

California JPIA
California Room
8081 Moody Street
La Palma, California 90623

AGENDA

ANNUAL MEETING OF THE BOARD OF DIRECTORS

July 24, 2024

5:30 P.M. DINNER – Fountain Area
7:00 P.M. ANNUAL MEETING – California Room

CALL TO ORDER

President Margaret Finlay

PLEDGE OF ALLEGIANCE

President Margaret Finlay

ROLL CALL OF DIRECTORS

ORAL COMMUNICATIONS

Any persons present desiring to address the Board of Directors on any proper matter may do so at this time.

1. APPROVAL

Minutes of July 19, 2023 Annual Meeting

2. ANNUAL REPORT

President Margaret Finlay

3. ELECTION OF OFFICERS

Vice President (2-year term)

1 announced candidate:

Mary Ann Reiss, Pismo Beach

Executive Committee (four 2-year terms)

5 announced candidates:

Tom Chavez, Temple City

Steve Tye, Diamond Bar

Chuong Vo, Cerritos

Mark Waronek, Lomita

Benjamin Yu, Lake Forest

4. PRESENTATION

Risk Management Awards

5. PRESENTATION

Strategic Plan and Operational Overview

6. ADOPT Proposed Budgets for Fiscal Years 2024-25 and 2025-26

ADJOURNMENT

To the next annual meeting of the Board of Directors at 7:00 p.m. on Wednesday, July 23, 2025, in the California Room of the California JPIA 8081 Moody Street, La Palma, CA 90623.

In compliance with Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Agency Clerk at (562) 467-8736. Notification 48 hours before meeting will enable the Authority to make reasonable arrangements to ensure accessibility. (28 CFR 35.102.35.104 ADA Title II)

Dated: July 18, 2024
Posted: July 18, 2024

s/Veronica Ruiz
Veronica Ruiz, CMC
Agency Clerk

AFFIDAVIT OF POSTING

I, Veronica Ruiz, declare as follows: That I am the duly designated Agency Clerk for the California Joint Powers Insurance Authority, and that I caused to be posted the foregoing agenda in accordance with the Brown Act. Dated this 18th day of July, 2024.

By: Veronica Ruiz, CMC, Agency Clerk

CALIFORNIA JPIA

MINUTES

REGULAR MEETING OF THE BOARD OF DIRECTORS

July 19, 2023

7:00 P.M.

CALL TO ORDER

President Finlay called the regular meeting of the of the Board of Directors of the California Joint Powers Insurance Authority to order at 7:05 p.m. in the California Room at the California JPIA, 8081 Moody Street, La Palma, CA 90623.

PLEDGE OF ALLEGIANCE

City Manager Brian Villalobos, representing the City of Duarte, led the Pledge of Allegiance.

ROLL CALL

A quorum was established by roll call.

James Bukowski, Agoura Hills Calabasas Community Center

Rene Trevino, City of Artesia

Sergio Gonzalez, City of Azusa

Marco Barcena, City of Bell Gardens

Sonny Santa Ines, City of Bellflower

Larry Walsh, Big Bear City Community Services District

Larry Walsh, Big Bear Fire Authority

Kendi Segovia, City of Big Bear Lake

Karen Kong, City of Bishop

Elysia Lewis, City of Buellton

James Bozajian, City of Calabasas

David Tennessen, City of Camarillo

Lynda Johnson, City of Cerritos

Ray Marquez, City of Chino Hills

Sal Medina, City of Claremont

John Gabbard, City of Dana Point

Natalia Gonzalez, Desert Recreation District

Steve Tye, City of Diamond Bar

Margaret Finlay, City of Duarte

Erika Herrera, City of Fillmore

Ted Bui, City of Fountain Valley

Ariel Pe, Gateway Cities Council of Governments

Bill Hussey, City of Grand Terrace
Jaculin Peterson, City of Hemet
Rob Saemann, City of Hermosa Beach
Larry Weber, City of Hidden Hills
Rick Gunter, City of La Cañada Flintridge
Norm Zezula, City of La Habra Heights
Andrew Sarega, City of La Mirada
Marshall Goodman, City of La Palma
Gabriel Quinones, City of La Puente
Steve Sanchez, City of La Quinta
Steven Johnson, City of La Verne
Annie McCary, City of Laguna Woods
Timothy J. Sheridan, City of Lake Elsinore
Steve Croft, City of Lakewood
Robert Pullen-Miles, City of Lawndale
Jennifer Mendoza, City of Lemon Grove
Jarb Thaipejr, City of Loma Linda
Barry Waite, City of Lomita
Rigoberto Garcia, Los Angeles Interagency Metro
Police Apprehension Crime Task Force
Scott Edson, Los Angeles Regional Interoperable
Communications System
Marianne Riggins, City of Malibu
Stefan Jaskulak, Midpeninsula Regional Open Space
District
Cynthia Vasquez, City of Mission Viejo
Becky Shevlin, City of Monrovia
Tona Belt, City of Needles
Jennifer Perez, City of Norwalk
Rose Espinoza, Orange County Council of
Governments
Evan Trubee, City of Palm Desert
Dawn Murdock, Palos Verdes Estates
Vilma Cuellar Stallings, City of Paramount
Mary Ann Reiss, City of Pismo Beach
Corey Calaycay, Pomona Valley Transportation
Authority
Steven Gama, City of Port Hueneme
Jodene Dunphy, City of Poway
Barbara Ferraro, City of Rancho Palos Verdes
Bea Dieringer, City of Rolling Hills
Steve Knoblock, City of San Clemente
Emmett Badar, City of San Dimas
Tony Ding, City of San Gabriel
John Taylor, City of San Juan Capistrano
Janelle Laughlin, City of San Marcos

Lizette Guerrero, City of San Marino
Andrew Adams, City of Santa Clarita
Pedro Chavez, City of Santa Paula
Gloria Olmos, Southeast Area Animal Control
Authority
Thomas Moore, City of Seal Beach
Alex Miller, City of Seaside
Keir Jones, City of Signal Hill
David Brown, City of Solvang
Gary Taylor, City of Stanton
Gloria Olmos, City of South El Monte
Tom Chavez, City of Temple City
Pam Kobylarz, Town of Mammoth Lakes
John Higgins, Ventura Port District
Dolores Gascon, City of Vista
Nancy Tragarz, City of Walnut
Brian Tabatabai, City of West Covina
Lauren Meister, City of West Hollywood

ATTENDEES:

Jamie Earl, City of Claremont
Vinh Truong, City of Duarte
Brian Villalobos, City of Duarte
Carole Kendrick, City of Hemet
Debbie Baker, City of La Palma
Christopher Macon, City of Laguna Woods
Jose Gomez, City of Lakewood
Thaddeus McCormack, City of Lakewood
Michael Burke, Los Angeles Interagency Metro Police
Apprehension Crime Task Force (LA IMPACT)
Lydia Romero, City of Lemon Grove
Jorge Garcia, City of Pismo Beach
Paul Seo, City of Rancho Palos Verdes
Chris Constantin, City of San Dimas
Brad McKinney, City of San Dimas
Edward Macias, City of San Gabriel
My Lam, City of San Gabriel
Lori Woods, City of Signal Hill
Rene Salas, City of South El Monte
Bryan Cook, City of Temple City
Chris Kustra, Carl Warren & Company
Byrne Conley, Gibbons & Conley
Fred Groehler, Protelligent

STAFF:

Alexander Smith, Chief Executive Officer
Michelle Aguayo, Training Coordinator
Habib Ali, Accounting Specialist

Edith Avina, Administrative Assistant
Olga Berdial, Communications Director
Grazyna Buchowiecki, Senior Accountant
Lyndsie Buskirk, Administrative Assistant
Toni Consolo, Senior Risk Manager
Denise Covell, Administrative Assistant
Maria Daniels, Administrative Assistant
Melaina Francis, Senior Risk Manager
Maria Galvan, Senior Risk Manager
Abe Han, Management Analyst
Tim Karcz, Senior Risk Manager
Tony Leite, Senior Risk Manager
Jason McBride, Finance Director
Alex Mellor, Senior Risk Manager
Courtney Morrison, Management Analyst
Veronica Ruiz, Agency Clerk
Jeff Rush, Workers' Compensation Program Manager
Nikki Salas, Administrative Services Director
Carl Sandstrom, Business Projects Manager
Ryan Thomas, Senior Training Specialist
Jim Thyden, Insurance Programs Manager
Jennifer Torres, Administrative Assistant
Kelly Trainer Policky, Employment Practices Manager
Aaron Webb, Data and Underwriting Analyst
Chris Yanonis, Maintenance Worker
Paul Zeglovitch, Liability Program Manager

**ORAL
COMMUNICATIONS**

There were no requests to address the Board of Directors.

**APPROVAL OF MINUTES
July 20, 2022**

President Finlay presented the minutes of July 20, 2022.

It was moved by Director Marquez, Chino Hills, seconded by Director Trevino, Artesia, and carried by 63 votes; In Favor by Agoura Hills Calabasas Community Center, Artesia, Azusa, Bellflower, Big Bear City Community Services District, Big Bear Fire Authority, Big Bear Lake, Bishop, Buellton, Calabasas, Cerritos, Chino Hills, Claremont, Dana Point, Desert Recreation, Diamond Bar, Duarte, Fillmore, Fountain Valley, Gateway Cities Council of Governments, Grand Terrace, Hemet, Hidden Hills, La Cañada Flintridge, LA IMPACT, La Mirada, La Palma, La Puente, La Quinta, La Verne, Lake Elsinore, Lakewood, Lemon Grove, Lomita, Midpeninsula Regional Open Space District, Mission Viejo, Monrovia, Needles, Norwalk, Palm Desert, Paramount, Pismo Beach, Pomona Valley Transit Authority, Port Hueneme, Poway, Rancho Palos Verdes, Rolling Hills, San

Dimas, San Marcos, San Marino, Santa Clarita, Seal Beach, Seaside, Signal Hill, Solvang, Southeast Area Animal Control Authority, South El Monte, Stanton, Temple City, Town of Mammoth Lakes, Ventura Port District, Vista, and West Covina; and eleven Abstentions by Bell Gardens, Camarillo, Hermosa Beach, Malibu, San Juan Capistrano, Santa Paula, La Habra Heights, Los Angeles Regional Interoperable Communications System, Orange County Council of Governments, Palos Verdes Estates, and West Hollywood; and zero Oppositions by electronic vote, to approve the minutes of July 20, 2022.

ANNUAL REPORT

President Margaret Finlay

President Finlay presented the Annual Report. Finlay introduced members of the Executive Committee and Chairs of the Managers, Finance Officers and Risk Managers Committees. An overview of the Authority's accomplishments in the past year was shared.

President Finlay recognized the Authority's three newest members: City of Fountain Valley, City of Hermosa Beach, and City of Laguna Hills.

PRESENTATION

Risk Management Awards

President Finlay presented the Risk Management Awards to members who have instituted excellent risk management practices and programs and have achieved superior results as demonstrated by their cost of claims in both the liability and workers' compensation programs.

President Finlay announced the Liability Program winners:

- Non-municipal category:
Midpeninsula Regional Open Space District
- Members without police exposure:
City of San Marcos
- Members with police exposure:
Town of Mammoth Lakes

President Finlay announced the Workers' Compensation Program winners:

- Non-municipal category:
Midpeninsula Regional Open Space District
- Members without public safety exposure:
City of Mission Viejo
- Members with public safety exposure:
City of Poway

ELECTION OF OFFICERS

Vice President Reiss opened nominations to fill one, two-year term for the office of President, and stated there was one announced candidate: Margaret Finlay, City of Duarte.

Hearing no further nominations, nominations were closed.

Those present voted electronically to elect Margaret Finlay, City of Duarte, as President for a full, two-year term.

President Finlay opened nominations to fill three, full, two-year terms for the Executive Committee, and stated there were three announced candidates: Steve Croft, City of Lakewood; Marshall Goodman, City of La Palma; and Sonny Santa Ines, City of Bellflower.

Hearing no further nominations, nominations were closed.

Those present voted electronically to elect Steve Croft, City of Lakewood; Marshall Goodman, City of La Palma; and Sonny Santa Ines, City of Bellflower to the Executive Committee for a full, two-year term.

PRESENTATION

Strategic Plan and Operational Overview

Alexander Smith, Chief Executive Officer, presented the Strategic Plan, Operational Overview, and Current Initiatives of the Authority, with emphasis on continued commitment to the foundational principals: Integrity, Excellence, Innovation, and Teamwork.

Mr. Smith presented an overview of the Sequoia Pacific Reinsurance Company which is the captive insurance company for the California JPIA.

Mr. Smith also presented the design concept for the Authority's facility expansion, which will include a state-of-the-art studio for production of risk management and training content for members.

ADJOURNMENT

There being no further business to come before the Board of Directors, President Finlay adjourned the meeting at 7:58 p.m.

Tom Chavez, Secretary

CALIFORNIA JPIA

AGENDA REPORT

To: BOARD OF DIRECTORS

From: Alexander Smith, Chief Executive Officer

Date: July 24, 2024

Subject: Election of Officers

In accordance with the Bylaws of the California Joint Powers Insurance Authority, elections are in order for positions on the California JPIA Executive Committee. Only members of the governing body of a Member Agency are eligible to serve as Directors on the Board, and only Board Members are eligible to serve on the Executive Committee.

The Board of Directors will elect a Vice President and four Executive Committee Members for two-year terms. Directors wishing to place their name in nomination were asked to notify the Chief Executive Officer by June 20, 2024. The announced candidates are:

For Vice President:

Mary Ann Reiss	City of Pismo Beach
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For Executive Committee:

Tom Chavez	City of Temple City
Steve Tye	City of Diamond Bar
Chuong Vo	City of Cerritos
Mark Waronek	City of Lomita
Benjamin Yu	City of Lake Forest

Nominations may also be made from the floor at the annual meeting.

CALIFORNIA JPIA

AGENDA REPORT

To: BOARD OF DIRECTORS

From: Alexander Smith, Chief Executive Officer

Date: July 24, 2024

Subject: Presentation of Risk Management Awards

Each year at the Annual Meeting of the Board of Directors, members are recognized for demonstrating exemplary risk management practices at their respective agencies. The Authority's Risk Management Awards acknowledge members that have demonstrated the best overall performance in each of the two programs: the Liability Program and the Workers' Compensation Program. Awards were determined under the following categories:

For the Liability Program, the categories are as follows:

- Non-Municipal Agencies
- Municipal Agencies without Police Exposure
- Municipal Agencies with Police Exposure

For the Workers' Compensation Program, the categories are as follows:

- Non-Municipal Agencies
- Municipal Agencies without Public Safety Exposure
- Municipal Agencies with Public Safety Exposure (Public Safety here means Police and/or Fire Exposure)

Best Overall Performance

The California JPIA evaluated member agencies' risk management performance based on quantitative and qualitative factors – such as overall claims performance, improvement in claims performance over time, responsiveness to LossCAP (Loss Control Action Plan) recommendations, members' engagement with risk management, participation in risk management programs, and attendance at training and academy opportunities.

The California JPIA and its staff would like to congratulate this year's Risk Management Award winners who exemplify exceptional risk management and the Authority's core values of integrity, excellence, innovation, and teamwork.

CALIFORNIA JPIA

AGENDA REPORT

To: BOARD OF DIRECTORS

From: Alexander Smith, Chief Executive Officer

Date: July 24, 2024

Subject: Strategic Plan and Operational Overview

Staff will present a review of the strategic plan and how it relates to the Authority's operations.

Recommended Action

Receive and file.

CALIFORNIA JPIA

AGENDA REPORT

To: BOARD OF DIRECTORS

From: Alexander Smith, Chief Executive Officer

By: Jason McBride, Finance Director

Date: June 24, 2024

Subject: Proposed Budgets FY 2024-25 and 2025-26

Staff has completed its preparation of the 2024-25 and 2025-26 budgets for the Board's consideration. The narrative section of the attached report provides an overview of the budget, highlighting significant developments and top priorities. The Finance Officers Committee reviewed the proposed budgets at its meeting on May 13, 2024, and the Budget Committee reviewed the budgets at its meeting on June 26, 2024. The Executive Committee also reviewed and approved of the proposed budgets and recommends adoption by the Board.

Recommended Action

It is recommended that the Board of Directors adopt the proposed 2024-25 and 2025-26 budgets.



PROPOSED BUDGET

California Joint Powers Insurance Authority
Fiscal Years 2024-2025 and 2025-2026



INTEGRITY | EXCELLENCE | INNOVATION | TEAMWORK

13 of 59



Executive Committee

Margaret Finlay, President, City of Duarte
Mary Ann Reiss, Vice President, City of Pismo Beach
Tom Chavez, Secretary, City of Temple City
Steve Croft, City of Lakewood
Marshall Goodman, City of La Palma
Sonny Santa Ines, City of Bellflower
Steve Tye, City of Diamond Bar
Chuong Vo, City of Cerritos
Mark Waronek, City of Lomita

Advisory Committees

Thaddeus McCormack, Chairman, Managers Committee
Jose Gomez, Treasurer, Chairman, Finance Officers Committee
Brad McKinney, Chairman, Risk Managers Committee

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July 24, 2024

To: Board of Directors

From: Alexander Smith, Chief Executive Officer

Subject: Operating Budgets for Fiscal Years 2024-25 and 2025-26

The proposed 2024-25 and 2025-26 budgets support the Authority's mission to provide innovative risk management solutions by funding valuable programs and services for members. The proposed budgets allocate funding to address member priorities in a fiscally responsible manner. Priorities include a focus on information technology, adapting training programs to accommodate member needs and preferences, and advancing the reach of risk management and loss control initiatives. These expenditures will provide members with useful tools for identifying risk exposures and preventing claims.

The proposed budgets align with the Authority's strategic plan and were developed consistent with the core values of *Integrity, Excellence, Innovation, and Teamwork*. The goal remains to *exceed members' expectations by providing innovative risk management solutions for our public agency partners*. The proposed budgets are based on input from a variety of stakeholders including city council members, city managers, finance officers, risk managers, and other staff who participate in risk management efforts.

Overview

The proposed budget for 2024-25 reflects total revenues of \$156.1 million compared to \$152.2 million in expenses, yielding an estimated increase in net position of \$3.9 million, or +2.5 percent of gross revenues. Both projected revenues and expenditures are expected to increase relative to the prior year. For the 2025-26 budget year, revenues are projected at \$160.8 million, with \$154.8 million in expenses. The corresponding increase in net position is \$6.0 million or +3.8 percent of gross revenues. Claim payment projections were based on the most recent actuarial study. The estimated change in claim reserves takes into account risk exposures ceded to Sequoia Pacific Reinsurance Company, which ultimately reduces the Authority's retained risk but results in an associated increase in reinsurance premiums.

Approximately 84 percent of expenditures are directly attributable to the cost of risk. This includes claim payments, excess and reinsurance premiums, claims administration, and broker

fees. Investment earnings have trended above 2 percent for the past several months. However, current projections anticipate rates declining within the budgeted period. As such, the earnings rate assumption utilized for the budget was 1.5 percent, and was applied to the portfolio's projected average daily balances through fiscal year 2025-26.

Several key initiatives are budgeted during the two-year budget period: (1) Construction of a new building that will be used primarily to produce training content for members; (2) Expanding training opportunities to members through new channels, including streaming educational content; (3) Technology projects that enhance members' experience accessing and utilizing Authority resources; and (4) Expanding members' utilization of the Authority's existing risk management programs.

Staffing and Organizational Structure

The proposed budget reflects the Authority's recent department reconfiguration. The new structure allows for more seamless communication and collaboration across various departments. Functional areas previously referred to as "divisions" are now referred to as "departments." The proposed budget consolidates Human Resources with Administrative Services and is consistent with the current reporting structure and functional overlap. Additionally, Communications was removed from Executive Management and is now reported as a separate Department.

Vacant positions from the prior budget were reclassified to fill existing needs. These include a Technology Projects Manager, Management Analyst, Training Specialist, and Data Analyst. New positions include an Accountant, a second Management Analyst, and an Intern.

Net Position

The financial condition of the Authority remains strong and well positioned to meet ongoing challenges within the operating environment. Those challenges include: (1) cyclical insurance markets, (2) social inflation and large jury verdicts against public agencies, (3) a difficult California legal environment particularly as it relates to joint and several liability, (4) emerging and escalating liability risks, and (5) extreme weather events that increase the frequency and severity of property claims.

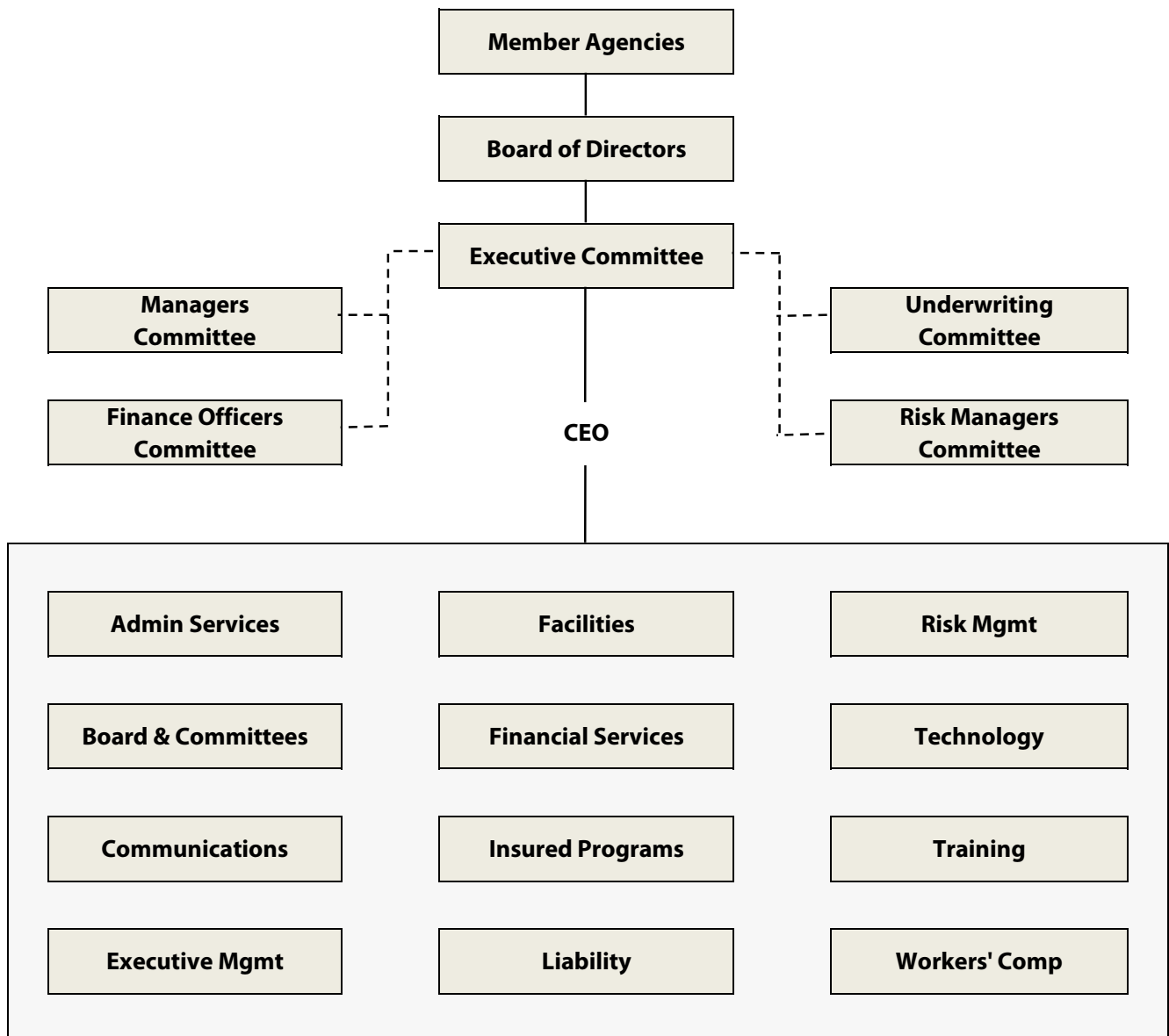
Net position provides members with an important hedge against price volatility brought on by these economic factors and allows for a degree of stability in member contribution rates from year to year. To the extent that the Authority can provide budget predictability within a reasonable range when it comes to member contributions, it will. Pricing stability is an important goal in the Authority's underwriting process. The guiding principles for member cost allocation are:

- Solvency
- Fairness
- Simplicity

Net position is also necessary to address the long-term nature of claim development. About 5 to 10 percent of the Authority's claims take more than 10 years to resolve. This subset of claims are often among the largest. Their ultimate cost is not known until the subject coverage year is closed. Claim development varies by coverage line but can take 10-15 years for some litigated liability claims and 25-30 years for severe workers' compensation claims. Having sufficient reserves is particularly important when adverse development occurs late in a claim's life cycle.

The consolidated net position of the Authority was \$117.9 Million as of June 30, 2023 and is projected to be \$128.6 Million as of June 30, 2024, net of Sequoia Pacific and Central Coast Cities Self Insurance Fund (CCCSIF). The current funding target based on a 1-in-100 year event probability of funding sufficiency is \$181 Million (consolidated, net of Sequoia Pacific and CCCSIF). This is a comprehensive funding target which includes funding for: (1) underwriting risk, (2) reserving risk, (3) asset and credit risk, and (4) operational risk.

Organizational Structure



Budgeted Positions

Job Title	Department	FTE		
		2023-24	2024-25	2025-26
1 Accountant	Financial Services		1.00	1.00
2 Accounting Specialist	Financial Services	1.00	1.00	1.00
3 Administrative Analyst 1 of 2	Liability	1.00	1.00	1.00
4 Administrative Analyst 2 of 2	Communications	1.00	1.00	1.00
5 Administrative Assistant 1 of 3	Training	1.00	1.00	1.00
6 Administrative Assistant 2 of 3	Training	1.00	1.00	1.00
7 Administrative Assistant 3 of 3	Administrative Services	1.00	1.00	1.00
8 Administrative Services Director	Administrative Services	1.00	1.00	1.00
9 Agency Clerk	Administrative Services	1.00	1.00	1.00
10 Business Projects Manager	Technology	1.00	1.00	1.00
11 Chief Executive Officer	Executive Management	1.00	1.00	1.00
12 Claims and Insurance Director	Liability	1.00	1.00	1.00
13 Communications Director	Communications	1.00	1.00	1.00
14 Data Analyst	Technology	1.00	1.00	1.00
15 Data and Underwriting Analyst	Financial Services	1.00	1.00	1.00
16 Employment Practices Manager	Liability	1.00	1.00	1.00
17 Facilities Specialist	Facilities	1.00	1.00	1.00
18 Finance Director	Financial Services	1.00	1.00	1.00
19 Insurance Programs Manager	Insured Programs	1.00	1.00	1.00
20 Intern	Administrative Services		0.50	0.50
21 Liability Program Manager	Liability		1.00	1.00
22 Maintenance Worker	Facilities	0.50	1.00	1.00
23 Management Analyst 1 of 3	Communications	1.00	1.00	1.00
24 Management Analyst 2 of 3	Administrative Services	1.00	1.00	1.00
25 Management Analyst 3 of 3	Executive Management		1.00	1.00
26 Risk Services Director	Risk Management	1.00	1.00	1.00
27 Senior Accountant	Financial Services	1.00	1.00	1.00
28 Senior Risk Manager 1 of 7	Risk Management	1.00	1.00	1.00
29 Senior Risk Manager 2 of 7	Risk Management	1.00	1.00	1.00
30 Senior Risk Manager 3 of 7	Risk Management	1.00	1.00	1.00
31 Senior Risk Manager 4 of 7	Risk Management	1.00	1.00	1.00
32 Senior Risk Manager 5 of 7	Risk Management	1.00	1.00	1.00
33 Senior Risk Manager 6 of 7	Risk Management	1.00	1.00	1.00
34 Senior Risk Manager 7 of 7	Risk Management	1.00	1.00	1.00
35 Senior Training Specialist	Training	1.00	1.00	1.00
36 Technology Projects Manager	Technology	1.00	1.00	1.00
37 Training Coordinator	Training	1.00	1.00	1.00
38 Training Manager	Training	1.00	1.00	1.00
39 Training Specialist	Training	1.00	1.00	1.00
40 Workers' Compensation Program Manager	Workers' Compensation	1.00	1.00	1.00
Total		35.50	39.50	39.50

FTEs by Department

Department	FTE		
	2023-24	2024-25	2025-26
1 Board and Committees	0.00	0.00	0.00
2 Executive Management	2.00	2.00	2.00
3 Communications	1.00	3.00	3.00
4 Administrative Services	5.25	4.50	4.50
5 Facilities	1.50	2.00	2.00
6 Financial Services	4.00	5.00	5.00
7 Insured Programs	1.00	1.00	1.00
8 Liability	2.00	4.00	4.00
9 Risk Management	10.50	8.00	8.00
10 Technology	0.50	3.00	3.00
11 Training	6.75	6.00	6.00
12 Workers' Compensation	1.00	1.00	1.00
Total	35.50	39.50	39.50

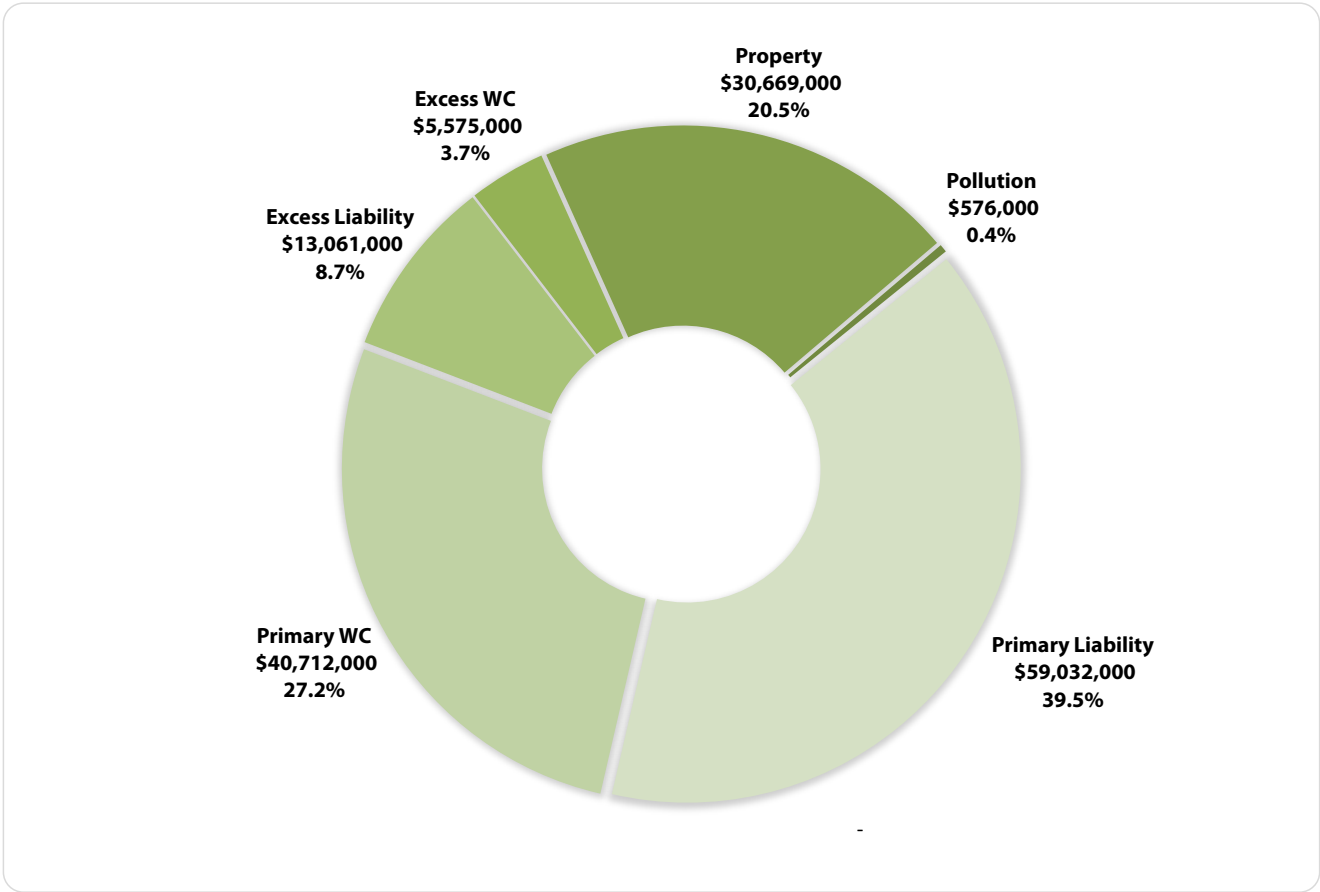
Beginning with Fiscal Year 2024-25, Human Resources is included in Administrative Services, and Communications is removed from Executive Management and reported as a separate Department.

Revenues and Expenses

Summary of Revenues

	2021-22 Actual	2022-23 Adopted	2022-23 Actual	2023-24 Adopted	2023-24 Estimated	2024-25 Proposed	2025-26 Proposed
Revenues							
Annual Contributions	\$ 125,537,837	\$ 128,488,076	\$ 129,306,386	\$ 130,956,300	\$ 139,458,770	\$ 149,625,000	\$ 154,071,000
Retrospective Adjustments	5,731,975	-	2,401,542	-	574,845	-	-
Other Revenues	1,178,965	973,100	1,285,122	1,001,700	1,033,874	1,153,800	1,190,700
Non-Operating Revenues	(17,571,684)	3,136,000	1,454,848	3,293,000	6,599,960	5,289,000	5,553,000
Total Revenues	\$ 114,877,093	\$ 132,597,176	\$ 134,447,898	\$ 135,251,000	\$ 147,667,449	\$ 156,067,800	\$ 160,814,700

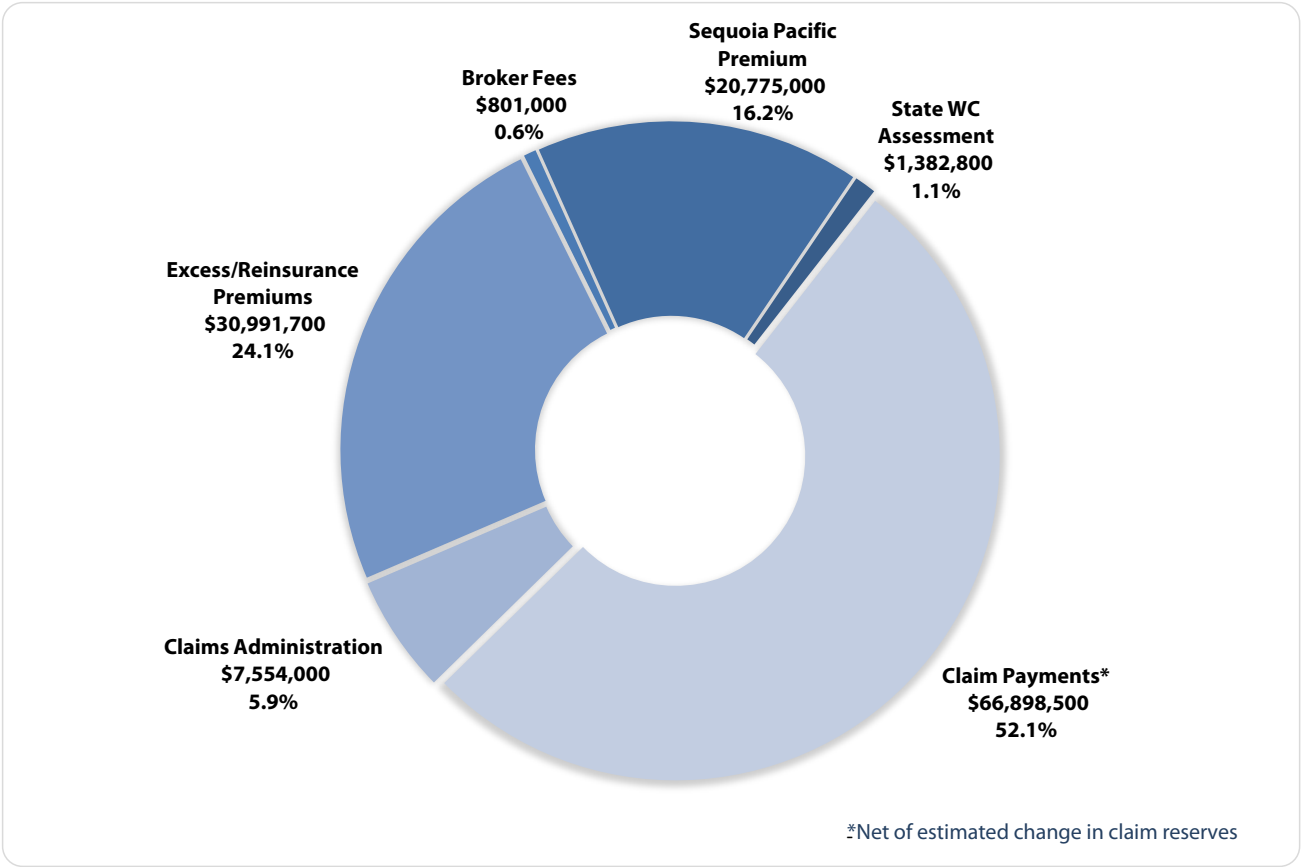
Annual Contributions by Program
2024-25



Summary of Expenses

	2021-22 Actual	2022-23 Adopted	2022-23 Actual	2023-24 Adopted	2023-24 Estimated	2024-25 Proposed	2025-26 Proposed
Expenses							
Coverage	\$ 107,514,056	\$ 112,650,326	\$ 107,861,823	\$ 114,329,900	\$ 118,022,658	\$ 128,403,000	\$ 128,297,800
Salaries, Benefits and Taxes	7,697,395	7,667,400	8,491,768	8,335,700	8,394,525	9,340,500	10,280,000
General and Administrative	4,894,456	6,206,725	7,148,092	6,487,790	7,392,611	10,080,200	11,860,300
Contractual Services	2,722,716	3,856,050	2,431,844	3,903,000	3,159,008	4,350,100	4,312,800
Member Distributions	-	-	-	-	-	-	-
Total Expenses	\$ 122,828,623	\$ 130,380,501	\$ 125,933,527	\$ 133,056,390	\$ 136,968,802	\$ 152,173,800	\$ 154,750,900

Coverage Expenses by Type
2024-25



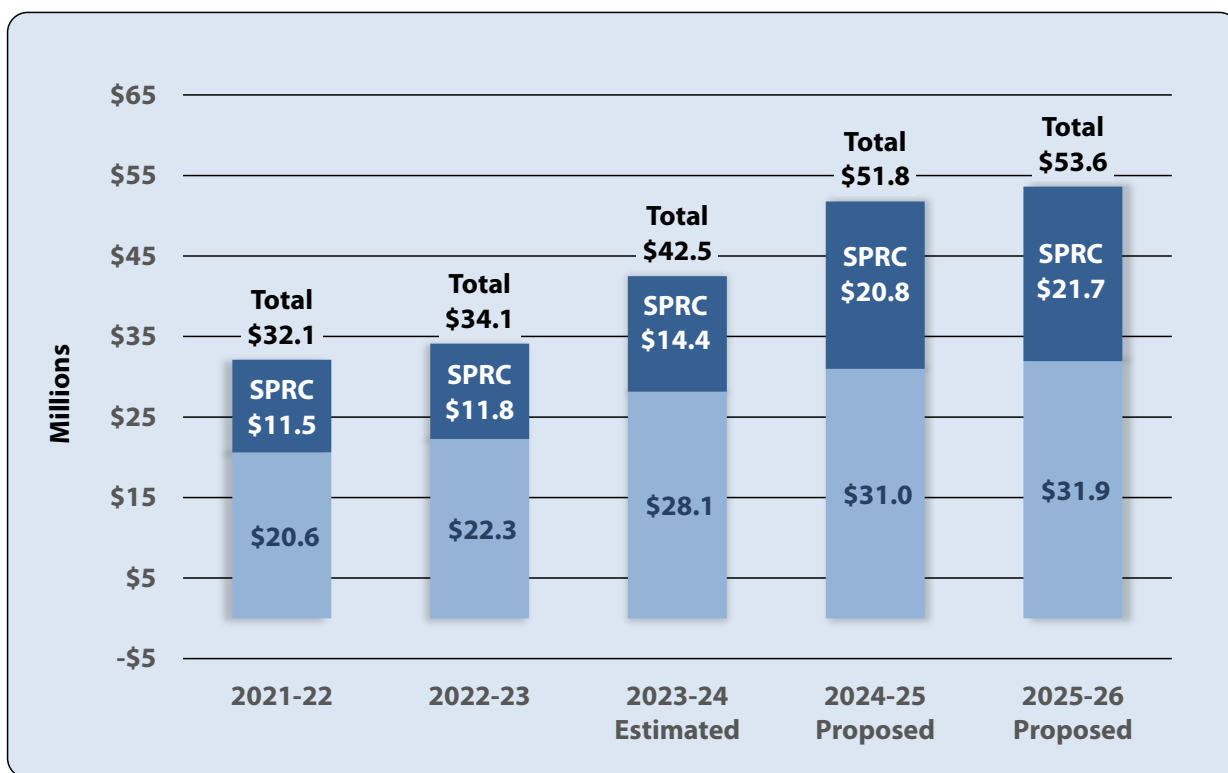
Sequoia Pacific Premium

	2021-22	2022-23	2022-23	2023-24	2023-24	2024-25	2025-26
	Actual	Adopted	Actual	Adopted	Estimated	Proposed	Proposed

SPRC Premium

Primary Liability Program	\$ 5,699,645	\$ 6,017,000	\$ 3,687,636	\$ 6,318,000	\$ 4,534,680	\$ 8,306,000	\$ 8,721,000
Excess Liability Program	2,086,755	2,428,000	1,484,364	2,549,000	1,825,320	2,769,000	2,907,000
Primary WC Program	1,185,524	1,199,000	1,539,752	1,259,000	2,169,000	3,750,000	3,938,000
Excess WC Program	258,476	322,000	414,248	338,000	831,000	1,250,000	1,313,000
Property Program	2,266,000	2,300,000	4,700,000	2,346,000	5,000,000	4,700,000	4,794,000
Total Premium	\$ 11,496,400	\$ 12,266,000	\$ 11,826,000	\$ 12,810,000	\$ 14,360,000	\$ 20,775,000	\$ 21,673,000

SPRC Premium vs. All Other Excess/Reinsurance Premium



Estimated Change in Net Position

	2021-22 Actual	2022-23 Adopted	2022-23 Actual	2023-24 Adopted	2023-24 Estimated	2024-25 Proposed	2025-26 Proposed
Beginning Net Position	\$ 117,369,011	\$ 109,417,481	\$ 109,417,481	\$ 117,931,852	\$ 117,931,852	\$ 128,630,499	\$ 132,524,499
Revenues							
Annual Contributions	125,537,837	128,488,076	129,306,386	130,956,300	139,458,770	149,625,000	154,071,000
Retrospective Adjustments	5,731,975	-	2,401,542	-	574,845	-	-
Other Revenues	1,178,965	973,100	1,285,122	1,001,700	1,033,874	1,153,800	1,190,700
Non-Operating Revenues	(17,571,684)	3,136,000	1,454,848	3,293,000	6,599,960	5,289,000	5,553,000
Total Revenues	114,877,093	132,597,176	134,447,898	135,251,000	147,667,449	156,067,800	160,814,700
Expenses							
Operating Expenses							
Salaries, Benefits and Taxes	7,697,395	7,667,400	8,491,768	8,335,700	8,394,525	9,340,500	10,280,000
General & Administrative	4,894,456	6,206,725	7,148,092	6,487,790	7,392,611	10,080,200	11,860,300
Contractual Services	2,722,716	3,856,050	2,431,844	3,903,000	3,159,008	4,350,100	4,312,800
Total Operating Expenses	15,314,567	17,730,175	18,071,704	18,726,490	18,946,144	23,770,800	26,453,100
Coverage Expenses							
Claim Payments	53,080,277	77,756,250	51,756,480	78,183,000	77,656,849	81,441,000	79,706,000
Change in Claim Reserves	14,464,000	(9,812,800)	13,355,000	-	-	-	-
Change in Retained Risk	-	-	-	(10,248,000)	(11,467,000)	(14,542,500)	(15,171,100)
Claims Administration	6,065,071	6,442,000	6,572,923	6,763,000	7,239,651	7,554,000	7,881,000
Excess/Reinsurance Premiums	32,111,180	36,384,076	34,104,126	37,679,800	42,494,238	51,766,700	53,603,000
Brokerage	720,383	754,000	743,325	769,000	781,958	801,000	827,000
State Assessment, WC	1,073,145	1,126,800	1,329,969	1,183,100	1,316,962	1,382,800	1,451,900
Total Coverage Expenses	107,514,056	112,650,326	107,861,823	114,329,900	118,022,658	128,403,000	128,297,800
Member Distributions	-	-	-	-	-	-	-
Total Expenses	\$ 122,828,623	\$ 130,380,501	\$ 125,933,527	\$ 133,056,390	\$ 136,968,802	\$ 152,173,800	\$ 154,750,900
Change in Net Position	(7,951,530)	2,216,675	8,514,371	2,194,610	10,698,647	3,894,000	6,063,800
Ending Net Position	\$ 109,417,481	\$ 111,634,156	\$ 117,931,852	\$ 120,126,462	\$ 128,630,499	\$ 132,524,499	\$ 138,588,299

Revenue Detail

	2021-22 Actual	2022-23 Adopted	2022-23 Actual	2023-24 Adopted	2023-24 Estimated	2024-25 Proposed	2025-26 Proposed
Annual Contributions							
Primary Liability Program	\$ 50,330,552	\$ 51,102,000	\$ 51,102,000	\$ 52,124,000	\$ 54,182,100	\$ 59,032,000	\$ 60,803,000
Excess Liability Program	9,743,104	9,417,000	9,950,722	9,605,300	10,614,926	13,061,000	13,714,000
Primary WC Program	39,731,990	41,157,000	41,156,802	41,980,100	40,650,700	40,712,000	41,933,000
Excess WC Program	4,153,526	4,068,000	4,383,209	4,149,400	5,259,439	5,575,000	5,854,000
Property Program	21,145,356	22,291,176	22,214,877	22,636,500	28,202,781	30,669,000	31,179,000
Pollution LL Program	433,309	452,900	498,776	461,000	548,824	576,000	588,000
Total Annual Contributions	125,537,837	128,488,076	129,306,386	130,956,300	139,458,770	149,625,000	154,071,000
Retrospective Adjustments							
Primary Liability Program							
Deposits	3,878,869	-	3,299,743	-	536,102	-	-
Refunds	(32,856)	-	(429,413)	-	(10,524)	-	-
Primary WC Program							
Deposits	2,275,850	-	327,399	-	862,769	-	-
Refunds	(389,888)	-	(796,187)	-	(813,502)	-	-
Total Retro Adjustments	5,731,975	-	2,401,542	-	574,845	-	-
Other Revenues							
Property Program Admin Fee	704,131	575,000	700,000	586,500	575,000	675,000	689,000
Liability Trust Fund Admin Fee	124,061	130,300	133,862	136,800	187,949	197,300	207,200
Annual Conference Sponsorship	174,500	170,100	169,000	178,600	191,500	201,100	211,200
RMEF Registration Fees	16,759	23,100	22,551	24,300	32,780	34,400	36,100
Academies	39,725	32,000	63,800	32,000	1,875	-	-
CCCSIF Admin Fee	19,200	19,200	19,200	19,200	19,200	19,200	19,200
UST Financial Guarantee	19,745	18,400	21,488	19,300	23,002	24,200	25,400
Retro Payment Plan Fees	68,989	-	115,868	-	-	-	-
Miscellaneous Fees	11,855	5,000	39,353	5,000	2,568	2,600	2,600
Total Other Revenues	1,178,965	973,100	1,285,122	1,001,700	1,033,874	1,153,800	1,190,700
Non-Operating Revenues							
Investment Income	3,452,629	3,136,000	5,002,003	3,293,000	6,599,960	5,289,000	5,553,000
Unrealized Gains (Losses)	(21,024,313)	-	(3,547,155)	-	-	-	-
Total Non-Operating Revenues	(17,571,684)	3,136,000	1,454,848	3,293,000	6,599,960	5,289,000	5,553,000
Total Revenues	\$ 114,877,093	\$ 132,597,176	\$ 134,447,898	\$ 135,251,000	\$ 147,667,449	\$ 156,067,800	\$ 160,814,700

Revenue Detail for Insured Programs

	2021-22	2022-23	2022-23	2023-24	2023-24	2024-25	2025-26
	Actual	Adopted	Actual	Adopted	Estimated	Proposed	Proposed
Property Insurance Program							
Pass-through Premium	\$ 15,774,604	\$ 16,766,176	\$ 16,796,615	\$ 17,101,500	\$ 22,239,800	\$ 24,626,000	\$ 25,119,000
Aggregate Deductible Funding	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Broker Fee	380,000	400,000	396,930	400,000	426,481	430,000	440,000
California JPIA Admin Fee	541,082	575,000	575,000	586,500	575,000	675,000	689,000
Appraisal Funding Fee	135,271	125,000	125,000	135,000	200,000	200,000	200,000
Safehub Funding Fees	-	-	-	-	256,500	333,000	340,000
Fireline Defense Funding Fees	-	-	-	-	80,000	80,000	80,000
Subtotal	21,830,957	22,866,176	22,893,545	23,223,000	28,777,781	31,344,000	31,868,000
Pollution Insurance Program							
Pass-through Premium	383,309	402,900	448,776	411,000	498,824	526,000	538,000
Broker Fee	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Subtotal	433,309	452,900	498,776	461,000	548,824	576,000	588,000
UST Financial Guarantee							
Pass-through Premium	15,245	13,900	16,988	14,800	18,502	19,700	20,900
Deductible Funding	4,500	4,500	4,500	4,500	4,500	4,500	4,500
Subtotal	19,745	18,400	21,488	19,300	23,002	24,200	25,400
Total Revenues	\$ 22,284,011	\$ 23,337,476	\$ 23,413,809	\$ 23,703,300	\$ 29,349,607	\$ 31,944,200	\$ 32,481,400

Coverage Expenses

	2021-22 Actual	2022-23 Adopted	2022-23 Actual	2023-24 Adopted	2023-24 Estimated	2024-25 Proposed	2025-26 Proposed
Coverage							
Claim Payments							
Primary Liability Program	\$ 22,515,311	\$ 36,834,000	\$ 23,850,205	\$ 37,005,000	\$ 32,922,735	\$ 41,524,000	\$ 39,665,000
Excess Liability Program	695	600,000	799,615	1,250,000	14,764,400	4,989,000	3,750,000
Primary WC Program	26,417,723	35,692,500	25,074,613	34,965,000	24,561,400	29,778,000	30,241,000
Excess WC Program	-	100,000	-	350,000	-	150,000	200,000
Property Program	4,146,548	4,529,750	2,032,047	4,613,000	5,408,314	5,000,000	5,850,000
Subtotal	53,080,277	77,756,250	51,756,480	78,183,000	77,656,849	81,441,000	79,706,000
Change in Claim Reserves							
Primary Liability Program	8,226,000	-	8,882,000	-	-	-	-
Excess Liability Program	6,942,000	-	6,602,000	-	-	-	-
Primary WC Program	(1,640,000)	-	(2,246,000)	-	-	-	-
Excess WC Program	936,000	-	117,000	-	-	-	-
Change in Retained Risk	-	(9,812,800)	-	(10,248,000)	(11,467,000)	(14,542,500)	(15,171,100)
Subtotal	14,464,000	(9,812,800)	13,355,000	(10,248,000)	(11,467,000)	(14,542,500)	(15,171,100)
Claims Administration							
Liability, Primary and Excess	3,019,831	3,170,000	3,117,716	3,328,000	3,342,586	3,510,000	3,686,000
WC, Primary and Excess	3,045,240	3,272,000	3,455,207	3,435,000	3,897,065	4,044,000	4,195,000
Subtotal	6,065,071	6,442,000	6,572,923	6,763,000	7,239,651	7,554,000	7,881,000
Excess/Reinsurance Premiums							
Primary Liability Program	10,817,360	11,674,000	8,997,084	12,257,900	10,783,034	15,264,000	16,026,900
Excess Liability Program	4,055,880	4,711,000	3,653,012	4,946,200	4,377,464	5,963,000	6,260,700
Primary WC Program	2,143,321	2,213,000	2,612,901	2,323,700	3,394,039	3,865,000	4,058,800
Excess WC Program	522,223	595,000	699,515	624,700	1,156,643	1,503,000	1,578,700
Property Program	14,185,014	16,774,276	17,675,850	17,101,500	22,265,732	24,626,000	25,119,000
Pollution LL Program	372,137	402,900	448,776	411,000	498,824	526,000	538,000
UST Financial Guarantee	15,245	13,900	16,988	14,800	18,502	19,700	20,900
Subtotal	32,111,180	36,384,076	34,104,126	37,679,800	42,494,238	51,766,700	53,603,000
Brokerage							
Primary Liability Program	157,603	182,400	177,837	191,500	183,286	192,600	202,200
Excess Liability Program	47,942	51,700	50,387	54,300	51,931	54,600	57,300
Primary WC Program	70,919	60,800	59,279	63,800	61,095	64,200	67,400
Excess WC Program	13,919	9,100	8,892	9,400	9,164	9,600	10,100
Property Program	380,000	400,000	396,930	400,000	426,481	430,000	440,000
Pollution LL Program	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Subtotal	720,383	754,000	743,325	769,000	781,958	801,000	827,000
State Assessment, WC							
	1,073,145	1,126,800	1,329,969	1,183,100	1,316,962	1,382,800	1,451,900
Total Coverage	\$ 107,514,056	\$ 112,650,326	\$ 107,861,823	\$ 114,329,900	\$ 118,022,658	\$ 128,403,000	\$ 128,297,800

General and Administrative Expenses

	2021-22 Actual	2022-23 Adopted	2022-23 Actual	2023-24 Adopted	2023-24 Estimated	2024-25 Proposed	2025-26 Proposed
Salaries, Benefits and Taxes							
Salaries	\$ 4,847,398	\$ 4,992,800	\$ 5,185,881	\$ 5,528,200	\$ 5,329,102	\$ 6,027,300	\$ 6,731,200
Benefits	2,406,971	2,201,100	2,820,543	2,300,300	2,576,748	2,764,900	2,958,500
Payroll Taxes	443,026	473,500	485,344	507,200	488,675	548,300	590,300
Total Salaries, Benefits and Taxes	7,697,395	7,667,400	8,491,768	8,335,700	8,394,525	9,340,500	10,280,000
General and Administrative							
Academies	610,344	928,150	952,802	852,500	922,130	810,700	730,400
Annual Meeting	42,315	45,140	100,387	45,080	43,513	46,500	49,700
Streaming Educational Content	-	243,800	-	425,950	-	598,800	1,244,000
Committee Meetings	82,650	104,600	107,023	104,600	123,435	135,500	139,600
Crime Premium: California JPIA	4,961	5,000	5,209	5,000	5,470	5,600	6,000
Learning Management Software	514,596	474,500	507,082	493,600	746,050	839,000	917,200
Specialized Member Training	121,194	115,000	110,342	100,000	153,874	180,000	210,000
Depreciation Expense	370,599	475,000	479,040	475,000	520,290	575,000	575,000
Facilities: Maintenance	135,005	104,400	113,526	78,100	110,479	91,200	89,700
Hardware, Equipment, Furniture	116,458	30,300	19,773	10,900	19,206	12,800	137,100
Licensing and Renewals	165,955	140,500	162,558	104,500	172,263	257,500	222,600
Marketing	493,679	370,115	396,480	352,125	350,937	870,300	726,200
Memberships and Dues	69,807	68,600	55,487	67,000	68,876	60,000	58,300
Mileage Reimbursement	4,941	6,400	7,250	6,400	6,188	5,700	5,900
Office Supplies	32,239	49,000	67,497	47,900	71,254	79,200	77,100
Other General & Administrative	39,116	21,200	50,049	21,200	76,529	65,400	65,400
Property Premium: California JPIA	53,413	45,500	55,811	50,100	58,215	76,900	84,600
Recruitments	4,021	7,200	224	7,200	1,499	6,100	6,600
Risk Mgmt Educational Forum	662,244	440,800	756,436	462,000	774,268	792,000	831,000
Online Course Development	296,292	534,000	738,708	534,000	639,365	845,000	1,105,000
Subscriptions and Books	7,262	5,000	28,084	4,900	6,146	7,600	7,400
Training and Education	59,203	133,420	171,718	133,535	188,505	191,300	208,200
Travel, Conferences, and Meetings	75,110	124,000	222,182	127,100	166,719	240,200	233,200
Utilities	127,525	109,100	145,438	109,100	84,855	134,900	136,100
Workshops	805,527	1,626,000	1,894,986	1,870,000	2,082,544	3,153,000	3,994,000
Total General and Administrative	\$ 4,894,456	\$ 6,206,725	\$ 7,148,092	\$ 6,487,790	\$ 7,392,611	\$ 10,080,200	\$ 11,860,300

Contractual Services and Total Expenses

	2021-22 Actual	2022-23 Adopted	2022-23 Actual	2023-24 Adopted	2023-24 Estimated	2024-25 Proposed	2025-26 Proposed
Contractual Services							
Actuarial Services	\$ 80,479	\$ 82,750	\$ 88,291	\$ 86,000	\$ 88,711	\$ 231,900	\$ 146,600
Audit Services	83,375	93,000	69,330	97,800	93,917	100,100	104,000
CRM Software	240,158	74,100	83,231	70,500	263,772	344,700	346,000
Employment Law Resource	48,926	30,000	7,530	30,000	12,997	30,000	30,000
Equipment Lease Agreements	27,309	33,800	29,203	33,000	27,717	29,900	29,900
Finance System Development	3,471	29,000	12,329	29,000	14,300	57,900	60,900
Investment and Bank Services	308,520	266,200	322,361	277,200	204,036	226,300	240,300
Fleet Vehicles	46,868	60,100	31,847	63,200	12,080	15,800	17,000
Legal Services	83,672	102,800	47,422	102,800	63,638	115,400	115,400
Legislative Services	-	8,700	-	8,700	-	25,000	40,000
Loss Control Services	597,760	1,572,400	656,021	1,626,100	1,159,029	1,835,300	1,873,400
Risk Management Evaluations	23,631	150,000	29,403	150,000	59,736	130,000	130,000
RMIS Software	227,594	236,000	291,893	244,000	284,898	260,000	270,400
Special Projects	333,573	350,300	209,655	310,000	440,746	311,200	306,200
Technology Support	386,078	220,800	338,651	220,800	255,232	190,300	185,300
Other Contractual Services	231,302	546,100	214,677	553,900	178,198	446,300	417,400
Total Contractual Services	2,722,716	3,856,050	2,431,844	3,903,000	3,159,008	4,350,100	4,312,800
Member Distributions	-	-	-	-	-	-	-
Total Expenses	\$ 122,828,623	\$ 130,380,501	\$ 125,933,527	\$ 133,056,390	\$ 136,968,802	\$ 152,173,800	\$ 154,750,900
Capital Outlay							
Building and Improvements	6,533,727	2,725,000	1,502,233	57,000	15,000	4,749,000	4,194,000
Furniture and Equipment	3,698	50,000	-	18,000	40,000	18,000	460,000
Software Development	-	1,083,000	158,295	845,000	1,100,000	1,384,000	484,000
Total Capital Outlay	\$ 6,537,425	\$ 3,858,000	\$ 1,660,528	\$ 920,000	\$ 1,155,000	\$ 6,151,000	\$ 5,138,000

Expenses by Department

	2021-22 Actual	2022-23 Adopted	2022-23 Actual	2023-24 Adopted	2023-24 Estimated	2024-25 Proposed	2025-26 Proposed
Administrative Services	\$ 638,071	\$ 972,500	\$ 812,153	\$ 1,066,600	\$ 949,498	\$ 1,676,483	\$ 1,801,182
Board and Committees	216,982	215,660	335,179	215,715	263,711	295,900	311,000
Communications*						1,531,884	1,434,316
Executive Management	1,832,871	1,635,115	1,766,563	1,650,625	1,418,536	1,312,033	1,234,003
Facilities	930,198	938,300	1,030,479	992,100	1,052,480	1,270,900	1,296,900
Finance	972,771	1,277,550	1,086,927	1,347,900	1,139,160	1,771,400	1,709,000
Human Resources*	299,492	263,100	417,574	272,700	575,675		
Insurance Programs	19,294,748	20,862,726	20,576,420	21,263,000	24,323,847	27,829,900	29,256,800
Liability	56,512,817	51,226,000	56,858,487	52,732,600	62,905,437	64,901,900	62,609,600
Risk Management	2,580,381	3,999,000	2,916,617	4,383,400	3,908,324	4,426,500	4,580,100
Technology	1,860,282	1,650,200	1,605,651	1,541,800	1,929,428	2,737,500	3,438,800
Training	3,558,059	5,130,850	5,713,098	5,539,950	5,848,808	6,726,800	8,538,600
Workers' Compensation	34,131,951	42,209,500	32,814,379	42,050,000	32,653,899	37,692,600	38,540,600
Total Expenditures	\$ 122,828,623	\$ 130,380,501	\$ 125,933,527	\$ 133,056,390	\$ 136,968,802	\$ 152,173,800	\$ 154,750,900
Capital Outlay	\$ 6,537,425	\$ 3,858,000	\$ 1,660,528	\$ 920,000	\$ 1,155,000	\$ 6,151,000	\$ 5,138,000

* Beginning with Fiscal Year 2024-25, Human Resources is included in Administrative Services, and Communications was removed from Executive Management and reported as a separate Department.

Department Activity Reports

Administrative Services Department

Activity

The Administrative Services Department provides administrative support to Authority staff and members, which include: preparation of meeting agendas, taking minutes, maintaining Authority documents and files, implementing the records retention policy, ordering and maintaining office supplies, managing in-coming and out-going mail, phone call triage, data entry, contact database management, training workshop logistical support, and a variety of miscellaneous support to all Authority staff. Additionally, administrative support staff finds and retrieves information from files in response to public records requests, as well as general information requests from staff and members.

Significant Budget Changes

Beginning with fiscal year 2024-25, Human Resources was consolidated as part of the Administrative Services Department. The consolidation better aligns the budget with how the department operates and the inherent overlap of Human Resources and Administrative Services. Additionally, the Agency Clerk is included in the Administrative Services Department budget.

Workload and Performance Statistics

Included in other department statistics

Board and Committees Department

Activity

Through the Executive Committee and Advisory Committee structure, the Board and Committees Department provides policy guidance to the Authority in the delivery of programs and services to the members and is responsible for the administration of Board and Committee meetings. The Agency Clerk manages the administration of the agenda review process and preparation of agendas, attendance at meetings, and preparation of minutes for the Authority's governing bodies and committees. The Agency Clerk also administers and ensures compliance with applicable laws pertaining to the Ralph M. Brown Act and other Open Meeting requirements.

Significant Budget Changes

None

Board and Committees Department Workload and Performance Statistics				
Number of Meetings	2022-23 Actual	2023-24 Estimated	2024-25 Forecasted	2025-26 Forecasted
Board of Directors	1	1	1	1
Executive/Claims Committee	12	12	12	12
Managers Committee	2	3	4	4
Finance Officers Committee	4	3	4	4
Risk Managers Committee	1	3	4	4
Ad Hoc Committee and Other	2	4	4	4
Liability Trust Fund	12	12	12	12
Central Coast Cities SIF	1	1	1	1

Communications Department

Activity

The Communications Department is responsible for member and public outreach including social media, print media, program campaigns, and strategic marketing. The Communications Department also provides marketing and media support to all departments.

Significant Budget Changes

The Communications Department is a new stand-alone department. Communications was previously included as part of the Executive Management Department.

Communications Department Workload and Performance Statistics				
Metric	2022-23 Actual	2023-24 Estimated	2024-25 Forecasted	2025-26 Forecasted
Prospective Member Meetings	48	30	22	20
Cost Indications Presented	10	11	8	8
Marketing Conferences Attended	5	8	4	3

Executive Management Department

Activity

The Executive Management Department is responsible for directing and overseeing Authority operations to further the policy direction established by the Board of Directors and Executive

Committee. The Chief Executive Officer is responsible for planning, organizing, and directing Authority activities. The Chief Executive Officer makes recommendations to the Executive Committee and Advisory Committees concerning policies, programs, services, budget, finances, regulations, and laws.

Significant Budget Changes

The Authority's proposed budgets include funding for marketing to enhance relationships with existing members, engage with prospective members, and provide thought leadership on issues pertaining to risk management. Target events include local government association functions, conferences, and workshops that provide opportunities to engage with current and prospective members in person.

The Authority's sponsorship commitment includes League of California Cities League Premier Partner, Elite Sponsor of the League of California Cities City Managers Conferenced, California Contract Cities Association Platinum Member, California Contract Cities Association Annual Fall Educational Summit Sponsor, Foundation Circle Sponsor of the California City Managers Foundation, Platinum Partner of the Municipal Management Association of Southern California, and Platinum Sponsor of the Orange County City Managers Association and San Gabriel Valley City Managers Association. These sponsorships provide valuable touchpoints that engage current and prospective members while simultaneously promoting the Authority and its role in risk management.

Executive Management Department Workload and Performance Statistics				
Metric	2022-23 Actual	2023-24 Estimated	2024-25 Forecasted	2025-26 Forecasted
Form 700s Processed	90	91	90	90
Public Records Requests	3	5	5	5

Facilities Department

Activity

The primary function of the Facilities Department is to plan, establish, and maintain a work environment that effectively supports the goals and objectives of the Authority. The physical premises are 25 years old and the use of meeting spaces averages about 100 events each year. The department is responsible for the maintenance of all buildings, landscape, and hardscape of the Authority's campus. Staff provide maintenance of exterior and interior areas assisted by contractors who provide weekly landscaping. An arborist is used to assist with tree trimming

and care. Vendors are used for maintenance of building systems such as plumbing, HVAC, elevators, and security systems.

Significant Budget Changes

Three significant facilities projects are planned for FY 2024-25: (1) remodel restrooms in the Redwood Building \$80,000; (2) upgrade the El Capitan conference room AV and cabinetry \$50,000; and (3) remodel the elevator in the Redwood building \$25,000.

Three significant facilities projects are planned for FY 2025-26: (1) replace the carpet in both existing buildings \$100,000; (2) paint the exterior of both existing buildings \$65,000; and (3) install electric vehicle charging stations in the existing parking lot \$60,000.

In addition, the construction of the new building is anticipated to start in FY 2024-25 and be completed in FY 2025-26. The estimated cost of the project is \$8.5 million.

Facilities Department Workload and Performance Statistics				
Metric	2022-23 Actual	2023-24 Estimated	2024-25 Forecasted	2025-26 Forecasted
Number of Meeting Set-Ups	22	75	75	100
Safety Inspections Performed	4	4	4	4
Maintenance and Repair Projects	32	25	28	30

Finance Department

Activity

The Finance Department is responsible for all financial activities of the Authority, including cash and treasury management, member billing, underwriting, cost allocation, financial reporting and compliance, internal control enforcement, investment portfolio oversight, accounts receivable, accounts payable, payroll processing, and the coordination of actuarial studies.

Significant Budget Changes

The Finance Department budget includes re-budgeting for a new accounting platform to replace the current platform. The Finance Department budget also includes funding for a new Accountant position to facilitate additional work processes.

Finance Department Workload and Performance Statistics				
Metric	2022-23 Actual	2023-24 Estimated	2024-25 Forecasted	2025-26 Forecasted
CJPIA Portfolio Average Yield to Maturity	1.66%	2.71%	1.50%	1.50%
Sequoia Pacific Portfolio Total Return	7.38%	9.50%	6.00%	6.00%
AR Transaction Volume	1,571	1,300	1,300	1,300
AP Transaction Volume	2,076	1,910	2,000	2,000

Insured Programs Department

Activity

The Insured Programs Department functions as the primary liaison between the Authority and members concerning coverage and insurance issues; provides oversight and direction for placement of excess, reinsurance, and commercial insurance for the Authority's various programs; establishes and maintains day-to-day contact with insurance brokers, third-party administrators, and members; reviews contracts for appropriate insurance and indemnity provisions; and issues evidences of coverage.

Member participation in the various commercial programs is high, with over 90 percent participating in the property program, 70 percent participating in the pollution program, and over 80 percent participating in the special events and crime programs.

This department is responsible for new innovations in coverage for the Authority. Over time, new programs such as Property Damage Recovery, and Financial Guarantee for Underground Storage Tanks have been introduced. The Foreign Travel Program, which covers members who travel outside the United States is also available. Additionally, the Authority has procured Directors & Officers, Errors and Omissions, and cyber coverage on behalf of members.

Significant Budget Changes

None

Insured Programs Department Workload and Performance Statistics				
Metric	2022-23 Actual	2023-24 Estimated	2024-25 Forecasted	2025-26 Forecasted
Issue Evidence of Coverage Letter	743	750	750	750
Number of Property Claims	235	230	235	240
Members in the Property Program	114	115	114	117
Members in the Pollution Program	91	91	91	94
Members in the Crime Program	110	112	111	114
Members in Special Events Program	90	90	90	91

Liability Department

Activity

The Liability Department provides investigation, management, and disposition of liability claims and lawsuits brought against Authority members. Under the oversight of the Authority's Claims and Insurance Director, a third-party administrator is responsible for day-to-day claims adjusting and litigation management. Oversight of high-exposure claims is carried out by the Claims and Insurance Director in conjunction with the Executive Committee.

Claim payments, claims administration, and excess/reinsurance premiums comprise the majority of this department's expenditures. An annual claims audit of the third-party administrator is conducted to ensure compliance with performance standards and confirm that best practices are actively utilized in the management of claims. The budget also includes funding for contracted Employment Practices Liability (EPL) assistance when the Authority's Employment Practices Manager is not available.

Significant Budget Changes

There are no operational changes to the Liability Department budget. However, the proposed budget reflects a modest decrease in FY 2025-26 due to lower expected claim payments, based on the most recent actuarial study.

Liability Department Workload and Performance Statistics				
Metric	2022-23 Actual	2023-24 Estimated	2024-25 Forecasted	2025-26 Forecasted
Number of New Claims Handled	2,059	3,200	3,000	3,000
Total Claims Open at Fiscal Year End	1,146	1,438	1,400	1,400
Total Claims Closed During Fiscal Year	2,176	3,200	3,000	3,000
Claims Closed With No Pay	1,457	2,282	2,200	2,200
Claims Closed Without Litigation	1,879	2,943	2,700	2,700

Risk Management Department

Activity

The Risk Management Department provides programs and services for members that include risk management evaluations and general risk management consulting; risk management policy and program templates; an Americans with Disabilities Act (ADA) assistance program; a sidewalk inspection and maintenance program with low negotiated pricing; a risk technician program that assists with the implementation of loss control initiatives, policy template customization, and other risk management projects; a subscription for law enforcement and fire department policy manual updates and daily training bulletins; an anonymous workplace misconduct reporting system; an employee driving record monitoring system; cybersecurity assessment and phishing awareness services; public safety officer mental health and stress management mobile app; and wildfire risk identification and remediation services.

Department responsibilities include (1) periodically providing each member with a comprehensive risk management evaluation, (2) providing hands-on assistance to members in implementing recommendations developed through LossCAP, (3) providing risk management consulting and contract review for members, (4) developing sample policies and templates for members to use in their operations with assistance from independent legal counsel when appropriate, (5) updating policies as needed to reflect statutory requirements and best risk management practices, (6) providing risk management programs and initiatives to proactively manage emerging risk exposures, and (7) updating and distributing the Contractual Risk Transfer for Public Agencies Manual.

Significant Budget Changes

The Risk Management Department budget includes funding to add programs and services to address persistent and emerging exposures. These programs and services attempt to make an impact in the areas of law enforcement liability, public safety officer mental health and stress

management, workplace violence prevention and incident response, and property risk management.

The Risk Management Department is also in the early stages of reimagining the LossCAP program. Staff will be looking for new and creative ways to encourage members to spend time identifying and mitigating loss exposures. This will include a renewed focus on major loss exposures faced by each individual member, prioritizing those exposures based on likelihood and impact, and then presenting members with an achievable roadmap for completion. The Risk Management Department will leverage the resources described above to help members achieve this goal.

The current environment remains challenging for law enforcement officers. The Risk Management Department continues to explore resources that would target lowering the Authority's exposure to law enforcement liability losses. Research is ongoing; however, such resources may include a firearm simulation training system, remote restraint solutions, and predictive analytics to identify problematic behaviors. Resources to improve law enforcement officer resilience are also being explored. This includes resources that would help screen officers for mental health conditions and direct them to appropriate resources. The budget for these resources is \$150,000 each year for FY 2025 and FY 2026.

On September 20, 2023, Governor Newsom signed Senate Bill 553 into law. The bill requires covered California employers to take steps to prevent and respond to workplace violence. This includes, among other items, requiring employers to adopt a comprehensive Workplace Violence Prevention Plan by July 1, 2024. The plan must seek to identify and remediate workplace violence exposures at all locations where employees are present. Employees must then be trained on the plan. In concert with the Training Department, the Risk Management Department is preparing resources to help members meet this requirement. This includes developing "train the trainer" resources to provide member staff with the tools to perform site security assessments and train their colleagues. Subject matter experts will also be identified to help members who feel unable to conduct such assessments themselves. The risk management budget for these resources is \$50,000 each year for FY 2025 and FY 2026.

The Risk Management Department is in the early stages of identifying resources to help members limit their exposure to property losses. This may include risk assessments and resources to remediate identified exposures.

Risk Management Department Workload and Performance Statistics				
Metric	2022-23 Actual	2023-24 Estimated	2024-25 Forecasted	2025-26 Forecasted
Risk Management Evaluations	13	20	27	27
LossCAP Presentations	9	48	40	40
Contract Reviews	200	670	700	700

The following statistics show program inception-to-date information since approximately 2015:

Americans with Disabilities Act (ADA) Assistance Program	60 Members Participated
Sidewalk Inspection and Maintenance Program	43 Members Participated
Sidewalk Trip Hazards Removed	122,119
Risk Technician Program	52 Members Participated
Risk Technician Projects	165 Assignments Complete
STOPit Anonymous Reporting Program	5 Members Participated
Embark Driver Monitoring Program	14 Members; 2,116 Drivers
Cordico Public Safety Mental Health and Wellness Program	12 Members; 14 Departments
Lexipol Fire Policy Manual and Training Service	17 Members Participated
SafeHub Building Sensors Program	61 Members Participated
Lexipol Law Enforcement Policy Manual and Training Service	34 Members Participated

Technology Department

Activity

The Technology Department is responsible for the administration of the data processing functions of the Authority. This department is also responsible for maintaining the functionality of the Authority's telephone and internet connectivity, including website presence and other technology initiatives. Under staff direction, the department utilizes consultants and vendors to maintain and secure the network and provide enhancements. The department budget includes most technology-related initiatives at the Authority.

During the prior budget cycle, the Authority fortified its cybersecurity defense by adding Duo (multifactor authentication), AlienVault (intrusion detection), SentinelOne (security endpoint protection), and KnowBe4 Phisher+ (phishing prevention). MyJPIA improvements included bolstering LMS with custom Agency and Department pages, a content creation and approval workflow, and a training request and session scheduler. CRM was improved with a Board of Directors certification process, improved integration with the LMS, and a new integration with

Cvent. The adopted budgets reflect consulting assistance to further enhance myJPIA to include, underwriting data collection and reporting, an improved Employment Intervention tracking system, further LMS improvements that impact the member registrar experience, and other ongoing refinements.

Significant Budget Changes

The proposed budget includes funding to replace computers, which are replaced approximately every five years; adding a variety of software updates for security and staff productivity improvements, expanding the use of the Authority's Learning Management Software (LMS) to improve members' experiences, enhancements to the customer relationship management software to improve usage and productivity, and greater use of Microsoft Marketing software.

Technology Department Workload and Performance Statistics				
Metric	2022-23 Actual	2023-24 Estimated	2024-25 Forecasted	2025-26 Forecasted
Number of Website Visits	54,660	58,760	63,166	67,904
Percent of Days Website Operational	100.0%	99.9%	100.0%	100.0%
Number of Staff Support Tickets Resolved	232	255	270	300
Average Time to Resolve Staff Support Tickets	18.9 min	23.3 min	>20 min	>20 min

Training Department

A comprehensive training program is essential to reducing claims experienced by the pool. The Training Department provides training to support members' professional development, facilitate robust risk management, and enhance good governance. Most training offered by the Authority is provided at no additional cost to members.

The Training Department offers a multi-faceted approach to learning. Authority training is classified as follows: Regulatory – those that Cal-OSHA or other regulatory agencies require for members to be in compliance with the law; Loss Driven – those that address pool losses and target loss prevention; Best Practices – those that are considered best risk management practices; and Professional Development – those that enhance individual skills within an organization.

The Training Department offers large-scale training on targeted topics through various academies as well as individualized training to member agencies. The various types of training offered are described in more detail below:

Classroom Training:

- Physical Classroom Training: Training delivered in-person by an instructor. Generally, members can host classroom training at their own facilities when it is determined that this is the optimal mode of delivering the training topic. There is no cost to the member for classroom training.
- Virtual Classroom Training: Training delivered online by an instructor utilizing a remote meeting platform. Members may request virtual sessions for their staff. The Training Department provides regularly scheduled virtual sessions open to all members.
- Academies: Classroom trainings that primarily focus on a specific public-sector discipline. Each program is a multi-day training that presents essential theories and techniques to provide pragmatic solutions to solving every-day problems. Academies are designed to expand the abilities of managers, supervisors, and leaders in areas including delegating, motivating, organizing, and working under pressure.
- Risk Management Educational Forum: Multi-day training that focuses on issues important to members of the pool and associated public-sector disciplines.

E-learning:

- Authority Online Courses: On-demand training content developed by the Training Department, accessed through the Authority's Learning Management System via the Internet. Online courses can be viewed anytime and anywhere with an internet connection.
- Mastery Technologies Online Courses: On-demand training content developed by third party vendors, accessed through the Authority's Learning Management System via the Internet.

Streaming Educational Content:

- This is an emerging training delivery method for the Authority. Streaming content is recorded in various styles, providing programming on risk management, human resources, public safety, safety compliance, executive leadership, and management. Streaming content is available to members on demand. Streaming topics mirror and expand on content from the academies and provide additional touch points with members at regular intervals throughout the year. Streaming repackages content from the academies into shorter segments and makes them available to a broader audience including executives and elected officials who may be unable to attend multi-day academies. The streaming studio may also be utilized for additional social media and marketing purposes.

Significant Budget Changes

The Authority is adding several new streaming-style training productions on various topics, as noted above. In-person classroom events are expected to increase to 1,900 sessions by FY 2025-26. Virtual classroom training events are expected to reach 750 in FY 2025-26.

The Authority continues to develop unique content to meet the training needs of members. The Training Department partners with various third party experts to produce state-of-the-art online training courses that meet the highest standards. The budget reflects the development of six Supervisor Essential Skills courses, three Human Resources Professional Series courses, six Parks and Recreation Series courses, one Workplace Violence Prevention course, and fifteen miscellaneous courses during FY 2024-25. Additionally, ten Governance Leadership series courses, six regulatory courses, six Public Works courses and fifteen miscellaneous courses will be developed during FY 2025-26. Many of these online courses will be deployed to augment academies leading to a reduction in the amount of academies scheduled for FY 2025-26 and beyond.

Training Department Workload and Performance Statistics				
Metric	2022-23 Actual	2023-24 Estimated	2024-25 Forecasted	2025-26 Forecasted
Classroom Training Attendees (in-person live)	17,290	25,000	20,000	25,000
Classroom Training Sessions (in-person live)	1,292	1,800	1,500	1,900
Virtual Training Attendees (on-line live)	1,912	1,500	7,500	7,500
Virtual Training Sessions (on-line live)	108	100	500	750
Academies held In Person	10	11	8	6
Academies held Virtually	0	0	0	0
Streaming Educational Content	0	0	100	150
E-Learning Course Registrations	22,077	25,000	30,000	35,000

Workers' Compensation Department

Activity

The Workers' Compensation Department is responsible for ensuring that members' obligations under California workers' compensation laws are met legally and cost-effectively. Under the oversight of the Authority's Workers' Compensation Program Manager, a third-party administrator is responsible for the day-to-day adjusting of claims, which includes investigation, management, and resolution of workers' compensation claims brought against the members by injured employees. The Workers' Compensation Program Manager meets regularly with the third-party administrator to discuss lost-time claims, high exposure claims, and other issues. The Program Manager also provides authority for litigation referrals and settlements to the third-party administrator. Members meet with the program manager to discuss their claims and address any opportunities to enhance their agency's program.

Claim payments, claims administration, and reinsurance/excess premiums comprise most of this department's expenditures. This budget also provides for annual claims management audits and includes an audit of the independent bill review company.

Significant Budget Changes

None

Workers' Compensation Department Workload and Performance Statistics				
Metric	2022-23 Actual	2023-24 Estimated	2024-25 Forecasted	2025-26 Forecasted
Claims Open at Fiscal Year End	1,759	1,725	1,710	1,693
Claims Closed During the Fiscal Year	1,816	1,550	1,540	1,523
Average Indemnity Reserve	\$13,963	\$14,242	\$14,740	\$15,256
Average Medical Reserve	\$30,100	\$31,003	\$31,933	\$32,891

Sequoia Pacific Proposed Budgets

Sequoia Pacific Reinsurance Company
Operating Budget 2024-25 and 2025-26
Summary of Proposed Revenues & Expenses

	2021-22 Actual	2022-23 Actual	2023-24 Estimated	2024-25 Proposed	2025-26 Proposed
UNDERWRITING INCOME					
Premium Written	\$ 11,496,400	\$ 11,826,000	\$ 14,360,000	\$ 20,775,000	\$ 21,673,000
Movement in Unearned Premium	-	-	-	-	-
Earned Premium	11,496,400	11,826,000	14,360,000	20,775,000	21,673,000
UNDERWRITING EXPENSES					
Paid Loss and LAE	1,800,100	743,471	10,209,200	6,500,000	7,000,000
Movement in Case Reserves	3,864,790	3,599,235	6,597,600	4,687,209	4,961,362
Movement in IBNR Reserves	2,431,109	3,130,294	(3,943,500)	539,301	(91,288)
Total Underwriting Expenses	8,096,000	7,473,000	12,863,300	11,726,509	11,870,075
Net Underwriting Income	3,400,400	4,353,000	1,496,700	9,048,491	9,802,925
OPERATING EXPENSES					
Captive Management Fees	61,100	64,005	67,100	80,500	84,000
Actuarial Fees	32,098	46,556	47,724	50,000	52,000
Legal Fees	10,301	4,939	5,000	5,250	5,500
Audit Fees	29,058	29,064	30,700	32,000	33,000
Bank Fees	557	535	300	600	600
License Fees	6,375	7,500	7,500	7,500	7,500
Meeting Expenses	27,019	61,260	62,000	64,000	66,000
Total Operating Expenses	166,508	213,858	220,324	239,850	248,600
INVESTMENT INCOME & RELATED CHARGES					
Interest Income	2,436,944	2,478,779	2,266,800	4,509,800	5,129,700
Investment Management Fees	(176,192)	(180,891)	(211,000)	(215,000)	(251,000)
Realized Gain/Loss on Sales	1,183,324	(2,287,450)	(1,420,500)	(563,589)	(813,149)
Movement in Unrealized Gain/Loss on Investments	(13,378,282)	5,875,894	9,346,200	1,598,569	3,738,119
Net Investment Income	(9,934,206)	5,886,332	9,981,500	5,329,780	7,803,671
Net Income	\$ (6,700,314)	\$ 10,025,474	\$ 11,257,876	\$ 14,138,420	\$ 17,357,996

Interest income was projected at +4% for 2024-25 and 2025-26.

Central Coast Cities Self Insurance Fund Proposed Budgets

Central Coast Cities Self Insurance Fund
Operating Budget 2024-25 and 2025-26
Summary of Proposed Revenues & Expenses

	2022-23 Actual	2023-24 Estimated	2024-25 Proposed	2025-26 Proposed
Operating Revenues				
Contributions	\$ 40,000	\$ -	\$ -	\$ -
Total Operating Revenues	40,000	-	-	-
Operating Expenses				
Incurred claims expenses	(167,137)	91,977	80,000	75,000
Claims administration	23,175	23,175	23,175	23,175
Audit and actuarial services	2,000	3,850	4,000	4,250
Other contractual services	19,200	19,200	19,200	19,200
Member distributions	200,000	-	-	-
Total Operating Expenses	77,238	138,202	126,375	121,625
Operating Income (Loss)	(37,238)	(138,202)	(126,375)	(121,625)
Non-Operating Revenues				
Investment income	43,543	31,961	31,088	28,650
Net increase (decrease) in investment fair values	(1,539)	25,000	-	-
Total Non-Operating Revenues	42,004	56,961	31,088	28,650
Paid-In Capital				
Change in Net Position	4,766	(81,241)	(95,287)	(92,975)
Beginning Net Position *	1,031,486	1,036,252	955,011	859,724
Ending Net Position	\$ 1,036,252	\$ 955,011	\$ 859,724	\$ 766,749

Description of Expense Accounts

Description of Expense Accounts

Academies

Academies are specialized trainings that focus on topic areas including City Council, Parks and Recreation, Public Works, Human Resources, Management, and Leadership.

Actuarial Services

Includes annual actuarial studies as well as other special purpose studies provided by outside vendors.

Annual Meeting

Includes annual risk management awards, dinner expenses, attendee stipends, and travel expenses reimbursement.

Audit Services

Covers expenses associated with attorney bill review audits for the liability and workers' compensation program defense panel. This account includes a claims audit of third-party administrators. Auditing services as well as a forensic accounting audit of the third-party administrators performed by external auditors. Forensic accounting audits are not conducted every year.

Benefits

Includes benefits that the California JPIA pays for employees, PERS and PARS retirement benefits, auto allowance, life insurance, long term disability, short term disability, AD&D, employee assistance program, OPEB, medical insurance for employees and retirees, vision, and dental. PERS and PARS administration fees are also included in this category.

Brokerage

Includes services provided by an insurance broker for placement of excess and reinsurance for liability and workers' compensation, all-risk property, crime coverage, environmental pollution liability, and special events programs.

Capital Outlay

Includes land and building improvements, furniture, equipment, and software costs which qualify under GASB 51 as intangible assets. Only qualifying capital expenditures of \$5,000 or more are recognized as the acquisition of a capital asset.

Change in Retained Risk

Estimated risk assigned to Sequoia Pacific for budgeted fiscal years. This value is replaced by the actuarially determined change in claim reserves upon closure of each fiscal year.

Claim Payments

Payment of member liability and workers' compensation claims. Recoveries are credited to claim files, and as such claim payments are stated net of recoveries. This account also includes payment of property claims which fall within the annual aggregate deductible.

Claims Administration

Claims-related services provided by the third-party administrators (TPAs).

Committee Meeting Fees

Compensation for member attendance at various committee meetings. Includes attendance fees, meeting refreshments and other expenses related to these meetings.

Crime Premium: California JPIA

Premium for the crime coverage policy, with the Authority as the insured party.

CRM Software

Customer Relationship Management software used to organize and share contact information and other relevant data for the benefit of Authority staff.

Curriculum Development

Training program standardization and identification of learning objectives for specific workshop sessions, writing course syllabus, development of learning strategies and tactics, and project management for training program objectives involving the delivery of risk management training to member agencies.

Depreciation Expense

The amount of a fixed asset's value, that is expensed in the current period based on the straight-line depreciation method. Applies to land and buildings, furniture and equipment, and capitalized software.

Employment Law Resource

Used for expenses related to specialized legal research and counsel made available to members on employment practice issues. These resources are typically used in a loss prevention capacity, as such the expenses cannot be attributed to specific claim files.

Equipment Lease Agreements

Includes copiers and printers, as well as postage meters.

Excess and Reinsurance Premiums

Includes excess and reinsurance premiums for the liability and workers' compensation programs.

Facilities: Maintenance

Includes janitorial, elevator, alarm system, fountain maintenance, electrical maintenance, air conditioning and heating maintenance as provided by agreement. Also includes fire extinguisher inspection and maintenance, extermination services, photovoltaic system, window and curtain cleaning, landscape maintenance, and expenses associated with various repairs and maintenance supplies.

Finance System Development

Includes the purchase of modules, software upgrades and updates, as well as programming support and user training. Excludes all I.T. support services which are not directly attributable to the Finance and Accounting System.

Hardware, Equipment and Furniture

Reflects the cost to replace or purchase furniture for the California JPIA facility. Includes the purchase of desktop computers, servers, printers, copiers, fax machines, hand tools, risk exposure equipment, and other equipment utilized by California JPIA employees.

Investment and Bank Services

Reflects investment services such as investment advisor's fee, independent portfolio evaluation, and investment portfolio custodian fee. Independent portfolio evaluation is not conducted every year.

Legal Services

Legal services provided by the California JPIA counsel. Also includes attorney opinions offered on risk management issues, advice and guidance concerning complex and sensitive employment-related issues; review of personnel policies; and advice and guidance concerning pension and benefit issues.

Legislative Services

Reflects legislative efforts, including CAJPA, on behalf of California JPIA members.

Licensing and Renewals

Server warranty extensions, software upgrades, and other software-related licensing fees. This account excludes subscription fees related to the Resource Center, which is reported separately due to its materiality.

LMS Software

Learning Management System software is used for training. The expense is composed primarily of annual subscription fees for software, and other costs associated with maintaining the system. The expense was referred to as Resource Center in prior years.

Loss Control Services

Law Enforcement Policy manual subscription services and daily training bulletins made available for members. More recently this expense item has been expanded to include a variety of risk management initiatives such as the Risk Technician Program, the ADA assistance program, ADA software licensing, and the sidewalk maintenance and repair program.

LossCAP

Shows staff travel expenses associated with providing risk management services and support to members under the LossCAP program. This account is charged to the Risk Management Department for all staff members who participate in providing these services including follow-up visits. This applies even when traveling staff members work under various departments. This expense excludes mileage reimbursement.

Marketing

Includes costs for activities related to both existing members and prospective members. Activities include League of California Cities display booths, training brochures, workshop catalog, prospective member visits, membership survey follow-up, staff shirts, sponsorships and other expenses associated with marketing.

Membership and Dues

Memberships and dues for professional organizations such as CAJPA, RIMS, PARMA, etc.

Mileage Reimbursement

Reimbursement for use of employee-owned vehicles at the IRS approved rate. Applies to employees that do not receive an auto allowance. Excludes mileage reimbursement for Training Specialist.

Office Supplies

General office supplies utilized by all personnel are placed in this category. Examples include postage, paper, pens, stationary, and note pads. This account also includes refreshments, soda, bottled water, coffee, service awards, special awards, bereavement flowers, and employment posters. Expenses in this account are allocated back to the departments on a position head-count basis.

Online Course Development

Training videos and streaming webcasts that are produced recorded and transmitted by the Authority to members.

Other Contractual Services

Includes consulting in support of the Human Resources Department, document imaging, equipment maintenance services in support of the Facilities Department, accounting services

and process re-engineering in support of the Finance Department, and organization-wide consulting services related to records retention policy development and implementation.

Other General & Administrative

Includes temporary staffing services, contingency funds for unexpected expenses and opportunities, and a sanitation district assessment paid to Orange County for sewer usage.

Payroll Taxes

Payroll taxes include Social Security, Medicare, unemployment insurance, and the California JPIA workers' compensation primary and retrospective deposit.

Premium: Environmental

Premiums paid to insurers on behalf of members participating in coverage under the Environmental Pollution Liability Program.

Premium: Property Program

Premiums paid to insurers on behalf of members participating in the all risk property program. Also includes earthquake, boiler and machinery, vehicle comp and collision, and emergency vehicles.

Property Premium: California JPIA

Premium for the all-risk property coverage policy, with the Authority as the insured party.

Purchased Content

Streaming training videos and out-of-the-box, third party content that is licensed by the Authority for members to use through the Resource Center.

Recruitments

Expenses incurred in the hiring of employees such as advertisements, pre-employment physical and psychological evaluation, background checks, and other recruitment related expenses.

Risk Management Educational Forum

All expenses associated with the annual risk management educational forum, meeting space, food, materials, lodging, speakers, etc.

Risk Management Evaluations

Covers the cost of providing onsite inspections of member facilities and properties, and compiling data which is used for the LossCAP program.

RMIS Software

Risk Management Information System is a software solution (database) that stores, organizes, and analyzes loss data, financial data, and other information to assist the Authority in identifying trends and other useful information for the purpose of loss prevention and loss mitigation.

Salaries

Normal payroll expenditures carried continuously and subject to all usual deductions. Vacation and sick leave cash out are also included in this category.

Special Projects

Specialized work performed by an outside consultant or agency. Examples include the contracts manual revision, and job analysis updates.

State Assessment

Amount charged to self-insured entities providing workers' compensation coverage to offset the cost of running the state's workers' compensation administration.

Streaming Educational Content

Streaming Educational Content expands on the content from Academies and provides additional touch points with members at regular intervals throughout the year to reinforce concepts from the Academies and make content available in condensed form.

Subscription and Books

Magazine subscriptions and purchase of professional books.

Technology Support

Onsite technical support, overall I.T. systems maintenance, and basic database maintenance.

Training and Education

Includes training and development of California JPIA employees, and Executive Committee members. Costs associated the Authority's annual strategic planning session are also charged to this account.

Training Materials and Resources

Printed and electronic materials associated with member training.

Travel, Conferences, and Meetings

Includes employee and committee expenses related to conferences, training workshops, and meetings. Reflects airfare, car rental, lodging, registration fees and other associated expenses. Excludes mileage reimbursement.

Utilities

Includes costs associated with the collection of trash, provision of electricity, water, and gas to the California JPIA. Also includes fees associated with telephone and data connections services.

Workshops

Training provided at member agencies including instructor fees, lodging and travel expenses, handout materials, and refreshments related to the Authority's training program. Also includes Training Specialist mileage reimbursement.



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