies, acts or omissions; or
- h. Fines or Penalties imposed for violation of law whether state or federal.

3. Waiver of Subrogation

This **Memorandum** shall not apply to claims involving a waiver of subrogation approved by a **Member Agency** after the date of injury or illness that resulted in the claim. This exclusion does not apply to a waiver of subrogation in an agreement or contract that was approved by the **Member Agency** prior to the date of injury or illness that resulted in a claim. This exclusion applies to PART ONE and PART TWO as described in SECTION III - COVERAGE PROVISIONS.

G. Subrogation - Recovery From Others

We may enforce your rights, and the rights of persons entitled to the benefits of this coverage, to recover our payments from anyone liable for injury. You will do everything necessary to protect those rights for us and to help us enforce them.

H. Statutory Provisions

These statements apply where they are required by law:

1. Your default or bankruptcy or insolvency will not relieve us of our duties under this coverage after an injury occurs.
2. Terms of this coverage that conflict with the **Workers' Compensation Law** are changed by this statement to conform to that Law.

I. Action Against Us

There will be no right of action against us under this coverage unless:

1. You have complied with all the terms of this **Memorandum**; and
2. The amount you owe has been determined with our consent or by actual trial and final judgment.

This coverage does not give anyone the right to add us as a defendant in an action against you to determine your liability.

SECTION IV – YOUR DUTIES IF INJURY OCCURS

A. Reporting Duties

The **Member Agency** agrees to give us written notice, immediately if an injury to your **employee** occurs involving:

1. Quadriplegia;
2. Paraplegia;
3. A fatality;
4. A major extremity or multiple minor extremity amputation;
5. Partial or total blindness;
6. Any serious head injury including but not limited to brain stem injury, or unconsciousness exceeding 24 hours;
7. Asbestos, mesothelioma, silicosis or any other disease or condition;

8. Second or third degree burns over 25 percent or more of the body;
9. Any accident which causes serious injury to two or more **employees**.

The **Member Agency** agrees to report every occupational injury or illness which results in medical treatment, beyond the definition of First Aid, or any claim by an **employee** for workers' compensation benefits, to the **Authority**, but in no instance to cause the delay of such report of injury, illness or claim more than five (5) days after date of knowledge or as otherwise required by Labor Code Section 6409.1. The **Member Agency** agrees to give every **employee** a claim form pursuant to Labor Code Section 5401 within one (1) working day of receiving notice or knowledge of a claim or potential claim. Your other duties are listed below:

1. Provide for immediate medical and other services required by the **Workers' Compensation Law**.
2. Give us or our representative the names and addresses of the injured persons and witnesses, and other information we may need.
3. Promptly give us all notices, demands and legal papers related to the injury, claim, proceeding or suit.
4. Cooperate with us, assist us, and give us any information we may request, in the investigation, settlement or defense of any claim, proceeding or suit.
5. Do nothing after any injury occurs that would interfere with our right to recover from others.
6. Do not voluntarily make payments, assume obligations or incur expenses, except at your own cost.

SECTION V – PREMIUM

A. Premium Payments

You will pay all premiums when due.

B. Records

You will keep records of information needed to compute your **deposit premium**. You will provide us with copies of those records when we ask for them.

C. Audit

You will let us examine and audit all your records that relate to the coverage provided by this **Memorandum**. These records include ledgers, journals, registers, vouchers, contracts, tax reports, payroll and disbursement records and programs for storing and retrieving data. We may conduct the audits during regular business hours during the **coverage period** and within three years after the **coverage period** ends. Information developed by the audit will be used to determine the final **deposit premium**.

SECTION VI – CONDITIONS

A. Inspection

We have the right, but are not obligated, to inspect your workplaces at any reasonable time. Our inspections help us determine whether to accept the risk of covering your **employees** in their workplaces. We may give you reports on the conditions we find. We may also recommend changes. While they may help reduce losses, we do not undertake to perform the duty of any person to provide for the health or safety of your **employees** or the public. We do not warrant that your workplaces are safe or healthful or that they comply with laws, regulations, codes or standards.

B. Transfer Of Your Rights And Duties

Your rights or duties under this coverage may not be transferred without our written consent.

C. Our Notice To You

Mailing documents that relate to this coverage to you at the mailing address shown in the **Declarations** or by electronic address on file will be sufficient to prove notice to you of the document.

D. Privacy and Confidentiality of Claim Records

All claim records, including claim files, examiners notes, medical reports,

subpoenaed records, correspondence, tapes and films, and whether electronic or hard files, are the property of the **Authority**. Because these records may contain confidential or private medical and/or psychological information related to workers' compensation claims administered by or on behalf of the **Authority**, access to claim files and the information contained therein is restricted to the **Authority** and its agents and assignees, with the exception that the **Member Agency** is entitled to medical information limited to the diagnosis of the mental or physical condition for which workers' compensation is being claimed and the treatment provided for this condition, or what is necessary for the **Member Agency** to have in order to provide temporary or permanent modification or accommodation of the **employee's** work duties.

SECTION VII – DISPUTE RESOLUTION

A. Review by Executive Committee and Arbitration

This shall be the sole and exclusive method of review of the Memorandum of Coverage and any decisions based thereon.

Any claim, dispute or controversy arising out of or relating to this Coverage Agreement shall first be submitted to ACWA JPIA to be reviewed by the Executive Committee of ACWA JPIA. The Executive Committee shall consider all written submissions by either party, and, if requested by either party, provide both parties equal opportunity for oral argument. Unless otherwise agreed by the parties and ACWA JPIA, the Executive Committee shall determine if ACWA JPIA's position should be upheld or if the **Member Agency**~~District~~ should be granted coverage according to its position, and the Executive Committee shall issue its decision in writing within thirty (30) days of submission of such claim, dispute or controversy to the Executive Committee. Such written opinion shall briefly state the reasons for its decision and the basis for such decision, including but not limited to the documents, witness statements, and oral presentations made to the Executive Committee.

If a **Member Agency**~~District~~ disagrees with the written decision of the Executive Committee, then the **Member Agency**~~District~~ may submit, in writing, such claim, dispute or controversy to arbitration to be held in Placer County, California or such other location as the parties may agree upon, in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect. The review by the arbitrators shall be limited to a determination of the sufficiency of the basis of the decision of the Executive Committee and may not include any documents, testimony, legal theories, oral evidence, or other materials

that was not previously presented to the Executive Committee when rendering its written opinion.

There shall be three arbitrators, the **Member Agency**~~District~~ and ACWA JPIA each selecting one arbitrator; the third arbitrator shall be selected by the two previously appointed arbitrators. The party demanding arbitration shall name its arbitrator in the demand for arbitration. The responding party shall name its arbitrator within fifteen (15) days after receipt of demand for arbitration. The third arbitrator shall be named within fifteen (15) days after the appointment of the second arbitrator. A Commissioner or Judge in the Placer County Superior Court shall be empowered to appoint any arbitrator not named in accordance with the procedure herein. The decision of the arbitrators shall be final and binding upon the parties.

Any award rendered by the arbitrators shall be final and judgment thereon may be entered by any court having jurisdiction thereof. The panel of arbitrators shall have the discretion to apportion the costs and expenses of the arbitration (including reasonable attorneys' fees) in accordance with the merits of the arbitration. The panel must render its decision by a majority of the panel within ninety (90) days of the appointment of the third arbitrator, following reasonable opportunities for presentation of evidence, law and argument.

The parties to this agreement hereby waive any right to a jury trial.

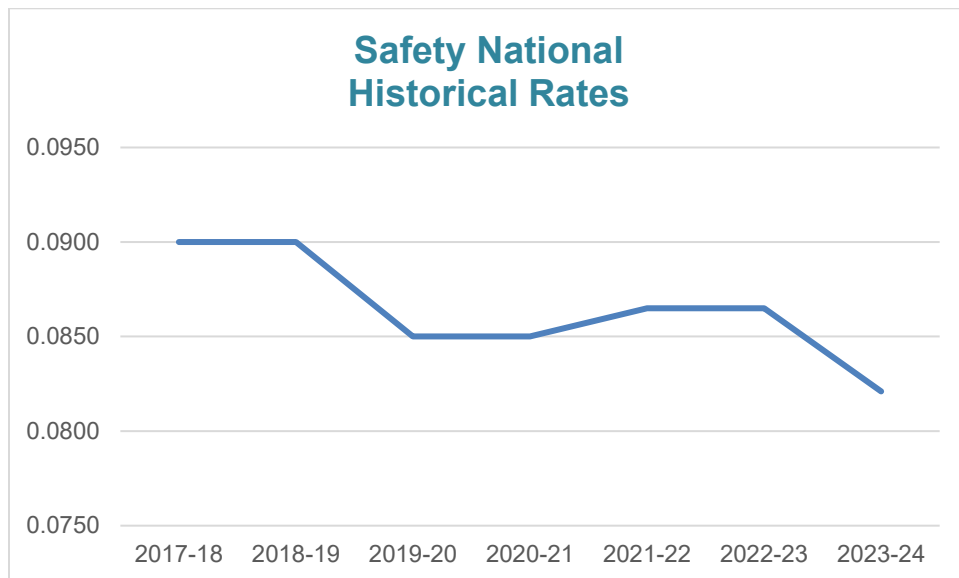
These arbitration provisions are intended to bind only the **Authority** and its **Member Agencies**. They are not intended to be binding upon any of the **Authority's** re-insurers or excess carriers.

ACWA JPIA
2024-25 Workers' Compensation Program
Excess Insurance Renewal
June 20, 2024

BACKGROUND

The Workers' Compensation Program renews on July 1, 2024, which includes the pooled and excess layers, currently through Safety National which attaches at the JPIA's \$2 million retention and provides coverage to Statutory limits.

Safety National, JPIA's excess insurance coverage provider since 2017-18, has consistently demonstrated the value in which they place upon our partnership. Following are the historical rates, per \$100 of payroll, since inception of the Safety National excess insurance program:



Following four years (2017-18 through 2020-21) of steady and/or decreased rates, the post-COVID 2021-22 program year brought a cessation of Safety National's multi-year rate guarantees and instead JPIA was offered a one-year renewal with a 7% rate increase. As the JPIA's claims experience continued to be very favorable and COVID did not manifest the anticipated increases in either claims frequency or severity, in 2022-23 Safety National offered a flat renewal to include a rate for the 2023-24 program year of between a 0%-2.5% increase.

Due to continued favorable claims experience, 2023-24 renewal discussions brought forth the extension of a rate decrease of 5% or \$0.0821 per \$100 of payroll. Safety National further extended a multi-year offering to include rates for the 2024-25 coverage period falling between a 3% decrease and a flat renewal, subject to the conditions noted in the Program Commitment Agreement.

CURRENT SITUATION

Safety National continues to demonstrate that the JPIA is one of their preferred clients and for 2024-25, they have offered a \$0.0796 per \$100 of payroll rate, equating to a 3% rate decrease. They have also included a rate for the 2025-26 coverage period guaranteeing a 3% decrease from expiring, subject to the conditions noted in the Program Commitment Agreement.

RECOMMENDATION

That the Workers' Compensation Program Committee recommend that the Executive Committee approve Safety National's excess renewal terms, as presented, with an effective date of July 1, 2024.



Association of California Water Agencies, Joint Powers Insurance Authority

7/1/2024 Excess Workers' Compensation Renewal Proposal

Presentation Date 05/28/2024



Contents

Insured's Acknowledgement and Instruction to Bind	03
Renewal Highlights	05
Quote Comparison	06
Premium Change Chart	07
Total Cost of Risk YoY Comparison	08
Appendix	13
<ul style="list-style-type: none">• Compensation for the Value We Deliver• Quote	

This insurance document is furnished to you as a matter of information for your convenience. It only summarizes the listed proposed policy(ies) and is not intended to reflect all the terms and conditions or exclusions of such proposed policy(ies). Moreover, the information contained in this document reflects proposed coverage as of the effective date(s) of the proposed policy(ies) and does not include subsequent changes. This document is not an insurance policy and does not amend, alter or extend the coverage afforded by the listed proposed policy(ies). The insurance afforded by the listed proposed policy(ies) is subject to all the terms, exclusions and conditions of such policy(ies).

The services and placements outlined in this proposal will be provided in accordance with the terms of the notices and policies set forth in our Compensation Agreement or Engagement Letter.

Insured's Acknowledgement and Instruction to Bind

We hereby acknowledge receipt and review of the information presented in the Renewal Proposal ("Proposal") dated 05/28/2024 for Excess Workers Compensation and provided in the Compensation for the Value We Deliver disclosure. We hereby instruct Aon Risk Services Southwest, Inc. ("Aon"; "Commercial Risk Solutions") to bind the insurance program(s) selected by Us and understand that Our instruction to bind constitutes an acceptance of the terms and conditions and payments described in this Renewal Proposal.

Date:_____

On behalf of Association of California Water Agencies:

Signature

Carrier	Limit/SIR	Premium	Bind
Safety National	Statutory / 2M Self-Insured Retention	\$668,352 Annual Premium \$0.0796 Rate per \$100 of Payroll	
Program Agreement 2025		3% Rate reduction	

1

Excess Workers' Compensation

Anna Nurse, AU, AINS



Renewal Highlights 2024-25

Due to the Program Agreement in place for 2024, we did not approach alternate markets and only worked with the incumbent, Safety National.

Results

-In 2023, Safety provided a Program Agreement for 2024 that guaranteed the rate would fall within a 0-3% decrease from expiring, subject to the caveats listed in the agreement. Safety has honored the Program Commitment and has offered a 3% rate decrease over expiring, total annual premium of \$668,652. The retention of 2M and all other terms and conditions remain as expiring.

-Safety has also offered a Program Agreement for 2025 that guarantees a rate decrease of 3% from expiring, subject to the caveats listed.

Carrier Services

Safety National has multiple services available to you at no charge, please visit the link below for additional information and to register.

- [Claims Expertise, MAP Client Services, Risk Control Services \(safetynational.com\)](https://safetynational.com)

Subjectivities

-Final Payroll by Member by Class prior to policy issuance.

-Signed Program Agreement within 60 days of the effective date.

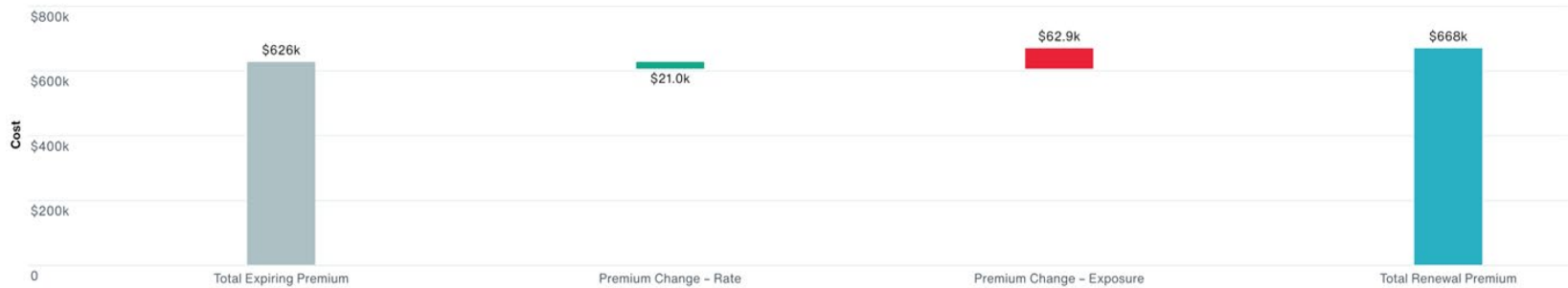
Quote Comparison

Excess Workers' Compensation

July 1, 2024-2025	2023 (Expiring)	2023 (Scaled)	2024 (Renewal)	YoY
Excess Workers Compensation				
Carrier	Safety National	Safety National	Safety National	
Effective Date	7/1/2023	7/1/2023	7/1/2024	
Program Structure				
Program Type	Incurred	Incurred	Incurred	
SIR	2,000,000	2,000,000	2,000,000	
Minimum Premium (%)	90	90	90	
Limits				
Workers Compensation	Statutory	Statutory	Statutory	
Employers Liability	2,000,000	2,000,000	2,000,000	
Exposures and Losses				
Payroll	763,019,594	839,638,098	839,638,098	10.0%
Premium/Cost Components				
Total Estimated Cost	\$626,439	\$689,343	\$668,352	6.7%
<i>Rate per 100 Payroll</i>	<i>0.082</i>	<i>0.082</i>	<i>0.080</i>	<i>-3.0%</i>

Premium Change Chart

Expiring Premium	Renewal Premium	Renewal Premium Change
\$626K	\$668K	↑ \$41.9K



2

Total Cost of Risk YoY

AON

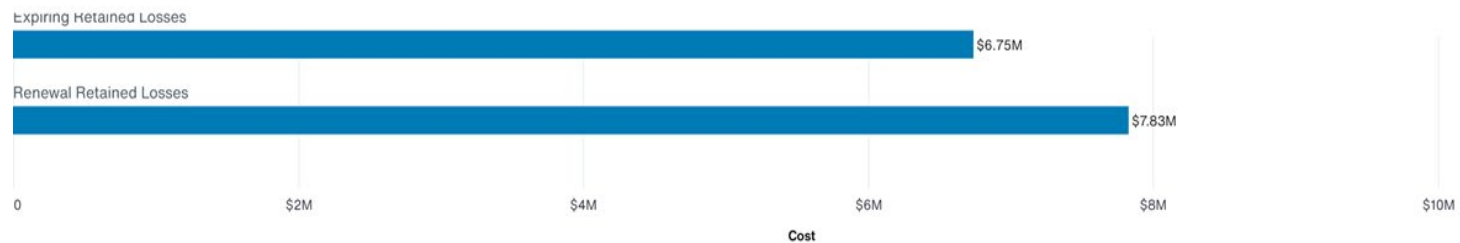


Total Cost of Risk YoY Comparison



Retained Losses

Expiring Renewal Renewal Change
 \$6.75M \$7.83M ↑ \$1.09M



	Expiring	Renewal
Retained Losses		
Excess Workers Compensation	\$6.75M	+16.14% \$7.83M
Total Retained Losses	\$6.75M	+16.14% \$7.83M

Value Ratio – P1 (Current)



**Lower than 3
Good Value**

**3-6
Great Value**

**Higher than 6
Exceptional Value**

Value Ratio of Excess Workers Compensation Program – Cat Loss Transfer vs. amount of premium you pay for that transfer.

Product ▾	Retention/Limit ▾	Cat Transferred Loss ▾	Premium ▾	Value Ratio ▾
Excess Workers Compensation	\$2M SIR	4,085,909	668,352	6.11
Total	-	4,085,909	668,352	6.11

About Aon

Aon plc (NYSE: AON) exists to shape decisions for the better — to protect and enrich the lives of people around the world. Our colleagues provide our clients in over 120 countries and sovereignties with advice and solutions that give them the clarity and confidence to make better decisions to protect and grow their business.

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The information contained herein and the statements expressed are of a general nature and are not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, and use sources we consider reliable, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

www.aon.com

Safety National Casualty Corporation
1832 Schuetz Road
St. Louis, MO 63146

PHONE # (314) 995-5300

FAX # (314) 995-3843

TO:	AON RISK SERVICES SOUTHWEST INC.	ATTN:	Anna Nurse
PHONE:	(817) 339-2043	FAX:	(847) 953-0741
FROM:	Sarah Lambrecht	DATE:	05/16/2024

EXCESS WORKERS' COMPENSATION INSURANCE QUOTATION

Name of Risk: ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY
Account: 6006191 Previous Policy Number: SP 4066858
Specific Excess Only

Contract Terms	Option 17889410902
Liability Period	07/01/2024 - 07/01/2025
Payroll Reporting Period	07/01/2024 - 07/01/2025
Payroll	\$ 839,638,098
Self-Insured Retention	\$ 2,000,000
Specific Limit	Statutory
Employers Liability Limit	Per Occ \$ 2,000,000
Premium Rate	Rate \$100 Payroll \$ 0.0796
Deposit Premium	\$ 668,352
Minimum Premium	\$ 601,517
Commission	Adjustable 15.00 %
Pay Plan	ANNUAL PAYMENT
Audit Type	Voluntary

*Quote expires 1 day after Payroll Reporting Period effective date for each Quote Option.

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FROM:	Sarah Lambrecht	DATE:	05/16/2024

EXCESS WORKERS' COMPENSATION INSURANCE QUOTATION

Endorsements:

General Endorsements applicable to all quote options:

0241 00 1291 (XWC) INCIDENTAL LONGSHOREMEN'S AND HARBOR WORKERS' COMPENSATION ACT
COVERAGE ENDORSEMENT

0245 00 1291 (XWC) MARITIME COVERAGE ENDORSEMENT

0276 02 0408 (XWC) BROAD FORM ALL STATES FOR EMPLOYEE TRAVEL

0322 00 1291 (XWC) 90-DAYS NOTICE OF CANCELLATION

0411 00 0196 (XWC) INSURED MEMBERS OF ASSOCIATION

0420 00 0296 (XWC) REVISIONS TO SERVICE AND ADMINISTRATION SECTION - QUARTERLY

0428 01 0307 (XWC) FOREIGN VOLUNTARY WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY -
INCLUDING ENDEMIC DISEASE

0456 00 0113 (XWC) BLANKET WAIVER OF SUBROGATION

0463 00 1197 (XWC) VOLUNTARY COMPENSATION ENDORSEMENT

1810 01 0712 (XWC) CALIFORNIA SHORT RATE CANCELLATION PROVISION - SPECIFIC EXCESS

Option 17889410902

CALIFORNIA MANDATORY ENDORSEMENT(S), IF APPLICABLE

6000 00 0121 (XWC) TERRORISM RISK INSURANCE PROGRAM

REAUTHORIZATION ACT ENDORSEMENT

Contingencies:

The quote is subject to the following:

1. Prior to binding, receipt of the following:
 - Final membership eff. 7/1/24, including payroll by member by class code
2. Quotation is subject to receipt of signed and completed Program Commitment Agreement within 60 days of effective date.

Option 17889410902

1. Commission shall be fully earned by the Broker of Record at the inception of the Payroll Reporting Period as identified on the bound Excess Workers Compensation Insurance Quotation.
2. This Agreement will include coverage for Workers' Compensation loss caused by acts of terrorism as defined in the Agreement. Coverage for such losses will still be subject to all terms, definitions, exclusions, and conditions in the Agreement, & any applicable federal and/or state laws, rules, or regulations. Be advised that, under the Terrorism Risk Insurance Act of 2002 as amended, extended, and/or re-authorized (the Act), terrorism losses would be partially reimbursed by the U.S. Government under a formula established by the Act. Under this formula, the U.S. Government would generally reimburse 80% of covered terrorism losses exceeding a deductible paid by us. The Act contains \$100 billion cap that limits the reimbursement from the U.S. Government as well as from all insurers. If aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced. The portion of the EMPLOYER's annual premium attributable to coverage for losses caused by a certified act of terrorism is: 0.5%
3. Subject to receipt, review and acceptance of information contained in SNCC's Employee Concentration Supplemental Information (08/04) form prior to binding.
4. The Excess Workers Compensation program quoted is contingent upon also binding any other lines quoted with Safety National. Safety National may consider providing revised or additional quote options for individual lines of coverage subject to further underwriting review and approval.

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FROM:	Sarah Lambrecht	DATE:	05/16/2024

EXCESS WORKERS' COMPENSATION INSURANCE QUOTATION

Comments:

1. Included in our quote: MAP Client Services. These resources consist of both risk control and claim services, including resources like Safety Essentials Online, Workers' Comp Kit, Safety Training Source, and Office Ergonomics Solution. Medical Management Program: These services help facilitate complicated claims towards the best-possible outcome. Available services include Catastrophic Claims Consulting, Impartial Medical Review, Long-Term Claims Evaluation, and Chronic Pain & Opioid Dependency Programs.
2. Endorsements mandated by the coverage state(s) will automatically be added to your policy regardless of whether they are shown in the above schedule. In addition, a change in an endorsement form number may occur as a result of state filing requirements/updates arising subsequent to this quote.

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PHONE:	(817) 339-2043	FAX:	(847) 953-0741
FROM:	Sarah Lambrecht	DATE:	05/16/2024

EXCESS WORKERS' COMPENSATION INSURANCE QUOTATION

Association Rules:

1. A voluntary payroll audit is required annually. The cost of the audit is the responsibility of the Association. The results of the audit including notes, work papers and summary are due within one hundred-eighty (180) days following the conclusion of the payroll reporting period. Failure to provide final payroll information within three hundred-sixty (360) days following the conclusion of the payroll reporting period may result in the estimation of final payroll by the Company for the purposes of computing audit premium.
2. Based on member activity, we may adjust the deposit and minimum term premium or handle subject to audit. However, the minimum term premium will not drop below the original amount.
3. Detail and summary loss runs concurrent with the policy term should be sent quarterly to Lossruns@safetynational.com.
4. New members may be added within the underwriting guidelines of the association. Any exceptions should be sent to SN for prior approval. Please forward a completed application, prior loss experience, and employee concentration information for each prospective member referred.
5. Only members listed on endorsements to the policy are covered. An endorsement will be issued monthly or quarterly depending on the number of member changes. Coverage is effective the date the member joins the fund.



Your Service Team

Safety National is committed to providing industry leading services to our policyholders. The Service Team is the keystone to that promise. This highly experienced team is identified now and established early in the policy term so there is a seamless transition and efficient delivery of service for your client's needs. The Service Team consists of a one point contact in underwriting, claims, risk control, and audit.

We welcome the opportunity for you to experience our commitment to your success by contacting any member of our team with your questions or requests.

Sarah Lambrecht Senior Regional Underwriting Manager - Associations	(314) 692-1389	sarah.lambrecht@safetynational.com
Ariel Jenkins MAP Client Services	(314) 692-1385	ariel.jenkins@safetynational.com
Mike Harris VP Claims	(314) 692-9516	michael.harris@safetynational.com
Tammy Rainwater Premium Audit	(314) 810-5576	tammy.rainwater@safetynational.com

CRISIS PROTECTION WORKERS' COMPENSATION



Safety National Crisis Protection® is a crisis management and extraction benefit provided exclusively for Safety National's excess, large deductible and select guaranteed cost workers' compensation customers. If your business undergoes a qualifying "Domestic Crisis Event" that directly involves your business and involves the death of two or more of your employees, Safety National® will either pay one of our approved vendors to assist with crisis management or reimburse you directly for the approved costs incurred with a vendor of your choice. If you experience a qualifying "International Extraction Crisis Event" that requires international employee extraction, we will reimburse you directly for the approved costs.

How Does It Work?

If a qualifying "Domestic Crisis Event" or "International Extraction Crisis Event" occurs, Safety National Crisis Protection will help you minimize post-crisis risk to the organization, its stakeholders and employees directly involved in the event (including immediate family of the involved employee). The annual, aggregate limit for these complimentary benefits, or any combination of the two, is \$50,000. These benefits are accessible when you need them and are provided by Safety National free of charge.

"Domestic Crisis Events" Include:

Multiple employee deaths (two or more) resulting from the following man-made events:

- Explosion
- Arson
- Bombing
- Workplace Violence
- Structural Fire
- Vehicular Accident

Multiple employee deaths (two or more) resulting from the following natural disasters:

- Tornado
- Explosion
- Wildfire
- Structural Fire
- Earthquake and Any Resulting Tsunami Hurricane
- Flood

"International Extraction Crisis Events" Include:

Employee extraction necessitated by the following:

MAN-MADE EVENTS:

- Explosion
- Arson
- Bombing
- Riot
- Government Collapse & Political Unrest

NATURAL DISASTERS:

- Tornado
- Explosion
- Wildfire
- Earthquake and Any Resulting Tsunami
- Cyclone/Typhoon/Hurricane
- Flood

LEARN MORE

For more information about Safety National Crisis Protection, please visit safetynational.com/crisis-protection-WC. If you have additional questions about this free benefit, please contact us at crisisprotection@safetynational.com.

Benefits:

- Provided at no cost to policyholders, with a \$50,000 annual, aggregate benefit limit for a qualifying "Domestic Crisis Event," a qualifying "International Extraction Crisis Event" or any combination of the two.
- A 24-hour crisis hotline to preferred and approved "Domestic Crisis Event" vendors.
- Benefit extends to immediate family of an employee that is directly involved in the "Domestic Crisis Event."
- The benefit can be used for qualified "Domestic Crisis Events" to help with:
 - » Crisis Management
 - » Crisis Response
 - » Public Relations
 - » Emergency Psychological Treatment
- Includes crisis communication and media management.
- Short-term counseling and referral for directly involved employees and their immediate family.

SAFETY NATIONAL AT A GLANCE

A.M. Best Rating A++ (Superior)
Financial Size Category XV

Why Safety National?

- Leading specialty insurance carrier, offering a variety of risk solutions for large commercial and public entity clients.
- Long-time presence in the market, providing uninterrupted service to thousands of customers nationwide for over 80 years.
- Relationship-focused approach to customer service, listening closely to customer needs and designing flexible programs and placements to address them.
- Unique claims and medical management proficiency, managing complex claims efficiently and effectively.

Financial Strength*

- Statutory surplus: \$3.7 billion (13.1% increase over 09/22)
- GAAP Stockholders' equity: \$4.5 billion (5.1% decrease over 09/22) and \$14.5 billion in assets
- A.M. Best Rating A++ (Superior), Financial Size Category XV
- Standard & Poor's Rating A+
- A member of the Tokio Marine Group, with approximately \$198 billion in total assets. The Group's main operating subsidiary, Tokio Marine & Nichido Fire (TMNF), maintains an A.M. Best rating of A++ (Superior), Financial Size Category XV.

*as of 09/23

Solutions

Workers' Compensation:

- Excess
- Large Deductible
- Large Guaranteed Cost
- Defense Base Act

Public Entity Liability:

- Law Enforcement Liability
- Public Officials Liability
- Educators Legal Liability

Commercial Auto
Commercial General Liability
Commercial Umbrella
Multinational Casualty
Construction Risk
Cyber Risk
Reinsurance
Loss Portfolio Transfers
Captives
Self-Insurance Bonds

Services

- **Medical Management Resources:** Supplemental programs designed to help manage complicated claims towards best possible outcomes.
- **MAP Client Services:** A full suite of online resources designed to help build or enhance safety and compliance programs.
- **Risk Control Services:** A vetted network of highly-qualified consultants available to assist with on-site safety and risk control projects.



(888) 995-5300 · info@safetynational.com · safetynational.com
A member of the Tokio Marine Group

PROGRAM COMMITMENT AGREEMENT

SAFETY NATIONAL CASUALTY CORPORATION

&

ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY

This Agreement is effective as of **07/01/2024**, between **SAFETY NATIONAL CASUALTY CORPORATION** (hereafter "Safety National") and **ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY** (hereafter "Employer").

WHEREAS, upon acceptance of terms by the Employer, Safety National has agreed to issue the following to the Employer (hereafter "Excess Policy(ies)");

Excess Workers' Compensation and Employers' Liability Policy No. tbd

WHEREAS, in consideration of the payment of premium, Safety National is willing to provide a limited rate, coverage, endorsement and limits commitment to the Employer relative to the above referenced Excess Policy(ies), subject to certain conditions,

NOW THEREFORE, in consideration of these promises, it is hereby understood and agreed as follows:

I. REFERENCES

- 1) "**Current Period**" refers to the current Liability Period of: **07/01/2024 – 07/01/2025**
- 2) "**Renewal Period**" refers to the renewal Liability Period of: **07/01/2025 – 07/01/2026**
- 3) Where referenced herein, a change in an aircraft does not constitute, and shall not be considered, a "significant change".

II. PROGRAM COMMITMENT

If the conditions set forth in Section III of this Agreement are all met, Safety National agrees that there shall be no more than the following percentage increase in the excess premium rate per applicable payroll/premium/man hours for the **Renewal Period** over the rates that had been applied to the **Current Period**: **-3%**

The parties understand and agree that, if any one or more of the below stated conditions are **not** met, the **Renewal Period** shall **not** be subject to any limitation nor guarantee with respect to the payroll/premium/man hours rate, retention, coverage, limits or endorsements.

III. CONDITIONS

- 1) This Agreement is signed by the Employer and returned to Safety National within 60 days following the effective date of the **Current Period**.
- 2) No certified "act of terrorism", as defined under the Terrorism Risk Insurance Act of 2002 or any subsequent acts, amendments, or reauthorizations thereto ("TRIA"), occurs during the **Current Period**.
- 3) No "pandemic" first originates and/or is first declared during the **Current Period** with "pandemic" defined as a disease prevalent throughout an entire state, country, continent or world that meets either of the following criteria:
 - (a) Such disease is declared a pandemic by the World Health Organization; or
 - (b) Any branch or agency of the United States Federal Government, or any state covered by the Excess Policy(ies), declares the spread of such disease to be a public health emergency.
- 4) No significant change in allocation of payroll among states for the **Renewal Period** from that in place for the **Current Period** with "significant" being understood to mean a $\pm NA\%$ change in payroll of any state that represents more than $NA\%$ of the total policy payroll written in each preceding Liability Period or a $\pm NA\%$ change in payroll in any state that represents less than $NA\%$ of the total payroll for such preceding Liability Period.
- 5) No significant change in core business underwriting exposure, with "significant" being understood to mean a $\pm 15\%$ change in exposure for the **Renewal Period** over that in place for the **Current Period**.

- 6) No significant change in underwriting exposure through development of, or acquisition of, non-core business, with "significant" being understood to be a change in exposure that is in excess of **15%** for the **Renewal Period** over that for the **Current Period**.
- 7) No new, individual incurred loss during the **Current Period** to exceed **75%** of that Excess Policy's applicable SIR/Retention amount with such losses to be valued as of **4/1/24**.
- 8) No development of existing claims having a date of loss prior to the effective date of the **Current Period**, to exceed **75%** of the Excess Policy's applicable SIR/Retention amount with such losses to be valued as of **4/1/24**.

IV. DEFINITIONS

All terms that are not specifically defined in this Agreement retain the definitions from the underlying Excess Policy(ies).

V. ENFORCEABILITY

The invalidity or unenforceability of any particular term or condition of this Agreement will not affect the other terms and provisions hereof, and this Agreement will be construed in all respects as if such invalid or unenforceable term or provision has been omitted.

VI. WAIVER

The waiver by either party of any breach of any term, covenant or conditions of this Agreement will not be deemed a waiver of any other term, covenant or condition of this Agreement or any subsequent breach of the same or any other term, covenant or condition of this Agreement.

VII. AGREEMENT BINDING

This Agreement shall be binding upon, and shall inure to the benefit of, Safety National and the Employer and their respective heirs, legal representatives, successors and assigns, including, but not limited to, any receiver, trustee or other fiduciary appointed in any federal or state insolvency proceeding or federal bankruptcy case.

VIII. COMMISSION

Any applicable commission shall be earned by the broker of record on only an annual basis as of the effective date of Excess Policy(ies).

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year set forth above by their duly authorized representatives.

SAFETY NATIONAL CASUALTY CORPORATION

**ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS
INSURANCE AUTHORITY**

By: _____
(Signature of Officer or Authorized Representative)

By: _____
(Signature of Officer or Authorized Representative)

(Name of Officer or Authorized Representative)

(Name of Officer or Authorized Representative)

(Title of Officer or Authorized Representative)

(Title of Officer or Authorized Representative)

Date Signed: _____

Date Signed: _____

ACWA JPIA
2024-25 Member Contributions for the Workers' Compensation
Program
June 20, 2024

BACKGROUND

Contributions to be charged to the members are reviewed by the Workers' Compensation Program Committee and approved by the Executive Committee prior to the beginning of the program year. Contributions are based on projected costs; the largest factor of which is estimated losses for the pooled layer: Dollar One to the Program's \$2 million retention. For reference, last year's funding equated to a flat rate renewal.

CURRENT SITUATION

The Workers' Compensation Program Expected Revenue/Expense & Funding Requirement Report provides a breakdown for the expected revenues and expenses for the 2024-25 program year. The total estimated funding with no pricing changes is approximately \$16.3 million based on \$840 million in estimated payrolls.

Following this summary are three options presented for consideration.

Option 1 shows budgeted numbers with no price change. If all estimates are correct under this pricing, members would receive \$6.9 million in refunds (line 2). The reason for such a favorable dollar amount is due to the reduced loss rate obtained from the JPIA third party actuary. The estimated loss rate per \$100 of payroll went from \$1.11 in policy year 2023-2024 to \$1.01 for policy year 2024-2025. This amounts to nearly a 10% decrease.

Option 2 displays pricing with a 10% decrease in all class code rates. Under this pricing scenario members would potentially have \$4.8 million in refunds to them (line 2).

Option 3 presents pricing with a 20% decrease. Under this pricing members would be returned \$2.7 million in refunds.

RECOMMENDATION

Staff will discuss the pros and cons of options presented to assist the Committee with a recommendation.

ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY

WORKERS' COMPENSATION PROGRAM

EXPECTED REVENUE/EXPENSE & FUNDING REQUIREMENTS COMPARISON

As of April 30, 2024

OPTION 1 - NO PRICE CHANGE

	Policy Year 7/1/2022-23 Budget	Policy Year 7/1/2022-23 Actual	Policy Year 7/1/2023-24 Budget	Policy Year 7/1/2024-25 Projection	% Change from 7/1/2023-24 to 7/1/2024-25
REVENUE:					
1 Deposit Premiums Earned (Note 1)	\$ 13,883,030	\$ 15,006,534	\$ 14,775,933	\$ 16,306,850	10.36%
2 Retrospective Premium Adjustment	(2,526,235)	(6,180,539)	(5,625,857)	(6,959,347)	23.70%
3 Net Investment Income	2,516,302	330,586	4,831,856	5,275,078	9.17%
4 Total Revenue	<u>\$ 13,873,097</u>	<u>\$ 9,156,581</u>	<u>\$ 13,981,932</u>	<u>\$ 14,622,581</u>	<u>4.58%</u>
EXPENSES:					
5 Paid Claims and Claims Reserves	\$ 8,804,600	\$ 6,611,000	\$ 8,469,500	\$ 8,570,400	1.19%
6 Purchased Excess Insurance	651,297	623,972	658,552	702,105	6.61%
7 General & Admin. Expenses	4,417,200	1,921,609	4,853,880	5,350,075	10.22%
8 Total Expenses	<u>13,873,097</u>	<u>9,156,581</u>	<u>13,981,932</u>	<u>14,622,581</u>	<u>4.58%</u>
9 CONT. TO CAT. RESERVES:	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>N/A</u>
10 Number of Program Members	202	204	204	208	1.96%
11 Payroll	\$ 715,820,079	\$ 773,125,728	\$ 763,019,596	\$ 840,238,099	10.12%
12 Ratio of Incurred Losses to Payroll	1.23	0.86	1.11	1.02	-8.11%
13 Ratio of Deposit Premium to Payroll	1.94	1.94	1.94	1.94	0.22%
14 District RAPs	\$250 - \$25,000	\$250 - \$25,000	\$250 - \$25,000	\$250 - \$25,000	
15 Pooled Layer	RAP to \$2M	RAP to \$2M	RAP to \$2M	RAP to \$2M	
16 Program Limits	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	
	Employer	Employer	Employer	Employer	
	Liability and	Liability and	Liability and	Liability and	
	Statutory Limit	Statutory Limit	Statutory Limit	Statutory Limit	
	on Work Comp	on Work Comp	on Work Comp	on Work Comp	

CALCULATIONS - Workers' Comp Program

Line #

- 1 Deposit Premium - See (Note 1)
- 2 RPA - Calculated to balance budget
- 3 Interest Income - 5.0%
- 5 Claims Expense - Actuarially generated Loss Rate times payroll / 100
- 6 Excess Insurance - Excess Rate times payroll / 100
- 7 G&A Expenses - 36% of Annual Budget (\$14,861,320)

<u>VARIABLES</u>	<u>PROJECTION</u> <u>7/1/2023-24</u>	<u>PROJECTION</u> <u>7/1/2024-25</u>
PAYROLL	\$763,019,596	\$840,238,099
LOSS RATE/\$100 OF P/R	\$1.1100	\$1.0200
EXCESS RATE/100 OF P/R	\$0.0821	\$0.0800

Interest Earning Calculations

7/1/2023-24

Claims	Unpaid	Annual	Future	
Payment	Losses	Interest	Value	
Pattern		Earnings		
		5.00%		
	14,117,381			12
19.4%	11,378,609	637,400	1,090,170	11
21.4%	8,357,490	493,402	803,701	10
13.6%	6,437,526	369,875	573,798	9
7.9%	5,322,253	293,994	434,364	8
7.5%	4,263,449	239,643	337,201	7
4.6%	3,614,050	196,937	263,915	6
4.0%	3,049,354	166,585	212,609	5
2.8%	2,654,068	142,586	173,314	4
2.4%	2,315,250	124,233	143,815	3
1.9%	2,047,020	109,057	120,235	2
14.5%	0	51,176	53,734	1
FV OF ANNUAL EARNINGS			4,206,856	
CAT FUND CONTRIB		0		
Interest Earnings			0	
CAT FUND		0		
Interest Earnings			625,000	
TOTAL INTEREST EARNINGS			<u>4,831,856</u>	

7/1/2024-25

Claims	Unpaid	Interest	Future	
Payment	Losses	Earnings	Value	
Pattern		5.00%		
	15,604,745			12
19.4%	12,577,424	704,554	1,205,027	11
21.4%	9,238,009	545,386	888,376	10
13.6%	7,115,764	408,844	634,252	9
7.9%	5,882,989	324,969	480,127	8
7.5%	4,712,633	264,891	372,728	7
4.6%	3,994,815	217,686	291,720	6
4.0%	3,370,625	184,136	235,009	5
2.8%	2,933,692	157,608	191,573	4
2.4%	2,559,178	137,322	158,967	3
1.9%	2,262,688	120,547	132,903	2
14.5%	0	56,567	<u>59,396</u>	1
FV OF ANNUAL EARNINGS			4,650,078	
CAT FUND CONTRIB		0		
Interest Earnings			0	
SIEF		0		
Interest from CAT Fund			625,000	
TOTAL INTEREST EARNINGS			<u>5,275,078</u>	

ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY

WORKERS' COMPENSATION PROGRAM

EXPECTED REVENUE/EXPENSE & FUNDING REQUIREMENTS COMPARISON

As of April 30, 2024

OPTION 2 - 10% Decrease

	Policy Year 7/1/2022-23 Budget	Policy Year 7/1/2022-23 Actual	Policy Year 7/1/2023-24 Budget	Policy Year 7/1/2024-25 Projection	% Change from 7/1/2023-24 to 7/1/2024-25
REVENUE:					
1 Deposit Premiums Earned (Note 1)	\$ 13,883,030	\$ 15,006,534	\$ 14,775,933	\$ 14,676,165	-0.68%
2 Retrospective Premium Adjustment	(2,526,235)	(6,180,539)	(5,625,857)	(4,842,732)	-13.92%
3 Net Investment Income	2,516,302	330,586	4,831,856	4,789,148	-0.88%
4 Total Revenue	\$ 13,873,097	\$ 9,156,581	\$ 13,981,932	\$ 14,622,581	4.58%
0					
EXPENSES:					
5 Paid Claims and Claims Reserves	\$ 8,804,600	\$ 6,611,000	\$ 8,469,500	\$ 8,570,400	1.19%
6 Purchased Excess Insurance	651,297	623,972	658,552	702,105	6.61%
7 General & Admin. Expenses	4,417,200	1,921,609	4,853,880	5,350,075	10.22%
8 Total Expenses	13,873,097	9,156,581	13,981,932	14,622,581	4.58%
9 CONT. TO CAT. RESERVES:	\$ 0	\$ 0	\$ 0	\$ 0	N/A
10 Number of Program Members	202	204	204	208	1.96%
11 Payroll	\$ 715,820,079	\$773,125,728	\$763,019,596	\$840,238,099	10.12%
12 Ratio of Incurred Losses to Payroll	1.23	0.86	1.11	1.02	-8.11%
13 Ratio of Deposit Premium to Payroll	1.94	1.94	1.94	1.75	-9.80%
14 District RAPs	\$250 - \$25,000	\$250 - \$25,000	\$250 - \$25,000	\$250 - \$25,000	
15 Pooled Layer	RAP to \$2M	RAP to \$2M	RAP to \$2M	RAP to \$2M	
16 Program Limits	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	
	Employer	Employer	Employer	Employer	
	Liability and	Liability and	Liability and	Liability and	
	Statutory Limit	Statutory Limit	Statutory Limit	Statutory Limit	
	on Work Comp	on Work Comp	on Work Comp	on Work Comp	

CALCULATIONS - Workers' Comp Program

Line #

1 Deposit Premium - See (Note 1)

2 RPA - Calculated to balance budget

3 Interest Income - 5.0%

5 Claims Expense - Actuarially generated Loss Rate times payroll / 100

6 Excess Insurance - Excess Rate times payroll / 100

7 G&A Expenses - 36% of Annual Budget (\$14,861,320)

<u>VARIABLES</u>	<u>PROJECTION</u> <u>7/1/2023-24</u>	<u>PROJECTION</u> <u>7/1/2024-25</u>
PAYROLL	\$763,019,596	\$840,238,099
LOSS RATE/\$100 OF P/R	\$1.1100	\$1.0200
EXCESS RATE/100 OF P/R	\$0.0821	\$0.0800

Interest Earning Calculations**7/1/2023-24**

Claims	Unpaid	Annual	Future	
Payment	Losses	Interest	Value	
Pattern		Earnings		
		5.00%		
	14,117,381			12
19.4%	11,378,609	637,400	1,090,170	11
21.4%	8,357,490	493,402	803,701	10
13.6%	6,437,526	369,875	573,798	9
7.9%	5,322,253	293,994	434,364	8
7.5%	4,263,449	239,643	337,201	7
4.6%	3,614,050	196,937	263,915	6
4.0%	3,049,354	166,585	212,609	5
2.8%	2,654,068	142,586	173,314	4
2.4%	2,315,250	124,233	143,815	3
1.9%	2,047,020	109,057	120,235	2
14.5%	0	51,176	53,734	1
FV OF ANNUAL EARNINGS			4,206,856	
CAT FUND CONTRIB		0		
Interest Earnings			0	
CAT FUND		0		
Interest Earnings			625,000	
TOTAL INTEREST EARNINGS			<u>4,831,856</u>	

7/1/2024-25

Claims	Unpaid	Interest	Future	
Payment	Losses	Earnings	Value	
Pattern		5.00%		
	13,974,060			12
19.4%	11,263,092	630,929	1,079,102	11
21.4%	8,272,643	488,393	795,541	10
13.6%	6,372,171	366,120	567,973	9
7.9%	5,268,221	291,010	429,954	8
7.5%	4,220,166	237,210	333,778	7
4.6%	3,577,359	194,938	261,236	6
4.0%	3,018,397	164,894	210,451	5
2.8%	2,627,123	141,138	171,554	4
2.4%	2,291,746	122,972	142,355	3
1.9%	2,026,239	107,950	119,014	2
14.5%	0	50,656	53,189	1
FV OF ANNUAL EARNINGS			4,164,148	
CAT FUND CONTRIB		0		
Interest Earnings			0	
SIEF		0		
Interest from CAT Fund			625,000	
TOTAL INTEREST EARNINGS			<u>4,789,148</u>	

ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY

WORKERS' COMPENSATION PROGRAM

EXPECTED REVENUE/EXPENSE & FUNDING REQUIREMENTS COMPARISON

As of April 30, 2024

OPTION 3 - 20% Decrease

	Policy Year 7/1/2022-23 Budget	Policy Year 7/1/2022-23 Actual	Policy Year 7/1/2023-24 Budget	Policy Year 7/1/2024-25 Projection	% Change from 7/1/2023-24 to 7/1/2024-25
REVENUE:					
1 Deposit Premiums Earned (Note 1)	\$ 13,883,030	\$ 15,006,534	\$ 14,775,933	\$ 13,045,480	-11.71%
2 Retrospective Premium Adjustment	(2,526,235)	(6,180,539)	(5,625,857)	(2,726,117)	-51.54%
3 Net Investment Income	2,516,302	330,586	4,831,856	4,303,218	-10.94%
4 Total Revenue	<u>\$ 13,873,097</u>	<u>\$ 9,156,581</u>	<u>\$ 13,981,932</u>	<u>\$ 14,622,581</u>	4.58%
0					
EXPENSES:					
5 Paid Claims and Claims Reserves	\$ 8,804,600	\$ 6,611,000	\$ 8,469,500	\$ 8,570,400	1.19%
6 Purchased Excess Insurance	651,297	623,972	658,552	702,105	6.61%
7 General & Admin. Expenses	4,417,200	1,921,609	4,853,880	5,350,075	10.22%
8 Total Expenses	<u>13,873,097</u>	<u>9,156,581</u>	<u>13,981,932</u>	<u>14,622,581</u>	4.58%
9 CONT. TO CAT. RESERVES:	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	N/A
10 Number of Program Members	202	204	204	208	1.96%
11 Payroll	\$ 715,820,079	\$773,125,728	\$763,019,596	\$840,238,099	10.12%
12 Ratio of Incurred Losses to Payroll	1.23	0.86	1.11	1.02	-8.11%
13 Ratio of Deposit Premium to Payroll	1.94	1.94	1.94	1.55	-19.83%
14 District RAPs	\$250 - \$25,000	\$250 - \$25,000	\$250 - \$25,000	\$250 - \$25,000	
15 Pooled Layer	RAP to \$2M	RAP to \$2M	RAP to \$2M	RAP to \$2M	
16 Program Limits	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	
	Employer	Employer	Employer	Employer	
	Liability and	Liability and	Liability and	Liability and	
	Statutory Limit	Statutory Limit	Statutory Limit	Statutory Limit	
	on Work Comp	on Work Comp	on Work Comp	on Work Comp	

CALCULATIONS - Workers' Comp Program

Line #

- 1 Deposit Premium - See (Note 1)
- 2 RPA - Calculated to balance budget
- 3 Interest Income - 5.0%
- 5 Claims Expense - Actuarially generated Loss Rate times payroll / 100
- 6 Excess Insurance - Excess Rate times payroll / 100
- 7 G&A Expenses - 36% of Annual Budget (\$14,861,320)

<u>VARIABLES</u>	<u>PROJECTION</u> <u>7/1/2023-24</u>	<u>PROJECTION</u> <u>7/1/2024-25</u>
PAYROLL	\$763,019,596	\$840,238,099
LOSS RATE/\$100 OF P/R	\$1.1100	\$1.0200
EXCESS RATE/100 OF P/R	\$0.0821	\$0.0800

Interest Earning Calculations**7/1/2023-24**

Claims	Unpaid	Annual	Future	
Payment	Losses	Interest	Value	
Pattern		Earnings		
		5.00%		
	14,117,381			12
19.4%	11,378,609	637,400	1,090,170	11
21.4%	8,357,490	493,402	803,701	10
13.6%	6,437,526	369,875	573,798	9
7.9%	5,322,253	293,994	434,364	8
7.5%	4,263,449	239,643	337,201	7
4.6%	3,614,050	196,937	263,915	6
4.0%	3,049,354	166,585	212,609	5
2.8%	2,654,068	142,586	173,314	4
2.4%	2,315,250	124,233	143,815	3
1.9%	2,047,020	109,057	120,235	2
14.5%	0	51,176	53,734	1
FV OF ANNUAL EARNINGS			4,206,856	
CAT FUND CONTRIB		0		
Interest Earnings			0	
CAT FUND		0		
Interest Earnings			625,000	
TOTAL INTEREST EARNINGS			<u>4,831,856</u>	

7/1/2024-25

Claims	Unpaid	Interest	Future	
Payment	Losses	Earnings	Value	
Pattern		5.00%		
	12,343,375			12
19.4%	9,948,760	557,303	953,178	11
21.4%	7,307,278	431,401	702,707	10
13.6%	5,628,579	323,396	501,694	9
7.9%	4,653,452	257,051	379,781	8
7.5%	3,727,699	209,529	294,828	7
4.6%	3,159,904	172,190	230,751	6
4.0%	2,666,169	145,652	185,893	5
2.8%	2,320,554	124,668	151,535	4
2.4%	2,024,313	108,622	125,743	3
1.9%	1,789,789	95,353	105,126	2
14.5%	0	44,745	<u>46,982</u>	1
FV OF ANNUAL EARNINGS			3,678,218	
CAT FUND CONTRIB		0		
Interest Earnings			0	
SIEF		0		
Interest from CAT Fund			625,000	
TOTAL INTEREST EARNINGS			<u>4,303,218</u>	

Workers' Comp. Estimated Deposit Premiums

7/1/2023-24

CLASS	CODE	CURRENT RATE	AVG RATE	PAYROLL	% of Payroll	PREMIUM	% of Premium
Irrigation Drainage	0251	\$6.55	\$5.15	\$52,452,137	6.9%	\$2,699,452	18.3%
Analytical/Testing Laboratories	4511	1.50	1.18	4,651,271	0.6%	54,819	0.4%
Sewer Construction (<\$21)	6307	10.55	8.29	2,703	0.0%	224	0.0%
Waterworks Operations	7520	4.06	3.19	254,255,710	33.3%	8,110,878	54.9%
Electric Light & Power	7539	3.12	2.45	24,368,168	3.2%	597,377	4.0%
Sanitation District	7580	2.73	2.15	32,253,350	4.2%	691,845	4.7%
Salespersons-Meter Readers	8742	0.94	0.74	117,987,824	15.5%	871,437	5.9%
Clerical	8810	0.77	0.61	272,198,540	35.7%	1,646,826	11.1%
Parks & Recreation	9182	1.83	1.44	3,817,501	0.5%	54,891	0.4%
Camp - Recreational/Educator	9048	5.94	4.67	1,032,392	0.1%	48,184	0.3%
		\$2.46		\$763,019,596	100.0%	\$14,775,933	100.0%

7/1/2024-25

CLASS	CODE	PROPOSED NEW RATE	AVG RATE	PAYROLL	% of Payroll	PREMIUM	% of Premium
Irrigation Drainage	0251	\$6.55	\$5.15	\$58,358,380	6.9%	\$3,003,417	18.4%
Analytical/Testing Laboratories	4511	1.50	1.18	5,205,976	0.6%	61,357	0.4%
Sewer Construction (<\$21)	6307	10.55	8.29	2,153	0.0%	178	0.0%
Waterworks Operations	7520	4.06	3.19	279,254,321	33.2%	8,908,346	54.6%
Electric Light & Power	7539	3.12	2.45	27,438,777	3.3%	672,652	4.1%
Sanitation District	7580	2.73	2.15	36,512,551	4.3%	783,206	4.8%
Salespersons-Meter Readers	8742	0.94	0.74	129,611,613	15.4%	957,289	5.9%
Clerical	8810	0.77	0.61	298,323,869	35.5%	1,804,886	11.1%
Parks & Recreation	9182	1.83	1.44	4,415,745	0.5%	63,493	0.4%
Camp - Recreational/Educator	9048	5.94	4.67	1,114,714	0.1%	52,026	0.3%
		\$2.47		\$840,238,099	100.0%	\$16,306,850	100.0%

% of Increase/Decrease

0.00%

Comparison - % of Losses to % of Premium

CLASS	CODE	24/25 PAYROLL	% of P/R	5 Yr. Loss 18/19 - 22/23	% of LOSSES	24/25 PREMIUM	% of Premium
Irrigation Drainage	0251	\$58,358,380	6.9%	\$3,777,279	14.4%	\$3,003,417	18.4%
Analytical/Testing Laboratories	4511	5,205,976	0.6%	6,080	0.0%	61,357	0.4%
Sewer Construction (<\$21)	6307	2,153	0.0%	-	0.0%	178	0.0%
Waterworks Operations	7520	279,254,321	33.2%	15,973,332	60.9%	8,908,346	54.6%
Electric Light & Power	7539	27,438,777	3.3%	325,137	1.2%	672,652	4.1%
Sanitation District	7580	36,512,551	4.3%	937,500	3.6%	783,206	4.8%
Salespersons-Meter Readers	8742	129,611,613	15.4%	2,194,677	8.4%	957,289	5.9%
Clerical	8810	298,323,869	35.5%	2,076,070	7.9%	1,804,886	11.1%
Parks & Recreation	9182	4,415,745	0.5%	889,241	3.4%	63,493	0.4%
Camp - Recreational/Educator	9048	1,114,714	0.1%	45,344	0.2%	52,026	0.3%
		\$840,238,099	100.0%	\$26,224,660	100.0%	\$16,306,850	100.0%

Workers' Comp. Estimated Deposit Premiums

7/1/2023-24

CLASS	CODE	CURRENT RATE	AVG RATE	PAYROLL	% of Payroll	PREMIUM	% of Premium
Irrigation Drainage	0251	\$6.55	\$5.15	\$52,452,137	6.9%	\$2,699,452	18.3%
Analytical/Testing Laboratories	4511	1.50	1.18	4,651,271	0.6%	54,819	0.4%
Sewer Construction (<\$21)	6307	10.55	8.29	2,703	0.0%	224	0.0%
Waterworks Operations	7520	4.06	3.19	254,255,710	33.3%	8,110,878	54.9%
Electric Light & Power	7539	3.12	2.45	24,368,168	3.2%	597,377	4.0%
Sanitation District	7580	2.73	2.15	32,253,350	4.2%	691,845	4.7%
Salespersons-Meter Readers	8742	0.94	0.74	117,987,824	15.5%	871,437	5.9%
Clerical	8810	0.77	0.61	272,198,540	35.7%	1,646,826	11.1%
Parks & Recreation	9182	1.83	1.44	3,817,501	0.5%	54,891	0.4%
Camp - Recreational/Educator	9048	5.94	4.67	1,032,392	0.1%	48,184	0.3%
		\$2.46		\$763,019,596	100.0%	\$14,775,933	100.0%

7/1/2024-25

CLASS	CODE	PROPOSED NEW RATE	AVG RATE	PAYROLL	% of Payroll	PREMIUM	% of Premium
Irrigation Drainage	0251	\$5.90	\$4.63	\$58,358,380	6.9%	\$2,703,075	18.4%
Analytical/Testing Laboratories	4511	1.35	1.06	5,205,976	0.6%	55,221	0.4%
Sewer Construction (<\$21)	6307	9.50	7.46	2,153	0.0%	161	0.0%
Waterworks Operations	7520	3.65	2.87	279,254,321	33.2%	8,017,511	54.6%
Electric Light & Power	7539	2.81	2.21	27,438,777	3.3%	605,387	4.1%
Sanitation District	7580	2.46	1.93	36,512,551	4.3%	704,885	4.8%
Salespersons-Meter Readers	8742	0.85	0.66	129,611,613	15.4%	861,560	5.9%
Clerical	8810	0.69	0.54	298,323,869	35.5%	1,624,398	11.1%
Parks & Recreation	9182	1.65	1.29	4,415,745	0.5%	57,144	0.4%
Camp - Recreational/Educator	9048	5.35	4.20	1,114,714	0.1%	46,823	0.3%
		\$2.22		\$840,238,099	100.0%	\$14,676,165	100.0%

% of Increase/Decrease

-10.00%

Comparison - % of Losses to % of Premium

CLASS	CODE	24/25 PAYROLL	% of P/R	5 Yr. Loss 18/19 - 22/23	% of LOSSES	24/25 PREMIUM	% of Premium
Irrigation Drainage	0251	\$58,358,380	6.9%	\$3,777,279	14.4%	\$2,703,075	18.4%
Analytical/Testing Laboratories	4511	5,205,976	0.6%	6,080	0.0%	55,221	0.4%
Sewer Construction (<\$21)	6307	2,153	0.0%	-	0.0%	161	0.0%
Waterworks Operations	7520	279,254,321	33.2%	15,973,332	60.9%	8,017,511	54.6%
Electric Light & Power	7539	27,438,777	3.3%	325,137	1.2%	605,387	4.1%
Sanitation District	7580	36,512,551	4.3%	937,500	3.6%	704,885	4.8%
Salespersons-Meter Readers	8742	129,611,613	15.4%	2,194,677	8.4%	861,560	5.9%
Clerical	8810	298,323,869	35.5%	2,076,070	7.9%	1,624,398	11.1%
Parks & Recreation	9182	4,415,745	0.5%	889,241	3.4%	57,144	0.4%
Camp - Recreational/Educator	9048	1,114,714	0.1%	45,344	0.2%	46,823	0.3%
		\$840,238,099	100.0%	\$26,224,660	100.0%	\$14,676,165	100.0%

Workers' Comp. Estimated Deposit Premiums

7/1/2023-24

CLASS	CODE	CURRENT RATE	AVG RATE	PAYROLL	% of Payroll	PREMIUM	% of Premium
Irrigation Drainage	0251	\$6.55	\$5.15	\$52,452,137	6.9%	\$2,699,452	18.3%
Analytical/Testing Laboratories	4511	1.50	1.18	4,651,271	0.6%	54,819	0.4%
Sewer Construction (<\$21)	6307	10.55	8.29	2,703	0.0%	224	0.0%
Waterworks Operations	7520	4.06	3.19	254,255,710	33.3%	8,110,878	54.9%
Electric Light & Power	7539	3.12	2.45	24,368,168	3.2%	597,377	4.0%
Sanitation District	7580	2.73	2.15	32,253,350	4.2%	691,845	4.7%
Salespersons-Meter Readers	8742	0.94	0.74	117,987,824	15.5%	871,437	5.9%
Clerical	8810	0.77	0.61	272,198,540	35.7%	1,646,826	11.1%
Parks & Recreation	9182	1.83	1.44	3,817,501	0.5%	54,891	0.4%
Camp - Recreational/Educator	9048	5.94	4.67	1,032,392	0.1%	48,184	0.3%
		\$2.46		\$763,019,596	100.0%	\$14,775,933	100.0%

7/1/2024-25

CLASS	CODE	PROPOSED NEW RATE	AVG RATE	PAYROLL	% of Payroll	PREMIUM	% of Premium
Irrigation Drainage	0251	\$5.24	\$4.12	\$58,358,380	6.9%	\$2,402,734	18.4%
Analytical/Testing Laboratories	4511	1.20	0.94	5,205,976	0.6%	49,086	0.4%
Sewer Construction (<\$21)	6307	8.44	6.63	2,153	0.0%	143	0.0%
Waterworks Operations	7520	3.25	2.55	279,254,321	33.2%	7,126,677	54.6%
Electric Light & Power	7539	2.50	1.96	27,438,777	3.3%	538,122	4.1%
Sanitation District	7580	2.18	1.72	36,512,551	4.3%	626,565	4.8%
Salespersons-Meter Readers	8742	0.75	0.59	129,611,613	15.4%	765,831	5.9%
Clerical	8810	0.62	0.48	298,323,869	35.5%	1,443,909	11.1%
Parks & Recreation	9182	1.46	1.15	4,415,745	0.5%	50,794	0.4%
Camp - Recreational/Educator	9048	4.75	3.73	1,114,714	0.1%	41,621	0.3%
		\$1.98		\$840,238,099	100.0%	\$13,045,480	100.0%

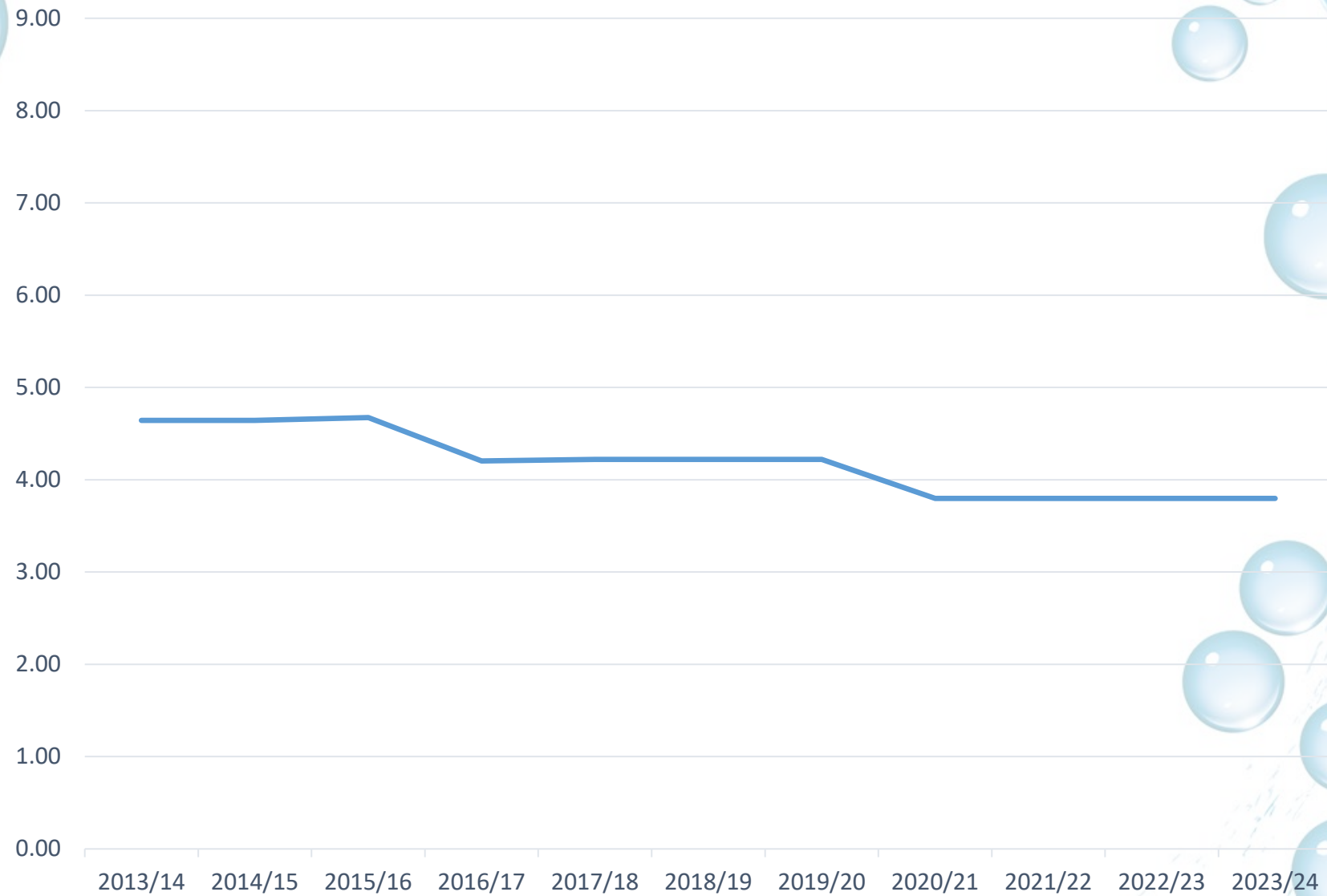
% of Increase/Decrease

-20.00%

Comparison - % of Losses to % of Premium

CLASS	CODE	24/25 PAYROLL	% of P/R	5 Yr. Loss 18/19 - 22/23	% of LOSSES	24/25 PREMIUM	% of Premium
Irrigation Drainage	0251	\$58,358,380	6.9%	\$3,777,279	14.4%	\$2,402,734	18.4%
Analytical/Testing Laboratories	4511	5,205,976	0.6%	6,080	0.0%	49,086	0.4%
Sewer Construction (<\$21)	6307	2,153	0.0%	-	0.0%	143	0.0%
Waterworks Operations	7520	279,254,321	33.2%	15,973,332	60.9%	7,126,677	54.6%
Electric Light & Power	7539	27,438,777	3.3%	325,137	1.2%	538,122	4.1%
Sanitation District	7580	36,512,551	4.3%	937,500	3.6%	626,565	4.8%
Salespersons-Meter Readers	8742	129,611,613	15.4%	2,194,677	8.4%	765,831	5.9%
Clerical	8810	298,323,869	35.5%	2,076,070	7.9%	1,443,909	11.1%
Parks & Recreation	9182	4,415,745	0.5%	889,241	3.4%	50,794	0.4%
Camp - Recreational/Educator	9048	1,114,714	0.1%	45,344	0.2%	41,621	0.3%
		\$840,238,099	100.0%	\$26,224,660	100.0%	\$13,045,480	100.0%

Historical Rates



ACWA JPIA
Director of Pooled Programs Update
June 20, 2024

BACKGROUND

This is a standing item on Committee agendas.

CURRENT SITUATION

Jennifer Jobe, Director of Pooled Programs, will provide the Workers' Compensation Program Committee with an overview of relevant current matters, issues, and opportunities.

RECOMMENDATIONS

None, information only.

ACWA JPIA MEETINGS & CONFERENCE CALENDAR – 2024

MEETING DATES	BOARD OF DIRECTORS	EXECUTIVE	PERSONNEL	FINANCE & AUDIT	PROGRAMS				RISK MGMT	CWIF
					Emp. Benefits	Liability	Property	Work Comp		
JAN 8			10:00 AM ZOOM							
JAN 17									1:00 PM	
JAN 18		8:00 AM								
JANUARY 29-30- STRATEGIC PLANNING SESSION - SAN DIEGO										
MAR 20				1:00 PM		10:30 AM	3:00 PM			
MAR 21		8:30 AM								
APRIL 26		9:00 AM ZOOM								
MAY 6	1:45 PM	10:30 AM			9:00 AM					
MAY 7-9 ACWA SPRING CONFERENCE – SACRAMENTO										
MAY 31										9:00 AM UTAH
JUNE 3			11:00 AM							
JUNE 20							3:00 PM	1:00 PM		
JUNE 21		8:00 AM								11:00 AM
JULY 31		1:00 PM			9:30 AM					
SEPT 4			10:00 AM							
SEPT 25				1:00 PM		3:00 PM				
SEPT 26		8:00 AM								11:00 AM
OCT 16		1:00 PM								
DEC 2	1:00 PM	10:00 AM								8:30 AM
DECEMBER 3-5 ACWA FALL CONFERENCE – PALM DESERT										

- AGRiP Governance Conference, Nashville, TN – March 3-6, 2024
- CICA Conference, Scottsdale, AZ – March 10-12, 2024
- CAJPA Conference, Lake Tahoe – September 10-13, 2024



Hybrid Meeting Participation Guidelines

For Remote Meeting Participants

Remember to mute yourself until you are ready to speak.

If you have a question or comment, raise your hand in Zoom.

To raise or lower your hand:

1. For PC users:
 - a. Press 'Alt-Y' on your keyboard
 - b. Or go to 'Reactions' on your Zoom screen
2. For IPAD users, go to 'More'.
3. For telephone (audio only) users, press * then 9.

For In-House Meeting Participants

Remember to use your microphone when speaking.

- Remote participants will not hear you if you don't.
- Before speaking, check that your mic is unmuted (green light).

For in-house participants that do not have a microphone, please wait for the mic runner before speaking.