2020
Virtual

JPIA Board Meeting Packet

November 30, 2020 - 10 AM

800.231.5742 — www.acwajpia.com

President's Welcome

Dear Board Members and Friends:

Welcome to the 2020 Fall Virtual Board of Directors' Meeting. Due to the ongoing statewide mandates on mass gatherings, we are holding our second virtual meeting during this continued COVID-19 pandemic.

In addition to our Board meeting on November 30, we are also presenting a virtual seminar entitled Virtual Armed Robbery, on Tuesday, December 1 at 10 a.m. Please see the seminar description on the next page for more details about this session and how to participate virtually.

I appreciate everyone's ongoing vigilance in sheltering in place and social distancing. This has definitely been a long journey, which is not over yet, but a very important and worthy cause. I am especially proud of the JPIA's staff, who have continued to perform their jobs and serve our members while working from home or with limited access to the office.

For those of you who are registered to attend the ACWA virtual conference, please visit our "booth" at the virtual exhibit hall. Again, when we eventually return to in-person conferences, we will resume our other conference activities.

During this pandemic, organizational growth continues to be steady. In total, there are now 394 JPIA members. In the Liability Program, we have 334 members; there are 199 members in the Workers' Compensation Program; the Property Program has 280 members; and the Employee Benefits Program has 265 members. We encourage current members to consider some of the other programs that the JPIA offers. For those members who already participate in all of the JPIA's programs, thank you for your support and confidence in the JPIA.

As always, I welcome your thoughts on how to better serve our membership and improve the organization. I look forward to seeing you at an in-person conference in the future; in the meantime, please feel free to call me anytime.

In these trying times, it is my heartfelt hope that you are all persevering and staying safe and well.

Sincerely,

E.G. "Jerry" Gladbach
Board President
661-312-4080

Seminar Description

December 1, 2020 — 10 - 11:30 a.m.

Details on how to join this Zoom meeting are available on the JPIA's website.

Virtual Armed Robbery

Presenters: David Trepp, M.S., Partner, IT Assurance; Scott Howard, PMP, Shandam Consulting, Inc.; Mark Madison, General Manager, Elk Grove Water District

Business and government directors, executives, and internal auditors face a daunting challenge in information security risk management. Fulfilling leaderships' fiduciary responsibilities requires involvement with highly-technical, rapidly-changing information systems and personnel. This session will look at a variety of threats, public entity vulnerabilities, and actual water industry examples. How to decrease the odds of being hacked and real-life solutions will be discussed.

David Trepp (BPM) will provide an overview of the industry and its risks to the water industry. Scott Howard (Shandam Consulting) will discuss his experience with Fair Oaks Water District's experience with a ransomware demand. Mark Madison (Elk Grove Water District) will share the story of his District's experience being hacked.

David Trepp is a technology entrepreneur since 1989, has led over 1,400 information security penetration test engagements for satisfied customers across all major industries throughout the United States and abroad. He has given dozens of presentations to audiences nationwide, on a variety of information security topics. David, a US Army veteran, is founder and CEO of Info@ Risk (now BPM), a leading comprehensive penetration test firm. David has worked in information security with utility, bank, law enforcement, government, healthcare, and commercial organizations since 1998.

Scott Howard is a Project Management Professional (PMP), Certified Cisco Network Associate (CCNA), and Certified HIPAA Security Professional. Over the last 35 years, Scott Howard has done stints working for the US Navy, PG&E, and Franklin Templeton in technology and process automation. In 2001, Scott founded Shandam Consulting, a pure consulting firm that aims to helps its clients secure, stabilize, and optimize their information technology environments. In this role, Scott has worked with organizations impacted by ransomware attacks and other issues, but he greatly prefers helping organizations avoid this situation by designing and deploying information technology best practices.

Mark Madison has been the General Manager of the Florin Resource Conservation District/Elk Grove Water District (FRCD/EGWD) since 2011 and is responsible for the overall management of the District. Mr. Madison has over 34 years of experience in the water/wastewater industry. Prior to joining the District, he was the Director of Utilities for the City of Stockton, where he managed the City's utilities and oversaw the financing and construction of many high-profile projects.

Mr. Madison is a graduate of Cal Poly State University, San Luis Obispo, and holds a Bachelor of Science degree in Agricultural Engineering. He is a registered Civil Engineer and is an active participant with the ACWA, ACWA JPIA, the California Special District Association, and various local water associations.

General Information

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BOARD OF DIRECTORS' MEETING

AGENDA

ZOOM LINK
Meeting number: **661 516 2566**
Password: **1234**
Call in: (669) 900-6833

Monday – November 30, 2020 – 10:00 a.m.

WELCOME

TUESDAY SEMINAR – VIRTUAL ARMED ROBBERY

CALL TO ORDER AND ANNOUNCEMENT OF QUORUM

MEETING PARTICIPATION GUIDELINES

PLEDGE OF ALLEGIANCE

ANNOUNCEMENT 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 California Brown Act.

PUBLIC COMMENT Members of the public will be allowed to address the Board of Directors on any agenda item prior to the Board'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 it be known.

INTRODUCTION OF GUESTS

ADDITIONS TO OR DELETIONS FROM THE AGENDA

Presenter			Page#
		I. CONSENT CALENDAR	
Gladbach	*	A. Approve the minutes of the meeting of July 27, 2020.	**1**
		II. ADMINISTRATION	
Sells	*	A. Glossary of Terms.	**14**
Thesing	*	B. Ratify Executive Committee's acceptance of new agencies.	**26**

Preliminary Agenda Issued: November 1, 2020
Final Agenda Issued: November 16, 2020

Presenter			Page#
Sells	*	C. Review and approve Resolution 2020-B for authorization for virtual voting at the Spring Conference Executive Committee Election.	**27**
Sells	*	D. JPIA Meeting Calendar for 2021.	**29**
		III. FINANCIAL	
deBernardi	*	A. Review and take action on the Investment Policy.	**30**
		IV. PROGRAMS	
Sells	*	A. Announce the President's Special Recognition Award recipients for the Liability, Property, and Workers' Compensation Programs.	**46**
Thesing Smith	*	B. Programs update. • Liability • Property • Worker's Compensation • Employee Benefits	**55** **70**
		V. JPIA UPDATE	
Sells	*	A. CEO update.	**83**
	*	B. Department updates:	
Slaven		• Training	**84**
Slaven		• Human Resources	**86**
Nogosek		• Liability/Property Claims	**91**
Tucker		• Workers' Compensation	**92**
Flint		• Risk Management	**93**
Sells	*	C. Captive update.	**94**
		VI. OTHER BUSINESS	
Greenfield		A. Briefly review pending lawsuits directly involving the JPIA.	
Gladbach		B. Open discussion.	

CONFIRM YOUR VOTE **101**

At the end of the meeting, please email Bobbette Wells at bwells@acwajpia.com to confirm your vote on the following action items:

1. Consent agenda/minutes of the last meeting
2. Ratify new agencies
3. Resolution to approve virtual voting
4. Approve the JPIA Investment Policy

ADJOURNMENT

*****Related items enclosed.

MISSION STATEMENT: ACWA JPIA is dedicated to consistently and cost effectively providing the broadest possible affordable insurance coverages and related services to its member agencies.

Americans with Disabilities Act – *ACWA 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: Bobbette Wells, Executive Assistant to the CEO, ACWA JPIA, P. O. 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 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

Board of Directors' Meeting

ACWA JPIA
2100 Professional Drive
Roseville, CA 95661
Zoom Meeting

July 27, 2020

VOTING REPORT

See the list following the minutes.

NON-VOTING PARTICIPANTS

See the list of attendees.

STAFF PRESENT

See attendance list.

CALL TO ORDER AND ANNOUNCEMENT OF QUORUM

President Gladbach called the meeting to order at 10:04 a.m., welcomed everyone to the JPIA's first ever Virtual Board of Director's meeting on Zoom and announced that there was a quorum.

PLEDGE OF ALLEGIANCE

Executive Committee member, Melody McDonald, led the Pledge of Allegiance.

ANNOUNCEMENT RECORDING OF MEETING

President Gladbach announced that the meeting was being recorded to assist in preparation of minutes and that the recording would only be kept 30 days following the meeting, as mandated by the California Brown Act.

PUBLIC COMMENT

As stated in the agenda, members of the public would be allowed to address the Board of Directors on any agenda item prior to the Board's decision on that item. Comments on any issues which may or may not be on the agenda were also welcome. No comments were brought forward.

WELCOME AND INTRODUCTION OF GUESTS

President Gladbach welcomed all in attendance and introduced the Executive Committee members. Mr. Sells introduced staff in attendance, past Presidents, and ACWA staff. Mr. Sells also welcomed Kevin Phillips, the Finance & Audit Committee chairman, and noted that Mr. Phillips has accepted a position with the City of Paradise as their new Town Manager and will begin the end of August.

ADDITIONS TO OR DELETIONS FROM THE AGENDA

President Gladbach asked for any additions to or deletions from the agenda; none were noted.

CONSENT CALENDAR

President Gladbach called for approval of the Consent Calendar.

Motion: That the Board of Directors approve the minutes of the December 2, 2019 meeting, as presented.
Motioner: *Pam Tobin, San Juan Water District*
Seconder: *Melody McDonald, San Bernardino Valley Water Conservation District*
(91-Yes; 0-No; 16-Abstain)
**See voting report following the minutes.*

ADMINISTRATION

Glossary of Terms

Mr. Sells directed the Board to the Glossary of Terms at the beginning of the conference packet. It was suggested that they become acquainted with the terms used in this meeting and to inform staff of any other terms used in this meeting that need to be included.

Ratify New Member Agencies

President Gladbach noted that at each Board meeting, a list of new members is provided for membership ratification. The new agencies that have become members of the JPIA since the last meeting are: Westside Water Authority, Eastside Water District, Otay Water District.

The Executive Committee recommended that the Board of Directors ratify the acceptance of the above member agencies, as presented.

Motion: That the Board of Directors ratify the above agencies as members of the JPIA.
Motioner: *Randall Reed, Cucamonga Valley Water District*
Seconder: *Melody McDonald, San Bernardino Valley Water Conservation District*
(108-Yes; 0-No; 0-Abstain)
**See voting report following the minutes.*

FINANCIAL

Audited Financial Statements

Mr. Phillips reported that each year, the JPIA provides for an independent audit of the JPIA's financial statements. Gilbert Associates performed the annual audit of the JPIA for the fiscal year of October 1, 2018 through September 30, 2019.

The JPIA received an unmodified opinion. The opinion stated that the Financial Statements present fairly, in all material respects, the financial position of the JPIA as of September 30, 2019. The results of its operations and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Mr. deBernardi reported that the JPIA has prepared a Comprehensive Annual Financial Report in accordance with the Government Finance Officers Association (GFOA) standards and has submitted this report to the GFOA for review in order to again obtain a Certificate of Achievement for Excellence in Financial Reporting.

Motion: That the Board of Directors approve the Audited Financial Statements for year ending September 20, 2019, as presented.
Motioner: *Bruce Rupp, Humboldt Bay Municipal Water District*
Seconder: *Melody McDonald, San Bernardino Valley Water Conservation District*
(108-Yes; 0-No; 0-Abstain)
**See voting report following the minutes.*

President Gladbach thanked Kevin Phillips for his professionalism and expertise that he has brought to the Finance & Audit Committee and wished him well in his new position.

Operating Budget
Mr. deBernardi explained that a proposed operating budget was submitted to the Finance & Audit Committee and then to the Executive Committee for review. The operating budget is then presented for final approval to the Board of Directors. The budget covers General & Administrative (G&A) Expenses for the fiscal year ending September 30, 2021.

The most significant changes to the G&A budget for the fiscal year are staff salaries and staff employee benefits. The increase is due two additional positions. These positions were approved by the Executive Committee during fiscal year 2020.

The staff employee benefits decrease is due to a lower than anticipated expense for pension. The decrease in the pension expense is anticipated due to a smaller reduction of the discount rate by CalPERS.

The overall increase in the operating budget is 3.3%. Salaries remain the largest line item in the budget.

Motion: That the Board of Directors approve the Operating Budget for fiscal year October 1, 2020-21, as presented.
Motioner: *David Drake, Rincon del Diablo Municipal Water District*
Seconder: *Brent Hastey, Yuba Water Agency*
(108-Yes; 0-No; 0-Abstain)
**See voting report following the minutes.*

PROGRAMS

Pooled Programs Update
Mr. Sells reviewed the JPIA's four major pooled programs. The Liability Program began in 1979, the Property Program began in 1982, and the Workers' Compensation Program began in 1984. Administration of the Employee Benefits Program by the JPIA became effective in July 2012. The highlights to each program were reviewed, along with the recently approved pricing for the Employee Benefits Programs for 2021.

Department Updates
Employee Benefits: Ms. Smith reported on the changes that have been occurring at an unprecedented speed in the world of Employee Benefits. In addition to complying with mandates in the CARES Act, the JPIA has made several benefit enhancements to assist plan participants during these difficult times. Coverage for COVID-19 treatment is covered in full at this time. Mail order requirements have been lifted temporarily to remove any barriers to quickly obtaining maintenance medications. An extended period of eligibility for benefits has been offered to members for employees with reduced work hours.

JPIA has held two webinars to keep members informed with up-to-date information, and created employee-facing communications to help members easily communicate changes to employees.

During shelter in place, the team has maintained operations seamlessly while working remotely. As things progress, the Employee Benefits team will continue to keep members up to date and provide support to members and their staff.

Liability/Property: Ms. Nogosek explained that Liability and Property Claims Department staff was able to transition to working from home when our office was closed due to the COVID-19 pandemic. The transition was seamless and we've been able to continue to provide the great service our members have become accustomed to.

Staff was able to onboard new members and hold refresher claims handling meetings through Zoom and GoToMeeting video conferencing. All litigated claims had been delayed due to the closure of the courts, but are starting to receive rescheduled dates.

Incoming claims decreased drastically in March and April, but began to increase again when many members began to re-open in May and June. The majority of claims received were caused by water pipe breaks and vehicle accidents.

Workers' Compensation: Ms. Tucker relayed that the Workers' Compensation department has adapted well with employees working both from home and in the office. The department did revisit certain processes and procedures to make sure that claims are getting processed and benefits are getting paid without interruptions.

During the months of March, April and May the department was averaging approximately 15 claims per month. As more employee's return back to the work place we have seen an increase in claims and for the month of June we opened a total of 31 new claims. The JPIA received a COVID-19 positive claim and eight possible exposure claims. After conducting an investigation, it was determined the claim for the employee who tested positive was not related to his employment and those eight employees who were exposed all received negative test results. All nine of these claims have been denied as industrial.

Human Resources: Ms. Slaven the year began innocently with regular webinars on New Laws, a regional HR meeting in Roseville and more. Noteworthy, was the change to an automated Human Resources/Payroll system at the first of the year.

After March 16, when JPIA sent staff to work from home, the focus dramatically shifted. For the remaining five weeks, JPIA offered weekly updates on Coronavirus related issues including the Coronavirus Response Act, policies for working from home, benefits coverage related to COVID, and more. These webinars attracted over 120 participants, on average. JPIA continued with monthly updates including a panel discussion with three districts as they prepared to bring staff back into the office.

Along with the webinars, staff answered many calls and emails related to the pandemic. A webpage was created on the JPIA website to house all the information and resources gathered related to COVID-19. Many districts expressed their gratitude for the professional assistance offer by JPIA to translate and distill the abundance of information into understandable and usable information.

Training: Ms. Slaven stated training was impacted dramatically by COVID. In-person classes came to a halt. With employees sequestered at home, the need for online learning skyrocketed and that was represented in the JPIA statistics. Classes completed on TargetSolutions rose from an average of less than 2,000 per month to almost over 4,000 in March and 8,000 in April. The viewing of JPIA recorded webinar shot up in March and April, with April reaching an all-time high level.

The JPIA is well positioned to meet the changing demands in learning, even in a pandemic, because of ongoing investments made in varying learning modalities over the years. Increased webinar offerings and subsequent recordings have gained in popularity as students can take a course when and where it's convenient. The JPIA has also purchased additional coursework, besides TargetSolutions, to increase the variety of e-learning options for the membership.

California Water Insurance Fund

Mr. Sells reported that since the last report to the board California Water Insurance Fund (CWIF) has:

1. The JPIA has ceded approximately $16 million of projected losses for the 10/1/19-20 Liability Program year to the CWIF effective October 1, 2019.
2. Implementation of the CWIF Investment policy began January 2020.
3. January 2020 the JPIA transferred $12 million of the Liability Catastrophic Reserve Fund to the CWIF authorized by Board of Directors resolution.
4. May 2020 the JPIA transferred another $10 million to CWIF
5. As of June 30, 2020, the book value of the CWIF portfolio was $41,255,000 vs. a market value of $41,787,000.

MEMBERSHIP BENEFITS

H.R. LaBounty Safety Awards Program

Ms. Thesing reported that the JPIA selected nominees demonstrating proactive safety contributions. The winners of the awards were noted in the packet and a few examples of the winning safety contributions were presented. Four notable districts' safety contributions were highlighted.

Risk Control Grant Program

Ms. Thesing reported that the JPIA Risk Control Grant Program was designed to reinforce strategic risk management direction and re-energize the loss reduction efforts of the member agencies. In contrast to the JPIA Safety Awards Program that provides incentives for line employees participation in safety program improvements, the Grant Program allows for strategic risk management program improvements and is initiated by district management.

The current grant recipients as follows: Florin Resource Conservation District/Elk Grove Water District; Tulare Irrigation District; Rio Alto Water District; Centerville Community Services District; and Three Valleys Municipal Water District

Eleven applications were reviewed by the entire risk control team for completeness and on a first-come, first-serve basis. Staff analyzed the following criteria: the application demonstrated an approach which may provide a unique and innovative solution; assist our members in their risk management and loss control techniques; show the impact of the grant request that must be identifiable and measurable; the plan of action must have a high probability of assisting or reducing the exposure(s); have a direct impact on employee safety or reduction of liability exposures; and be sustainable and further a risk management objective.

Award recipients were notified on March 1, 2020. Grant funds were paid as either reimbursements for costs or as start money for the described risk mitigation project. Winning projects/programs are located on the JPIA's website under Risk Control/Grant Program/Award Winners.

CEO UPDATE

Current Events at the JPIA

Mr. Sells provided a short update on how the JPIA has been managing the current pandemic situation with many Zoom meetings and changes in how to navigate around the office. The JPIA had two new hires around the time staff were sent home and were able to continue to train and communicate with the new staff remotely. The IT department was instrumental in keeping staff working from home remotely.

OTHER BUSINESS

General Counsel Greenfield reported that there is no currently pending or threatened law suits against the ACWA JPIA.

President Gladbach called for adjournment of the Board of Directors' meeting at 12:01 p.m.

Attest:

X _____

E. G. "Jerry" Gladbach
Chairman

X _____

Walter A. Sells
Secretary

JPIA BOARD OF DIRECTORS MEETING, JULY 27, 2020
LIST OF NON-VOTING ATTENDEES AND JPIA STAFF IN ATTENDANCE

Member/Agency	First	Last	Title
ACWA	Tiffany	Giammona	Director of Member Outreach & Engagement
ACWA JPIA	David	deBernardi	Director of Finance
ACWA JPIA	Robin	Flint	Senior Risk Control Advisor
ACWA JPIA	Robert	Greenfield	General Counsel
ACWA JPIA	Debbie	Kyburz	Lead Member Services Representative
ACWA JPIA	Jennifer	Nogosek	Liability/Property Claims Manager
ACWA JPIA	Sylvia	Robinson	Publications & Web Editor
ACWA JPIA	Andy	Sells	Chief Executive Officer
ACWA JPIA	Jillian	Sciancalepore	Administrative Assistant I
ACWA JPIA	Patricia	Slaven	Director of Human Resources and Administration
ACWA JPIA	Sandra	Smith	Employee Benefits Manager
ACWA JPIA	Dan	Steele	Finance Manger
ACWA JPIA	Min	Su	Lead Accountant
ACWA JPIA	Dianna	Sutton	Special Projects Manager
ACWA JPIA	Karen	Thesing	Director of Insurance Services
ACWA JPIA	Melody	Tucker	Work Comp Claims Manager
ACWA JPIA	Nidia	Watkins	Member Services Representative II
ACWA JPIA	Bobbette	Wells	Executive Assistant to the CEO
ACWA JPIA	Cece	Wuchter	Lead Senior Claims Examiner
Alameda CFC & WCD, Zone 7 Water Agency	Laurene	Green	Board Member
Antelope Valley Watermaster	Patti	Rose	Office/Human Resources Manager
Antelope Valley-East Kern Water Agency	Patti	Rose	Office/Human Resources Manager
Big Bear City Community Services District	Mary	Reeves	General Manager
Calleguas Municipal Water District	Thom	Slosson	Alternate
Elsinore Valley Municipal Water District	Greg	Thomas	General Manager
Fresno Metropolitan Flood Control District	Alan	Hofmann	General Manager-Secretary
Glenn-Colusa Irrigation District	Louis	Jarvis	Finance Director
Helix Water District	Jennifer	Bryant	Director of Administrative Services
Helix Water District	Susen	Doubrava	Safety/Risk Administrator
Helix Water District	Jessica	Kading	Management Analyst
Humboldt Bay Municipal Water District	John	Friedenbach	General Manager
Kinneloa Irrigation District	Melvin	Matthews	General Manager
Main San Gabriel Basin Watermaster	Kelly	Gardner	Assistant Executive Officer
Mid-Peninsula Water District	Tammy	Rudock	General Manager
Monte Vista Water District	Justin	Scott-Coe	General Manager
North Coast County Water District	Adrianne	Carr	General Manager
Oakdale Irrigation District	Steve	Knell	General Manager
Paradise Irrigation District	Gregg	Mowers	Division 5 Director
Rancho California Water District	Carol Lee	Brady	Board Director

Member/Agency	First	Last	Title
Rancho California Water District	Thomas	Marcoux	Safety and Risk Officer
Rancho California Water District	Eva	Plajzer	AGM- Engineering & Operations
Regional Water Authority	Josette	Reina-Luken	Finance & ASM
Rowland Water District	Tom	Coleman	General Manager
Sacramento Groundwater Authority	Josette	Reina-Luken	Finance & ASM
San Bernardino Valley Municipal Water District	June	Hayes	Director
Serrano Water District	Jerry	Vilander	General Manager
Stockton-East Water District	Scot	Moody	General Manager
Tehachapi-Cummings County Water District	Thomas	Neisler	General Manager
Three Valleys Municipal Water District	Denise	Jackman	Director
Tulare Irrigation District	Kathi	Artis	Controller
Tuolumne Utilities District	Abby	Parcon	Administrative Services Director
Upper San Gabriel Valley Municipal Water District	Charles	Trevino	Director/Treasurer
Vallecitos Water District	Craig	Elitharp	Director
Vista Irrigation District	Brett	Hodgkiss	General Manager
Walnut Valley Water District	Erik	Hitchman	General Manager
Yuba County Water Agency	Terri	Daly	Administrative Manager

Voting Results
JPIA Virtual Board of Directors Meeting
July 27, 2020

Select District	First Name:	Last Name:	Consent	New Agency	Invest Policy	Budget
Alameda CFC & WCD, Zone 7 Water Agency	Dennis	Gambs	Abstain	Yes	Yes	Yes
Alta Irrigation District	Marc	Limas	Yes	Yes	Yes	Yes
Antelope Valley State WCA	Kathy	Mac Laren	Yes	Yes	Yes	Yes
Arroyo Santa Rosa Basin Groundwater Sustainability Agency	Eugene	West	Yes	Yes	Yes	Yes
Bard Water District	Bill	Scott	Abstain	Yes	Yes	Yes
Bay Area Water Supply & Conservation Agency	Nicole	Sandkulla	Yes	Yes	Yes	Yes
Big Bear City Community Services District	Larry	Walsh	Abstain	Yes	Yes	Yes
Bolinas Community Public Utility District	Jennifer	Blackman	Yes	Yes	Yes	Yes
Byron-Bethany Irrigation District	Rick	Gilmore	Yes	Yes	Yes	Yes
Calaveras County Water District	Scott	Ratterman	Yes	Yes	Yes	Yes
Calleguas Municipal Water District	Scott	Quady	Yes	Yes	Yes	Yes
Camrosa Water District	Eugene	West	Yes	Yes	Yes	Yes
Carmichael Water District	Mark	Emmerson	Yes	Yes	Yes	Yes
Carpinteria Valley Water District	Matthew	Roberts	Yes	Yes	Yes	Yes
Chino Basin Desalter Authority	Betty	Anderson	Abstain	Yes	Yes	Yes
Chino Basin Watermaster	Bob	Kuhn	Yes	Yes	Yes	Yes
Clear Creek Community Services District	Mark	Engel	Abstain	Yes	Yes	Yes
Contra Costa Water District	Bette	Boatmun	Yes	Yes	Yes	Yes
Corcoran Irrigation District	Gene	Kilgore	Yes	Yes	Yes	Yes
Cucamonga Valley Water District	Randall	Reed	Yes	Yes	Yes	Yes
Del Paso Manor Water District	John	Lenahan	Abstain	Yes	Yes	Yes
Desert Water Agency	Jim	Cioffi	Yes	Yes	Yes	Yes
Devil's Den Water District	E.G. Jerry	Gladbach	Yes	Yes	Yes	Yes
El Dorado Irrigation District	Michael	Raffety	Yes	Yes	Yes	Yes
El Toro Water District	Kathryn	Freshley	Yes	Yes	Yes	Yes
Elsinore Valley Municipal Water District	Phil	Williams	Yes	Yes	Yes	Yes
Florin Resource Conservation District/Elk Grove Water District	Tom	Nelson	Yes	Yes	Yes	Yes
Foothill Municipal Water District	Melvin	Matthews	Yes	Yes	Yes	Yes
Fresno Metropolitan Flood Control District	Kendall	Groom	Yes	Yes	Yes	Yes
Friant Power Authority	Carl	Janzen	Yes	Yes	Yes	Yes
Goleta Water District	Bill	Rosen	Yes	Yes	Yes	Yes
Helix Water District	Dan	McMillan	Yes	Yes	Yes	Yes

Voting Results
JPIA Virtual Board of Directors Meeting
July 27, 2020

Select District	First Name:	Last Name:	Consent	New Agency	Invest Policy	Budget
Hi-Desert Water District	Sarann	Graham	Yes	Yes	Yes	Yes
Humboldt Bay Municipal Water District	Bruce	Rupp	Yes	Yes	Yes	Yes
Humboldt Community Services District	Alan	Bongio	Yes	Yes	Yes	Yes
Indian Wells Valley Water District	Donald	Cortichiato	Yes	Yes	Yes	Yes
Irvine Ranch Water District	Peer	Swan	Yes	Yes	Yes	Yes
Joshua Basin Water District	Sarah	Johnson	Abstain	Yes	Yes	Yes
Kern County Water Agency	Charles	Wulff	Abstain	Yes	Yes	Yes
Kings River Conservation District	Chris	Kapheim	Yes	Yes	Yes	Yes
Kinneloa Irrigation District	Timothy	Eldridge	Abstain	Yes	Yes	Yes
La Habra Heights County Water District	Karen	Baroldi	Abstain	Yes	Yes	Yes
La Puente Valley County Water District	Greg	Galindo	Yes	Yes	Yes	Yes
Laguna Beach County Water District	Debbie	Neev	Yes	Yes	Yes	Yes
Lake Don Pedro Community Services District	Emery	Ross	Yes	Yes	Yes	Yes
Las Virgenes Municipal Water District	Sherri	Paniagua	Yes	Yes	Yes	Yes
Madera Irrigation District	Carl	Janzen	Yes	Yes	Yes	Yes
Madera-Chowchilla Water and Power Authority	Carl	Janzen	Yes	Yes	Yes	Yes
Main San Gabriel Basin Watermaster	Tony	Zampiello	Yes	Yes	Yes	Yes
Marina Coast Water District	Peter	Le	Yes	Yes	Yes	Yes
Mesa Water District	Fred	Bockmiller	Yes	Yes	Yes	Yes
Mid-Peninsula Water District	Kirk	Wheeler	Abstain	Yes	Yes	Yes
Mission Springs Water District	Nancy	Wright	Yes	Yes	Yes	Yes
Monte Vista Water District	G. Michael	Milhiser	Yes	Yes	Yes	Yes
Montecito Water District	Floyd	Wicks	Abstain	Yes	Yes	Yes
Monterey One Water	Leara	Sampson	Yes	Yes	Yes	Yes
North Coast County Water District	Jack	Burgett	Yes	Yes	Yes	Yes
Oakdale Irrigation District	Tom	Orvis	Yes	Yes	Yes	Yes
Olivenhain Municipal Water District	Larry	Watt	Yes	Yes	Yes	Yes
Palmdale Water District	Don	Wilson	Yes	Yes	Yes	Yes
Paradise Irrigation District	Kevin	Phillips	Yes	Yes	Yes	Yes
Pomona-Walnut-Rowland JWLC	Tom	Coleman	Yes	Yes	Yes	Yes
Puente Basin Water Agency	Tom	Coleman	Yes	Yes	Yes	Yes
Purissima Hills Water District	Stephen	Jordan	Abstain	Yes	Yes	Yes

Voting Results
JPIA Virtual Board of Directors Meeting
July 27, 2020

Select District	First Name:	Last Name:	Consent	New Agency	Invest Policy	Budget
Rancho California Water District	William "Bill"	Plummer	Yes	Yes	Yes	Yes
Regional Water Authority	Pam	Tobin	Yes	Yes	Yes	Yes
Rincon Del Diablo Municipal Water District	David	Drake	Yes	Yes	Yes	Yes
Rowland Water District	Robert	Lewis	Yes	Yes	Yes	Yes
Sacramento Groundwater Authority	Pam	Tobin	Yes	Yes	Yes	Yes
San Bernardino Valley Municipal Water District	T Milford	Harrison	Yes	Yes	Yes	Yes
San Bernardino Valley Water Conservation District	Melody	McDonald	Yes	Yes	Yes	Yes
San Dieguito Water District	Jace	Schwarm	Yes	Yes	Yes	Yes
San Gabriel Basin Water Quality Authority	Bob	Kuhn	Yes	Yes	Yes	Yes
San Gorgonio Pass Water Agency	Lenny	Stephenson	Yes	Yes	Yes	Yes
San Juan Water District	Pam	Tobin	Yes	Yes	Yes	Yes
San Luis & Delta-Mendota Water Authority	Rick	Gilmore	Yes	Yes	Yes	Yes
San Luis Water District	Janet	Roy	Yes	Yes	Yes	Yes
Santa Clara Valley Water District	John	Varela	Yes	Yes	Yes	Yes
Santa Clarita Valley GSA	Gary	Martin	Yes	Yes	Yes	Yes
Santa Clarita Valley Water Agency	E.G. Jerry	Gladbach	Yes	Yes	Yes	Yes
Santa Margarita Groundwater Agency	Piret	Harmon	Yes	Yes	Yes	Yes
Santa Margarita Water District	Saundra	Jacobs	Yes	Yes	Yes	Yes
Santa Rosa Regional Resources Authority	Andy	Morris	Yes	Yes	Yes	Yes
Scotts Valley Water District	Chris	Perri	Abstain	Yes	Yes	Yes
Semitropic Water Storage District	Jason	Gianquinto	Yes	Yes	Yes	Yes
Serrano Water District	Greg	Mills	Yes	Yes	Yes	Yes
South Coast Water District	Bill	Green	Yes	Yes	Yes	Yes
South Coast Water District-Joint Regional Water Supply	Bill	Green	Yes	Yes	Yes	Yes
South Sutter Water District	Tom	Cuquet	Yes	Yes	Yes	Yes
Stockton-East Water District	Tom	McGurk	Abstain	Yes	Yes	Yes
Sweetwater Authority	Steve	Castaneda	Yes	Yes	Yes	Yes
Tahoe City Public Utility District	John	Pang	Yes	Yes	Yes	Yes
Tehachapi-Cummings County Water District	Jonathan	Hall	Yes	Yes	Yes	Yes
The West Side Irrigation District	Rick	Gilmore	Yes	Yes	Yes	Yes
Trabuco Canyon Water District	Mike	Safranski	Abstain	Yes	Yes	Yes
Tulare Irrigation District	David	Bixler	Yes	Yes	Yes	Yes

Voting Results
JPIA Virtual Board of Directors Meeting
July 27, 2020

Select District	First Name:	Last Name:	Consent	New Agency	Invest Policy	Budget
Tuolumne Utilities District	Barbara	Balen	Abstain	Yes	Yes	Yes
Upper San Gabriel Valley Municipal Water District	Alfonso	Contreras	Yes	Yes	Yes	Yes
Upper Santa Clara Valley Joint Powers Authority	E.G. Jerry	Gladbach	Yes	Yes	Yes	Yes
Vallecitos Water District	Hal	Martin	Yes	Yes	Yes	Yes
Valley Center Municipal Water District	James	Pugh	Yes	Yes	Yes	Yes
Vista Irrigation District	Paul	Dorey	Yes	Yes	Yes	Yes
West Stanislaus Irrigation District	Bobby	Pierce	Yes	Yes	Yes	Yes
Western Municipal Water District	S. R. "Al"	Lopez	Yes	Yes	Yes	Yes
Yolo County Flood Control & Water Conservation District	Thomas	Barth	Yes	Yes	Yes	Yes
Yolo Subbasin Groundwater Agency	Thomas	Barth	Yes	Yes	Yes	Yes
Yorba Linda Water District	Brooke	Jones	Yes	Yes	Yes	Yes
Yuba Water Agency	Brent	Hastey	Yes	Yes	Yes	Yes

Yes:	91	108	108	108
No:	0	0	0	0
Abstain:	16	0	0	0

ACWA JPIA
Glossary of Terms
November 30, 2020

BACKGROUND
Communications and documents prepared by the JPIA frequently use words, phrases, and acronyms that may not be familiar to many readers. These terms might be unique to the JPIA, to public entity risk-sharing pools, or to the insurance industry.

PRESENT SITUATION
In order to eliminate confusion and to better help members understand the material presented by the JPIA, the following "Glossary of Terms" has been prepared. This is also included in the JPIA's Board of Directors' Manual, which is available to each Director appointed to the Board of Directors on the JPIA website, www.acwajpia.com.

Members are requested to let the staff know if there is a term, abbreviation, or acronym that needs to be included in the future.

RECOMMENDATION
None, informational only.

Prepared by: Bobbette Wells, Executive Assistant to the CEO Date prepared: November 2, 2020

Glossary of Terms

ACA (Affordable Care Act) – The federal statute signed into law in March 2010. Signed under the title of The Patient Protection and Affordable Care Act, the law includes multiple provisions that will take effect over a matter of years.

ACOEM Guidelines (American College of Occupational and Environmental Medicine) – A medical utilization review system of evidence-based, nationally recognized standards of medical care. Utilization of ACOEM Guidelines is intended to control over-utilization and end unreasonable medical care.

ACV (Actual Cash Value) – Value of property at the time of its loss or damage, determined by subtracting depreciation of the item from its replacement cost. Applies to vehicles and mobile (contractor's) equipment covered under the JPIA's MOPC, hypalon reservoir covers, hypalon bladder tanks, and other property subject to a higher rate of depreciation than the typical property types.

AD&D (Accidental Death and Dismemberment) – A life insurance benefit that pays a claim in the event of accidental death or loss physical functionality. Basic Life is often mirrored by an identical amount of AD&D, resulting in benefit doubling in the case of accidental death.

Adverse Selection – It is a term used in economics, insurance, risk management, and statistics. It refers to a market process in which undesired results occur when buyers and sellers have asymmetric information (access to different information); the "bad" products or services are more likely to be selected. For example, a bank that sets one price for all of its checking account customers runs the risk of being adversely selected against by its low-balance, high activity (and hence least profitable) customers. Two ways to model adverse selection are to employ signaling games and screening games.

Aggregate – The term used to describe the cumulative amount of all losses for a period of time.

AGRIP (Association of Governmental Risk Pools) – A national organization of JPAs and public agency insurance pools. Formed for educational, information gathering and political lobbying purposes.

AIS – Associate in Insurance Services.

ALCM – Associate in Loss Control Management.

APIP – Alliant Property Insurance Program.

ARM – Associate in Risk Management.

ARM-P – Public risk management designation.

ASO (Administrative Services Only) – This refers to what self-funded plans pay to a medical claims administrator, which includes use of that claims administrator's network of providers. Providers have agreed to accept negotiated rates for services in exchange for participation in the network.

ASP – Associate Safety Professional.

Attachment Point – The dollar amount of a loss where the next layer of insurance begins to pay for the loss.

Automobile Liability – Designed to afford bodily injury and property damage liability coverage associated with owned, non-owned and hired vehicles.

Automobile Physical Damage – Usually a first party coverage; however, some entities have “Bailment” or “care, custody and control” liability exposures such as garages, maintenance facilities that service vehicles of others, and parking lots.

BI – Bodily injury.

C&R (Compromise and Release) – A final settlement in workers’ compensation.

CAFR (Comprehensive Annual Financial Report) – An award program established by the GFOA to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare comprehensive annual financial reports that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal.

CAJPA (California Association of Joint Powers Authorities) – It is pronounced ka jaup’ a. Performs regulatory and legislative lobbying as well as accreditation of Joint Powers Authorities to promote the financial stability of JPAs.

CAMP (California Asset Management Program) – A California Joint Powers Authority ("JPA") established in 1989 to provide California public agencies with professional investment services. JPIA sometimes uses it as a short term investment vehicle.

Captive Insurance Company – A Captive Insurance Company is a private corporation, wholly owned by the JPIA, that provides insurance services only to the JPIA.

CAT Fund (Catastrophic Loss Reserve Fund) – A separate JPIA reserve account designated to pay losses without additional premium assessments to members. The Fund can be used when actual incurred losses for a given coverage year exceed 150% of projected losses. A portion (currently 10%) of each member’s annual deposit premium is set aside in this fund. The monies are held, earning interest, until all claims for that coverage year are closed. At that time, the money is refunded to members or credited to their Retrospective Premium Adjustment Fund account.

CDHP (Consumer Driven Health Plan) – A health plan in which the full deductible applies to all medical and prescription services, with the only exception being preventive care. These plans must have a minimum deductible set by the IRS each year. The plans are designed to comply with IRS regulations governing Health Savings Accounts (HSAs), which allow participants to set aside tax-advantaged funds in a Health Savings Account to pay for medical expenses.

CIGA (California Insurance Guarantee Association) – A state agency that administers and pays claims on behalf of admitted insurance carriers that have been declared insolvent. Since the JPIA is not an insurance company, it does not participate in CIGA, which is funded by a surcharge on premiums. However, some of the carriers that provide excess coverage to the JPIA do participate in CIGA.

CIH – Certified Industrial Hygienist.

CIPRA (California Institute for Public Risk Analysis) – Organized to develop, analyze and disseminate information on risk management in California's public sector, especially self-insured entities and Joint Powers Authorities.

Claim – A demand of a right. In general a demand for compensatory damages resulting from the actions of another.

Claims Made – A provision of an insurance policy that requires it to pay only for claims presented during the policy period with no regard for when the action causing the claim took place. (See "Occurrence")

CNP (Closed No Payment) – Status of a claim that was closed out without any claim payments having been made.

COB (Coordination of Benefits) – When a participant is covered by two health plans, the manner in which benefits are determined. This determination includes which plan pays first, and how benefits are calculated once the primary plan has made payment.

Coinsurance – The percentage cost sharing split between a plan and participant, which takes effect once the Deductible is met. Typically part of a PPO plan benefit design.

Copay – The flat dollar amount owed by a participant for medical plan benefits. Typically part of an HMO plan design, but applicable to certain benefits in PPO plan designs, e.g. office visits.

CPCU – Chartered Property and Casualty Underwriter.

CPRA (California Public Records Act) – a law passed by the California State Legislature and signed by the governor in 1968 requiring inspection or disclosure of governmental records to the public upon request, unless exempted by law.

CSP – Certified Safety Professional.

CWIF (California Water Insurance Fund) – ACWA JPIA's Captive Insurance Company (see Captive).

DDC – Defensive Driving Class.

Deductible (Employee Benefits) – The amount a participant must pay in full before Co-Insurance cost sharing begins. Typically associated with PPO medical plans. Some services, like office visits, are often subject to Co-pays prior to the Deductible being met.

Deductible (Liability) – It is that portion of each claim that is paid by the member at the time of loss. It is in addition to any premium already paid. Only the JPIA's Property Program uses a deductible.

Defense – A defendant's denial to a complaint or cause of action.

Deposit Premium – Premium required at the beginning of a policy period based on estimated costs.

DIC (Difference In Conditions) – A specialized property insurance policy written to provide coverage for perils not covered in a standard property policy or in the JPIA's Memorandum of Property Coverage. In particular, it is most often used to provide coverage for earthquake and/or flood losses.

Directors, Officers and Trustees Liability – Intended to protect nonprofit board members, officers, and directors for faulty decisions which imperil the entity. Usually written to include entity reimbursement for legal actions and personal liability of specific wrong-doers.

EAP (Employee Assistance Program) – A benefit that provides numerous services to covered employees and eligible members of their household and/or dependents (as determined by the plan). The programs are designed to help employees manage the health of their personal lives, allowing them to be productive and focused at work.

EE – Employee.

EGWP "egg whip" (Employer Group Wavier Plan) – A group purchase program for Medicare Part D prescription drugs for retirees.

E-mod – See Experience Modification.

Employers' Liability – Included as part of a worker's compensation insurance policy. Covers liability for losses arising out of injuries to employees that are not covered by statutory workers' compensation benefits.

Employment Liability Hotline – Contact for employment related issues.

Environmental Impairment Liability (EIL) – Also referred to as "Pollution" and "Pollution Legal" Liability; can be written to protect an entity from actions resulting from contamination of air, water, property. First-party (damage to owned property) and third-party (liability for damage to others) protection can often be combined.

EOB (Explanation of Benefits) – A statement issued by a PPO claims administrator for each claim that details costs for services, broken down by: full cost, network negotiated rate, ineligible amount (if any), plan responsibility and participant responsibility.

EOC (Evidence of Coverage) – The detailed document that describes a medical plan's coverage provisions.

EPL (Employment Practices Liability) – Written to protect an entity from liabilities arising from allegations of discrimination, failure to promote or hire, harassment, ADA responsibilities, wrongful termination, etc. A relatively new coverage, this is one of the fastest growing areas of litigation.

ER – Employer.

Errors and Omissions Liability – Excludes bodily injury and property damage; intended to afford protection for the "misfeasance, malfeasance or non-feasance" of public officials, employees and volunteers. May also include incidental medical personnel (paramedics), police and fire personnel, architects and plan checkers, engineers, and on-staff attorneys.

Excess Insurance – Insurance that is purchased to provide higher limits than the primary policy provides.

Excess Loss – The portion of a loss that is allocated to, or paid by, excess insurance. The JPIA Liability Program self-insures, through a pool, the first $1 million of each occurrence. Losses in excess of that amount are paid by an excess liability insurance policy purchased by the JPIA on behalf the Program members.

Experience Modification – A mathematical factor used to modify a member's premium in both the JPIA Liability Program and the Workers' Compensation Program. It is based on a member's previous actual loss experience compared to the average or expected loss experience. A calculated factor of greater than 1.0 is a debit and reflects higher than expected loss experience. Conversely, a factor of less than 1.0 is a credit and reflects more favorable loss experience. Also known as **E-mod, Ex-mod,** and **X-mod**.

Experience Modifier – A numerical factor developed by measuring the difference between a member's actual loss experience and the expected losses of the payroll classifications (for workers' compensation) or the average losses of the pool (for liability). The experience period used is the earliest three of the last four years. The factor may increase or decrease a member's standard premium in response to their past lost experience. Members with a favorable loss record will have a factor lower than 1.0 and will pay a lower premium. Member with a poorer loss record will have a factor greater than1.0 and will pay a higher premium. Also known as **experience modification factor, e-mod, ex-mod,** and **X-mod**.

FASB – Financial Accounting Standards Board.

Fidelity Bonds – Written as financial guarantees of employees' honesty. Personnel with money-handling responsibilities are considered exposures to loss.

Fiduciary Liability – Covers board members, executives and other decision-making personnel with responsibilities for pension funds, retirement plans and employee benefit monies for negligent decisions that result in losses to such funds.

FLSA (Fair Labor Standards Act) – The FLSA establishes minimum wage, overtime pay, recordkeeping, and youth employment standards affecting employees in the private sector and in Federal, State, and local governments.

FPPC (Fair Political Practices Commission).

FSA (Flexible Spending Account) – An account to which an employee contributes a portion of earnings to pay for certain expenses such as medical or dependent care. Contributions are exempt from payroll taxes.

FSC (Family Status Change) – See Qualifying Event.

Fully Insured Plan – A plan for which premiums are paid to an insurance company, who in turn pays claims. These plans are referred to as pass through plans in associations, because premiums are collected and remitted directly to the insurer.

Full Value – A term used in the JPIA's MOPC to provide "guaranteed" replacement cost coverage, which will pay the full cost to replace damaged property regardless of the "limit" carried. Applies to buildings and personal property.

G&A – General & Administrative.

GAAP – Generally Accepted Accounting Principles.

GASB – Governmental Accounting Standards Board.

General Liability – Written to protect the member's assets against liability for property damage of or bodily injury to third parties (see definition of parties).

GFOA (Government Finance Officers' Association) – International association whose purpose is to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and best practices and promoting their use through education. The GFOA is the organization that oversees the CAFR Program.

HCR (Health Care Reform) – See Affordable Care Act.

HDHP (High Deductible Health Plan) – See Consumer Driven Health Plan (CDHP).

Health Plan – May be used to reference a medical plan, but also often refers to medical, dental and vision plans.

HIPAA (Health Insurance Portability and Accountability Act) – Federal legislation that, among other things, establishes standards for electronic medical records, and protects the privacy of a patient's protected health information. See PHI.

HMO (Health Maintenance Organization) – A plan whose benefits are limited solely to a participating network of providers, for which capitation (per head) payment is made to the participant's assigned provider, regardless of whether the participant seeks services. Claims payments are also made for services exceeding those deemed to be covered by capitation. Deductibles are not often part of an HMO plan design, with the exception of ABHPs, which utilize the network and certain elements of plan design of traditional HMOs.

HRCP (Human Resources Certification Program) – One of the professional certification "tracks" within the JPIA's Professional Development Program (PDP).

HSA (Health Savings Account) – A triple tax-advantaged account that allows contributions, investment growth and withdrawals for medical, dental and vision expenses, free from Federal taxes. To contribute to an HSA, an individual must be enrolled in a Consumer Driven Health Plan (CDHP). An individual does not need to be enrolled in a CDHP to withdraw the funds. Before age 65 the withdrawals must be for health expenses to avoid penalties and taxation. Upon reaching age 65, funds can be withdrawn as taxable income free from penalty. These accounts are governed by IRS Publication 969.

IBNR (Incurred But Not Reported) – This is a claim term. It is that part of the total claims that is unknown at any point in time. When a claim is reported, its final value must be estimated. The JPIA tracks how accurately it estimates and knows that historically the average claims' value will grow over time. The JPIA also understands that at any point in time occurrences have taken place that will certainly generate claims that have not yet been reported.

Incurred Loss – This is the ultimate expected total value of any claim. It includes the amount already paid, plus the estimated amount yet to be paid (reserves).

Inverse Condemnation – Both the United States Constitution and the California Constitution require that a private citizen be compensated if property is "taken" by a public entity. When the property is taken proactively it is called eminent domain. When the property is taken "accidentally," without due course, it is called inverse condemnation. Negligence need not be proven. The claimant's legal expenses are payable in addition to actual damages.

LAIF (Local Agency Investment Fund) – It is part of the California State Pooled Money Investment Account (PMIA), sometimes used by JPIA as a short-term investment vehicle.

LMS (Learning Management System) - a software application for the administration, documentation, tracking, reporting and delivery of education courses or training programs.

Lending Library – Library of videos, tapes, DVDs, and booklets available for borrowing by members to use in their training efforts.

Limit – The most that will be paid in a loss.

MOLC (Memorandum of Liability Coverage) – The JPIA's agreement providing liability coverage to Member Agencies.

MOPC (Memorandum of Property Coverage) – The JPIA's agreement providing property coverage to Member Agencies.

NRSRO – Nationally Recognized Statistical Rating Organization.

Occu-Med – Providers of a service program for members in the JPIA's Workers' Compensation Program, which assists in facilitating pre-employment physicals, fit-for-duty exams, etc.

Occurrence – A) In order for the JPIA to pay a liability claim, it must arise out of an occurrence. This is an accident, event, act or omission to act, which results in "damages", "bodily injury", or "property damage" neither expected nor intended from the covered parties' conduct. B) A provision of an insurance policy that requires it to pay for a claim caused during the policy period regardless of when it is presented. (See "claims made")

Open Enrollment – The annual opportunity to make changes to benefits enrollment selections. JPIA health plans renew January 1. Each October through November, employees may choose to add or delete dependents, and/or switch between the available health plans. Retirees of members who choose to offer retiree open enrollment may also change plans during this period, but may not add dependents.

OOPM (Out of Pocket Maximum) – The maximum a participant will pay for covered services in a plan year.

PARMA (Public Agency Risk Managers Association) – A state-wide association for risk managers in the public sector. Educational and lobbying activities.

Parties – The participants in any claim or suit are referred to as the "parties" to the action. When dealing with insurance claims, the following terms are used: **First Party -** This is the member district; **Second Party -** This is the JPIA; and **Third Party -**This is anyone other than the member or JPIA.

PBM (Pharmacy Benefit Manager) – A third-party administrator responsible for administration of pharmacy benefits and price negotiation for prescription drugs.

PCORI (Patient Centered Outcomes Research Institute) – A consortium put together by the Affordable Care Act to study health treatments and outcomes to identify cost effective treatments that result in long term health and savings. This is funded by fees charged to health plans.

PD – Property damage.

PD (Permanent Disability) – Results when an injury diminishes a worker's future earning capacity. Permanent disability is essentially the disability that remains once the employee's condition has become permanent and stationary. A worker's medical condition is considered permanent and stationary after it has reached maximum medical improvement.

PDP (Professional Development Program) – The framework for JPIA's training program, providing members' employees with opportunities to learn or refine job-related skills while pursuing certifications in their fields of interest.

PE – Registered Professional Engineer.

PEPM (Per Employee Per Month) – Refers to a cost based on the primary enrollee only in a health plan.

PHI (Protected Health Information) – Protected health information (PHI), as defined by HIPAA, is any individually identifiable information about health status, provision of health care, or payment for health care that can be linked to a specific individual. This is interpreted rather broadly and includes any part of a patient's medical record or payment history. This includes health information with data items which reasonably could be expected to allow individual identification. HIPAA applies to health information exchanged or stored electronically, to data transmitted or maintained in any other form or medium, which includes paper records, fax documents and oral communications.

Plaintiff – The party who complains or sues in a personal action. A claimant becomes a plaintiff by filing suit.

PMPM (Per Member Per Month) – Refers to a cost based on each person enrolled in a health plan, including dependents.

Pooled Loss – The portion of a loss that is allocated to, or paid by, the self-insured pool. The JPIA Liability Program pools, or self-insures, the first $1 million of each occurrence. Loss costs exceeding this amount are paid by excess insurance.

PPACA (Patient Protection and Affordable Care Act) – This is now commonly referred to as the Affordable Care Act. See Affordable Care Act.

PPD (Permanent Partial Disability) – A permanent disability rating from 1% to 99.75%. It is possible for the worker to be permanently partial disabled, even if the worker has returned to the previous job and is doing the same work as before the injury.

PPO (Preferred Provider Organization) – A type of plan design that utilizes a network of providers to provide significant discounts to participants, yet allows the participant

to seek out of network services at a reduced benefit. These plans typically have a Deductible. Once the Deductible is met, Co-insurance applies, resulting in cost sharing between the plan and participant at a predetermined percentage.

PRIMA (Public Risk Management Association) – A national association for risk managers in the public sector. Formed for educational, information gathering and political lobbying purposes.

Property Insurance – This covers the member for damage to its own property, sometimes called first-party coverage.

PTD (Permanent Total Disability) – A permanent disability rating of 100%.

QE (Qualifying Event) – An event like marriage, birth, adoption, that allows a mid-year change to benefits enrollment.

QME (Qualified Medical Evaluator) – A doctor selected from a State panel to address medical, disability, and compensability disputes between the parties.

RAP (Retrospective Allocation Point) – In the JPIA's liability and workers' compensation programs, it is that portion of each claim that the member will be responsible for when the RPA is made. The deposit premium includes an estimate of the expected losses below the RAP. It is ***not*** a deductible; the member does not pay additional money at the time of loss. RAP losses are included in the RPA calculation. Members share in the pooled losses of other members only for losses above their RAP. The Liability Program offers RAPs of $2,500; $5,000; $10,000; $25,000; and $50,000. Retentions above these amounts are treated differently; they are considered SIRs.

RC (Replacement Cost) – The cost to replace damaged property with like kind and quality, with no deduction for depreciation.

RDP (Registered Domestic Partner) – A couple registered with the State of California that is same gender of any age, or opposite gender and age 62 or above.

REA – Registered Environmental Assessor.

REHS – Registered Environmental Health Specialist.

Reinsurance – Insurance that is purchased by an insurance company (*insurer*) from another insurance company (*reinsurer*) as a means of risk management, to transfer risk from the *insurer* to the *reinsurer*. The JPIA uses a mix of both reinsurance and excess insurance in its pooled coverage programs.

Reserve – In order to budget for its expected costs, the JPIA estimates the ultimate expected total value of each claim and "reserves" part of the deposit premium to pay for it. As moneys are paid out for a claim, the reserve amount is decreased.

RIMS (Risk and Insurance Management Society) – National professional organization to promote principles of risk management and assist risk managers in their daily activities.

Risk Control – Those risk management techniques designed to minimize the frequency and/or severity of claims. Risk control techniques include exposure avoidance, loss

prevention, loss reduction, segregation of loss exposures, and contractual transfer to shift losses to others.

Risk Financing – Techniques for generating funds to pay for losses that risk control methods do not entirely eliminate. There are two types of risk financing techniques -- retention and transfer. Retention involves paying for losses using an organization's own assets; transfer involves covering losses using an outside intermediary for a consideration (such as a payment of a premium). Each agency that participates in the JPIA practices these techniques. Losses are retained to the extent of an agency's RAP; they are transferred to the JPIA pool in excess of this amount.

Risk Management – One of the specialties within the general field of management, the process of managing an organization's activities to minimize the adverse effects of accidental losses on a cost-effective basis. Risk management has two components -- risk control and risk financing.

RPA (Retrospective Premium Adjustment) – At the beginning of each policy period, the JPIA collects a deposit premium representing the estimated costs for that year. Forty-five months after its inception, the JPIA looks back at that estimate and determines how accurate it was and makes an RPA. If it collected too much, a refund is made. If it collected too little, the member is charged for the difference. The process is repeated annually for each coverage year until all claims for that year are closed out.

RPA Fund (Retrospective Premium Adjustment Stabilization Fund) – A separate JPIA fund designed to stabilize the RPA process. A member's refunds from the Catastrophic Loss Fund and from the RPA process are credited to this fund. Any RPAs resulting in additional premiums due will be charged against this fund. When a member's Fund balance exceeds 60 percent of its basic premium, the excess money will be refunded. Members will not be billed for additional premiums unless they have a negative balance in the Fund exceeding 40 percent of their basic premium.

RTW – Return to work.

RX – Prescription.

SBC (Summary of Benefits and Coverage) – A plan summary that utilizes a specific format, required and set forth by the Affordable Care Act. This allows apples to apples comparison of different medical plans, based on the standardized format. These must be distributed to participants becoming newly eligible for coverage and annually.

SCIF (State Compensation Insurance Company) – A state agency that provides workers' compensation insurance to California employers.

SCP (Supervisor Certification Program) – One of the professional certification "tracks" within the JPIA's Professional Development Program (PDP).

Self-Funded Plan – A plan which collects payment from participants and pays claims directly, often utilizing a third party claims administrator. Funds left over can be used to offset future premium increases. Costs for participation are directly tied to the claims cost for the specific group of participants' utilization.

SIEF – Self Insured Excess Fund.

SIR (Self Insured Retention) – In the JPIA's liability program, members may choose SIRs of $100,000, $300,000 or $500,000. This is the amount of each loss the member will be responsible for. It is payable at the time of the loss. An up-front premium credit is given to members selecting these high SIRs. Retentions below these levels are treated differently; they are considered RAPs.

Special Events – Designed to cover your sponsorship of events, such as fireworks shows, festivals, community/entity celebrations; often written to protect other policies' loss integrity. Another type of special event coverage, known as a "tenants' and users'" policy, can be issued for third parties who rent or use your owned facilities.

SPD (Summary Plan Description) – The detailed document that describes a medical plan's coverage provisions.

Supranationals - United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States.

TD (Temporary Disability) – An impairment of bodily function, or physical incapacity that is reasonably expected to be cured or materially improved with proper medical care. This is the healing period following an injury. Temporary disability benefits are intended to be a substitute for lost wages (subject to minimums and maximums) during a period of temporary incapacity.

TIV (Total Insured Values) – The values shown on a Member Agency's schedule or appraisal for property coverage. Only those items shown on the schedule are covered for loss.

UST (Underground Storage Tanks) – Refers primarily to underground fuel tanks; used most often in reference to the JPIA's Memorandum of Underground Storage Tank Pollution Liability Program. This program protects member agencies against third-party claims for bodily injury and property damage caused leaks from USTs. It also includes coverage for government mandated clean-up costs.

Workers' Compensation – A statutory coverage designed as the "sole remedy" for workers injured in the course and scope of their duties.

ACWA JPIA
New Member Agencies
November 30, 2020

BACKGROUND
At each Board meeting a list of new members is provided for membership ratification.

CURRENT SITUATION
The following agencies have joined ACWA JPIA:

Agency:	Monroeville Water District
Effective Date:	August 1, 2020
Program:	Liability
Director:	Richard Whyler

Agency:	Grassland Basin Authority
Effective Date:	December 1, 2020
Program:	Liability, Property, Workers' Compensation, and Employee Benefits
Director:	TBD

RECOMMENDATION
That the Board of Directors ratify the Executive Committee's acceptance of above agencies into JPIA.

Prepared by: Kristan Brown, Administrative Assistant II Date prepared: November 4, 2020

ACWA JPIA
Board Resolution 2020-B
November 30, 2020

BACKGROUND
The JPIA By Laws Section 5. Place of Meetings, states that all annual or other meetings of the Board of Directors shall normally be held at the location of the Association of California Water Agencies (ACWA) Spring or Fall Conference and at a time immediately before or after such conference.

CURRENT SITUATION
It is currently unknown whether ACWA will hold the Spring 2021 Conference in person or virtually.

The resolution will give the JPIA authority to conduct Executive Committee and CWIF Board Position elections by virtual voting.

RECOMMENDATION
That the Board of Directors approve Resolution 2302-B giving authority to hold the JPIA Executive Committee and CWIF Board position elections by virtual voting, if needed.

Prepared by: Robert Greenfield, Esq., Legal Counsel Date prepared: November 19, 2020

RESOLUTION (2020-B) OF THE BOARD OF DIRECTORS OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY AUTHORIZING ELECTRONIC CONFERNENCE VOTING FOR THE ELECTION OF EXECUTIVE COMMITTEE MEMBERS

WHEREAS, the Association of California Water Agencies Joint Powers Insurance Authority holds elections to the Executive Committee every two years.

WHEREAS, the JPIA By Laws Section 5. Place of Meetings. States all annual or other meetings of the Board of Directors shall normally be held at the location of the Association of California Water Agencies Spring or Fall Conference and at a time immediately before or after such conference. Special meetings at other times shall be held at locations designated by the President or the Executive Committee or approved by the consent of the voting Directors given either before or after the meeting and filed with the Secretary of the Authority.

WHEREAS, the California Water Insurance Fund (CWIF) holds elections to the Board of Directors every two years.

WHEREAS, it is currently unknown whether ACWA will hold the Spring 2021 or any other subsequent conferences in person or virtually.

NOW THEREFORE, it is hereby resolved by the Association of California Water Agencies Joint Powers Insurance Authority Board of Directors, as follows:

That if the ACWA Spring 2021 Conference or any future ACWA Conference is held virtually, the JPIA may hold Executive Committee and/or CWIF Board of Director elections virtually at the Board of Directors meeting held immediately before the ACWA Conference.

By:
E.G. “Jerry” Gladbach, President, ACWA JPIA

ATTEST:
Walter “Andy” Sells, Secretary, ACWA JPIA

ACWA JPIA
Calendar of Meeting Dates for 2021
November 30, 2020

BACKGROUND
The "Proposed Calendar of Meeting Dates" would be prepared for approval of the Executive Committee and brought to the Board meeting at Fall Conference as an informational item.

CURRENT SITUATION
Traditionally, a meeting calendar for the upcoming year would be prepared and submitted for approval by the Executive Committee late summer/early fall. However, with the COVID-19 pandemic lingering, it would be difficult to set a meeting schedule for the 2021 calendar year at this time.

JPIA Committee meetings are typically scheduled for:

January
- Personnel
- Risk Management
- Executive

March
- Finance
- Executive

Spring Conference
- Work Comp
- Executive
- Board of Directors

June
- Property
- Executive
- Personnel

July
- Employee Benefits
- Executive

August
- Finance
- Liability
- Executive

October
- Personnel
- Executive

Fall Conference
- Executive
- Board of Directors

Staff is recommended creating the 2021 Meeting Calendar at a later date. Meetings will be scheduled "as needed" until further notice.

RECOMMENDATION
None, informational only.

Prepared by: Bobbette Wells, Executive Assistant to the CEO Date prepared: November 19, 2020

ACWA JPIA
Investment Policy
November 30, 2020

BACKGROUND
The current Investment Policy was last approved by the Board of Directors at the 2019 Fall Conference.

The JPIA Bylaws require that the Investment Policy be reviewed and approved annually by the Board of Directors.

CURRENT SITUATION
The Investment Policy was reviewed by staff and the JPIA's investment advisor. The changes to the policy are reflected in add/delete format in the following document.

The Investment Policy was reviewed and approved by the JPIA's Finance & Audit and the Executive Committees.

RECOMMENDATION
That the Board of Directors approve the proposed changes to the JPIA Investment Policy, as presented.

Prepared by: David deBernardi, Director of Finance Date prepared: November 9, 2020

ASSOCIATION OF CALIFORNIA WATER AGENCIES

JOINT POWERS INSURANCE AUTHORITY

INVESTMENT POLICY

Revised: ~~09/2019~~08/2020 **- Approved:** 11/2020~~12/2019~~

INVESTMENT POLICY

OBJECTIVE

The objectives of the Investment Policy of the Association of California Water Agencies Joint Powers Insurance Authority (JPIA or Authority) are as follows, in order of priority.

(1) Safeguard the principal of the funds under its control by maintaining an appropriate risk level.
(2) Meet the liquidity needs of the Authority.
(3) Achieve an optimum rate of return (defined as income plus realized and unrealized capital gains and losses) on available assets (not required for current operating needs), commensurate with an appropriate level of risk.

SCOPE

Except for funds held in the JPIA's working bank accounts used for the daily operations, funds with the California Water Insurance Fund, and any retirement funds held in a trust, it is intended that this policy cover investment funds and activities of the Authority.

DELEGATION OF AUTHORITY

Section 53600, et seq. of the Government Code provide legal authorization and reporting requirements for the investment of funds of local agencies when applicable. All investments of the JPIA shall conform to the restrictions of these laws. In accordance with Section 53607 the authority to invest or reinvest the funds of the Authority is delegated to the Treasurer of the JPIA for a one-year period. Each year the Authority's Board of Directors meets at the ACWA Spring and Fall Conference and therein delegates its authority to invest funds to the Authority's Treasurer, who shall thereafter assume full responsibility for those transactions until the delegation of authority is revoked or expires.

PRUDENCE

All participants in the investment process shall recognize that the investment portfolio is subject to the prudent investor standard as set forth by California Government Code and to public review and evaluation and shall seek to act responsibly as fiduciaries of the public trust. The prudent investor standard states that when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the Authority, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like, aims, to safeguard the principal and maintain the liquidity needs of the Authority.

ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial decisions. Employees and investment officials shall disclose to the Chief Executive Officer any material financial interests in financial institutions that conduct business within their jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the Authority.

PERMISSIBLE INVESTMENTS

An appropriate risk level shall be maintained by primarily purchasing securities that are of high quality, liquid, and marketable. See table on page 6 for further limits.

The classes of investments that most adequately meet the criteria for purchases are listed as follows.

1. United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.

   There is no limit as to the amount of the Authority's investment portfolio that may be invested in this category.

2. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.

   There is no limit as to the amount of the Authority's investment portfolio that may be invested in this category. No more than 50% of the Authority's investment portfolio may be invested in any one federal agency.

3. Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state. Obligations eligible for investment under this subdivision must be rated in a rating category "A" or its equivalent or better by a Nationally Recognized Statistical Rating Organization (NRSRO).

   There is no limit as to the amount of the Authority's investment portfolio that may be invested in this category.

4. Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California. Obligations eligible for investment under this subdivision must be rated in a rating category "A" or its equivalent or better by a NRSRO.

   There is no limit as to the amount of the Authority's investment portfolio that may be invested in this category.

5. Bonds, notes, warrants, or other evidences of indebtedness of a local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency. Obligations eligible for investment under this subdivision must be rated in a rating category "A" or its equivalent or better by a NRSRO.

There is no limit as to the amount of the Authority’s investment portfolio that may be invested in this category.

6. Bankers’ Acceptances issued by domestic or foreign banks, which are eligible for purchase by the Federal Reserve System, the short-term paper of which is rated in the highest rating category as provided for by a NRSRO.

   Purchases of Bankers’ Acceptances may not exceed 180 days’ maturity or 20% of the Authority's investment portfolio.

7. Commercial paper rated in the highest letter and number rating as provided for by an NRSRO. The entity that issues the commercial paper shall meet all of the conditions in either paragraph (a) or (b):

   a. The entity meets the following criteria:

      (i) Is organized and operating in the United States as a general corporation.

      (ii) Has total assets in excess of five hundred million dollars ($500,000,000).

      (iii) Has debt other than commercial paper that, if any, is rated in a rating category "A," its equivalent or higher by an NRSRO.

   b. The entity meets the following criteria:

      (i) Is organized within the United States as a special purpose corporation, trust, or limited liability company.

      (ii) Has program wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or surety bond.

      (iii) Has commercial paper that is rated in a rating category "A-1" or higher, or the equivalent, by an NRSRO.

   Purchases of eligible commercial paper may not exceed 270 days’ maturity and may not represent more than 10% of the outstanding paper of an issuing corporation.

   Purchases of commercial paper may not exceed 25% of the Authority's investment portfolio.

8. Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Medium-term corporate notes shall be rated in a rating category "A", its equivalent, or better by an NRSRO.

   Purchase of medium-term corporate notes may not exceed 30% of the Authority's investment portfolio.

9. Negotiable certificates of deposit or deposit notes issued by a nationally or state-chartered bank or a state or federal savings and loan association or by a federally- or state-licensed branch of a foreign bank; provided that the senior

debt obligations of the issuing institution are rated in a rating category "A", its equivalent, or better by an NRSRO.

Purchase of negotiable certificates of deposit may not exceed 30% of the Authority's investment portfolio.

10. FDIC insured or fully collateralized time certificates of deposit (Time CDs) in financial institutions located in California, including U.S. branches of foreign banks licensed to do business in California. All time deposits must be collateralized in as specified under Government Code Section 53630 et seq. The Treasurer, at their discretion, may waive the collateralization requirements for any portion that is covered by federal deposit insurance.

11. Local Government Investment Pools (LGIP). Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (q) of Government Code Section 53601, inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria:

    a. The adviser is registered or exempt from registration with the Securities and Exchange Commission.

    b. The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (o) Government Code Section 53601, inclusive.

    c. The adviser has assets under management in excess of five hundred million dollars ($500,000,000).

    The purchase price of shares shall not exceed 50% of the investment portfolio of the Authority.

12. State of California's Local Agency Investment Fund (LAIF). Investment in LAIF may not exceed the lesser of the limit established by LAIF or 50% of the portfolio and should be reviewed periodically. (Government Code § 16429.1)

13. Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.). To be eligible for investment pursuant to this subdivision these companies shall either: (1) attain the highest ranking letter or numerical rating provided by not less than two of the three largest nationally recognized rating services or (2) have an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years of experience managing money market mutual funds and with assets under management in excess of $500,000,000.

The purchase price of shares shall not exceed 20% of the investment portfolio of the Authority.

14. Repurchase Agreements used solely as short-term investments not to exceed 92 days.

    The Authority may enter into Repurchase Agreements with primary dealers in U.S. Government securities who are eligible to transact business with, and who report to, the Federal Reserve Bank of New York.

    The following collateral restrictions will be observed: Only U.S. Treasury securities or Federal Agency securities, as described in this section, will be acceptable collateral. All securities underlying Repurchase Agreements must be delivered to the Authority's custodian bank versus payment or be handled under a properly executed tri-party repurchase agreement. The total market value of all collateral for each Repurchase Agreement must equal or exceed, 102% of the total dollar value of the money invested by the Authority for the term of the investment. For any Repurchase Agreement with a term of more than one day, the value of the underlying securities must be reviewed at least weekly. Since the market value of the underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102% no later than the next business day.

    Market value must be calculated each time there is a substitution of collateral.

    The Authority or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to Repurchase Agreement.

    The Authority will have properly executed SIFMA agreement with each counter party with which it enters into Repurchase Agreements.

    Purchases of repurchase agreements shall not exceed 20% of the investment portfolio of the Authority.

15. Supranationals. United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated "AAA", its equivalent, or better by an NRSRO.

    Purchases of supranationals shall not exceed 20% of the investment portfolio of the Authority.

16. Asset-Backed Securities. Mortgage pass-through securities, collateralized mortgage obligations, mortgage-backed or other pay-through bonds, equipment lease-backed certificates, consumer receivable pass-through certificates, or consumer receivable-backed bonds with a maximum remaining maturity of five years or less. Securities eligible for investment under this subdivision shall be rated in a rating category "AA" or its equivalent or better by at least one NRSRO.

Purchase of securities authorized by this subdivision may not exceed 20% of the Authority's total portfolio.

The JPIA shall also have the option of depositing funds with banks, savings and loans, and credit unions (Government Code §53620 et seq.) as a means to complement the investment program when appropriate. The financial institutions shall have received an overall rating of not less than “satisfactory” in its most recent evaluation by the appropriate federal financial supervisorial agency of its record of meeting the credit needs of California’s communities as required by (Government Code § 53635.2). All bank deposits must be collateralized as specified under Government Code Section 53630 et seq. The Treasurer, at their discretion, may waive the collateralization requirements for any portion that is covered by federal deposit insurance.

LIMITATIONS/DIVERSIFICATION

Below is a table summarizing the maximum percentage and minimum credit quality required for each permissible investment type. Percent limitations shown are based on book value at time of purchase. Percentages may change after purchase as a result of withdrawals from the portfolio. Credit quality refers to the credit rating at the time the security is purchased. If an investment’s credit rating falls below the minimum rating, the Treasurer will perform a timely review and decide whether to sell or hold the investment.

The average life of the total portfolio at any time shall not exceed four years. The maximum maturity for all investments, unless otherwise noted, is 5 years. U.S. Treasuries and Federal Agencies with maturities longer than 5 years may be purchased for specific purposes with the prior approval by the Executive Committee at least 90 days in advance of the purchase.

No more than 5% of the portfolio will be invested in any one issuer excluding U.S. Treasuries, Federal Agencies, supranationals, and investment pools (LAIF, LGIPs, and money market funds).

INVESTMENT TYPE	% OF INVESTMENT PORTFOLIO	% OF ISSUER REGARDLESS OF SECTOR	MAXIMUM MATURITY	MINIMUM RATING CATEGORY
US TREASURY	100%	100%	5 YEARS	
FEDERAL AGENCY	100%	50%	5 YEARS	
CALIFORNIA STATE OBLIGATIONS	100%	5%	5 YEARS	A
CALIFORNIA LOCAL GOVERNMENT OBLIGATIONS	100%	5%	5 YEARS	A
OTHER STATE OBLIGATIONS	100%	5%	5 YEARS	A
BANKERS' ACCEPTANCES	20%	5%	180 DAYS	Highest by NRSRO
COMMERCIAL PAPER	25%	5%	270 DAYS	Highest by NRSRO
MEDIUM TERM NOTES	30%	5%	5 YEARS	A
NEGOTIABLE CD'S	30%	5%	5 YEARS	A
TIME CDS	30%	FDIC/NCUA LIMITS	5 YEARS	BANKS/S&I/CU INSURED
LGIP	50%	N/A	-	AAAm
LAIF	50%	N/A	DAILY	N/A
MONEY MARKET FUNDS	20%	20%	-	TREASURY/ AGENCY ONLY
REPURCHASE AGREEMENTS	20%	20%	92 DAYS	Primary Dealer
SUPRANATIONALS	20%	20%	5 YEARS	AAA
ASSET-BACKED SECURITIES	20%	5%	5 YEARS	AA

INVESTMENT POOLS

Prior to investing in any pooled investment program and at least annually thereafter, the Authority shall perform a review of the investment policy and portfolio of any investment pools in which the Authority invests, including LAIF and LGIPs. In addition, the Treasurer shall maintain on file a copy of the pool's current disclosure document describing the program.

PROHIBITED INVESTMENTS

The Authority shall not invest in inverse floaters, range notes, mortgage derived interest-only strips, or in any security that could result in zero earnings accrual if held to maturity, and any investment not expressly authorized in the Government Code.

The Authority is prohibited from investing in securities unless specifically permitted by this Investment Policy.

TRADING
The Authority shall not make investments for the purpose of trading or speculation as the dominant criterion such as anticipation of appreciation of capital value through changes in market rates.

BORROWING
Any borrowing in the amount of one hundred thousand dollars or more shall be considered and deliberated as a separate item of business on the agenda of the JPIA's Executive Committee. Borrowing does not include bank overdrafts.

INTERNAL CONTROLS
The Treasurer shall establish and maintain a system of internal controls designed to ensure that the assets of the Authority are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgment by management. The internal controls should include references to safekeeping, master repo agreements, wire transfer agreements, banking service contracts, collateral/depository agreements, and other investment related activities as applicable.

Accordingly, the Treasurer shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures**.**

COLLATERALIZATION
Collateralization for repurchase agreements and non-negotiable Certificates of Deposit shall be required in accordance with state law.

SAFEKEEPING/CUSTODY
Investment securities are to be purchased when possible in book-entry form in the Authority's name. All deliverable securities owned by the Authority shall be held in safekeeping by a third party bank trust department acting as agent for the Authority under the terms of a written custody agreement executed by the bank and the Authority. All investment transactions require the bank to provide a safekeeping receipt or acknowledgment generated from the trade. All security transactions, including collateral for repurchase agreements, entered into by the Authority shall be conducted on a delivery-versus-payment (DVP) basis. The safekeeping institution is required to provide a listing all securities held in safekeeping with current market data and other information on a monthly basis.

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The Executive Committee authorized Term and non-negotiable instruments, such as certificates of deposit, to be held by the Treasurer, or in safekeeping as the Treasurer deems appropriate.

PERFORMANCE STANDARDS

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs of the Authority. The Authority shall establish a performance benchmark. Benchmarks may change over time based on changes in market conditions, investment preferences, or cash flow requirements.

AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

If an investment advisor is authorized to initiate investment transactions on the Authority's behalf, the investment advisor may use its own list of approved broker/dealers and financial institutions for investment purposes. The investment advisor's approved list must be made available to Authority upon request.

For any investment transactions conducted by the Treasurer, a list will be maintained of approved security broker/dealers selected by creditworthiness (e.g., a minimum capital requirement of $10,000,000 and at least five years of operation). These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

All broker/dealers who desire to become qualified for investment transactions must supply the following as appropriate:

- Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines
- Proof of Financial Industry Regulatory Authority (FINRA) certification (not applicable to Certificate of Deposit counterparties)
- Proof of state registration
- Completed broker/dealer questionnaire (not applicable to Certificate of Deposit counterparties)
- Certification of having read and understood and agreeing to comply with the Authority's investment policy.
- Evidence of adequate insurance coverage.

An annual review of the financial condition and registration of all qualified financial institutions and broker/dealers will be conducted.

For all investment transactions, the Authority or its investment advisor shall seek a minimum of three bids/offers from brokers and dealers on the Authority's or investment advisor's list of approved broker/dealers.

ADVISORS

The JPIA's Executive Committee shall pre-approve investment advisors given the authority to manage all or part of the JPIA investment portfolio prior to establishing a relationship.

REPORTING/REVIEW

The Treasurer shall render a monthly list of investment transactions to the Chief Executive Officer, the JPIA's Executive, and Finance & Audit Committees as required by the California Government Code §53607 when investment authority has been delegated by the Executive Committee. The Treasurer shall render a quarterly report incorporating the following:

(1) For each investment, the report will describe the type of investment, issuer, date of maturity, par and dollar amount invested, yield to maturity, credit quality, duration and current market value as of the date of the report. Any managed funds shall be described in the quarterly report.

(2) The quarterly report shall state compliance of the portfolio to the statement of the investment policy, or manner in which the portfolio is not in compliance.

(3) The quarterly report shall include a statement denoting the ability of the Authority to meet its expenditure requirements for the next six months, or provide an explanation as why sufficient money shall, or shall not, be available.

The Treasurer shall review the Authority's portfolio for compliance at least annually. The Treasurer shall establish procedures to report to the Finance Committee incidences of noncompliance through the review of the portfolio.

REVIEW OF INVESTMENT PORTFOLIO

It is the intent of the JPIA that the Policy will be followed at all times. Because some securities may not comply with this Investment Policy's requirements subsequent to the date of purchase, the Treasurer shall at least annually review the portfolio to identify those securities that do not comply. If a non-compliance issue has been identified it shall be taken to the JPIA's Finance or Executive Committee at the next scheduled meeting. The Committee will determine if any action is needed. Investments or securities found not to be in compliance with this Investment Policy do not necessarily require immediate action.

INVESTMENT POLICY ADOPTION

The Treasurer shall render annually a statement of investment policy to the JPIA's Executive Committee for consideration and approval.

Glossary

Asset-backed securities (ABS) are securities whose income payments and hence value is derived from and collateralized (or "backed") by a specified pool of underlying assets which are receivables. Pooling the assets into financial instruments allows them to be sold to general investors, a process called securitization, and allows the risk of investing in the underlying assets to be diversified because each security will represent a fraction of the total value of the diverse pool of underlying assets. The pools of underlying assets can comprise common payments credit cards, auto loans, mortgage loans, and other types of assets. Interest and principal is paid to investors from borrowers who are paying down their debt.

Bankers' Acceptances are short-term credit arrangements to enable businesses to obtain funds to finance commercial transactions. They are time drafts drawn on a bank by an exporter or importer to obtain funds to pay for specific merchandise. By its acceptance, the bank becomes primarily liable for the payment of the draft at maturity. An acceptance is a high-grade negotiable instrument.

Broker-Dealer is a person or a firm who can act as a broker or a dealer depending on the transaction. A broker brings buyers and sellers together for a commission. They do not take a position. A dealer acts as a principal in all transactions, buying and selling for his own account.

Certificates of Deposit

1. **Negotiable Certificates of Deposit** are large-denomination CDs issued in $1 million increments. These securities have average trades in the secondary market of $5 million to $10 million. They are issued at face value and typically pay interest at maturity, if maturing in less than 12 months. CDs that mature beyond this range pay interest semi-annually. Negotiable CDs are issued by U.S. banks (domestic CDs), U.S. branches of foreign banks (Yankee CDs), and thrifts. There is an active secondary market for negotiable domestic and Yankee CDs. However, the negotiable thrift CD secondary market is limited. Yields on CDs exceed those on U.S. treasuries and agencies of similar maturities. This higher yield compensates the investor for accepting the risk of reduced liquidity and the risk that the issuing bank might fail. State law does not require the collateralization of negotiable CDs.

2. **Non-negotiable Certificates of Deposit** are time deposits with financial institutions that earn interest at a specified rate for a specified term. Liquidation of the CD prior to maturity incurs a penalty. There is no secondary market for those instruments, therefore, they are not liquid. They are classified as public deposits and financial institutions are required to collateralize them. Collateral may be waived for the portion of the deposits that are covered by FDIC insurance.

Collateral is securities, evidence of deposits, or other property that a borrower pledges to secure repayment of a loan. It also refers to securities pledged by a bank to secure deposits. In California, repurchase agreements, reverse repurchase agreements, and public deposits must be collateralized.

Commercial Paper is a short term, unsecured, promissory note issued by a corporation to raise working capital.

Delivery versus Payment (DVP) is a settlement system in which the transfer of securities and associated payment occur simultaneously. This ensures that the final transfer of the security occurs, if and only if, the final transfer of the associated payment (or other assets) occurs.

Federal Agency Obligations are issued by U.S. Government Agencies or Government Sponsored Enterprises (GSE). Although they were created or sponsored by the U.S. Government, most Agencies and GSEs are not guaranteed by the United States Government. Examples of these securities are notes, bonds, bills and discount notes issued by Fannie Mae (FNMA), Freddie Mac (FHLMC), the Federal Home Loan Bank system (FHLB), and Federal Farm Credit Bank (FFCB). The Agency market is a very large and liquid market, with billions traded every day.

Issuer means any corporation, governmental unit, or financial institution that borrows money through the sale of securities.

Liquidity refers to the ease and speed with which an asset can be converted into cash without loss of value. In the money market, a security is said to be liquid if the difference between the bid and asked prices is narrow and reasonably sized trades can be done at those quotes.

Local Agency Investment Fund (LAIF) is a special fund in the State Treasury that local agencies may use to deposit funds for investment. There is no minimum investment period and the minimum transaction is $5,000, in multiples of $1,000 above that, with a maximum of $~~50~~ 75 million for any California public agency. It offers high liquidity because deposits can be converted to cash in twenty-four hours and no interest is lost. All interest is distributed to those agencies participating on a proportionate share determined by the amounts deposited and the length of time they are deposited. Interest is paid quarterly via direct deposit to the agency's LAIF account. The State keeps an amount for reasonable costs of making the investments, not to exceed one-quarter of one per cent of the earnings.

Local Government Investment Pool (LGIP) is a collection of funds from various governmental entities invested in a common portfolio. Each investor earns interest proportional to their investment in the overall pool.

Market Value is the price at which a security is trading and could presumably be purchased or sold.

Maturity is the date upon which the principal or stated value of an investment becomes due and payable.

Medium-Term Notes are debt obligations issued by corporations and banks, usually in the form of unsecured promissory notes. These are negotiable instruments that can be bought and sold in a large and active secondary market. For the purposes of California Government Code, the term “Medium Term” refers to a maximum remaining maturity of five years or less. They can be issued with fixed or floating-rate coupons, and with or without early call features, although the vast majority are fixed-rate and non-callable. Corporate notes have greater risk than Treasuries or Agencies because they rely on the ability of the issuer to make payment of principal and interest.

Money Market Fund is a type of safe investment comprising a variety of short-term securities with high quality and high liquidity. The fund provides interest to shareholders and must maintain a stable net asset value (NAV) of $1 per share.

Municipal Obligations are debt instruments issued by a state or local government unit or public agency. The vast majority of municipals are exempt from state and federal income tax, although some non-qualified issues are taxable.

Nationally Recognized Statistical Rating Organization (NRSRO): A credit rating agency registered with the U.S. Securities and Exchange Commission (SEC) that that provides ratings that indicate the agency’s opinion of the relative credit quality of securities. The three largest NRSROs are Standard & Poor’s, Moody’s Investors Service, and Fitch Ratings.

Principal describes the original cost of a security. It represents the amount of capital or money that the investor pays for the investment.

Repurchase Agreements are short-term investment transactions. Banks buy temporarily idle funds from a customer by selling him U.S. Government or other securities with a contractual agreement to repurchase the same securities on a future date at an agreed upon interest rate. Repurchase Agreements are typically for one to ten days in maturity. The customer receives interest from the bank. The interest rate reflects both the prevailing demand for Federal Funds and the maturity of the Repo. Repurchase Agreements must be collateralized.

Supranationals are United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB), with maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States.

U.S. Treasury Issues are direct obligations of the United States Government. They are highly liquid and are considered the safest investment security. U.S. Treasury issues include:

1. **Treasury Bills** that are non-interest-bearing discount securities issued by the U.S. Treasury to finance the national debt. Bills are currently issued in one, three, six, and twelve month maturities.

2. **Treasury Notes** that have original maturities of one to ten years.

3. **Treasury Bonds** that have original maturities of greater than 10 years.

Yield to Maturity is the rate of income return on an investment, minus any premium above par or plus any discount with the adjustment spread over the period from the date of the purchase to the date of maturity of the bond.

ACWA JPIA
President's Special Recognition Award Recipients
November 30, 2020

BACKGROUND
Each year at its Fall Conference, the JPIA recognizes those members that have a Loss Ratio of 20% or less in either of the Liability, Property, or Workers' Compensation Programs. Those members receive the "President's Special Recognition Award".

CURRENT SITUATION
The following members are receiving this special recognition. Members with an asterisk next to their name were recognized in *all three categories*: Liability, Property, and Workers' Compensation. The data for this calculation is for a three-year period, 2016-2019, as of September 30, 2020. Printed awards will be mailed directly to the districts.

If your district is one of those receiving this special recognition…

RECOMMENDATION
None, informational only.

Prepared by: Bobbette Wells, Executive Assistant to the CEO Date prepared: November 2, 2020

Liability Program
President's Awards
November 30, 2020

Alpaugh Community Services District
Alpaugh Irrigation District*
Alta Irrigation District*
Amador Water Agency
American River Flood Control District*
Angiola Water District
Antelope Valley State Water Contractors Association
Antelope Valley-East Kern Water Agency*
Apple Valley Foothill County Water District
Aromas Water District
Arvin-Edison Water Storage District
Banta Carbona Irrigation District
Bard Water District*
Beaumont-Cherry Valley Water District*
Bella Vista Water District
Belridge Water Storage District
Berrenda Mesa Water District
Big Bear Municipal Water District
Bolinas Community Public Utility District
Boron Community Services District
Borrego Water District*
Brophy Water District
Browns Valley Irrigation District
Butte Water District
Byron-Bethany Irrigation District*
Cachuma Operation and Maintenance Board
Calaveras Public Utility District
Calpella County Water District
Camp Far West Irrigation District
Camrosa Water District
Carmichael Water District*
Carpinteria Valley Water District
Castroville Community Services District
Central California Irrigation District
Central Coast Water Authority*
Central San Joaquin Water Conservation District
Central Water District
Channel Islands Beach Community Services District*
Chowchilla Water District
Circle Oaks County Water District
Citrus Heights Water District*
Clear Creek Community Services District
Coastside County Water District*
Consolidated Irrigation District*
Corcoran Irrigation District
Corning Water District
Cottonwood Water District
Crestline Village Water District
Crestline-Lake Arrowhead Water Agency
Deer Creek & Tule River Authority
Del Paso Manor Water District
Del Puerto Water District
Delano-Earlimart Irrigation District
Devil's Den Water District
Ducor Community Services District
Dudley Ridge Water District
Dunnigan Water District*
East Contra Costa Irrigation District
Elsinore Valley Municipal Water District*
Empire West Side Irrigation District
Fall River Valley Community Services District
Feather Water District
Florin Resource Conservation District
Forestville Water District*
Frazier Park Public Utility District
Free Water County Water District
Fresno Irrigation District
Friant North Authority
Friant Power Authority
Friant Water Authority
Glenn-Colusa Irrigation District
Glide Water District
Golden Hills Community Services District
Goleta Water District
Gravelly Ford Water District
Helix Water District
Humboldt Bay Municipal Water District
Humboldt Community Services District*
Ivanhoe Irrigation District
Ivanhoe Public Utility District
James Irrigation District
Joshua Basin Water District
Kaweah Delta Water Conservation District

*awarded in all three programs

Liability Program
President's Awards
November 30, 2020

Kaweah River Power Authority
Kern County Water Agency
Kern Water Bank Authority
Kern-Tulare Water District
Kings County Water District*
Kings River Water District
Kinneloa Irrigation District*
Knights Landing Ridge Drainage District
La Canada Irrigation District
La Puente Valley County Water District
Lakeside Water District*
Laton Community Services District
Laytonville County Water District
Le Grand-Athlone Water District
Littlerock Creek Irrigation District
Los Alamos Community Services District
Lost Hills Water District*
Madera Water District
Madera-Chowchilla Water & Power Authority
Maine Prairie Water District
Majestic Pines Community Services District*
Mammoth Community Water District
Mariana Ranchos County Water District*
Marina Coast Water District
Mesa Water District
Midway Heights County Water District*
Millview County Water District
Mission Hills Community Services District*
Mission Springs Water District
Mojave Public Utility District
Montague Water Conservation District
Mountain Gate Community Services District
Municipal Water District of Orange County
North Coast County Water District
North Delta Water Agency
North San Joaquin Water Conservation District
North Yuba Water District
Omochumne-Hartnell Water District
Orange County Water District
Orchard Dale Water District*
Orosi Public Utility District*
Pacheco Water District
Pajaro Valley Water Management Agency*
Pajaro/Sunny Mesa Community Services District
Palm Ranch Irrigation District*
Panoche Drainage District
Paradise Irrigation District
Pebble Beach Community Services District*
Pescadero Reclamation District No. 2058
Pico Water District*
Pinyon Pines County Water District
Pixley Irrigation District
Pleasant Valley County Water District
Pomona-Walnut-Rowland JWLC
Porterville Irrigation District*
Princeton-Codora-Glenn Irrigation District
Provident Irrigation District
Puente Basin Water Agency
Quartz Hill Water District*
Ramirez Water District*
Ramona Municipal Water District
Reclamation District No. 1004
Reclamation District No. 108*
Reclamation District No. 1500
Reclamation District No. 1606
Reclamation District No. 2047
Reclamation District No. 307
Reclamation District No. 744
Redwood Valley County Water District
Regional Water Authority*
Richvale Irrigation District*
Rincon Del Diablo Municipal Water District*
Rio Alto Water District
Riverdale Irrigation District
Root Creek Water District
Rowland Water District
Rural North Vacaville Water District
Sacramento Groundwater Authority
Sacramento Suburban Water District*
San Benito County Water District*

*awarded in all three programs

Liability Program
President's Awards
November 30, 2020

San Bernardino Valley Water Conservation District*
San Gabriel Basin Water Quality Authority*
San Gabriel County Water District*
San Gabriel Valley Municipal Water District
San Gorgonio Pass Water Agency*
San Joaquin River Exchange Contractors Groundwater Sustainability Agency
San Juan Ridge County Water District
San Juan Water District
San Luis & Delta-Mendota Water Authority
San Luis Water District
Santa Fe Irrigation District*
Santa Rosa Regional Resources Authority
Santa Ynez River Water Conservation District Improvement District No. 1
Santiago Aqueduct Commission
Saucelito Irrigation District*
Scott Valley Irrigation District
Scotts Valley Water District
Semitropic Water Storage District
Sierra Cedars Community Services District
Sierra County Waterworks District No. 1 (Calpine)
Sierra Highlands Community Services District
Sierra Lakes County Water District
Sites Project Joint Powers Authority
Solano County Water Agency
Sonoma Mountain County Water District*
South Montebello Irrigation District*
South Sutter Water District*
South Valley Water Association
South Valley Water Banking Authority
South Yuba Water District
Southern California Water Bank Authority
Southern San Joaquin Municipal Utility District
Stinson Beach County Water District*
Suisun-Solano Water Authority
Sweetwater Authority
Tehachapi-Cummings County Water District
Terra Bella Irrigation District
Thermalito Water and Sewer District*
Three Valleys Municipal Water District*
Trabuco Canyon Water District*
Tranquillity Irrigation District
Tri-Valley Water District
Tulare Lake Basin Water Storage District
Upper San Gabriel Valley Municipal Water District*
Upper Santa Clara Valley Joint Powers Authority
Utica Water & Power Authority
Vallecitos Water District
Valley County Water District*
Valley of the Moon Water District
Vandenberg Village Community Services District*
Vista Irrigation District
W.H. Wilbur Reclamation District No. 825
Walnut Valley Water District*
Water Employee Services Authority
Water Replenishment District of Southern California
Weaverville Community Services District*
West Basin Municipal Water District
West Orange County Water Board
West Stanislaus Irrigation District
Westborough Water District
Western Canal Water District
Western Municipal Water District
Wheeler Crest Community Services District
Woodbridge Irrigation District*
Wynola Water District
Yorba Linda Water District*
Yuima Municipal Water District

*awarded in all three programs

Property Program
President's Awards
November 30, 2020

Alpaugh Community Services District*
Alpaugh Irrigation District
Alta Irrigation District*
American River Flood Control District*
Antelope Valley-East Kern Water Agency*
Bard Water District*
Beaumont-Cherry Valley Water District*
Berrenda Mesa Water District
Bolinas Community Public Utility District
Boron Community Services District
Borrego Water District*
Byron-Bethany Irrigation District*
Carmichael Water District*
Castroville Community Services District
Central Coast Water Authority*
Channel Islands Beach Community Services District*
Citrus Heights Water District*
Coastside County Water District*
Consolidated Irrigation District*
Corcoran Irrigation District
Corning Water District
Cottonwood Water District
Crescenta Valley Water District
Crestline Village Water District
Crestline-Lake Arrowhead Water Agency
Cucamonga Valley Water District
Delano-Earlimart Irrigation District
Desert Water Agency
Devil's Den Water District
Ducor Community Services District
Dunnigan Water District*
East Orange County Water District
El Toro Water District
Elsinore Valley Municipal Water District*
Empire West Side Irrigation District
Fall River Valley Community Services District
Fallbrook Public Utility District
Florin Resource Conservation District
Foothill Municipal Water District
Forestville Water District*
Fresno Irrigation District
Friant Power Authority
Friant Water Authority
Georgetown Divide Public Utility District
Golden Hills Community Services District
Goleta Water District
Helix Water District
Hi-Desert Water District
Humboldt Bay Municipal Water District
Humboldt Community Services District*
Idyllwild Water District
Ivanhoe Irrigation District
Ivanhoe Public Utility District
James Irrigation District
Kanawha Water District
Kaweah Delta Water Conservation District
Kern County Water Agency
Kern Water Bank Authority
Kings County Water District*
Kings River Conservation District
Kinneloa Irrigation District*
Kirkwood Meadows Public Utility District
La Habra Heights County Water District
La Puente Valley County Water District
Lakeside Irrigation Water District
Lakeside Water District*
Laytonville County Water District
Le Grand-Athlone Water District
Littlerock Creek Irrigation District
Los Alamos Community Services District
Lost Hills Water District*
Madera Irrigation District
Madera-Chowchilla Water & Power Authority
Majestic Pines Community Services District*
Mammoth Community Water District
Mariana Ranchos County Water District*
Marina Coast Water District
Merced Irrigation District
Mid-Peninsula Water District
Midway Heights County Water District*
Millview County Water District
Mission Hills Community Services District*
Mojave Public Utility District
Mojave Water Agency

*awarded in all programs

Moulton Niguel Water District
Municipal Water District of Orange County
North Coast County Water District
Oakdale Irrigation District
Orange County Water District
Orange Cove Irrigation District
Orchard Dale Water District*
Orosi Public Utility District*
Pacheco Water District
Pajaro Valley Water Management Agency*
Palm Ranch Irrigation District*
Palmdale Water District
Palo Verde Irrigation District
Panoche Drainage District
Panoche Water District
Pebble Beach Community Services District*
Pescadero Reclamation District No. 2058
Pico Water District*
Pinedale County Water District
Pixley Irrigation District
Placer County Water Agency - Power Division
Pleasant Valley County Water District
Porterville Irrigation District*
Princeton-Codora-Glenn Irrigation District
Provident Irrigation District
Puente Basin Water Agency
Purissima Hills Water District
Quartz Hill Water District*
Ramirez Water District
Ramona Municipal Water District*
Rancho California Water District
Reclamation District No. 108*
Reclamation District No. 1500
Reclamation District No. 744
Reclamation District No. 999
Regional Water Authority*
Richvale Irrigation District*
Rincon Del Diablo Municipal Water District*
Rio Linda/Elverta Community Water District
Riverdale Irrigation District
Rowland Water District
Rural North Vacaville Water District
Sacramento Groundwater Authority
Sacramento Suburban Water District*
San Benito County Water District*
San Bernardino Valley Water Conservation District*
San Dieguito Water District
San Gabriel Basin Water Quality Authority*
San Gabriel County Water District*
San Gorgonio Pass Water Agency*
San Joaquin River Exchange Contractors Water Authority*
San Luis Water District
Santa Fe ID - Joint Properties
Santa Fe Irrigation District*
Santa Ynez River Water Conservation District Improvement District No. 1
Santiago Aqueduct Commission
Saucelito Irrigation District*
SCVWA - Santa Clarita Water Division
Semitropic Water Storage District
Serrano Water District
Shafter-Wasco Irrigation District
Sierra Cedars Community Services District
Sierra Lakes County Water District
Solano Irrigation District
Sonoma Mountain County Water District*
Soquel Creek Water District
South Coast Water District-Joint Regional Water Supply
South Montebello Irrigation District*
South Sutter Water District*
Southern San Joaquin Municipal Utility District
Stinson Beach County Water District*
Stockton East Water District
Sutter Extension Water District
Sweetwater Authority
Tehachapi-Cummings County Water District
Thermalito Water and Sewer District*
Three Valleys Municipal Water District*

*awarded in all programs

Property Program
President's Awards
November 30, 2020

Trabuco Canyon Water District*
Tranquillity Irrigation District
Tulare Irrigation District
Twentynine Palms Water District
Upper San Gabriel Valley Municipal Water District*
Upper Santa Clara Valley Joint Powers Authority
Utica Water & Power Authority
Valley Center Municipal Water District
Valley County Water District*
Vandenberg Village Community Services District*
Vista Irrigation District
Walnut Valley Water District*
Water Employee Services Authority
Weaverville Community Services District*
West Basin Municipal Water District
West Orange County Water Board
Westborough Water District
Western Municipal Water District
Woodbridge Irrigation District*
Yorba Linda Water District*
Yuima Municipal Water District

*awarded in all programs

Worker's Compensation Program
President's Awards
November 30, 2020

Alpaugh Irrigation District*
Alta Irrigation District*
American River Flood Control District*
Antelope Valley-East Kern Water Agency*
Banta Carbona Irrigation District
Bard Water District*
Beaumont-Cherry Valley Water District*
Belridge Water Storage District
Bodega Bay Public Utility District
Borrego Water District*
Buena Vista Water Storage District
Butte Water District
Byron-Bethany Irrigation District*
Calaveras Public Utility District
Camrosa Water District
Carmichael Water District*
Centerville Community Services District
Central Coast Water Authority*
Channel Islands Beach Community Services District*
Chino Basin Water Conservation District
Chowchilla Water District
Citrus Heights Water District*
Clear Creek Community Services District
Clearlake Oaks County Water District
Coastside County Water District*
Consolidated Irrigation District*
Crescenta Valley Water District
Cucamonga Valley Water District
Del Paso Manor Water District
Del Puerto Water District
Diablo Water District
Dunnigan Water District*
East Contra Costa Irrigation District
East Orange County Water District
El Dorado Irrigation District
Elsinore Valley Municipal Water District*
Foothill Municipal Water District
Forestville Water District*
Georgetown Divide Public Utility District
Humboldt Community Services District*
Idyllwild Water District
Kanawha Water District
Kern-Tulare Water District
Kings County Water District*
Kinneloa Irrigation District*
La Canada Irrigation District
La Habra Heights County Water District
Laguna Beach County Water District
Lakeside Water District*
Las Virgenes Municipal Water District
Lost Hills Water District*
Madera Water District
Majestic Pines Community Services District*
Mariana Ranchos County Water District*
Midway Heights County Water District*
Mission Hills Community Services District*
Mission Springs Water District
Montague Water Conservation District
Montara Water and Sanitary District
Orchard Dale Water District*
Orosi Public Utility District*
Pajaro Valley Water Management Agency*
Pajaro/Sunny Mesa Community Services District
Palm Ranch Irrigation District*
Paradise Irrigation District
Patterson Irrigation District
Pebble Beach Community Services District*
Pico Water District*
Porterville Irrigation District*
Purissima Hills Water District
Quartz Hill Water District*
Rancho California Water District
Reclamation District No. 1004
Reclamation District No. 108*
Regional Water Authority*
Richvale Irrigation District*
Rincon Del Diablo Municipal Water District*
Rio Alto Water District
Rosedale-Rio Bravo Water Storage District
Sacramento Suburban Water District*
San Andreas Sanitary District*
San Benito County Water District*

*awarded in all programs

Worker's Compensation Program
President's Awards
November 30, 2020

San Bernardino Valley Water Conservation District*
San Dieguito Water District
San Gabriel County Water District*
San Gorgonio Pass Water Agency*
San Joaquin River Exchange Contractors Water Authority*
San Luis & Delta-Mendota Water Authority
Santa Fe Irrigation District*
Santa Ynez River Water Conservation District Improvement District No. 1
Saucelito Irrigation District*
Scotts Valley Water District
Serrano Water District
Shafter-Wasco Irrigation District
Solano County Water Agency
Solano Irrigation District
South Coast Water District
South Feather Water & Power Agency
South Montebello Irrigation District*
South Sutter Water District*
Stinson Beach County Water District*
Stockton East Water District
Sunnyslope County Water District
Terra Bella Irrigation District
Thermalito Water and Sewer District*
Three Valleys Municipal Water District*
Trabuco Canyon Water District*
Tulare Lake Basin Water Storage District
Upper San Gabriel Valley Municipal Water District*
Vallecitos Water District
Valley County Water District*
Valley of the Moon Water District
Vandenberg Village Community Services District*
Walnut Valley Water District*
Water Replenishment District of Southern California
Weaverville Community Services District*
West Stanislaus Irrigation District
Western Canal Water District
Wheeler Ridge-Maricopa Water Storage District
Woodbridge Irrigation District*
Yolo County Flood Control & Water Conservation District
Yorba Linda Water District*

*awarded in all programs

ACWA JPIA
Pooled Programs Update
November 30, 2020

BACKGROUND
The JPIA has four major pooled programs. Created in 1979, the Liability Program has served JPIA members for over 40 years. The Property Program was implemented in 1982; while the Workers' Compensation Program began in 1984. Lastly, the JPIA assumed responsibility for the Employee Benefits Program in July 2012.

The JPIA continues to offer its members stability through a strong financial position, experienced management, and an unwavering and growing customer participation.

Each pooled program stands alone meaning they are separately funded and managed. The Programs have different levels of members participating, as not all members partake in all programs.

CURRENT SITUATION
Over the recent years, the member participation gaps are narrowing with improved pricing, expanded coverages, increased outreach program, and a coordinated focus on customer service.

Staff will review current highlights for each program.

RECOMMENDATION
None, information only

Prepared by: Karen Thesing, Director of Ins. Services Date prepared: November 12, 2020

Insurance Programs Overview

ACWA JPIA Board of Directors

November 30, 2020

Karen L. Thesing, ARM
Director of Insurance Services

JPIA Insurance Programs

Program	Start Year
Liability	1979
Property	1982
Workers' Compensation	1984
Employee Benefits*	2012

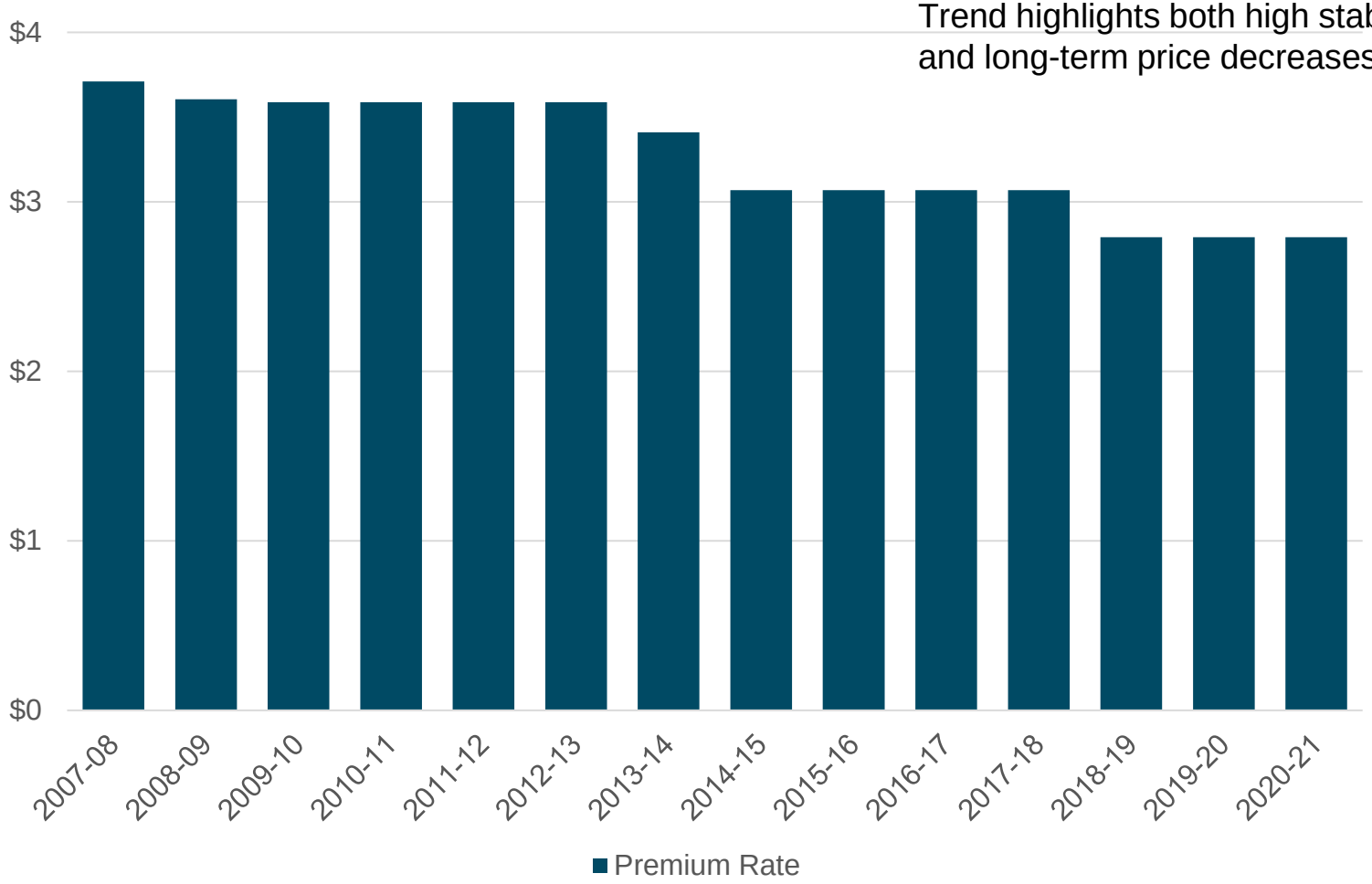
* The Employee Benefits Program was previously managed by HBA.

JPIA

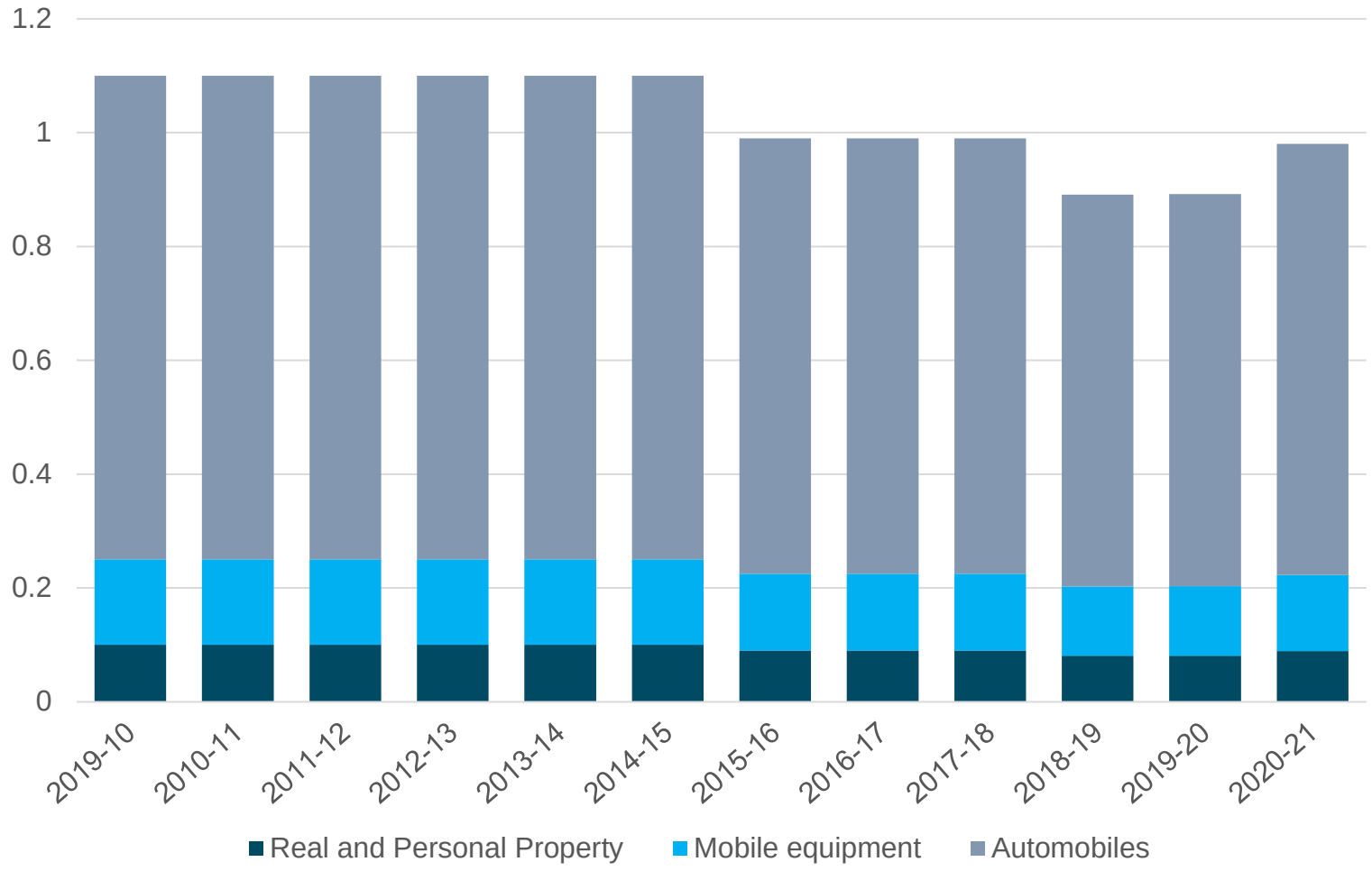
- JPIA continues to offer its members stability through:
  - strong financial position
  - experienced management,
  - unwavering and growing customer participation

Liability Rates

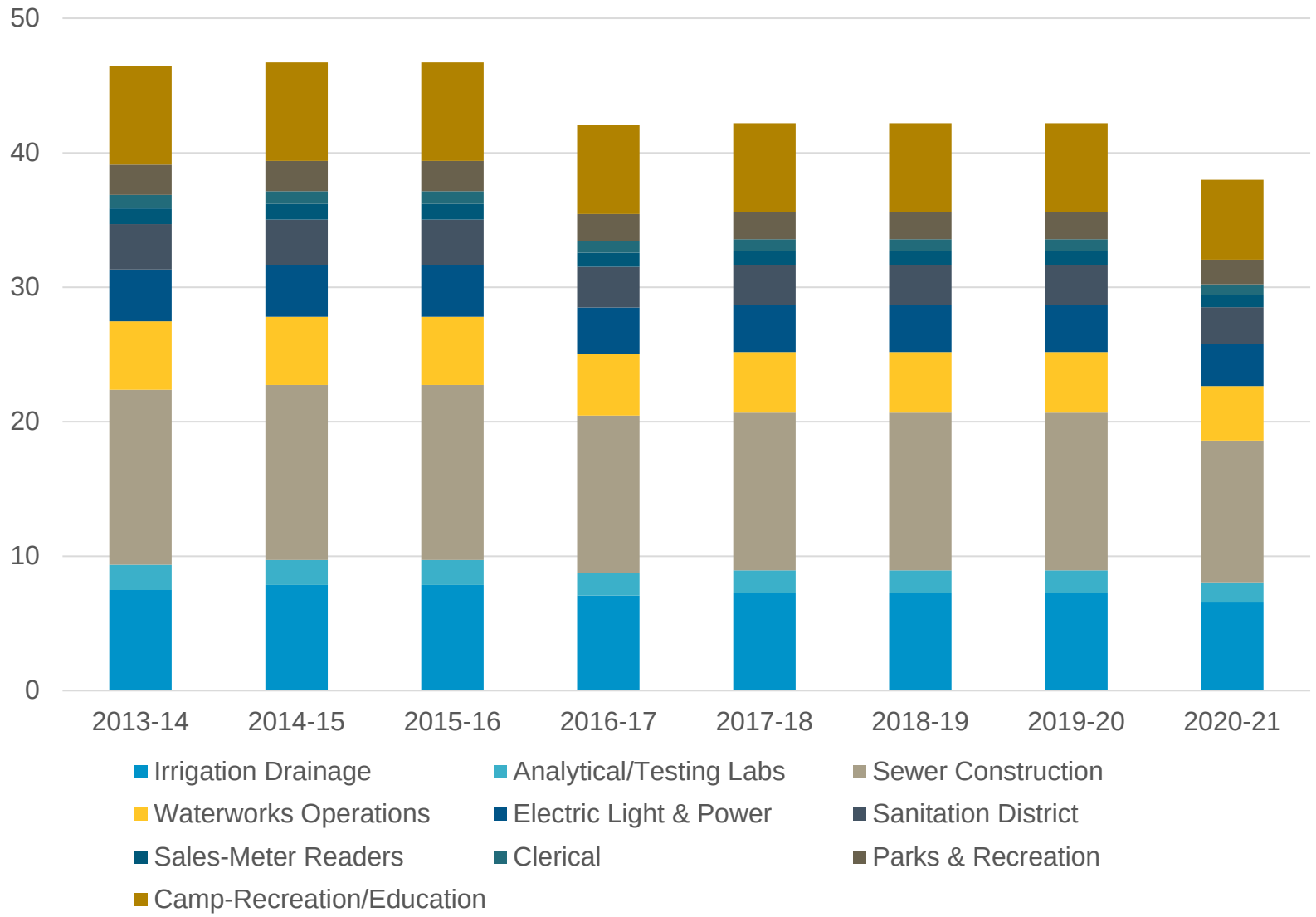
Trend highlights both high stability and long-term price decreases.



Property Rates



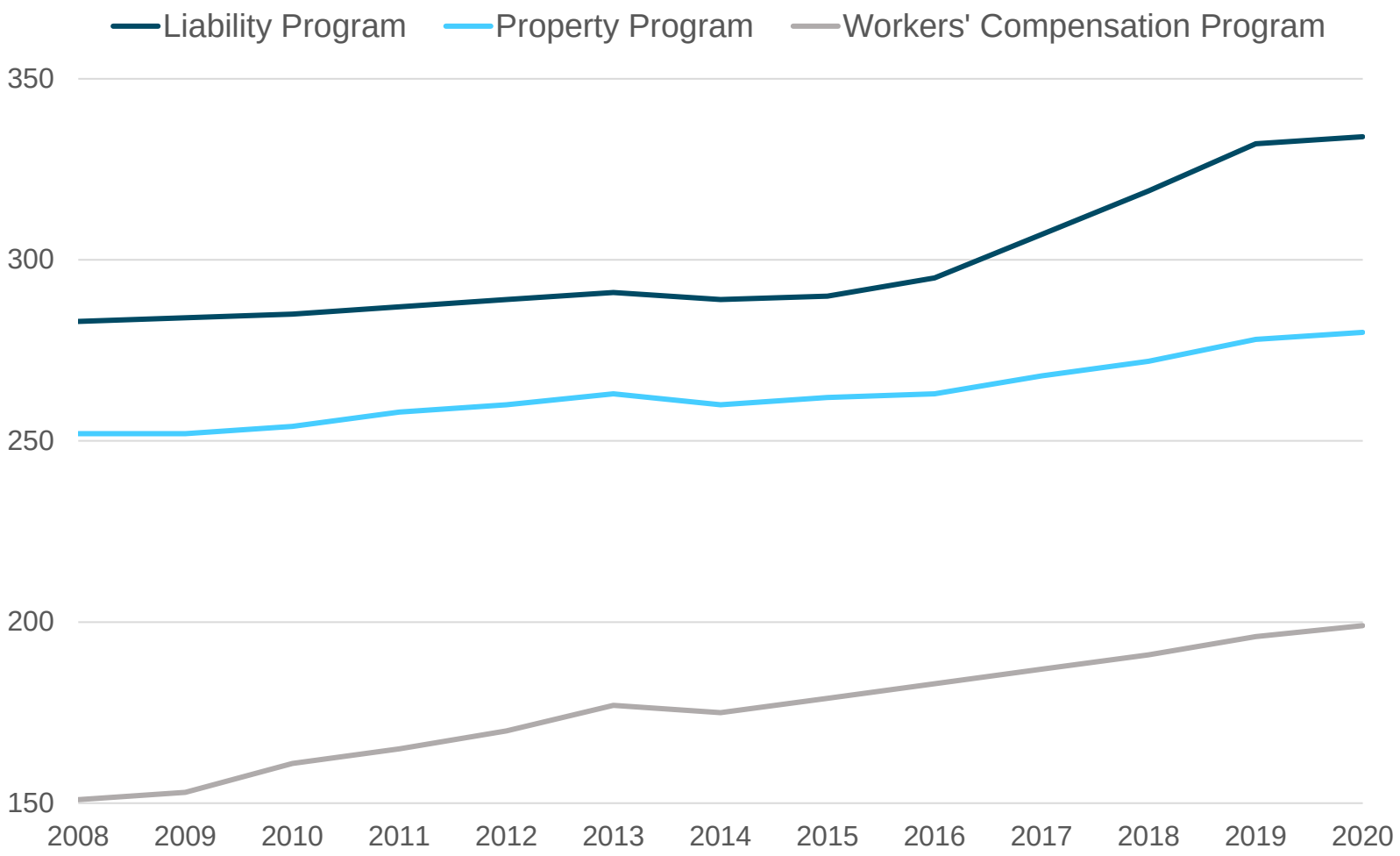
Workers' Compensation Rates



Program Composition

- Each pooled program stands alone meaning they are separately funded and managed. The Programs have different levels of members participating as not all members partake in all programs.

Membership Growth



Recent Accomplishments

- Over the past two years,
  - stable pricing,
  - increased outreach program,
  - coordinated focus on customer service

Questions?

JPIA Risk Control Grant Program
Program Description

PROGRAM DEADLINES

Applications may be submitted between October 1, 2020 and December 1, 2020. Submit no later than December 1, 2020.

You will be notified of approval: March 1, 2021

PURPOSE

The purpose of the JPIA Risk Control Grant Program is to promote the implementation of best practices that will prevent or mitigate losses in the JPIA's Workers' Compensation, General Liability, and Property Programs. The historical loss areas for these programs served as the foundation for the best practices in the JPIA's Commitment to Excellence. The grant program will incentivize members to renew their Commitment to Excellence and review the best practices applicable to their operations.

This is accomplished by funding specific one-time, non-routine risk management or loss control programs or activities that are intended to address those risks. Members should refer to the Grant Program description for guidance as to projects that are likely to merit a grant.

ELIGIBILITY

- All JPIA members participating in at least two JPIA pooled programs: (Workers' Compensation, Liability, and/or Property Programs).
- The member has signed the Commitment to Excellence (C2E) Agreement.
- The member must have the C2E Agreement in place before submitting the Grant request, and it should accompany the Grant documents.
- Grant funds must be applied to best practices relevant to the pooled programs in which the member participates.
- The member must be current in their payment of premiums.

GRANT FUND – COMMITMENT TO EXCELLENCE CATEGORIES

The JPIA Commitment to Excellence (C2E) Program Best Practices are detailed in the Loss Reduction Focus Menus and Explanations available on the JPIA's website. A partial list of grant ideas is outlined below.

C2E Loss Reduction	Coverage Program	Grant Ideas
Infrastructure-Wildfire	Liability, Property	• Emergency plan for wildfire • Emergency equipment/supplies • Communication equipment
Vehicle Operations	WC, Liability, Property	• Vehicle equipment such as emergency strobes, and high visibility stripes • Vehicle Telemetries-GPS tracking • Smith System Train-the-Trainer or similar systems
Water Line Failure	Liability, Property	• Valve exercise/flushing program • Emergency response trailer • Underground line locating equipment and training • Fire hydrant check valve/flapper valve • Condition Assessment Study/Water Leak Study • Cathodic protection
Cyber Security	Liability, Property	• Cyber risk vulnerability testing • Incident response plan
Ergonomics Program	Workers' Compensation	• Ergonomic evaluations • Ergonomic Coordinator training • Ergonomic equipment purchase • Mobile workstation for trucks • Truck bed steps
Employment Practices	Liability	• Specialized training

EXCLUSIONS (include but are not limited to):

- Normal or routine maintenance projects or deferred maintenance, such as repair or serving equipment.
- Items normally covered in an operations budget.
- Projects deemed to be capital improvements. A capital improvement is defined as a non-recurring expenditure or any expenditure for physical improvements, including costs for the acquisition of existing buildings, land, or interests in land; construction of new buildings or other structures, including additions and major alterations; construction of streets and highways or utility lines; acquisition of fixed equipment; landscaping; and similar expenditures. It may mean any change, alteration, rearrangement, or addition to existing facilities. It is also new construction, acquisition, or improvements to sites, buildings, or service systems.
- Cost of labor (hiring personnel or overtime hours).
- Non-safety work apparel.
- Expenditures for fines, penalties, and/or citations.

AWARD CRITERIA

- JPIA members are eligible for a grant up to $10,000 to fund their risk management and safety program projects or equipment.
- The grants will be reserved for a member applying the funds to a JPIA Commitment to Excellence Program category consistent with their pooled program participation. Applying the grants to the Commitment to Excellence categories ensures that funds are used on best practices tied to JPIA's primary loss drivers.

This approach is consistent with the JPIA's Risk Control program focus and supports other program elements such as the JPIA's Safety Awards, ongoing risk assessments at member facilities, and onsite training delivery.

THE PROPOSED GRANT REQUEST MUST:

- Be an approach that may provide a unique and innovative solution.
- Assist our members with risk management and loss control techniques.
- The grant request must show a results-oriented impact that is measurable and identifiable.
- Process or performance objective(s) that have a high probability of increasing employee safety, enhancing risk control, or reducing loss exposure(s).
  - Grant requests utilizing the hierarchy of hazard control system (eliminate or minimize a hazard) are strongly encouraged.

Data demonstrating the reduction of risk will enhance the possibility of the grant.

- Be an effective and sustainable risk management or loss control process or procedure.

Grant funds will be distributed on a first approved basis until all eligible funds have been expended. Small, medium, and large districts will receive two awards respectively; the remaining four awards will be merit-based.

The Project Contact and/or Alternate Contact may be contacted to provide additional information regarding the grant application.

APPLICATION AND REIMBURSEMENT OF EXPENDITURES

Grant fund applications will be reviewed for completeness. Members will be notified when their grant has been approved and approvals will occur until the allocated $100,000 in JPIA funds are expended.

A grant fund application must be submitted with adequate documentation to support the stated use of funds with a General Manager's signature. The ACWA JPIA Risk Control Grant Program application must be prepared and responded to ***fully***. All responses to questions are required; otherwise, the application will be deemed incomplete.

Grant funds will be paid as reimbursements or initial investment for costs incurred within the scope of the project. To receive grant funding, the grant program request form must be submitted for projects ***initiated and completed within the fiscal year (10/1/20 – 9/30/21)***. Paid invoices and supporting documentation are required.

Members agree to update ACWA JPIA to review project progress and results, and share lessons learned and observations about the implementation and outcomes. **Upon completion of the project, members shall provide a report to the Risk Management Committee and Executive Committee summarizing the project goals and results achieved.**

Applications will be approved by March 1. Members will be notified at that time if their application has been approved.

USE OF FUNDS CRITERIA

Grant funds shall be used solely for the implementation of the project as defined in the Grant Application and consistent with the Risk Control Grant Program. Funds may not be expended or otherwise encumbered or used for any other purpose without ACWA JPIA's prior written approval.

Members are required to provide ACWA JPIA with immediate written notification of their inability to expend funds under the grant, in whole or in part, for the purposes as described in the Grant Application, or if any expenditure is made for any purpose other than those for which the grant was requested and approved. Additionally, if the deliverables are not completed within the designated milestones as approved, or if the project is not showing progress to achieve program goals within the grant funding, ACWA JPIA reserves the right to immediately discontinue, modify, or withhold any payments under this conditional grant award.

If projects are not completed with the agreed specified timeline, the entire Risk Control Grant award must be returned to the ACWA JPIA.

Members agree to give ACWA JPIA full access to all project-related information, data, and analytics the member has access to under this grant.

ACCOUNTABILITY PROCESS

All grant fund awards are at the discretion of the JPIA, with the final decision by the JPIA CEO. The JPIA's Risk Control Manager will prepare an annual report on the grant fund utilization for presentation at the annual Risk Management Committee meeting.

ACWA JPIA
Employee Benefits Program Update
November 30, 2020

BACKGROUND
ACWA JPIA began administering Employee Benefits Programs in July 2012.

CURRENT SITUATION
Pricing for the programs remains competitive, while maintaining robust benefits offerings for member employees and retirees. A focus on excellent customer service continues to garner loyalty from current Employee Benefits members.

Staff will review program pricing history and current events in Employee Benefits in the following pages.

RECOMMENDATION
None, informational only.

Prepared by: Sandra M. Smith, Employee Benefits Mgr. Date prepared: November 12, 2020

Employee Benefits Programs Overview

ACWA JPIA Board of Directors

November 30, 2020

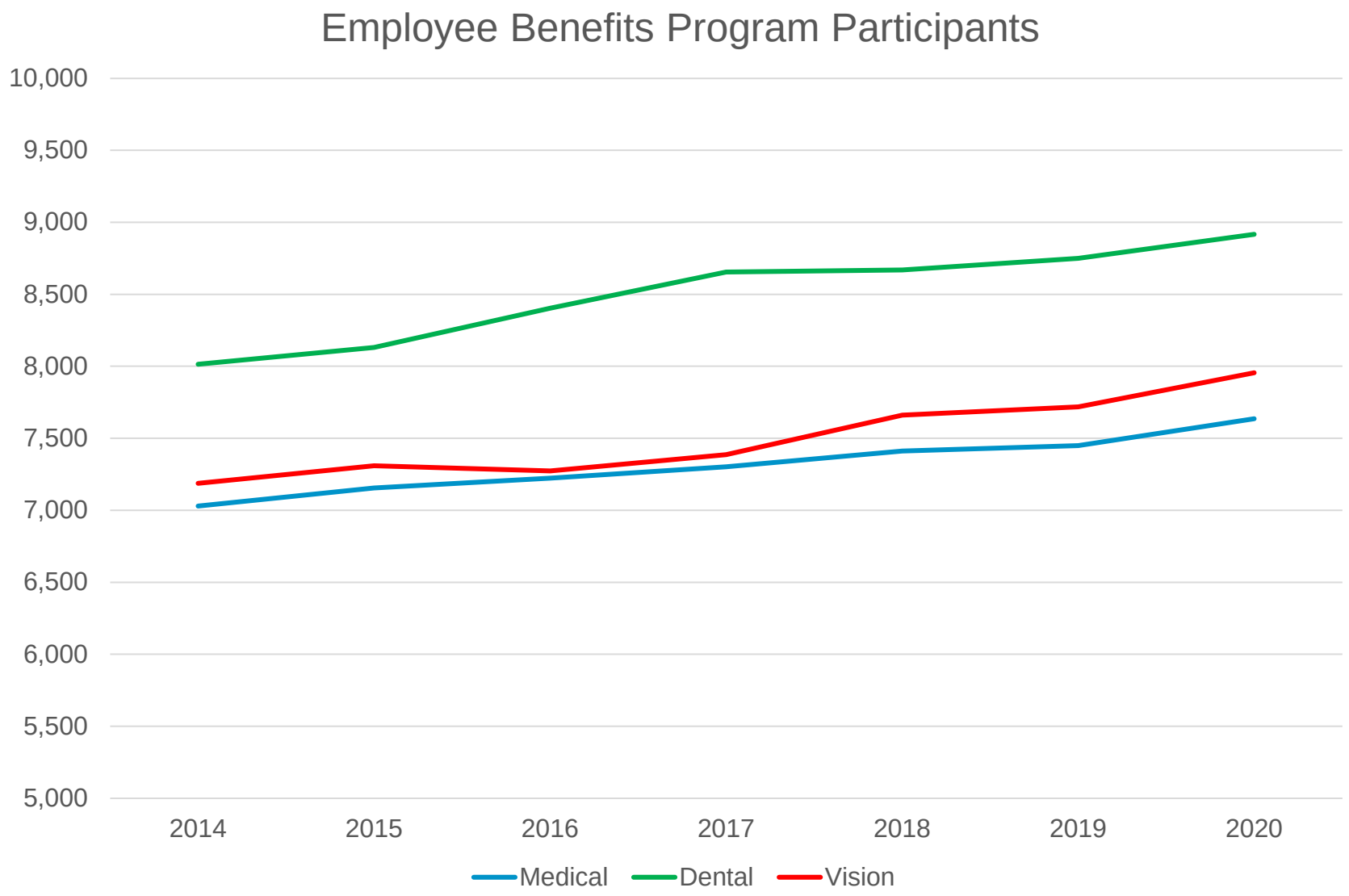
Sandra M. Smith

Employee Benefits Manager

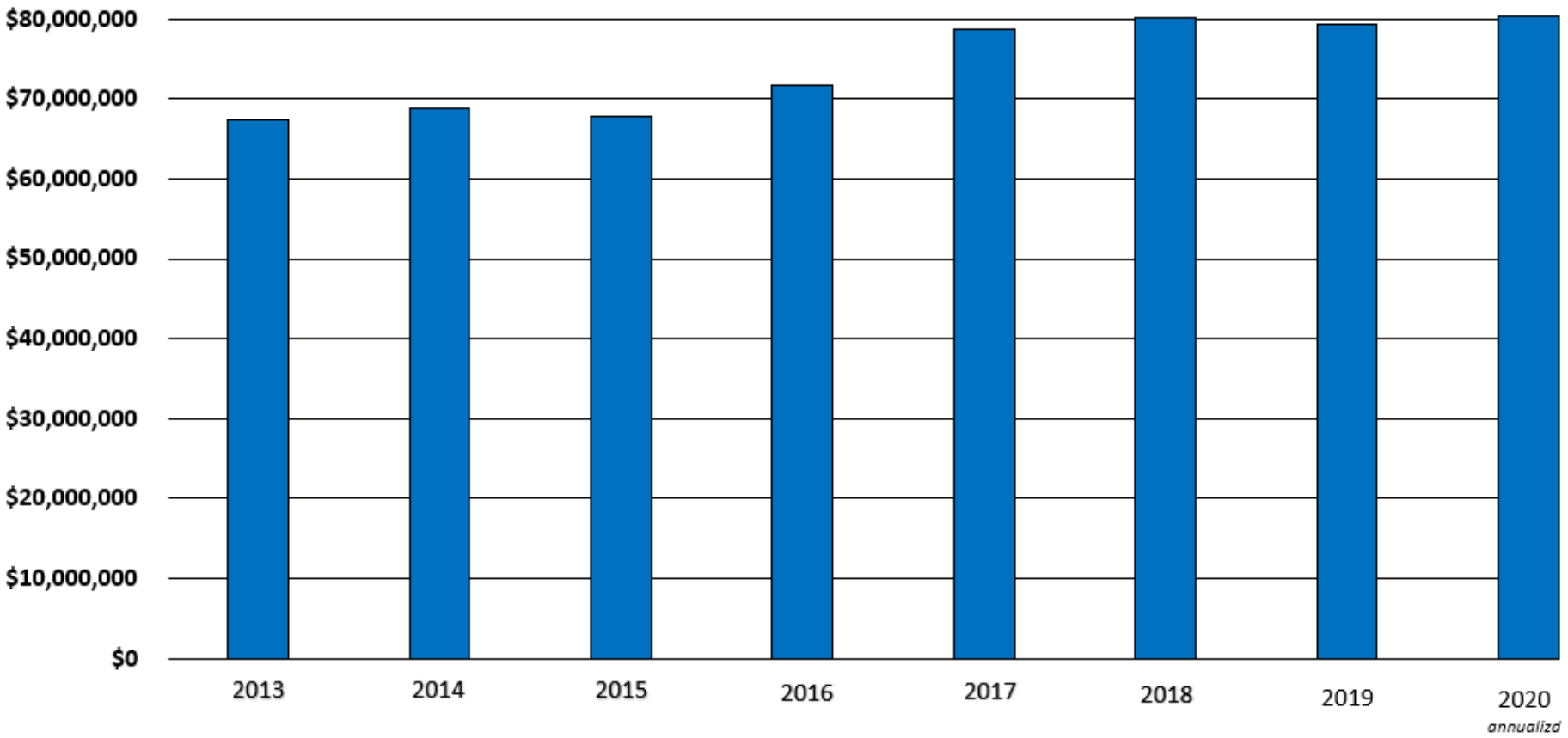
JPIA

- JPIA maintains provides excellent service and value through:
  - strong financial position
  - continual monitoring of market and legal environment
  - member participation & engagement
  - outstanding customer service
  - member advocacy

Membership Growth



Medical Program Premiums

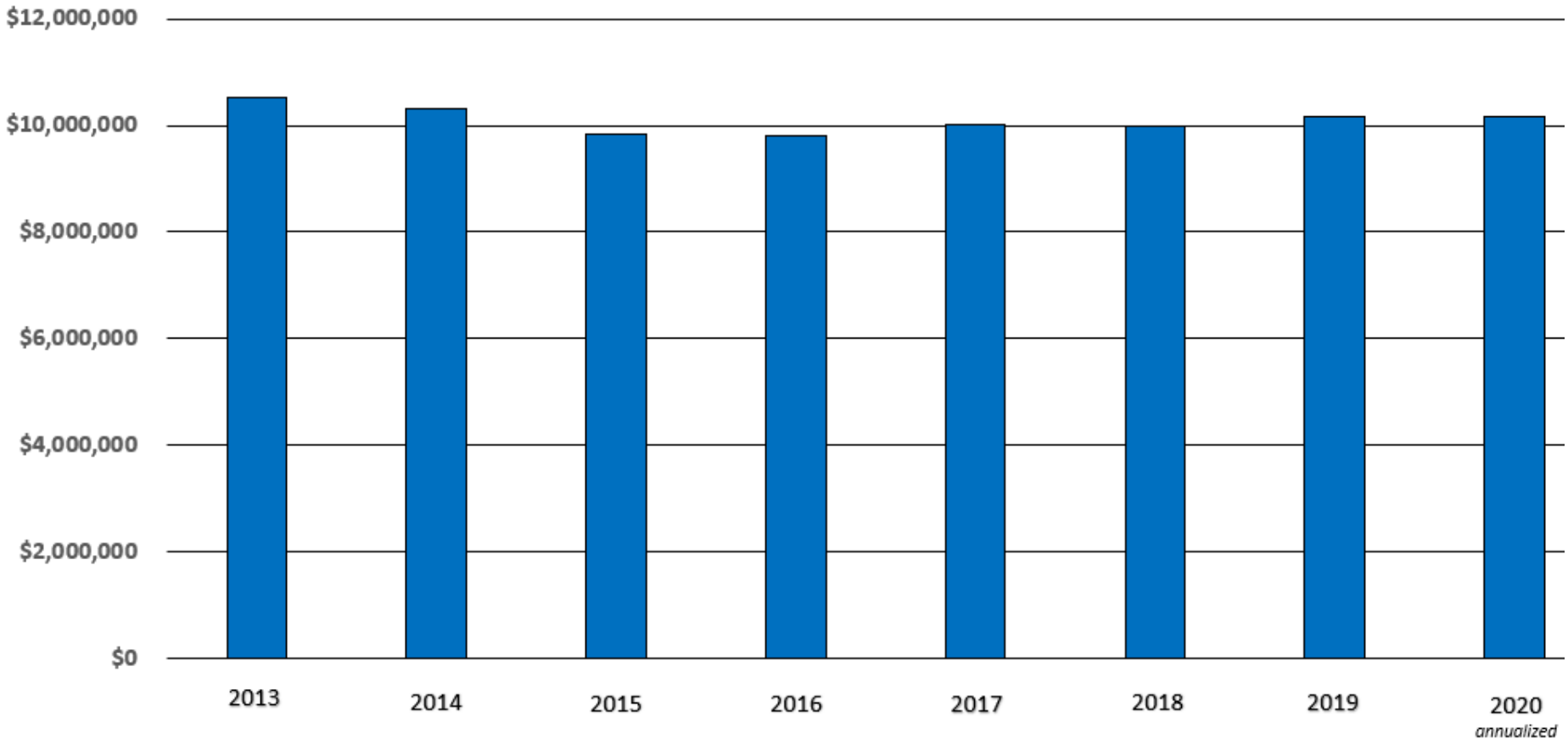


Program Management

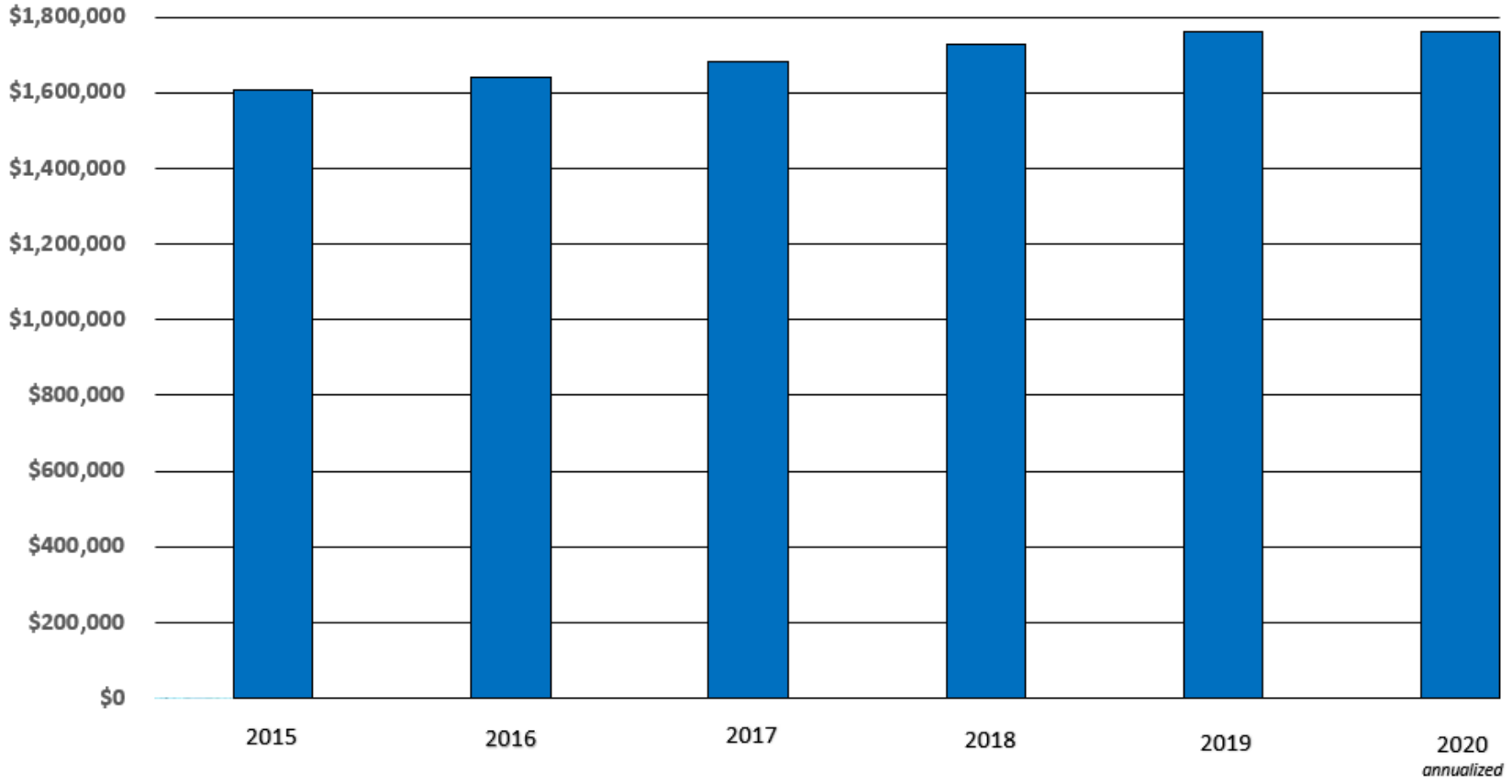
Changes Implemented	Year	Estimated ANNUAL Savings
Required Retiree enrollment in Medicare A&B	2015	unknown, significant
Embedded Part D pharmacy benefits	2015	$1.3 Million
Mandatory Maintenance Mail Order & Preferred Generics	2015	$1.0 Million
Classic out-of-pocket max from $1k to $2k, & hospitalization from 100% to 90%	2018	$1.5 Million
Limited out-of-network facility benefits	2018	$2.7 Million
Marketed PBM business for 2018 renewal	2018	$1.6 Million
Changing PPO/Medicare RX PBM to MedImpact	2019	$3.2 Million

$11.6M+ in annual savings is over 14% of annual program cost

Dental Program Premiums



Vision Program Premiums



Program Participation

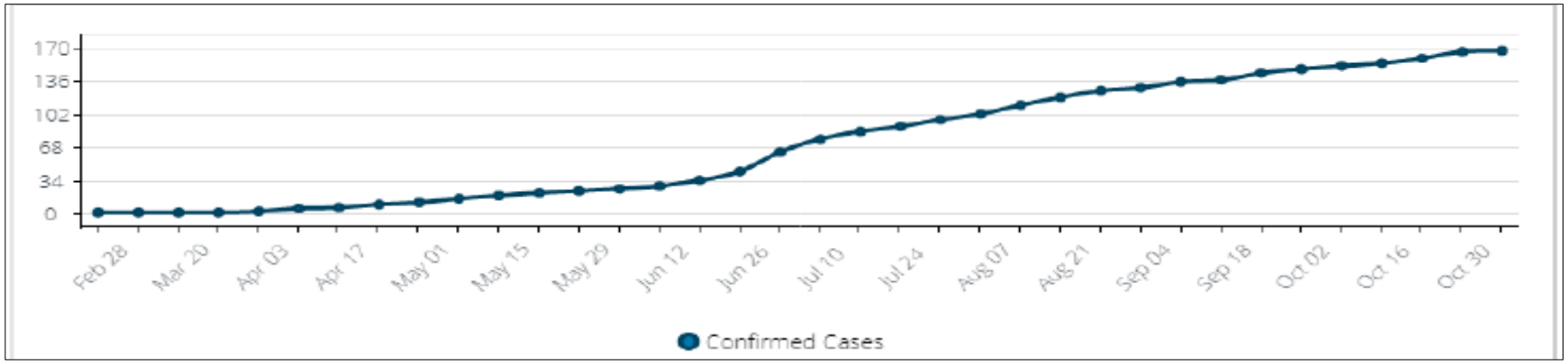
- Low member turnover; stability
- A la carte participation
- Growth through expanded participation of existing members, in addition to new membership

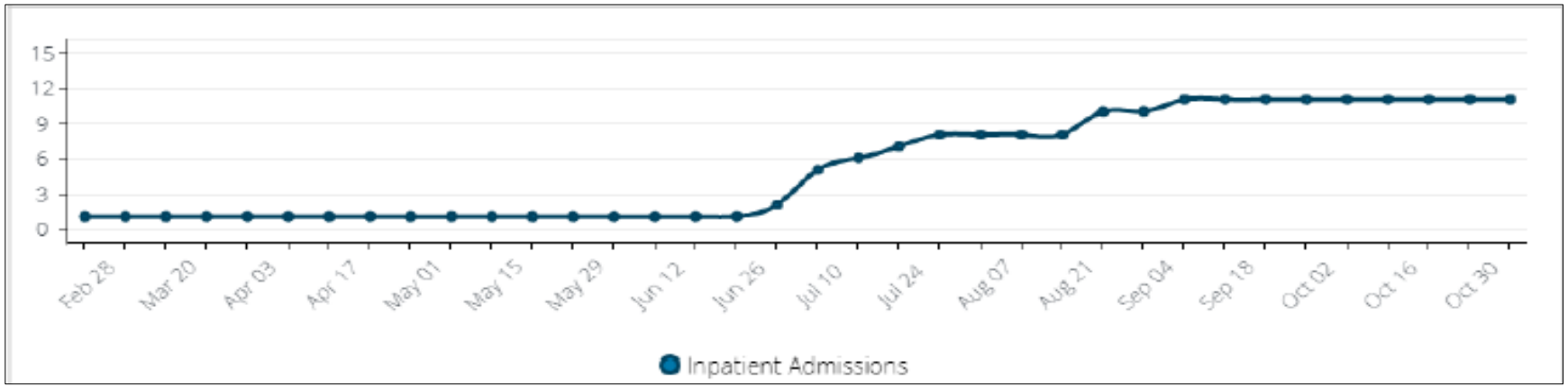
Recent Developments

- 2021 Open Enrollment
- Virtual Health Fairs
- Member outreach
  - Over 700 webinar participants
- COVID-19
  - $1.5M expenses, more than offset by deferred care
  - Increased use of telemedicine
  - Plan design enhancements

COVID-19

- 18,000+ Anthem & Kaiser members
- 250 positive cases; 12 hospitalizations
- Anthem-only trends:





Looking Forward

- Monitoring impact
  - Future pricing
- Leveraging advancements
  - Telemedicine
  - Virtual direct communication with participants

Questions?

ACWA JPIA
CEO Update
November 30, 2020

BACKGROUND
This is a standing agenda item at the Board of Directors' meetings.

CURRENT SITUATION
The JPIA's Chief Executive Officer, Andy Sells, will update the Board of Directors on relevant current issues, and potential future opportunities and challenges.

RECOMMENDATION
None, informational only.

Prepared by: Walter 'Andy' Sells, Chief Executive Officer Date prepared: November 9, 2020

ACWA JPIA
Training Update
November 30, 2020

BACKGROUND
At the Fall Board Meeting, each department will provide an update.

CURRENT SITUATION
As the state began to shut down in March, JPIA training was impacted dramatically. Of course, in-person classes came to a halt, with zero classes offered when usually an average of 40 classes per month would be taught throughout the spring. With employees sequestered at home, the need for online learning skyrocketed and that was represented in the JPIA statistics. Classes completed on TargetSolutions platform rose from an average of less than 2,000 per month to almost over 4,000 in March and almost 8,000 in April. Similar, the viewing of JPIA recorded webinars shot up in March and April, with April reaching an all-time high level.

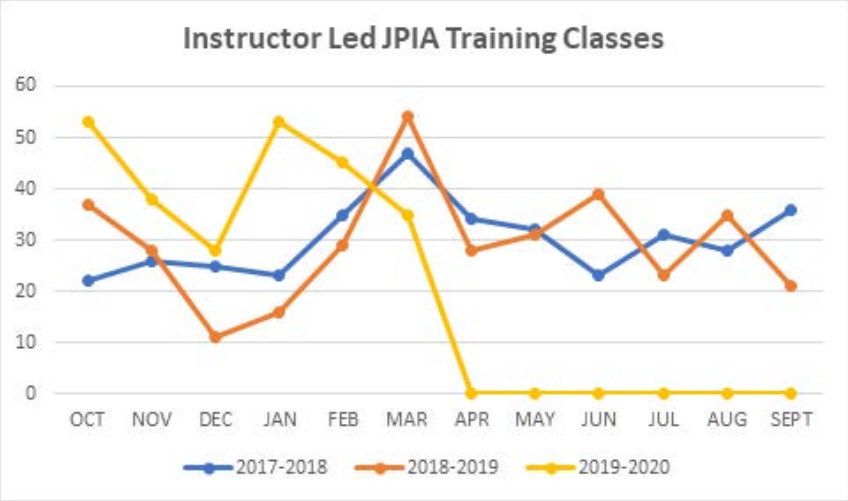
As things began to open up a bit and districts saw some if not all staff return to the workplace, the demand diminished from its high levels, but not completely. The following graphs tell the story of how the online learning options were still in demand, especially the live webinar trainings and events.

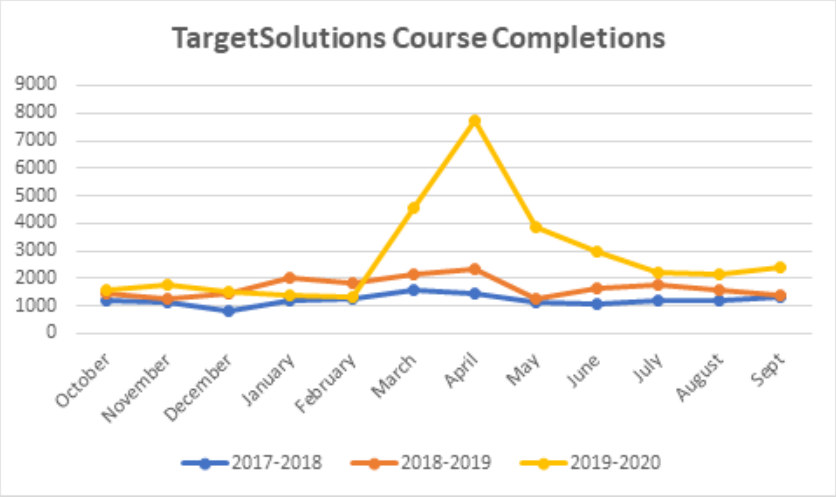
The JPIA is well positioned to meet the changing demands in learning, even in a pandemic, because of ongoing investments made in varying learning modalities over the years. The JPIA has partnered with additional vendors to purchase needed online options and has expanded virtual offerings via live, instructor led courses. The current situation definitely forced everyone to move things online and will undoubtedly direct our efforts as we look to how to interact, meet and train in the future.

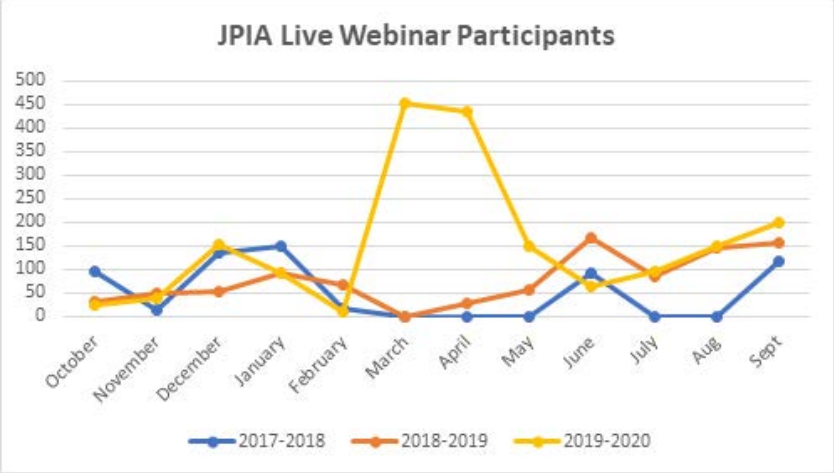
RECOMMENDATION
None, informational only.

Prepared by: Patricia Slaven, Director of HR and Admin. Date prepared: November 9, 2020

Training Trends
Fiscal Year
2017/18 through 2019/20







ACWA JPIA
Human Resources Update
November 30, 2020

BACKGROUND
At the Fall Board Meeting, each department will provide an update.

CURRENT SITUATION
It comes as no surprise that 2020 has been a year requiring unimaginable human resource involvement in each and every organization. The issues that erupted from the day the state was shut down were relentless. With no experts to call upon that had been through this situation before, all human resource professionals had to forge ahead and work to the best of their abilities to attain positive outcomes with limited information. The Risk Management, Employee Benefits, Workers' Compensation and Human Resources departments worked together to gather and disseminate information in order to fill that gap as quicky as possible. JPIA stepped in beginning week one of the shutdown, and supported our members with live webinars and information sharing through a webpage dedicated to COVID-19.

JPIA turned to member districts to share their experiences and information. As usual, agencies stepped up immediately to help each other navigate the uncertain waters. The membership willingly provided invaluable resources of their own, and thus were better prepared to meet the requirements of changing laws, executive orders and mandates. Confronted with an unrivaled event, it was comforting to know we were all in this together.

As it turned out, JPIA was launching a new Human Resource webinar series in March of 2020 – Hot Java & Hot HR Topics. It was planned to be a monthly quick update on a current topic in the human resources realm. Of course, with the pandemic hitting, the planned topics for discussion were superseded by the more immediate needs related to COVID. The following page summarizes those monthly updates delivered.

JPIA launched a member survey in September to get a read on where they were in shepherding personnel back into the office. Although no members surveyed shut down operation, many had their non-essential staff working from home early on. The consensus seemed to be that flexibility was the key to moving forward as conditions in the state change regularly. The survey is summarized on the following pages.

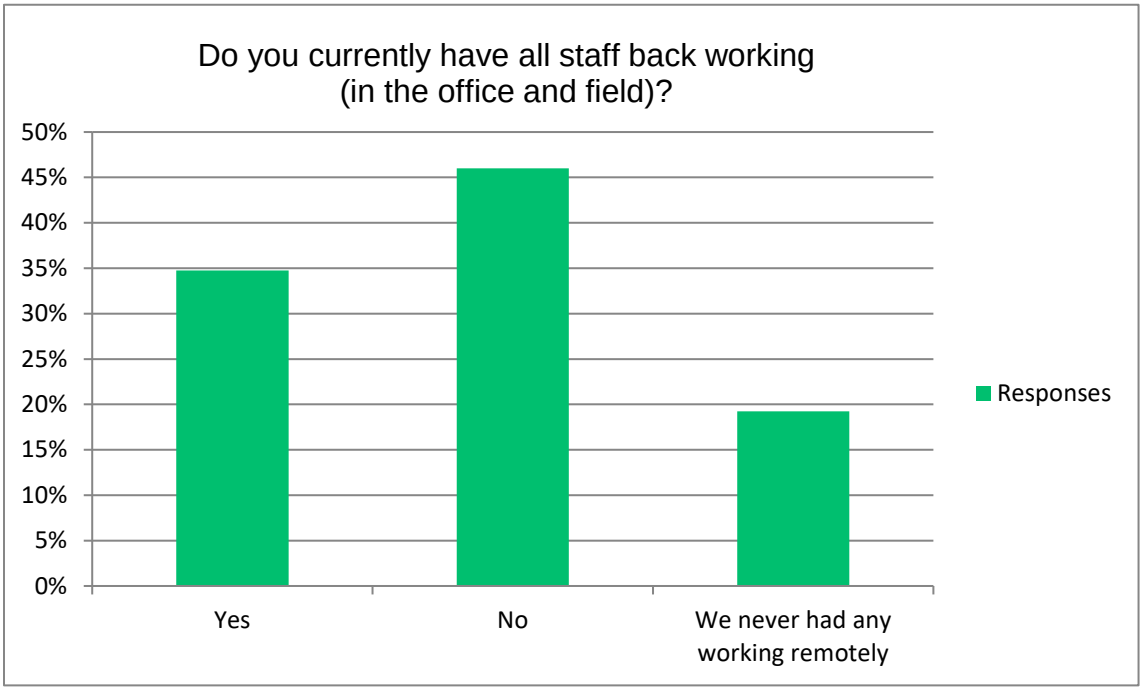
RECOMMENDATION
None, informational only.

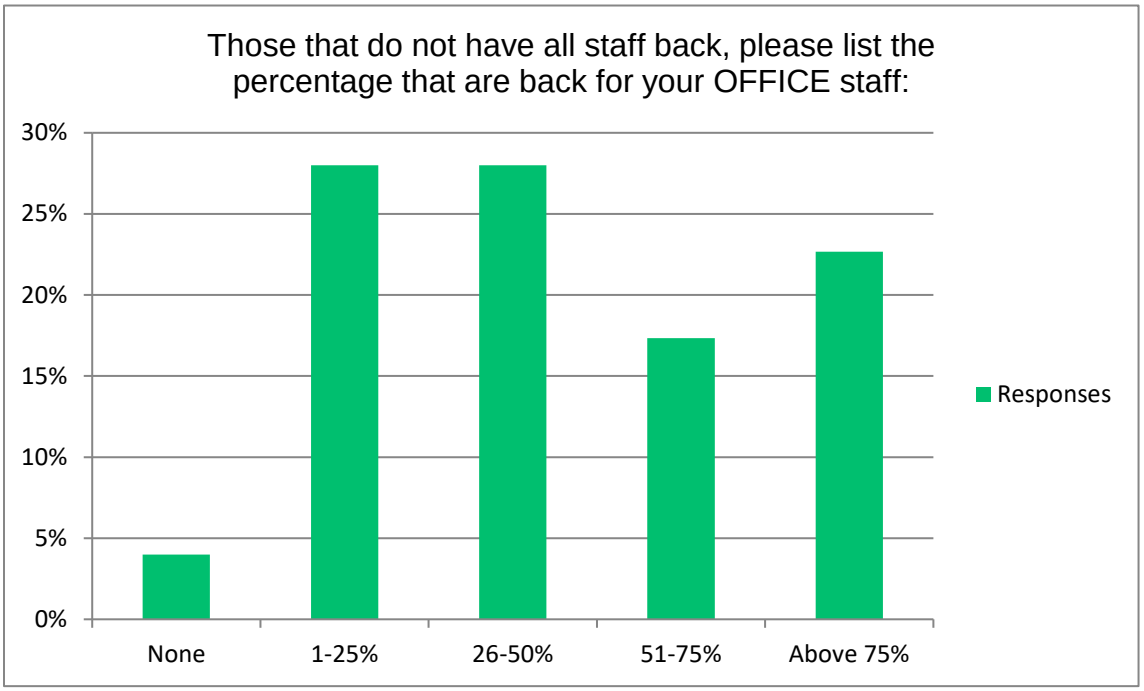
Prepared by: Patricia Slaven, Director of HR and Admin. Date prepared: November 11, 2020

Hot Java and Hot HR Topics Webinars
Beginning March 2020

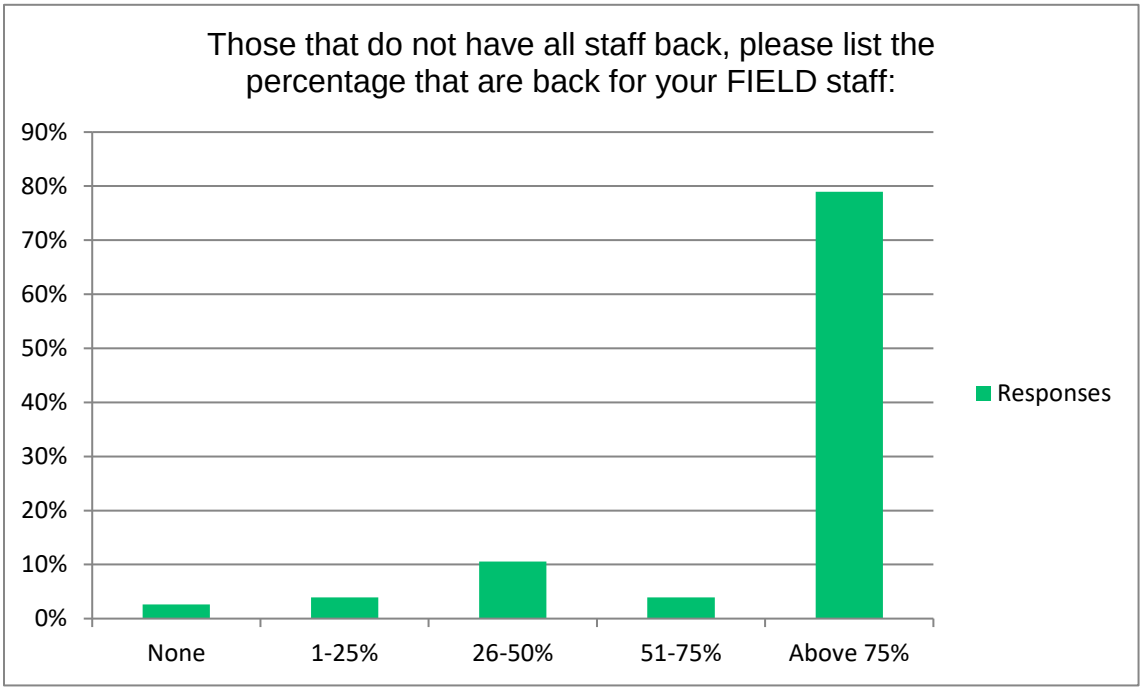
Date Presented	Number of Attendees	Topic
3/19/2020	120	COVID 19 Reporting
4/16/2020	143	COVID 19 and Employee Benefits
5/19/2020	132	Panel discussion with three water districts on plans and policies on Getting Back to Work after COVID 19
6/18/2020	47	DOT Clearing House Requirements by Weinhoff Drug Testing
7/16/2020	29	Employment Practices Hotline: It Could Save You Millions. Learn about this benefit for Liability Program members
8/20/2020	64	Workers' Comp and COVID 19: Understanding the Governor's executive order and assumed compensability
9/17/2020	24	Political Speech in the Workplace: Tips on What You Shouldn't Say
9/28/2020	137	Emergency session - SB 1159: How to comply with the new regulation and avoid a $10K fine.
10/20/2020	51	COVID 19 and Employment Practices Claims

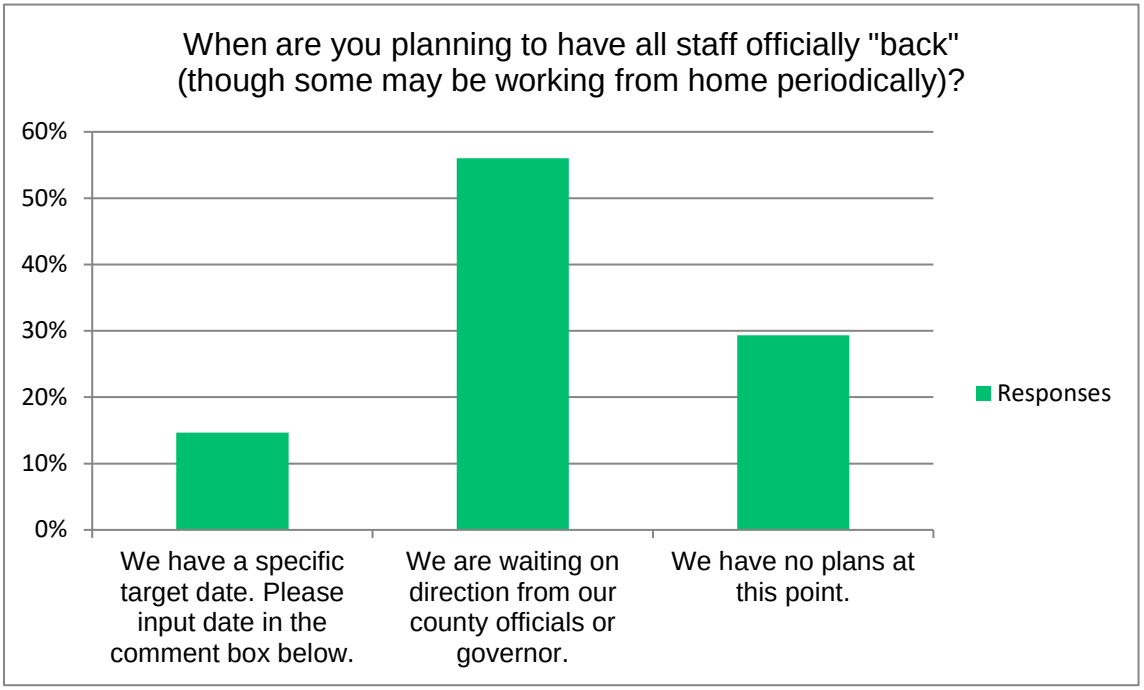
JPIA Member Survey Regarding COVID-19 Response
September 2020



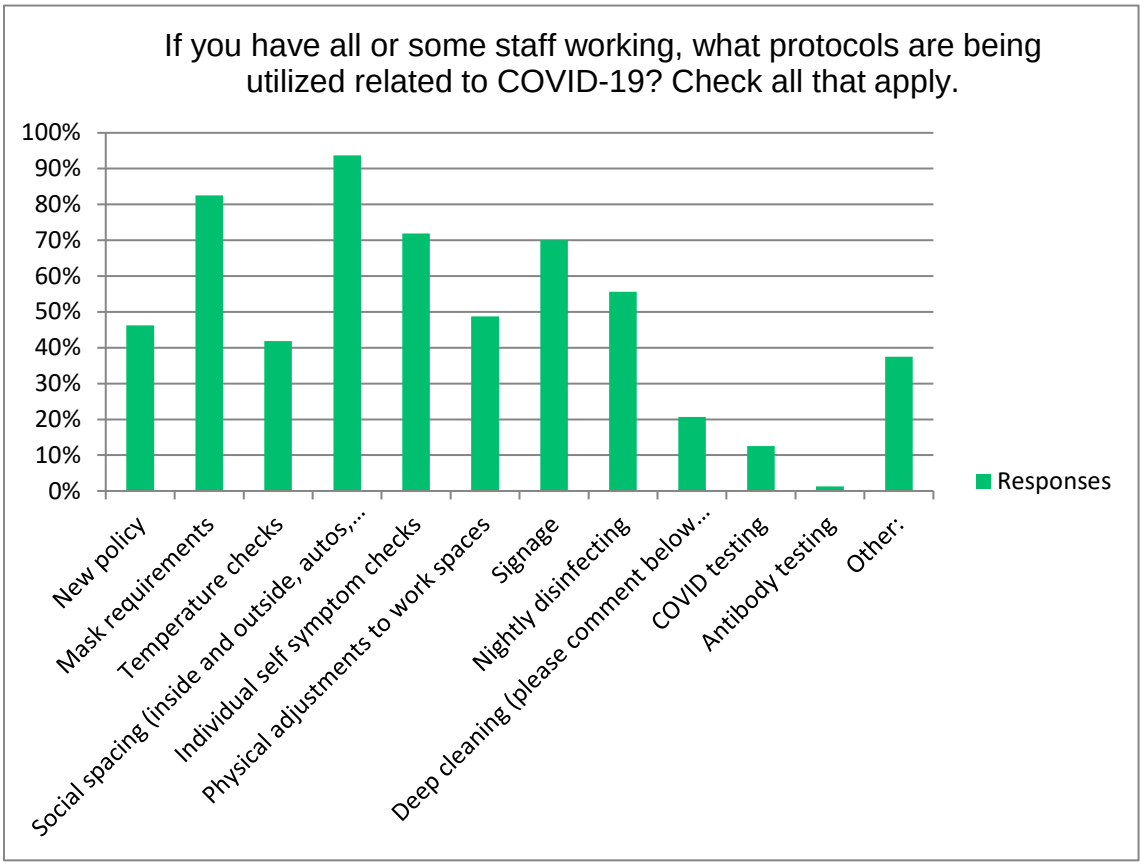


JPIA Member Survey Regarding COVID-19 Response
September 2020





JPIA Member Survey Regarding COVID-19 Response
September 2020



ACWA JPIA
Liability & Property Claims Management
Department Update
November 30, 2020

BACKGROUND
At the November 30, 2020 Fall Board meeting, each Program department will provide an update.

CURRENT SITUATION
The Liability and Property Claims Department staff continues to work from home due to the state and county guidance relating to the COVID-19 pandemic. Staff works in the office two days per week to process claims payments. Staff continues to use video conferencing and other on-line programs to assist with our claim investigations and meetings with members, other staff and vendors.

Incoming claims have been increasing with the majority being caused by water pipe breaks, thefts, trip and falls, and vehicle accidents. Although hearing dates for our litigated claims continue to be delayed and rescheduled due to the pandemic, most of the discovery processes (depositions, inspections, record gathering) are moving forward.

The department underwent a bi-annual claims audit in September wherein 32 claims were reviewed by an independent auditor. Staff is proud to report a performance assessment of 100%, which was deemed by the auditor to be a “Superior” rating.

RECOMMENDATION
None, informational only.

Prepared by: Jennifer Nogosek, Liab/Prop Claims Mgr. Date prepared: November 19, 2020

ACWA JPIA
Workers' Compensation Department Update
November 30, 2020

BACKGROUND
Each department manager will provide an update to the Board of Directors.

CURRENT SITUATION
The workers' compensation department continues to work both in the office and remotely. In the past 30 days, staff has increased the number of days in the office.

In September, the Governor approved SB1159 which now requires members to report non work-related positive COVID cases. Staff conducted a training and developed a form for reporting. The form is submitted to the JPIA for tracking purposes to determine if there is an outbreak at a location. At this time, members have reported 40 non work-related COVID cases.

The claims department also completed the bi-annual claims audit. The audit was conducted by Sedgwick (formally known as Bickmore). This year, the audit took place remotely from September 1, 2020 through September 30, 2020. As in prior years, the department was audited on 14 different categories. One of the categories reviewed is reserve practices. The auditor found reserving practices were at 98% and only recommended to lower one case by $7,000. The overall score came out to 98%, which is considered superior.

Finally, the State of California, Division of Workers' Compensation, released their 2019 audit rankings. The JPIA is proud to report that out of 40 companies that were audited, the JPIA ranked in 3rd place.

RECOMMENDATION
None, informational only.

Prepared by: Melody Tucker, Work Comp Claims Manager Date prepared: November 19, 2020

ACWA JPIA
Risk Management Department Update
November 30, 2020

BACKGROUND
At the November 30, 2020 Fall Board meeting, each department manager will provide an update to the Board of Directors.

CURRENT SITUATION
The Risk Management Department staff remains teleworking and continues to provide great service and support to our members. Since our Summer Board meeting, staff have conducted 58 virtual Risk Assessment or Consultation visits.

Wildfire Prevention was added to the Commitment to Excellence (C2E) Program. This new loss category includes best practices on wildfire preparedness, response, recovery, facility readiness, and staff training. There are more than 75 resources in this loss reduction focus area to assist members with preparing for and responding to wildfires.

Staff developed and launched our Risk Control Manual; which is a resource for members to use when developing policies for their Risk Management, Safety, and Loss Control Programs. The Risk Control Manual has 27 sections, offering over 150 resources and covers a wide assortment of subjects such as Injury and Illness Prevention Program, Cal/OSHA programs, and links to public domain resources. It also offers numerous sample documents specific to water and wastewater operations. A webinar was held to present this comprehensive online collection to our members. The Risk Control Manual is a no-cost resource for ACWA JPIA members.

RECOMMENDATION
None, informational only.

Prepared by: Robin Flint, Risk Control Manager Date prepared: November 19, 2020

ACWA JPIA
Captive Insurance Company Update
November 30, 2020

BACKGROUND
At the November 26, 2018 meeting, the Board of Directors approved a resolution to proceed with forming the California Water Insurance Fund (CWIF) a Captive Insurance Company. The Captive is a private company wholly owned by the JPIA, domiciled in the state of Utah.

CURRENT SITUATION
During the 2019-20 policy year:

- The JPIA ceded approximately $19 million of projected losses and expenses for the 10/1/19-20 Liability Program year to the CWIF effective October 1, 2019.
- The JPIA transferred $22 million of equity to CWIF.

For the 2020-21 policy year:

- The JPIA will cede approximately $21 million of projected losses and expenses for the 10/1/20-21 Liability Program year to the CWIF.
- Additionally, the JPIA will use CWIF for the $10M x $10M layer of reinsurance for the 10/1/20-21 Liability Program year.
- The JPIA ceded approximately $13 million of projected losses and expenses for the 7/1/20-21 Workers' Compensation Program year to the CWIF effective July 1, 2020.

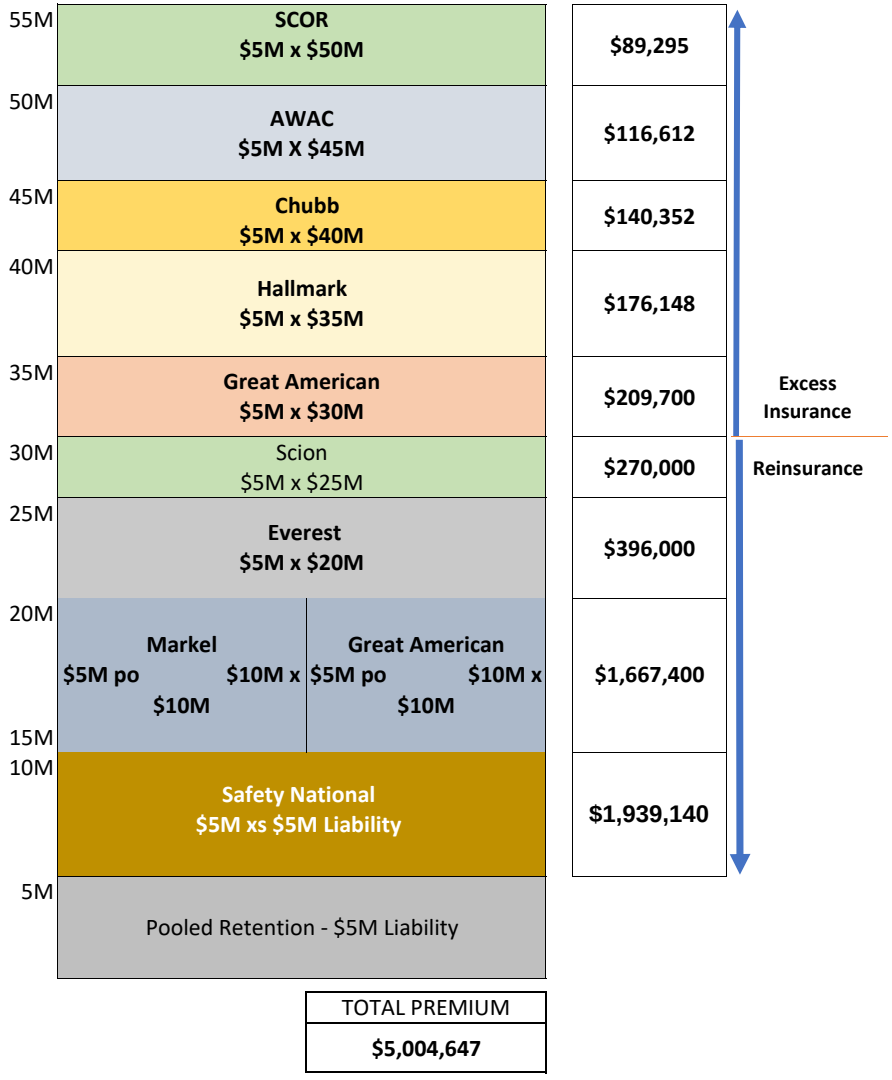
As of September 30, 2020, the book value of the CWIF portfolio was $41,501,899 vs. a market value of $44,317,230. The rate of return since inception was approximately 7.3% vs. a rate of return on the JPIA portfolio of approximately 3.3%

RECOMMENDATION
None, informational only.

Prepared by: Walter "Andy" Sells, CEO Date prepared: November 19, 2020

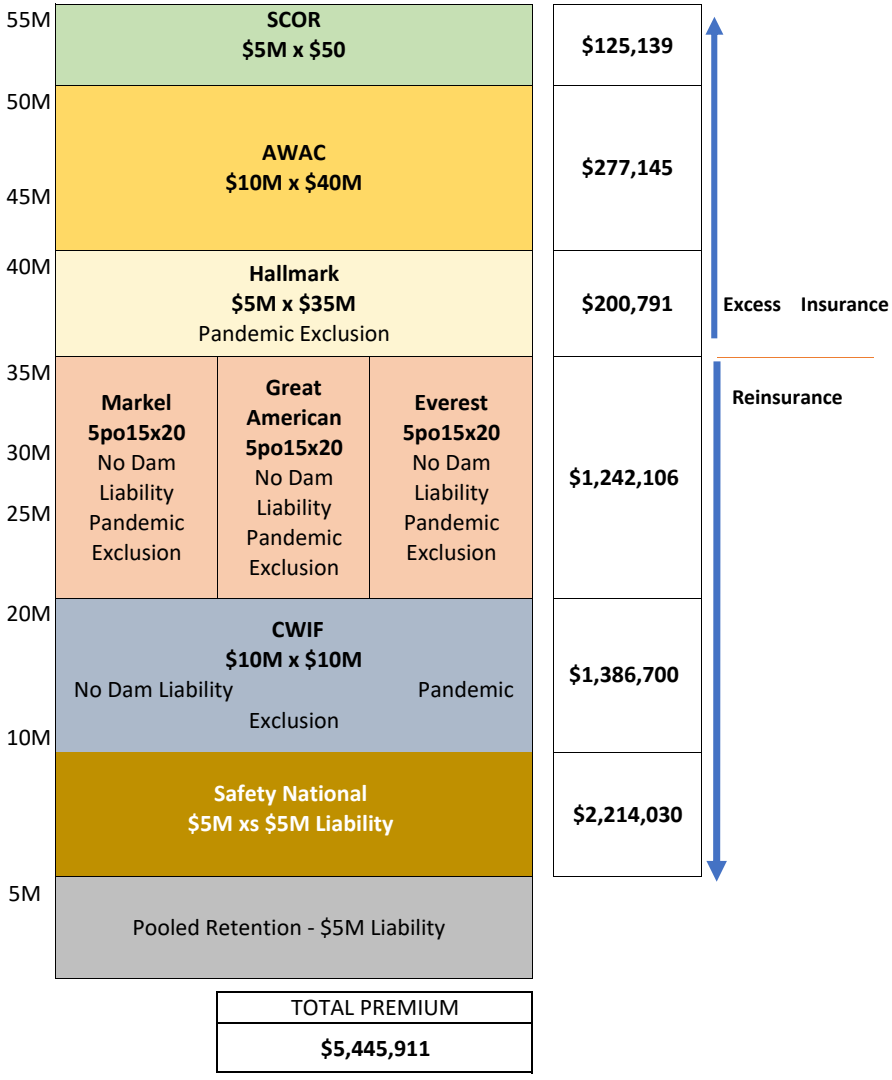
Coverage Highlights

2019-2020 Expiring Tower



TOTAL PREMIUM
$5,004,647

2020- 2021 Renewal Tower



TOTAL PREMIUM
$5,445,911

California Water Insurance Fund
Investment Policy Statement
Adopted October 28, 2019

ACWA JPIA has established an insurance captive known as California Water Insurance Fund (CWIF). The creation of CWIF will create greater independence for excess and reinsurance coverage placement, and provide greater efficiencies for managing and financing risk. The California Water Insurance Fund Board (the "Board") has been appointed to oversee certain policies related to the operation and administration of CWIF. The purpose of this Investment Policy Statement is to document investment objectives and establish an appropriate investment strategy including an investment time horizon, asset allocation targets and ranges, performance expectations and periodic performance reporting requirements.

1. **Investment Objectives**
    a. To invest assets of CWIF in a manner consistent with the following fiduciary standards: (a) all transactions undertaken must be for the sole interest of ACWA JPIA beneficiaries, and (b) assets are to be diversified in order to minimize the impact of large losses from individual investments.
    b. To provide for funding and anticipated withdrawals on a continuing basis for payment of long-term liabilities and reasonable expenses of operation of CWIF.
    c. To enhance the value of CWIF assets over the long term through asset appreciation and income generation, while maintaining a reasonable investment risk profile.
    d. To achieve a long-term level of return commensurate with contemporary economic conditions and equal to or exceeding an average annual target of 7% over a 20-year period.

2. **Time Horizon**

    CWIF's investment objectives are based on a long-term investment horizon ("Time Horizon") of twenty years or longer. Interim fluctuations should be viewed with appropriate perspective. The long-term investment horizon contemplates risks and duration of investment losses, which are carefully weighed against the long-term potential for appreciation of assets.

3. **Liquidity and Diversification**

    In general, CWIF may hold some cash, cash equivalent, and/or money market funds for near-term liabilities and expenses (the "CWIF Distributions"). Remaining assets will be invested in longer-term investments and shall be diversified with the intent to minimize the risk of long-term investment losses. Consequently, the total portfolio will be constructed and maintained to provide diversification with regard to the concentration of holdings in individual issues, issuers, countries, governments

or industries.

4. Use of an Investment Advisor

An investment advisor ("Advisor") may be hired to assist CWIF in the investment process and to maintain compliance. The Advisor may assist CWIF in establishing investment policy objectives and guidelines. The Advisor will adjust asset allocation for CWIF subject to the guidelines and limitations set forth in this Investment Policy Statement. The Advisor will also select investment managers and strategies consistent with its role as fiduciary. The investment vehicles allowed may include exchange traded funds ("ETFs"), mutual funds, commingled trusts, collective trusts, separate accounts, limited partnerships and other investment vehicles deemed to be appropriate by the Advisor. The Advisor is also responsible for monitoring and reviewing investment managers; measuring and evaluating performance; and other tasks as deemed appropriate in its role as Advisor for CWIF.

5. Asset Allocation

To achieve the greatest likelihood of meeting CWIF's investment objectives and the best balance between risk and return for optimal diversification, assets will be invested in accordance with the targets for each asset class as follows to achieve an average total annual rate of return that is equal to or greater than CWIF's target rate of return over the long term.

	Asset Weightings	
Asset Classes	**Range**	**Target**
Growth Assets		
Domestic Equity	22% – 52%	42%
International Equity	3% – 33%	23%
Other	0 – 10%	0%
Income Assets		
Fixed Income	25% – 70%	35%
Other	0% – 10%	0%
Real Return Assets	0% – 10%	0%
Cash Equivalents	0% – 20%	0%

The total allocation to Growth Assets may not exceed 75% of the overall portfolio. Additionally, the total allocation to Other Assets is limited to 20% of the overall portfolio. The asset allocation range represents a long-term perspective. As such, rapid unanticipated market shifts or changes in economic conditions may cause

the asset mix to fall outside these ranges. When allocations breach the specified ranges, the Advisor will rebalance the assets within the specified ranges. The Advisor may also rebalance based on market conditions.

6. Prohibited Investments

Except for purchase within authorized investments, securities having the following characteristics are not authorized and shall not be purchased: letter stock and other unregistered securities, direct commodities or commodity contracts, or private placements (with the exception of SEC Rule 144A securities). Further, derivatives, options, or futures for the sole purpose of direct portfolio leveraging are prohibited. Direct ownership of natural resource properties such as oil, gas or timber and the purchase of collectibles is also prohibited.

7. Limitations on Managers' Portfolios

Every effort shall be made by the Advisor, to the extent practical, prudent and appropriate, to select investments that have investment objectives and policies that are consistent with this Investment Policy Statement. Given the nature of the investments, it is recognized that there may be deviations between this Investment Policy Statement and the objectives of these investments. If deviations occur, the Advisor shall notify CWIF.

Equities. No more than the greater of 5% or weighting in the relevant index (Russell 3000 Index for U.S. issues and MSCI ACWI ex-U.S. for non-U.S. issues) of the total equity portfolio valued at market may be invested in the common equity of any one corporation; ownership of the shares of one company shall not exceed 5% of those outstanding; and not more than 40% of equity valued at market may be held in any one sector, as defined by the Global Industry Classification Standard (GICS).

Domestic Equities. Other than the above constraints, there are no quantitative guidelines as to issues, industry or individual security diversification. However, prudent diversification standards should be developed and maintained by the Manager.

International Equities. The overall non-U.S. equity allocation should include a diverse global mix of the equity of companies from multiple countries, regions and sectors.

Fixed Income. Fixed income securities of any one issuer shall not exceed 5% of the total bond portfolio at time of purchase. The 5% limitation does not apply to issues of the U.S. Treasury or other Federal Agencies. The overall rating of the fixed income assets as calculated by the Advisor shall be investment grade, based on the rating of one Nationally Recognized Statistical Rating Organization ("NRSRO").

Other Assets ("Alternatives"). Alternatives may consist of non-traditional asset classes such as, private equity, private debt, real estate and inflation hedge. Prior to adding an allocation to any of these asset classes, with the exception of publicly-traded mutual funds or ETFs, the Advisor shall receive approval from the Board.

Real Return Assets. Real return assets may consist of collection of investments and/or asset classes whose primary risk and return characteristics are focused on real returns after inflation.

Cash Equivalents. Cash equivalents are investments designed to provide liquidity. Investments may include funds complying with Rule 2(a)-7 of the Investment Company Act of 1940.

8. Safekeeping

All assets of CWIF shall be held by a custodian approved for safekeeping assets. The custodian shall produce statements on a monthly basis, listing the name and value of all assets held, and the dates and nature of all transactions in accordance with the terms in the Agreement. Investments of CWIF not held as liquidity or investment reserves shall, at all times, be invested in interest-bearing accounts. Investments and portfolio securities may not be loaned.

9. Performance Expectations

Over the long-term the performance objective will be to achieve an average total annual rate of return that is equal to or greater than 7%. Additionally, it is expected that the annual rate of return on CWIF assets will be commensurate with the then prevailing investment environment. Measurement of this return expectation will be judged by reviewing returns in the context of industry standard benchmarks, peer universe comparisons for individual investments and blended benchmark comparisons in its entirety.

The Advisor shall compare the investment results on a quarterly basis to appropriate peer universe benchmarks, as well as market indices in both equity and fixed income markets. The Advisor shall report the investment performance to the Board and officers on a quarterly basis. In addition, the Advisor will be responsible for keeping the Board and officers advised of any material change in investment strategy, Managers, and other pertinent information potentially affecting performance of the portfolio.

10. Review of Investment Policy Statement

The Advisor shall review annually and report to the Board and officers the appropriateness of this Investment Policy Statement for achieving CWIF's stated objectives.

Adopted by: California Water Investment Fund Board:

_____
Thomas A. Cuquet
Chairman, CWIF Board

_____
Date

_____
Lorin Barker
Secretary, CWIF Board

_____
Date

Following the meeting,

please remember to email

Bobbette Wells

bwells@acwajpia.com

to confirm your vote

1. **Consent agenda/minutes**
2. **Ratify new agencies**
3. **Approve resolution for virtual voting**
4. **Approve JPIA Investment Policy**