

GSRMA BOARD ORIENTATION MANUAL



GOLDEN STATE
RISK MANAGEMENT AUTHORITY

Innovative programs, personalized service

Version 1
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INTRODUCTION

WHAT IS A RISK-SHARING POOL

Self-insured pools, such as GSRMA, are really risk financing entities that spread and share insured risks among many members. While traditional insurance is an agreement for one party to pay another party's losses, a self-insuring pool finances losses among many entities. Dollars left over from good years are used to offset the bad years thereby smoothing the volatile nature of insurance coverage.

A risk pool allows members to share this risk. As the pool increases in membership, a well-managed pool can more readily absorb losses and the volatility of the losses in the pool decreases. If you have five members, a large loss from one member would affect the average member of the pool more than if you have one-hundred members.

Being a member of a self-insured pool is the first step in stabilizing your risk coverage costs. It requires some commitment, an understanding of the past, and a vision of the future.

WHO IS GSRMA

In 1977, California public agencies were experiencing an insurance crisis; rates were skyrocketing and coverage was becoming more restrictive. Most of the public agencies in Glenn County obtained their coverage from two local insurance firms. The principals of these two agencies, R.W. "Bob" Bachman and William "Bill" Lambert understood that the situation was more serious than the normal hardening of the insurance market. Bob and Bill pursued new solutions to protect the public agencies of Glenn County.

By July 1st, 1978, the County of Glenn launched a self-insured workers compensation program. This approach was so successful, that Bob and Bill with the legal guidance of then Glenn County Counsel, Gary Krup and the leadership of Supervisor Keith Hansen formed Glenn County Joint Powers Authority (JPA).

On July 1st, 1979, the JPA that would become the Golden State Risk Management Authority was authorized, and became one of the foremost risk-sharing pools in the State of California. Most of the public agencies in Glenn County joined the JPA which provided not only workers compensation, but general liability and property coverage as well.

In July, 2000 the JPA agreement was amended to allow public agencies outside of the Glenn County boundaries to join the program. The name was changed to Golden State Risk Management Authority to reflect the vision of a statewide

insurance pool that serves the needs of medium to small public agencies statewide.

In 2003, GSRMA received the endorsement of the Public Cemetery Alliance (PCA), a trade association for California public cemeteries. Based on that endorsement, 50 public cemetery districts joined GSRMA's programs by July 1, 2003. Currently GSRMA provides coverage to 119 cemetery districts; making GSRMA the largest insurer of California public cemeteries.

Over the past 14 years, GSRMA has added over 200 new members. GSRMA continues to enhance its programs in ways that make GSRMA one of the best coverage options for California public agencies.

28 Glenn County agencies signed the original JPA agreement in 1979; that number increased to 41 when the decision was made to become Golden State Risk Management in 2000. As of January 1, 2018, GSRMA consists of [REDACTED] member agencies throughout California. GSRMA remains loyal to its member-focused roots.

From its well-intentioned beginning, Golden State Risk Management Authority still follows its founding principles to focus on members' needs, to "do the right thing" by its constituency, and to develop relationships built on trust and respect. GSRMA's mantra "innovative programs, personalized service" describes the founding principles and continues to guide the future of GSRMA.

KEY PRINCIPLES OF GSRMA

- GSRMA was one of the state's first pools to be "*Accredited with Excellence*" from the California Association of Joint Powers Authorities (CAJPA). An honor continuously held since 1992.
- GSRMA's assets belong to its members. GSRMA exists solely for the benefit of its members. Every decision made by the Board of Directors and staff is with this in mind.
- Our responsible pool management often generates dividends, which in turn are returned to our members. Having been in business for over 35 years, GSRMA has NEVER issued an assessment.
- GSRMA prides itself on offering small and mid-sized organizations the same level of support and services that large public organizations utilize. A full-time staff provides complete administration of risk management programs.
- GSRMA is a proven solution for the insurance/risk management needs for California public entities.
- GSRMA has received national recognition for their innovative self-administered claims department.
- While claims, finances, underwriting and all other functions are in-house, GSRMA utilizes independent experts to maintain program integrity. These include annual financial audits and actuarial studies, biennial claims audits

and triennial CAJPA accreditation.

- GSRMA has consistently delivered members lower rates and higher limits of coverage than other available programs.

GOALS

GSRMA's goals are simple:

- To provide members with the tools, resources and training to help protect member employees, their property and the public from harm.
- To provide members the best, most comprehensive possible coverage when a loss does occur.
- To provide these services in the most efficient and economical way possible.

MISSION STATEMENT

"Golden State Risk Management Authority is established for the purpose of providing services and other functions necessary and appropriate for the creation, operation, and maintenance of liability, workers' compensation, property and other risk pooling and coverage plans for the Member Agencies that are parties hereof, and to provide a forum for discussion, study, development and implementation of recommendations of mutual interest regarding risk pooling and insured programs."

GOVERNANCE

JOINT EXERCISE OF POWERS AGREEMENT

Golden State Risk Management Authority is governed by the provisions of its Joint Exercise of Powers Agreement. A copy of this document can be accessed on GSRMA's website at the following location: <http://gsrma.org/members/gover/>.

BYLAWS

The most recent version of the Authority's Bylaws can be accessed on GSRMA's website at the following location: <http://gsrma.org/members/gover/>.

BOARD STRUCTURE

The Authority is governed by a Board of Directors composed of seven (7) members, all of whom shall be elected or appointed members of the governing boards of member agencies. The members of the board shall be composed of:

1. Two members from the Boards of Supervisors of county member agencies;
2. One member from the city council of a city member agency;
3. One member from the board of trustees of a school district member agency;
4. One member from the board of directors of a cemetery district.
5. One member from the board of directors of a fire protection district member agency; and
6. One member from the board of directors of a special district member agency.

The term of each board member shall be two years. Each board member has one vote. The Board shall elect a president and vice-president from among its members at the first meeting each calendar year. The term of president and vice-president is for one year.

A list of the current Board of Directors is included as Exhibit A and can also be located on our website at: <http://gsrma.org/governance/b/>

ROLES AND RESPONSIBILITIES OF BOARD

The Board meets bi-monthly and has the following roles and responsibilities:

1. Adopt and amend the Authority's Bylaws;
2. Approve or reject agencies applying to become Member Agencies;
3. Elect and remove the risk manager and officers of the Authority;

4. Establish an executive committee or any other committees and delegate to them functions not otherwise reserved to the Board;
5. Contract with consultants and other professional persons or firms, as it considers necessary to carry out the purposes of the Agreement;
6. Authorize risk management audits to review the participation of each Member Agency in the Program;
7. Authorize any officer, staff member, or agent of the Authority to execute any contract in the name of and on behalf of the Authority, and such authorization may be general or specific in nature; however, unless so authorized, no officer, staff member or agent shall have any power to bind the Authority by contract;
8. Approve loss analysis controls by use of statistical analysis, data processing, record and file keeping services in order to help identify high exposure operations and evaluate proper levels of self-retention and possible deductibles;
9. Approve plans to assist Member Agencies in maintaining current, complete, and accurate building and contents values by location for insured properties;
10. Conduct all necessary actions in concluding and dissolving the business affairs of the Authority, including determining the distributions to Member Agencies upon termination of the Authority;
11. Approve specific risks for which the Authority intends to provide protection;
12. Determine the necessity for and amount of any contribution surcharge that may be imposed; and
13. Act in furtherance of the Agreement and the Authority's Bylaws.

PROGRAM ADMINISTRATOR

The GSRMA Board of Directors engages the services of a contractor for the administration of the Authority, which includes risk management; loss prevention and control; claims handling and adjusting; member services, marketing and outreach; administration; finances and investments, and other services necessary for the administration and implementation of the pools joint protection programs.

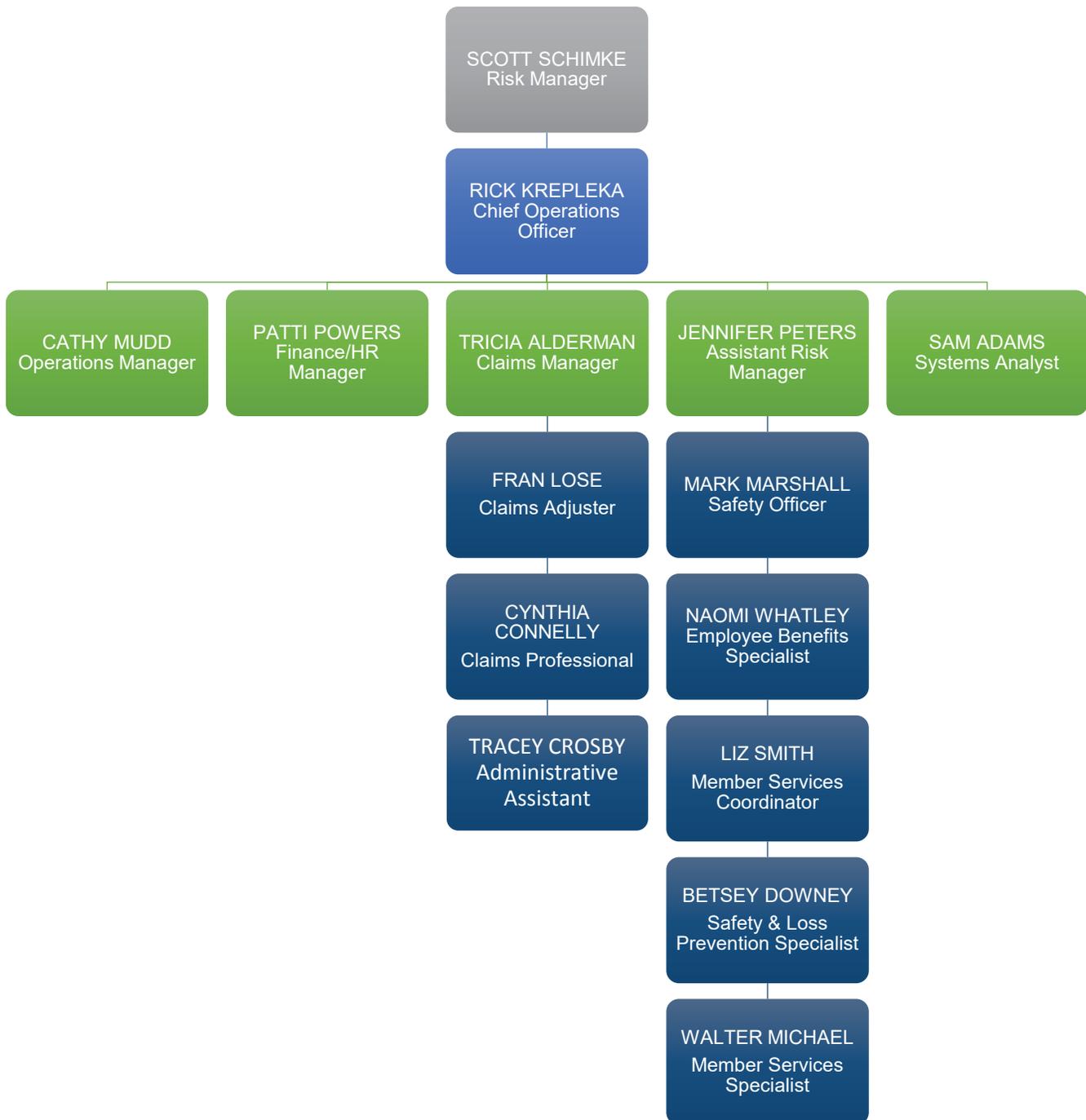
GSRMA contracts with ARDEE INC., a privately held corporation of which Scott Schimke is the President, for the administration of the Authority. A copy of the most current contact is attached as Exhibit B.

HEALTH PLAN ADMINISTRATOR

The GSRMA Board of Directors engages the services of a contractor for the administration of the Authority's Health Plan program. The Health Plan program is separate from the other coverage programs provided by the Authority and offers health insurance along with other ancillary benefits such as dental, vision and life insurance. The contractor provides all services necessary for the administration of the program.

GSRMA contracts with ARDEE INC., a privately held corporation of which Scott Schimke is the President, for the administration of the Health Plan program. A copy of the most recent contract is attached as Exhibit C.

ORGANIZATION CHART



FINANCE

The accounting and finance functions play a vital part in the quality of any insurance pool. It is vital that members can trust that their pool is financially sound and run in a fiscally safe and secure manner.

On the accounting side, the accounting and finance department is responsible for payables and receivable, bank reconciliations and the production of monthly financial statements and semi-monthly Board reports. Computation of individual members' annual contribution amounts and reconciliation of claims systems to the general ledger are two of the more complex functions for this team.

For finance, this department manages the funds kept in the accounts used for future claims payments as well as funds kept in various bank, money market and related accounts that must be maintained and managed to provide adequate cash to pay the bills while achieving maximum return on investment.

GSRMA's accounting and finance department works closely with the claims department to fund claims and manage cash. The department also works with the risk manager to develop budgets and annual contributions schedules. The department also works with member services to provide comparative and trending information relating to pool and individual member costs.

BUDGET

An operating budget is adopted annually by the Authority at the May Board Meeting.

FINANCIAL STATEMENTS

An unaudited financial statement is presented to the Board at each Board Meeting. An audit is conducted by a certified public accountant on an annual basis. The audit findings are presented to the Board, and the final audit report is approved by the Board.

INVESTMENT POLICY

GSRMA has adopted an Investment Policy and Guidelines to foster a prudent and systematic investment program designed to seek the pool's objectives of safety, liquidity, and yield through a diversified investment portfolio. It also serves to organize and formalize GSMRA's investment-related activities, while complying with all applicable statutes governing the investment of public funds.

For additional information or copies of any of these documents, please contact:

Rick Krepelka, Chief Operations Officer
(530) 934-5633, rkrepelka@gsrma.org

MEMBERSHIP

CRITERIA FOR MEMBERSHIP

Public agencies organized and operating under the laws of the State of California are eligible for membership in GSRMA.

HOW TO BECOME A MEMBER

Agencies requesting membership shall supply all loss experience and risk exposure data together with any other relevant information requested by the risk manager and must successfully satisfy our robust underwriting criteria. Prospective members must join all lines of coverage that apply to their operations and must agree to a three year commitment to the Authority.

Prospective members that have applied for membership may be approved by the Board and may be admitted to the Program at any time. The Board shall have the sole discretion to admit or reject new Member Agencies.

RESPONSIBILITIES OF MEMBERS

GSRMA Member Agencies have the following responsibilities:

1. Designate a primary contact for the Authority;
2. Appoint representatives to the Authority Board;
3. Pay timely all contribution charges, contribution surcharges, adjustments or any other fees or charges;
4. Notify and cooperate fully with the Authority in all matters relating to any and all claims;
5. Provide annually all information required or requested by the Authority in order for the Authority to properly calculate contributions and to carry out the Joint Protection Program under this Agreement;
6. Provide annually current, complete, and accurate information of the values of buildings and contents covered by the Authority; and
7. Maintain loss prevention and risk management policies that can reasonably be expected to reduce, or minimize, the Member Agency's losses.

TERMINATION OF MEMBERSHIP

CANCELLATION

The Authority shall have the right to cancel any Member Agency's participation in the Program upon two-thirds vote of the Board. Any Member Agency so canceled shall, on the effective date of the cancellation, be treated the same as if the Member Agency had voluntarily withdrawn from the Program.

WITHDRAWAL

A new Member Agency shall not withdraw from the Authority for a three-year period commencing on July 1 of the first Fiscal Year as a Member Agency.

After the initial three-year non-cancellable commitment to the Program, a Member Agency may withdraw only at the end of a Fiscal Year of the Authority, provided it has given the Authority a twelve-month written notice of its intent to withdraw from this Agreement and the Program, except as otherwise permitted by the Board.

Any Member Agency that withdraws as a party to this Agreement pursuant to this Article shall not be reconsidered for new membership until the expiration of five years from the Member Agency's withdrawal, except as otherwise permitted by the Board.

LIST OF GSRMA MEMBERS BY DISTRICT TYPE

Cemetery Districts

Alturas Cemetery District	Lookout Cemetery District
Anderson Cemetery District	Los Banos Cemetery District
Arbuckle Cemetery District	Los Molinos Cemetery District
Arroyo Grande Cemetery District	Lower Lake Cemetery District
Atascadero Cemetery District	Madera Cemetery District
Auburn Public Cemetery District	Manton Joint Cemetery District
Bangor Cemetery District	Marvin-Chapel Cemetery District
Big Pine Cemetery District	Mary's Cemetery District
Browns Valley Cemetery District	Maxwell Cemetery District
Brownsville Cemetery District	Meadow Valley Cemetery District
Burney Cemetery District	Mendocino Little River Cemetery District
Byron-Brentwood-Knightesen Union Cem. Dist.	Merced Cemetery District
Cambria Cemetery District	Merquin Cemetery District
Carters Cemetery District	Millville Cemetery District
Castroville Cemetery District	Murrieta Valley Cemetery District
Cayucos-Morro Bay Cemetery District	Nevada Cemetery District
Cedarville Cemetery District	Newcastle, Rocklin, Gold Hill Cem. Dist.
Central Valley Cemetery District	Newville Cemetery District
Chester Cemetery District	North Kern Cemetery District
Chowchilla Cemetery District	Oak Grove Cemetery District
Clovis Cemetery District	Oak Hill Cemetery District
College City Cemetery District	Orland Cemetery District
Columbia Cemetery District	Oroville Cemetery District
Colusa Cemetery District	Pajaro Valley Cemetery District
Corning Cemetery District	Paradise Cemetery District
Cottonwood Cemetery District	Paso Robles Cemetery District
Dunlap Cemetery District	Patterson Cemetery District
Elk Creek Cemetery District	Peoria Cemetery District
Elk Grove-Cosumnes Cemetery District	Picard Cemetery District
Elsinore Valley Cemetery District	Pine Creek Cemetery District
Fair Oaks Cemetery District	Pine Grove Cemetery District
Fortuna Cemetery District	Pioneer Cemetery District
Galt-Arno Cemetery District	Placer County Cemetery District #1
German Cemetery District	Plainsburg Cemetery District
Glenbrook Cemetery District	Pleasant Grove Cemetery District
Gridley-Biggs Cemetery District	Porterville Public Cemetery District
Guadalupe Cemetery District	Quincy-LaPorte Cemetery District
Halcumb Cemetery District	Ramona Cemetery District
Hanford Cemetery District	Red Bluff Cemetery District
Happy Homestead Cemetery District	Rio Vista-Montezuma Cemetery District
Hartley Cemetery District	Roseville Public Cemetery District
Hills Ferry Cemetery District	Russian River Cemetery District
Hornbrook Cemetery District	Santa Margarita Cemetery District
Kelsey Cemetery District	Santa Maria Cemetery District
Kelseyville Cemetery District	Selma Cemetery District
Kern River Valley Cemetery District	Shasta Valley Cemetery District
Keystone Cemetery District	Shaws Flat-Springfield Cemetery District
Kimshew Cemetery District	Shiloh Cemetery District
Live Oak Cemetery District	Sierra County Cemetery District #5

Cemetery Districts (cont.)

Lompoc Cemetery District	Silveyville Cemetery District
Snelling Cemetery District	Truckee Cemetery District
South Kern Cemetery District	Upper Lake Cemetery District
Stonyford Cemetery District	Visalia Public Cemetery District
Sutter Cemetery District	Wheatland Cemetery District
Sylvan Cemetery District	Wildomar Cemetery District
Tehachapi Public Cemetery District	Williams Cemetery District
Tehama Cemetery District	Willows Cemetery District
Tipton-Pixley Cemetery District	Wilmington Cemetery District
Township No. 2 Cemetery District	Winton Cemetery District
Tracy Public Cemetery District	

Cities

City of Crescent City	City of Orland
City of Dorris	City of Williams

Counties

County of Glenn	
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Fire Districts

Albion-Little River Fire Protection District	Hamilton City Fire Protection District
Anderson Valley Community Services District	Jackson Valley Fire Protection District
Artois Fire District	Knights Landing Fire Protection District
Bayliss Fire Protection District	La Porte Fire Protection District
Bear Valley/Indian Valley Fire District	Lakeport Fire Protection District
Beckwourth Fire District	Little Valley Community Services District
Big Pine Fire Protection District	Long Valley Fire Protection District
Burney Fire Protection District	Maxwell Fire Protection District
Camptonville Community Services District	Mendocino Fire Protection District
Capay Fire Protection District	Meridian Fire Protection District
Coffee Creek Volunteer Fire District	Mount Shasta Fire Protection District
Comptche Community Services District	Northshore Fire Protection District
Crescent Fire Protection District	Ord Bend Fire Protection District
Dobbins-Oregon House Fire Prot. Dist.	Orland Rural Fire District
Downieville Fire Protection District	Piercy Fire Protection District
El Medio Fire Protection District	Pliocene Ridge Community Services District
Elk Community Services District	Redwood Coast Fire Protection District
Elk Creek Fire District	River Delta Fire District
Elkhorn Fire Protection District	Siskiyou County Service Area No. 4
Fall River Mills Fire Protection District	Trinity Center Community Services District
Foothill Fire Protection District	Ukiah Valley Fire District
Glenn-Codora Fire District	Williams Fire Protection Authority
Glenn-Colusa Fire District	Willows Rural Fire Protection District
Grenada Fire Protection District	Yolo Fire Protection District
Zamora Fire Protection District	

School Districts

Capay Joint Union Elementary School District	Plaza School District
Glenn County Office of Education	Princeton Joint Unified School District
Hamilton Unified School District	Stony Creek Joint Unified School District
Lake Elementary School District	Willows Unified School District

Special Districts

Arbuckle Public Utility District	Maxwell Public Utility District
Artois Community Services District	Maxwell Recreation and Park District
Berry Creek Community Services District	Mendocino City Community Services District
Biggs-West Gridley Water District	Merced County IHSS Public Authority
Brannan-Andrus Levee Maintenance District	Modoc County Transportation Commission
Broadmoor Police Protection District	Modoc Transportation Agency
Butte City Community Services District	N. E. Willows Community Services District
Cachuma Resource Conservation District	Napa Berryessa Resort Improvement District
Capital Southeast Connector	Nevada-Sierra Connecting Point Pub. Auth.
Chowchilla Red Top Resource Con. Dist.	North Central Counties Consortium
Church Tree Community Service District	North Willows County Service Area
Colusa Basin Drainage District	Ord Bend Community Services District
Colusa County One-Stop Partnership	Orland-Artois Water District
Colusa County Resource Conservation Dist.	Proberta Water District
Colusa County Water District	Rancho Murieta Community Services District
Colusa County Water Works #1	Reclamation District No. 1001
Concord/Pleasant Hill Health Care District	Reclamation District No. 1002
Cortina Creek Flood Control and Flood Water Conservation District	Reclamation District No. 2067
Cortina Water District	Reclamation District No. 2103
Deer Creek Irrigation District	Reclamation District No. 2140
East Merced Resource Conservation District	Reclamation District No. 317
Elk County Water District	Reclamation District No. 407
Elk Creek Community Services District	Reclamation District No. 563
First 5 Colusa	Reclamation District No. 784
First 5 Glenn County	Reclamation District No. 833
First 5 Yuba	Sacramento Area Council of Governments
Glenn County IHSS Public Authority	Sacramento County IHSS Public Authority
Glenn County Olive Pest Management Dist.	Sacramento Metropolitan Cable Tel. Comm.
Glenn County Resource Conservation Dist.	Salsipuedes Sanitary District
Glenn LAFCO	San Joaquin County IHSS Public Authority
Glenn Transit Service	Sand Creek Flood Control District
Hamilton City Community Services District	Sierra-Sacramento Valley EMS
Holthouse Water District	Sites Project Authority
IHSS Public Authority of Marin	Solano County Transit
Lake Berryessa Resort Improvement District	Storm Drain Maintenance District I
Levee District I	Storm Drain Maintenance District III
Levee District II	Tehama-Colusa Canal Authority
Levee District III	Tulare County IHSS Public Authority
Los Carneros Water District	Ukiah Valley Sanitation District
Madera Resource Conservation District	Westside Water District
Maxwell Irrigation District	Yuba LAFCO

COVERAGES AND PROGRAMS

COVERAGES OFFERED

Comprehensive General Liability Program

GSRMA participates in the CSAC-Excess Insurance Authority (EIA) General Liability Program for excess liability coverage. The program is one of the largest public agency excess pooling programs in the country. The size and reputation of the program provides unmatched stability and leverage in the insurance market. GSRMA schools participate in both the CSAC-EIA program and Schools Excess Liability Fund (SELF) which provides member schools coverage that is designed specifically for education risks.

\$50 million Per Occurrence Limits

- First-dollar coverage - no member retention or deductible for liability losses
- Bodily injury & property damage
- Personal injury
- Public officials' errors & omissions
- Automobile liability
- Contractual liability
- Employment practices liability
- Pollution liability and crime-bond coverage are provided with separate limits

Workers' Compensation Program

GSRMA participates in the CSAC-EIA Excess Workers' Compensation (EWC) Program. The EWC has the financial strength and stability to remain strong in all market conditions. The program utilizes pooled, fully-insured and quota-sharing coverage layers to spread risk. The GSRMA Workers' Compensation Program provides its members with stable, competitive rates through responsible funding and administrative efficiency.

Statutory Limits – \$5 million Employers Liability

- First-dollar coverage – no member retention or deductible for workers' compensation claims
- Complete self-administration of claims
- Coordinated phone-in reporting and injury triage
- Customized return-to-work programs
- GSRMA has been nationally recognized for its innovative claims management solutions

Property and Miscellaneous Coverage

GSRMA participates in the CSAC-EIA Property Program. The unique structure of the program diversifies risk geographically throughout the State. This innovative

approach reduces the impacts of large losses to the individual members and insurers. The program is insured by numerous separate insurance carriers further stabilizing the program and protecting against carrier insolvency due to large losses. In addition to property coverage, GSRMA members have access to reduced cost coverage for watercraft, medical malpractice, aviation and other exposures.

\$600 million Limits Per Loss

- Low member deductibles
- All-risk, full replacement cost coverage
- Real and personal property
- Automobile, mobile equipment, watercraft, boiler and machinery
- Flood coverage included
- No co-insurance clause
- Optional earthquake, and aviation/airport coverage available

Employee Benefits Program

In partnership with the CSAC Excess Insurance Authority, GSRMA is excited to offer EIAHealth as a competitive alternative to more expensive small group health benefit programs. GSRMA plans are available to California public agencies with less than 250 employees. EIA Health utilizes proven pooling concepts to reduce costs by spreading them over a large population. EIA Health partners with Self-Insured Schools of California (SISC), to create one of largest employee benefit programs in the country, which affords tremendous funding leverage.

GSRMA provides administration, billing and enrollment to plan members. The plans utilize Blue Shield and Anthem PPO (Preferred Provider Organization) networks, the two largest in California.

Dental, vision, group life and disability coverage is also available. Like the medical coverage, these programs are offered through the CSAC-EIA and utilize the same efficient funding principles.

COVERAGE DOCUMENTS

The Authority's coverage documents are available through our Member Portal at mygsrma.org.

PROGRAMS & SERVICES

IN HOUSE CLAIMS ADMINISTRATION

Handling claims is one of the primary functions of the GSRMA pool.

All claims, including Workers' Compensation, liability, property and auto, are managed and processed internally by GSRMA staff. Compared to an organization that contracts their claims processing to third party administrators (or TPAs), we are more engaged in our claims. Our members appreciate the continuity of claims staff and the individualized approach to each claim.

Our claims department management and staff are experienced and well-trained. Their certifications include: Associate of Risk Management (ARM), Workers' Compensation Claims Professional (WCCP) and Certified Professional in Disability Management (CPDM). They stay current with changes in the law and related court decisions that impact claims requirements and costs.

Tricia Alderman manages the Workers' Compensation Department. Tricia and Fran Lose administer workers' compensation claims with assistance from Cynthia Connelly and other administrative staff. Medcor, our injury reporting and nurse triage service, plays an important part in early injury handling and the timely reporting of claims. OUR System, our early return-to-work service, is useful in helping employees get back to work as quickly and safely as possible.

Scott Schimke manages the liability and property (including auto, mobile equipment and watercraft) claim process with assistance from Liz Smith and other administrative staff. Claims can be filed using forms downloaded from our website. WeTip is a valuable anonymous crime reporting service offered to our members. It can act as both a deterrent and assistant to the solving of various crimes.

With this experienced team and related resources, claims are processed as cost-effectively as possible with an emphasis placed on our members' and the pool's best interests. Above all, claims are handled in a professional and efficient manner.

MEMBER SERVICES

While everyone at GSRMA is responsible for customer service, there are staff members whose primary function is to provide members service. The Member Services Department works to find the most effective ways to deliver high quality service and determine if there are additional services that will benefit the members.

Consistent and thorough communication with our members is essential for us to deliver the highest quality service. Member Services is focused on such communication. Personal visits to members' sites and facilities are a primary function to our Members Services group. Phone calls and emails to assist members with coverage questions or to help resolve issues are part of Member Services daily activities.

Member Services is responsible for production and distribution of the Annual Report to membership, as well as organization of the Annual Training conference.

They also oversee development and placing of promotional materials and attend various public agency conferences to meet with existing members and promote our organization to potential members. Member Services underwrites, evaluates and enrolls new members.

Jennifer Peters manages the Member Services Department. She is assisted by Safety Officer, Mark Marshall, Loss Prevention Specialist Betsey Downey, Member Services Specialist Walter Michael, Employee Benefits Specialist Naomi Whatley and Member Services Coordinator Liz Smith

Safety and Loss Prevention is vital to our members in so many ways. GSRMA's safety and loss prevention services are coordinated within the Member Services Department functions.

Strong safety and loss prevention activities can keep our member employees and the general public safe and healthy. A safe work environment can result in lower lost work hours thereby improving productivity and efficiency. Safer work environments decrease losses which can result in lower insurance costs.

Mark Marshall and Betsey Downey are the leads in our Safety and Loss Prevention Services. They work closely with the claims department and often works together with Member Services, on site visits and conference attendance. A complete list of training and services provided to the Authority's members is available on the Authority's website at: <http://gsrma.org/resources/loss-prevention-services/>.

Members can expect excellent service from every staff member. We are constantly looking for better ways to serve our members.

WEBSITE

The Authority communicates regularly with member agencies through its website, www.gsrma.org. The website is a great resource for member agencies, and provides additional information regarding programs and services offered.

ANNUAL FUNCTIONS

The following is a list of recurring annual functions of the Authority, their purpose and the timeframe associated with each.

ACTUARIAL REPORT

An independent actuarial study is performed annually on the Workers' Compensation and Liability/Property programs. The actuary evaluates and measures the financial risks of the Authority's programs, and estimates the ultimate outstanding liability for all claims. The Authority uses this information to establish adequate claims reserves, appropriate funding levels for anticipated future losses, and to determine the level of equity in each program.

March

A draft of the annual actuarial report is presented to the Board of Directors at the March Board Meeting.

May

The report is finalized and approved by the Board of Directors at the May Board Meeting.

AUDIT

January

An independent audit is conducted annually by a Certified Public Accountant in accordance with generally accepted auditing standards. The audit is presented to and approved by the Board of Directors at the January Board Meeting.

BUDGET

An annual operating budget is adopted by the Authority.

March

The proposed budget presented to the Board of Directors at the March Board Meeting.

May

The budget is finalized and adopted by the Board of Directors at the May Board Meeting.

CONTRIBUTIONS BY LINE OF COVERAGE

March

The preliminary contributions by line of coverage for the upcoming fiscal year are presented to the Board at the March Board Meeting.

May

The contributions by line of coverage are finalized and approved by the Board at the May Board Meeting.

STRATEGIC PLANNING

July

While Authority staff are regularly conducting strategic planning and goal setting, annually at the July Board of Directors meeting, a formal Strategic Planning session is held. This provides guidance to the Authority regarding the direction of the pool and its programs and services.

ANNUAL CONFERENCE

October

Every October, GSRMA hosts an Annual Conference for our members. The Annual Conference aims at providing education to our members on a wide range of topics. The conference also creates an environment that promotes networking and sharing among our members.

ANNUAL REPORT

November to January

Every year, GSRMA produces an annual report with detailed information about our entity, statistics and financials. This annual process begins in November and is completed in early January. Annual Reports are shared with the Board and mailed out to Authority members.

A copy of our most recent Annual Report can be found on the Authority's website at: <http://gsrma.org/who-we-are/gsrma-annual-report/>

CAJPA ACCREDIATION

The California Association of Joint Powers Authorities (CAJPA) sponsors what is considered the nation's first risk management accreditation program. This program is designed to ensure quality and professional standards for all California risk management pools regardless of size, scope of operation, or membership structure. The process involves a detailed program study and evaluation, committee review and issuance of a report. The process is an extremely detailed audit conducted by an independent consultant and subject to CAJPA's exacting standards.

Since 1992 GSRMA has maintained CAJPA'S highest award: "Accredited with Excellence." This certification is accepted in the risk pool industry as proof that a pool is operated under the highest of standards and best practices. GSRMA completed the tri-annual process in the spring of 2016, and was awarded continuous accreditation through May, 2019.



LIST OF VENDORS/PARTNERS

Alliant Insurance Services

One of the nation's leading distributors of diversified insurance products and services. Alliant provides a comprehensive portfolio of services including: commercial insurance brokerage, risk management, and employee benefits solutions. Alliant is the broker for CSAC-EIA as well as GSRMA.

Ardee, Inc.

A private corporation that provides pool management services to risk pools in the State of California. Services provided include but are not limited to risk management, claims adjusting, loss prevention and other services necessary for the administration of risk pools. The Authority contracts with Ardee for the administration of GSRMA.

Bickmore Risk Services

A firm specializing in risk management consulting, program administration and training. Bickmore actuaries focus on helping their clients evaluate and measure the financial risks of their self-insured workers' compensation, liability, medical malpractice, and property programs. Their staff conduct the Authority's annual Actuarial Study.

BizLibrary

BizLibrary is a leading provider of online employee training solutions. Their training library contains more than 6,000 micro-video lessons, video courses, interactive videos and eLearning courses covering a wide variety of topic areas and includes additional support materials to further increase learning retention.

Burns & White

Is a law firm that combines legal knowledge with the expertise of medical professionals in preparing the lowest defensible Medicare Set-Aside Allocations. In addition to MSAs, they provide Medicare submissions, Medicare conditional lien investigations and negotiations, as well as Section 111 Mandatory Insurer Reporting.

Businessolver

Businessolver is a benefits technology company that provides software and third party administration of the Authority's employee benefits program.

California State Association of Counties-Excess Insurance Authority (CSAC-EIA)

A member directed insurance risk sharing pool. GSRMA secures most of the Authority's excess coverage through CSAC-EIA. (See Alliant Insurance Services.)

Chandler Asset Management

An independent investment management firm that invests and manages the Authority's investment portfolio.

CHSI Technologies – Connections

CHSI is a technology company that hosts our risk management information system program called Connections. The Authority utilizes Connections to maintain consolidated information regarding property values, claims, policy, and exposure information. It also provides tracking and management reporting capabilities.

Express Scripts

Provides integrated Workers' Compensation pharmacy benefit management services including network-pharmacy claims processing, home delivery pharmacy care, specialty pharmacy care, specialty benefit management, benefit-design consultation, drug utilization review, formulary management and medical and drug data analysis services.

Farmer Smith & Lane LLP

Is a law firm that provides general and coverage counsel services including drafting JPA documents, handling arbitrations, trials and appellate matters as well as coverage opinions for liability, property and workers' compensation.

Hunt Jeppson & Griffin

Is a law firm that provides legal representation and consultation services, including defending the Authority's members as assigned, providing advice via the HR Hotline and conducting various trainings.

James Marta and Company

Is a full service tax, accounting, audit and business consulting firm that conducts the Authority's annual audit.

Kirk & Simas

A law firm that provides legal representation, training and consultation services as assigned by the Authority.

Law Offices of Richard Montarbo

A law firm that provides legal representation for the Authority's Workers' Compensation claims.

Medata

Provides Workers' Compensation medical bill review solutions to assist payers in determining accurate reimbursement, execute cost containment services, and adherence to all industry specific regulations

Medcor

Provides telephonic Workers' Compensation nurse triage services. Injured workers receive immediate support from nurses. Unnecessary claims and costs are avoided, while serious cases are guided by a trained, professional nurse for appropriate care.

OUR System

The Optimum Utilization of Resources (OUR) System is a unique proactive Return-to-Work program. This program helps employees that are recovering from a workplace injury with returning to work quickly, keeping the employee engaged while saving member agencies time and money.

Schools Excess Liability Fund (SELF)

SELF is a Joint Powers Authority founded to provide excess coverage programs to school agencies. The Authority participates in SELF's excess liability coverage programs for the Authority's member school districts above CSAC-EIA's \$5,000,000 retention level.

Systema – SIMS

A technology company that provides a web-based claims administration system. The Authority utilizes this software for all aspects of its claims administration.

Swanson & Associates

A licensed insurance adjuster and private investigator service, that assists the Authority with property and liability claims investigations.

TargetSolutions

Provides innovative online training management applications for public entities. They deliver dynamic, accredited online training courses and cutting-edge records management technology.

WeTip

An anonymous crime reporting program to residents, students and businesses. WeTip provides intelligence and information to local, state, federal and international law enforcement agencies relating to criminal activity obtained from an online and telephone crime reporting hotline.

ASSOCIATIONS

The Authority is an active member in the following professional associations, and benefits from the networking and education programs they offer.

Association of Governmental Risk Pools (AGRiP)

A national organization comprised of government risk pools. They represent and connect all pooling organizations, provide education, resources and best practices. This organization provides networking opportunities to develop and share information among government risk pools.

California Association of Joint Powers Authority (CAJPA)

CAJPA is a statewide association for insurance based risk-sharing pools, which provides continuing education, legislative advocacy and active involvement in regulatory matters on behalf of its joint powers authority members. CAJPA is the state's leading voice for pools, risk management and JPAs. CAJPA sponsors an Accreditation program designed to ensure quality and professional standards for California risk pools. Since 1992, GSRMA has continuously maintained CAJPA's highest level of accreditation "Accredited with Excellence."

California Association of Public Cemeteries (CAPC)

An association comprised of public cemetery districts and affiliated service providers in the State of California. The Association promotes cooperation among those directly and indirectly concerned with and interested in the operation of public cemeteries, to stimulate the development of improved methods and procedures, and to foster the education of the governing boards and administrative personnel of public cemeteries in better methods of operation and matters of mutual interest.

Public Agency Risk Managers Association (PARMA)

A professional community of California public agency personnel with responsibility for risk management, and a network of risk management service providers. PARMA is dedicated to providing relevant, career-long educational opportunities, information on the latest risk management trends and best practices, and the resources public entities need to manage a broad spectrum of risk in an ever-changing environment.

Public Cemetery Alliance (PCA)

The Public Cemetery Alliance is an association of public cemetery districts and associated services providers in the State of California. The purpose of the PCA is to provide a source of specializing services that related to the operation of California Public Cemetery Districts and to assist them in providing quality cemetery services to their communities.

POLICIES AND PROCEDURES

The Board of Directors has adopted many policies regarding the operations of the Authority. Copies of these policies can be accessed on the Authority's website at the following location:

<http://gsrma.org/governance/board-policies/>

GLOSSARY OF TERMS

A Glossary of Risk Management and Insurance Terms is available on the Authority's website at the following location:

http://gsrma.org/site/blog_article/glossary-of-risk-management-and-insurance-terms

A partial list of terms is listed below.

Actual Cash Value: The fair and reasonable cash price for which a property could be sold in the market in the ordinary course of business of business and not at a forced sale.

Actuary: a person who compiles and analyzes statistics and uses them to calculate insurance risks and premiums.

Additional Insureds: Other parties in a contract agreement in addition to the primary named insureds.

Agent: One who solicits, negotiates or effects a contract or insurance on behalf of an insurer. (See Broker.)

Aggregate Limits: The total amount recoverable from an insurance policy period regardless of how many separate claims are made on a single project. (See Limits.)

A.M. Best Co. Ratings: Ratings used to evaluate insurance companies, also known simply as "Best's ratings". A.M. Best is one of several rating services.

Basic Limits: The minimum limits of coverage that can be purchased for a specific policy.

Basic Risk Coverages: shall mean the protection package offered to all Member Agencies, consisting of protection for risks related to General Liability, Workers' Compensation, Property, and Miscellaneous exposures.

Boiler and Machinery Insurance: Covers losses to all pumps, blowers, power stations, motors, and engines, settling tanks, aerators, boilers, coolers and heaters. It also covers damage to other property caused by the equipment failure and for losses due to interruption in business.

Broker: An independent representative who seeks and negotiates insurance coverage on behalf of an insured. (See Agent.)

Certificate of Coverage or COC: is the document issued by the Authority to Member Agencies specifying the scope and amount of pooled protection provided to each Member Agency by the Authority.

Certificates of Insurance: Written verification from an insurance company that coverage exist. It usually includes the names of the insureds, policy amounts, and policy period.

Claim: shall mean any demand, action, suit or proceeding against a Member Agency arising out of an occurrence that falls within the Authority's Joint Protection Program.

Claimant: Person or organization that demands compensation for a loss.

Claims-Made Coverage: An insurance policy providing liability coverage only if a claim is made during the policy period, regardless of when the loss occurred. (See Occurrence Coverage.)

Commercial General Liability (CGL): A broad form of liability insurance that generally covers bodily injury and property damage claims but not auto claims.

Confidence Level: Is an estimated probability that a given level of funding will be adequate to pay claims costs.

Contractual Liability: Duties and responsibility assumed through a contractual relationship for products or services.

Cost-of-risk: Total costs associated with loss exposures, including insurance premiums, deductibles and uninsured losses, costs of loss prevention services, and general risk management expenses.

Coverage: The type of protection provided by an insurance policy.

Covered Loss: is a loss resulting from a Claim against a Member Agency, in excess of the Member Agency's deductible, retained limit or self-insured retention that falls within the Joint Protection Program, as prescribed by the pertinent Memorandum of Coverage and Certificate of Coverage.

Damages: The amount of money required to pay for a loss.

Declaration: Part of an insurance policy that states factual information such as the name and address of the insureds, location and description of the property to be insured, policy period, coverage limits, and premiums.

Deductible: Amount of a loss to be paid by the injured before an insurance policy pays.

Discount Factor: A factor applied to outstanding losses in order to estimate the present value of those losses at a specified rate of interest. A discount factor is dependent on the assumed rate of interest and expected timing of loss payment.

Endorsement: An amendment to an insurance policy that in some way modifies the original contract provision. (See Rider.)

Errors and Omissions Insurance: A form of professional liability insurance that covers by employers or officials. (See Professional Liability Insurance.)

Excess Insurance: Coverage for losses that exceed limits for primary insurance. (See Primary Insurance.)

Exclusions: Items specifically not covered under a particular policy.

Exposure: the possibility of a loss.

Frequency: The chance that a loss will occur. Frequency is measured in terms of low, moderate, or high chances.

Funded: Having the proper amount of funds to pay future liabilities.

Hold-Harmless Agreement: A contractual arrangement in which one party assumes liability, thereby releasing the other of liability for specified losses arising out of a contractual relationship.

Human Resources Losses: The cost to an employer for replacing a worker who is no longer employed because of a job-related illness or injury. Human resources losses also include the costs to the employer for the workers medical expenses and the decreased productivity while the worker is gone.

Incurred Loss: is the sum of moneys paid and reserved by the Authority that is necessary to investigate and defend a Claim and to satisfy a Covered Loss sustained by a Member Agency.

Indemnify: To restore a victim of a loss to the same position as before the loss occurred.

Liability Insurance: Coverage that protects insureds from losses arising from their responsibility to others, either imposed by law or assumed by contract.

Limits: Maximum amounts paid by an insurance policy. "Per occurrence" limits specify the amount that the policy will pay for each claim. "Aggregate limits: indicate the maximum amount that the policy will pay annually or during the policy term, regardless of the number of separate occurrences or claims.

Loss: A loss of assets due to a risk. Also, the basis of a claim for damages under the terms of a policy.

Loss Control: reducing the chance that a loss will occur or reducing the severity of losses that do occur.

Loss Rating A method used to develop the prospective rate to apply to an exposure base.

Loss Ratio: Relationship of incurred losses to earned premiums.

Memorandum of Coverage or MOC: is the document issued by the Authority to Member Agencies specifying the limits of liability of the coverage provided to each Member Agency, including the Authority's deductible or retention amount and Excess Coverage limits.

Negligence: The failure to act as a reasonable and prudent person would under similar circumstances.

Occurrence: An accident or event that results in injury or property damage.

Occurrence Coverage: An insurance policy that provides liability coverage only for injury or damage that occurs during the policy period, regardless of when the claim is filed. (See Claims-Made Coverage.)

Paid Loss: losses that have been paid. (See Incurred Losses.)

Peril: The cause of a loss.

Personal injury Liability: Liability for an injury other than bodily injury usually resulting from false arrest or imprisonment, malicious prosecution, libel or slander, or violation of a person's right to privacy. (See Bodily Injury Liability.)

Personal Property: Any property that is not classified as real estate.

Physical Property: Includes real property such as buildings, grounds, and other real estate, and personal property such as vehicles, tools, office equipment and furniture, public records, and cash.

Policy: A contract between the insurer and the insured.

Policyholder: Person in possession of the insurance policy.

Pool: Also known as risk sharing pool or insurance pool, a cooperative arrangement that provides members with financial protection against losses. Pool members pay premiums or contributions, receive coverage, and make claims as they would with traditional insurance.

Primary Insurance: The first layer of insurance covering the first dollar of losses, often after a deductible, up to a specified limit. (See Excess Insurance.)

Professional Liability Insurance: Coverage that indemnifies the insured for any loss sustained because of an error or oversight. (See Errors and Omissions Insurance.)

Public Officials Liability (POL): Liability assumed by appointed and elected officials. Claims usually allege civil rights violations and discrimination.

Real Property: Real estate and buildings.

Replacement Cost: A standard used to determine the value of property exposures based on the amount needed to replace a lost, damaged or destroyed item of property, with a comparable item of property.

Renewal: A policy issued to renew an expired policy.

Reserves: Estimated amount that will be required to settle a claim that has not yet been paid.

Rider: An attachment to an insurance policy that modifies the policy conditions. (See Endorsement.)

Risk: The chance or possibility of a financial loss.

Risk Control: The process of reducing or preventing losses.

Risk Evaluation: The process of assigning economic value to loss exposures.

Risk Financing: Making arrangements to pay for losses.

Risk Identification: Identifying services, properties, work practices, and other areas that could create losses.

Risk Management: The process of making and implementing decisions to minimize the adverse effects of accidental losses on an organization.

Risk Transfer: A risk management technique that contractually shifts the risk from one party to another.

Self-insurance: The process of assuming and paying for losses instead of transferring them to another organization such as an insurance company. It may be in the form of a deductible, loss reserve, or no insurance. (See Retention.)

Self-insured Retention: The amount of a loss that the insured pays before the umbrella carrier begins to pay for a loss that, although covered by the umbrella, is not covered by the underlying liability insurance,

Special Events Liability Insurance: Purchased to cover special events and activities. Many jurisdictions have arrangements in which groups pay part of the premium when they lease or use public facilities. Coverage may be purchased by the sponsor of an event, as well as by the public entity.

Subrogation: The rights of an insurer to take action against a third party to recover an amount paid on a loss when the third party is at fault.

Tort: A Private or civil wrong or injury independent or contract. A valid tort claim must meet four conditions. There must be a duty owed to the plaintiff by the defendant; there must have been a breach of this duty by the defendant; the plaintiff must have suffered damages, and these damages must be the result of the breach of duty.

Umbrella Insurance: A type of excess insurance that covers several primary policies as well as some areas not covered by primary insurance.

Underwriter: A person employed by an insurance company who is responsible for selecting and rating risks to insure. This term may also be used as a synonym for "insurer."

Waiver: Surrendering a right or privilege known to exist.

Workers' Compensation Insurance: Benefits required by state law payable to employees to cover costs resulting from injuries, disability, or death because of occupational hazards. Workers' compensation benefits are paid regardless of fault.



GOLDEN STATE
RISK MANAGEMENT AUTHORITY

Innovative programs, personalized service

California Association of Joint Powers Authorities
Accredited with Excellence since 1992

P.O. Box 706 | Willows, CA 95988 | P 530-934-5633 | F 530-934-8133 | www.gsrma.org

New Board Member Orientation Checklist

NEW BOARD MEMBER INFORMATION	
Board Member Name:	
Member District:	
Telephone number:	
Email Address:	
Physical Address:	
Mailing Address:	
Date Begin Service on GSRMA Board:	

TASKS TO COMPLETE		NOTES
<input type="checkbox"/>	Contact new Board Member and welcome them to the GSRMA Board of Directors.	
<input type="checkbox"/>	Gather contact information for new Board Member.	
<input type="checkbox"/>	Schedule meeting with new Board Member. (In-person preferred, WebEx also possible.)	
<input type="checkbox"/>	Prior to the meeting, provide them with a copy of the GSRMA JPA Manual.	
<input type="checkbox"/>	Review the GSRMA JPA Manual with them and answer any questions.	
<input type="checkbox"/>	Review Form 700 Requirements. Provide Assuming Office Statement.	
<input type="checkbox"/>	Provide training opportunities and conference information: <ul style="list-style-type: none"> • TargetSolutions • CAJPA/PARMA conference information 	
<input type="checkbox"/>	Provide them with agenda and minutes from most recent meeting.	
<input type="checkbox"/>	Provide handout of current board and contact information.	
<input type="checkbox"/>	Add them to email lists for pertinent information.	
<input type="checkbox"/>	Shirt size, style and color preference.	

GOLDEN STATE

RISK MANAGEMENT AUTHORITY



ANNUAL REPORT
2017

Mission Statement

“Golden State Risk Management Authority is established for the purpose of providing services and other functions necessary and appropriate for the creation, operation, and maintenance of liability, workers’ compensation, property and other risk pooling and coverage plans for the Member Agencies that are parties hereof, and to provide a forum for discussion, study, development and implementation of recommendations of mutual interest regarding risk pooling and insured programs.”



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Lighting the Way for California Public Entities Since 1979

Golden State Risk Management Authority (GSRMA) is unique in California risk pools. We cater to small and middle-sized public entities that do not have the resources to fund all the expertise (human resource staff, dedicated legal counsel and even risk management and loss prevention positions) that their larger counterparts can afford.

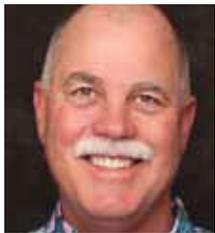
How do we work for public entities?

- **Leveraging our experience in public entity risk management.** We have been insuring California public entities since 1979 and have expertise in many public entity types. We participate in member-related professional development events as both attendees and presenters at conferences and regional trainings. We also work closely with various public entity professional organizations on items of mutual interest.
- **Packaging the best mix of coverage from first class partners.** We have assembled the broadest of coverages from premier excess pools and carriers. We benefit from belonging to CSAC-Excess Insurance Authority, and School Excess Liability Fund (SELF), two of the largest excess risk pools in the country, which exercises its purchasing power to obtain high limits, broad form coverage and the most competitive prices. We also provide coverage for risks, such as cyber or pollution liability, that our members may not have even considered.
- **Being responsive to busy, multi-tasking public entity professionals.** We are dependable and consistent in our availability to our members. We maintain a very high service level as we know our members are too busy to deal with automated phone attendants and days old responses to email requests.
- **Focusing on small and mid-sized organizations.** We understand our members do not have the time or staff to become insurance and risk management experts. Smaller organizations rely on our extensive experience in public entity risk management.
- **Issuing dividends and never having assessments.** When risk pools are managed effectively, very often there are

funds available to return to members. GSRMA has returned millions of dollars in dividends to members over the years. Less fortunate pools sometimes need to issue assessments – additional premium for previous years’ of coverage – which can be devastating to small entity budgets. GSRMA has never issued an assessment.

- **Spreading risk and costs across a variety of member types.** The cost of risk can best be kept level by spreading it across not only various sized entities but among various member types. A “non-homogeneous” risk pool such as GSRMA is more likely to have more moderate peaks and valleys in rates. This consistency helps our members in their annual budget and finance processes.
 - **Providing a wide range of valuable services to members at no additional cost.** This saves members considerable time and expense. Services include loss prevention, web and on-site training, human resource hotline, return-to-work programs, anonymous crime reporting and more.
 - **Processing our claims in-house.** Unlike most risk pools, we do not contract to a third party administrator to process claims. Rather we have our own claims staff and management. This allows us to work more closely with our members on resolving claims in an optimal manner. In addition, members often have input in what service providers we use in claim resolution.
 - **Participating in the California Association of Joint Powers Authorities (CAJPA) accreditation process.** We have been accredited through the rigorous CAJPA accreditation program every three years since 1992 achieving their highest rating of “Accredited with Excellence”
- each time. This certification is accepted in the risk pool industry as proof that a pool is operated under the highest of standards and best practices.
- **Implementing loss prevention and training incentive programs.** Members can earn up to 10% of their annual contribution upon their successful completion of our loss prevention incentive program. We also provide grants to members for 3rd party training for their districts.
 - **Having a dedicated representative on our Board of Directors for each member type.** At least one of the 7 positions on the GSRMA board is dedicated to a representative from each of our member types including cities, counties, fire districts, school districts, cemetery districts and special districts. This insures each member type participation in the governance of the risk pool.
 - **Encouraging GSRMA staff to be deeply involved in the public risk pool industry.** Our staff serves in various risk pool industry positions including governing boards and committee chairs of associated risk pools and professional organizations. In addition, staff attend, often as invited speakers, various industry group conferences including CAJPA, PARMA, AGRIP and PRIMA. Staff also serves an advisory capacity to several of our vendors including carriers, software companies and service providers.
 - **Maintaining conservative funding levels and conservative fiscal policies.** GSRMA maintains program assets in excess of \$20.8 million that are at levels considered fiscally sound in the industry. These assets demonstrate the strength of our pool and the level of commitment historically made by and for our members.

GSRMA Crew



Scott Schimke - ARM, Risk Manager

Scott has been involved in California pool management since 1988. He is the Risk Manager and Executive Director of GSRMA. His responsibilities include overall pool management, recommendation of and communication with re-insurance carriers, evaluation and recommendation of vendors and business partners and communication with the GSRMA Board of Directors. Scott serves on CSAC Excess Insurance Authority's Executive and Underwriting committees.



Rick Krepelka – Chief Operations Officer

Rick has over 20 years of experience in technology consulting with emphasis in computerized accounting systems. He is responsible for all aspects of finance and accounting for GSRMA as well as managing administration and operations. Rick is long time member and Past-Chair of the Technology Committee for the CSAC Excess Insurance Authority and the Technology Committee for the California Association of Joint Powers Authorities (CAJPA).



Jennifer Peters – ARM, Assistant Risk Manager

Jennifer has over 10 years of safety officer and risk management experience. She currently oversees the Member Services, Safety and Loss Prevention areas of GSRMA where she is responsible for the implementation and administration of service and risk management programs. As a risk manager, she advises members on risk exposure and coverage issues. Jennifer serves on the Accreditation Committee for California Association of Joint Powers Authorities (CAJPA) and the Member Services Committee for CSAC Excess Insurance Authority.



Mark Marshall – Safety Officer

Mark has 30 years' experience in fire service, including 15 years as a fire chief. He has many years of public service as an elected official and volunteer. Mark became GSRMA's Safety Officer in 2002. As a certified training instructor for numerous safety, loss prevention and compliance areas, his focus is on member loss prevention with an emphasis on safety training and site reviews. Mark provides member service support for current and prospective members.



Tricia Alderman – Claims Manager

Tricia has 20 years of workers' compensation claims processing experience. She also has extensive experience in claims auditing and claims examiner oversight and training. She is a workers' compensation claims examiner and manages our Workers' Compensation department.



Cathy Mudd – Operations Manager

Cathy has 12 years of experience in public entity accounting processes. As Operations Manager, she is assistant to the Chief Operations Officer. She is responsible for all aspects of operations required for a smooth running workplace. She also oversees bookkeeping, accounting and employee benefits data management.



Naomi Whatley – Employee Benefits Specialist

Naomi has 18 years of experience in the insurance and risk pooling industries. She manages all member-facing aspects of our Employee Benefit Program including member HR personnel support, employee meetings, development of health plan descriptive and promotional materials and member communication regarding employee benefits. She serves on CSAC Excess Insurance Authority's Health Committee.



Betsy Downey – Safety and Loss Prevention Specialist

Betsy has over twenty years business and insurance experience holding numerous safety and loss prevention positions for a variety of businesses. Her focus is on member loss prevention with an emphasis on safety training and site visits. She supports the Assistant Risk Manager with the implementation and administration of loss prevention training programs including both online and on-site training.



Liz Smith – Risk Management Analyst

Liz provides customer service assistance within the Member Services Department. She is responsible for promoting the many types of coverage and services we offer to members, and assisting members with risk management and coverage questions. She maintains member data in various internal and external systems and facilitates communication with members including maintenance of the member portal and public website. Liz also assists the Risk Manager in the processing of property and general liability claims.



Tracey Crosby – Claims Assistant

Tracey has 34 years of experience in Administrative Support and has recently been promoted to our Workers' Compensation department. Tracey will be responsible for providing support to the Claims Examiners in their daily tasks and will continue to facilitate communications among our members and business partners as it relates to this department.



Fran Lose – Senior Workers' Compensation Claims Examiner

Fran has a Bachelor of Arts degree in Business Management and over 25 years of experience in California workers' compensation. As a Workers' Compensation Examiner, she works directly with claimants and our member managers and HR staff.



Jaheesha Griffin – Senior Workers' Compensation Claims Examiner

Jaheesha has 15 years of experience in California workers' compensation. She is claim certified and has her Self Insurance Plan Certificate. As a Workers' Compensation Examiner, she works directly with claimants, providers and our member managers and HR staff.



Sam Taylor – Administrative Assistant

Sam has 35 years of experience in Administrative Support. She is responsible for front desk and phone reception as well as office administrative support. She assists all departments with document production, data management and facilitates communication among staff members and business partners.



Sam Adams – Information Technology Systems Architect

While Sam's formal education is in Computer Engineering, he has experience in SQL server development and support and web development. He is responsible for all aspects of reporting from our various data repositories including claims, exposure and member management data bases. He also develops data analytics for these data sources and integrates their use into GSRMA processes.



Ryan Schimke – Accounting Technician

Ryan recently achieved his Bachelor of Science degree in Business Finance from CSU, Chico. As our accounting technician, he is responsible for a variety of bookkeeping and accounting functions. He is also instrumental in the billing side of our employee benefits program.

Letter to Members



Greetings!

An atmosphere of angst and worry seems to have invaded our country in recent times. As we interact with our Members, we have the sense that many of our governing boards and managers sense this at the local level. Hence the lighthouse theme for this year's Annual Report. We can relate with the leaders of our districts as the captains of their ships. Our duty is to help them identify hidden dangers, and guide them as they navigate to safe harbor. In this spirit, we continue to grow and improve to best assist our Members.

For example, we have made several personnel changes this year including the addition of a Senior Claims Examiner, and reorganization of our administrative staffing, so we can increase our capabilities in the areas of Member communication and pool finance.

We continue to add good Members to our pool. Of special note, we recently added a rural municipality and a town-sized special district. Our focus on well run, small and/or rural districts is, in large part, the reason for much of our pool's success. Adding new Members such as the City of Alturas and Lake Shastina Community Services District, allows us to continue to spread risk over an ever-growing group of like-minded districts.

Our annual conference continues to be popular and productive among our members. An attendance of over 150 Members, representing over 50 Member districts, attended the day and a half event. Keynote speaker, John Drebing, focused on workplace safety in an entertaining and engaging manner. Guest speakers on the second day's breakout sessions, focused on safety and loss control for managers and various board-level issues such as fraud and embezzlement.

This year we revamped our Loss Prevention Incentive Program (LPIP) to become our Risk Management Accreditation Program (RMAP). The changes in the program are a result of our goal to focus even more on our Members' loss prevention efforts. Our data analytics progress will increasingly be a part of these efforts.

We also revamped our employee benefits program processes to make them both more streamlined and more robust. Our employee benefits offerings continue to be popular for many of our Members and some non-Member districts alike.

Our bylaws have been revised to officially incorporate the new election process. Board Member representation is now selected by districts in their peer groups. This process is being used for the first time with our 2018 selection of Cities, Cemeteries and School Districts.

The pool's most troubling loss trend in recent years has been bond losses caused by fraud and embezzlement. We are seeing an increase in both the number and size of such claims and are stepping up efforts to help our Members detect and prevent such occurrences.

Like the lighthouse on a rocky shore, we endeavor to assist our Members as they face a multitude of challenges. Our aggressive and proactive approach to risk management, and our continued conservative view to the financial stability of the pool, keep us steadfast in our ability to help.

Scott Schimke, *Executive Director*

2005-2018 Board of Directors



John Viegas – Current Board President

2017-2018

John Viegas, President – County
 Keith Corum, Vice President – County
 Charles Bergson, Vice President - City
 George Ouzounian - Cemetery District
 Doug Turner - Fire District
 James "Buck" Ward - School District
 Sarbdeep Atwal - Special District
 Leonard G. Krup – Legal Counsel

2016-2017

John Viegas, President - County
 Keith Corum, Vice President - County
 Charles Bergson - Cities
 James "Buck" Ward - School Districts
 George Ouzounian - Cemetery Districts
 Michael Schaeffer - Fire Districts
 Kim Vann - Special Districts
 Leonard G. Krup - Legal Counsel

2015-2016

John Viegas, President - County
 Charles Gee, Vice President - City
 George Ouzounian - Cemetery District
 Keith Corum - County
 Michael Schaeffer - Fire District
 Dr. Michael Karle - School District
 Kim Vann - Special District

2014-2015

John Viegas, President - County
 Charles Gee, Vice President - City
 George Ouzounian - Cemetery District
 Steve Soeth - County
 Neil Quinn - Fire District
 Dr. Michael Karle - School District

2013-2014

Mike Murray, President - County
 John Viegas, Vice President - County
 Pat Elliot - Cemetery District
 Charles Gee - City
 Neal Quinn - Fire District
 Don Perez - School District
 Gary Evans - Special District

2012-2013

Mike Murray, President - County
 John Viegas, Vice President - County
 Pat Elliott - Cemetery District
 Charles Gee - City
 John Eaker - Fire District
 Don Perez - School District
 Roger Abe - Special District

2011-2012

Mike Murray, President - County
 John Viegas, Vice President - County
 Pat Elliott - Cemetery District
 Charles Gee - City
 John Eaker - Fire District
 Bill Boone - School District
 Roger Abe - Special District

2010-2011

Mike Murray, President - County
 John Viegas, Vice President - County
 Pat Elliott - Cemetery District
 Charles Gee - City
 John Eaker - Fire District
 Bill Boone - School District
 Kim Vann - Special District

2009-2010

John Viegas, President - County
 Mike Murray, Vice President - County
 Eugene Kaufman - Cemetery District
 Reggie Olney - City
 John Eaker - Fire District
 Bill Boone - School District
 Kim Vann - Special District

2008-2009

Bill Boone, President - School District
 John Viegas, Vice President - County
 Mike Murray - County
 Eugene Kaufman - Cemetery District
 Reggie Olney - City
 John Santi - Fire District
 Sandra Cabral - Special District

2007-2008

Keith Hansen, President - County
 Tom McGowan, Vice President - County
 Sharon Marsh - Cemetery District
 Reggie Olney - City
 John Santi - Fire District
 Bill Boone - School District
 Sandra Cabral - Special District

2006-2007

Keith Hansen, President - County
 Tom McGowan, Vice President - County
 Sharon Marsh - Cemetery District
 Reggie Olney - City
 John Santi & Frank Koss - Fire District
 Bill Boone - School District
 Sandra Cabral - Special District

2005-2006

Keith Hansen, President - County
 Tom McGowan, Vice President - County
 Sharon Marsh - Cemetery District
 Reggie Olney - City
 Frank Koss - Fire District
 Lonnie St. Louis - School District
 Sandra Cabral - Special District





Member Agencies by Location



Member Agencies and Date Joined

County-1		Galt-Arno Cemetery District	06/16/2003
County of Glenn	07/01/1979	German Cemetery District	07/02/2004
Cities-5		Glenbrook Cemetery District	02/07/2013
City of Alturas	07/01/2017	Gridley-Biggs Cemetery District	04/01/2003
City of Crescent City	07/01/2011	Guadalupe Cemetery District	07/01/2013
City of Dorris	07/01/2014	Halcumb Cemetery District	07/20/2003
City of Orland	07/01/1980	Hanford Cemetery District	07/01/2008
City of Williams	07/01/2011	Happy Homestead Cemetery District	03/31/2003
Schools-8		Hartley Cemetery District	03/01/2011
Capay Joint Union Elementary School District	07/01/1982	Hills Ferry Cemetery District	07/01/2003
Glenn County Office of Education	07/01/1980	Hornbrook Cemetery District	05/12/2007
Hamilton Unified School District	07/01/1980	Kelsey Cemetery District	06/22/2003
Lake Elementary School District	07/01/1980	Kelseyville Cemetery District	04/01/2005
Plaza School District	07/01/1980	Kern River Valley Cemetery District	07/01/2012
Princeton Joint Unified School District	07/01/1980	Keystone Cemetery District	08/08/2006
Stony Creek Joint Unified School District	07/01/1980	Kimshew Cemetery District	04/25/2003
Willows Unified School District	07/01/1980	Live Oak Cemetery District	04/17/2003
Cemetery District-118		Lompoc Cemetery District	07/01/2013
Alturas Cemetery District	11/10/2008	Lookout Cemetery District	08/28/2010
Anderson Cemetery District	07/01/2003	Los Banos Cemetery District	07/01/2006
Arbuckle Cemetery District	10/24/2005	Los Molinos Cemetery District	07/01/2003
Arroyo Grande Cemetery District	02/01/2005	Lower Lake Cemetery District	07/01/2003
Atascadero Cemetery District	07/01/2003	Madera Cemetery District	07/01/2011
Auburn Public Cemetery District	07/01/2008	Manton Joint Cemetery District	01/26/2004
Bangor Cemetery District	07/01/2010	Marvin-Chapel Cemetery District	07/01/1980
Big Pine Cemetery District	07/01/2014	Mary's Cemetery District	02/01/2004
Browns Valley Cemetery District	08/01/2005	Maxwell Cemetery District	12/13/2005
Brownsville Cemetery District	08/01/2005	Meadow Valley Cemetery District	11/18/2010
Burney Cemetery District	07/01/2003	Mendocino Little River Cemetery District	07/01/2003
Byron-Brentwood-Knighten Union Cemetery District	06/01/2004	Merced Cemetery District	06/01/2008
Cambria Cemetery District	07/01/2003	Merquin Cemetery District	06/26/2012
Carters Cemetery District	07/01/2005	Millville Cemetery District	07/01/2003
Castroville Cemetery District	07/01/2008	Murrieta Valley Cemetery District	07/01/2009
Cayucos-Morro Bay Cemetery District	07/01/2004	Nevada Cemetery District	07/01/2003
Cedarville Cemetery District	09/02/2011	Newcastle, Rocklin, Gold Hill Cemetery District	07/01/2006
Central Valley Cemetery District	07/01/2003	Newville Cemetery District	03/01/2008
Chester Cemetery District	10/10/2006	North Kern Cemetery District	07/01/2013
Chowchilla Cemetery District	07/01/2015	Oak Grove Cemetery District	11/10/2005
Clovis Cemetery District	07/01/2003	Oak Hill Cemetery District	07/01/2008
College City Cemetery District	07/01/2010	Orland Cemetery District	07/01/1983
Columbia Cemetery District	07/01/2004	Oroville Cemetery District	07/01/2003
Colusa Cemetery District	03/07/2004		
Corning Cemetery District	07/01/2003		
Cottonwood Cemetery District	03/26/2003		
Dunlap Cemetery District	07/01/2016		
Elk Creek Cemetery District	07/01/1980		
Elk Grove-Cosumnes Cemetery District	07/01/2003		
Fair Oaks Cemetery District	07/01/2003		
Fortuna Cemetery District	07/01/2013		



Happy Homestead Cemetery District

Member Agencies and Date Joined

Pajaro Valley Cemetery District	10/01/2004
Paradise Cemetery District	07/01/2003
Paso Robles Cemetery District	11/13/2003
Patterson Cemetery District	07/01/2008
Peoria Cemetery District	07/01/2003
Picard Cemetery District	04/01/2006
Pine Creek Cemetery District	07/01/2003
Pine Grove Cemetery District	06/01/2015
Pioneer Cemetery District	07/01/2014
Placer County Cemetery District #1	01/09/2005
Plainsburg Cemetery District	07/01/2003
Pleasant Grove Cemetery District	07/01/2005
Porterville Public Cemetery District	03/10/2012
Quincy-LaPorte Cemetery District	07/01/2003
Ramona Cemetery District	07/01/2003
Red Bluff Cemetery District	07/01/2003
Rio Vista-Montezuma Cemetery District	06/25/2015
Roseville Public Cemetery District	07/01/2015
Russian River Cemetery District	07/01/2005
Santa Margarita Cemetery District	05/06/2003
Santa Maria Cemetery District	03/20/2004
Selma Cemetery District	07/01/2008
Shasta Valley Cemetery District	05/13/2003
Shaws Flat-Springfield Cemetery District	07/01/2004
Shiloh Cemetery District	07/01/2012
Sierra County Cemetery District #5	05/12/2004
Silveyville Cemetery District	07/01/2010
Snelling Cemetery District	05/01/2009
South Kern Cemetery District	07/01/2012
Stonyford Cemetery District	07/01/2000
Sutter Cemetery District	07/01/2003
Sylvan Cemetery District	04/26/2003
Tehachapi Public Cemetery District	07/01/2012
Tehama Cemetery District	07/01/2003
Tipton-Pixley Cemetery District	05/06/2004
Township No. 2 Cemetery District	09/01/2013
Tracy Public Cemetery District	07/01/2005
Truckee Cemetery District	07/01/2003
Upper Lake Cemetery District	06/01/2003
Visalia Public Cemetery District	05/01/2003
Wheatland Cemetery District	07/01/2007
Wildomar Cemetery District	07/01/2008
Williams Cemetery District	01/31/2003
Willows Cemetery District	07/01/1980
Wilmington Cemetery District	11/20/2013
Winton Cemetery District	07/01/2003

Fire District-49

Albion-Little River Fire Protection District	04/01/2005
Anderson Valley Community Services District	07/01/2010
Artois Fire District	07/01/1980
Bayliss Fire Protection District	07/01/1980
Bear Valley/Indian Valley Fire District	07/01/1989
Beckwourth Fire District	07/01/2015
Big Pine Fire Protection District	07/01/2014
Burney Fire Protection District	07/01/2010
Camptonville Community Services District	07/01/2008
Capay Fire Protection District	07/01/1991
Coffee Creek Volunteer Fire District	11/01/2008
Comptche Community Services District	07/01/2005
Crescent Fire Protection District	07/01/2012
Dobbins-Oregon House Fire Protection District	07/01/2009
Downieville Fire Protection District	01/03/2011
El Medio Fire Protection District	07/01/2011
Elk Community Services District	04/01/2009
Elk Creek Fire District	07/01/1980
Elkhorn Fire Protection District	07/01/2016
Fall River Mills Fire Protection District	11/01/2005
Foothill Fire Protection District	07/01/2009
Glenn-Codora Fire District	07/01/1980
Glenn-Colusa Fire District	07/01/1980
Grenada Fire Protection District	11/01/2015
Hamilton City Fire Protection District	07/01/1980
Jackson Valley Fire Protection District	04/01/2010
Knights Landing Fire Protection District	07/01/2010
La Porte Fire Protection District	07/01/2010
Lakeport Fire Protection District	07/01/2015
Little Valley Community Services District	02/01/2004
Long Valley Fire Protection District	07/01/2012
Maxwell Fire Protection District	07/01/2002
Mendocino Fire Protection District	07/01/2004
Meridian Fire Protection District	12/03/2009
Mount Shasta Fire Protection District	07/01/2002
Northshore Fire Protection District	07/01/2014
Ord Bend Fire Protection District	07/01/1980
Orland Rural Fire District	07/01/1980
Piercy Fire Protection District	07/01/2005
Pliocene Ridge Community Services District	07/01/2005
Redwood Coast Fire Protection District	07/01/2009
River Delta Fire District	01/10/2010
Siskiyou County Service Area No. 4	07/01/2012
Trinity Center Community Services District	11/01/2008
Ukiah Valley Fire District	04/01/2006
Williams Fire Protection Authority	07/01/2001
Willows Rural Fire Protection District	07/01/1980

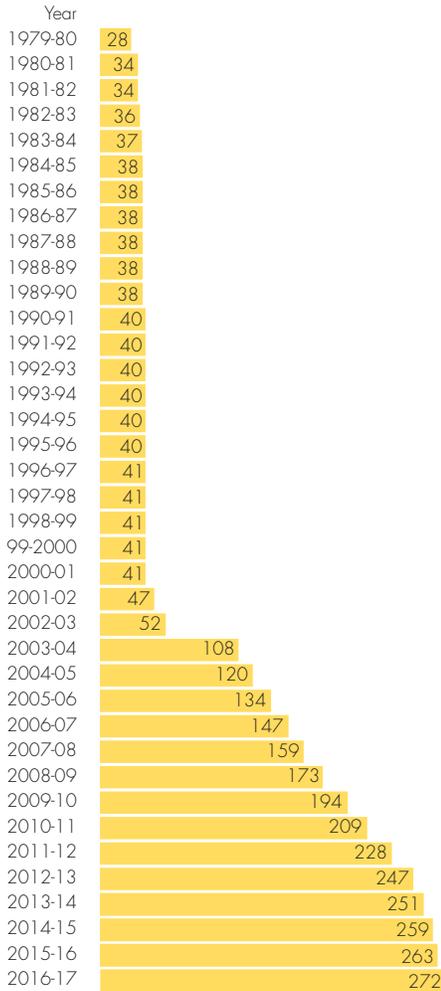
Yolo Fire Protection District	11/01/2010
Zamora Fire Protection District	07/01/2009
Special Districts-92	
Arbuckle Public Utility District	07/01/2008
Artois Community Services District	07/01/1982
Berry Creek Community Services District	04/01/2002
Biggs-West Gridley Water District	01/01/2013
Brannan-Andrus Levee Maintenance District	12/01/2010
Broadmoor Police Protection District	09/29/2014
Butte City Community Services District	07/01/1980
Cachuma Resource Conservation District	09/01/2014
Capital Southeast Connector	01/25/2008
Chowchilla Red Top Resource Conservation District	09/01/2013
Church Tree Community Service District	04/01/2013
Colusa Basin Drainage District	04/01/2007
Colusa County One-Stop Partnership	07/01/2003
Colusa County Resource Conservation District	07/01/2010
Colusa County Water District	04/01/2012
Colusa County Water Works #1	08/26/2011
Colusa Groundwater Authority	08/16/2017
Concord/Pleasant Hill Health Care District	10/01/2012
Cortina Creek Flood Control and Flood Water Conservation District	05/15/2009
Cortina Water District	03/15/2012
Deer Creek Irrigation District	07/01/2016
East Merced Resource Conservation District	07/01/2010
Elk County Water District	02/12/2010
Elk Creek Community Services District	07/01/1980
First 5 Colusa	07/01/2008
First 5 Glenn County	07/01/2000
First 5 Yuba	01/01/2009
Glenn County In-Home Supportive Services Public Authority	07/01/2003
Glenn County Olive Pest Management District	07/01/2002
Glenn County Resource Conservation District	07/01/2000
Glenn Groundwater Authority	09/01/2017
Glenn LAFCO	11-01-2013
Glenn Transit Service	07/01/1996
Grenada Irrigation District	8/16/2017
Hamilton City Community Services District	07/01/1980
Holthouse Water District	07/11/13
In-Home Supportive Services Public Authority of Marin	07/01/2012
Isla Vista Community Services District	07/01/2017
Lake Berryessa Resort Improvement District	07/01/2010
Lake Shastina Community Services District	07/01/2017
Levee District I	07/01/1980
Levee District II	07/01/1980
Levee District III	07/01/1980
Los Carneros Water District	07/01/2010
Madera Resource Conservation District	09/01/2013

Maxwell Irrigation District	01/01/2013
Maxwell Public Utility District	05/01/2003
Maxwell Recreation and Park District	07/29/2003
Mendocino City Community Services District	07/01/2006
Merced County IHSS Public Authority	07/01/2012
Modoc County Transportation Commission	08/08/2016
Modoc Transportation Agency	08/08/2016
N. E. Willows Community Services District	07/01/1980
Napa Berryessa Resort Improvement District	01/23/2009
Nevada-Sierra Connecting Point Public Authority	10/01/2003
North Central Counties Consortium	07/01/2006
North Willows County Service Area	07/01/1987
Ord Bend Community Services District	07/01/1980
Orland-Artois Water District	10/01/2007
Petaluma Valley Groundwater Sustainability Agency	07/01/2017
Proberta Water District	03/07/2013
Rancho Murieta Community Services District	07/01/2010
Reclamation District No. 1001	12/01/2016
Reclamation District No. 1002	04/03/2011
Reclamation District No. 2103	11/15/2016
Reclamation District No. 2140	08/02/2006
Reclamation District No. 317	03/10/2011
Reclamation District No. 407	03/10/2011
Reclamation District No. 563	02/01/2011
Reclamation District No. 784	12/01/2009
Reclamation District No. 833	04/02/2010
Reclamation District No. 2067	03/10/2011
Sacramento Area Council of Governments	07/01/2014
Sacramento County IHSS Public Authority	07/01/2012
Sacramento Metropolitan Cable Television Commission	07/01/2012
Salsipuedes Sanitary District	05/15/2003
San Antonio Basin Groundwater Sustainability Agency	08/29/2017
San Joaquin In-Home Supportive Services Public Authority	07/01/2012
Sand Creek Flood Control District	07/01/2013
Santa Rosa Plain Groundwater Sustainability Agency	07/01/2017
Sierra-Sacramento Valley Emergency Medical Services	09/01/2009
Sites Project Authority	07/01/2016
Solano County Transit	08/16/2012
Storm Drain Maintenance District I	07/01/1980
Storm Drain Maintenance District III	07/01/1980
Sutter LAFCO	07/01/2017
Tehama-Colusa Canal Authority	07/01/2007
Tulare County IHSS Public Authority	07/01/2012
Ukiah Valley Sanitation District	01/01/2011
Westside Water District	09/19/2012
Yuba County Rural Fire Joint Powers Authority	07/01/2017
Yuba LAFCO	07/01/2009

GSRMA Member Agency Growth from 1979 - 2017

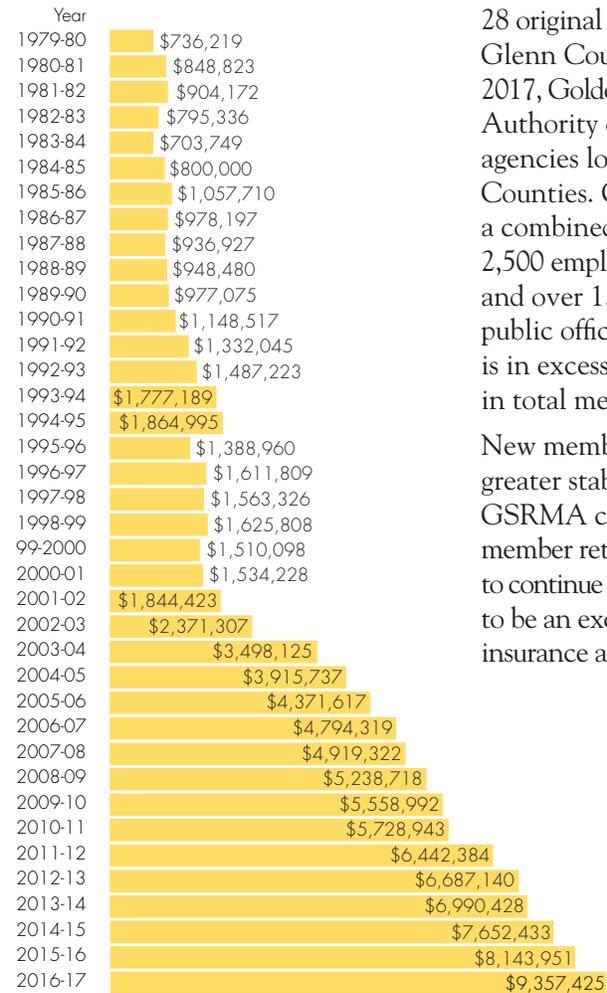
Members

Agencies



Contributions

US Dollars



On July 1, 1979 Glenn County Joint Powers Authority was founded with 28 original members, all located within Glenn County. As of December 31, 2017, Golden State Risk Management Authority consists of 273 member agencies located in 49 California Counties. GSRMA members have a combined total of approximately 2,500 employees, over 1,000 volunteers and over 1,200 elected or appointed public officials. Total member payroll is in excess of \$100 million. Growth in total members has been steady.

New members have contributed to greater stability and increased assets. GSRMA continues to have excellent member retention. Growth is expected to continue as more entities find GSRMA to be an excellent solution to their insurance and risk management needs.



Lake Shastina



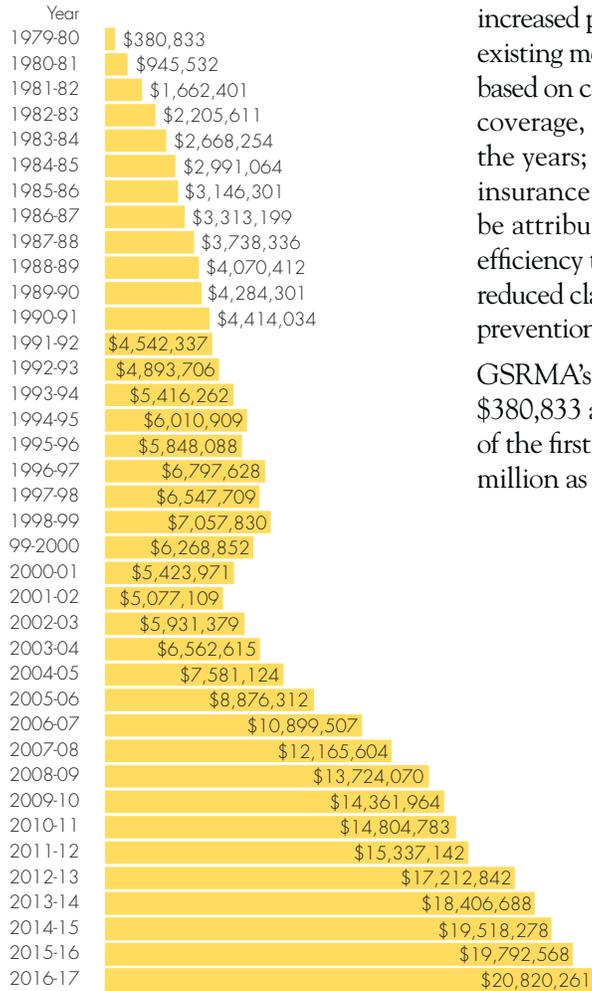
Fairoaks Cemetery District



Grenada Fire Protection District

GSRMA Total Assets from 1979 - 2017

Total Assets US Dollars



Annual contributions have increased steadily since 2002 due to new members, increased payroll and property values of existing members. Contribution rates, based on cost of insurance per unit of coverage, have held stable through the years; a desired result of pooled insurance programs. This stability can be attributed to the administrative efficiency that growth has provided and reduced claims costs due to member loss prevention efforts.

GSRMA's total assets have grown from \$380,833 as of June 30, 1980, the end of the first program year, to over \$20.8 million as of June 30, 2017.

In July 2000, GSRMA adopted a Capital Target Reserve Policy to protect assets and return excess funds to members. This policy resulted in a downward adjustment of GSRMA assets as dividends were paid back to the members in the late 1990's. GSRMA has a strong history of returning excess contributions to the members in the form of dividends.

Total assets have grown to keep pace with claims exposures due to the steady growth in membership that started in 2002. GSRMA continues to be well funded. Net equity, assets less liabilities, in the program is estimated to be \$4.9 million as of June 30, 2017, a slight decrease from the prior year.



Maxwell Cemetery District



Hamilton Unified School District



Hills Ferry Cemetery District

Comprehensive General Liability Program

\$25 Million Optional Excess Liability (OEL)

- Brit Global Specialty USA, Great American Excess & Surplus Company, Allied World National Assurance Company
\$25M excess of \$25M

\$25 Million Reinsurance Layer

- Argonaut Insurance Co/Markel Global Reinsurance Co.
\$10M excess of \$15M

\$15 Million Reinsurance Layer

- Great American Insurance Co. and Markel Global Reinsurance Co/Lloyds Syndicates
\$10M excess of \$5M

\$5 Million CSAC-EIA Pool

- Covers difference between \$250K and \$5M

\$250 Thousand GSRMA Pool

- Covers the first \$250K

\$50 million Per Occurrence Limits

- First-dollar coverage - no member retention or deductible for liability losses
- Bodily injury & property damage
- Personal injury
- Public officials errors & omissions
- Automobile liability
- Contractual liability
- Employment practices liability
- Pollution liability and crime-bond coverage are provided with separate limits

GSRMA participates in the CSAC-Excess Insurance Authority (EIA) General Liability Program for excess liability coverage. The program is one of the largest public agency excess pooling programs in the country. The size and reputation of the program provides unmatched stability and leverage in the insurance market.

GSRMA schools participate in both the CSAC-EIA program and Schools Excess Liability Fund (SELF) which provides member schools coverage that is designed specifically for education risks.

Workers' Compensation Program

Statutory Excess Insurance Layer

- Liberty Insurance Corporation
Statutory excess of \$50M

\$50 Million Excess Insurance Layer

- ACE American Insurance Company
\$45M excess of \$5M Pool

\$5 Million CSAC EIA Pool

- Difference between \$300K and \$5M per occurrence.

\$300 Thousand GSRMA Pool

- Covers the first \$300K per occurrence

Statutory Limits – \$5 million Employers Liability

- First-dollar coverage – no member retention or deductible for workers' compensation claims
- Complete self-administration of claims
- Coordinated phone-in reporting and injury triage
- Customized return-to-work programs
- GSRMA has been nationally recognized for its innovative claims management solutions

GSRMA participates in the CSAC-EIA Excess Workers' Compensation (EWC) Program. The EWC has the financial strength and stability to remain strong in all market conditions. The program utilizes pooled, fully-insured and quota-sharing coverage layers to spread risk. The GSRMA Workers' Compensation Program provides its members with stable, competitive rates through responsible funding and administrative efficiency.



Chowchilla Cemetery District



City of Doris City Hall



Glenn County Office of Education

Property and Miscellaneous Coverage

\$600 Million

– \$300M excess \$300M All Risk

\$300 Million

– \$275M excess \$25M All Risk & Flood Limits
(Flood Limits Annual Aggregate)

\$25 Million Primary Layer

– \$25M All Risk Including Earthquake, Flood and
Boiler & Machinery

\$3 Million CSAC EIA Pool

– \$3M per occurrence/\$10M Annual Aggregate
Excess of Underlying Deductibles
(Excludes earthquake and flood)

\$4 Thousand GSRMA Pool

– \$4,000 after member deductible

\$1 Thousand Member

– Member deductible per covered loss

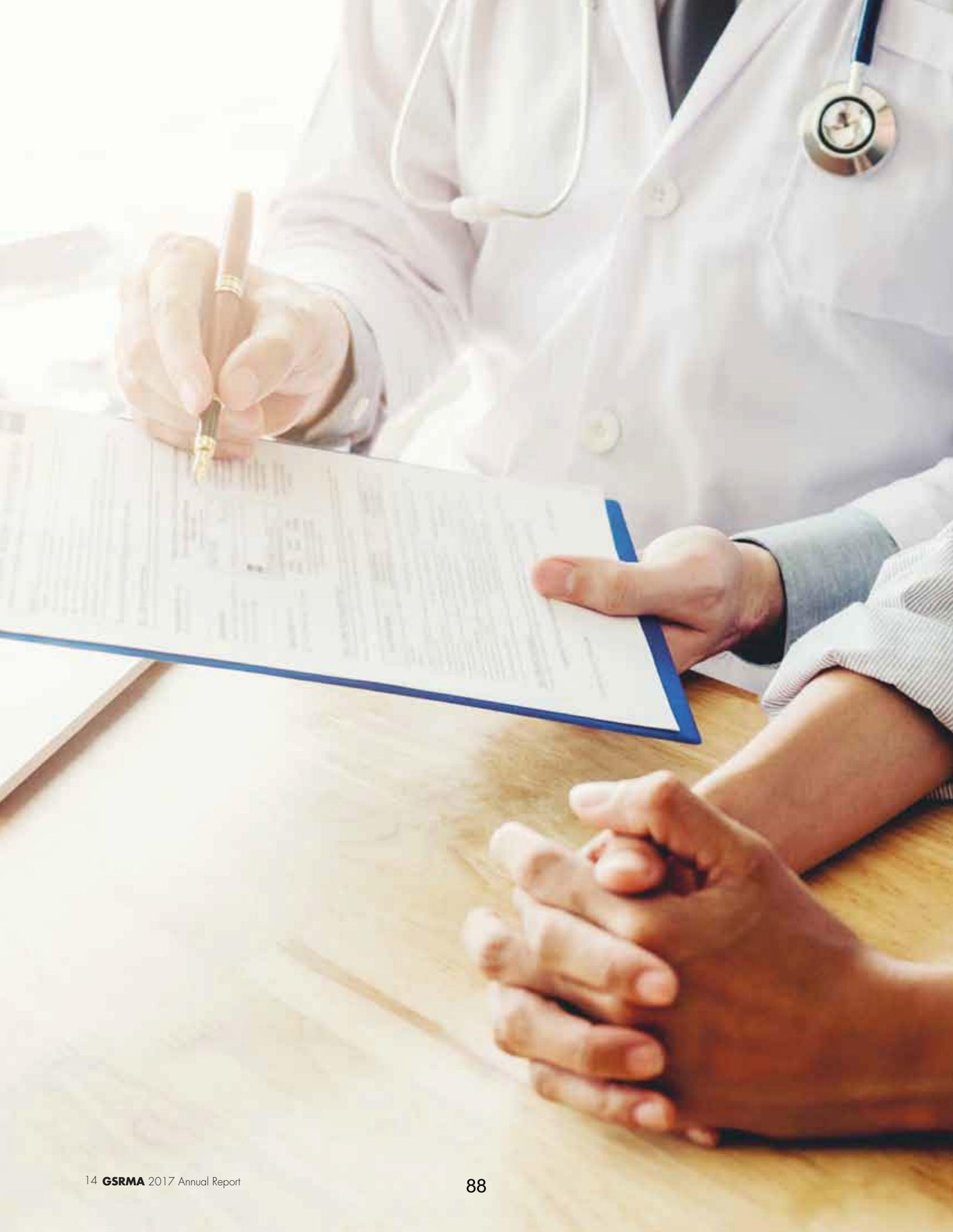
\$600 million Limits Per Loss

- Low member deductibles
- All-risk, full replacement cost coverage
- Real and personal property
- Automobile, mobile equipment, watercraft, boiler and machinery
- Flood coverage included
- No co-insurance clause
- Optional earthquake, and aviation/airport coverage available

GSRMA participates in the CSAC-EIA Property Program. The unique structure of the program diversifies risk geographically throughout the State. This innovative approach reduces the impacts of large losses to the individual members and insurers. The program is insured by numerous separate insurance carriers further stabilizing the program and protecting against carrier insolvency due to large losses.

In addition to property coverage, GSRMA members have access to reduced cost coverage for watercraft, medical malpractice, aviation and other exposures.

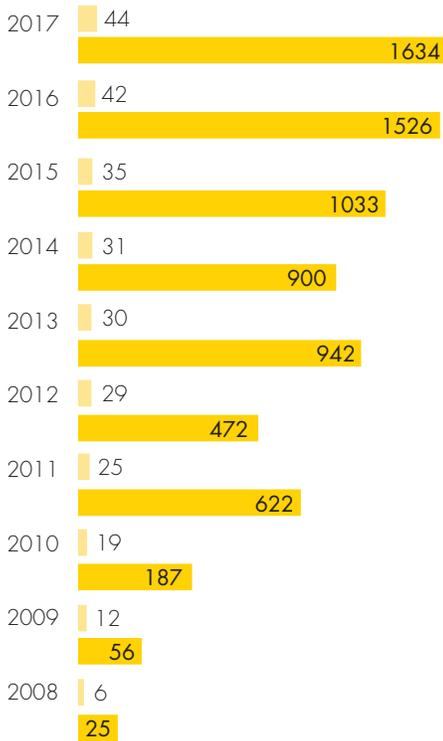




GSRMA 2017 Employee Benefits Program

Members

Agencies / Employees



In partnership with the CSAC Excess Insurance Authority, GSRMA launched EIAHealth on July 1, 2007 with 6 member agencies, 25 covered employees and 50 covered lives. EIAHealth is a competitive alternative to more expensive small group health benefit programs. As of December 31, 2017, GSRMA health provides coverage to 44 agencies with 1,634 total lives!

Historically, smaller public agencies have had limited options in the insurance market due to age-banded rates, limited plan designs and unpredictable renewals. EIAHealth was created to provide a complete health benefits program with all the benefits of a large group platform. EIAHealth creates value and long-term stability for members by securing the lowest fixed cost plan components and combining employers with similar risk profiles in a financially stable pool. EIAHealth partners with Self-Insured Schools of California (SISC), to create one of largest employee benefit programs in the country, which affords tremendous funding leverage.

The EIAHealth Program includes three-tier rates, a variety of products, and the purchasing power of a larger entity through a shared-risk approach. Public agencies with fewer than 250 employees are eligible for the EIAHealth Small Group Program through GSRMA.

GSRMA provides administration, billing and enrollment to plan members. The plans utilize Blue Shield and Anthem PPO (Preferred Provider Organization) networks, the two largest in California. Currently, there are 10 plan designs available. The selection includes three traditional PPO's, two high-deductible Health Savings Account (HSA) compatible PPO's, two HMO's (Health Maintenance Organizations), two Kaiser plans and an EPO (Exclusive Provider Organization) to provide an HMO style option to areas where no HMO exists.

Coverage for dental, vision, group life and disability coverages are also available. Like the medical coverage, these programs are offered through GSRMA and utilize the same efficient funding principles.

GSRMA Employee Benefits Membership

Arbuckle Public Utility District
Arcade Creek Recreation and Park District
Biggs-West Gridley Water District
Burney Fire Protection District
Butte County Mosquito & Vector Control District
Castroville Public Cemetery District
Central Valley Cemetery District
Chowchilla Cemetery District
City of Dorris
City of Orland
City of Oroville
City of Willows
City of Rancho Cucamonga
Colusa Cemetery District
Drainage District #100

Fortuna Cemetery District
Galt-Arno Cemetery District
Glenn County Office of Education
- Child & Family Services
Happy Homestead Cemetery District
Hills Ferry Cemetery District
Live Oak Cemetery District
Maxwell Fire Protection District
Mayers Memorial Hospital District
Mendocino City Community Services District
Modoc County Transportation Commission
Modoc Medical Center
Murrieta Valley Cemetery District
NorthNet Library Systems
Oak Hill Cemetery District

Orland Cemetery District
Paradise Cemetery District
Patterson Cemetery District
Placer County Cemetery District #1
Reclamation District Number 784
Santa Maria Cemetery District
Shiloh Cemetery District
Solano County Transit
Tehachapi Public Cemetery District
Tehama-Colusa Canal Authority
Thermalito Water & Sewer District
Trindel Insurance Fund
Ukiah Valley Fire District
Westside Water District
Williams Cemetery District

2017 Member Services and Loss Prevention Department Highlights

Golden State Risk Management Authority remains steadfast in the belief that effective safety and loss prevention programs are critical to the success of our member agencies. When careful attention is given to programs and policies to improve organizational safety and create a healthy work environment, the pool's exposure is lessened and fewer losses result. GSRMA is pleased to offer a comprehensive array of programs and services to support our member's pursuit of excellence in this area.

MEMBER VISITS

A foundation of our successful program is contact with our members. To maintain this contact, GSRMA staff travel the state to meet with members at their locations. When onsite, staff can provide a variety of services including but not limited to answering questions, conducting training, assist with program development. During the past year, staff conducted 344 member visits.

TRAINING

Training is of fundamental importance to effective safety and loss prevention programs. To meet the diverse needs of our membership, GSRMA provides a variety of resources and training opportunities, including, but not limited to the following:

Annual Training Conference

Each October, GSRMA holds its Annual Training Conference to provide valuable training and an opportunity to share among members. At this 13th Annual Event, GSRMA welcomed 14 new members to the pool. It was also the 2nd year of a two day training format which enabled the best attended and most varied conference to date. For the first time, GSR-

MA welcomed service partners such as the EIA, Hunt Jeppson & Griffin LLP, DirectGov Source, LensLock, WeTip, Lexipol, California Professional Safety Supply and the Safety Center. The 143 people that attended the conference represented 51 of our member agency districts.

Safety expert and magician John Drebing presented how to look out for each other's safety in a way that makes people say "thank you" as opposed to "mind your own business." Mr. Drebing also presented a segment on communication styles to enable the optimum use of all of our human resources.

Chief Operations Officer Rick Krepelka introduced the area of "Data Analytics" and what it will mean to the future of Loss Prevention at GSRMA. Safety Officer Mark Marshall walked us through the steps of "Implementing Your Loss Prevention / Safety Program" using the clever analogy of tools in the tool chest.

Day two featured two breakout sessions — one for Managers and one for Board Members. Jerry Johnson has an immense experience in public agencies and presented a robust "Safety and Loss Control Workshop" for managers and all staff with risk management and/or safety responsibility. The second break out session for Board Members informed on the risk of fraud/embezzlement as told through a case study "Detecting Fraud & Embezzlement - Now What Do We Do?" by Visalia Cemetery Manager Cindy Summers. Executive Director Scott Schimke advised how your district's Crime Bond Coverage is structured to protect your district. Bob Hunt of Hunt Jeppson & Griffin LLC

presented a session on the Interactive Process and fielded questions.

On-Site Training

GSRMA staff travel all over the State of California to provide on-site training for our member agencies. The trainings available cover a wide variety of topics including: Ergonomics, Defensive Driving and Heat Illness Prevention to name a few. Over this past year, GSRMA staff have provided on-site training to 1126 attendees on the topics listed below:

Annual Training Day	143
Backhoe/Fire Ext. Safety	43
Board Etiquette	14
CPR/First Aid	151
Data Analytics/Loss Prevention	72
Defensive Driving	96
Detecting Fraud & Embezzlement	60
Emergency Preparedness	33
Ergonomics for Supervisors	30
Ethics	117
Heat Illness Prevention	124
How to Deal with Diff. People	5
Intro to Workers' Comp	8
Safety and Loss Control	81
Sexual Harassment	149

Regional Training

Regional Safety Trainings are another tool for member to bring relevant safety training to larger audiences. Members are invited to contact GSRMA staff to discuss further. We then work with the member to plan the event, send out invitations, as well as assist with day's training agenda. This format serves our members training needs and allows for networking among member agencies. As this format has proven successful in the past, we will continue to offer this option to our members.



Online training

In addition to our on-site and regional safety trainings, GSRMA also offers online training through the vast online library that is Target Solutions. The online option makes it easy and convenient to take classes at their own pace and schedule. Target Solutions offers a wide array of courses—from CA state mandated training to Violence in the Workplace to Fleet Safety.

GSRMA members can opt to administer their district's safety program via Target Solutions platform by making training assignments, uploading external documents or content for staff for review streamlining training management with built in recordkeeping tools. Upgrades to the platform this year enable managers to generate more accurate completion reports, update new files across activities and use the platform for event management.

GSRMA member utilization of Target Solutions has resulted in 3,676 training courses completed by board members, administration and staff members in the period of time from July 1, 2016 to June 30, 2017.

DATA ANALYTICS

2017 saw the implementation of software to enable the analysis of losses across the membership types in regard to injury type, frequency and severity. Members can now request data from our Loss Prevention team that goes beyond a simple list of past claims. This will enable members of our risk pool to identify the impact of certain types of losses compared to others, within the individual districts and across the pool as a whole. The variety of data available in reports speaks to the importance of actively managing safety training and loss prevention efforts; as well as identify areas of focus unique to each

entity. With this commitment to data analytics, GSRMA's can better support member's pursuit of relevant safety training and loss prevention programs.

ERGONOMIC PROGRAM

GSRMA's ergonomics program assists our members in the early and identification and mitigation of risk factors that may contribute to MSD's-musculoskeletal disorders. The program includes on-site ergonomic evaluations. Staff will conduct on-site evaluation of employee workstations and provide recommendations to resolved identified risk factors. During the past year, GSRMA staff have conducted 29 ergonomic evaluations and follow-up for members.

Ergonomic Training is an important component of a successful ergonomics program. We are pleased to provide both on-site and on-line ergonomic training options.

LOSS PREVENTION INCENTIVE PROGRAM

In May of 2017, the GSRMA Board of Directors approved the 2016/2017 Loss Prevention Incentive Program (LPIP) Awards. The LPIP was created to provide GSRMA members an incentive to develop, implement and maintain safety and loss prevention programs. Attention to these operation details better position member agencies to reduce claims and lawsuits. Participating members can earn awards up to 10% for current year's contribution (maximum of \$50,000). During this past year 47 GSRMA member agencies earned rewards totaling \$279,324.00. Congratulations to this year's recipients.

In July of 2017, the GSRMA Board of Directors approved changes to the LPIP including the addition of the element of accreditation. The program,

now known as the Risk Management Accreditation Program, is updated to include many best practices and is a resource to guide members looking to improve operations and minimize risk. Participating members who earn the full 10% award will become Accredited and receive a commemorative plaque distinguishing their district as a top performer.

LOSS PREVENTION SUBSIDY FUND

GSRMA is interested in partnering and supporting our members in pursuit of training at member agencies. One way we accomplish this is through the Loss Prevention Subsidy Fund.

The LPSF is a fund available on a first come, first served basis and is replenished at beginning of each fiscal year. To apply for the program, members submit an application which provides an explanation of the training program and how it will help to reduce losses at their agency. During the 2016/2017 fiscal year, members requested funds for industry specific conferences and symposiums, safety publications and specialty safety training.

HR LEGAL HOTLINE

One of the largest exposures any public entity encounters is the handling of employees and employment related issues. Employment lawsuits also happen to be among the more costly. The HR hotline, a partnering with Hunt Jeppson & Griffin LLC, provides legal advice regarding employment related issues at no cost to the member agency. The attorneys have considerable experience in an array of HR matters and are up to date on legal matters facing employers. GSRMA members involve attorneys early to handle such matters quickly and efficiently, and with the least amount of liability exposure.



GSRMA Actuarial Policy and Program Funding

General Workers Compensation & General Liability Confidence Levels Combined

\$000's

Expected -Discounted	\$13,429
Expected Undiscounted	\$14,738
70% Discounted	\$15,124
70% Undiscounted	\$16,433
75% Discounted	\$15,859
75% Undiscounted	\$17,168
80% Discounted	\$16,722
80% Undiscounted	\$18,031
85% Discounted	\$17,782
85% Undiscounted	\$19,091
90% Discounted	\$19,189
90% Undiscounted	\$20,498
Available Assets	\$17,782

General Liability

\$000's

Expected -Discounted	\$2,439
Expected Undiscounted	\$2,516
70% Discounted	\$2,832
70% Undiscounted	\$2,909
75% Discounted	\$3,019
75% Undiscounted	\$3,096
80% Discounted	\$3,241
80% Undiscounted	\$3,318
85% Discounted	\$3,515
85% Undiscounted	\$3,592
90% Discounted	\$3,880
90% Undiscounted	\$3,957
Available Assets	\$3,501

Workers Compensation

\$000's

Expected -Discounted	\$10,990
Expected Undiscounted	\$12,222
70% Discounted	\$12,292
70% Undiscounted	\$13,524
75% Discounted	\$12,840
75% Undiscounted	\$14,072
80% Discounted	\$13,481
80% Undiscounted	\$14,713
85% Discounted	\$14,267
85% Undiscounted	\$15,499
90% Discounted	\$15,309
90% Undiscounted	\$16,541
Total Assets	\$13,809

It is the policy of the Authority to have an independent actuarial study performed annually to establish the adequacy of reserves in the Workers' Compensation and Liability/Property programs. The study also determines the appropriate funding levels for anticipated future losses, and the amount of equity in each program.

Confidence Levels

Confidence level is an estimated probability that a given level of funding will be adequate to pay claims costs. For example, the 85% confidence level refers to an estimate for which there is an 85% chance that the amount will be sufficient to pay loss costs.

Expected level refers to the best estimate of the full, ultimate value of loss costs. It is considered prudent to maintain asset levels at an amount that exceeds the expected level. Generally, a confidence level of 70% is considered marginally acceptable, 75%-85% confidence level (conservative) is recommended, and confidence levels above 90% are considered very conservative.

Discounted vs. Undiscounted

Discounted figures take into account anticipated investment income during the life of the claim. Undiscounted figures do not. Based on market conditions and historically low interest rates, GSRMA is currently utilizing a discounting rate of two percent.

1. The graph at top illustrates GSRMA's available assets vs. outstanding claims liabilities (\$000's) for the self-funded Liability and Workers' Compensation Programs combined at June 30, 2017. The estimated claims liability for the combined programs is \$13,429,000 discounted and \$14,738,000 undiscounted. The available assets of \$17,782,000 equate to a funding level that exceeds the 90% (very conservative) discounted confidence level.
2. The graph above left illustrates GSRMA's available assets vs. outstanding claims liabilities (\$000's) for the self-funded Liability Program at June 30, 2017. The estimated claims liability for the Liability Program is \$2,439,000 discounted and \$2,516,000 undiscounted. The available assets of \$3,501,000 equate to a funding level of 85% (conservative) confidence level.
3. The graph left illustrates GSRMA's available assets vs. outstanding claims liabilities (\$000's) for the self-funded Workers' Compensation Program at June 30, 2017. The estimated claims liability for the Workers' Compensation Programs is \$10,990,000 discounted and \$12,222,000 undiscounted. The available assets of \$13,809,000 equate to a funding level of 85% (conservative) confidence level on a discounted basis.

2017 Overview of the Financial Position

	<u>2017</u>	<u>2016</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 8,098,041	\$ 7,179,059
Interest receivable	41,106	36,551
Investments maturing within one year	1,928,134	3,940,830
Accounts receivable	365,743	72,651
Prepaid expenses	618,573	652,807
Total Current Assets	<u>11,051,597</u>	<u>11,881,898</u>
Noncurrent Assets		
Investments, at market	<u>9,768,664</u>	<u>7,910,670</u>
Total Assets	<u>20,820,261</u>	<u>19,792,568</u>
LIABILITIES		
Current Liabilities		
Accounts payable	78,880	68,179
Current portion of assessment payable	34,180	34,180
Unearned revenue	2,155,010	1,584,368
Dividends payable	-	236,044
Current portion of unpaid claims and claim adjustment expense	<u>3,400,000</u>	<u>2,600,000</u>
Total Current Liabilities	<u>5,668,070</u>	<u>4,522,771</u>
Noncurrent Liabilities		
Assessment payable	170,901	205,081
Unpaid claims and claim adjustment expense	<u>10,080,122</u>	<u>10,016,726</u>
Total Noncurrent Liabilities	<u>10,251,023</u>	<u>10,221,807</u>
Total Liabilities	<u>15,919,093</u>	<u>14,744,578</u>
NET POSITION		
Net Position	<u>\$ 4,901,168</u>	<u>\$ 5,047,990</u>

The following is a discussion on GSRMA's financial position and various elements that affect its position. The discussion is based on the audited financials for the 2016/2017 fiscal period. James Marta & Company, Certified Public Accountants, has performed independent audit examinations of our financial statements. Their opinion on the Authority's financial statements as of June 30, 2017 is included in the annual financial audit that is available at www.gsrma.org.

GSRMA management is responsible for establishing and maintaining an internal control structure designed to

ensure that assets are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for preparation of financial statements in conformity with accounting principles generally accepted in the United States of America.

GSRMA has adopted a conservative investment policy according to state guidelines designed to optimize the rate of return on available assets not required for current operations while still keeping these assets readily available.

Budgetary control is provided by verification of budgeted amounts prior to

expenditures and analysis of all account totals compared to budgeted amounts. Detailed reports of budget-to-actual comparisons, as well as a basic financial statements, are provided to the JPA Board at each of their meetings. In addition, an Investment Report is provided to the Board and posted quarterly for public review on the website. Also, disbursement and bank transactional reports are reviewed by the Executive Director and/or the Board Officers regularly.

Financial Highlights

- Total revenue, from all sources including investments, was \$15.9 Million, an increase of 5.0% or \$752K from 2015/2016. The increase was about half of last fiscal year for workers' compensation, with an increase of \$170K (3.7%), and liability, with an increase of \$103K (3.8%). Property increased \$62K (12.4%) and the health plan premium increased \$416K (6.0%).
- Total expenses were \$16.1 Million, an increase of 7.5% totaling \$1.2M from 2015/2016. This was similar to last year's increase. Estimated claims cost rose significantly by \$1 Million or 29%. Last year's claims cost increase was flat but the prior year had a similar increase. Insurance expense was flat and admin decreased 9%. This was mostly due to an the lack of a dividend this year verses a dividend of \$236K in the prior year.
- GSRMA assets of \$20.8 Million exceeded its liabilities of \$15.9 Million at June 30, 2017 by almost \$5 Million. This amount decreased \$150K due mainly to increased cost of claims. This compares to a relatively large increase in the prior two years. The \$5 Million of fund equity may be used to meet GSRMA's ongoing obligations

	<u>2017</u>	<u>2016</u>
REVENUES		
Member contributions	\$ 15,852,104	\$ 15,099,045
Other income	26,033	23,596
Total Operating Revenues	<u>15,878,137</u>	<u>15,122,641</u>
OPERATING EXPENSES		
Provision for unpaid claims and claim adjustment expenses	4,613,747	3,566,149
Insurance expense	8,831,536	8,502,822
Claims administration	672,321	645,456
General and administrative expenses		
Professional services	405,197	394,062
Loss control services	650,444	692,440
Risk management services	756,101	716,239
Other administrative expenses	157,044	125,424
Dividends expenses	-	236,044
Total general and administrative expenses	<u>1,968,786</u>	<u>2,164,209</u>
Total Operating Expenses	<u>16,086,390</u>	<u>14,878,636</u>
Operating Income	(208,253)	244,005
NONOPERATING REVENUES		
Investment income	61,431	200,641
Change in Net Position	(146,822)	444,646
Net Position, Beginning of Period	<u>5,047,990</u>	<u>4,603,344</u>
Net Position, End of Period	<u>\$ 4,901,168</u>	<u>\$ 5,047,990</u>

directly related to medical costs and administrative costs, due to increased reporting and regulatory compliance, increase premium costs. The continued low return for investment of public agency reserves, while improving, has little positive affect on total non-contribution revenues. Overall, GSRMA should expect to see excess rates increase.

Non-employee-benefits excess insurance costs were basically flat. However, this was due to an increase in the prior year because of underestimated payroll. Rates actually increased slightly in 2016/2017.

Provision for Insured Events. The provision for insured events is a management estimate of the cost of insured claims. This estimate is based on a variety of actuarial and statistical techniques considering claims history, claim payment history, claim frequency, changes in doctrines of legal liability, inflation and other economic and social factors. Claim cost estimates are constantly re-evaluated. Changes to prior year claim cost are adjusted as they occur. The provision increased significantly for 2016/2017 compared to being almost flat in the prior year. This was mostly caused by more conservative reserving and increased claims activity in the workers' compensation program.

Financial Summary

During the fiscal year 2016/2017, the overall financial picture of GSRMA weakened slightly due to higher than expected claims costs. The result is that net position decreased almost \$146K or nearly 3%. This is compared to last year's increase of \$445K or nearly 10%. Since this amount can change significantly from year to year, this is not unexpected. The pool remains adequately and conservatively funded above the 90% confidence level.

For the future, the following are negative factors that will impact GSRMA:

Past case law and legislative activity has resulted in increased costs and a negative financial impact. AB 2253 (public safety

to members, claimants and creditors.

Total non-employee-benefits contribution revenues increased 4.1% or \$335K over 2015/2016. The increase was due mainly to an increase in estimated payroll. Estimated payroll increased approximately 4.0% from 2015/2016. We expect the payroll for existing members to continue to increase in 2017/2018 and total payroll for the year should increase beyond that due to an increase in membership.

Investment income decreased as investments with lower returns decreased in value as rates in the market increased. We expect this to flatten out as these investments mature or are sold and new investments

provide a higher return.

The employee benefits participation increased to 45 members covering a total 1,650 lives - an increase of 5 members and roughly 150 lives from the prior year. Though this is mostly a "pass-through" product provided for the benefit of our members, its increased growth does have a small positive affect to pool net revenues.

Insurance Premiums. The insurance premium revenues and the expenses are dependent on the cyclical insurance market. Currently, the market continues on its path of hardening except in the liability program which remains flat. Claims costs





employees cancer presumptive), signed into law late in 2010, is having a significant negative impact on claims cost. Legislation that will result in increased workers' compensation costs continues to be introduced annually and is having some success in being signed by the Governor.

Though a turnaround is finally occurring in investment returns, low interest rates continue to minimize the amount of additional funds generated by investments that would help offset claims and administrative costs. This will continue to have an impact in 2017/2018 as most excess funds are kept in safe but low yielding cash accounts and bond instruments. Notably related to this, our excess carrier is being affected by the decrease in the level of discounting they exercise in calculating their outstanding claims liability. Discounting takes into account future returns on investments to offset claims liability. As interest rates have remained low, this offset remains low requiring CSAC-EIA to increase their reserves by increasing the amount they collect from members.

Many special districts in California continue to struggle financially - including the members of GSRMA. These struggles could continue to negatively affect the budgets of these districts including their employee counts and total payroll amounts as well as their ability to pay their contributions to the pool.

It is expected that state, federal and business partner reporting requirements will continue to increase in both the amount of data required and the complexity of the reporting requirements. This increases costs due to changes and additions of software and systems to meet these requirements as well as staff or contractor time to manage them. In addition, these agencies are increasing the fees they

charge our industry in order to finance their increased activity.

Future positive impacts on GSRMA include:

Improved administrative processes will continue to streamline the operation of this pool. Claims processing and pool management software are being more fully implemented and should result in more efficient claims processing and pool administration. These changes should allow us to adequately respond to a continued increase of reporting requirements and regulation by carriers and from state agencies.

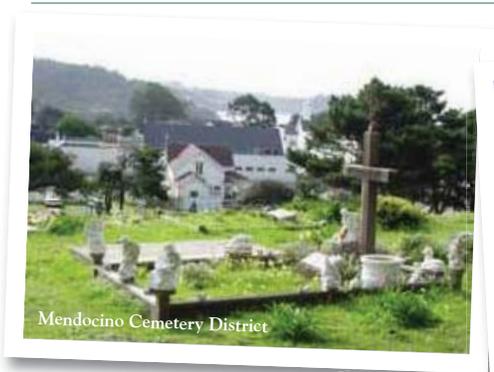
Efforts to produce and use analytics both with GSRMA member data and in conjunction with data from other like risk organizations are beginning to show promise of allowing us quicker recognition of and response to potential losses. This may decrease claims costs and increase overall pool efficiency.

Investment returns are finally starting to increase. That combined with an aggressive (though safe) approach to investing available funds, should begin to help in offsetting increasing costs.

The State budget has recovered and revenue continues to exceed budgeted amounts. This continues to relieve some pressure on member budgets and has allowed them to restore some of their lost payroll funding. Voters have elected to continue temporary taxes that were due to sunset after 2016. The electorate's choice to continue to support additional taxation to fill state funding shortfalls could help alleviate funding challenges for many of our members - at least in the short term.

Overall, GSRMA remains in a strong fiscal position that, barring loss of significant membership, should remain so for the foreseeable future.

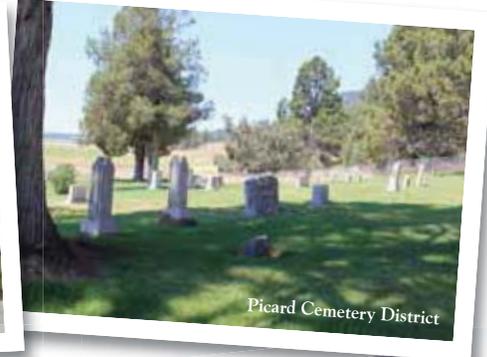
2017 GSRMA Member Photos



Mendocino Cemetery District



County of Glenn Public Works



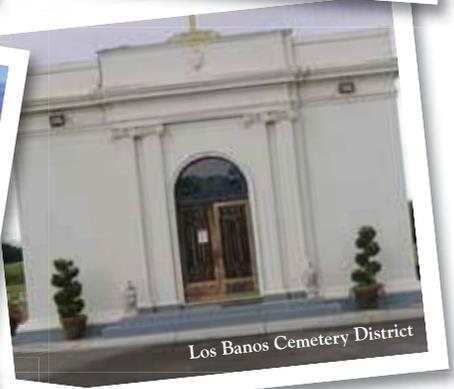
Picard Cemetery District



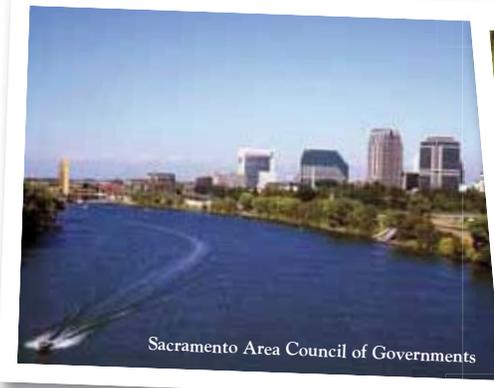
Princeton Joint Unified School District



Big Pine Fire District



Los Banos Cemetery District



Sacramento Area Council of Governments



Rancho Murieta Community Services



City of Alturas



Orland Cemetery District



Elk Grove Cemetery District



Plaza School District

CAJPA Accreditation

The California Association of Joint Powers Authorities (CAJPA) sponsors what is considered the nation's first risk management accreditation program. This program is designed to ensure quality and professional standards for all California risk management pools regardless of size, scope of operation, or membership structure. The process involves a detailed program study and evaluation, com-

mittee review and issuance of a report. The process is an extremely detailed audit conducted by an independent consultant and subject to CAJPA's exacting standards.

Since 1992 GSRMA has maintained CAJPA's highest award: "Accreditation With Excellence." GSRMA completed the tri-annual process in the spring of 2016, and was awarded continuous accreditation through May, 2019.



*It is the purpose of this organization to give professional recognition
to properly qualified insurance pools.*

*THEREFORE, the Board of Directors of the
California Association of Joint Powers Authorities,
has conferred upon*

Golden State Risk Management Authority

this

CERTIFICATE OF ACCREDITATION WITH EXCELLENCE

Having fulfilled the conditions of eligibility as prescribed by the Association for Accreditation





GOLDEN STATE

RISK MANAGEMENT AUTHORITY

California Association of Joint Powers Authorities
Accredited with Excellence since 1992

2017/2018 GSRMA Board of Directors

John Viegas - President

Supervisor (County Representative)
County of Glenn

Keith Corum - Vice President

Board Member (County Representative)
County of Glenn

James "Buck" Ward

Board Member (School District Representative)
Willows Unified School District

Newly Elected Board Member

Board Member (Special District Representative)
Reclamation District No. 784

George Ouzounian

Board Member (Public Cemetery Representative)
Visalia Public Cemetery District

Newly Elected Board Member

Board Member (Fire District Representative)
Williams Fire Protection Authority

Charles Bergson

Board Member (City Representative)
City of Williams

COVER PAGE

Please type or print in ink.

NAME OF FILER (LAST) (FIRST) (MIDDLE)

1. Office, Agency, or Court

Agency Name *(Do not use acronyms)*

Division, Board, Department, District, if applicable Your Position

► If filing for multiple positions, list below or on an attachment. *(Do not use acronyms)*

Agency: _____ Position: _____

2. Jurisdiction of Office *(Check at least one box)*

- State Judge or Court Commissioner (Statewide Jurisdiction)
- Multi-County _____ County of _____
- City of _____ Other _____

3. Type of Statement *(Check at least one box)*

- Annual:** The period covered is January 1, 2017, through December 31, 2017.
-or-
The period covered is ____/____/____, through December 31, 2017.
- Assuming Office:** Date assumed ____/____/____
- Candidate:** Date of Election _____ and office sought, if different than Part 1: _____
- Leaving Office:** Date Left ____/____/____
(Check one)
 - The period covered is January 1, 2017, through the date of leaving office.
 - or-
 The period covered is ____/____/____, through the date of leaving office.

4. Schedule Summary (must complete) ► *Total number of pages including this cover page:* _____

Schedules attached

- Schedule A-1 - Investments** – schedule attached **Schedule C - Income, Loans, & Business Positions** – schedule attached
- Schedule A-2 - Investments** – schedule attached **Schedule D - Income – Gifts** – schedule attached
- Schedule B - Real Property** – schedule attached **Schedule E - Income – Gifts – Travel Payments** – schedule attached

-or-

None - No reportable interests on any schedule

5. Verification

MAILING ADDRESS STREET CITY STATE ZIP CODE
(Business or Agency Address Recommended - Public Document)

DAYTIME TELEPHONE NUMBER E-MAIL ADDRESS
()

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information contained herein and in any attached schedules is true and complete. I acknowledge this is a public document.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date Signed _____ Signature _____
(month, day, year) *(File the originally signed statement with your filing official.)*

Post Office Box 706
Willows, CA 95988

Board Member Expense Form – 2018

Board Member Name: _____
 Address: _____
 Meeting or Committee: _____
 Date of Meeting: _____
 Location of Meeting: _____

Meals

	Partial Day Allowances			Totals
	Breakfast	Lunch	Dinner	
Per Diem Maximum:	\$11.00	\$16.00	\$29.00	\$56.00
Date				
Date				
Date				

Total Meals: \$ _____

Private Car:

Miles _____ x \$0.535 \$ _____
(Mileage rate as of 1/1/2015)

Car Rental: \$ _____

Air, Bus, or Train Fare: \$ _____

Lodging: \$ _____

Taxi: \$ _____

Bridge Tolls: \$ _____

Parking Fees: \$ _____

Incidental Expenses: \$ _____

Total Payable to Board Member: \$ _____

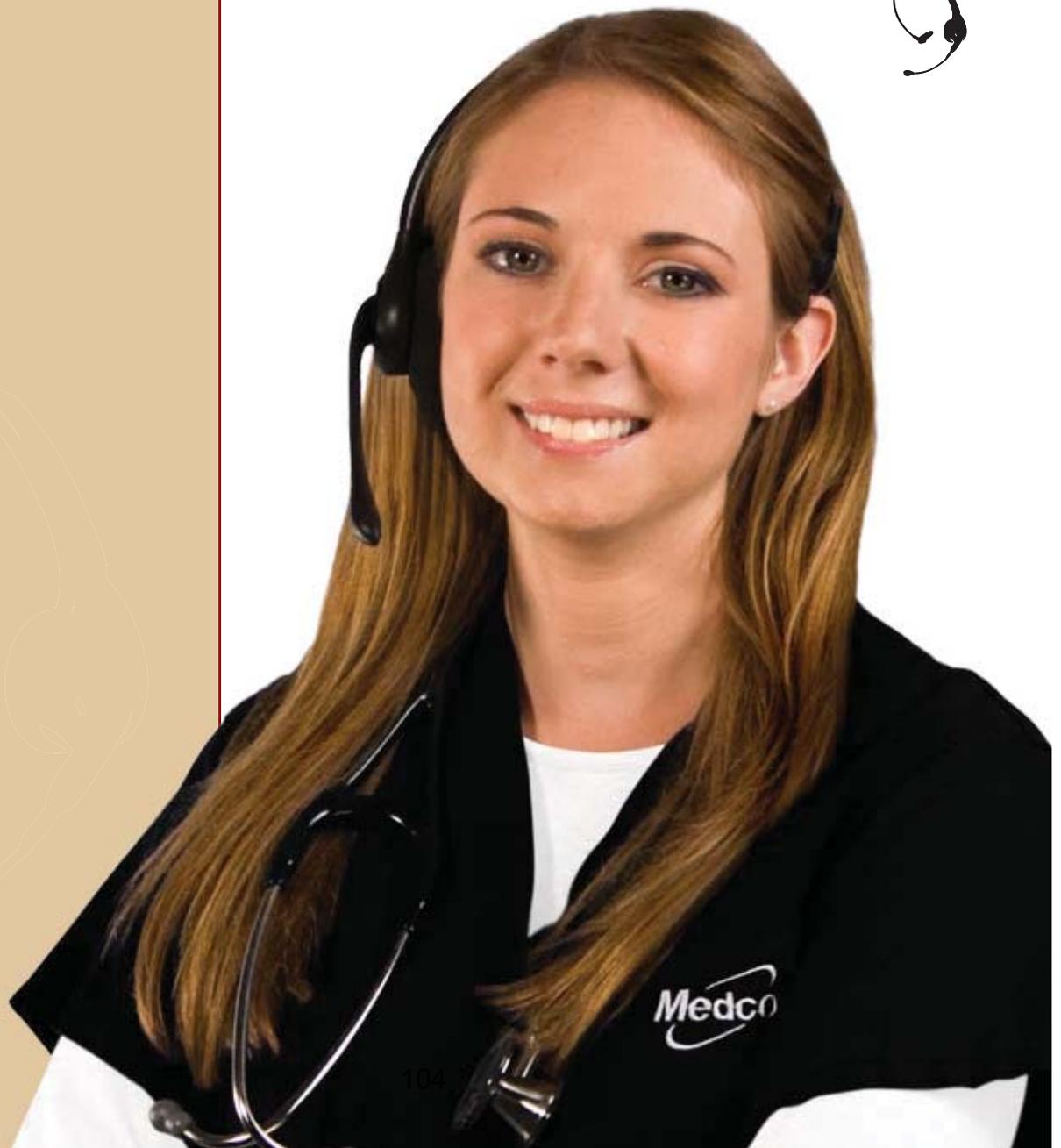
Signature _____

Date _____

Return to: Post Office Box 706, Willows, California 95988



24/7 INJURY TRIAGE AND REPORTING



INTRODUCING WORKPLACE TRIAGE

Employees can get hurt—even at the safest worksites. And workplace injuries create challenges and costs for everyone involved. These challenges are especially difficult for companies that cannot have their own medical staff on-site in their facilities.

Today, facilities of any size can access state-of-the-art health care directly in the workplace. Medcor's patent-pending triage technology enables immediate assessment and treatment for injuries on any job.

In 2007, more than 30,000 worksites use Medcor's triage service because their workers' compensation claims and costs are reduced, and injured employees receive faster, better care.

WORKS WITH EXISTING SYSTEMS

Medcor's triage is an effective pre-claim activity employers can use to reduce the frequency and severity of their work-related claims. Medcor's triage service is fully compatible with all third party administrators, provider networks, brokers, and insurance plans. Employers do not need to change their existing systems to benefit from this service.

AFFORDABLE

Medcor's triage service costs as little as a few hundred dollars per year per location. Medcor's triage service is self-funding because the savings from claims reductions are much greater than the cost of the service.



“Telephone triage is helping some employers reduce their workers’ compensation costs by eliminating unnecessary trips to hospital emergency rooms.”
– *Business Insurance Magazine*

THE CHALLENGES OF ON-THE-JOB INJURIES

The best treatment for any injured employee is not the most expensive or least expensive treatment, but rather the treatment that is medically appropriate to the type and severity of the injury.

When an employee is injured, supervisors and employees must decide what to do. For many, the decision is tough because they don't have medical training or guidance. Employers find it difficult to manage because injuries may be reported late and inconsistently, medical and legal systems are complicated to navigate, and injury assessment is not their core competency. As a result, employees with minor injuries are often sent for unnecessary and expensive off-site care when first aid would have been medically appropriate. Worse yet, employees with serious conditions sometimes do not get the care they need.

Workplace Triage



HOW MEDCOR'S TRIAGE WORKS

The faster injuries are assessed and treated, the better the outcomes for the employee and the company. Medcor's triage gives injured employees help within minutes. Medcor provides a reliable process and medical professionals to proactively help employees and companies determine the best course of action for injuries.

This service is much different than simple claims reporting. Medcor's triage proactively channels employees at the time of the incident rather than just collecting data after the incident.

EASY TO USE

When an injury occurs, the affected employee and the supervisor simply pick up a telephone and call Medcor's toll-free number at the moment of the incident. The call comes directly into Medcor's state-of-the-art call center. The call center is staffed 24/7, so injured employees can have access anytime.

SERVICE BY MEDICAL PROFESSIONALS

Medcor's call center is staffed by Registered Nurses. These are talented professionals, specially trained in workplace injury triage. They use proprietary clinical algorithms developed by Medcor's team of doctors and nurses, experienced in occupational health and emergency medicine. The operation is overseen by a full-time physician who is board certified in emergency and internal medicine.

TRiage PROCESS

When an injury call is received, the triage nurse speaks with the supervisor and the injured employee. If language is a barrier, a translator joins the call. The nurse gathers information about the incident, injury, symptoms, and the worksite. Using sophisticated software and professional judgment, the nurse assesses the injury. The nurse then recommends a treatment course that is medically appropriate for the specific case. The average call lasts 8-12 minutes.

If the injury is minor and does not require off-site care, the nurse provides injury-specific first aid instructions, and the employee may return to work. When the employee needs off-site care, the nurse makes an appropriate referral recommendation. The employer's preferred providers are pre-loaded into Medcor's system, which successfully guides employees "in network." In every case, the nurse takes time to answer the employee's questions and make sure the employee is comfortable with the recommendations.

Once the appropriate medical care is determined, the nurse collects OSHA reporting and client-customized data to document the incident. Finally, the nurse closes the call with the supervisor, explaining the treatment and process.

Employees can call back any time their symptoms change or if they have additional questions about their injuries—at no extra charge.

RAPID REPORTING

After each call, Medcor's software automatically sends detailed reports, customized for each company. Within minutes, all incidents are reported to safety, human resources, and risk management staff as directed by the client. Case managers learn about new claims in time to be proactive, safety managers are alerted to start investigations, and first reports of injury can be filed in all 50 states. When referrals are made, providers are notified in advance to ensure coordination of care and to emphasize the company's return-to-work policy. Risk managers can access their data enterprise-wide over a secure website to analyze trends. Medcor's triage system protects the privacy of personal medical information.

Record of Performance

EXPERIENCE

Since 1984, Medcor has successfully treated more than two million people at their worksites. Thousands of locations across all 50 states now rely on Medcor's clinical interventions. Medcor works in urban and rural areas, serving large and small organizations, meeting the needs of employers and employees nationwide.

LEADERSHIP

Medcor pioneered the medical specialty of workplace health care. Medcor has developed innovative clinical protocols, software, and operating methods that have become standards for best practice. Medcor physicians and staff are leaders in their fields.

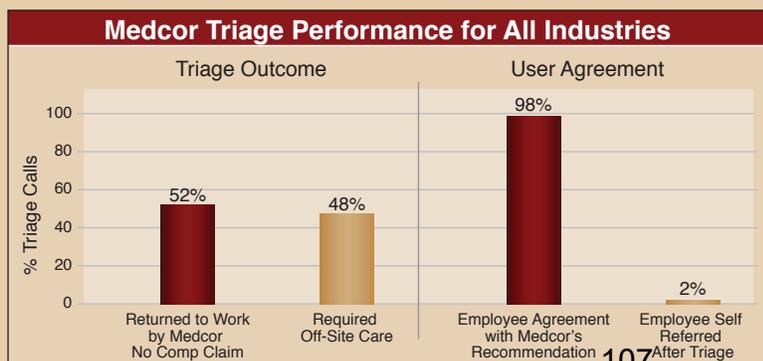
SATISFACTION

Medcor's client renewal exceeds 95%. Clients report sustained reductions in workers' compensation claims and costs. Clients calculate high ROI's. Injured workers report high levels of customer service.

INDEPENDENCE

Medcor is not financially affiliated with any hospital, clinic, insurance carrier, or third party administrator. This independence ensures Medcor's incentives are aligned only with employers and their employees. This independence also allows Medcor to work cooperatively with any designated networks.

"Triage screening is not expensive relative to the savings generated, and requires surprisingly little time or resources to manage."
 – Client Risk Manager



INDUSTRIES SERVED:

A wide range of industries use Medcor's services:

- Agricultural
- Construction Sites
- Distribution Centers
- Food Processing
- Grocery Stores
- Health-Care Facilities
- Hospitality
- Manufacturing Plants
- Restaurants
- Retail Chains
- Schools
- Service Organizations
- Transportation



ACCREDITED
HEALTH CALL CENTER

URAC is an independent, nonprofit health care accrediting organization dedicated to promoting health care quality through accreditation, certification and commendation.

BENEFITS FROM MEDCOR'S TRIAGE SERVICE

- Employees receive immediate attention from medical professionals, toll-free, 24/7.
- Injuries receive appropriate treatment right away.
- Unnecessary doctor visits are avoided, reducing unnecessary claims.
- When off-site care is necessary, employees are guided to the employer's "in network" panel of providers.
- Translators are used for non-English speaking persons.
- Supervisors are freed from making medical decisions.
- Liability for triage decisions transfers from the employer to Medcor.
- Employers receive notice of injuries within minutes.
- Calls are recorded for case documentation, quality assurance, and fraud deterrence.
- Data is available over a secure website for risk and safety analysis.
- AFKAM™ triage software is proprietary and only available through Medcor's on-line service.

Medical Decisions

"It's a win-win. The employees like it. It's easy. It's simple. They have someone paying attention to them immediately."
– Client Executive

Risk & Safety

"It offers us access to a resource that can help avoid or minimize a claim."
– Workers' Comp Broker





For more information about Medcor's innovative health services for the workplace, please contact:

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