

California Association for Park and Recreation Indemnity

REGULAR MEETING OF THE BOARD OF DIRECTORS

12:00 p.m.– Thursday, November 7, 2024

Pleasant Hill Community Center
320 Civic Drive
Pleasant Hill, CA 94523

Board of Directors

President Dean Wetter
Vice President Michelle Lacy
Secretary Colin Miller
Director Lorena Cervantes
Director Jim Friedl
Director Mathew Fuzie
Director Jill Nunes

Agenda posting and meeting are done in accordance with Government Code § 54954.2 and 54953. If members of the public require special assistance to participate in the meeting, please contact CAPRI at (916) 722-5550. Notification at least 72 hours prior will enable CAPRI to make reasonable efforts to ensure accessibility to this meeting.

Any writing related to an agenda items for the open session of this meeting distributed to the Board of Directors less than 72 hours before this meeting is available for inspection at 1075 Creekside Ridge Drive, Suite 240, Roseville, CA 95678.

Agenda

Regular Meeting of the Board of Directors

November 7, 2024

1. CALL TO ORDER
2. INTRODUCTIONS
3. PUBLIC COMMENTS

This time is reserved for members of the public to address the Board relative to matters of the CAPRI not on the agenda. No action may be taken on non-agenda items unless authorized by law.

The CAPRI Board encourages public participation. If you desire to address the Board on any CAPRI related item on the Agenda, you are asked to complete a speaker form and turn it in to the Executive Director. Members of the public may also offer public comment by email. Emails must be submitted to mbreck@capri-jpa.org no later than one hour prior to the start of the meeting. Please note, emailed public comments will be distributed to the Board and treated as a public comment.

4. CLOSED SESSION

Pursuant to Government Code Section 54957.1, the Board must report in open session any action taken, or lack thereof, taken in closed session.

- 4.1 Liability & Property – Existing Litigation Pursuant to Government Code § 54956.9(d)(1)
 - Bolbol/Cuviello v. Hayward Area Recreation & Park District
 - Cullifer v. Carmichael Recreation & Park District
 - White v. Hesperia Recreation & Park District
 - CAPRI \$5K Summary
- 4.2 Worker’s Compensation – Existing Litigation Pursuant to Government Code § 54956.9(d)(1)
 - Bellinger v. Jurupa Area Recreation & Park District
 - Cisneros v. North of the River Recreation & Park District
 - Dickerson v. Cordova Recreation & Park District
 - Zanotto v. Weed Recreation & Park District
- 4.3 Public Employee Evaluation – Performance Review Pursuant to Government Code § 54957
 - Executive Director

5. REPORT FROM CLOSED SESSION

Pursuant to Government Code Section 54957.1, the Board must report in open session any action taken, or lack thereof, taken in closed session.

Agenda

Regular Meeting of the Board of Directors

November 7, 2024

6. CONSENT ITEMS

The following items are expected to be routine and non-controversial and will be acted upon by the Board at one time without discussion, unless a Board member requests that an item be removed from the consent agenda and held for discussion.

- 6.1 Approval of CAPRI Board Minutes
 - September 3, 2024
- 6.2 Warrant Listings: July 2024 – September 2024
- 6.3 Financial Reports
 - Statement of Net Position
 - Statement of Revenue and Expenses Budget to Actual
 - Statement of Revenue, Expenses, and Change in Net Position

7. PULLED CONSENT ITEMS

8. SPECIAL REPORTS

- 8.1 WC Program Status Report - Sedgwick
- 8.2 Investment Status Report – PFM
- 8.3 Insurance Market Report – Alliant Insurance Services
- 8.4 FY 2023-2024 State of CAPRI Report
- 8.5 General Liability Program Status Report
- 8.6 Property Program Status Report

9. DISCUSSION/ACTION ITEMS

- 9.1 Investment Policy Review
 - The Board shall conduct its annual review of the CAPRI Investment Policy and evaluate proposed revisions.
- 9.2 Review of 2023/2024 WC Final Payroll
 - The Board shall review and approve the 2023/2024 WC Final Payroll.
- 9.3 Annual Target Equity Policy Review
 - The Board shall review and discuss the financial conditions of the General Liability & Property and Workers' Compensation programs as part of its annual Target Equity Policy review.
- 9.4 Annual Workers' Compensation Program Dividends Review
 - The Board shall review and discuss whether dividends should be issued in the Workers' Compensation program.
- 9.5 Annual GL & Property Program Dividends Review
 - The Board shall review and discuss whether dividends should be issued in the General Liability/Property program.

Agenda

Regular Meeting of the Board of Directors

November 7, 2024

- 9.6 Review of CAPRI Policies and Procedures
 - The Board shall review and approve proposed revisions to the CAPRI Financial Management Policy and Claims Management Policy contained within the CAPRI Policies and Procedures.
- 9.7 District Visit Cycle XX Criteria Overview
 - The Board shall review and approve proposed revisions to the Criteria used in its District Visitation Program in advance of Cycle XX.
- 9.8 Renewal Data Collection Tool
 - The Board shall review and evaluate a proposed contract with In2vate for data collection software services.
- 9.9 Proposed CAPRI Member Benefit – Gym Membership Discount
 - The Board shall review and evaluate the proposed agreement for an employee-paid gym membership discounts for District employees.
- 9.10 Amendments to GSRMA MOU
 - The Board shall review and authorize the President of the Board to execute the amended Memorandum of Understanding with GSRMA.
- 9.11 CAPRI BOD Election of Officers 2025-2026
 - Per CAPRI Bylaws, the Board President shall call for the Board to elect a President, Vice President, and Secretary from among its members, and will appoint the Executive Director as the Board’s Treasurer.
 - President
 - Call for nominations
 - Close of nominations
 - Vote
 - Vice President
 - Call for nominations
 - Close of nominations
 - Vote
 - Secretary
 - Call for nominations
 - Close of nominations
 - Vote
 - Appointment of Executive Director as Board Treasurer
 - Call for nominations
 - Close of nominations
 - Vote
- 9.12 Board Meeting Calendar 2025
 - The Board shall review and approve the 2025 CAPRI BOD Meeting Calendar.

Agenda

Regular Meeting of the Board of Directors

November 7, 2024

- 9.13 Annual Executive Director Contract Review
 - The Board shall review and discuss the Executive Director employment contract and approve revisions, as necessary.

- 10. EXECUTIVE DIRECTOR/STAFF REPORTS
 - 10.1 District Visit Update
 - 10.2 CARPD Update
 - 10.3 RIO Update
 - 10.4 Employee Assistance Program Utilization Report

- 11. BOARD MEMBER REPORTS
 - 11.1 Board Member Comments

- 12. FUTURE AGENDA ITEMS

This section is reserved for items identified by Board members and Staff as matters for future Board business.

 - CAPRI Credit Card Policy Review
 - CAPRI Organizational Chart Review

- 13. ANNOUNCEMENTS

The next CAPRI Board of Directors Meeting will be held on Tuesday, February 25, 2025 in Anaheim, California.

- 14. ADJOURNMENT

BOARD OF DIRECTORS REGULAR MEETING

September 3, 2024

MINUTES

1. CALL TO ORDER:

The regular meeting of the Board of Directors was held on September 3, 2024. The Meeting was called to order by President Wetter at 10:03 a.m.

Members Present: President Dean Wetter, Vice President Michelle Lacy , Secretary Colin Miller, Director Lorena Cervantes , Director Jim Friedl, Director Mathew Fuzie, and Director Jill Nunes.

Members Absent: None.

CAPRI Staff Present: Executive Director Matthew Duarte, Director of Administrative Operations Monica Breck, and Administrative Assistant Cassie Solis.

Others Present: Byrne Conley (Gibbons and Conley), Doug Wozniak (Alliant Insurance), Charles Torretta (George Hills Company), Amy Whitman (Sedgwick), Allison Kaune (PFM), Mallory Sampson (PFM), and one member of the public.

2. INTRODUCTIONS: None.

3. PUBLIC COMMENTS: None.

4. CLOSED SESSION:

The Board convened to Closed Session at 10:12 a.m.

4.1 Liability & Property – Existing Litigation Pursuant to Government Code § 54956.9(d)(1)

- Arroyo v. Beaumont-Cherry Valley Recreation & Park District
- Doe v. Livermore Area Recreation & Park District
- Powell v. Wasco Recreation & Park District
- Villalvazo v. Livermore Area Recreation & Park District
- Woolley v. Hesperia Recreation & Park District
- North of the River Recreation & Park District Property Loss
- CAPRI \$5K Summary

4.2 Worker’s Compensation – Existing Litigation Pursuant to Government Code § 54956.9(d)(1)

- Coker v. Sunrise Recreation & Park District
- Howard v. Isla Vista Recreation & Park District
- James v. Fulton-El Camino Recreation & Park District
- James v. Fulton-El Camino Recreation & Park District

Closed session concluded at 11:44 a.m.

5. REPORT FROM CLOSED SESSION:

Pursuant to Government Code Section 54957.1, the Board must report in open session any action taken, or lack thereof, taken in closed session.

No reportable action.

6. CONSENT AGENDA:

- 6.1** Approval of CAPRI Board Minutes
 - June 20, 2024
- 6.2** Warrant Listings: April 2024 – June 2024
- 6.3** Financial Reports: April 2024 – June 2024
 - Statement of Net Position
 - Statement of Revenue and Expenses Budget to Actual
 - Statement of Revenue, Expenses, and Change in Net Position

MOTION:

Vice President Michelle Lacy made a motion to approve the Consent Agenda items 6.1 - 6.3. Secretary Colin Miller seconded the motion.

Ayes: *Wetter, Lacy, Miller, Cervantes, Friedl, Fuzie, and Nunes*

Nays: *None*

Abstain: *None*

Absent: *None*

7. PULLED CONSENT ITEMS: None.

8. SPECIAL REPORTS:

8.1 WC Program Status Report

Executive Director Duarte reviewed and discussed the status of the Workers’ Compensation Program. The total open claims count is decreasing, and Sedgwick is working on closing more soon. The Board was provided with a summary of the WC loss history by fiscal year.

8.2 Investment Status Report

Allison Kaune and Mallory Sampson with PFM provided a report on the status of RIO's investment holdings. Investments have seen a positive return. The investment portfolio remains consistent with our investment policy.

8.3 Insurance Market Report

Doug Wozniak with Alliant Insurance Services provided an update regarding the current insurance market and outlook for 25/26. The 24/25 renewal was better than we've had in years. Workers' Compensation is stable with the usual COLA increases. Property is stabilizing, and with some of our large claims dropping off, we saw some rate relief. Liability continues to be a tough market with carriers pulling back, but we are in a good place as part of PRISM's program.

8.4 General Liability Program Status Report

Executive Director Duarte reviewed and discussed the status of the General Liability Program. The total open claim count is up; however, several are slated for closure very soon. Total reserves are trending upward, but we expect to see that decrease with the recent closure of some big claims. The Board was provided with a summary of the GL loss history by fiscal year.

8.5 Property Program Status Report

Executive Director Duarte reviewed and discussed the status of the Property Program. The 23/24 fiscal year saw a mix of claims including storm damage, theft, vandalism, and vehicle accidents. The Board was provided with a summary of the Property Loss Run for FY 23/24.

9. DISCUSSION/ACTION ITEMS:

9.1 Biennial Workers' Compensation Claims Audit Report

The Board reviewed and discussed the WC claims audit report conducted by ALC Claims Collaborations on behalf of PRISM. Overall, this year's Audit found the claims handling to be generally following PRISM's workers' compensation claims administration guidelines. The audit did identify several performance improvement recommendations primarily related to documentation in the file, which were addressed by Sedgwick at this meeting.

MOTION:

Director Jim Friedl made a motion to accept the results of the Workers' Compensation Claims Audit of 2024 as prepared by ALC Claims Collaborations. Director Jill Nunes seconded the motion.

Ayes: Wetter, Lacy, Miller, Cervantes, Friedl, Fuzie, and Nunes

Nays: None

Abstain: None

Absent: None

9.2 CAPRI Credit Card Services and Policy Review

The Board reviewed and discussed the current service provider for company credit cards, evaluated whether any changes are warranted, and reviewed a draft Credit Card policy for the organization. After discussion, the Board came to a consensus to table the approval of the CAPRI Credit Card Policy, pending revisions suggested at this meeting. Staff will bring the Policy back to a later meeting for approval. However, the Board consensus was that Staff should move forward with transitioning to a new card service provider at this time.

MOTION:

Director Jill Nunes made a motion to approve Staff's proposal to change the credit card company to Wells Fargo or Umpqua; increase limits to \$15,000 for the Executive Director and \$7,500 for the Safety Analyst; and add a credit card for the Director of Administrative Operations. Secretary Colin Miller seconded the motion.

Ayes: Wetter, Lacy, Miller, Friedl, Fuzie, and Nunes

Nays: None

Abstain: None

Absent: Cervantes

9.3 Biennial Conflict of Interest Code Review

The Board reviewed the CAPRI Conflict of Interest Code. There are no recommended changes.

MOTION:

Director Jim Friedl made a motion to authorize staff to complete the 2024 Multi-County Agency Biennial Notice marking "No amendments necessary" and approve the CAPRI Conflict of Interest Code. Vice President Michelle Lacy seconded the motion.

Ayes: Wetter, Lacy, Miller, Friedl, Fuzie, and Nunes

Nays: None

Abstain: None

Absent: Cervantes

9.4 Annual CalPERS UAL Update

The Board received an update regarding CAPRI's Unfunded Accrued Liability in CalPERS.

9.5 CAPRI Board of Directors Election 2024

The Board reviewed and discussed the time and manner of the 2024 CAPRI Board Election.

MOTION:

Director Mathew Fuzie made a motion to approve the time and manner of the 2024 CAPRI Board Election. Director Jill Nunes seconded the motion.

Ayes: Wetter, Lacy, Miller, Friedl, Fuzie, and Nunes
Nays: None
Abstain: None
Absent: Cervantes

10. EXECUTIVE DIRECTOR/STAFF REPORTS:

10.1 District Visit Update: This item was information only.

10.2 CARPD Update: This item was information only.

10.3 RIO Update: This item was information only

10.4 EAP Trainings: This item was information only.

11. BOARD MEMBER REPORTS:

11.1 Board Member Comments: None.

12. FUTURE AGENDA ITEMS:

The Board of Directors had no comments or questions.

13. ANNOUNCEMENTS:

The next CAPRI Board of Directors Meeting is scheduled for November 7, 2024.

14. ADJOURNMENT:

The Board adjourned the meeting at 1:05 p.m.

Colin Miller,
Secretary for the CAPRI Board of Directors

California Association for Park and Recreation Ind
Transaction Detail by Account
July - September, 2024

Date	Transaction Type	Name	Memo/Description	Amount
BMO (Bank of West) - Master Register				
07/01/2024	Bill Payment (Check)	Alliant Insurance Services	Acct. # CALIASS-04 / Inv. # 2705211	-17,457.60
07/01/2024	Bill Payment (Check)	Alliant Insurance Services	Acct. # CALIASS-04 / Inv. # 10155222	-5,495,668.08
07/01/2024	Payment	Rio Linda Elverta Recreation & Park Dist.		12,073.00
07/01/2024	Bill Payment (Check)	Alliant Insurance Services	Acct. # CALIASS-04 / Inv. # 10155223	-1,880.24
07/02/2024	Transfer		Capri Funding 240702 Wc June Replenishment - SF-0598-2024-0151425	-220,044.87
07/02/2024	Transfer		CAPRI FUNDING REF # 024183008442451 11001141	-40,940.05
07/05/2024	Bill Payment (Check)	Gilbert CPAs	Inv 347745	-2,186.63
07/05/2024	Bill Payment (Check)	SearchPros	Inv 24070207	-828.00
07/05/2024	Bill Payment (Check)	George Hills Company	Inv INV1028958	-5,500.00
07/08/2024	Payment	Mendocino Coast Recreation and Park Dist.		300.00
07/09/2024	Bill Payment (Check)	PFM Asset Management, LLC	Inv 14314715	-1,685.00
07/09/2024	Transfer		CAPRI FUNDING REF # 024190005846292 1100122365	-29,029.64
07/09/2024	Transfer		CAPRI FUNDING REF # 024190005846305 1100122366	-80,412.78
07/09/2024	Bill Payment (Check)	George Hills Company	Inv INV1029142	-13,081.80
07/09/2024	Transfer		Capri Funding 240709 Cash Call - Cwdk-557685 Vollmer	-47,188.92
07/11/2024	Deposit	Belvedere-Tiburon Joint Recreation		1,552.50
07/11/2024	Bill Payment (Check)	Gibbons & Conley	Inv 24June4261	-263.42
07/11/2024	Check	Chicago Title Company	Escrow #36304016 GHC0052128 Medrano v HARD	-900,000.00
07/11/2024	Bill Payment (Check)	George Hills Company	Inv INV1029144	-25.00
07/11/2024	Credit Card Payment			-7,305.39
07/12/2024	Bill Payment (Check)	California Computer Services (Corp)	Inv 586436	-129.65
07/15/2024	Journal Entry		State Payroll Taxes	-870.92
07/15/2024	Deposit			1,103,059.00
07/15/2024	Journal Entry		Pers Payment	-2,975.00
07/15/2024	Journal Entry		Fed Payroll Taxes (Fed W/H + Medicare EE & ER)	-3,152.92
07/15/2024	Journal Entry		Net Pay + \$7 Payroll Fee	-13,759.47
07/15/2024	Journal Entry		457 Payment	-1,023.61
07/16/2024	Bill Payment (Check)	Golden State Risk Management Authority	Inv EB-001872	-326.24
07/16/2024	Bill Payment (Check)	California Computer Services (Corp)	Inv 88467	-312.00
07/16/2024	Bill Payment (Check)	Golden State Risk Management Authority	Inv EB-001794	-326.24
07/16/2024	Bill Payment (Check)	Golden State Risk Management Authority	Inv EB-001903	-4,267.00
07/17/2024	Transfer		Online transfer conf # 1717977	5,500,000.00
07/18/2024	Deposit			240,574.25
07/19/2024	Deposit			1,873,385.25
07/22/2024	Deposit			397,130.93
07/22/2024	Bill Payment (Check)	York Risk Services Group, Inc	Inv 400000198429	-972.00
07/22/2024	Bill Payment (Check)	Holland Hart	Inv 2190503	-1,112.00
07/22/2024	Payment	Belvedere-Tiburon Joint Recreation		15,192.50
07/23/2024	Transfer		Capri Funding 240723 Cash Call - 4A21110M5Xv000	-39,315.72
07/23/2024	Bill Payment (Check)	Kirk Andre	Inv Exp Rpt 7/17/24	-526.90
07/23/2024	Credit Card Payment			-683.12
07/24/2024	Bill Payment (Check)	Hofmann Holdings LP	Inv 2024-08-01	-4,909.86
07/25/2024	Deposit			326,225.00
07/26/2024	Bill Payment (Check)	Reliance Standard Life Insurance	Inv 8/24 9-06015-0001	-66.00
07/29/2024	Check	CalPERS	Unfunded Liability	-1,093.00
07/29/2024	Deposit			842,931.50
07/29/2024	Check	CARPD	24-25 CARPD Dues paid to CAPRI	-2,500.00
07/29/2024	Check	CalPERS	Unfunded Liability	-78,017.00
07/29/2024	Bill Payment (Check)	Alliant Insurance Services	Acct # CALIASS-04 / Inv # 2735077	-105,000.00

07/29/2024	Bill Payment (Check)	PRISM	inv # 25300034	-2,188,991.00
07/29/2024	Bill Payment (Check)	PRISM		-1,067,474.00
07/29/2024	Bill Payment (Check)	PRISM	inv. # 25400157	-3,360.00
07/30/2024	Bill Payment (Check)	US Bank	Inv 14353957	-1,000.00
07/30/2024	Deposit	North of the River Recreation & Park Dist		285,611.00
07/31/2024	Journal Entry		Pers Payment	-3,046.23
07/31/2024	Journal Entry		State Payroll Taxes	-884.04
07/31/2024	Journal Entry		457 Payment	-1,023.61
07/31/2024	Journal Entry		Fed Payroll Taxes (Fed W/H + Medicare EE & ER)	-3,184.14
07/31/2024	Journal Entry		Net Pay + \$7 Payroll Fee	-14,142.40
07/31/2024	Journal Entry			7,945.92
08/01/2024	Bill Payment (Check)	Kirk Andre	Inv 7-29-24	-585.52
08/01/2024	Journal Entry			-7,945.92
08/01/2024	Deposit			1,087,819.25
08/01/2024	Credit Card Payment			-7,989.58
08/02/2024	Transfer		Capri Funding 240802 July Replenishment - Wc	-239,449.87
08/05/2024	Transfer		Capri Funding 240805 Cash Call - Sharratt (Rsrpd) - Cwdk-55674	-47,021.43
08/05/2024	Deposit			140,790.75
08/05/2024	Deposit			692,070.50
08/05/2024	Bill Payment (Check)	California Computer Services (Corp)	Inv 596763	-165.44
08/09/2024	Deposit			370,553.50
08/12/2024	Transfer		transfer to LAIF, conf. #1718964	-3,500,000.00
08/12/2024	Deposit			383,634.56
08/13/2024	Bill Payment (Check)	Golden State Risk Management Authority	Inv EB-001998	-326.24
08/13/2024	Transfer		CAPRI FUNDING REF # 02422 5007217131 CAPRI 1680084481FUNDING	-91,085.38
08/13/2024	Bill Payment (Check)	Gibbons & Conley	Inv 24July4322	-684.90
08/13/2024	Bill Payment (Check)	Golden State Risk Management Authority	Inv EB-001951	-4,267.00
08/15/2024	Journal Entry		Net Pay + \$7 Payroll Fee	-14,142.40
08/15/2024	Bill Payment (Check)	PRISM	inv. # 25300135	-582.00
08/15/2024	Journal Entry		Fed Payroll Taxes (Fed W/H + Medicare EE & ER)	-3,184.14
08/15/2024	Journal Entry		Pers Payment	-3,046.23
08/15/2024	Journal Entry		457 Payment	-1,023.61
08/15/2024	Journal Entry		State Payroll Taxes	-884.04
08/16/2024	Payment	Coalinga-Huron Recreation and Park Dist.		11,918.00
08/20/2024	Deposit			43,341.83
08/20/2024	Transfer		Capri Funding 240820 Supplemental Funding - Young Cwde-556478	-198.12
08/20/2024	Transfer		CAPRI FUNDING REF # 02423 3003558726 CAPRI 1680084481FUNDING	-36,534.77
08/22/2024	Credit Card Payment			-450.87
08/22/2024	Check	CaPERS	GASB 68 Reporting	-700.00
08/23/2024	Payment	Coalinga-Huron Recreation and Park Dist.		60,891.00
08/23/2024	Deposit	CARPD	CARPD expenses paid via CAPRI CC (Matt)	353.48
08/26/2024	Bill Payment (Check)	Hofmann Holdings LP	Inv 2024-09-01	-4,909.86
08/26/2024	Journal Entry		457 Payment	-1,023.61
08/26/2024	Bill Payment (Check)	Gilbert CPAs	Inv 348119	-4,400.00
08/26/2024	Journal Entry		State Payroll Taxes	-874.62
08/26/2024	Journal Entry		Pers Payment	-3,001.24
08/26/2024	Bill Payment (Check)	George Hills Company	Inv INV1029313	-13,696.80
08/26/2024	Bill Payment (Check)	Reliance Standard Life Insurance	Inv 9-06015-9/24	-66.00
08/26/2024	Journal Entry		Fed Payroll Taxes (Fed W/H + Medicare EE & ER)	-3,157.78
08/26/2024	Journal Entry		Net Pay + \$7 Payroll Fee	-13,908.32
08/27/2024	Bill Payment (Check)	Kirk Andre	Inv Exp Rpt 8/1 - 8/31/24	-120.76
08/28/2024	Bill Payment (Check)	US Bank	Inv 14398090	-1,000.00
08/28/2024	Deposit			606,653.27
08/30/2024	Transfer		CAPRI FUNDING REF # 02424 3003397444 CAPRI 1680084481FUNDING	-549,581.27
09/02/2024	Credit Card Payment			-8,302.55

09/03/2024	Deposit			40,824.67
09/04/2024	Transfer			-206,170.00
09/04/2024	Bill Payment (Check)	California Computer Services (Corp)	Inv 608466	-111.22
09/04/2024	Bill Payment (Check)	Gilbert CPAs	Inv 348156	-3,502.00
09/10/2024	Bill Payment (Check)	All Star Printing	Inv 81777	-1,288.69
09/10/2024	Bill Payment (Check)	Gilbert CPAs	Inv 348312	-4,400.00
09/10/2024	Payment	Silverado-Modjeska Recreation & Park Dist		142.25
09/10/2024	Deposit			837,369.78
09/10/2024	Bill Payment (Check)	Gibbons & Conley	Inv 24Aug4380	-131.71
09/13/2024	Bill Payment (Check)	Golden State Risk Management Authority	Inv EB-002076	-326.24
09/13/2024	Bill Payment (Check)	Golden State Risk Management Authority	Inv EB-002029	-4,267.00
09/15/2024	Journal Entry		Pers Payment	-3,001.24
09/15/2024	Journal Entry		Fed Payroll Taxes (Fed W/H + Medicare EE & ER)	-3,154.30
09/15/2024	Journal Entry		Net Pay + \$7 Payroll Fee	-13,802.00
09/15/2024	Journal Entry		457 Payment	-1,023.61
09/15/2024	Journal Entry		State Payroll Taxes	-871.98
09/16/2024	Bill Payment (Check)	George Hills Company	Inv INV1029675	-15,342.60
09/17/2024	Deposit			187,219.00
09/18/2024	Bill Payment (Check)	Monica Breck	Inv Exp Rpt 09-17-24	-862.23
09/18/2024	Transfer		CAPRI FUNDING REF # 02426 1009626620 CAPRI 1680084481FUNDING	-58,476.67
09/18/2024	Bill Payment (Check)	PFM Asset Management, LLC	Inv 14406712	-1,942.26
09/19/2024	Bill Payment (Check)	Matthew Duarte	Inv Exp Rpt 9/17/24 MD	-362.87
09/19/2024	Deposit			317,625.25
09/20/2024	Deposit			55,084.25
09/22/2024	Expenditure	Pitney Bowes		-737.50
09/23/2024	Bill Payment (Check)	Caltronics	Inv 4173401	-242.36
09/23/2024	Expenditure			-14.17
09/23/2024	Credit Card Payment			-644.42
09/23/2024	Transfer		CAPRI FUNDING REF # 02426 7004298974 CAPRI 1680084481FUNDING	-227,505.60
09/23/2024	Bill Payment (Check)	Kirk Andre	Inv Exp Rpt 9/18/****	-524.00
09/23/2024	Bill Payment (Check)	Reliance Standard Life Insurance	Inv 9-06015-10/24	-66.00
09/23/2024	Transfer		CAPRI FUNDING REF # 02426 7004298977 CAPRI 1680084481FUNDING	-55,647.95
09/24/2024	Deposit			353,619.41
09/24/2024	Bill Payment (Check)	Hofmann Holdings LP	Inv 2024-10-01	-4,909.86
09/25/2024	Bill Payment (Check)	California Computer Services (Corp)	Inv 88729	-260.00
09/26/2024	Deposit			35,695.00
09/27/2024	Bill Payment (Check)	Kirk Andre	Inv Exp Rpt 9/25/****	-352.55
09/30/2024	Journal Entry		Fed Payroll Taxes (Fed W/H + Medicare EE & ER)	-3,162.28
09/30/2024	Journal Entry		Pers Payment	-3,001.39
09/30/2024	Journal Entry		State Payroll Taxes	-877.26
09/30/2024	Journal Entry		Net Pay + \$7 Payroll Fee	-14,013.63
09/30/2024	Journal Entry		457 Payment	-1,023.61
TOTAL				\$ 227,315.64

California Association for Park and Recreation Indemnity
Consolidated Statement of Net Position
As of September 30, 2024 and September 30, 2023

	Consolidated September 30, 24	Consolidated September 30, 23
ASSETS		
Current Assets		
Checking/Savings		
Bill.com Money Out Clearing	-	(966.80)
Bank of West - Master Register	\$ 2,753,264.96	\$ 2,427,349.15
BMO - MM	50,003.58	465,176.94
BMO - Checking RIO	1,307.30	249,991.00
BMO - MM RIO	203,409.20	
Claims Trust Accounts		
Juris - New Workers' Comp	(32,338.60)	9,475.52
California Bank & Trust - Liability	4,157.10	233,114.86
LAIF	8,504,741.40	5,675,058.93
Total Checking/Savings	11,484,544.94	9,059,199.60
Investment Account		
PFM Investment Account	24,988,858.40	-
US Bank	104,533.30	21,522,927.17
Total Investment Account	25,093,391.70	21,522,927.17
Due from CARPD	356.02	317.22
Due from Members Year-end WC	-	559,417.00
Accounts Receivable	18,275.70	364,783.58
Interest Receivable	94,341.51	34,812.68
Recovery Receivable	250,612.76	75,119.44
Prepaid Insurance	6,666,286.69	11,051,991.59
Prepaid Expenses	5,978.68	8,177.46
Total Other Current Assets	32,129,243.06	33,617,546.14
Total Current Assets	43,613,788.00	42,676,745.74
Capital Assets		
Capital Assets		
Computer Hardware/Software	38,419.81	36,906.88
Furniture & Equipment	75,760.98	71,358.42
Accumulated Depreciation	(99,635.08)	(94,553.28)
Total Capital Assets	14,545.71	13,712.02
Intangible Lease Asset	240,182.00	240,182.00
Amortization of Lease Asset	(190,600.00)	(144,856.00)
Total Intangible Lease Asset	49,582.00	95,326.00
Total Fixed Assets	64,127.71	109,038.02
Other Assets		
Investment in RIO	-	250,000.00
Deferred Outflows - Pension	352,168.32	353,979.00
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 44,030,084.03	\$ 43,389,762.76

	Consolidated September 30, 24	Consolidated September 30, 23
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Credit Cards		
BMO / MC - Kirk	\$ 700.67	\$ 1,202.29
BMO / MC - Matt	1,864.02	5,716.18
Total Credit Cards	2,564.69	6,918.47
Other Current Liabilities		
District Overpayments	4,132,985.75	4,600,219.75
Claims Payable		
Liability Claim Reserves	1,161,375.33	736,428.33
Property Claims Reserves	1,216,658.00	2,411,888.00
W/C Claim Reserves	4,960,958.00	5,022,551.00
Total Claims Payable	7,338,991.33	8,170,867.33
Accrued Expenses	34,871.82	24,841.89
Accounts Payable	925,393.65	340,254.87
Lease Liability	43,307.14	97,859.86
Total Other Current Liabilities	12,475,549.69	18,029,079.70
Total Current Liabilities	12,478,114.38	18,035,998.17
Long Term Liabilities		
Deferred Inflows - Pension	53,295.97	82,989.00
Net Pension Liability	874,137.00	831,201.00
IBNR		
IBNR Reserves - Liability	3,369,441.00	2,910,516.00
IBNR Reserves - Property	245,636.00	400,340.00
IBNR Reserves - Workers Comp	6,089,824.00	5,934,388.00
Total IBNR	9,704,901.00	9,245,244.00
ULAE		
ULAE - Liability	226,541.00	182,347.00
ULAE - Property	73,115.00	140,611.00
ULAE - Workers' Compensation	552,539.00	547,847.00
Total ULAE	852,195.00	870,805.00
Total Long Term Liabilities	11,484,528.97	11,030,239.00
Total Liabilities and Deferred Inflows	23,962,643.35	29,066,237.17
NET POSITION		
Invested in Capital Assets	14,545.71	13,712.02
Designation of Net Position	50,003.58	465,176.94
Unrestricted Net Position	18,574,824.16	13,049,495.86
Net Income	1,428,067.23	545,140.77
Total Net Position	\$ 20,067,440.68	\$ 14,323,525.59

**California Association for Park and Recreation Indemnity
Statement of Revenue, Expenses Budget to Actual (Consolidated)
July 2024 through September 2024**

	<u>Jul '24 - Sep '24</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
Revenue				
Member Contributions	4,637,005.75	18,548,019.00	-13,911,013.25	25.0%
Bank/LAIF Interest	93,908.91	150,000.00	-56,091.09	62.61%
Sales	0.00	0.00	0.00	0.0%
Managed Portfolio	160,739.37	350,000.00	-189,260.63	45.93%
CARPD Administration	21,250.00	85,000.00	-63,750.00	25.0%
RIO Administration	0.00	45,000.00	-45,000.00	0.0%
Go Forward Premium	0.00	0.00	0.00	0.0%
Total Revenue	<u>4,912,904.03</u>	<u>19,178,019.00</u>	<u>-14,265,114.97</u>	<u>25.62%</u>
Expense				
Operating Expenditures				
Administration-CAPRI Office				
Bank Service Charges	2,946.17	16,000.00	-13,053.83	18.41%
Copier Service/Repair	242.36	2,000.00	-1,757.64	12.12%
Depreciation Expense	1,260.33	4,000.00	-2,739.67	31.51%
District Visitations	3,754.19	10,000.00	-6,245.81	37.54%
Miscellaneous	449.47	4,000.00	-3,550.53	11.24%
Office Supplies	675.23	7,500.00	-6,824.77	9.0%
Part-Time Services	0.00	2,000.00	-2,000.00	0.0%
Postage and Delivery	1,071.27	2,200.00	-1,128.73	48.69%
Printing and Reproduction	1,288.69	500.00	788.69	257.74%
Professional Dues	-20.00	5,000.00	-5,020.00	-0.4%
Rent	12,062.00	60,000.00	-47,938.00	20.1%
Salaries & Benefits				
Salaries				
Executive Director	54,160.50	216,642.00	-162,481.50	25.0%
Administrative Analyst	29,500.02	118,000.00	-88,499.98	25.0%
Administrative Assistant	7,041.44	44,000.00	-36,958.56	16.0%
Safety Analyst	25,000.02	100,000.00	-74,999.98	25.0%
Contingency	0.00	16,000.00	-16,000.00	0.0%
Total Salaries	<u>115,701.98</u>	<u>494,642.00</u>	<u>-378,940.02</u>	<u>23.39%</u>
Employee Benefits				
Medical	13,779.72	63,500.00	-49,720.28	21.7%
Life Insurance	198.00	950.00	-752.00	20.84%
457 ER Contributions	5,291.64	22,414.00	-17,122.36	23.61%
PERS Contributions	9,095.73	31,924.00	-22,828.27	28.49%
Payroll Tax Expense	1,754.28	6,100.00	-4,345.72	28.76%
Total Employee Benefits	<u>30,119.37</u>	<u>124,888.00</u>	<u>-94,768.63</u>	<u>24.12%</u>
Payroll Fees	96.00	0.00	96.00	100.0%
Accrued Vacation	2,323.68	0.00	2,323.68	100.0%
PERS Unfunded Liability	79,810.00	75,856.00	3,954.00	105.21%
Total Salaries & Benefits	<u>228,051.03</u>	<u>695,386.00</u>	<u>-467,334.97</u>	<u>32.8%</u>
Safety Meetings/Workshops	0.00	4,000.00	-4,000.00	0.0%
Telephone	1,566.30	6,500.00	-4,933.70	24.1%
Travel/Meeting	2,692.58	12,000.00	-9,307.42	22.44%
Total Administration-CAPRI Office	<u>256,039.62</u>	<u>831,086.00</u>	<u>-575,046.38</u>	<u>30.81%</u>
Board Meeting/Travel	6,686.79	27,500.00	-20,813.21	24.32%

	<u>Jul '24 - Sep '24</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
CARPD Expense	0.00	2,000.00	-2,000.00	0.0%
Consulting Services				
Actuarial Services	0.00	11,250.00	-11,250.00	0.0%
Claims Management	51,342.10	413,857.00	-362,514.90	12.41%
Financial Accounting	16,952.96	46,350.00	-29,397.04	36.58%
Financial Audit	0.00	26,700.00	-26,700.00	0.0%
Investment Advisors	1,942.26	32,000.00	-30,057.74	6.07%
IT Services	759.12	3,000.00	-2,240.88	25.3%
Legal Fees	1,659.57	30,000.00	-28,340.43	5.53%
Loss Prevention Services	0.00	55,000.00	-55,000.00	0.0%
Total Consulting Services	<u>72,656.01</u>	<u>618,157.00</u>	<u>-545,500.99</u>	<u>11.75%</u>
Total Operating Expenditures	<u>335,382.42</u>	<u>1,478,743.00</u>	<u>-1,143,360.58</u>	<u>22.68%</u>
Insurance Expenditures				
Crime Policy	7,342.24	25,000.00	-17,657.76	29.37%
Workers' Compensation	266,868.50	1,067,474.00	-800,605.50	25.0%
Other Premiums (W/C)	0.00	60,000.00	-60,000.00	0.0%
Employee Assistance Program	3,360.00	15,000.00	-11,640.00	22.4%
Combined GL/AL Excess	547,829.75	2,188,991.00	-1,641,161.25	25.03%
Property Coverage	1,374,387.08	5,497,548.00	-4,123,160.92	25.0%
Broker Fees	26,250.00	105,000.00	-78,750.00	25.0%
Total Insurance Expenditures	<u>2,226,037.57</u>	<u>8,959,013.00</u>	<u>-6,732,975.43</u>	<u>24.85%</u>
Claims Expenditures				
Claims Payments	660,705.96	8,190,263.00	-7,529,557.04	8.07%
Property Claims	441,425.78	0.00	441,425.78	100.0%
Liability Claim Payments	913,746.80	0.00	913,746.80	100.0%
Subrogation Recovery	-5,866.25	0.00	-5,866.25	100.0%
Change in IBNR	604,713.00	0.00	604,713.00	100.0%
Change in ULAE	1,262.00	0.00	1,262.00	100.0%
Change in Reserves	-579,489.00	0.00	-579,489.00	100.0%
Total Claims Expenditures	<u>2,036,498.29</u>	<u>8,190,263.00</u>	<u>-6,153,764.71</u>	<u>24.87%</u>
Contingency				
General	0.00	50,000.00	-50,000.00	0.0%
Total Contingency	<u>0.00</u>	<u>50,000.00</u>	<u>-50,000.00</u>	<u>0.0%</u>
Total Expense	<u>4,597,918.28</u>	<u>18,678,019.00</u>	<u>-14,080,100.72</u>	<u>24.62%</u>
Net Operating Income	<u>314,985.75</u>	<u>500,000.00</u>	<u>-185,014.25</u>	<u>63.0%</u>
Other Income/Expense				
Other Income				
Investment Gain/Loss	1,113,081.48	0.00	1,113,081.48	100.0%
Total Other Income	<u>1,113,081.48</u>	<u>0.00</u>	<u>1,113,081.48</u>	<u>100.0%</u>
Net Income	<u><u>1,428,067.23</u></u>	<u><u>500,000.00</u></u>	<u><u>928,067.23</u></u>	<u><u>285.61%</u></u>

California Association for Park and Recreation Indemnity
Consolidated Statement of Revenue, Expenses and Change in Net Position
For the Quarter and Year to Date September 30, 2024 and September 30, 2023

	<u>Jul '24 - Sep '24</u>	<u>CONSOLIDATED Jul '24 - Sep '24</u>	<u>Jul '22 - June '23</u>
Ordinary Revenue			
Revenue			
Member Contributions	\$ 4,637,005.75	\$ 4,637,005.75	\$ 4,373,757.75
Go Forward Premium	-	-	1,552,750.00
Bank/LAIF Interest	93,908.91	93,908.91	34,816.64
Managed Portfolio	160,739.37	160,739.37	22,963.99
CARPD - Quarterly Services	21,250.00	21,250.00	19,316.75
Total Operating Revenue	<u>4,912,904.03</u>	<u>4,912,904.03</u>	<u>6,003,605.13</u>
Operating Expenses			
General and Administrative Expenses			
Administration-CAPRI Office			
Bank Service Charges	2,946.17	2,946.17	3,476.62
Copier Service / Repair	242.36	242.36	200.29
Depreciation Expense	1,260.33	1,260.33	1,089.25
District Visitations	3,754.19	3,754.19	2,198.15
Miscellaneous	449.47	449.47	1,033.85
Office Supplies	675.23	675.23	132.37
Postage and Delivery	1,071.27	1,071.27	710.25
Printing and Reproduction	1,288.69	1,288.69	94.82
Professional Dues	(20.00)	(20.00)	-
Rent	12,062.00	12,062.00	16,602.24
Salaries & Benefits	228,051.03	228,051.03	202,975.48
Telephone	1,566.30	1,566.30	1,553.74
Travel/Meeting	2,692.58	2,692.58	5,658.81
Total Administration-CAPRI Office	<u>256,039.62</u>	<u>256,039.62</u>	<u>235,725.87</u>
Board Meeting/Travel	6,686.79	6,686.79	4,635.66
Consulting Services			
Claims Management	1,080.00	1,080.00	62,589.99
Claims Management - Admin	5,500.00	5,500.00	-
Claims Management - Liability	30,597.00	30,597.00	19,225.45
Claims Management - Property	14,165.10	14,165.10	14,630.79
Financial Accounting	16,952.96	16,952.96	14,818.95
Investment Advisors	1,942.26	1,942.26	6,113.33
IT Services	759.12	759.12	1,314.11
Legal Fees	1,659.57	1,659.57	5,409.24
Total Consulting Services	<u>72,656.01</u>	<u>72,656.01</u>	<u>128,386.86</u>
Total General and Administrative Expenses	<u>335,382.42</u>	<u>335,382.42</u>	<u>368,748.39</u>
Insurance Expenses			
Crime Policy	7,342.24	7,342.24	7,482.04
Workers' Compensation	266,868.50	266,868.50	218,867.75
Combined GL/AL Excess	547,829.75	547,829.75	439,778.75
Property Coverage	1,374,387.08	1,374,387.08	1,438,868.66
EAP	3,360.00	3,360.00	396.40
Broker Fees	26,250.00	26,250.00	26,250.00
Total Insurance Expenses	<u>2,226,037.57</u>	<u>2,226,037.57</u>	<u>3,684,393.60</u>

	<u>Jul '24 - Sep '24</u>	CONSOLIDATED <u>Jul '24 - Sep '24</u>	<u>Jul '22 - June '23</u>
Claims Expenses			
Workers' Compensation Claims	660,705.96	660,705.96	647,985.85
Liability Claim Payments	913,746.80	913,746.80	342,961.88
Property Claims	441,425.78	441,425.78	431,689.80
Subrogation Recovery	(5,866.25)	(5,866.25)	(17,315.16)
Change in Reserves	(579,489.00)	(579,489.00)	-
Changes in IBNR	604,713.00	604,713.00	-
Change in ULAE	1,262.00	1,262.00	-
Total Claims Expenses	<u>2,036,498.29</u>	<u>2,036,498.29</u>	<u>1,405,322.37</u>
Total Expenses	<u>4,597,918.28</u>	<u>4,597,918.28</u>	<u>5,458,464.36</u>
Net Operating Revenue	314,985.75	314,985.75	545,140.77
Other Revenue (Expense)			
Investment Gain/Loss	<u>1,113,081.48</u>	<u>1,113,081.48</u>	<u>-</u>
Net Revenue Over (Under) Expenses	\$ 1,428,067.23	\$ 1,428,067.23	\$ 545,140.77
Beginning Net Position		18,639,373.45	13,778,384.82
Ending Net Position		<u>\$ 20,067,440.68</u>	<u>\$ 14,323,525.59</u>

Agenda Item 8.1

SPECIAL REPORTS

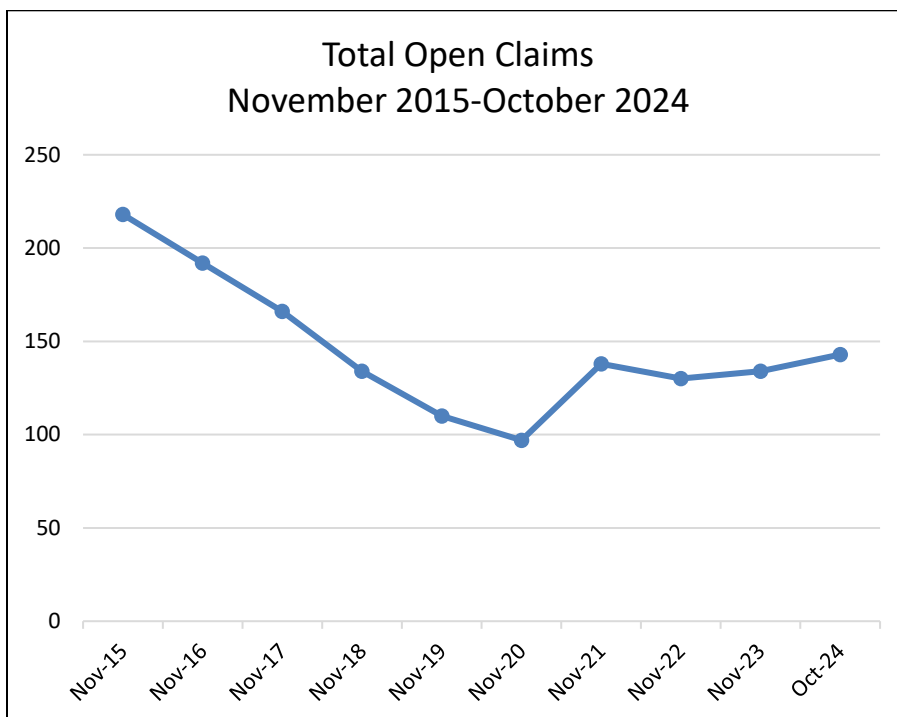
SUBJECT: WC Program Status Report

BACKGROUND AND STATUS:

Amy Whitman of Sedgwick will be present at the Board Meeting and will provide the annual WC Trending Report highlighting the performance of the program over the past five fiscal years.

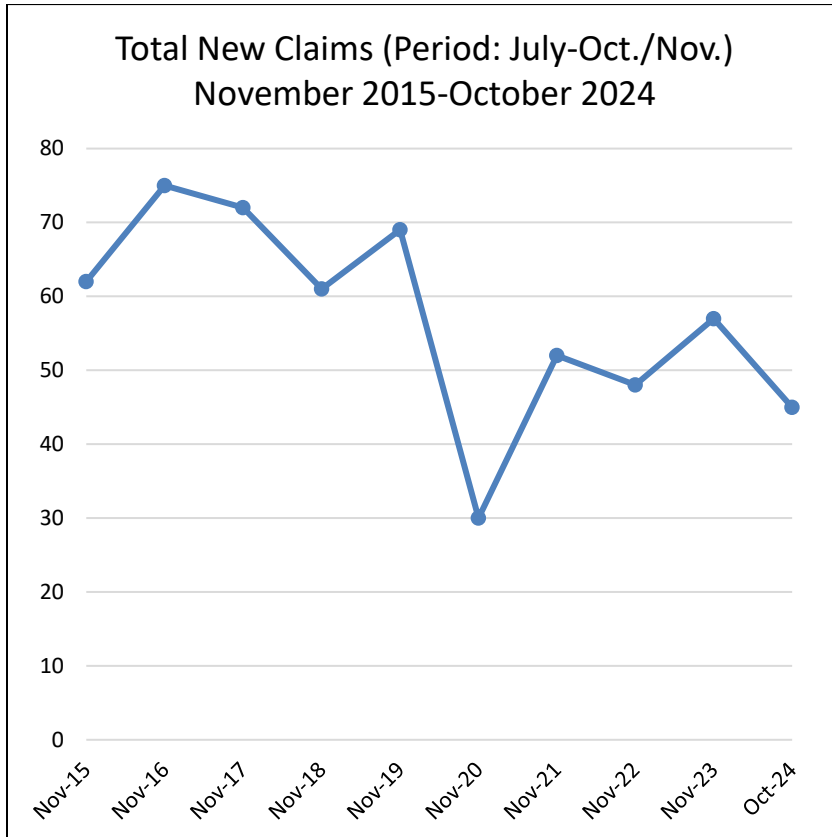
Additionally, attached hereto is a summary of the Workers' Compensation claims history organized by Fiscal year as of September 30, 2024. The total number of open claims currently sits at 143. Furthermore, the total reserved amount now sits at \$11,454,697.49, down slightly from \$11,725,904.70 at this time last year.

Below is a historical comparison of the status of the program management with CAPRI's total open claims as of November 1st for the past several years.



Year	Total Open Claims
Nov-15	218
Nov-16	192
Nov-17	166
Nov-18	134
Nov-19	110
Nov-20	97
Nov-21	138
Nov-22	130
Nov-23	134
Oct-24	143

Additionally, below is a historical comparison of the program’s claim frequency with the total claims made per fiscal year as of November 1st as well as the average number of claims made per month that year.



Year	Claims This Period	Average Claims Per Month
Nov-15	62	15.50
Nov-16	75	18.75
Nov-17	72	18.00
Nov-18	61	15.25
Nov-19	69	17.25
Nov-20	30	7.50
Nov-21	52	13.00
Nov-22	48	12.00
Nov-23	57	19.00
Oct-24	45	15.00

RECOMMENDATION:

Information only.

REFERENCE MATERIALS ATTACHED:

- CAPRI Workers’ Compensation Trending Report – November 2024
- Summary of WC Claims by Fiscal Year as of September 30, 2024

Workers' Compensation Trending Report for CAPRI

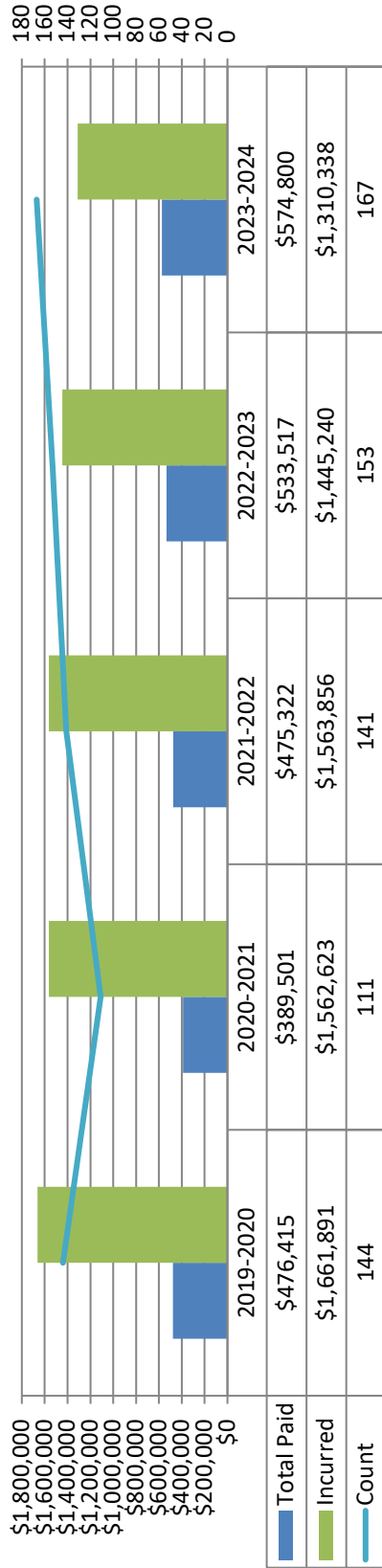


sedgwick®

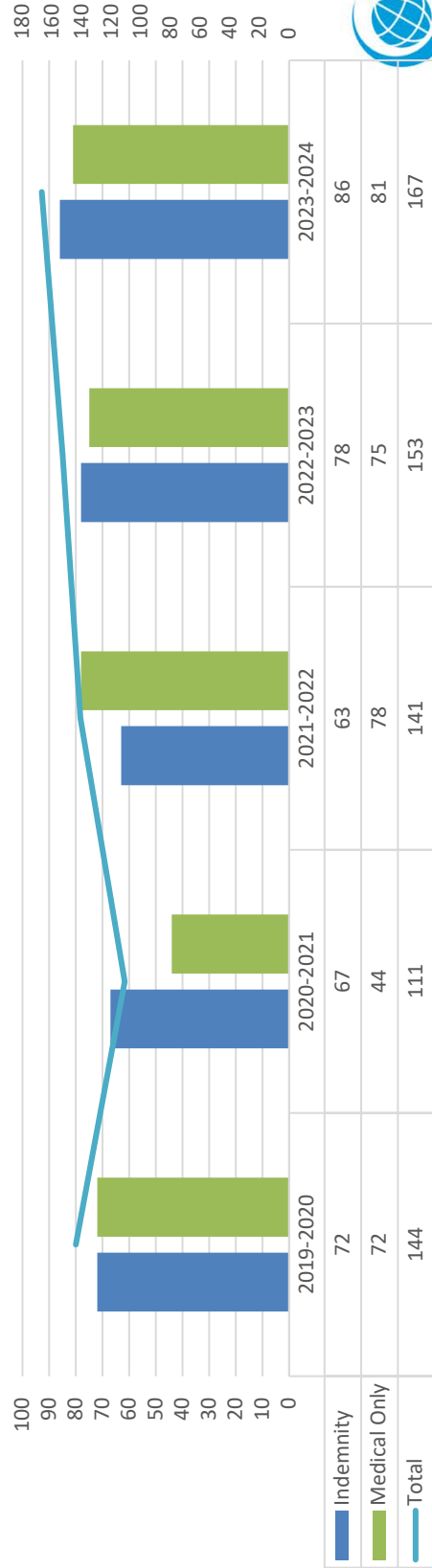
caring counts

November 2024

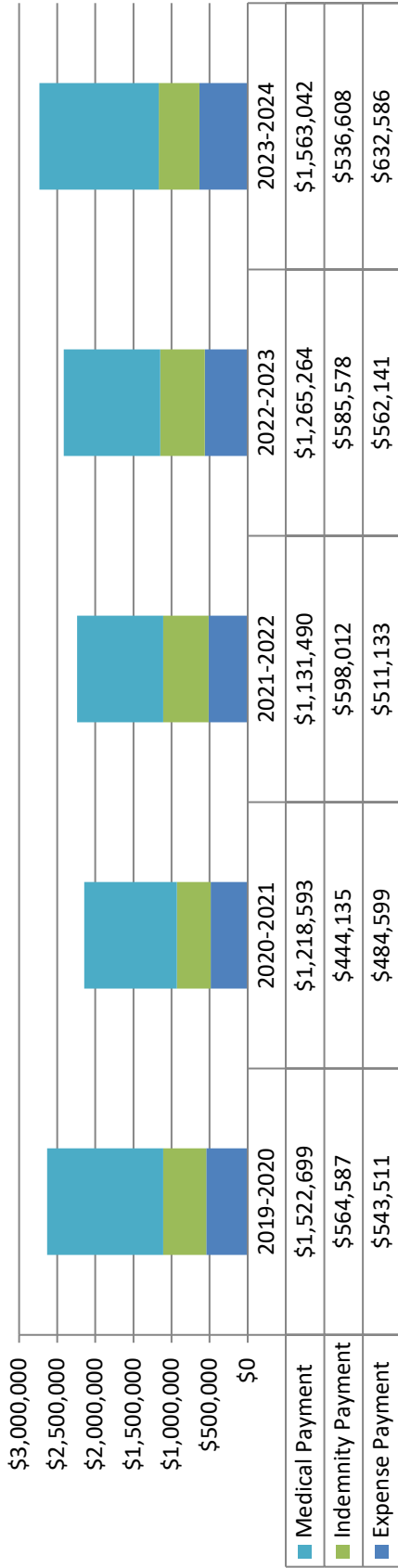
Total Paid and Incurred by Fiscal Year for Injuries within the Fiscal Year



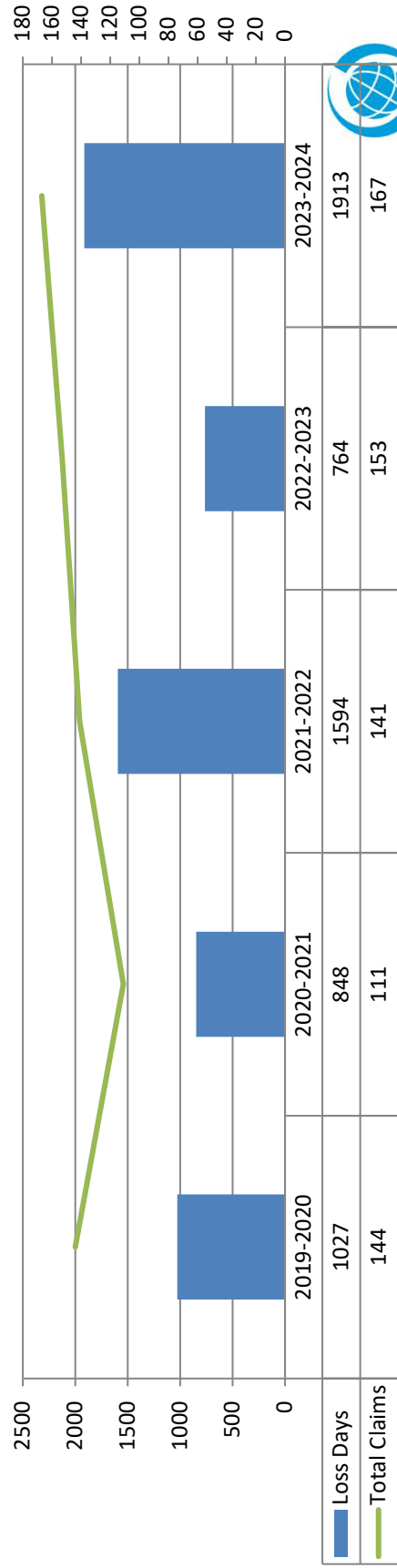
Claim by Type by Fiscal Year



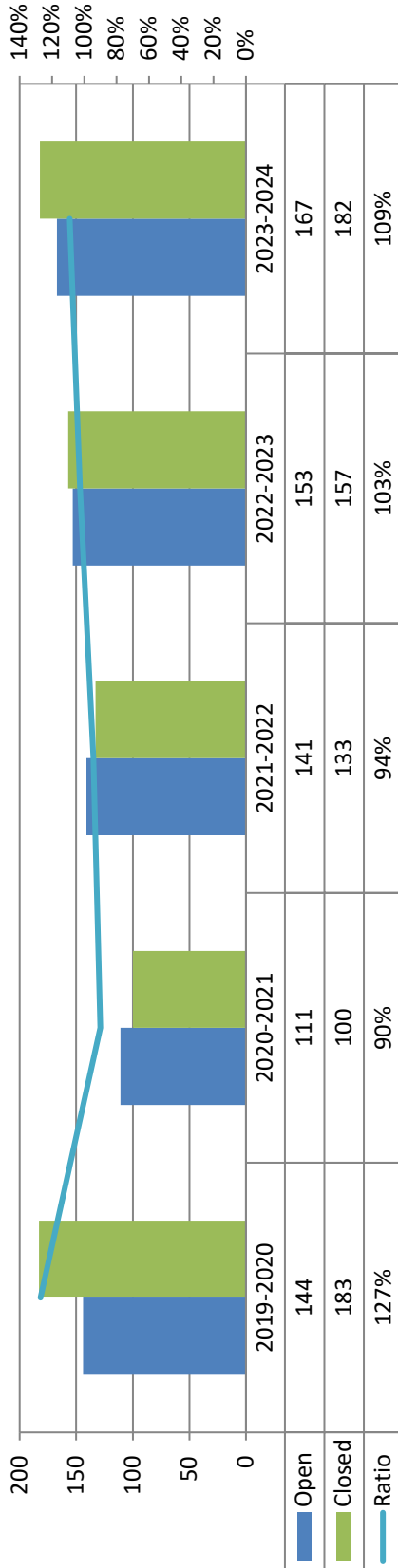
Total Paid by Fiscal Year Regardless of Injury Date



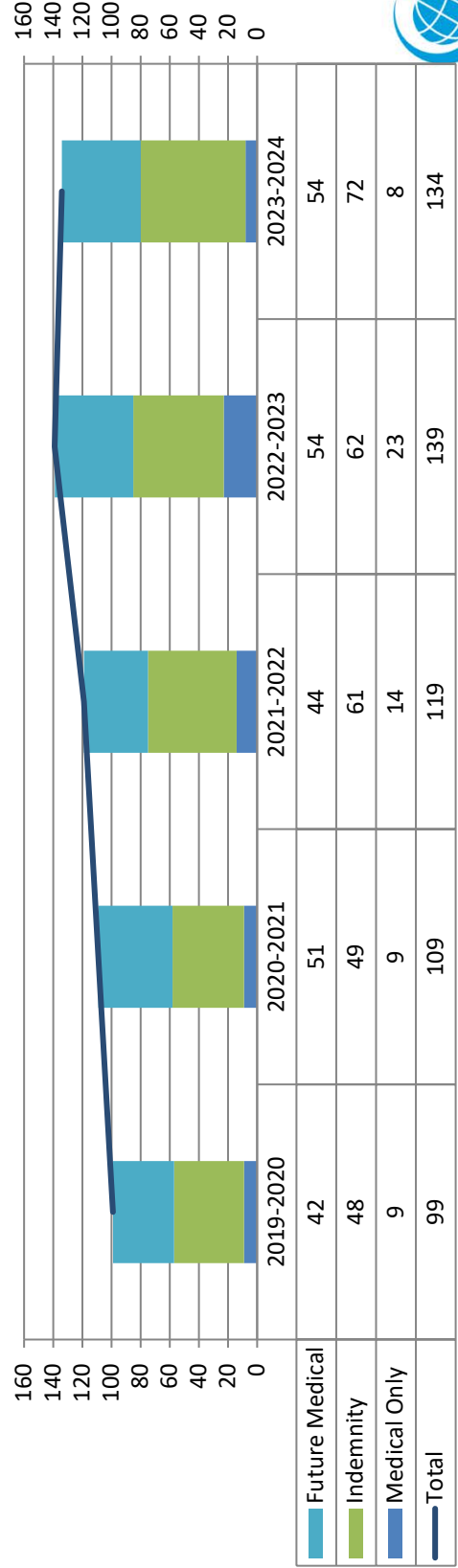
Loss Days by Fiscal Year for Injuries within the Fiscal Year



Closing Ratio by Fiscal Year

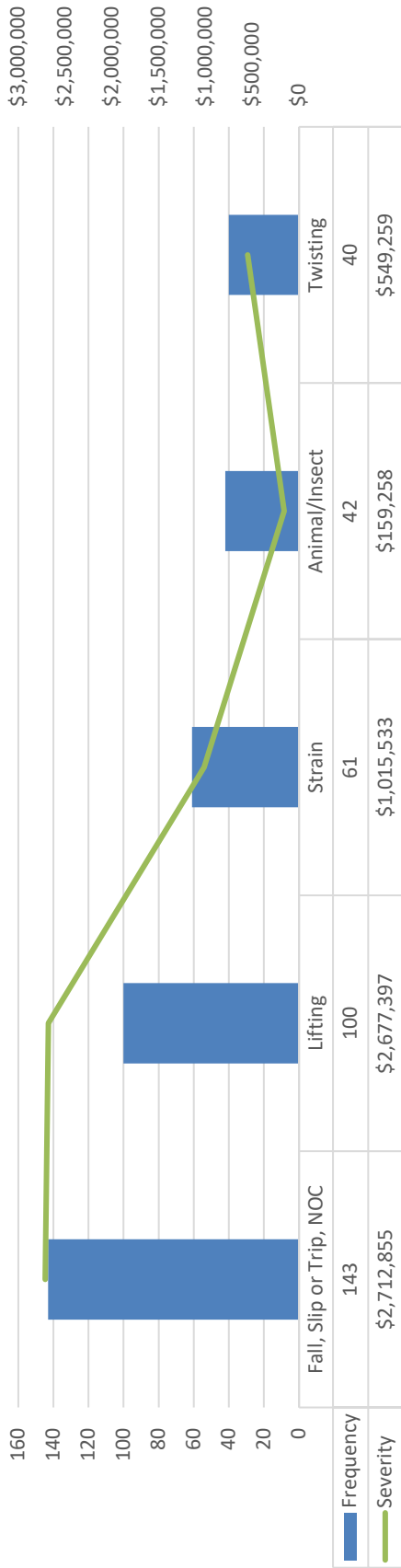


Total Ending Open Inventory by Fiscal Year

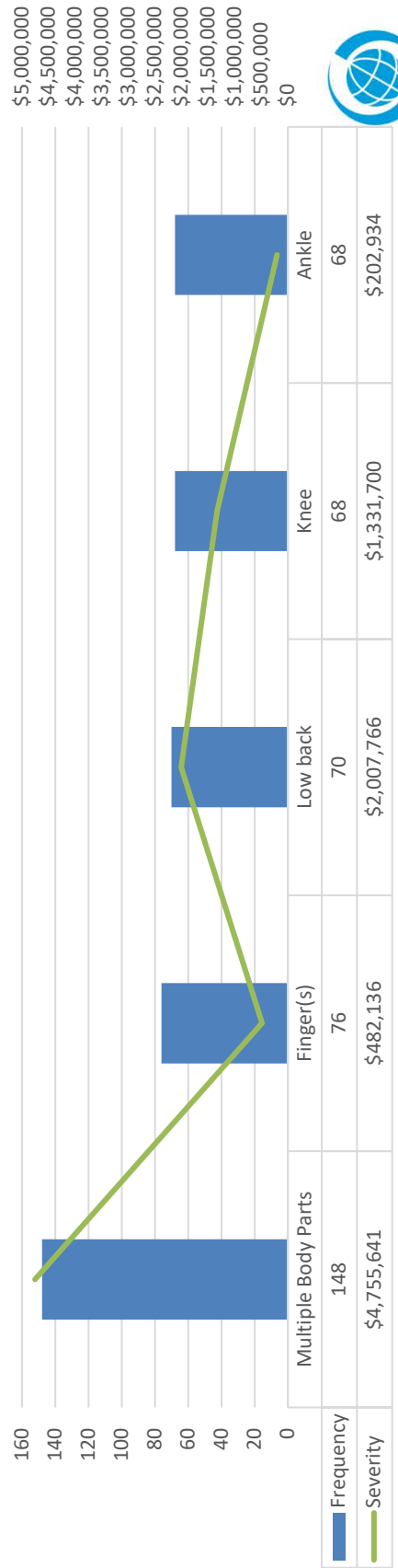


CAPRI WC Trending Report Fiscal Years 2019-2024

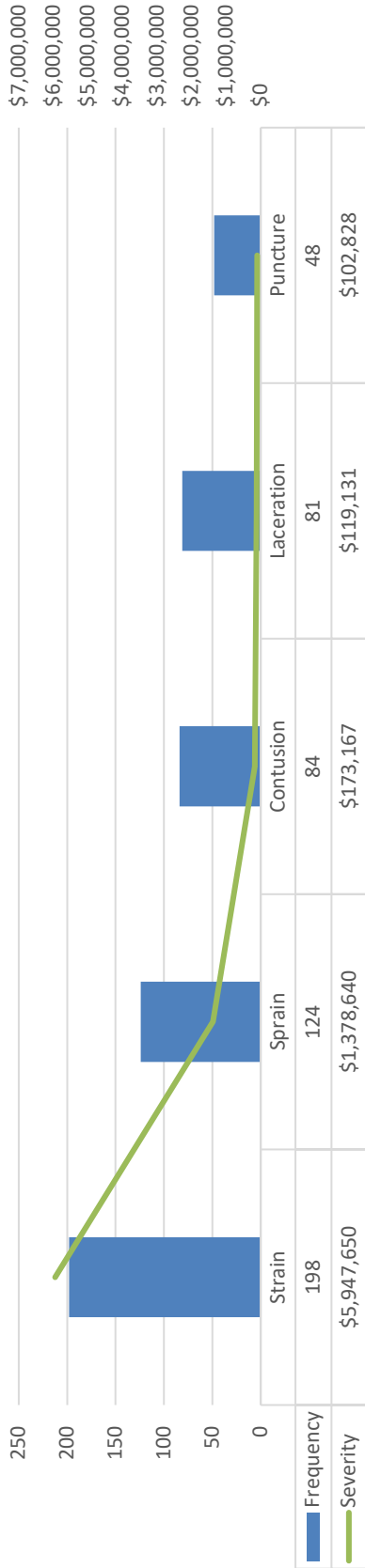
Top 5 Cause of Injury Fiscal Year 2019-2024



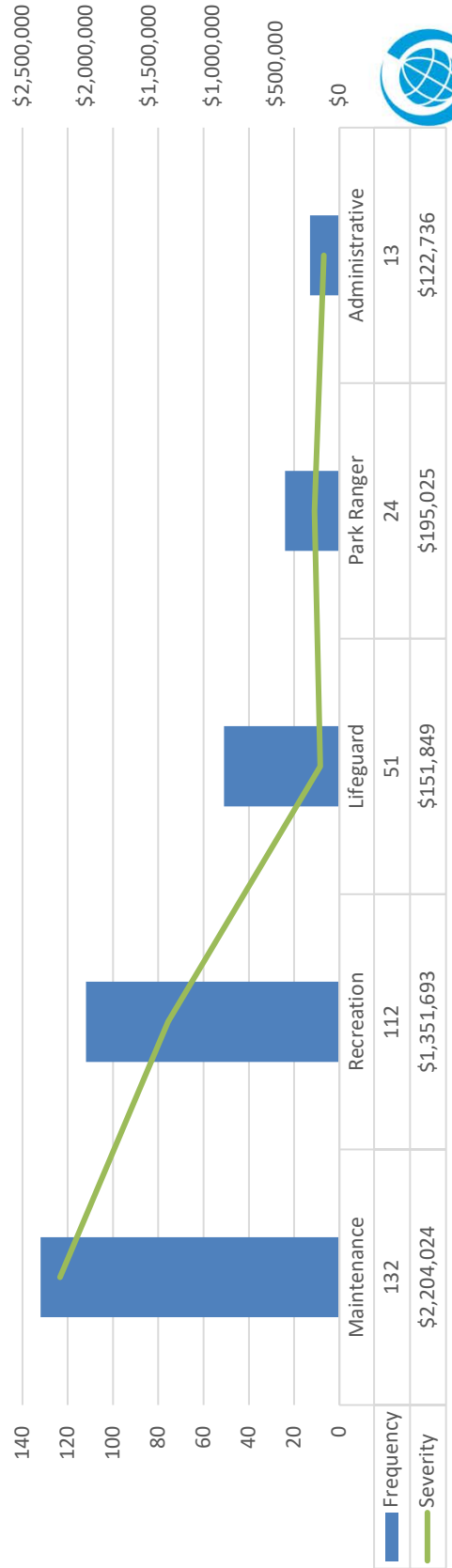
Top 5 Part of Body Injured Fiscal Year 2019-2024



Top 5 Nature of Injury Fiscal Year 2019-2024



Top 5 Occupation of Injury Fiscal Year 2019-2024



Top 10 Claims Fiscal Year 2019-2024

Fiscal Year	Claim Number	Member	Description	Paid	Incurred
2020 - 2021	CWDK-557685	Rancho Simi	Multiple injuries sustained when assaulted by a group of teenagers	\$174,045	\$465,392
2021 - 2022	CWDL-557748	North of the River	Neck, back, upper extremities injured after lifting potatoes	\$160,328	\$400,336
2019 - 2020	CWDJ-557543	Ambrose	Injured low back while loading a mattress	\$337,079	\$375,714
2021 - 2022	CWDL-557767	Jurupa Area	Multiple injuries sustained when mower malfunctioned causing it to abruptly stop resulting in coworker rear ending mower	\$99,814	\$280,710
2019 - 2020	CWDJ-557535	Livermore Area	Injured fingers while pulling up into a cab of a large mower	\$225,226	\$262,206
2020 - 2021	CWDK-557673	Fulton-El Camino	Cumulative trauma to back, neck, shoulders, knees, elbows, wrists and hypertension	\$120,841	\$261,413
2021 - 2022	4A21110M5XV-0001	Rancho Simi	Slip and fall on oil resulting in low back and right hip injury	\$177,765	\$250,807
2021 - 2022	4A22044S2R1-0001	North of the River	Slip and fall on wet floor (sign posted) resulting in injury to left arm	\$135,410	\$219,278
2019 - 2020	CWDJ-557584	Greater Vallejo	Injury to head, neck, back, and psyche after being caught between a crate and forklift	\$218,604	\$218,604
2020 - 2021	CWDK-557674	Rancho Simi	Injury to ankle while cutting down large pine tree and branch pinned him down	\$95,951	\$215,329

Frequency and Severity of Workers' Compensation Claims by District
Fiscal Year 2019-2024

District	Frequency	Paid	Average Paid	Incurred	Average Incurred
Ambrose	2	\$337,712	\$168,856	\$376,346	\$188,173
Arcade Creek	1	\$1,308	\$1,308	\$1,308	\$1,308
Arden Manor	2	\$4,608	\$2,304	\$4,608	\$2,304
Beaumont-Cherry Valley	6	\$47,636	\$7,939	\$73,096	\$12,183
Belvedere-Tiburon Joint	3	\$108	\$36	\$108	\$36
Buttonwillow	1	\$34,114	\$34,114	\$34,114	\$34,114
Carmichael	9	\$36,240	\$4,027	\$36,240	\$4,027
Coalinga-Huron	4	\$88,787	\$22,197	\$88,787	\$22,197
Cordova	38	\$72,037	\$1,896	\$72,037	\$1,896
Desert	47	\$120,891	\$2,572	\$136,519	\$2,905

**Frequency and Severity of Workers' Compensation Claims by District
Fiscal Year 2019-2024**

District	Frequency	Paid	Average Paid	Incurred	Average Incurred
Dunsmuir	1	\$505	\$505	\$20,823	\$20,823
Durham	1	\$1,269	\$1,269	\$1,269	\$1,269
Fair Oaks	7	\$18,925	\$2,704	\$18,925	\$2,704
Feather River	9	\$11,709	\$1,301	\$126,750	\$14,083
Fulton-El Camino	29	\$277,777	\$9,579	\$539,494	\$18,603
Greater Vallejo	33	\$348,752	\$10,568	\$409,198	\$12,400
Hayward Area	69	\$722,786	\$10,475	\$1,082,206	\$15,684
Hesperia	18	\$71,683	\$3,982	\$136,356	\$7,575
Highlands	5	\$13,352	\$2,670	\$49,301	\$9,860
Isla Vista	5	\$60,734	\$12,147	\$119,677	\$23,935

Frequency and Severity of Workers' Compensation Claims by District
Fiscal Year 2019-2024

District	Frequency	Paid	Average Paid	Incurred	Average Incurred
Jurupa Area	15	\$177,198	\$11,813	\$413,201	\$27,547
Lake Cuyamaca	5	\$39,308	\$7,862	\$96,728	\$19,346
Livermore Area	33	\$451,920	\$13,695	\$626,868	\$18,996
McFarland	8	\$26,522	\$3,315	\$53,831	\$6,729
Mendocino Coast	9	\$7,579	\$842	\$18,455	\$2,051
Mission Oaks	19	\$61,231	\$3,223	\$71,043	\$3,739
Monte Rio	1	\$32,924	\$32,924	\$38,924	\$38,924
Mt. Shasta	11	\$65,094	\$5,918	\$76,945	\$6,995
North Highlands	11	\$103,652	\$9,423	\$103,652	\$9,423
North of the River	45	\$799,575	\$17,768	\$1,633,225	\$36,294

**Frequency and Severity of Workers' Compensation Claims by District
Fiscal Year 2019-2024**

District	Frequency	Paid	Average Paid	Incurred	Average Incurred
Orangevale	10	\$9,069	\$907	\$9,069	\$907
Paradise	10	\$233,605	\$23,361	\$296,446	\$29,645
Pleasant Hill	24	\$84,399	\$3,517	\$118,492	\$4,937
Pleasant Valley	17	\$189,045	\$11,120	\$445,042	\$26,179
Rancho Simi	85	\$1,361,347	\$16,016	\$2,153,121	\$25,331
Rio Linda/Elverta	1	\$13,367	\$13,367	\$38,962	\$38,962
Russian River	1	\$90,560	\$90,560	\$150,579	\$150,579
Silverado-Modjeska	5	\$15,300	\$3,060	\$24,124	\$4,825
Soledad Mission	7	\$4,851	\$693	\$4,851	\$693
Southgate	47	\$235,016	\$5,000	\$298,258	\$6,346

**Frequency and Severity of Workers' Compensation Claims by District
Fiscal Year 2019-2024**

District	Frequency	Paid	Average Paid	Incurred	Average Incurred
Strawberry	4	\$5,272	\$1,318	\$5,272	\$1,318
Sunrise	51	\$242,050	\$4,746	\$335,312	\$6,575
Tehachapi Valley	2	\$89,422	\$44,711	\$89,422	\$44,711
Truckee-Donner	34	\$126,409	\$3,718	\$175,987	\$5,176
Tuolumne	2	\$151,837	\$75,919	\$151,837	\$75,919
Valley-Wide	11	\$21,643	\$1,968	\$26,165	\$2,379
Wasco	2	\$7,688	\$3,844	\$7,688	\$3,844
Weed	2	\$78,311	\$39,156	\$115,152	\$57,576
West Side	6	\$161,584	\$26,931	\$179,519	\$29,920
Western Gateway	1	\$2,466	\$2,466	\$2,466	\$2,466

CAPRI Workers Comp Fiscal Year Claim Summary - WC

Activity Paid: 9/1/24 - 9/30/24 As Of 09/30/2024

Sedgwick Copyright © 2024 All rights reserved. This document is provided for informational purposes only.

Fiscal Year	Open	Closed	Total	Incurred Change This Period	Paid This Period	Reserved This Period	Total Paid	Total Reserve	Total Incurred	Recovery	Net Incurred
1978 - 1979	0	15	15	0.00	0.00	0.00	82,816.56	0.00	82,816.56	0.00	82,816.56
1979 - 1980	0	25	25	0.00	0.00	0.00	314,058.47	0.00	314,058.47	0.00	314,058.47
1980 - 1981	0	60	60	0.00	0.00	0.00	104,819.24	0.00	104,819.24	0.00	104,819.24
1981 - 1982	0	117	117	0.00	0.00	0.00	2,747,446.03	0.00	2,747,446.03	2,568,212.54	179,233.49
1982 - 1983	0	147	147	0.00	0.00	0.00	287,261.42	0.00	287,261.42	9,500.00	277,761.42
1983 - 1984	0	200	200	0.00	0.00	0.00	276,371.73	0.00	276,371.73	0.00	276,371.73
1984 - 1985	0	147	147	0.00	0.00	0.00	242,203.78	0.00	242,203.78	2,276.88	239,926.90
1985 - 1986	0	203	203	0.00	0.00	0.00	460,947.50	0.00	460,947.50	0.00	460,947.50
1986 - 1987	0	265	265	0.00	0.00	0.00	817,210.40	0.00	817,210.40	170,667.80	646,542.60
1987 - 1988	0	264	264	0.00	0.00	0.00	993,711.22	0.00	993,711.22	1,923.75	991,787.47
1988 - 1989	0	234	234	0.00	0.00	0.00	774,222.20	0.00	774,222.20	0.00	774,222.20
1989 - 1990	0	312	312	0.00	0.00	0.00	987,692.44	0.00	987,692.44	2,725.87	984,966.57
1990 - 1991	0	269	269	0.00	0.00	0.00	940,241.49	0.00	940,241.49	3,446.00	936,795.49
1991 - 1992	0	349	349	0.00	0.00	0.00	1,639,562.92	0.00	1,639,562.92	332,326.03	1,307,236.89
1992 - 1993	0	277	277	0.00	0.00	0.00	1,570,051.74	0.00	1,570,051.74	56,213.52	1,513,838.22
1993 - 1994	0	293	293	0.00	0.00	0.00	1,011,297.68	0.00	1,011,297.68	5,499.00	1,005,798.68
1994 - 1995	0	301	301	0.00	0.00	0.00	1,113,092.68	0.00	1,113,092.68	30,075.94	1,083,016.74
2005 - 2006	1	220	221	0.00	19,514.33	-19,514.33	8,017,486.51	5,562,718.88	13,580,205.39	5,274,069.23	8,306,136.16
2006 - 2007	1	191	192	0.00	149.00	-149.00	1,457,997.40	43,917.20	1,501,914.60	38,500.00	1,463,414.60
2007 - 2008	0	226	226	0.00	0.00	0.00	2,820,741.91	0.00	2,820,741.91	682.00	2,820,059.91
2008 - 2009	0	226	226	0.00	0.00	0.00	2,384,065.42	0.00	2,384,065.42	106,809.97	2,277,255.45
2009 - 2010	2	223	225	0.00	3,780.50	-3,780.50	2,620,633.10	246,523.23	2,867,156.33	16,494.05	2,850,662.28
2010 - 2011	1	250	251	-345.00	-336.00	-9.00	2,437,346.74	14,544.12	2,451,890.86	2,255.18	2,449,635.68
2011 - 2012	3	225	228	0.00	1,509.00	-1,509.00	4,292,514.59	189,355.40	4,481,869.99	1,141,774.94	3,340,095.05
2012 - 2013	2	222	224	0.00	18.00	-18.00	3,099,930.05	98,499.10	3,198,429.15	51,585.57	3,146,843.58
2013 - 2014	1	212	213	0.00	9.00	-9.00	2,306,162.84	15,887.00	2,322,049.84	32,350.11	2,289,699.73
2014 - 2015	2	195	197	0.00	748.18	-748.18	1,956,757.18	168,066.52	2,124,823.70	0.00	2,124,823.70
2015 - 2016	0	199	199	0.00	0.00	0.00	3,957,017.09	0.00	3,957,017.09	837,471.65	3,119,545.44
2016 - 2017	2	200	202	0.00	308.34	-308.34	2,122,579.52	130,818.46	2,253,397.98	126,186.91	2,127,211.07
2017 - 2018	3	191	194	0.00	9.00	-9.00	1,549,895.95	130,638.60	1,680,534.55	139,402.59	1,541,131.96
2018 - 2019	8	170	178	147,882.99	3,470.83	144,412.16	1,988,477.05	617,005.97	2,605,483.02	4,271.96	2,601,211.06

CAPRI Workers Comp Fiscal Year Claim Summary - WC

Activity Paid: 9/1/24 - 9/30/24 As Of 09/30/2024

Sedgwick Copyright © 2024 All rights reserved. This document is provided for informational purposes only.

Fiscal Year	Open	Closed	Total	Incurred Change This Period	Paid This Period	Reserved This Period	Total Paid	Total Reserve	Total Incurred	Recovery	Net Incurred
2019 - 2020	10	137	147	-2,290.00	5,037.83	-7,327.83	2,018,616.17	316,140.09	2,334,756.26	7,919.25	2,326,837.01
2020 - 2021	12	94	106	-1,774.76	5,907.01	-7,681.77	1,657,007.97	915,608.95	2,572,616.92	41.43	2,572,575.49
2021 - 2022	20	125	145	88,645.54	55,465.08	33,180.46	1,926,592.08	1,288,114.04	3,214,706.12	0.00	3,214,706.12
2022 - 2023	15	140	155	111,025.33	19,085.57	91,939.76	1,393,349.62	741,361.52	2,134,711.14	0.00	2,134,711.14
2023 - 2024	32	135	167	75,710.09	81,779.28	-6,069.19	843,941.10	761,694.89	1,605,635.99	0.00	1,605,635.99
2024 - 2025	28	17	45	17,180.63	35,883.65	-18,703.02	99,997.51	213,803.52	313,801.03	0.00	313,801.03
Total:	143	7,076	7,219	436,034.82	232,338.60	203,696.22	63,314,117.3	11,454,697.49	74,768,814.79	10,962,682.17	63,806,132.62

Agenda Item 8.2

SPECIAL REPORTS

SUBJECT: Investment Status Report

BACKGROUND AND STATUS:

Mallory Sampson and Alison Kaune of PFM Asset Management LLC will be present at the Board Meeting and will provide an in-depth report regarding the status of RIO's investment portfolio.

As requested, below is a summary of the return comparison for RIO versus historic investment strategies (pre-7/2023).

Returns of Various Investment Strategies as of September 30, 2024			
Account/Index	Past Quarter	Past 9 Months	Since RIO Inception 8/1/2023
RIO Portfolio	5.34%	9.58%	13.75%
1-5 Year U.S. Treasury Index	3.39%	4.21%	6.40%
1-5 Year AAA-A Corporate & Government Index	3.44%	4.43%	6.68%

As of September 30, 2024. Source of index returns, ICE Index Platform. Source of RIO return, PFMAM. Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.

RECOMMENDATION:

Information only.

REFERENCE MATERIALS ATTACHED:

- RIO Investment Performance Review for Quarter Ended September 30, 2024

Recreation Insurance Organization Captive

Performance Report

Quarter Ending September 30, 2024

November 7, 2024

512.364.4007

pfmam.com

PFM Asset Management LLC

NOT FDIC INSURED : NO BANK GUARANTEE : MAY LOSE VALUE

Mallory Sampson CFP®, Director

Allison Kaune, Senior Analyst

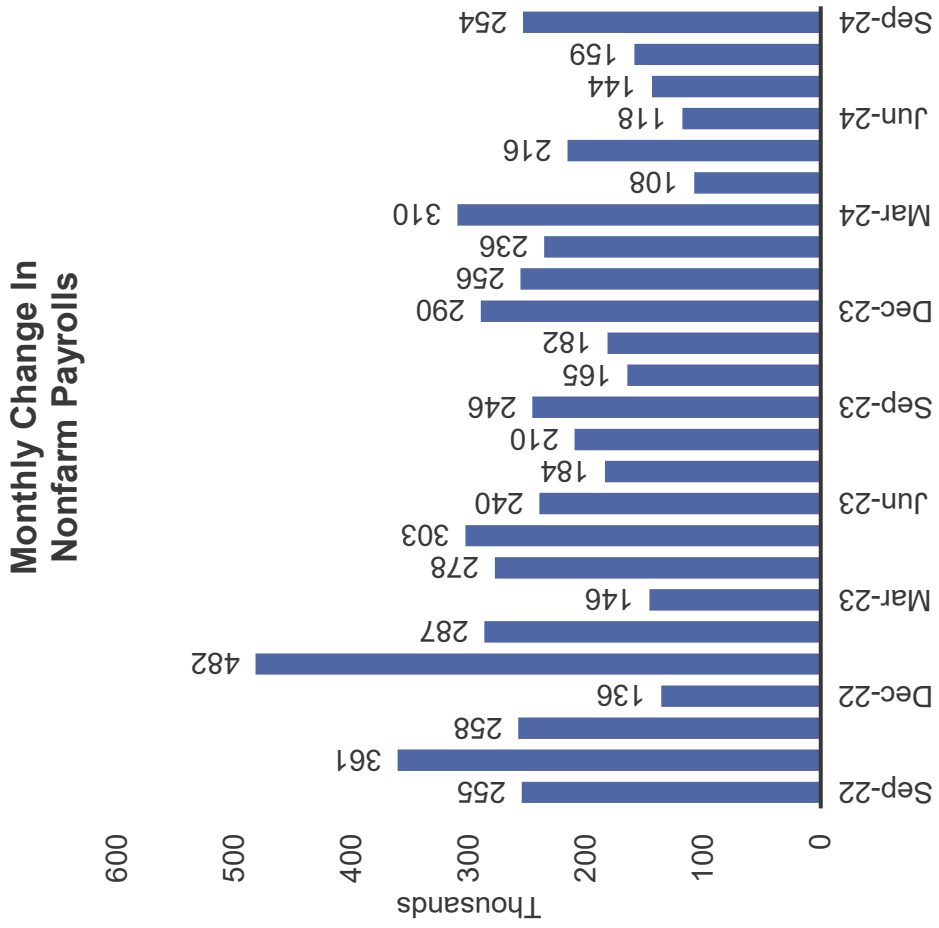
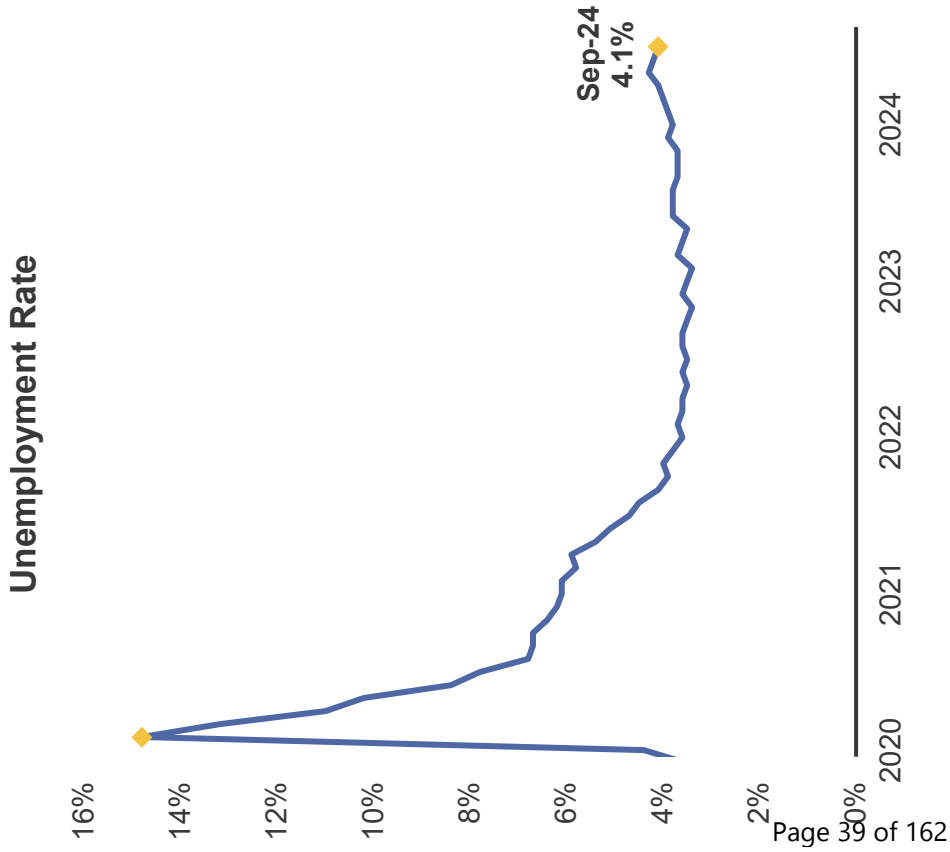
Major Equity and Fixed Income Market Indices

Market Indices as of 09/30/2024						
Domestic Equity	QTD	YTD	1 Year	3 Years	5 years	
S&P 500	5.89%	22.08%	36.33%	11.88%	15.94%	
Russell 3000	6.23%	20.63%	35.18%	10.26%	15.23%	
Russell 2000	9.27%	11.16%	26.74%	1.81%	9.34%	
Russell 1000	6.08%	21.18%	35.66%	10.80%	15.61%	
International Equity	QTD	YTD	1 Year	3 Years	5 years	
MSCI ACWI ex US (net)	8.06%	14.21%	25.35%	4.13%	7.58%	
MSCI EAFE (net)	7.26%	12.99%	24.77%	5.48%	8.19%	
MSCI Emerging Markets (net)	8.72%	16.86%	26.05%	0.40%	5.74%	
Fixed Income	QTD	YTD	1 Year	3 Years	5 years	
Bloomberg Aggregate	5.20%	4.45%	11.57%	-1.39%	0.33%	
Bloomberg Global Agg	6.98%	3.60%	11.99%	-3.05%	-0.83%	
High Yield Fixed Income	QTD	YTD	1 Year	3 Years	5 years	
ICE BoFA HY Index	5.28%	8.03%	15.66%	3.08%	4.54%	
Alternatives	QTD	YTD	1 Year	3 Years	5 years	
MSCI US REIT Index	16.12%	15.84%	34.38%	4.98%	5.48%	
MSCI World Core Infrastructure	14.19%	12.84%	28.08%	5.58%	5.40%	
Bloomberg Commodity Index Total Return	0.68%	5.86%	0.96%	3.66%	7.78%	

Source: Bloomberg, as of September 30, 2024

Net total return is calculated by MSCI using the companies' country of incorporation and maximum withholding tax rate applicable to institutional investors to determine the relevant dividend withholding. Net return comprises of price returns and net dividends, which incorporate impact of taxes on dividends.

Labor Market: Unemployment and Nonfarm Payrolls

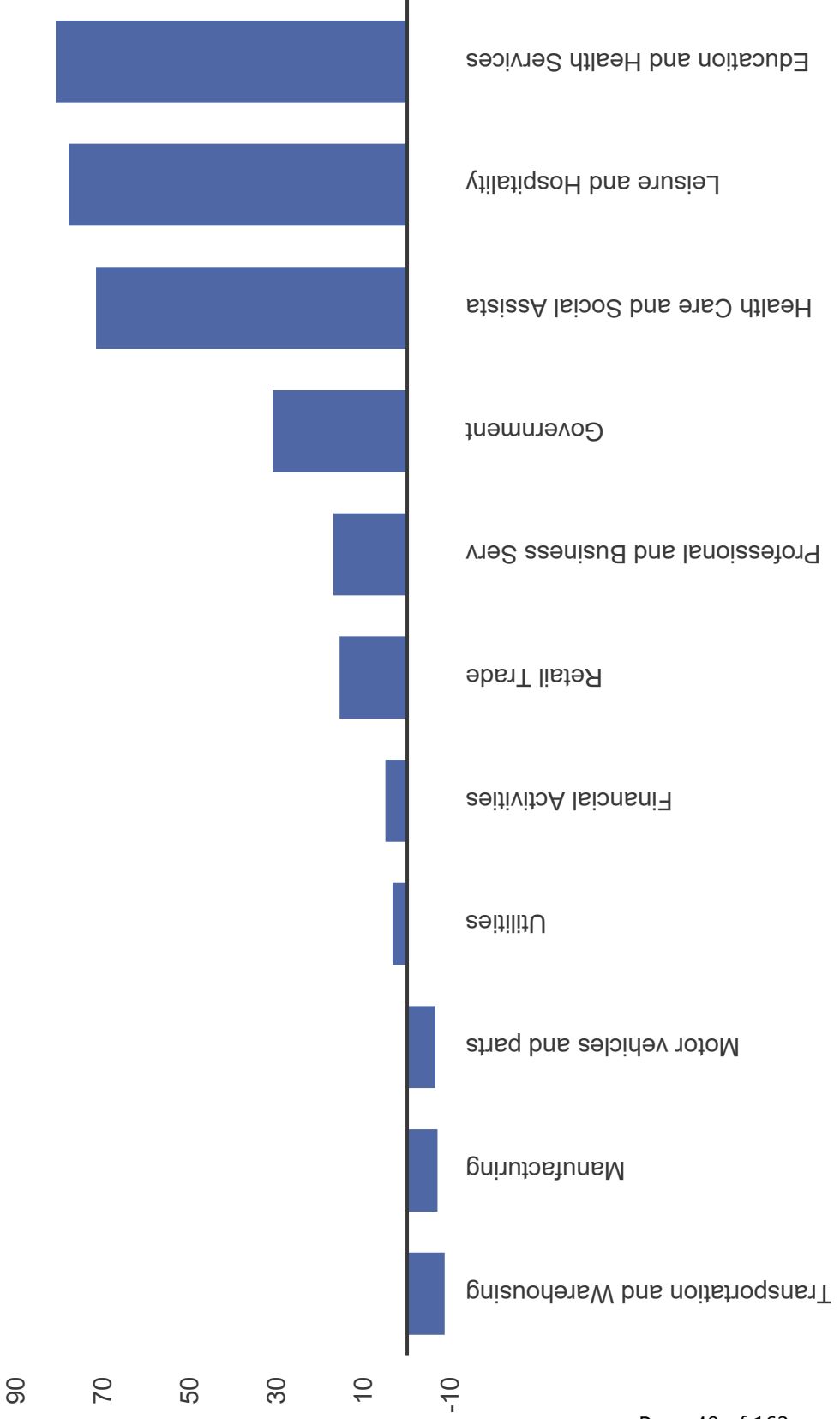


Source: Bureau of Labor Statistics. Bloomberg Finance L.P., as of September 2024. Data is seasonally adjusted.



Nonfarm Payrolls Employment Report

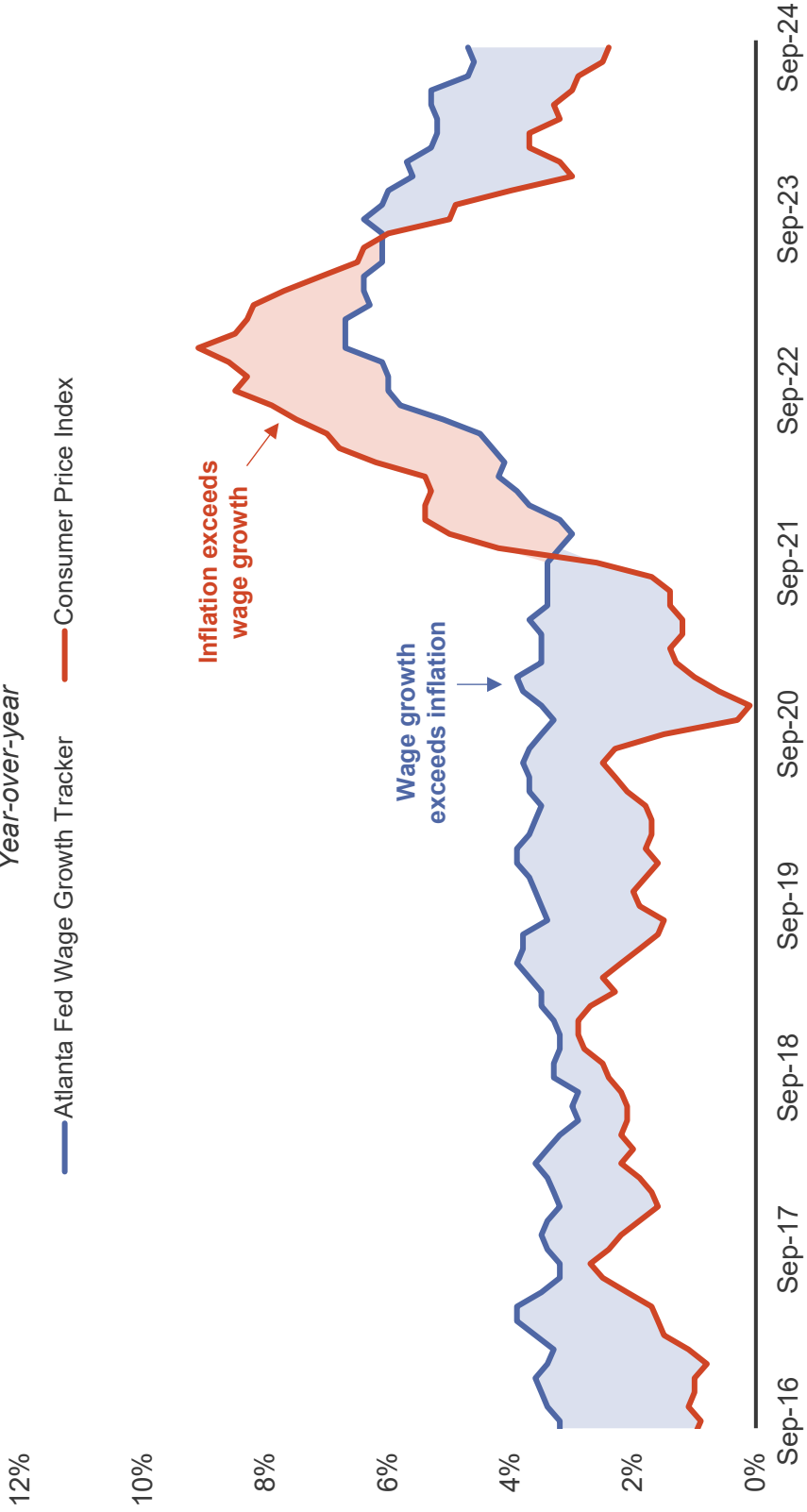
Change in Nonfarm Payrolls
September 2024



Wage Growth and Inflation

Wage Growth vs. Inflation

Year-over-year



Factors to Consider for 6-12 Months

Factors to Consider Over the Next 6-12 Months

<p>Monetary Policy (Global):</p>  <ul style="list-style-type: none"> The Fed has begun its easing cycle with a 50 basis point (bp) cut with expectation of an additional 50 bps in rate cuts by year end. The global easing cycle is underway with nearly all major central banks (excluding BoJ) completing multiple rate cuts. 	<p>Economic Growth (Global):</p>  <ul style="list-style-type: none"> U.S. economic growth remains strong reflecting a consumer who continues to spend at elevated levels. Economic growth outside the U.S. remains mixed. China recent stimulus measures are aimed to boost growth, which is conducive to global growth. 	<p>Inflation (U.S.):</p>  <ul style="list-style-type: none"> Inflation continues its trend lower but has been buoyed by stubborn housing costs. We expect this inflation to further trend lower. The broad-based inflation cooling helped fuel the Fed's decision to cut by 50 bps but policy makers note they are not declaring victory on price stability.
<p>Financial Conditions (U.S.):</p>  <ul style="list-style-type: none"> The continuation of stable market measures, such as narrow corporate yield spreads, record equity index levels and low volatility, reflect economic confidence. We remain focused on the cooling labor market and effects this might have on the consumer as potential catalysts for a broader slow down. 	<p>Consumer Spending (U.S.):</p>  <ul style="list-style-type: none"> The consumer continues to spend and support economic strength. Upward revisions to the personal savings rate paint the consumer in better light. Moderation in the pace of overall spending is expected given slowing wage growth and labor market conditions. 	<p>Labor Markets:</p>  <ul style="list-style-type: none"> The labor market continues to moderate from extremely strong levels seen in prior quarters. The recent downward revisions to nonfarm payrolls further emphasized the cooling. Other labor metrics remain well positioned such as the layoffs and discharge rate pointing towards moderation rather than deterioration.
<p>Corporate Fundamentals:</p>  <ul style="list-style-type: none"> Fed rate cuts are a positive for economic growth and corporate earnings, but any tax/tariff changes need to be closely monitored for any impact on profit margins. Higher cash levels especially across S&P 500 companies along with broad based earnings growth are positive. 	<p>Valuations:</p>  <ul style="list-style-type: none"> U.S. equity and credit markets have experienced a run up in valuations. Any negative shock relating to economic growth could lead to sell-off. International equities look attractive, but continued economic and geopolitical uncertainty is leading to increased volatility. 	<p>Political Risks:</p>  <ul style="list-style-type: none"> Geopolitical risks continue to remain elevated. Broadening of middle east conflict, U.S. and China trade and tariff tensions, China's moves in South China Sea and Taiwan Strait further add to risks. Policy uncertainty related to US elections outcome is also expected to increase short term volatility.

● **Current outlook** ○ **Outlook one quarter ago**

Stance Unfavorable to Risk Assets

Negative

Slightly Negative

Neutral

Slightly Positive

Positive

Stance Favorable to Risk Assets

Statements and opinions expressed about the next 6-12 months were developed based on our independent research with information obtained from Bloomberg. The views expressed within this material constitute the perspective and judgment of PFM Asset Management at the time of distribution (September 30, 2024) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management cannot guarantee its accuracy, completeness, or suitability.

Factors to Consider for 6-12 Months

Investment Strategy Overview

Asset Class	Our Q4 2024 Investment Outlook	Comments
U.S. Equities		<ul style="list-style-type: none"> Moderate economic growth coupled with Fed easing should result in continued positive performance for US equities. We are concerned about the high valuations, but believe that soft landing economic scenario and earnings growth strength will provide tailwinds. Equity markets experienced a period of volatility during Q3 which we expect to continue amidst slowing growth, geopolitical tensions and election related uncertainty. Small-caps have lagged large caps since the sell off in first week of August pointing to lack of fundamental support to rally in July, but we expect fundamentals to improve as rate cuts take hold. Worries from the Banking Crisis on regional banks seems to be in our rearview mirror.
Non-U.S. Equities		<ul style="list-style-type: none"> International equities continue to trade at a discount to U.S. and have been recently helped by ECB rate cuts and weakening dollar. BoJ continues to tighten while other central banks are embarking on rate cuts. EM equity performance is reliant on Indian and Chinese equities, which constitute roughly 45% of the MSCI Emerging Market Index. Indian equities are trading at expensive valuations, and we don't expect a sustained recovery in Chinese equities due to stimulus unless there are structural/geopolitical changes addressing debt overhang and geopolitical stability.
Fixed Income		<ul style="list-style-type: none"> Slowing inflation and softening labor markets led to Fed cutting by 50 bps at their September meeting. Further rate cuts are expected which is positive for fixed income investors. About \$6.3 trillion is sitting in money market funds which could flow into fixed income as the rates becomes more attractive.
Core Bonds		<ul style="list-style-type: none"> Credit markets remain attractive due to strong corporate fundamentals. We remain positive on investment grade but are staying closer to targets on high yield given tighter spreads. We continue to closely watch for signs for any distress in the corporate credit space.
Investment Grade Credit		
High Yield Credit		
Diversifying Assets		<ul style="list-style-type: none"> Continued economic growth, falling rates, strengthening fundamentals along with attractive valuations relative to equities are tailwinds to listed real estate performance leading us to overweight the exposure. Transition to renewable energy and increase in AI led data center infrastructure spend are tailwinds for listed infrastructure. Utilities which make up about ~50% of the universe have been performing well recently due to lower rates.
Listed Real Estate		
Listed Global Infrastructure		
● Current outlook ○ Outlook one quarter ago		<div style="display: flex; justify-content: space-around; align-items: center;"> Negative Slightly Negative Neutral Slightly Positive Positive </div>

The view expressed within this material constitute the perspective and judgment of PFM Asset Management at the time of distribution (September 30, 2024) and are subject to change.



Performance as of September 30, 2024



	Allocation		Performance(%)						
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	Since Inception	Inception Date
Total Fund	25,144,648	100.00	5.34	9.58	18.86	N/A	N/A	13.75	08/01/2023
<i>Blended Benchmark</i>			<i>5.86</i>	<i>9.88</i>	<i>19.33</i>	<i>N/A</i>	<i>N/A</i>	<i>13.48</i>	
Domestic Equity	6,595,067	26.23							
PFM Multi-Manager Domestic Equity Fund	6,595,067	26.23	5.46	18.49	32.70	8.49	14.02	19.58	08/01/2023
Russell 3000 Index			6.23	20.63	35.19	10.29	15.26	22.13	
Schwab US Large-Cap ETF - 74.3%			5.93	21.50	36.02	10.92	15.71	9.58	06/01/2024
Russell 1000 Index			6.08	21.18	35.68	10.83	15.64	9.59	
Vaughan Nelson Select - 10.1% (^)			3.48	11.09	23.33	9.22	15.67	12.43	08/01/2023
Russell 1000 Index (since 8/1/24, Russell 3000 prior)			6.50	20.94	35.54	10.38	15.32	22.40	
Aristotle Atlantic Core Equity - 10.1% (^)			3.80	22.71	38.40	N/A	N/A	22.38	08/01/2023
Russell 1000 Index (since 8/1/24, Russell 3000 prior)			6.50	20.94	35.54	10.38	15.32	22.40	
Jacobs Levy Small Cap - 5.1% (^)			8.97	5.43	18.96	3.82	12.71	5.54	08/01/2023
Russell 2000 Index (since 8/1/24, S&P 600 prior)			9.90	9.11	25.60	3.92	10.16	11.20	
International Equity	3,551,305	14.12							
PFM Multi-Manager International Equity Fund	3,551,305	14.12	6.51	13.03	25.04	1.78	6.71	12.39	08/01/2023
MSCI AC World ex USA (Net)			8.06	14.21	25.35	4.14	7.59	13.49	
WCM Focused Growth International - 14.8% (^)			5.04	16.99	31.08	1.60	N/A	16.30	08/01/2023
Nineity One Int'l Dynamic Equity - 15.0% (^)			4.35	14.82	26.25	N/A	N/A	12.71	08/01/2023
MSCI AC World ex USA (Net)			8.06	14.21	25.35	4.14	7.59	13.49	
Acadian Non-U.S. Equity - 7.2% (^)			6.88	15.46	29.18	6.61	N/A	18.63	08/01/2023
Aristotle International Equity - 7.5% (^)			10.82	13.87	25.69	4.23	8.28	13.93	08/01/2023
MSCI EAFE (net)			7.26	12.99	24.77	5.48	8.20	13.47	
Schwab International Equity ETF - 32.2%			7.43	12.32	24.41	5.10	8.41	1.07	09/01/2024
MSCI EAFE (net)			7.26	12.99	24.77	5.48	8.20	0.92	
Kayne Anderson International Small Cap - 0.9% (^)			10.66	10.07	25.02	-1.09	N/A	12.13	08/01/2023
MSCI AC World ex USA Small Cap (Net)			8.90	11.93	23.25	1.39	8.21	12.99	
Storobers Global Emerging Markets - 10.1% (^)			5.85	15.63	25.57	-1.02	N/A	10.98	08/01/2023
MSCI EM (net)			8.72	16.86	26.05	0.40	5.75	12.89	
Schwab Emerging Markets Equity ETF - 12.0%			10.40	19.03	26.42	1.78	6.28	8.15	09/01/2024
MSCI EM (net)			8.72	16.86	26.05	0.40	5.75	6.68	

Returns are net of mutual fund fees and are expressed as percentages.

(^) Performance information is gross of fees and reflects sleeve level information (not specific to this client/investor). It is provided by sub-advisers of the PFM Multi-Manager Equity Fund, PFM Multi-Manager International Equity Fund and PFM Multi-Manager Fixed-Income Fund.

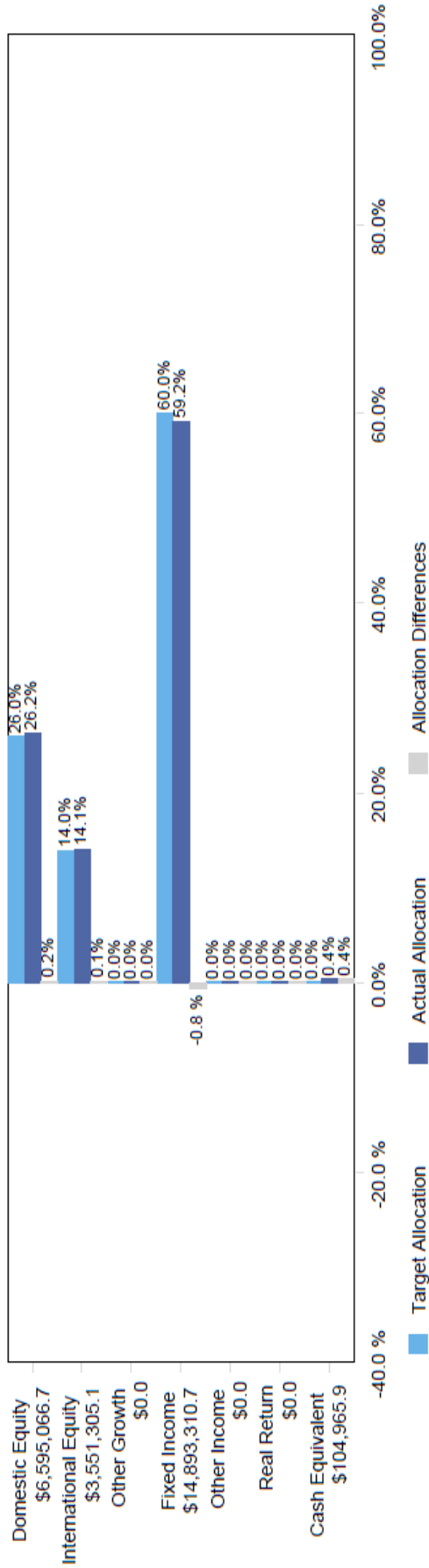
	Allocation		Performance(%)						
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	Since Inception	Inception Date
Fixed Income	14,893,311	59.23							
PFM Multi-Manager Fixed-Income Fund	14,893,311	59.23	5.05	5.31	12.23	-0.82	0.96	7.97	08/01/2023
<i>Bimbg. U.S. Aggregate</i>			5.20	4.45	11.57	-1.39	0.33	6.85	
PGIM Core Fixed - 32.7% (^)			5.32	5.27	12.91	-1.02	0.94	8.00	08/01/2023
TIAA Core Fixed - 32.8% (^)			5.34	5.71	12.90	-1.22	1.08	8.24	08/01/2023
<i>Bimbg. U.S. Aggregate</i>			5.20	4.45	11.57	-1.39	0.33	6.85	
Penn Mutual Core Plus - 8.9% (^)			N/A	N/A	N/A	N/A	N/A	2.81	08/01/2024
<i>Bimbg. U.S. Aggregate</i>			5.20	4.45	11.57	-1.39	0.33	2.80	
iShares Core U.S. Aggregate Bond ETF - 6.4%			5.21	4.56	11.55	-1.39	0.31	6.85	08/01/2023
<i>Bimbg. U.S. Aggregate</i>			5.20	4.45	11.57	-1.39	0.33	6.85	
iShares 10-20 Year Treasury Bond ETF - 1.2%			7.58	3.94	15.66	-6.47	-3.40	7.70	03/01/2024
ICE U.S. Treasury 10-20 Year Bond Index			7.61	3.99	15.74	-6.39	-3.39	7.76	
PineBridge IG Credit - 4.9% (^)			5.86	5.61	14.65	-1.14	2.29	9.31	08/01/2023
<i>Bimbg. U.S. Credit Index</i>			5.71	5.23	13.81	-1.12	1.07	8.55	
Brown Bros. Harriman Structured - 6.6% (^)			3.32	7.38	10.97	3.72	3.61	9.96	08/01/2023
ICE BofA ABS Fxd & Fltng Rate AA-BBB Idx			3.25	6.99	10.64	2.61	2.82	9.66	
Brandywine Global High Yield - 4.0%			4.06	8.04	15.73	4.35	6.91	13.11	08/01/2023
<i>Bimbg. Ba to B U.S. High Yield</i>			4.37	6.92	14.63	2.74	4.48	11.38	
NYLI Mackay High Yield Corp Bond Fund - 2.3%			3.70	6.94	13.16	3.45	4.67	10.43	08/01/2023
ICE BofA US High Yield Index			5.28	8.03	15.66	3.08	4.55	12.42	
Cash Equivalent	104,966	0.42							
First American Institutional Prime Obligation	104,966	0.42	1.31	3.99	5.40	3.57	2.33	N/A	08/01/2003
ICE BofA 3 Month U.S. T-Bill			1.37	4.03	5.46	3.49	2.32	1.59	

Returns are net of mutual fund fees and are expressed as percentages.

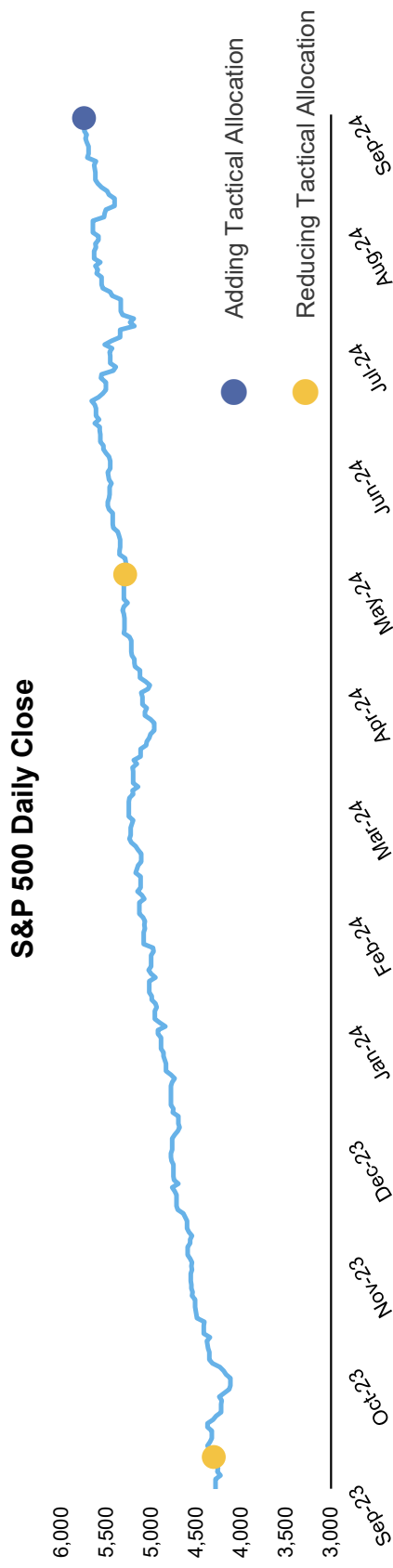
(^) Performance information is gross of fees and reflects sleeve level information (not specific to this client/investor). It is provided by sub-advisers of the PFM Multi-Manager Equity Fund, PFM Multi-Manager International Equity Fund and PFM Multi-Manager Fixed-Income Fund.

Asset Allocation Summary

	Asset Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Differences (%)
Total Fund	100.0	100.0	N/A	N/A	0.0
Domestic Equity	26.2	26.0	6.0	46.0	0.2
International Equity	14.1	14.0	0.0	34.0	0.1
Other Growth	0.0	0.0	0.0	10.0	0.0
Fixed Income	59.2	60.0	40.0	80.0	-0.8
Other Income	0.0	0.0	0.0	10.0	0.0
Real Return	0.0	0.0	0.0	10.0	0.0
Cash Equivalent	0.4	0.0	0.0	20.0	0.4



Investment Committee Tactical Decision Timeline in the Past Year



- ▶ **October:** Reduced the Domestic Equity allocation to its strategic target, allocating the assets to Fixed Income, increasing it to its strategic target
- ▶ **May:** Removed tactical allocation to EM Ex China
- ▶ **September:** Added tactical allocation to REITs

Disclaimer

The views expressed within this material constitute the perspective and judgment of U.S. Bancorp Asset Management, Inc. at the time of distribution and are subject to change. Any forecast, projection, or prediction of the market, the economy, economic trends, and equity or fixed-income markets are based upon current opinion as of the date of issue and are also subject to change. Opinions and data presented are not necessarily indicative of future events or expected performance. Information contained herein is based on data obtained from recognized statistical services, issuer reports or communications, or other sources, believed to be reliable. No representation is made as to its accuracy or completeness.

PFM Asset Management serves clients in the public sector and is a division of U.S. Bancorp Asset Management, Inc., which is the legal entity providing investment advisory services. U.S. Bancorp Asset Management, Inc. is a registered investment adviser, a direct subsidiary of U.S. Bank N.A. and an indirect subsidiary of U.S. Bancorp. U.S. Bank N.A. is not responsible for and does not guarantee the products, services, or performance of U.S. Bancorp Asset Management, Inc.

NOT FDIC INSURED : NO BANK GUARANTEE : MAY LOSE VALUE

Agenda Item 8.3**SPECIAL REPORTS****SUBJECT: Insurance Market Report**

BACKGROUND AND STATUS:

Mr. Doug Wozniak of Alliant Insurance Services will present at the Board Meeting and provide an in-depth update on the current insurance market and outlook for the 2025-2026 renewal.

RECOMMENDATION:

Information only.

REFERENCE MATERIALS ATTACHED:

- PRISM 2025/26 Early Budget Estimates, October 2024



Early budget estimates have been prepared to aid you in budgeting for the 2025/26 fiscal year. It is important to keep in mind it is early on in the process of determining each Program's total cost with most Program's renewing almost nine months from now. At this time, your entity's exposure and loss experience have not been updated in any of the allocation models as PRISM is in the process of collecting and analyzing the data. Further, PRISM has not contemplated any credits from the prior year into this round of budget estimates. At the direction of the Board of Directors, the estimates provided are intended to be conservative; however, final premiums may be in excess of these estimates. Since PRISM does not have renewal rates for any of the programs, we recommend you budget towards the upper end of the range plus any differences in exposure or loss experience which have not yet been considered. PRISM is planning to distribute another round of estimates to the membership that reflect updated loss and exposure data, including pool rates, in the middle of January 2025. Final estimates will be provided the first week of June 2025.

If you are aware of any substantial changes over the past 12 months, please contact Sarah Bishop and a better estimate can be developed for you.

Excess Workers' Compensation Program

Premium

23/24 Premium:	\$875,471	2023/24 Estimated Payroll:	\$107,656,035
24/25 Premium:	\$1,067,474	2024/25 Estimated Payroll:	\$127,838,022
25/26 Estimated Premium:	\$1,368,000 to \$1,459,000		

The EWC premium projections are based on an assumed 3% to 7% payroll increase for all members. Since the renewal rates are not yet available, the estimates are calculated using assumptions applied to the previous year's premiums. Specifically, we anticipate pool rate increases ranging from 10% to 35% for the High/Low Safety rating groups, 10% to 25% for the County rating group, and 5% to 20% for the Schools rating group.

Additionally, reinsurance rate increases are assumed to be between 0% and 10% for both the Core Tower and Ed Tower pool layers. For Core Tower I, we estimate reinsurance increases of 0% to 15% in the Statutory xs 50M layer, and for Core Tower II, 0% to 10% in the Statutory xs 5M layer. In the Ed Tower, we project reinsurance rate increases of 0% to 10% in the Statutory layer.



General Liability 1 Program

Premium

23/24 Premium:	\$1,755,755	2023/24 Estimated Payroll:	\$103,171,027
24/25 Premium:	\$2,189,573	2024/25 Estimated Payroll:	\$126,977,984
25/26 Estimated Premium:	\$3,421,000 to \$3,786,000		

The liability market has continued to experience a hardening trend in response to rising claims costs. These increased claims costs have also impacted PRISM's pool. PRISM's Actuarial Department performed studies on each of the rating groups to evaluate rate adequacy, which resulted in a change to the methodology used to calculate the rates and produced significantly higher rates. Based on the significance of the rate increase and because it is the result of a methodology change, the Underwriting Committee determined to phase-in the change over a 3-year period, starting with the 2023/24 rates. As a result, for the 2025/26 renewal, we are anticipating rate increases of 20% to 40% for the non-school rating group and 20% to 35% for the schools rating group. In light of ongoing challenges in the liability market, we are also conservatively projecting increases of 25% to 40% for the \$5M xs \$5M layer, 25% to 40% for the \$9M xs \$10M layer, and 15% to 30% for the \$6M xs \$19M layer. These estimates assume a 3%- 7% exposure increase across all members. As noted in the introduction, these estimates also do not contemplate any premium credits based on loss experience.

To learn more about PRISM's response to the hard insurance market and how to discuss premium increases with stakeholders at your entity, please see the narratives and talking points provided on PRISM's website at prismrisk.gov/coverages/managing-a-hard-market.

Agenda Item 8.4

SPECIAL REPORTS

SUBJECT: FY 2023-2024 State of CAPRI Report

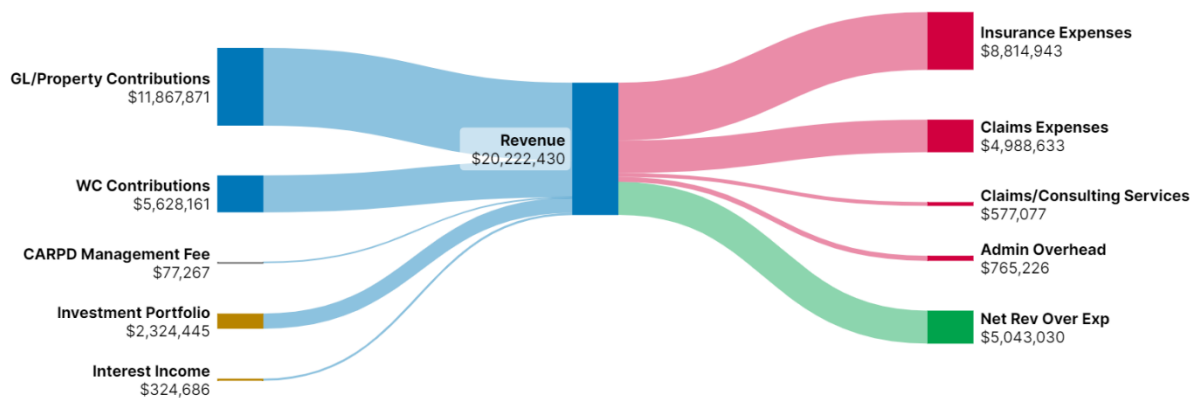
BACKGROUND AND STATUS:

Last month, Executive Director Duarte presented the first annual State of CAPRI Address via youtube. The presentation was circulated to the membership and highlighted CAPRI’s financial performance, member services summary, RIO, CARPD, and outlook for the 2024-2025 fiscal year.

A copy is attached hereto along with the most current financial reports from Fiscal Year 2023-2024. Highlights include:

- Ending Net Position of \$18.6M
 - YOY increase of nearly \$5M
- Investment Portfolio balance of \$23.8M
 - YOY increase of over \$2M
- Net Revenue over Expenses of over \$5M
 - Lower than anticipated claims expenses coupled with portfolio returns

CAPRI Consolidated 23-24 (Actual)



RECOMMENDATION:

Information only.

REFERENCE MATERIALS ATTACHED:

- State of CAPRI Address - FY 2023-2024
- Updated Consolidated Statement of Net Position – FY 2023-2024

STATE OF CAPRI

FISCAL YEAR 2023 - 2024

Presented by
Matthew Duarte
Executive Director



STATE OF CAPRI

BOARD OF DIRECTORS

Board President

Dean Wetter - Valley-Wide RPD

Board Vice President

Michelle Lacy - Pleasant Hill RPD

Board Secretary

Colin Miller - Arden Park RPD

Directors

Lorena Cervantes - Bear Mountain RPD

Jim Friedl - Conejo RPD

Mat Fuzie - Livermore Area RPD

Jill Nunes - Cordova RPD



In May 2024, the CAPRI Board recognized long-time general counsel, **Byrne Conley**, for 25 years of distinguished service to CAPRI.

STATE OF CAPRI

MEET THE TEAM



MATTHEW DUARTE
Executive Director



MONICA BRECK
Director of Administrative
Operations



KIRK ANDRE
Safety Analyst

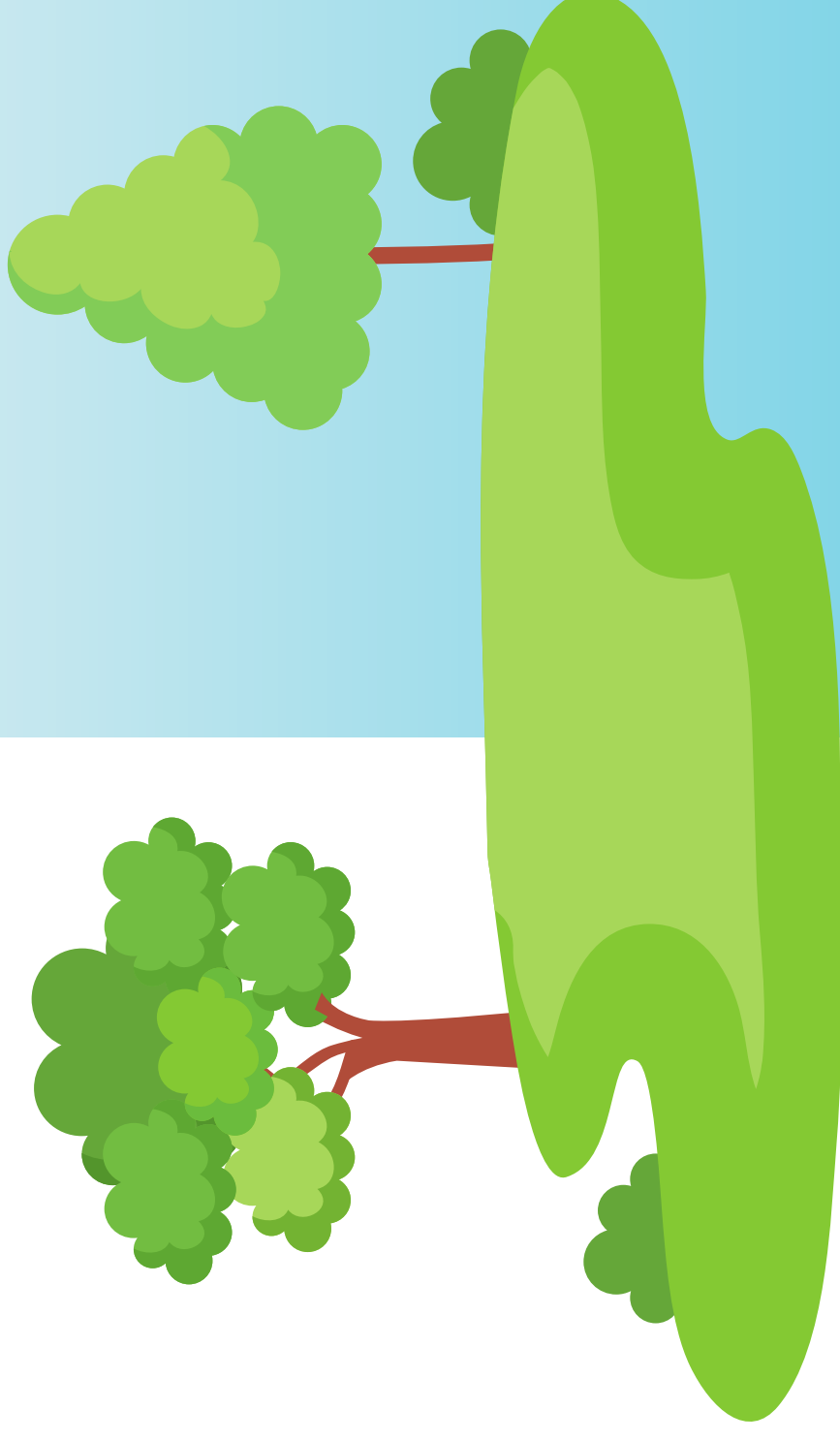
STATE OF CAPRI

FINANCIAL SUMMARY

FY 2023-2024

An overview of the current financial condition of the CAPRI self-insurance pool program.

- Audited financials for FY 2022-2023 are available online at capriportal.org/financialreports and at the end of this presentation.
- We will be reviewing and discussing most-current fiscal year, unaudited FY 2023 - 2024 financials.



STATE OF CAPRI

FINANCIAL SUMMARY

FY 2023-2024

Net Position

Assets - Liabilities = Net Position

Assets: \$37,770,095

Liabilities: \$19,198,681

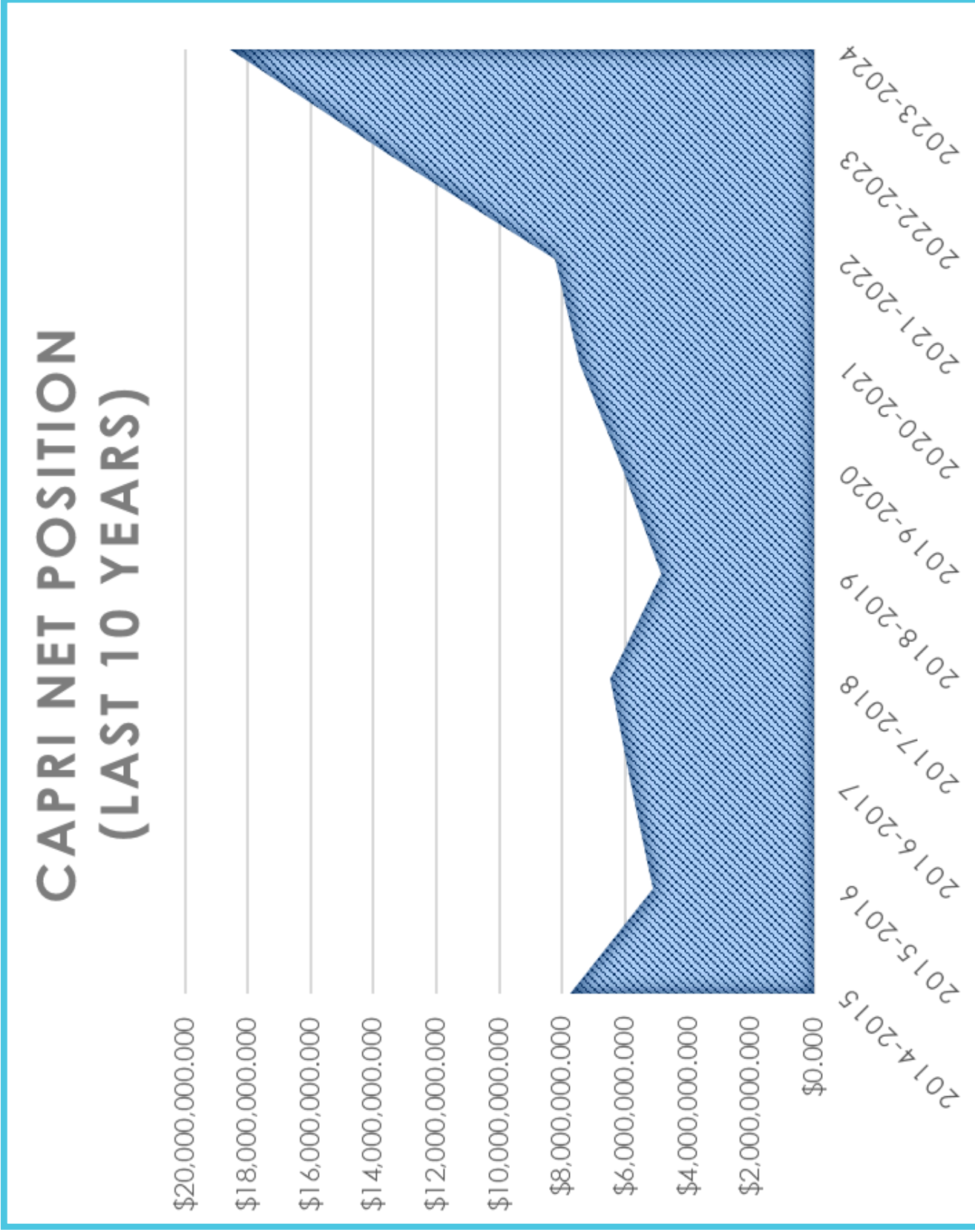
Net Position: \$18,571,414*

*Unaudited Financial Reports as of June 30, 2024

300%

Growth

Net Position has developed over
300% in past five years



STATE OF CAPRI

FINANCIAL SUMMARY

FY 2023-2024

CAPRI Target Equity Policy

Benchmarks for evaluating financial performance of the pool.

- Consistent with CAJPA Standards
- Met all benchmarks for FY23-24

Ratio Evaluated	Target Ratio	2023-24 GL-Prop Ratio	2023-24 WC Ratio
Net Equity to Pool Layer Limit of Liability	≥ 5:1	11:1	21:1
Net Contribution to Net Equity	≤ 2:1	1.06:1	0.76:1
Claim Reserves plus IBNR to Net Equity	≤ 3:1	0.56:1	1.45:1
Reserve Development	≤ 20%	-5.9%	-1.7%
Change in Net Equity	≤ 10%	35%	35%

STATE OF CAPRI

FINANCIAL SUMMARY

FY 2023-2024

Investment Portfolio Performance

Closing Value as of June 30, 2024:
\$23,869,087.99

18%

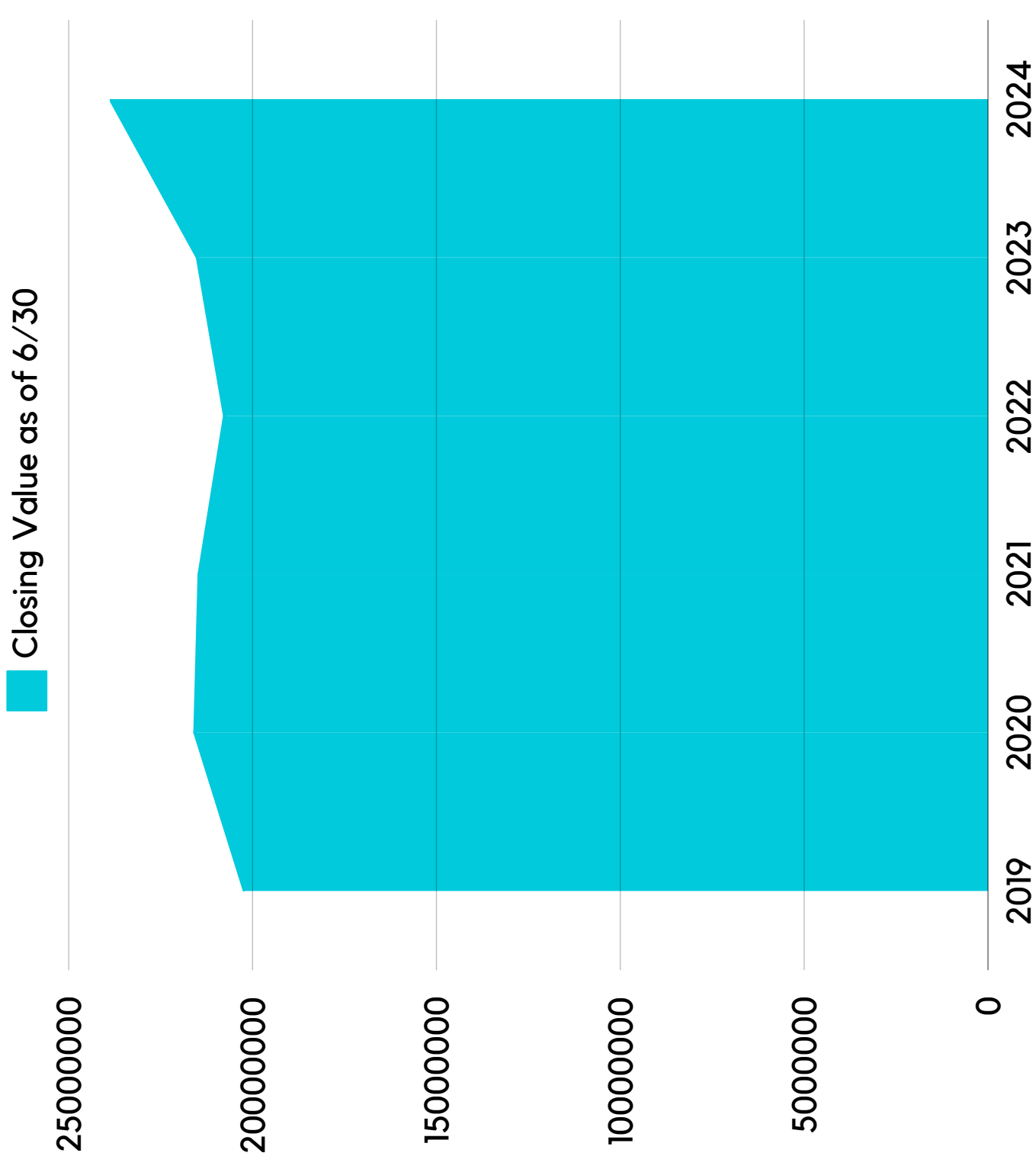
Growth

Portfolio growth exceeds 18% since 2019

11%

Growth

YOY growth exceeds 11%



STATE OF CAPRI

FINANCIAL SUMMARY

COVERAGE BREAKDOWN

CAPRI's membership includes over sixty member districts from throughout California and covers general liability, property, and workers' compensation.

28% CAPRI's Member Districts' payroll have increased over 28% compared to FY 2021-2022.

Increase



TOTAL COVERED PAYROLL

ESTIMATED - \$134,641,526
ACTUAL - \$144,776,768



TOTAL INSURED PROPERTY VALUES

\$1,444,680,140

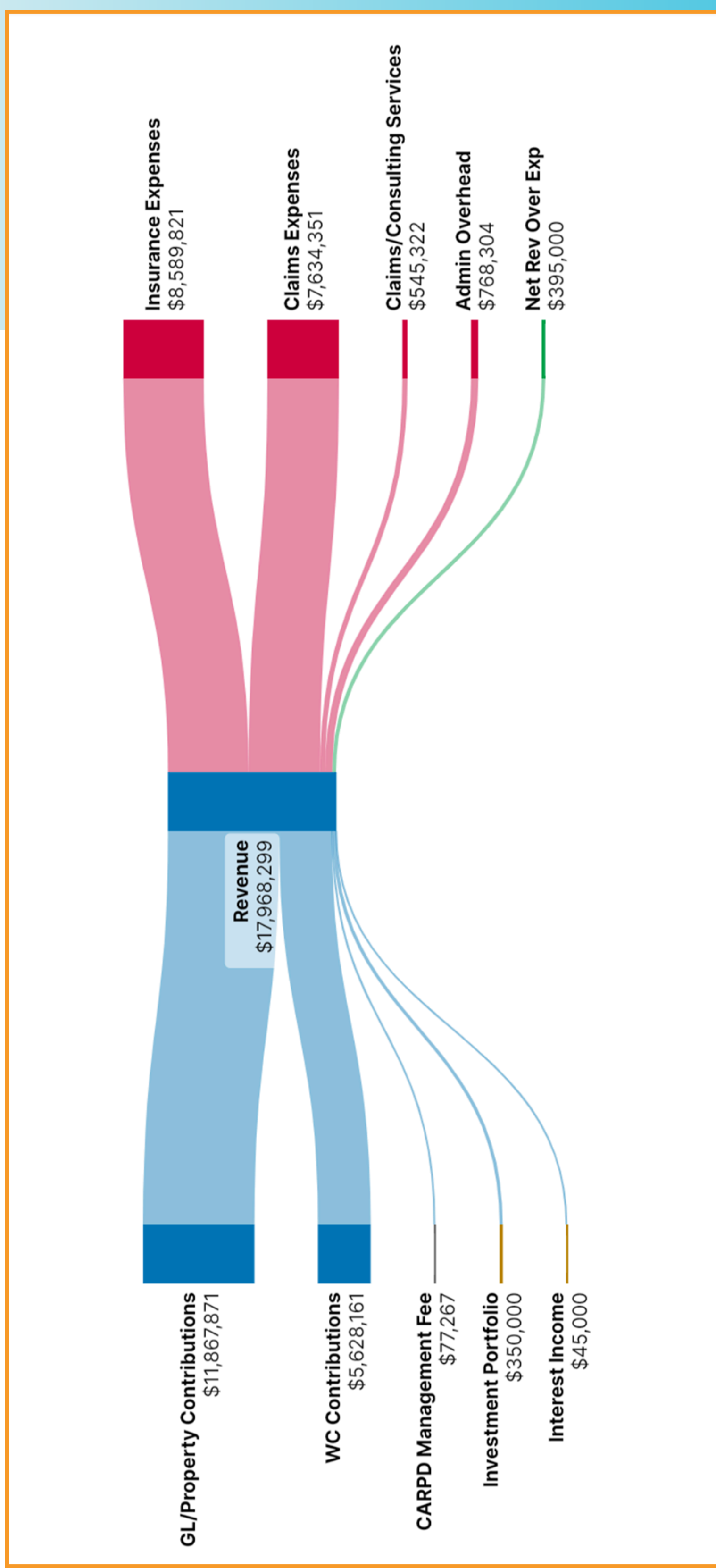


TOTAL VEHICLES

800

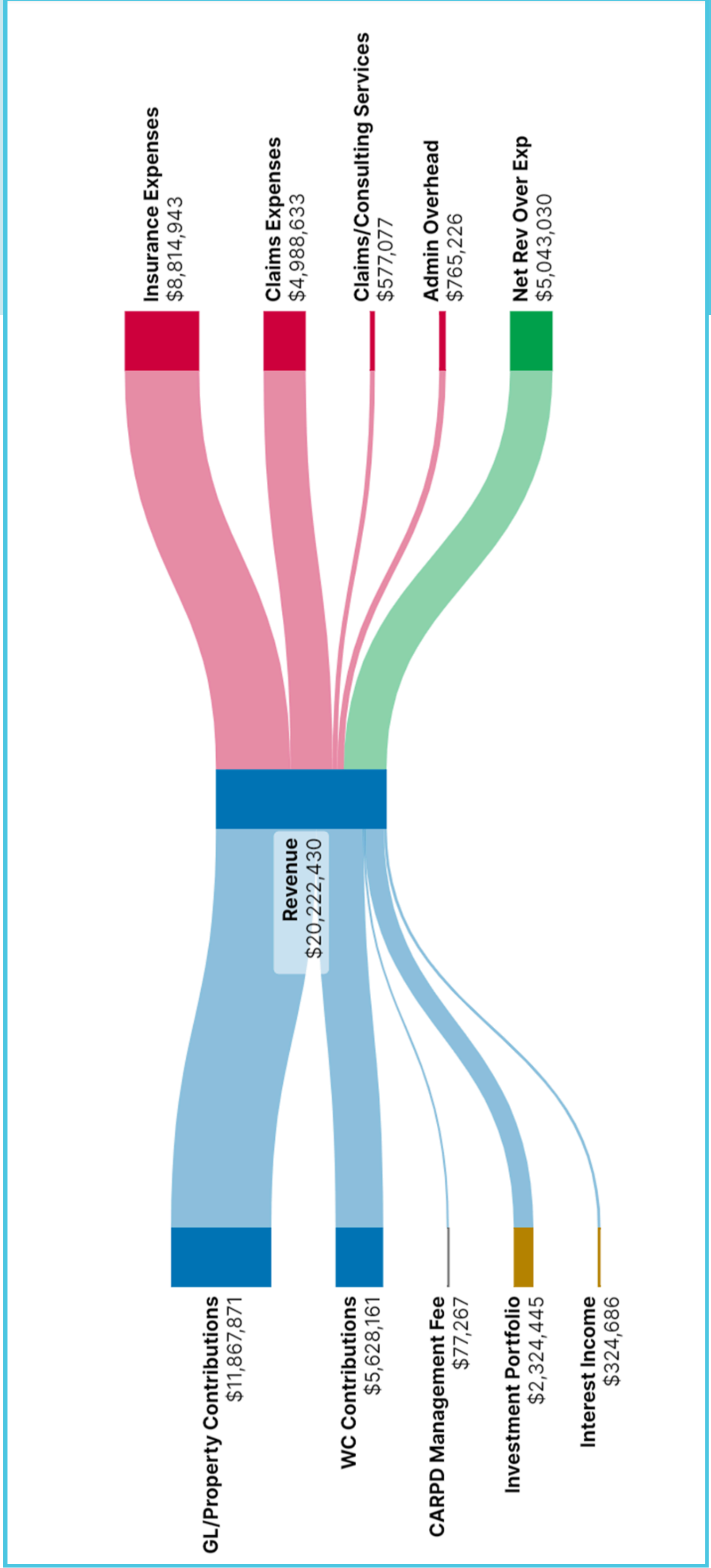
FINANCIAL SUMMARY

CAPRI CONSOLIDATED BUDGET FY 23-24



FINANCIAL SUMMARY

CAPRI CONSOLIDATED ACTUAL FY 23-24



STATE OF CAPRI

MEMBER SERVICES SUMMARY

FY 2023-2024

CAPRI provides it members with a number of valuable services and resources that help our agencies provide for their Staff and better serve their respective communities.



STATE OF CAPRI

MEMBER SERVICES EMPLOYEE ASSISTANCE PROGRAM

Effective July 1, 2023, CAPRI now offers a no-cost EAP to provide quick and easy access to work/life support, confidential counseling, and referral services to help you deal with daily work and life challenges.

326
Contacts

For FY 23-24, CAPRI Member employees had over 300 confidential contacts at no cost to the employee or District.

259
Attendees

The CAPRI EAP provided six health and wellness webinars attended by over 250+ CAPRI Member employees.





CAPRI

EYRES
LAW GROUP, LLP

STATE OF CAPRI

MEMBER SERVICES

RISK CONTROL SERVICES

CAPRI's Risk Control Services include forms, manuals, templates, free-employment counsel hotline services, informative webinars, and personalized District Visits (among other resources).

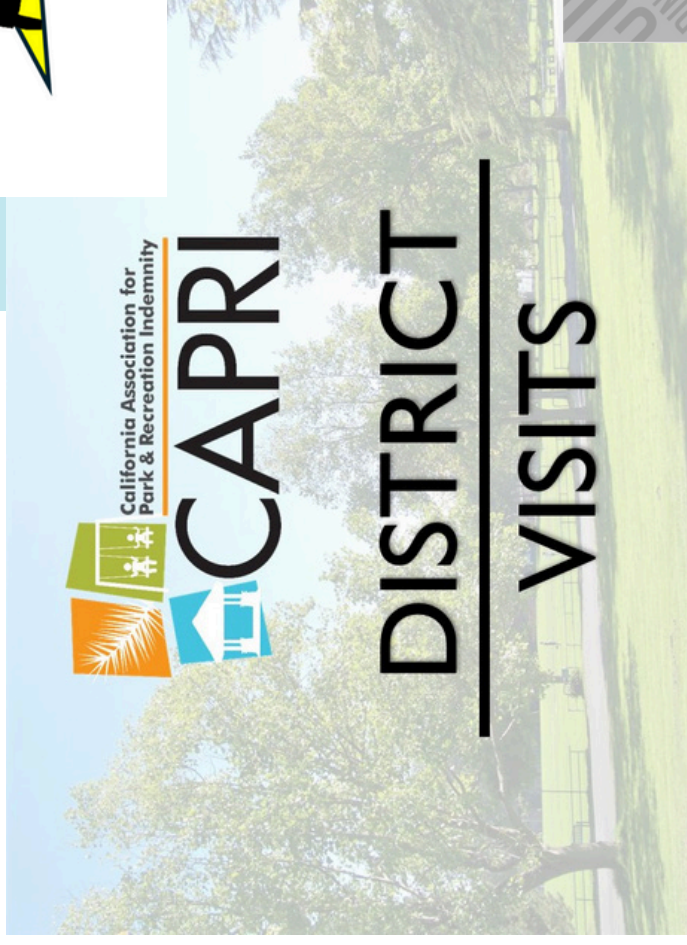
57%

Reduction in Claims Per PRISM, members who have worked with Patti Eyres have a 57% reduction in average employment claims frequency.

400+

Attendees

CAPRI's six webinars last year reached over 400 CAPRI Member employees.



STATE OF CAPRI

RECREATION INSURANCE ORGANIZATION CAPTIVE INSURANCE ENTITY

Established in June 2023 to meet the growing reinsurance needs of CAPRI.

- Wholly owned by CAPRI
- Domiciled in the State of Utah
- Loss Portfolio Transfer from CAPRI to RIO
- Reinsures CAPRI retained risk

First Annual Meeting of the RIO Board of Directors was held in Salt Lake City, UT on June 14, 2024.



Investment Policy
60/40 (Fixed Income/Equity)

STATE OF CAPRI

CALIFORNIA ASSOCIATION OF RECREATION AND PARK DISTRICTS ASSOCIATION MANAGEMENT

Since 2012, CARPD has retained CAPRI to provide Executive Director management services. Highlights from last year include:

- CARPD Conference in Santa Rosa, CA
- Sponsored Legislation - AB 817
- Second annual CARPD Board Capitol Visit
- Legislative Committee Meetings with our advocates at CPPG
- GM Roundtables

CARPD & CAPRI recently extended its agreement through 2027.



CARPD tracked 399 bills (65 priority bills), actively engaged on 21 measures, and achieved desired results on 18.



FINANCIAL SUMMARY

COMBINING STATEMENT OF NET POSITION AUDITED RESULTS 6/30/2023

Combining Statement of Net Position Consolidated results for the period through June 30, 2023 - Audited Results

Assets	Property Liability	Workers' Compensation	RIO Property Liability	RIO Workers' Compensation	Eliminating Entries	Total
Current Assets						
Cash and Cash Equivalents	\$6,166,087.00	\$4,110,724.00	\$125,000.00	\$125,000.00		\$10,526,811.00
Investments Maturing Within One Year	\$4,832,651.00	\$16,667,320.00				\$21,499,971.00
Interest Receivable	\$38,418.00	\$25,612.00				\$64,030.00
Receivable from Members	\$336,236.00	\$224,158.00				\$560,394.00
Reinsurance Receivable		\$75,119.00				\$75,119.00
Prepaid Expenses	\$3,167.00	\$2,112.00				\$5,279.00
Total Current Assets	\$11,376,559.00	\$21,105,045.00	\$125,000.00	\$125,000.00		\$32,731,604.00
Noncurrent Assets						
Investment in Captive	\$125,000.00	\$125,000.00			(\$250,000.00)	
Right of Use - Asset	\$110,665.00					\$110,665.00
Capital Assets (net)	\$8,962.00					\$8,962.00
Total Noncurrent Assets	\$244,627.00	\$125,000.00			(\$250,000.00)	\$119,627.00
Total Assets	\$11,621,186.00	\$21,230,045.00	\$125,000.00	\$125,000.00	(\$250,000.00)	\$32,851,231.00
Deferred Outflow of Resources						
Deferred Outflows on Pensions	\$212,387.00	\$141,592.00				\$353,979.00
Liabilities						
Current Liabilities						
Accounts Payable	\$136,961.00	\$91,308.00				\$228,269.00
Premium Adjustments Payable		\$136,786.00				\$136,786.00
Claims Liabilities	\$1,900,000.00	\$3,100,000.00				\$5,000,000.00
Total Current Liabilities	\$2,036,961.00	\$3,328,094.00				\$5,365,055.00
Noncurrent Liabilities						
Net Pension Liability	\$498,721.00	\$332,480.00				\$831,201.00
Lease Liability	\$110,665.00					\$110,665.00
Claims Liabilities	\$4,882,130.00	\$8,404,786.00				\$13,286,916.00
Total Noncurrent Liabilities	\$5,491,516.00	\$8,737,266.00				\$14,228,782.00
Total Liabilities	\$7,528,477.00	\$12,065,360.00				\$19,593,837.00
Deferred Inflow of Resources						
Deferred Inflows on Pensions	\$49,793.00	\$33,196.00				\$82,989.00
Net Position						
Net Investment in Capital Assets	\$8,962.00					\$8,962.00
Paid in Capital			\$125,000.00		(\$250,000.00)	
Unrestricted	\$4,246,341.00	\$9,273,081.00				\$13,519,422.00
Total Net Position	\$4,255,303.00	\$9,273,081.00	\$125,000.00	\$125,000.00	(\$250,000.00)	\$13,528,384.00

FINANCIAL SUMMARY

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION AUDITED RESULTS 6/30/2023

Combining Statement of of Revenues, Expenses and Changes in Net Position

Consolidated results for the period through June 30, 2023 - Audited Results

	Property Liability	Workers' Compensation	RIO Property Liability	RIO Workers' Compensation	Eliminating Entries	Total
Operating Revenue						
Member Contributions	\$10,041,336.00	\$5,632,051.00				\$15,673,387.00
Miscellaneous	\$45,675.00	\$30,450.00				\$76,125.00
Total Operating Revenue	\$10,087,011.00	\$5,662,501.00				\$15,749,512.00
Operating Expenses						
Claims Expense	\$2,970,105.00	\$130,482.00				\$3,100,587.00
Insurance Expense	\$6,085,182.00	\$856,628.00				\$6,941,810.00
Office Administration Expense	\$317,676.00	\$211,784.00				\$529,460.00
Consultants and Professional Services Expense	\$81,596.00	\$54,397.00				\$135,993.00
Travel, Conferences and Other Expense	\$24,088.00	\$16,058.00				\$40,146.00
Depreciation Expense	\$2,063.00	\$1,375.00				\$3,438.00
Total Operating Expenses	\$9,480,710.00	\$1,270,724.00				\$10,751,434.00
Net Operating Income (Loss)	\$606,301.00	\$4,391,777.00				\$4,998,078.00
Nonoperating Income						
Investment Income (Loss)	\$173,738.00	\$115,825.00				\$289,563.00
Change in Net Position						
Capital Contribution			\$125,000.00	\$125,000.00	(\$250,000.00)	
Beginning Net Position	\$3,475,264.00	\$4,765,479.00				\$8,240,743.00
Ending Net Position	\$4,255,303.00	\$9,273,081.00	\$125,000.00	\$125,000.00	(\$250,000.00)	\$13,528,384.00

STATE OF CAPRI

OUTLOOK FOR FY2024-2025

LOOKING AHEAD

CAPRI is well-positioned to respond to the current market trends impacting the insurance sector. With responsible fiscal planning and proactive risk control, CAPRI looks forward to continuing to provide stable and comprehensive coverage for California’s recreation and park districts.

UPDATE TO GL SIR

Effective July 1, 2024, CAPRI increased its General Liability self-insured retention amount to \$1.5M in an effort to continue to provide members with stable rates.



DISTRICT VISIT CYCLE XX

For the twentieth anniversary of its core risk control program, CAPRI has several exciting updates which will ensure our members are on the forefront of safety and risk control.



CARPD CONFERENCE 2025

The CARPD Conference is headed to Southern California! Be on the lookout for registration materials because you will not want to miss this educational event in San Diego!



STATE OF CAPRI

FISCAL YEAR 2023 - 2024

THANK YOU!!!!!!!



California Association for Park and Recreation Indemnity
Consolidated Statement of Net Position
As of June 30, 2024 and June 30, 2023

	Consolidated June 30, 24	Consolidated June 30, 23
ASSETS		
Current Assets		
Checking/Savings		
Bank of West - Master Register	\$ 2,525,949.32	\$ 1,256,457.63
BMO - MM	50,002.33	459,916.74
BMO - Checking RIO	1,307.27	250,000.00
BMO - MM RIO	202,391.74	
Claims Trust Accounts		
Juris - New Workers' Comp	(20,044.60)	56,424.69
California Bank & Trust - Liability	19,587.22	392,637.80
LAIF	10,387,539.19	8,111,373.31
Total Checking/Savings	<u>13,166,732.47</u>	<u>10,526,810.17</u>
Investment Account		
PFM Investment Account	23,717,189.30	-
US Bank	103,163.42	21,499,971.05
Total Investment Account	<u>23,820,352.72</u>	<u>21,499,971.05</u>
Due from CARPD	828.39	342.22
Accounts Receivable	12,073.20	977.25
Interest Receivable	117,871.68	63,687.82
Recovery Receivable	205,354.35	75,119.44
Prepaid Insurance	11,911.34	-
Prepaid Expenses	5,978.68	5,279.46
Total Other Current Assets	<u>24,174,370.36</u>	<u>22,204,794.24</u>
Total Current Assets	<u>\$ 37,341,102.83</u>	<u>\$ 32,731,604.41</u>
Capital Assets		
Capital Assets		
Computer Hardware/Software	38,419.81	36,906.88
Furniture & Equipment	75,760.98	65,519.20
Accumulated Depreciation	(98,374.75)	(93,464.03)
Total Capital Assets	<u>15,806.04</u>	<u>8,962.05</u>
Intangible Lease Asset	240,182.00	240,182.00
Amoritization of Lease Asset	(179,164.00)	(129,516.76)
Total Intangible Lease Asset	<u>61,018.00</u>	<u>110,665.24</u>
Total Fixed Assets	<u>\$ 76,824.04</u>	<u>\$ 119,627.29</u>
Other Assets		
Investment in RIO	-	250,000.00
Deferred Outflows - Pension	352,168.32	353,979.00
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 37,770,095.19</u>	<u>\$ 33,455,210.70</u>

	Consolidated June 30, 24	Consolidated June 30, 23
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Credit Cards		
BMO / MC - Kirk	\$ 683.12	\$ 3,777.28
BMO / MC - Matt	6,486.82	4,842.75
Total Credit Cards	7,169.94	8,620.03
Other Current Liabilities		
District Overpayments		
Claims Payable	-	-
Liability Claim Reserves	\$ 1,848,887.33	\$ 736,428.33
Property Claims Reserves	1,131,735.00	2,411,888.00
W/C Claim Reserves	4,937,858.00	5,022,551.00
Total Claims Payable	7,918,480.33	8,170,867.33
Accrued Expenses	32,972.60	32,354.09
Accounts Payable	236,134.18	177,528.33
Lease Liability	57,410.72	110,665.24
Total Other Current Liabilities	8,244,997.83	8,637,966.85
Total Current Liabilities	8,252,167.77	8,646,586.88
Long Term Liabilities		
Deferred Inflows - Pension	53,295.97	82,989.00
Net Pension Liability	\$ 874,137.00	\$ 831,201.00
IBNR		
IBNR Reserves - Liability	3,086,784.00	2,910,516.00
IBNR Reserves - Property	162,855.00	400,340.00
IBNR Reserves - Workers Comp	5,850,549.00	5,934,388.00
Total IBNR	9,100,188.00	9,245,244.00
ULAE		
ULAE - Liability	246,784.00	182,347.00
ULAE - Property	64,729.00	140,611.00
ULAE - Workers' Compensation	539,420.00	547,847.00
Total ULAE	850,933.00	870,805.00
Total Long Term Liabilities	10,878,553.97	11,030,239.00
Total Liabilities and Deferred Inflows	19,130,721.74	19,676,825.88
NET POSITION		
Invested in Capital Assets	15,806.04	9,821.45
Designation of Net Position	50,002.33	454,441.99
Unrestricted Net Position	13,462,576.45	7,777,476.63
Net Income	5,110,988.63	5,286,644.75
Total Net Position	\$ 18,639,373.45	\$ 13,778,384.82

Agenda Item 8.5

DISCUSSION/ACTION ITEMS

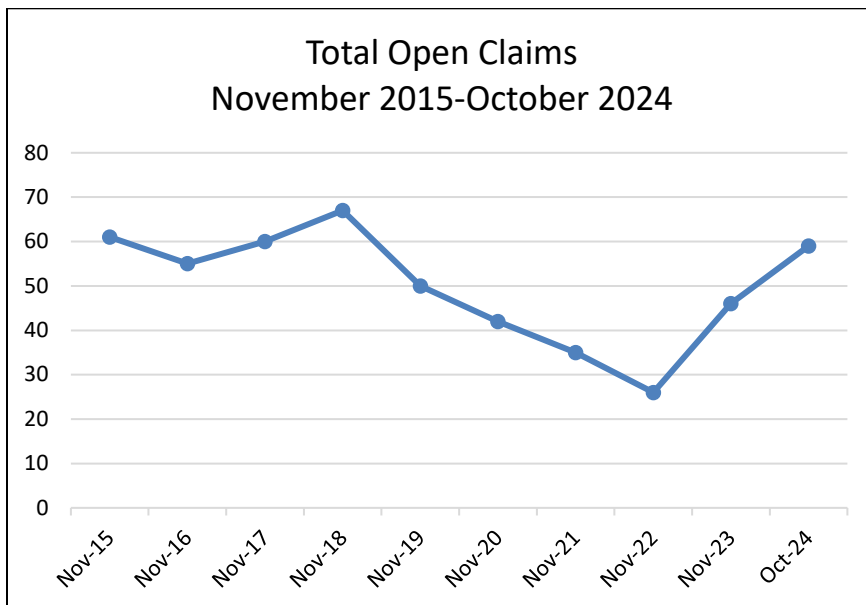
SUBJECT: General Liability Program Status Report

BACKGROUND AND STATUS:

Attached hereto is a summary of the General Liability claims history organized by Fiscal year as of September 30, 2024. Notably, the frequency of liability claims has stabilized with 3 new claims received since July 1 bringing the total open to date to 59.

As previously reported, the reserves identified in the outstanding have come back down following resolution of a large inverse condemnation claim. Also, a number of the open claims are related to vehicle accidents and weather-related property claims from early 2024. Staff expects these claims to be resolved by the end of the calendar year.

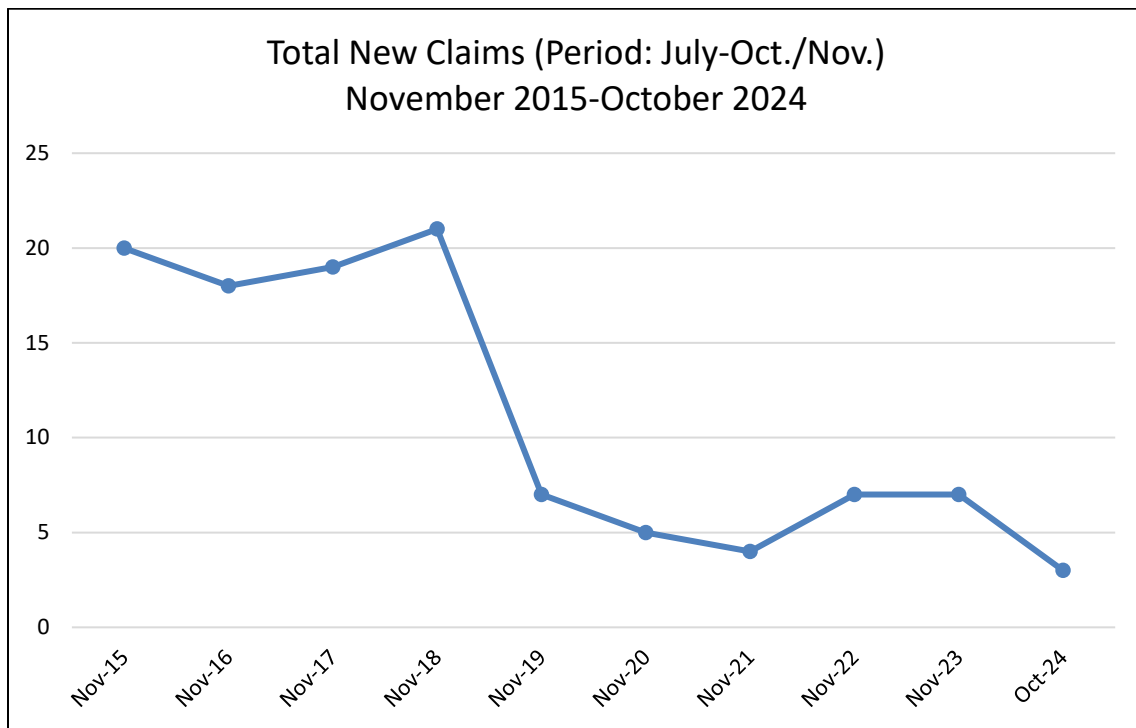
For reference, below is a historical comparison of the status of the program management with CAPRI's total open claims as of November 1st and for several prior years.



Year	Total Open Claims
Nov-15	61
Nov-16	55
Nov-17	60
Nov-18	67
Nov-19	50
Nov-20	42
Nov-21	35
Nov-22	26
Nov-23	46
Oct-24	59

Furthermore, below is a historical comparison of the program's claim frequency with the total claims made per fiscal year as of November 1st for each year as well as the average number of claims made per month that year.

Year	Claims This Period (i.e. July 1-Oct. 30)	Average Claims Per Month
Nov-15	20	5.00
Nov-16	18	4.50
Nov-17	19	4.75
Nov-18	21	5.25
Nov-19	7	1.75
Nov-20	5	1.25
Nov-21	4	1.00
Nov-22	7	1.75
Nov-23	7	2.33
Oct-24	3	1.00



RECOMMENDATION:

Information only.

REFERENCE MATERIALS ATTACHED:

- Summary of GL Claims by Fiscal Year – September 30, 2024



Policy Year Summary

Period Start Date: 9/1/2024
 Period End Date: 9/30/2024
 Valuation Date: 9/30/2024

Policy Year	Open Claims	Closed Claims	Total Claims	Paid This Period	Reserves This Period	Total Paid	Total Outstanding	Total Incurred	Total Recovery	Net Incurred
1986/1987	0	40	40	0.00	0.00	159,143.49	0.00	159,143.49	0.00	159,143.49
1987/1988	0	91	91	0.00	0.00	567,783.35	0.00	567,783.35	0.00	567,783.35
1988/1989	0	77	77	0.00	0.00	336,758.78	0.00	336,758.78	0.00	336,758.78
1989/1990	0	56	56	0.00	0.00	252,372.90	0.00	252,372.90	0.00	252,372.90
1990/1991	0	69	69	0.00	0.00	646,700.81	0.00	646,700.81	0.00	646,700.81
1991/1992	0	78	78	0.00	0.00	574,432.62	0.00	574,432.62	0.00	574,432.62
1992/1993	0	66	66	0.00	0.00	334,437.15	0.00	334,437.15	0.00	334,437.15
1993	0	3	3	0.00	0.00	9,209.48	0.00	9,209.48	0.00	9,209.48
1993/1994	0	79	79	0.00	0.00	778,130.85	0.00	778,130.85	0.00	778,130.85
1994/1995	0	71	71	0.00	0.00	607,227.03	0.00	607,227.03	0.00	607,227.03
1995/1996	0	66	66	0.00	0.00	488,285.28	0.00	488,285.28	0.00	488,285.28
1996/1997	0	98	98	0.00	0.00	308,466.79	0.00	308,466.79	0.00	308,466.79
1997/1998	0	54	54	0.00	0.00	756,263.30	0.00	756,263.30	0.00	756,263.30
1998/1999	0	39	39	0.00	0.00	581,684.09	0.00	581,684.09	0.00	581,684.09
1999/2000	0	30	30	0.00	0.00	175,051.87	0.00	175,051.87	0.00	175,051.87
2000/2001	0	56	56	0.00	0.00	332,932.06	0.00	332,932.06	0.00	332,932.06
2001/2002	0	37	37	0.00	0.00	355,079.79	0.00	355,079.79	0.00	355,079.79
2002/2003	0	44	44	0.00	0.00	515,584.00	0.00	515,584.00	0.00	515,584.00
2003/2004	1	31	32	479.40	0.00	257,830.94	89,303.00	347,133.94	0.00	347,133.94
2004/2005	0	45	45	0.00	0.00	423,151.66	0.00	423,151.66	0.00	423,151.66
2005/2006	0	33	33	0.00	0.00	378,848.40	0.00	378,848.40	0.00	378,848.40
2006/2007	0	27	27	0.00	0.00	640,394.43	0.00	640,394.43	0.00	640,394.43
2007/2008	0	50	50	0.00	0.00	1,239,917.12	0.00	1,239,917.12	0.00	1,239,917.12
2008/2009	0	89	89	0.00	0.00	2,657,636.27	0.00	2,657,636.27	938,919.27	1,718,717.00



Policy Year Summary

Period Start Date: 9/1/2024
 Period End Date: 9/30/2024
 Valuation Date: 9/30/2024

Policy Year	Open Claims	Closed Claims	Total Claims	Paid This Period	Reserves This Period	Total Paid	Total Outstanding	Total Incurred	Total Recovery	Net Incurred
2009/2010	0	82	82	0.00	0.00	823,290.68	0.00	823,290.68	0.00	823,290.68
2010/2011	0	68	68	0.00	0.00	1,425,971.57	0.00	1,425,971.57	0.00	1,425,971.57
2011/2012	0	71	71	0.00	0.00	758,964.49	0.00	758,964.49	0.00	758,964.49
2012/2013	0	55	55	0.00	0.00	527,624.98	0.00	527,624.98	0.00	527,624.98
2013/2014	0	75	75	0.00	0.00	1,683,366.31	0.00	1,683,366.31	0.00	1,683,366.31
2014/2015	0	62	62	0.00	0.00	3,049,593.04	0.00	3,049,593.04	271,354.75	2,778,238.29
2015/2016	0	70	70	20.40	20.40	1,829,245.97	0.00	1,829,245.97	0.00	1,829,245.97
2016/2017	0	77	77	81.60	81.60	1,678,828.17	0.00	1,678,828.17	0.00	1,678,828.17
2017/2018	0	75	75	0.00	0.00	1,508,157.46	0.00	1,508,157.46	0.00	1,508,157.46
2018/2019	0	73	73	0.00	0.00	4,139,550.33	3,980.45	4,143,530.78	347,053.49	3,796,477.29
2019/2020	0	45	45	306.00	306.00	759,373.57	0.00	759,373.57	0.00	759,373.57
2020/2021	2	39	41	2,224.45	0.00	614,210.97	58,048.26	672,259.23	0.00	672,259.23
2021/2022	5	31	36	9,537.70	36,500.00	270,658.66	174,544.56	445,203.22	0.00	445,203.22
2022/2023	19	50	69	46,773.77	27,130.60	1,396,571.15	579,946.75	1,976,517.90	175,000.00	1,801,517.90
2023/2024	30	22	52	26,064.94	49,159.55	135,811.86	252,552.02	388,363.88	0.00	388,363.88
2024/2025	2	1	3	8,714.67	10,214.67	8,714.67	3,000.00	11,714.67	0.00	11,714.67
Grand Total	59	2,225	2,284	94,202.93	123,412.82	33,987,256.34	1,161,375.04	35,148,631.38	1,732,327.51	33,416,303.87

Agenda Item 8.6**SPECIAL REPORTS****SUBJECT: Property Program Status Report**

BACKGROUND AND STATUS:

Attached hereto please find a summary of the open CAPRI Property claims as of the end of the first quarter of FY 2024-2025.

There are 36 open property claims, five (5) of which are new since the start of the 2024-2025 fiscal year. Of the 36 total open, 12 claims have reached the excess layer, meaning that CAPRI is no longer responsible for costs. Additionally, nine (9) claims are related to ongoing subrogation, leaving 15 active in the CAPRI layer. The open claims are a mix including storm damage, theft, vandalism, fires, and vehicle accidents.

Staff will be prepared to discuss program property losses and excess handling at the meeting.

RECOMMENDATION:

Information only.

REFERENCE MATERIALS ATTACHED:

- Open property claims as of September 30, 2024

CAPRI Property Loss Run
Open/Re-Open Claims as of September 30, 2024

Fiscal Year	Insured	Date of Loss	Reserves	CAPRI Paid	Net Incurred	Status	GHC Claim Number	Incident Description
2015/2016	CAPRI-SUBRO	05/10/2016	\$0	\$0	\$0	Open	GHC0025653	Recovery of Judgement
2016/2017	CAPRI-SUBRO	02/22/2017	\$0	\$0	\$0	ReOpened	GHC0020108	damage to district sign
2018/2019	Paradise Recreation and Park District	11/08/2018	\$3,111,862	\$1,036,138	\$4,155,500	Open	GHC0023178	Fire
2018/2019	Rancho Simi Recreation and Park District	11/08/2018	\$243,485	\$4,813,928	\$5,063,005	Open	GHC0023197	Fire
2019/2020	CAPRI-SUBRO	05/27/2020	\$0	\$0	\$0	Open	GHC0032438	Claimant damaged Irrigation control box
2019/2020	North of the River Recreation and Park District	02/12/2020	\$151,811	\$48,189	\$207,500	Open	GHC0030954	NOR pool
2020/2021	Carmichael Recreation and Park District	08/15/2020	\$383,676	\$530,474	\$921,650	Open	GHC0032379	Toilet flush valve failure
2021/2022	CAPRI-SUBRO	07/06/2021	\$0	\$0	\$0	Open	GHC0061662	Vandalism
2021/2022	CAPRI-SUBRO	03/04/2022	\$0	\$0	\$0	Open	GHC0044017	10 X 4 Railing
2022/2023	Auburn Area Recreation and Park District	05/14/2023	\$366,219	\$1,133,781	\$1,516,441	Open	GHC0058053	Fire damage to shop structure
2022/2023	Auburn Area Recreation and Park District	05/31/2023	\$0	\$0	\$1,500	Open	GHC0058890	fire damage to the district property
2022/2023	CAPRI-SUBRO	06/06/2023	\$0	\$0	\$0	Open	GHC0000305	Vehicle Accident
2022/2023	CAPRI-SUBRO	06/14/2023	\$0	\$0	\$0	Open	GHC0000472	Vehicle Accident
2022/2023	Hesperia Recreation and Park District	07/05/2022	\$85,793	\$0	\$88,293	ReOpened	GHC0045988	Arson loss to structure
2022/2023	Hesperia Recreation and Park District	02/25/2023	\$700,000	\$0	\$705,000	Open	GHC0052736	Snow and rainstorm
2022/2023	Pleasant Hill Recreation and Park District	06/14/2023	\$16,000	\$0	\$17,500	Open	GHC0059750	District truck stolen
2022/2023	Rim of the World Recreation and Park District	02/24/2023	\$100,000	\$0	\$102,500	Open	GHC0057611	Snow damage to field netting and fence
2022/2023	Rim of the World Recreation and Park District	03/12/2023	\$210,000	\$0	\$212,500	Open	GHC0057609	Snow damage
2022/2023	Rim of the World Recreation and Park District	04/17/2023	\$35,000	\$0	\$37,500	Open	GHC0057610	Snow damage to parking lot electrical panel
2023/2024	Arcade Creek Recreation and Park District	02/04/2024	\$9,060	\$40,940	\$51,500	Open	GHC0069240	windstorm damage
2023/2024	CAPRI-SUBRO	11/08/2023	\$0	\$0	\$0	Open	GHC0070983	Damaged newly applied seal coat on driveway
2023/2024	CAPRI-SUBRO	01/31/2024	\$0	\$0	\$0	Open	GHC0072315	Vehicle Accident
2023/2024	Carmichael Recreation and Park District	12/26/2023	\$16,000	\$0	\$17,500	Open	GHC0066458	Theft of tools and equipment
2023/2024	Carmichael Recreation and Park District	02/04/2024	\$83,000	\$0	\$84,500	Open	GHC0067966	windstorm damage
2023/2024	Carmichael Recreation and Park District	03/13/2024	\$4,340	\$0	\$5,840	Open	GHC0069720	vehicle drove through district building
2023/2024	Cordova Recreation and Park District	02/04/2024	\$53,304	\$0	\$54,804	Open	GHC0068245	windstorm damage
2023/2024	Dunsmuir Recreation and Park District	11/10/2023	\$4,800	\$45,574	\$51,874	ReOpened	GHC0066975	Fire/smoke damage to the park's district restrooms
2023/2024	El Dorado Hills Community Service District	02/01/2024	\$9,681	\$0	\$11,181	Open	GHC0070666	light poledamage due to a vehicle accident
2023/2024	Greater Vallejo Recreation and Park District	12/25/2023	\$13,686	\$0	\$15,186	Open	GHC0067094	damages and stolen property due to a break-in
2023/2024	Shafter Recreation and Park District	07/29/2023	\$11,033	\$0	\$12,533	Open	GHC0063321	Arson Fire
2023/2024	Sunrise Recreation and Park District	09/11/2023	\$148,000	\$0	\$149,500	Open	GHC0066049	A blown HVAC unit motor caused a fire
2024/2025	Cordova Recreation and Park District	08/19/2024	\$29,374	\$0	\$30,874	Open	GHC0075915	Vehicle Accident
2024/2025	El Dorado Hills Community Service District	08/17/2024	\$3,967	\$0	\$5,467	Open	GHC0075912	Vehicle Accident
2024/2025	El Dorado Hills Community Service District	09/14/2024	\$5,713	\$0	\$7,213	Open	GHC0076413	Vehicle Accident
2024/2025	Hayward Area Recreation and Park District	07/26/2024	\$148,000	\$0	\$150,500	Open	GHC0074768	Arson Fire
2024/2025	Paradise Recreation and Park District	08/20/2024	\$20,000	\$0	\$21,500	Open	GHC0076490	Vehicle Accident

* losses highlighted have reached the excess layer

Agenda Item 9.1

DISCUSSION/ACTION ITEMS

SUBJECT: Investment Policy Review

BACKGROUND AND STATUS:

Annually, PFM conducts a review of the CAPRI Investment Policy and, if necessary, provides recommendations for revisions. This year, in the attached memorandum and redline draft PFM has proposed a few minor revisions to the policy including language that will clarify that the captive funds are guided by a separate Investment Policy.

Mallory Sampson and Alison Kaune will be in attendance and will further discuss with the Board.

RECOMMENDATION:

Approve proposed revisions to CAPRI Investment Policy as identified in the attached redline draft.

FISCAL IMPACT:

Any revision to the current investment strategy has the potential to both positively and negatively impact CAPRI's portfolio. Market forces will ultimately determine the impact.

REFERENCE MATERIALS ATTACHED:

- Memo from Allison Kaune, PFM re: Investment Policy Review
- CAPRI Investment Policy with proposed revisions

Memorandum

To: Matthew Duarte, Executive Director
CAPRI Board of Directors
California Association for Park and Recreation Indemnity

From: Allison Kaune, Institutional Sales & Relationship Manager
PFM Asset Management

RE: 2024 Investment Policy Review

We have completed our review of CAPRI's Investment Policy (the "Policy") dated November 2, 2023. This year we are recommending two Policy changes in response to the formation of the captive organization, Recreation Insurance Organization. Below, we have summarized the Policy edits we suggest, and the attached marked-up version of CAPRI's Policy illustrates our recommendations.

In the Policy's *Scope* section, we suggest adding language stating that the Recreation Insurance Organization captive funds are guided by a different investment policy and are not covered by the CAPRI Policy. While this is known to the Authority's Board of Directors, we think it is appropriate to explicitly state this in the CAPRI Investment Policy.

We suggest adding a new, final section called *Investment Policy Review and Adoption*, and including text stating that the Policy does not need to be reviewed annually, but only in response to applicable California Government Code changes or in response to changes to the Authority's investment objectives or risk tolerances. California Government Code does not require that investment policies be reviewed and approved annually and, given the limited amount of funds this Policy covers and the investment strategy of those funds, we don't think annual reviews are necessary. However, if you prefer to continue annual reviews of the Policy, this recommended edit can be rejected.

Please let me know if you'd like to schedule a call to discuss our recommendations or to answer any questions you may have. Thank you.

EXHIBIT D

**California Association for Park and Recreation Indemnity
Investment Policy
Amended/Approved November ~~2, 2023~~, 2024**

I. Introduction

The purpose of this document is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment policy and to organize and formalize investment-related activities.

The investment policies and practices of California Association for Park and Recreation Indemnity (“the Authority”) are based on state law and prudent money management. All funds will be invested in accordance with the Authority’s Investment Policy, and California Government Code Sections 53601, 53601.1, 53601.5, 53635 and 53635.5. If the Authority issues bonds in the future, the investment of bond proceeds will be further restricted by the provisions of relevant bond documents.

II. Scope

It is intended that this policy cover all funds (except retirement funds) and investment activities under the direction of the Authority.

Excluded from this Policy are the Recreation Insurance Organization captive funds, which are guided by a separate Investment Policy Statement.

III. Prudence

The standard of prudence to be used by investment officials shall be the “prudent investor” standard and shall be applied in the context of managing an overall portfolio.

When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.

Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

IV. Objectives

The primary objectives, in priority order, of the investment activities of the Authority shall be:

- 1) Safety. Safety of principal is the foremost objective of the investment program. Investments of the Authority shall be undertaken in a manner that seeks to ensure preservation of capital in the portfolio.
- 2) Liquidity. The investment portfolio of the Authority will remain sufficiently liquid to enable the Authority to meet its cash flow requirements.
- 3) Return on Investment. The investment portfolio of the Authority shall be designed with the objective of attaining a market rate of return on its investments consistent with the constraints imposed by its safety objective and cash flow considerations.

V. Delegation of Authority

The management responsibility for the investment program is hereby delegated to the Treasurer who shall monitor and review all investments for consistency with this investment policy. No person may engage in an investment transaction except as provided under the limits of this policy. The Authority may delegate its investment decision making and execution authority to an investment advisor. The advisor shall follow the policy and such other written instructions as are provided.

VI. Ethics and Conflict of Interest

Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial decisions.

VII. Authorized Financial Dealers and Institutions

The Treasurer will maintain a list of approved financial institutions authorized to provide investment services to the Authority in the State of California. These may include "primary" dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule). A determination should be made to ensure that all approved broker/dealer firms and individuals covering the public agency are reputable and trustworthy. In addition, the broker/dealer firms should have the ability to meet all of their financial obligations in dealing with the Authority. The firms and individuals covering the agency should be knowledgeable and experienced in public agency investing and the investment products involved. No public deposit shall be made except in a qualified public depository as established by the established state laws. All financial institutions and broker/dealers who desire to conduct investment transactions with the Authority must supply the Treasurer with the following: audited financial statements, proof of NASD certification, trading resolution, proof of State of California registration, completed broker/dealer questionnaire, certification of having read the Authority's investment policy and depository contracts. An annual review of the financial condition and registrations of qualified bidders will be conducted by the Treasurer. A current audited financial statement is required to be on file for each financial institution and broker/dealer in which the Authority invests.

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

VIII. Ineligible Investments

Any security type or structure not specifically approved by this policy is hereby specifically prohibited. Security types which are thereby prohibited include, but are not limited to,

1. Range notes, dual index notes, inverse floaters, leveraged or deleveraged floating-rate notes, or any other complex variable-rate or structured note.
2. Interest-only strips that are derived from a pool of mortgages, or any security that could result in zero interest accrual if held to maturity.

Notwithstanding the prohibition in paragraph 2, the Authority may invest in securities issued by, or backed by, the United States government that could result in zero- or negative-interest accrual if held to maturity, in the event of, and for the duration of, a period of negative market interest rates. The Authority may hold these instruments until their maturity dates.

IX. Permitted Investment Instruments

1. United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.
2. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
3. Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state, which are rated in a rating category of "A," its equivalent, or better by at least one of the nationally recognized statistical rating organizations (NRSROs). The purchase of such obligations will be restricted to a maximum of 30% of the Authority's investment portfolio.
4. Registered treasury notes or bonds of any of the other 49 United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United States, in addition to California. Obligations are required to be rated in a rating category of "A," its equivalent or better by at least one of the NRSROs. The purchase of such obligations will be restricted to a maximum of 30% of the Authority's investment portfolio.

5. Bonds, notes, warrants, or other evidences of indebtedness of a local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency. Obligations are required to be rated in a rating category of "A," its equivalent, or better by at least one NRSRO. The purchase of such obligations will be restricted to a maximum of 30% of the Authority's investment portfolio.
6. Repurchase Agreements used solely as short-term investments not to exceed 30 days.

The following collateral restrictions will be observed: Only U.S. Treasury securities or Federal Agency securities, as described in IX. 1 and 2, will be acceptable collateral. All securities underlying Repurchase Agreements must be delivered to the Authority's custodian bank versus payment or be handled under a tri-party repurchase agreement. The total of all collateral for each Repurchase Agreement must equal or exceed, on the basis of market value plus accrued interest, 102 percent of the total dollar value of the money invested by the Authority for the term of the investment. Since the market value of the underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day. For any Repurchase Agreement with a term of more than one day, the value of the underlying securities must be reviewed on a regular basis.

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

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

The Authority may enter into Repurchase Agreements with (1) primary dealers in U.S. Government securities who are eligible to transact business with, and who report to, the Federal Reserve Bank of New York, and (2) California and non-California banking institutions having assets in excess of \$1 billion and in the highest short-term rating category as provided by a NRSRO.

The Authority will have specific written agreements with each firm with which it enters into Repurchase Agreements.

Reverse repurchase agreements will not be allowed.

7. Banker's Acceptances, otherwise known as bills of exchange or time drafts, that are drawn on and accepted by a commercial bank, the short-term paper of which is rated in the highest category by a NRSRO.

Purchases of Banker's Acceptances may not exceed 180 days maturity or 40% of the Authority's investment portfolio.

8. Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a NRSRO. The entity that issues the commercial paper shall meet all of the conditions in either paragraph (A) or paragraph (B) below:

A. The entity meets the following criteria:

- (1) Is organized and operating within the United States as a general corporation.
- (2) Has total assets in excess of five hundred million dollars (\$500,000,000).
- (3) Has debt other than commercial paper, if any, that is rated in a rating category of "A," its equivalent, or better by an NRSRO.

B. The entity meets the following criteria:

- (1) Is organized within the United States as a special purpose corporation, trust, or limited liability company.
- (2) Has program-wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond.
- (3) Has commercial paper that is rated "A-1" or higher, or the equivalent, by an NRSRO.

Purchases of eligible commercial paper may not exceed 270 days maturity.

Purchases of commercial paper may not exceed 25% of the Authority's investment portfolio. The Authority may invest no more than 5% of its total investment assets in the commercial paper of any single issuer.

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

Purchase of medium-term corporate notes may not exceed 30% of the Authority's investment portfolio. The Authority may invest no more than 5% of its total investment assets in the medium-term notes of any single issuer.

10. FDIC insured or fully collateralized time certificates of deposit in financial institutions located in California.
11. Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank; provided that the senior debt obligations of the issuing institution are rated in a rating category of "A" (long-term) or A-1 (short-term), the equivalent, or better by a NRSRO.

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

12. State of California's Local Agency Investment Fund.

Allocation of investment funds into LAIF may not exceed the investment limit imposed by LAIF. The LAIF portfolio should be reviewed periodically.

13. Insured savings account or money market account.

14. Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment

Company Act of 1940, investing in the securities and obligations authorized by sections (a) to (k), inclusive, and subdivisions (m) to (q), inclusive, of Government Code section 53601. To be eligible for investment pursuant to this subdivision these companies shall either: (1) attain the highest ranking letter or numerical rating provided by not less than two NRSROs or (2) have an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years experience investing in securities and obligations authorized by Government Code Section 53601 and with assets under management in excess of \$500,000,000.

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

15. Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (r), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria: (1) The adviser is registered or exempt from registration with the Securities and Exchange Commission. (2) The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q), inclusive. (3) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).
16. United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a rating category of "AA," its equivalent or better by an NRSRO.

The purchase of securities authorized by this subdivision shall not exceed 30% of the of the investment portfolio of the Authority.

17. A mortgage pass through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass through certificate, or consumer receivable-backed bond. For securities eligible for investment under this subdivision not issued or guaranteed by an agency or issuer identified in subdivisions (1) or (2), the following limitations apply:
 - (1) Security shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and have a maximum remaining maturity of five years or less.
 - (2) The purchase of securities authorized by this subdivision shall not exceed 20% of the investment portfolio of the Authority.

Credit criteria listed in this section refers to the credit of the issuing organization at the time the security is purchased. A security purchased in accordance with this section shall not have a forward settlement date exceeding 45 days from the time of investment.

X. Maximum Maturity

Investment maturities shall be based on a review of cash flow forecasts. Maturities will be scheduled so as to permit the Authority to meet all projected obligations. The investment program

may include investments with maturities beyond five years for U.S. Treasuries, U.S. federal agencies/government sponsored enterprises, and municipal obligations, as described in Section IX. Permitted Investment Instruments, paragraphs 1, 2, 3, 4 and 5. Approval for purchases of these longer-dated securities was granted by the Authority's Board of Directors at the December 3, 2021 meeting. For purposes of compliance with this Policy, an investment's term or remaining maturity shall be measured from the settlement date to final maturity.

XI. Diversification

The Authority will diversify its investments by security type and institution. With the exception of U.S. Treasury securities, U.S. Agency Obligations and authorized pools (e.g. LAIF), no more than 5% of the Authority's total investment portfolio will be invested in a single issuer. The diversification requirements of the portfolio apply at time of purchase.

XII. Reporting Requirements

Monthly investment reports shall be submitted to the Authority's Treasurer. The reports shall include, at a minimum, the following information for individual investment:

- Description of investment instrument
- Interest rate or yield to maturity
- Purchase date
- Maturity date
- Purchase price
- Par value
- Current market value for securities with maturity greater than 12 months
- Discount or premium, if any
- Accrued interest paid at purchase, if any
- Accrued interest to date
- Portfolio average maturity
- Overall portfolio yield based on cost

In addition, the Treasurer shall submit a monthly report of transactions to the legislative body.

XIII. Safekeeping and Custody

The assets of the Authority shall be secured through third-party custody and safekeeping procedures. Bearer instruments shall be held only through third-party institutions. Collateralized securities such as repurchase agreements shall be purchased using the delivery vs. payment procedure.

XIV. Investment Policy Review and Adoption

The Policy shall be reviewed periodically, as necessary, in response to applicable changes to the California Government Code and/or changes to the Authority's investment objectives or risk tolerances. Any modifications made to the Policy must be approved the Authority's Board of Directors.

Formatted: List Paragraph, Indent: Left: 0"

Agenda Item 9.2

DISCUSSION/ACTION ITEMS

SUBJECT: Review of 2023/2024 WC Final Payroll

BACKGROUND AND STATUS:

As the Board will recall, CAPRI members' Workers' Compensation premiums are based upon their actual payroll paid. Since a member's actual payroll cannot be precisely determined until the end of the fiscal year, every Spring CAPRI requests estimated payroll figures from the members in advance of the fiscal year and, using these estimates, projects the cost of coverage for the upcoming fiscal year.

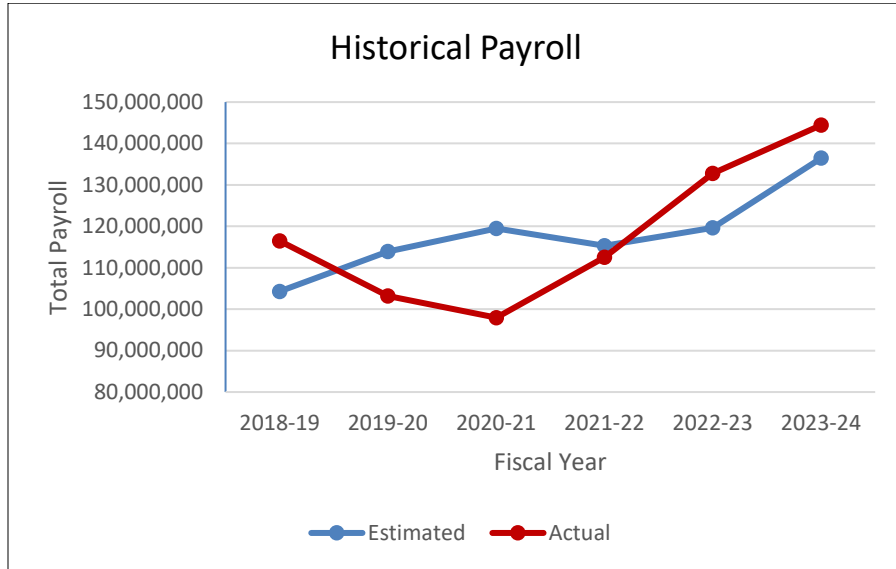
Then, at the end of that fiscal year, the members provide their "Final Payroll Reports" to CAPRI along with supporting records. Once the final payroll reports are received, the individual members' contributions are recalculated to determine their "true" or actual premiums. Thereafter, members will either receive a refund if they over-projected their payroll for the year or they will be invoiced if they under-projected their payroll.

CAPRI has received the Final Payroll Reports needed to calculate the actual Workers' Compensation premium for 2023-2024. These final payroll numbers were then provided to PRISM in October as they conduct a similar process with each of their members.

For FY23-24, approximately 60% of the program members under-projected while 40% over-projected. As a pool, actual payroll totals increased 6% when compared to member estimates. As a result, CAPRI anticipates receiving a net final premium contribution of approximately \$249k.

Staff prepared a comparison of Historical Payroll to illustrate how our Member Districts are continuing to add staffing to serve their communities.

	Estimated	Actual
2018-19	104,305,616	116,449,811
2019-20	113,961,079	103,209,675
2020-21	119,469,708	97,954,912
2021-22	115,336,858	112,521,327
2022-23	119,617,817	132,745,758
2023-24	136,448,826	144,428,190



Staff has completed the calculation of final premiums and is prepared to process final payroll invoices and refunds upon Board approval.

RECOMMENDATION:

Approve Final Payroll for FY23-24 and the calculation of final premiums.

FISCAL IMPACT:

Based upon final payroll figures provided by the members, CAPRI will be receiving a net final premium contribution of approximately \$249k for under-projected payroll for fiscal year 2023-2024.

REFERENCE MATERIALS ATTACHED:

- 2023-2024 WC Final Payroll Spreadsheet

	2023-2024 ESTIMATED Payroll	2023-2024 ACTUAL Payroll	ESTIMATED Contribution	FINAL ACTUAL Contribution	Difference
Ambrose Recreation & Park District	603,000	640,299	28,583.00	\$ 26,081.00	\$ (2,502.00)
Arcade Creek Recreation & Park District	223,833	265,753	5,225.00	\$ 8,117.00	\$ 2,892.00
Arden Manor Recreation & Park District	493,532	420,876	19,330.00	\$ 16,256.00	\$ (3,074.00)
Arden Park Recreation & Park District	618,766	595,066	17,021.00	\$ 15,270.00	\$ (1,751.00)
Bear Mountain Recreation & Park District	287,527	336,355	3,691.00	\$ 11,692.00	\$ 8,001.00
Bear River Recreation & Park District	79,791	118,708	3,458.00	\$ 3,727.00	\$ 269.00
Beaumont-Cherry Valley Recreation & Park District	1,328,683	1,468,774	63,846.00	\$ 64,986.00	\$ 1,140.00
Belvedere-Tiburon Joint Recreation Committee (The Ranch)	776,804	832,847	7,095.00	\$ 7,508.00	\$ 413.00
Boulder Creek Recreation & Park District	296,000	355,200	5,441.00	\$ 6,408.00	\$ 967.00
Buttonwillow Recreation & Park District	88,913	120,868	10,881.00	\$ 14,597.00	\$ 3,716.00
Carmichael Recreation and Park District	1,976,000	1,820,801	65,939.00	\$ 60,552.00	\$ (5,387.00)
Central Plumas Recreation & Park District	258,490	250,723	4,255.00	\$ 4,004.00	\$ (251.00)
Coalinga-Huron Recreation & Park District	975,898	800,459	95,931.00	\$ 48,343.00	\$ (47,588.00)
Conejo Recreation & Park District (Excess Coverage Only)	11,437,009	12,305,285	97,128.00	\$ 99,489.00	\$ 2,361.00
Cordova Recreation & Park District	5,988,346	6,563,233	202,222.00	\$ 223,348.00	\$ 21,126.00
Desert Recreation District (Coachella)	6,513,021	8,343,916	80,648.00	\$ 100,507.00	\$ 19,859.00
Dunsmuir Recreation & Parks District	86,000	70,631	5,539.00	\$ 3,873.00	\$ (1,666.00)
Durham Recreation & Park District	659,410	754,570	22,738.00	\$ 25,325.00	\$ 2,587.00
Fair Oaks Recreation & Park District	1,524,514	1,561,007	42,514.00	\$ 42,927.00	\$ 413.00
Feather River Recreation & Park District	1,135,000	895,669	57,626.00	\$ 46,281.00	\$ (11,345.00)
Fulton-El Camino Recreation & Park District	1,848,699	1,518,121	89,068.00	\$ 70,702.00	\$ (18,366.00)
Greater Vallejo Recreation District	4,197,086	4,966,829	188,638.00	\$ 198,338.00	\$ 9,700.00
Hayward Area Recreation & Park District	15,166,030	17,179,257	823,850.00	\$ 992,432.00	\$ 168,582.00
Hesperia Recreation & Park District	2,162,510	2,790,519	59,878.00	\$ 114,902.00	\$ 55,024.00
Highlands Recreation District	1,827,566	1,943,506	34,372.00	\$ 60,846.00	\$ 26,474.00
Isla Vista Recreation & Park District	995,629	858,813	47,752.00	\$ 38,149.00	\$ (9,603.00)
Jurupa Area Recreation & Park District	1,618,000	2,177,417	65,832.00	\$ 78,087.00	\$ 12,255.00
La Selva Beach Recreation District	40,000	42,709	1,200.00	\$ 1,200.00	\$ -
Ladera Recreation District	510,000	582,371	5,201.00	\$ 5,829.00	\$ 628.00
Lake Cuyamaca Recreation & Park District	623,671	707,794	43,387.00	\$ 48,956.00	\$ 5,569.00
Livermore Area Recreation & Park District	10,780,300	9,868,607	366,639.00	\$ 337,395.00	\$ (29,244.00)
McFarland Recreation & Park District	467,000	506,516	25,841.00	\$ 24,658.00	\$ (1,183.00)
Mendocino Coast Recreation & Park District (District)	462,400	186,056	3,630.00	\$ 5,044.00	\$ 1,414.00
Mendocino Coast Recreation & Park District (Star Center)	904,295	452,148	41,012.00	\$ 20,125.00	\$ (20,887.00)
Mission Oaks Recreation & Park District	1,439,880	1,915,362	58,374.00	\$ 62,668.00	\$ 4,294.00
Monte Rio Recreation & Park District	175,616	169,839	13,756.00	\$ 12,361.00	\$ (1,395.00)
Mt. Shasta Recreation & Park District	337,920	317,520	27,308.00	\$ 23,914.00	\$ (3,394.00)
North Highlands Recreation & Park District	1,103,785	1,226,204	57,349.00	\$ 61,648.00	\$ 4,299.00
North of the River Recreation & Park District	6,490,318	6,949,493	461,622.00	\$ 508,286.00	\$ 46,664.00
Orangevale Recreation & Park District	1,419,000	1,350,283	49,258.00	\$ 50,180.00	\$ 922.00
Paradise Recreation & Park District	1,962,000	1,762,280	89,492.00	\$ 71,373.00	\$ (18,119.00)
Pleasant Hill Recreation & Park District	5,510,714	5,194,622	154,185.00	\$ 143,479.00	\$ (10,706.00)
Pleasant Valley Recreation & Park District	3,261,262	3,115,638	236,584.00	\$ 217,796.00	\$ (18,788.00)
Rancho Simi Recreation & Park District	10,950,000	11,663,649	915,098.00	\$ 952,293.00	\$ 37,195.00
Rio Linda Elverta Recreation & Park District	1,011,069	705,214	48,292.00	\$ 29,800.00	\$ (18,492.00)
Russian River Recreation & Parks District	185,000	223,354	10,351.00	\$ 13,228.00	\$ 2,877.00
Shafter Recreation & Park District	468,500	632,517	10,245.00	\$ 12,013.00	\$ 1,768.00
Silverado-Modjeska Recreation & Park District	264,000	284,725	2,886.00	\$ 2,909.00	\$ 23.00
Soledad-Mission Recreation District	388,000	413,067	21,793.00	\$ 10,483.00	\$ (11,310.00)
Southgate Recreation & Park District	5,555,347	5,688,944	188,237.00	\$ 195,962.00	\$ 7,725.00
Strawberry Recreation District	977,400	948,538	31,629.00	\$ 22,294.00	\$ (9,335.00)
Sunrise Recreation & Park District	6,414,128	5,811,067	279,050.00	\$ 267,622.00	\$ (11,428.00)
Tehachapi Valley Recreation & Park District	876,000	962,175	27,315.00	\$ 39,748.00	\$ 12,433.00
Truckee-Donner Recreation & Park District	4,717,369	6,128,791	140,717.00	\$ 179,469.00	\$ 38,752.00
Tuolumne Park & Recreation District	176,376	180,203	12,538.00	\$ 12,132.00	\$ (406.00)
Valley-Wide Recreation & Park District	3,939,570	4,546,604	62,264.00	\$ 75,100.00	\$ 12,836.00
Wasco Recreation & Parks District	369,000	341,289	18,387.00	\$ 18,155.00	\$ (232.00)
Weed Recreation & Parks District	261,886	219,152	19,587.00	\$ 15,661.00	\$ (3,926.00)
West Side Recreation & Park District	1,181,964	1,309,885	51,248.00	\$ 47,250.00	\$ (3,998.00)
Western Gateway Recreation & Park District	59,000	66,074	5,184.00	\$ 5,545.00	\$ 361.00
	136,448,826	144,428,190	\$ 5,628,160.00	\$ 5,877,323.00	\$ 249,163.00

Agenda Item 9.3

EXECUTIVE DIRECTOR/ STAFF REPORTS

SUBJECT: Target Equity Annual Review

BACKGROUND AND STATUS:

In 2023, the Board established the CAPRI Target Equity Policy. This Policy formalizes guidelines for setting target funding levels in the risk-sharing layers of the Liability & Property and Workers Compensation programs. The Policy also seeks to establish a prudent funding threshold to ensure the programs are financially sound.

Per the Policy, Staff reports annually on the Programs’ financial positions against the guidelines. The following is our annual review based on the FY23-24 financials as of June 30, 2024.

Funding Criteria

The programs should fund current years at a 70% confidence level or higher. If the Board funds below 80%, it will describe why a lesser confidence level was indicated.

Program	Target Funding Confidence Level	2023-24 Funding Confidence Level	Target Met
Liability & Property Program	>70%	70%	x
Workers' Comp Program	>70%	75%	x

The CAPRI Programs met the Funding Criteria for FY23-24 stated in the Policy. As the Board may recall, the funding confidential levels were determined after Board consideration of insurance market factors and increased excess insurance costs across all programs in addition to the financial health of the organization.

Benchmarks

The financial ratio targets shown below generally establish the baselines from which CAPRI’s pooled programs should operate. Ratios falling outside of a target range do not necessarily indicate that a program, a program year, or combination of programs years are in financial distress.

Ratio Evaluated	Target Ratio	GL-Prop 2023-24 Ratio	Target Met
Net Equity to Pool Layer Limit of Liability	≥ 5:1	11 : 1	x
Net Contribution to Net Equity	≤ 2:1	1.06 : 1	x
Claim Reserves plus IBNR to Net Equity	≤ 3:1	0.56 : 1	x
Reserve Development	≤ 20%	-5.3%	x
Change in Net Equity	≤ 10%	35%	x

The General Liability and Property Program met all five targets for FY23-24.

Ratio Evaluated	Target Ratio	WC 2023-24 Ratio	Target Met
Net Equity to Pool Layer Limit of Liability	≥ 5:1	21 : 1	x
Net Contribution to Net Equity	≤ 2:1	0.75 : 1	x
Claim Reserves plus IBNR to Net Equity	≤ 3:1	1.45 : 1	x
Reserve Development	≤ 20%	-1.7%	x
Change in Net Equity	≤ 10%	35%	x

The Workers’ Compensation Program met all five of the targets for FY23-24.

Staff will further discuss the Target Equity Policy and the above results at the Meeting.

RECOMMENDATION:

Information only.

REFERENCE MATERIALS ATTACHED:

- CAPRI’s Target Equity Policy adopted February 7, 2023

Target Equity Policy

Adopted February 7, 2023

I. PURPOSE

This policy develops guidelines setting target funding levels in the risk sharing layers of the Liability & Property and Workers Compensation programs. The policy seeks to establish a prudent funding threshold to ensure the programs are actuarially sound. When equity exceeds the target, the Board may determine any surplus to be distributed. Funding shortfalls under the target may lead the Board to declare assessments, raise funding rates, or take other action.

Nothing in this policy shall be applied or construed to require or mandate the Board to return net equity to the members in any particular year. Rather, the Board retains sole discretion and authority to determine from year-to-year whether to return equity, as well as how much to return.

This Target Equity Policy does not apply to the pooled risk layers of the Property or Auto Physical Damage (APD) Programs. For funding criteria and benchmarks relating to the Property or APD programs, see the applicable Program Document.

II. FUNDING CRITERIA

The programs shall utilize expected liabilities stated at a 55% (expected) confidence level when reporting liabilities in the CAPRI financial statements.

The programs strive to maintain contingency funds between the 80% - 90% confidence level.

The programs should fund current years at a 70% confidence level or higher. If the Board funds below 80%, it will describe why a lesser confidence level was indicated.

Dividends may be declared, and distributed, solely at the discretion of the Board provided the program's net equity exceeds the undiscounted 90% confidence level.

In the sole discretion of the Board, equity from the risk sharing layer may be exchanged between program years if sufficient funds are available. The transfer of equity will be performed so that the individual member's share of equity is separately applied so as to maintain the integrity of each member's share.

III. BENCHMARKS

The financial ratio targets shown below generally establish the baselines from which CAPRI's pooled programs should operate. Ratios falling outside of a target range do not necessarily indicate that a program, a program year, or combination of programs years are in financial distress. It should also be noted that net asset ratio targets may reasonably vary by program, depending upon the length of the tail of liability characterized by each. Ratios will be reviewed annually to ensure prudent funding levels be maintained.

Net Equity to Pool Layer Limit of Liability

Target $\geq 5 : 1$

This ratio is a measure of the maximum amount of equity that could decline due to a single full limits loss. It also measures the funds available to take a higher retention. A high ratio is desirable.

Net Contributions to Net Equity ratio

Target $\leq 2 : 1$

This ratio measures whether inadequate funding for new years could adversely affect equity. A low ratio is desirable.

Claim Reserves plus IBNR to Net Equity ratio

Target $\leq 3 : 1$

This ratio is a measure of how equity is leveraged against total reserves. A low ratio is desirable.

Reserve Development

Target $\leq 20\%$

This ratio is a measure of the development in prior years' ultimate net loss from one year to the next. Generally, the one-year and two-year reserve development to Net Equity threshold should be less than 20%. A low ratio is desirable.

Change in Net Equity

Target $\leq 10\%$

This ratio measures if a decline in equity in excess of 10% has taken place. If it has, then CAPRI may want to consider an increase in pricing. A positive or low-negative ratio is desirable.

IV. DEFINITIONS

This policy contains terms and words with special meaning to risk funding. Those terms and others are defined below:

Claim Reserves: Estimate of the funds needed to pay for known claims against members that have been reported to CAPRI. A claim reserve is established for each open claim by CAPRI and/or the approved claims administrator.

Confidence Level: The probability premium collected or program equity is sufficient to pay the actuarially projected ultimate net loss. Expected value is equal to a 55% probability funds are sufficient to pay claims. A 90% confidence level predicts there is only a 10% probability there is insufficient funding to pay the ultimate net loss.

Contingency Fund: Net assets held to pay claims above “expected liabilities”.

Dividend: Amount payable to members from surplus funds in a program.

Expected Liabilities: Claim reserves plus IBNR and reported at a 55% confidence level for all program years.

Net Equity: Total assets less total liabilities. Stated as retained earnings, equity, or net assets on the balance sheet.

Incurred But Not Reported (IBNR) Claims: Estimate of the funds needed to pay for covered losses that have occurred but have not been reported; and expected future loss development on claims already reported.

Pool Layer Limit of Liability: Dollar amount of pooled risk before any excess coverage is triggered.

Ultimate Net Loss: The sum of claims paid to date, claim reserves, IBNR, and ULAE. This is an actuarial estimate of the total value of all claims that will ultimately be paid at a given point in time.

V. POLICY REVIEW

The Executive Director will submit a yearly report summarizing the programs financial positions against the guidelines established in this policy. The policy will be periodically reviewed by the Board and revised as necessary.

**CAPRI
Target Equity Policy
Change Record**

<u>Date</u>	<u>Description of Change(s)</u>
February 7, 2023	Policy initially adopted by the Board of Directors
xxx	xxx

Agenda Item 9.4

DISCUSSION/ACTION ITEMS

SUBJECT: Annual WC Program Dividends Review

BACKGROUND AND STATUS:

Every year, the CAPRI Board of Directors reviews the overall financial position of each of the programs to determine if it is appropriate to declare dividends to the membership. However, the last several years the Board has expressed a desire to move away from issuing regular dividends in lieu of annual member savings by way of the multi-program and safety discounts.

<u>Fiscal Year</u>	<u>Dividend Issued?</u>	<u>Amount?</u>
2014-2015	Yes	\$300,000
2015-2016	No	N/A
2016-2017	No	N/A
2017-2018	No	N/A
2018-2019	No	N/A
2019-2020	Yes	\$250,000
2020-2021	No	N/A
2021-2022	No	N/A
2022-2023	No	N/A

As the Board may recall, Bickmore Risk Services recently conducted an actuarial analysis of the Workers' Compensation program and determined that the program is funded at over the 90% confidence level. This *exceeds* the recommended 80-85% funding level. Additionally, Bickmore estimated outstanding claims have *remained relatively flat (up 0.5%)*.

At the May Board of Directors meeting, the Board authorized Staff to fund the WC program this year at the 75% confidence level. Reaching the 75% threshold has been a long-term goal for the Board in order to stabilize the funding of the program.

Notwithstanding the strong financial condition of the pool, Staff recommends that the Board decline to issue dividends this fiscal year. Issuing dividends would draw from this year's funding and undermine the intent of the 75% funding rate as well as the discount

program. It would also reduce opportunities to explore an increase in CAPRI's pooled layer and investment options.

Nevertheless, Staff will still have a program dividend spreadsheet available for Board review at the Meeting should the Board determine current circumstances warrant action.

RECOMMENDATION:

Decline to issue dividends from the WC program this fiscal year.

FISCAL IMPACT:

Dependent upon the amount of dividends authorized by the Board, if any.

REFERENCE MATERIALS ATTACHED:

- None

Agenda Item 9.5

DISCUSSION/ACTION ITEMS

SUBJECT: Annual GL & Property Program Dividends Review

BACKGROUND AND STATUS:

Every year, the CAPRI Board of Directors reviews the overall financial position of each of the programs to determine if it is appropriate to declare dividends to the membership. However, the last several years the Board has expressed a desire to move away from issuing regular dividends in lieu of annual member savings by way of the multi-program and safety discounts.

<u>Fiscal Year</u>	<u>Dividend Issued?</u>	<u>Amount?</u>
2014-2015	No	N/A
2015-2016	Yes	\$325,000
2016-2017	Yes	\$300,000
2017-2018	Yes	\$275,000
2018-2019	Yes	\$250,000
2019-2020	No	N/A
2020-2021	No	N/A
2021-2022	No	N/A
2022-2023	No	N/A

As the Board may recall, Bickmore Risk Services recently conducted an actuarial analysis of the General Liability & Property program and determined that the program is funded at over the 90% confidence level. This *exceeds* the recommended 80-85% funding level. At the same time, Bickmore estimated outstanding claims have *increased* approximately 24.6% due to substantial increases in case reserves. B

At the May Board of Directors meeting, the Board authorized Staff to fund the GL & Property program this year at the 70% confidence level. As with the WC program, reaching the 75% threshold remains a goal for the Board for the program. Additionally, the Board authorized Staff to increase the CAPRI pooled layer from \$1,000,000 to \$1,500,000.

Notwithstanding the strong financial condition of the pool, Staff recommends that the Board decline to issue dividends this fiscal year. Issuing dividends would draw from this

year's funding and undermine the intent of the funding rate as well as the discount program. It would also reduce opportunities to explore future increases to CAPRI's pooled layer and investment options.

Nevertheless, Staff will still have a program dividend spreadsheet available for Board review at the Meeting should the Board determine current circumstances warrant action.

RECOMMENDATION:

Decline to issue dividends from the GL & Property program this fiscal year.

FISCAL IMPACT:

Dependent upon the amount of dividends authorized by the Board, if any.

REFERENCE MATERIALS ATTACHED:

- None

Agenda Item 9.6

DISCUSSION/ACTION ITEMS

SUBJECT: Review of CAPRI Policies and Procedures

BACKGROUND AND STATUS:

As part of the organizational effort to pursue accreditation with the California Association of Joint Powers Authorities (“CAJPA”), Staff has reviewed two internal policies and drafted proposed revisions. These updates both align with current practices and conform to CAJPA standards.

Attached please find redline and clean drafts of the “Financial Management Policy” and the “Claims Management Policy” for review and discussion. If adopted by the Board, the CAPRI Policies and Procedures Manual will be updated accordingly.

RECOMMENDATION:

Accept the proposed changes to the Financial Management Policy and Claims Management Policy.

FISCAL IMPACT:

None.

REFERENCE MATERIALS ATTACHED:

- Financial Management Policy – redline
- Financial Management Policy – clean
- Claims Management Policy – redline
- Claims Management Policy – clean

III. FINANCIAL MATTERS MANAGEMENT

A. Bank Accounts:

All sums received by ~~the California Association for Park and Recreation Indemnity~~ CAPRI shall be deposited in a bank account ~~in a bank to be~~ designated by the CAPRI Board of Directors (~~hereinafter "Master Account"~~). ~~All funds are disbursed by check.~~ The President, Vice President, Secretary of the Board and the ~~Administrator~~ Executive Director/Treasurer are authorized to sign checks, ~~authorize disbursements, and/or.~~ The President, Vice President, Secretary, ~~Administrator/Treasurer and the Administrative Secretary are authorized to~~ transfer funds between ~~accounts~~ accounts in order to meet the operational needs of the organization. ~~(other than the Office Account), and the claims account is designated a Zero Balance Account (ZBA).~~

The ~~Executive Director~~ Administrator is authorized to establish a petty cash fund of \$300 for the ~~California Association for Park and Recreation Indemnity~~ CAPRI office.

The ~~Executive Director~~ Administrator is authorized to apply for a credit card, such as MasterCard or Visa, in the name of ~~the California Association for Park and Recreation Indemnity~~ CAPRI—with a credit limit of ~~\$1015,000~~ for the ~~Executive Director~~ Administrator and ~~\$75,000-500~~ for the ~~Risk Manager~~ Safety Analyst and Director of Administrative Operations. Such credit cards are for CAPRI business only and shall ~~not be used for personal expenses.~~ be utilized consistent with the CAPRI Employee Handbook and CAPRI Credit Card Policy.

B. Payment of Bills:

The ~~Executive Director~~ Administrator is authorized to pay all periodic bills arising out of contracts and other services previously approved by the CAPRI Board of Directors without prior approval, if within budget, subject to ratification by the CAPRI Board of Directors at its next meeting.

C. Investment of ~~Surplus-Residual~~ Funds:

(1) ~~(1)~~ Residual Funds:

"Residual Funds" are defined as those funds not required for the immediate operation of CAPRI and/or its captive, Recreation Insurance Organization ("RIO").

(2) Local Agency Investment Fund:

~~Surplus-Residual funds~~ Funds not required for the immediate operation of the ~~California Association for Park and Recreation Indemnity~~ may be deposited in the Local Agency Investment Fund in the office of the California State Treasurer (hereinafter "LAIF") and the ~~Executive Director~~ Administrator and the ~~Administrative Secretary~~ are ~~is~~ hereby authorized to transfer funds between the Master Account and the ~~Local Agency Investment Fund (LAIF)~~ Account.

Formatted: Indent: Left: 1"

Formatted: Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 1"

(23) Money Market Savings Accounts:

~~Surplus Residual Funds of the California Association for Park and Recreation Indemnity~~CAPRI may be deposited in federally insured money market savings accounts at commercial banks and the Executive Director is hereby authorized to transfer funds between the Master Account and the. Not more than \$250,000 can be invested in any single banking institution at any one time.

(43) Certificates of Deposit:

The ~~Administrator/Treasurer~~Executive Director is authorized to invest ~~funds Residual Funds of the California Association for Park and Recreation Indemnity~~ in Certificates of Deposit at any federally insured commercial bank or federally insured savings and loan association. A Certificate of Deposit can be purchased only after ~~telephone~~ approval is obtained from a majority of the ~~Financial Committee~~Board of Directors. -Not more than \$250,000 of ~~the California Association for Park and Recreation Indemnity~~CAPRI funds can be on deposit and/or invested in a Certificate of Deposit in any particular banking institution at any time.

(54) Custodial Account:

The ~~Administrator/Treasurer~~Executive Director is authorized to invest ~~Residual Funds of the California Association for Park and Recreation Indemnity~~ with a financial management company approved by the ~~CAPRI~~ Board of Directors. -Any securities purchased by the financial management company on behalf of the ~~California Association for Park and Recreation Indemnity~~CAPRI will be transferred and held in a Custodial Account at any federally insured commercial bank or federally insured savings and loan association approved by the Board of Directors. -The ~~CAPRI Administrator/Treasurer~~Executive Director will be responsible for monitoring and reviewing all investments for consistency with the CAPRI Investment Policy and RIO Investment Policy. -The ~~CAPRI~~ Investment Policy is to be reviewed annually at the ~~May-November~~ meeting of the CAPRI Board of Directors. The RIO Investment Policy is to be reviewed annually at the annual meeting of the RIO Board of Directors.

D. The Administrator has authority to enter into any Professional Service Agreement on behalf of CAPRI for amounts not to exceed \$20,000.

E. Financial Audit:

The Bylaws require an audit of the accounts, records, and financial affairs of ~~the California Association for Park and Recreation Indemnity~~CAPRI by a Certified Public Accountant at the end of each fiscal year in accordance with generally accepted auditing standards. -The Certified Public

Formatted: Highlight

Accountant shall be directed to ~~mail-present~~ a copy of the completed financial report directly to each member of the CAPRI Board of Directors and the ~~Administrator~~Executive Director. After acceptance of the financial report by the CAPRI Board of Directors, a copy of the audit report shall be made available to all participating member districts, and ~~filed~~ with the county auditor of the county where the home office of the joint powers authority is located and [it] shall be sent to any public agency or person in California that submits a request to the joint powers authority. Such audit shall be obtained and filed within six months after the end of the fiscal year under examination.

F. Fiscal Year:

The fiscal year of CAPRI~~the California Association for Park and Recreation Indemnity~~ commences on July 1 and ends on June 30.

III. FINANCIAL MANAGEMENT

A. Bank Accounts:

All sums received by CAPRI shall be deposited in a bank account designated by the CAPRI Board of Directors (hereinafter "Master Account"). The President, Vice President, Secretary of the Board and the Executive Director are authorized to sign checks, authorize disbursements, and/or transfer funds between accounts in order to meet the operational needs of the organization.

The Executive Director is authorized to establish a petty cash fund of \$300 for the CAPRI office.

The Executive Director is authorized to apply for a credit card, such as MasterCard or Visa, in the name of CAPRI-with a credit limit of \$15,000 for the Executive Director and \$7,500 for the Safety Analyst and Director of Administrative Operations. Such credit cards are for CAPRI business only and shall be utilized consistent with the CAPRI Employee Handbook and CAPRI Credit Card Policy.

B. Payment of Bills:

The Executive Director is authorized to pay all periodic bills arising out of contracts and other services previously approved by the CAPRI Board of Directors without prior approval, if within budget, subject to ratification by the CAPRI Board of Directors at its next meeting.

C. Investment of Residual Funds:

(1) Residual Funds:

"Residual Funds" are defined as those funds not required for the immediate operation of CAPRI and/or its captive, Recreation Insurance Organization ("RIO").

(2) Local Agency Investment Fund:

Residual Funds may be deposited in the Local Agency Investment Fund in the office of the California State Treasurer (hereinafter "LAIF Account") and the Executive Director and is hereby authorized to transfer funds between the Master Account and the LAIF Account.

(3) Money Market Savings Accounts:

Residual Funds of the CAPRI may be deposited in federally insured money market savings accounts ("Money Market Account") and the Executive Director is hereby authorized to transfer funds between the Master Account and the Money Market Account. Not more than \$250,000 can be invested in any single banking institution at any one time.

(4) Certificates of Deposit:

The Executive Director is authorized to invest Residual Funds in Certificates of Deposit at any federally insured commercial bank or federally insured savings and loan association. A Certificate of Deposit can be purchased only after approval is obtained from a majority of the Board of Directors. Not more than \$250,000 of CAPRI funds can be on deposit and/or invested in a Certificate of Deposit in any particular banking institution at any time.

(5) Custodial Account:

The Executive Director is authorized to invest Residual Funds with a financial management company approved by the CAPRI Board of Directors. Any securities purchased by the financial management company on behalf of the CAPRI will be transferred and held in a Custodial Account at any federally insured commercial bank or federally insured savings and loan association approved by the Board of Directors. The Executive Director will be responsible for monitoring and reviewing all investments for consistency with the CAPRI Investment Policy and RIO Investment Policy. The CAPRI Investment Policy is to be reviewed annually at the November meeting of the CAPRI Board of Directors. The RIO Investment Policy is to be reviewed annually at the annual meeting of the RIO Board of Directors.

D. The Administrator has authority to enter into any Professional Service Agreement on behalf of CAPRI for amounts not to exceed \$20,000.

E. Financial Audit:

The Bylaws require an audit of the accounts, records, and financial affairs of CAPRI by a Certified Public Accountant at the end of each fiscal year in accordance with generally accepted auditing standards. The Certified Public Accountant shall be directed to present a copy of the completed financial report directly to each member of the CAPRI Board of Directors and the Executive Director. After acceptance of the financial report by the CAPRI Board of Directors, a copy of the audit report shall be made available to all participating member districts, and filed with the county auditor of the county where the home office of the joint powers authority is located and [it] shall be sent to any public agency or person in California that submits a request to the joint powers authority. Such audit shall be obtained and filed within six months after the end of the fiscal year under examination.

F. Fiscal Year:

The fiscal year of CAPRI-commences on July 1 and ends on June 30.

V. CLAIMS MANAGEMENT

~~The Board of Directors has the power to enter into any and all contracts or agreements necessary or appropriate to carry out the purposes and functions of CAPRI.~~

A. Claims Administration:

~~Liability e~~Claims of participating member districts are managed by ~~a~~ claims management firms ~~employed retained~~ by ~~the California Association for Park and Recreation Indemnity~~ CAPRI pursuant to the terms of a written agreement. ~~The specific services to be provided and the responsibilities of each claims management firm are found in said agreement(s), but will generally encompass adjustment, processing and evaluation of claims.~~

~~Claims shall be handled in a timely and organized manner and the claims management firm shall maintain a claims management information system. Each claims management firm is responsible for adequately communicating with the Executive Director, member districts, and claimants. The claims management firm shall also ensure that case reserving practices are reasonable.~~

~~The Executive Director and claims management firm are responsible for ensuring:~~

- ~~1. Staffing levels for claims management are adequate in relation to caseloads;~~
- ~~2. Adjusters identify claims with subrogation potential;~~
- ~~3. Excess insurers are notified of claims with excess potential;~~
- ~~4. Litigated claims are adequately managed;~~
- ~~5. Coverage is verified; and~~
- ~~6. Adequate investigations are performed.~~

~~Decisions regarding the disposition of claims shall be based on the merits of each claim, as determined by examining the nature and extent of damage, the legal liability, and the coverage afforded by the California Association for Park and Recreation Indemnity.~~

~~CAPRI shall submit to a biannual claims audit conducted by a qualified claims auditor for the liability and workers' compensation programs. The claims management firm shall be responsible for providing auditors with the necessary information required to complete the audits.~~

~~The claims management firm is authorized to settle any claim for up to and including \$5000. The CAPRI Administrator is authorized to settle any claim for up to and including \$50,000. The CAPRI Administrator, with the consent of the Board President, is authorized to settle any claim for up to and including \$100,000, if in their judgment the opportunity to settle and/or to avoid unnecessary defense costs would be lost by waiting for the next regularly scheduled Board meeting; any such settlement will be reported to the Board at the next regular meeting. Settlements in excess of \$100,000 require Board approval. A lawsuit including multiple plaintiffs will be treated as a single claim for purposes of these limits.~~

Formatted: Font: Not Italic

Formatted: Font: Not Italic

Formatted: Font: Not Italic

Formatted: Font: Not Italic

Formatted: Indent: Left: 0.5"

Formatted: Indent: Left: 0.5"

Formatted: Indent: Left: 0.5", Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.75"

~~The claims management firm is directed to advise the California Association for Park and Recreation Indemnity Administrator on the opening of new claim files and to acknowledge receipt of a claim to district and what procedures will be taken. The district is to be advised when a claim has been paid and/or closed. The present claims management firm is described in Exhibit D.~~

B. Loss Reports:

~~Loss analysis concerning the California Association for Park and Recreation Indemnity CAPRI claims shall be furnished to the Administrator Executive Director by the claims management firm. The reports shall accurately reflect the case reserves and the payments.~~

~~The Administrator Executive Director will provide the Board of Directors with a copy of the periodic claims reports.~~

~~The CAPRI Administrator will provide the district with a report whenever a claim for that district is reviewed and discussed at a meeting of the CAPRI Board of Directors. This report will be sent to the District Administrator and marked "Confidential".~~

C. ~~Incident~~ Accident Reports:

~~Any potential claims must be recognized as early as possible in order to minimize the potential loss to the pool. See the "Conditions" in the Memorandum of Coverage relating to the obligation to provide notice.~~

~~An "Accident Incident" is defined as any personal injury, accident, or property damage occurring during any district activity or on property under the district's control that any district employee becomes aware of or is reported to the district, that could may result in a claim or suit liability to against the district. Districts are requested to send copies of should provide notice of an Incident accident reports to the Executive Director CAPRI office as soon as possible practicable after an occurrence. See the "Conditions" in the Memorandum of Coverage relating to the obligations of member districts to provide timely and complete notice.~~

~~D. Claim Reports:~~

~~When Upon receipt of a claim or accident Incident report Report is received from a member district in the CAPRI office, staff the Executive Director will review the claim or report to and determine if the claim should be forwarded to the claims management firm.~~

E. Local Claim Ordinance:

~~It is the recommendation of CAPRI that the districts adopt a local ordinance or resolution imposing local claim filing deadlines and procedures on claims exempt from the Tort Claims Act.~~

F. Property Claims:

All property claims ~~greater than \$150,000~~ exceeding CAPRI's self-insured retention layer shall be adjusted ~~by an adjusting agency designated by the property reinsurer~~ in accordance with the CAPRI Property Memorandum of Coverage terms.

All property c~~laims~~ within CAPRI's self-insured retention layer ~~less than \$150,000~~ shall be adjusted by CAPRI and its claims management firm ~~the CAPRI staff~~ in accordance with the ~~memorandum terms of the Memorandum of eoverage~~ Coverageterms, but only on a repair/replacement basis. ~~Should a district choose not to repair/replace the property, the district will receive only the cash advance payment in full settlement of the claim according to the Property Memorandum of Coverage terms.~~

The ~~CAPRI Administrator~~ Executive Director shall be authorized to make an advance payment on any covered property claim at the request of a CAPRI-member district ~~for the actual replacement of such property.~~ The request shall be in writing and must specify that the district intends to repair/replace all lost property or whether the advance is in full settlement of the claim. If the district intends to repair/replace the property, paid invoices must be provided to support the advance payment and the total loss to be paid within 180 days from the advance payment. ~~The advance payment shall be for no more than half the total loss less the district deductible, up to \$73,000.~~

G. Litigation Management

Upon tender of a suit or action which is determined by CAPRI to fall within the coverage provided in the Memorandum of Coverage, the Executive Director shall timely select and engage defense counsel to represent the member district. The Executive Director shall timely notify the district of defense counsel assignment.

Attorneys who serve regularly as legal counsel for a member district shall not be selected to defend that member district in a covered action unless authorized by the Executive Director. However, the member district may select and engage, at its own expense, counsel in addition to the defense counsel selected and engaged by CAPRI.

The Executive Director and claims management firms are responsible for oversight and litigation management. Updates from defense counsel should be provided at least every ninety (90) days. Defense counsel, the Executive Director and/or claims management firm are expected to appear on behalf of CAPRI when appropriate, including:

1. Motions/Court Appearances/Depositions (Excluding Settlements & Trial)
 - Appearances shall be made by the defense counsel and in special circumstances, the Executive Director and/or the claims management firm.
2. Trials
 - Trials shall be attended by defense counsel and either the Executive Director, or in their absence, the claims management firm when deemed necessary by the Executive Director.

H. Settlement Authority

Formatted: Font: Not Bold

Formatted: Font: Not Bold

Formatted: Bulleted + Level: 1 + Aligned at: 0.75" + Indent at: 1"

Formatted: Font: Not Bold

Formatted: Bulleted + Level: 1 + Aligned at: 0.75" + Indent at: 1"

Decisions regarding the disposition of claims shall be based on the merits of each claim, as determined by examining the nature and extent of damage, the legal liability, and the coverage afforded by the CAPRI.

CAPRI shall have the exclusive right to negotiate settlement of any covered claim or suit pursuant to the Memorandum of Coverage.

Various levels of settlement authority have been established as CAPRI policy and vary depending upon the program. For purposes of this Policy, "Settlement Authority" means the dollar amount that one of the foregoing representatives of CAPRI is empowered to approve for payment to a claimant in settlement of a claim for which CAPRI provides coverage. The respective levels of "Settlement Authority" are exclusive of an in addition to amounts paid by CAPRI for defense costs, claims administration costs, and amounts, if any, that CAPRI routinely pays vendors retained by the claims management firm or defense counsel.

1. Liability Claims:

- Claims Management Firm: \$0 - \$10,000
- Executive Director: \$0 - \$150,000
- CAPRI Board: \$0 – Pool Layer Limit
- ~~The claims management firm is authorized to settle any claim for up to and including \$5000. The CAPRI Administrator is authorized to settle any claim for up to and including \$50,000. The CAPRI Administrator, with the consent of the Board President, is authorized to settle any claim for up to and including \$100,000, if in their judgment the opportunity to settle and/or to avoid unnecessary defense costs would be lost by waiting for the next regularly scheduled Board meeting; any such settlement will be reported to the Board at the next regular meeting. Settlements in excess of \$100,000 require Board approval. A lawsuit including multiple plaintiffs will be treated as a single claim for purposes of these limits.~~

Formatted: Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.5"

Formatted: Bulleted + Level: 1 + Aligned at: 0.75" + Indent at: 1"

2. Property Claims:

- Claims Management Firm: \$0 - \$10,000
- Executive Director: \$0 – Pool Layer Limit

Formatted: No bullets or numbering

3. Workers' Compensation Claims:

~~—Executive Director: \$0 – Pool Layer Limit*
Upon recommendation by the third party administrator, the CAPRI Administrator shall be authorized to adjust or settle any workers compensation claim within CAPRI's pooled layer, *including making stipulations as may be required to fully or partially resolve claims.~~

Formatted: No bullets or numbering

Formatted: Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.5"

Formatted: Default Text, Justified, Bulleted + Level: 1 + Aligned at: 0.75" + Indent at: 1", Tab stops: 0.5", Left + 1", Left + 1.5", Left + 2", Left + 2.5", Left + 3", Left + 3.5", Left + 4", Left + 4.5", Left + 5", Left + 5.5", Left + 6", Left

Formatted: Indent: Left: 0.75"

IV. CAPRI Claims Manual Handling Procedures

Detailed instructions for the receipt, investigation and handling of incidents, injuries, accidents, and claims are contained electronically within the CAPRI ~~Claims Manual~~Member Portal.

V. CLAIMS MANAGEMENT

A. Claims Administration:

Claims of participating member districts are managed by claims management firms retained by CAPRI pursuant to the terms of a written agreement. The specific services to be provided and the responsibilities of each claims management firm are found in said agreement(s), but will generally encompass adjustment, processing and evaluation of claims.

Claims shall be handled in a timely and organized manner and the claims management firm shall maintain a claims management information system. Each claims management firm is responsible for adequately communicating with the Executive Director, member districts, and claimants. The claims management firm shall also ensure that case reserving practices are reasonable.

The Executive Director and claims management firm are responsible for ensuring:

1. Staffing levels for claims management are adequate in relation to caseloads;
2. Adjusters identify claims with subrogation potential;
3. Excess insurers are notified of claims with excess potential;
4. Litigated claims are adequately managed;
5. Coverage is verified; and
6. Adequate investigations are performed.

CAPRI shall submit to a biannual claims audit conducted by a qualified claims auditor for the liability and workers' compensation programs. The claims management firm shall be responsible for providing auditors with the necessary information required to complete the audits.

B. Loss Reports:

Loss analysis concerning CAPRI claims shall be furnished to the Executive Director by the claims management firm. The reports shall accurately reflect the case reserves and the payments.

The Executive Director will provide the Board of Directors with periodic claims reports.

C. Incident Reports:

Any potential claims must be recognized as early as possible in order to minimize the potential loss to the pool.

An "Incident" is defined as any injury, accident, or property damage that may result in a claim or suit against the district. Districts should provide notice of an Incident to the Executive Director as soon as practicable. See the "Conditions" in the Memorandum of Coverage relating to the obligations of member districts to provide timely and complete notice.

Upon receipt of a claim or Incident Report from a member district, the Executive Director will review and determine if the claim should be forwarded to the claims management firm.

E. Local Claim Ordinance:

It is the recommendation of CAPRI that the districts adopt a local ordinance or resolution imposing local claim filing deadlines and procedures on claims exempt from the Tort Claims Act.

F. Property Claims:

All property claims exceeding CAPRI's self-insured retention layer shall be adjusted in accordance with the CAPRI Property Memorandum of Coverage terms.

All property claims within CAPRI's self-insured retention layer shall be adjusted by CAPRI and its claims management firm in accordance with the terms of the Memorandum of Coverage.

The Executive Director shall be authorized to make an advance payment on any covered property claim at the request of a member district. The request shall be in writing and must specify that the district intends to repair/replace all lost property or whether the advance is in full settlement of the claim. If the district intends to repair/replace the property, paid invoices must be provided to support the advance payment and the total loss to be paid within 180 days from the advance payment.

G. Litigation Management

Upon tender of a suit or action which is determined by CAPRI to fall within the coverage provided in the Memorandum of Coverage, the Executive Director shall timely select and engage defense counsel to represent the member district. The Executive Director shall timely notify the district of defense counsel assignment.

Attorneys who serve regularly as legal counsel for a member district shall not be selected to defend that member district in a covered action unless authorized by the Executive Director. However, the member district may select and engage, at its own expense, counsel in addition to the defense counsel selected and engaged by CAPRI.

The Executive Director and claims management firms are responsible for oversight and litigation management. Updates from defense counsel should be provided at least every ninety (90) days. Defense counsel, the Executive Director and/or claims management firm are expected to appear on behalf of CAPRI when appropriate, including:

1. Motions/Court Appearances/Depositions (Excluding Settlements & Trial)
 - Appearances shall be made by the defense counsel and in special circumstances, the Executive Director and/or the claims management firm.
2. Trials

- Trials shall be attended by defense counsel and either the Executive Director, or in their absence, the claims management firm when deemed necessary by the Executive Director.

H. Settlement Authority

Decisions regarding the disposition of claims shall be based on the merits of each claim, as determined by examining the nature and extent of damage, the legal liability, and the coverage afforded by the CAPRI.

CAPRI shall have the exclusive right to negotiate settlement of any covered claim or suit pursuant to the Memorandum of Coverage.

Various levels of settlement authority have been established as CAPRI policy and vary depending upon the program. For purposes of this Policy, “Settlement Authority” means the dollar amount that one of the foregoing representatives of CAPRI is empowered to approve for payment to a claimant in settlement of a claim for which CAPRI provides coverage. The respective levels of “Settlement Authority” are exclusive of an in addition to amounts paid by CAPRI for defense costs, claims administration costs, and amounts, if any, that CAPRI routinely pays vendors retained by the claims management firm or defense counsel.

1. Liability Claims:

- | | |
|---------------------------|------------------------|
| • Claims Management Firm: | \$0 -\$10,000 |
| • Executive Director: | \$0 - \$150,000 |
| • CAPRI Board: | \$0 – Pool Layer Limit |

2. Property Claims:

- | | |
|---------------------------|------------------------|
| • Claims Management Firm: | \$0 -\$10,000 |
| • Executive Director: | \$0 – Pool Layer Limit |

3. Workers’ Compensation Claims:

Executive Director:	\$0 – Pool Layer Limit*
---------------------	-------------------------

*including stipulations to fully or partially resolve claims.

I. CAPRI Claims Handling Procedures

Detailed instructions for the receipt, investigation and handling of incidents, injuries, accidents, and claims are contained electronically within the CAPRI Member Portal.

Agenda Item 9.7**DISCUSSION/ACTION ITEMS****SUBJECT: Cycle XX District Visitation Criteria & Scoring Review**

BACKGROUND AND STATUS:

The purpose of the District Visitation Program is to provide direct risk management support to our member districts. The CAPRI Visitation Program has been an ongoing program for over thirty years and gives Staff an opportunity to meet individually with members and discuss District strengths, weaknesses, opportunities, and threats with respect to risk management.

The Visitation Criteria is reviewed at the end of each cycle to evaluate trends and make any necessary adjustments before starting the next cycle. In Cycle XIX, we requested Districts to provide relevant documentation at least two weeks prior to the District Visit, which worked very well. The Safety Analyst was able to review the documents beforehand and then have comprehensive discussions about the material at the visit. In so doing, this also allowed more time for site visits.

We will be concluding Cycle XIX in January 2025 and Staff has a number of updates coming for Cycle XX. These updates were developed after considering recent claim trends, new laws, and ever-developing industry best practices. The changes can be summarized as follows:

- **Facility Use Agreements:** Districts will be asked to confirm they have requirements in their contracts for not only additional insured endorsements, but also primary and noncontributory and waiver of transfer of rights of recovery endorsements.
- **Independent Contractors:** New section. This section considers the impacts of Assembly Bill 5 and ensures Districts have policies and procedures in place to differentiate between an independent contractor and an employee.
- **Job Descriptions:** A current job description log will be requested for all full-time and regular part-time positions.

- **Screening and Review:** This section will still address Public Resources Code § 5164, but will also expand to address mandated reporting training, concussion training, and a boundary policy for working with minors.
- **Employee Training Practices:** Many Districts continue to use Vector Solutions, but some now contract with other companies for employee trainings. As such, this section was expanded to encompass other types of employee trainings. Also, we will now require evidence of Board Members having complete their ethics and harassment prevention training is current.
- **Cybersecurity Practices:** The District has regular backups of their data and testing of their backups.
- **Employee Driving Record Management:** An addition to this category is to confirm that Districts have a policy for vehicle maintenance and services.
- **Employee Resources:** This section has been renamed and this section will consider whether Districts have Clinical Consultation Workers' Compensation reporting information, and State and Federal labor law posters displayed prominently in employee-only locations.
- **Park and Facility Maintenance Practices:** Additional aspects have been added to this category such as equipment inspected regularly, Tag/Lock Outs used, Districts have a program for inspection and maintenance of trees, trash receptacles are in good condition and not overflowing, no graffiti or rubbish, and restrooms are well maintained.
- **Life Safety:** Added for Cycle XX is confirmation that Districts have a Workplace Violence Prevention Program with annual training and an Outdoor and Indoor Heat Illness Prevention Program with annual training.
- **Pool Safety Practices and Maintenance:** Added to this section is confirm there is proper signage.

Additionally, in the past, if the District scores 90-100% they would receive an "Excellent" grade and receive the CAPRI Ted Winslow Safety Award. Districts that score an 80-89% would receive a "Very Good," 70-79% would receive a "Good," and Districts that scored 69% or lower would receive a "Needs Improvement."

Staff recommends simplifying the scoring so that only the percentage scored is provided so as not to communicate any opinion or comment as to their grade – the percentage will speak for itself. Districts that receive 90-100% will still receive the CAPRI Ted Winslow Award.

At this time, there are 120 total points in Cycle XX. As before, if a certain category does not apply to the District, such as a pool, then that category will not be assessed and will not impact the District's final percentage score.

Finally, the District Visit is a great opportunity to discuss claims. The Safety Analyst will provide a list of the District's open workers' compensation, liability, and property claims to review and discuss how to help prevent injuries, accidents, and claims. CAPRI proposes that this be a discussion with the Districts and not an item subject to points of the criteria.

RECOMMENDATION:

Information only.

FISCAL IMPACT:

None.

REFERENCE MATERIALS ATTACHED:

- Draft Cycle XX District Visitation Criteria and Scoring System



DISTRICT VISITATION - CYCLE XX **VISIT CRITERIA**



I. ADMINISTRATIVE & CONTRACT MANAGEMENT PRACTICES

A. Follow Up Items

<u>Criteria</u>	<u>Points Possible</u>
1. District complied with recommendations from prior visitations. If no recommendations, then this criteria is fulfilled.	1
Total	1

B. Participant Agreement, Waiver, & Release Forms

<u>Criteria</u>	<u>Points Possible</u>
1. CAPRI-approved language on all forms for all activities where registration is required.	3
2. Form accurately describes name and timeframe of activity.	1
3. Retention period is sufficient and there is a system to maintain the waiver and release.	1
Total	5

C. Facility Use Agreements

<u>Criteria</u>	<u>Points Possible</u>
1. Facility Use Agreement contains CAPRI-approved indemnification language.	3
2. District has insurance requirements addressing minimum limits.	3
3. District has requirements in their contracts for additional insured, primary and non-contributory, and waiver of transfer of rights of recovery endorsements.	3
4. District retains a copy of the certificate of insurance and endorsements. The District has a system to maintain and access the facility use agreements and insurance documents.	3
Total	12

D. Injury & Illness Prevention Program

<u>Criteria</u>	<u>Points Possible</u>
1. The District has an IIPP and a person responsible for implementing the program is identified.	1
2. The District has evidence of annual review of the IIPP.	1
3. The District has established a system for identifying, evaluating, and correcting workplace hazards and unsafe conditions.	1
4. The District has an active safety and training program.	1
5. The District has a policy for reporting worksite hazards without fear of reprisal.	1
Total	5

E. Independent Contractors

<u>Criteria</u>	<u>Points Possible</u>
1. The District has contracts with all independent contractors.	1
2. The District requires all independent contractors to have sufficient insurance and indemnify the District.	1
3. The District requires independent contractors to comply with Public Resource Code 5164 when applicable.	1
4. The District requires independent contractors to have mandated reporting training when applicable.	1
5. The District obtains the independent contractor's business license, and the contractor completes a W-9 Form.	1
Total	5

II. HUMAN RESOURCES

A. Job Descriptions

<u>Criteria</u>	<u>Points Possible</u>
1. A current log of job descriptions are maintained for all full-time and regular part-time positions.	1
2. Job descriptions clearly identify the essential functions necessary to perform the job.	1
Total	2

B. Screening and Review

<u>Criteria</u>	<u>Points Possible</u>
1. The District complies with PRC 5164 and retains appropriate documentation evidencing fingerprinting and background screening have been completed.	2
2. The District requires mandated reporting training and concussion training.	1
3. The District has a boundary policy.	1
Total	4

C. Post-Conditional Offer Preemployment Functional Capacity Exam

<u>Criteria</u>	<u>Points Possible</u>
1. Post-Conditional Offer Preemployment Functional Capacity Examinations are required for all full-time employees.	1
2. Candidates are informed that offer is conditional, based upon satisfactory exam.	1
3. Functional Capacity exam is not initiated until all background checks have been completed.	1
4. Results of exam are maintained in a manner that protects the employee's privacy.	1
Total	4

D. Employee Training Practices

<u>Criteria</u>	<u>Points Possible</u>
1. Non-Supervisors current with harassment training	1
2. Supervisors current with harassment training	1
3. Board Members current with ethics and harassment training	1
4. Utilizes online training i.e. Vector Solutions/CAPRI Webinars/Trainings within the District	1
Total	4

E. Cybersecurity Practices

<u>Criteria</u>	<u>Points Possible</u>
1. The District has a cybersecurity policy that reflects their practices and requires trainings to help utilize safe IT practices such as locking their computers when not in use, recognizing phishing scams, using strong passwords, and utilizing multi-factor authentication.	2

2. The District has regular backups of their data and testing of their backups take place at least twice a year.	1
3. Employees use a private network or VPN while doing business work outside of the office and MFA is enabled.	1
Total	4

F. Employee Driving Record Management

<u>Criteria</u>	<u>Points Possible</u>
1. Maintains employee’s current personal auto insurance who drive their personal vehicle for District business.	1
2. District has written procedures for unacceptable MVRs or loss of license. Policy is communicated	1
3. Maintains valid copy of California Driver’s License on file if employee drives for District Business.	1
Total	3

G. Employee Handbook & Employment Counsel

<u>Criteria</u>	<u>Points Possible</u>
1. District has an Employee Handbook that is reviewed/updated on an annual basis.	2
2. District has Employment Counsel or uses CAPRI’s Labor Law/Employment Services.	1
Total	3

H. Employee Resources

<u>Criteria</u>	<u>Points Possible</u>
1. The District has access to the CAPRI Member Portal and is familiar with navigating the website.	1
2. District understands the reporting procedures for liability, property, and workers’ compensation claims and uses CAPRI resources such as forms, manuals, and templates.	1
3. The District is familiar with the CAPRI Employee Assistance Program.	1
4. The District has Clinical Consultation and State and Federal labor law posters in the proper locations.	1
Total	4

I. Volunteers

<u>Criteria</u>	<u>Points Possible</u>
1. The District has each of its volunteers complete an application which contains CAPRI-approved waiver and release language.	1
2. District Personnel supervise how, when, and where volunteer services are performed.	1
3. Management maintains a log of all volunteers.	1
4. The District has proper retention policy for volunteer documents.	1
Total	4

III. PARKS, PLAYGROUNDS, & FACILITY MANAGEMENT

A. Safety Committee

<u>Criteria</u>	<u>Points Possible</u>
1. Safety Committee Meeting are held at no less than on a quarterly basis and minutes are timely sent to CAPRI within 30 days of the meeting date.	4
2. Safety Committee Membership represents their operations.	1
3. Facilities inspections reviewed by the Committee.	1
4. Post-loss analysis of patron and employee accident/near misses, if applicable, are reviewed by the Committee.	1
5. Evidence of follow-through on items discussed at meetings.	1
Total	8

B. Park and Facility Maintenance Practices

<u>Criteria</u>	<u>Points Possible</u>
1. The District has a regular, comprehensive maintenance plan and checklist for each and every District facility.	2
2. District has a policy for inspection and maintenance of trees and there is evidence of regular inspection.	2
3. District has a policy for vehicle maintenance and service and there is evidence of regular inspection.	2
4. Inspection forms are site and use specific.	1
5. District buildings are inspected regularly to help prevent deferred maintenance.	1
6. Parking lots and sidewalks are inspected regularly to prevent tripping hazards and are in good condition.	1
7. Outside lighting is inspected regularly to verify lighting is sufficient and in working order.	1

8. Ballfields, courts, skateparks, etc. are inspected regularly to ensure they are free and clear of hazards.	1
9. All repairs are documented and signed off.	1
10. District uses Tag/Lock Out.	1
11. Picnic tables, benches, bleachers, workout equipment, shade structures, etc. are in good order and have no broken pieces that could cause injury.	1
12. Trash Receptacles are in good condition and not overflowing.	1
13. Restrooms are well maintained.	1
Total	16

C. Playgrounds

<u>Criteria</u>	<u>Points Possible</u>
1. The District has a comprehensive maintenance program developed for each playground.	1
2. The District has a playground replacement schedule that includes the installation or recommended replacement date.	1
3. Playgrounds have sufficient surface material.	1
4. Play equipment does not have any loose, incorrect, or missing parts.	1
5. There are no trip hazards such as concrete anchors, rocks, roots, etc.	1
6. Low frequency and high frequency inspections are done and signed off by the inspector.	1
7. Maintains all documentation pertaining to playgrounds.	1
8. Manufacturer's maintenance instructions and recommended inspection schedules are followed.	1
9. Repairs and replacement of equipment are completed following the manufacturer's instructions.	1
10. Playgrounds are accessible.	1
Total	10

D. Life Safety

<u>Criteria</u>	<u>Points Possible</u>
1. SDS are current and readily available at the appropriate job sites.	1
2. Fire extinguishers currently tagged/certified.	1
3. First Aid kits stocked and readily available under California Regulation Title 8, § 3400 and AED available under California Health and Safety Code, § 104113.	1
4. Emergency exit lights are in working order and fire exits are clearly identified.	1

5. District completed a PPE assessment through a written certification process under CCR § 3380.	1
6. Emergency evacuation plans developed and are properly displayed.	1
7. Safety drills are conducted at least annually.	1
8. District has an Emergency Action Plan (California Code of Regulations, Title 8, CCR § 3220 and 3221.	1
9. The District has a Workplace Violence Prevention Program with annual training.	1
10. The District has both an Outdoor and Indoor Heat Illness Prevention Plan with annual training. (Outdoor Title 8 CCR § 3395 and Indoor Title 8 CCR § 3396)	1
Total	10

E. Americans with Disabilities Act (“ADA”) Implementation

<u>Criteria</u>	<u>Points Possible</u>
1. District has a Self-Assessment and Transition Plan.	3
2. District has a Coordinator for ADA and Section 504.	1
3. Coordinator verifies District’s website is ADA accessible.	1
4. The District has established procedures for good-faith interactive discussion if reasonable accommodation is indicated.	1
5. The District has Grievance Policy and Procedures in place.	1
6. The District has completed ADA upgrades in the last 12 months based upon their Self-Assessment and Transition Plan.	1
Total	8

F. Pool Safety Practices & Maintenance

<u>Criteria</u>	<u>Points Possible</u>
1. Pool(s) are adequately staffed for the number of pool users.	2
2. Lifeguards have received appropriate training and are properly certified.	2
3. Pool facility is well-maintained with no hazards.	1
4. Daily log of water condition which includes temperature, PH balance, movement and amount of chemicals added for that day.	1
5. Pool has appropriate and fully stocked First Aid Kit and AED and ADA lift.	1
6. There is proper signage.	1
Total	8

TOTALS

<u>Criteria</u>	<u>Points Possible</u>
I. ADMINISTRATIVE & CONTRACT MANAGEMENT PRACTICES	28
II. HUMAN RESOURCES	32
III. PARKS, PLAYGROUNDS, & FACILITY MANAGEMENT	60
Total	120

Agenda Item 9.8**DISCUSSION/ACTION ITEMS****SUBJECT: Renewal Data Collection Tool**

BACKGROUND AND STATUS:

It has been a Staff goal to improve the annual renewal process for CAPRI Members and streamline the internal data collection process at the same time. Currently, Staff maintains multiple PDF forms and compiles the responses every year. This means that nearly \$1.5B in properties and \$140M in payroll are manually aggregated which results in a tremendous administrative burden to District Staff and CAPRI Staff members, alike.

After researching a number of alternative options, Staff has negotiated a Master Service Agreement with in2vate, LLC (also known as ilearning engines) to create an online data collected tool that will streamline the renewal for both General Liability and Property and the Workers' Compensation programs. The Tool will house all renewal items in one location, with secure access for each member, and will have the capability to share files via a media library. Members will be able to monitor their renewal progress and see what is due via a member-specific dashboard. Additionally, Staff will be able to run reports, monitor progress and more efficiently gather data for excess insurer renewal submissions.

The Board may recall that a tool of this nature was discussed when it approved the CAPRI Budget for FY 24-25. As a result, the current CAPRI Budget can accommodate this proposed expenditure.

RECOMMENDATION:

Authorize Staff to sign the Master Service Agreement with in2vate, LLC for the Data Collection Tool build and licensing.

FISCAL IMPACT:

There is a licensing fee of \$33,250 and a one-time set up fee of \$6,000, totaling \$39,250.

REFERENCE MATERIALS ATTACHED:

- Statement of Work for Data Collection Tool

CAPRI
Statement of Work
No. 1
Renewal Data Collection

This Statement of Work (“SOW1”) is made part of and incorporated by reference into the Web Services Agreement (“Agreement”) entered into by and between in2vate LLC (“in2vate”) and California Association for Park and Recreation Indemnity, (“CAPRI”), with an effective date of January 1, 2025 (“SOW1 Effective Date”).

If there are any conflicts between the terms and conditions of the Agreement and this SOW1, then the SOW1 will govern.

A. Background

in2vate provides an assessment technology solution for the purpose of gathering and aggregating data. CAPRI seeks to leverage in2vate’s Enterprise Risk Technology to gather its member annual renewal data for submission to its excess carriers.

B. Scope of Services and Work

in2vate will:

- Provide its Renewal Technology to members of the CAPRI pool for the gathering of annual renewal data.
- Develop the renewal data collection form(s).
- Provide CAPRI with aggregation and export of data collected.
- Provide a dashboard to enable CAPRI to monitor the status of completion.
- Provide a methodology for sharing property schedules for member review/update and re-upload.
- Create the platform structure and provide a methodology for onboarding users.
- Create a custom landing/login page for CAPRI members.
- Provide implementation, training, customer service, and technical support as needed.
- Launch based on CAPRI’s timeline.

C. Desired Outcomes

1. Move CAPRI renewal data collection to a web-based platform to simplify the process for both members and pool management staff.
2. Allow CAPRI oversight into the underlying member data.
3. Provide CAPRI access to aggregate summary and detail reports, including an Excel export.
4. Provide CAPRI a simplified method to access attachments to the renewal form(s).
5. Assist CAPRI in providing annual data to its excess carriers.
6. Enable future analytics based on data collected.

D. CAPRI Obligations

1. CAPRI to provide member listing, including a unique member ID.
2. Participate in bi-weekly meetings to ensure project stays within scope and achieves CAPRI’s objectives.
3. Provide any prior year data that needs to be prepopulated, including the member unique ID mapped to the data.

E. Fees and Costs

Renewal Technology Annual Licensing Fee	\$45,000
Year One discount (25%)	<u>- 11,250</u>
Year One Annual Licensing Fee	\$33,750
One-time setup and development fees	\$ 6,000

Any additional Custom programming will be subject to additional fees at the rate of \$150/hour in blocks of 20 hours.

F. Payment Schedule and Method

- Payment of one-time setup fees due within 30 days of SOW1 execution.
- Year One Annual Licensing fee will be invoiced in quarterly installments of \$8,437.50 with the first installment due on or before 1/1/2025.
- Subsequent Annual Licensing fees will be invoiced quarterly and due within 30 days of invoice.
- Year Two Annual Licensing Fee will be discounted 15% (\$38,250)
- Year Three Annual Licensing Fee will be full \$45,000
- CAPRI shall pay in2vate as follows: (1) ACH (preferred method); (2) Check. Invoices will provide ACH or check payment instructions, as applicable. All payments received by in2vate for work performed under this agreement shall be credited toward satisfaction of CAPRI’s payment obligation.

G. Term and Termination

This SOW1 shall commence on the SOW1 Effective Date and shall continue for a duration of three (3) years (the "SOW1 Term"). This SOW1 shall automatically renew for successive one (1) year periods after the initial SOW1 Term, unless terminated as provided for in this SOW1 or the Web Services Agreement.

Either party may terminate this SOW1 on the last day of the then current renewal term by giving the other party ninety (90) days prior written notice of its intention to terminate.

Accepted by CAPRI:

Acknowledged by in2vate:

Signature: _____

Signature: _____

Name: Matthew Duarte

Name: Roger Duffield, CPCU, ARM

Title: Executive Director

Title: SVP and General Manager of Risk Management

Date: _____

Date: _____

Agenda Item 9.9**DISCUSSION/ACTION ITEMS****SUBJECT: Proposed CAPRI Member Benefit - Gym Membership Discount**

BACKGROUND AND STATUS:

Supporting health and fitness goals of the employees of our member districts should be an important priority for the CAPRI programs. Enhancing the overall well-being of our Districts' staff members will improve their physical health while also reducing stress, boosting energy, and improving one's mental health.

As such, CAPRI Staff has been investigating partnerships with regional gyms in which District employees could obtain discounted gym memberships at no cost to CAPRI.

At this time, Staff requests Board authorization to enter into an agreement with [In-Shape Family Fitness for an employee-paid corporate partnership](#). This agreement would make employees of CAPRI Member Districts eligible for discounted gym memberships at any of the [63 In-Shape clubs throughout California](#). In-Shape has also offered to participate in membership drive/health fair events and other marketing activities in order to help educate the Districts about this new Member Benefit.

Staff has also had discussions with other potential partner gyms and, should this benefit prove popular, could expand the offering. Staff will be prepared to discuss this agreement further at the Board Meeting.

RECOMMENDATION:

Authorize Staff to execute an agreement with In-Shape Family Fitness for an employee-paid corporate partnership.

FISCAL IMPACT:

There is no cost to CAPRI.

REFERENCE MATERIALS ATTACHED:

None.

Agenda Item 9.10

DISCUSSION/ACTION ITEMS

SUBJECT: Amendments to GSRMA MOU

BACKGROUND AND STATUS:

As the Board may recall, CAPRI is a member of Golden State Risk Management Agency (“GSRMA”) for employee health benefits for CAPRI Staff.

On September 18, 2024, the GSRMA Board approved the final amendments to the GSRMAHealth MOU and directed staff to distribute to members for execution. Attached hereto is a copy of the finalized GSRMAHealth Memorandum of Understanding (“MOU”), as well as a MOU Summary of Changes detailing the revisions.

RECOMMENDATION:

Authorize the CAPRI Board President to execute the Amended Memorandum of Understanding with GSRMA.

FISCAL IMPACT:

None.

REFERENCE MATERIALS ATTACHED:

- Summary of Changes to GSRMA MOU
- Amended GSRMA MOU

Summary of Changes to the Memorandum of Understanding

GSRMA has updated the Health Plan Memorandum of Understanding (MOU) and is requiring each participating entity to sign the new MOU before the start of the 2025 calendar year.

Below is a summary of the changes that were made to help with your review and approval of the revised MOU.

Item 3a.: To stay in line with the PRISMHealth program, this section has been added to clarify that additional segments of the employee population that would like to have coverage and was not part of the initial population when joining the program must meet underwriting guidelines before being enrolled

Item 5a.: This has been expanded to explain if payment is not received within 30 days of the due date, GSRMA will commence with termination of benefits retroactive to the first day of the unpaid month of coverage. The previous MOU did not address what would happen in the case of non-payment, therefore the appropriate language was added to outline termination of benefits if timely payment is not made.

Item 10: GSRMA recognizes that rates are not available until mid-August, therefore the withdrawal timeline has been adjusted to allow the entity to have time to receive rates and make a decision. The timeline to submit an intent to withdraw has been moved from 180 days prior to the plan start date (or July 1) to September 1 and the date an entity must rescind by has been moved from August 31 to October 31.

Item 10a: To stay in line with the PRISMHealth program, this has been added to state an entity must leave the program as a total population.

Agenda Item 9.11**DISCUSSION/ACTION ITEMS****SUBJECT: CAPRI BOD Election of Officers 2025-2026**

BACKGROUND AND STATUS:

Per Article III of the CAPRI Bylaws, at the first meeting of the Board of Directors following an election, the CAPRI Board of Directors shall elect a president, vice president, and a secretary to serve two-year terms.

The duties and responsibilities of the CAPRI Officer positions are described in the Bylaws as follows:

"The president shall preside at and conduct all meetings of the Board of Directors and shall carry out the resolutions and orders of the Board of Directors and shall exercise such other powers and perform such other duties as the Board of Directors shall prescribe. In his absence, the vice-president shall carry out the duties of the president. The secretary shall perform the duties appropriate to the office."

Additionally, the Bylaws require appointment of the "Administrator," also known as the Executive Director, to serve as Treasurer of CAPRI. The relevant section provides:

"The Board of Directors shall appoint an Administrator who shall have general administrative responsibility for the activities of this joint powers authority, and shall be responsible for all minutes, notices and records of meetings and shall perform such other duties as may be assigned by the Board of Directors. The Administrator shall serve as Treasurer of CAPRI pursuant to Government Code Section 6505.6."

RECOMMENDATION:

Per CAPRI Bylaws, President Wetter shall call for the Board to elect a President, Vice President, and Secretary from among its members. The Board shall also appoint the Executive Director as the Board's Treasurer.

FISCAL IMPACT:

None.

REFERENCE MATERIALS ATTACHED:

- None.

Agenda Item 9.12**DISCUSSION/ACTION ITEMS****SUBJECT: CAPRI BOD Meeting Calendar 2025**

BACKGROUND AND STATUS:

Annually, the CAPRI Board of Directors adopts a Board Meeting Calendar for the upcoming calendar year. The proposed schedule is brought to the Board's attention for approval in order to ensure the dates selected are appropriate and that maximum attendance can be obtained. The proposed Board Meeting Calendar for 2025 is as follows:

1. Tuesday, February 25, 2025 (Anaheim, CA)
2. Wednesday, May 21, 2025 (San Diego, CA)
3. Friday, June 20, 2025 (via Zoom)
4. Friday, August 22, 2025 (Roseville, CA)
5. Thursday, November 6 & Friday, November 7, 2025 -- Board Meeting & Strategic Planning Session (TBD)

RIO Board

1. Monday, January 27, 2025 (Salt Lake City, Utah) – RIO BOD

This schedule may be subject to change based upon the needs of the organization and availability of the Board.

RECOMMENDATION:

Approve proposed Board Meeting Schedule for the CAPRI Board of Directors for 2025.

FISCAL IMPACT:

The number of meetings and their locations may result in additional costs for Board travel and reimbursement.

REFERENCE MATERIALS ATTACHED:

- None.

Agenda Item 9.13

DISCUSSION/ACTION ITEMS

SUBJECT: Executive Director Contract Review

BACKGROUND AND STATUS:

This matter is before the Board for consideration as part of the annual performance evaluation process for the Executive Director.

As appropriate, the Board may consider amendments to the Executive Director contract and authorization action accordingly.

RECOMMENDATION:

As appropriate, determine whether to amend the Employment Contract of the Executive Director and authorize the President of the Board to execute an amendment consistent with Board direction.

FISCAL IMPACT:

Fiscal impact would be dependent upon revisions authorized by the Board.

REFERENCE MATERIALS ATTACHED:

- None.

Agenda Item 10.1

EXECUTIVE DIRECTOR/ STAFF REPORTS

SUBJECT: District Visit Update – Cycle XIX

BACKGROUND AND STATUS:

There were twelve district visits completed during the months of September 2024 and October 2024. Six of the twelve visits were just conducted and will be reported at next board of directors meeting. As the Board may recall, Staff conducted a member training Zoom webinar titled, "How to Score 100% on Your District Visit" on November 14, 2023. This webinar was well attended and gave our members an increased understanding of the visit process and how they may maximize their score. Districts that attended the webinar receive a bonus point on their District Visit Scoring.

Summaries of the visits from September 2024 are provided below.

Sunrise Recreation and Park District – September 4, 2024

District Office/Rusch Community Park

This 49.50-acre park is located at 7801 Auburn Blvd. The District Office is within Rusch Park Community Center. There are multiple playground areas, baseball diamond, two softball diamonds, skate park, twelve pickleball courts, basketball court, two multipurpose fields, two soccer fields, two swimming pools, community center, gymnasium, barbeques, covered picnic areas, corp yard, and restrooms. The Historic Rusch Home and Gardens dates back to 1858 and is where Fred and Julia Rusch were raised by their grandparents. In 1914 their home burned down and was rebuilt. In 1951, the Rusch's donated several acres of land which is now Rusch Park. In 1977, the Sunrise Recreation and Park District added the Rusch Home and Gardens to the park.



Sunrise received a **Very Good** evaluation.

Scoring and Recommendations:

Criteria	Score	Comments
Follow Up Items	0/1	<i>The District complied with two of the four recommendations from the previous visit.</i>
Agreement, Waiver and Release Form	5/5	<i>No recommendations at this time.</i>
Facility Use Agreement	9/9	<i>No recommendations at this time.</i>
Injury & Illness Prevention Program (IIPP)	4/5	<i>The District should have evidence of annual review of their IIPP.</i>
Cybersecurity Practices	2/3	<i>The District should have a policy in place to help facilitate their cybersecurity practices.</i>
Job Descriptions	2/2	<i>No recommendations at this time.</i>
Screening and Review	2/2	<i>No recommendations at this time.</i>
Preemployment Functional Capacity Examination	4/4	<i>No recommendations at this time.</i>
Employee Training Practice	1/3	<i>The District should have non-supervisor and supervisor positions comply with California</i>

		<i>Senate Bill 1343.</i>
Employee Driving Record Management	3/3	<i>No recommendations at this time.</i>
Employee Handbook & Employment Counsel	2/3	<i>The Employee Handbook should be reviewed and updated on an annual basis.</i>
Volunteers	4/4	<i>No recommendations at this time.</i>
CAPRI Member Portal	4/4	<i>No recommendations at this time.</i>
Safety Committee	8/8	<i>No recommendations at this time.</i>
Parks and Facility Maintenance	7/10	<p><i>The bleachers should be inspected to comply with Guidelines for Retrofitting Bleachers by the Consumer Product Safety Commission.</i></p> <p><i>The picnic tables at Pokelma Park have damaged sitting areas and should be repaired or replaced.</i></p> <p><i>ADA parking signs that are missing should be replaced and be compliant.</i></p>
Playgrounds	5/10	<p><i>The District should assess its playground surfacing and equipment at Blue Oaks Park and Pokelma Park.</i></p> <p><i>The District should conduct low and high frequency inspections.</i></p> <p><i>The District should address the missing pickets in the iron fencing around Lions Grove Playground.</i></p> <p><i>The playgrounds should be reviewed for accessibility.</i></p>
Life Safety	8/8	<i>No recommendations at this time.</i>
Americans with Disabilities Act("ADA")Implementation	8/8	<i>No recommendations at this time.</i>
Pool Safety Practices & Maintenance	8/8	<i>No recommendations at this time.</i>
Bonus Point (Webinar)	+1	
Total	87/100	

El Dorado Hills CSD – September 5, 2024

Village Green Park

This 10-acre park is located at 4655 Serrano Parkway. The District has the large pond and waterfall while the grassy area and gazebo are owned and operated by Parker Development. The walking path starting with the blacktop is CSD property along with the picnic tables and playground.



El Dorado Hills received a **Very Good** evaluation.

Scoring and Recommendations:

<u>Criteria</u>	<u>Score</u>	<u>Comments</u>
Follow Up Items	0/1	<i>The District complied with the three of the eleven recommendations from the previous visit.</i>
Agreement, Waiver and Release Form	5/5	<i>No recommendations at this time.</i>
Facility Use Agreement	9/9	<i>No recommendations at this time.</i>

Injury & Illness Prevention Program (IIPP)	4/5	<i>The IIPP should have evidence of annual review.</i>
Cybersecurity Practices	3/3	<i>No recommendations at this time.</i>
Job Descriptions	2/2	<i>No recommendations at this time.</i>
Screening and Review	2/2	<i>No recommendations at this time.</i>
Preemployment Functional Capacity Examination	0/4	<p><i>The District should require post-conditional offer, preemployment functional capacity examinations for all full-time employees.</i></p> <p><i>Candidates should be informed that post-conditional offer is conditional, upon satisfactory examination.</i></p> <p><i>Functional Capacity Examinations should not be initiated until all background checks have been completed.</i></p> <p><i>Results of the Functional Capacity Examination should be maintained in a manner that protects the employee's privacy.</i></p>
Employee Training Practice	3/3	<i>No recommendations at this time.</i>
Employee Driving Record Management	3/3	<i>No recommendations at this time.</i>
Employee Handbook & Employment Counsel	3/3	<i>No recommendations at this time.</i>
Volunteers	4/4	<i>No recommendations at this time.</i>
CAPRI Member Portal	4/4	<i>No recommendations at this time.</i>
Safety Committee	7/8	<i>The District Safety Committee should meet at least quarterly and provide CAPRI the minutes of the meetings within 30 days from the date of the meeting.</i>
Parks and Facility Maintenance	9/10	<i>The bleachers should be inspected to comply with Guidelines for Retrofitting Bleachers by the CPSC.</i>
Playgrounds	10/10	<i>No recommendations at this time.</i>
Life Safety	7/8	<i>The District should complete a PPE assessment through a written certification process under CCR 3380.</i>
Americans with Disabilities	5/8	<i>The District should have grievance policy and</i>

Act("ADA")Implementation		<i>procedures in place.</i> <i>Once the District complete ADA upgrades per its Transition Plan.</i>
Pool Safety Practices & Maintenance	8/8	<i>No recommendations at this time.</i>
Bonus Point (Webinar)	+1	
Total	89/100	

North County Recreation District – September 9, 2024

North County Sports Complex and Japanese School House

This park is located at 11119 Geil Street. The artificial turf field is designed for multi-sport use. The ball field includes a rest room facility and snack bar. The District’s maintenance shop as well as the Japanese School House are also located on the grounds.



North County received a **Very Good** evaluation.

Scoring and Recommendations:

<u>Criteria</u>	<u>Score</u>	<u>Comments</u>
Follow Up Items	0/1	<i>The District complied with eight of the fifteen recommendation from the previous visit.</i>
Agreement, Waiver and Release Form	5/5	<i>No recommendations at this time.</i>
Facility Use Agreement	9/9	<i>No recommendations at this time.</i>
Injury & Illness Prevention Program (IIPP)	4/5	<i>The District should have evidence of annual review of the IIPP.</i>
Cybersecurity Practices	2/3	<i>The District should have a cybersecurity policy in place to facilitate their practices.</i>
Job Descriptions	2/2	<i>No recommendations at this time.</i>
Screening and Review	2/2	<i>No recommendations at this time.</i>
Preemployment Functional Capacity Examination	4/4	<i>No recommendations at this time.</i>
Employee Training Practice	3/3	<i>No recommendations at this time.</i>
Employee Driving Record Management	3/3	<i>No recommendations at this time.</i>
Employee Handbook & Employment Counsel	2/3	<i>The Employee Handbook should be review and updated on an annual basis.</i>
Volunteers	4/4	<i>No recommendations at this time.</i>
CAPRI Member Portal	4/4	<i>No recommendations at this time.</i>
Safety Committee	7/8	<i>The District should provide CAPRI the Safety Committee Meeting Minutes within 30 days from the date of the meeting.</i>
Parks and Facility Maintenance	8/10	<i>The sidewalk at the Japanese School House should be addressed.</i> <i>The park bench at Rancho Moro Cojo Park has a backrest that is broken and should be replaced.</i>
Playgrounds	6/10	<i>The District should address its playground surfacing.</i> <i>The District should conduct inspections more frequently.</i> <i>The District should have sufficient surfacing</i>

		<i>materials to maintain accessibility.</i>
Life Safety	7/8	<i>The District should conduct a PPE assessment through written certification process under CCR § 3380.</i>
Americans with Disabilities Act("ADA")Implementation	4/8	<i>The District should continue to address ADA accessibility at its facilities.</i>
Pool Safety Practices & Maintenance	N/A	<i>No recommendations at this time.</i>
Bonus Point (Webinar)	+1	
Total	77/92	

Hayward Area Recreation and Park District – September 16, 2024

Kennedy Park

This park is located at 19501 Hesperian Blvd in Hayward. The rides at the park are open Saturdays and Sundays from 11:00 am to 4:00 pm, weather permitting. The park does have a corn maze, and other play areas open to the public to use throughout the week. Across the way is the McConaghy House that provides educational and private tours. John McConaghy left the house to the Shriners Hospital and the District purchased it from the Shriners in 1973. The Hayward Area Historical Society restored the building and is now a museum.



Hayward Area received an **Excellent** evaluation.

Scoring and Recommendations:

<u>Criteria</u>	<u>Score</u>	<u>Comments</u>
Follow Up Items	0/1	<i>The District complied with one of two recommendations from the previous visit.</i>
Agreement, Waiver and Release Form	5/5	<i>No recommendations at this time.</i>
Facility Use Agreement	9/9	<i>No recommendations at this time.</i>
Injury & Illness Prevention Program (IIPP)	5/5	<i>No recommendations at this time.</i>
Cybersecurity Practices	2/3	<i>The District should have a cybersecurity policy in place to facilitate their practices.</i>
Job Descriptions	2/2	<i>No recommendations at this time.</i>
Screening and Review	2/2	<i>No recommendations at this time.</i>
Preemployment Functional Capacity Examination	4/4	<i>No recommendations at this time.</i>
Employee Training Practice	3/3	<i>No recommendations at this time.</i>
Employee Driving Record Management	3/3	<i>No recommendations at this time.</i>
Employee Handbook & Employment Counsel	3/3	<i>No recommendations at this time.</i>
Volunteers	4/4	<i>No recommendations at this time.</i>
CAPRI Member Portal	4/4	<i>No recommendations at this time.</i>
Safety Committee	8/8	<i>No recommendations at this time.</i>
Parks and Facility Maintenance	10/10	<i>No recommendations at this time.</i>
Playgrounds	10/10	<i>No recommendations at this time.</i>
Life Safety	8/8	<i>No recommendations at this time.</i>
Americans with Disabilities Act("ADA")Implementation	8/8	<i>No recommendations at this time.</i>
Pool Safety Practices & Maintenance	8/8	<i>No recommendations at this time.</i>
Bonus Point (Webinar)	+1	
Total	99/100	

Soledad Mission Recreation District – September 23, 2024

District Office/Swimming Pool

The District’s Office is located within the swimming pool complex at 570 Walker Drive. The facility has locker rooms with showers. The pool has low and high diving boards and starting blocks. In the afternoon of my visit the pool became very busy with swimmers.



Soledad Mission received a **Very Good** evaluation.

Scoring and Recommendations:

Criteria	Score	Comments
Follow Up Items	0/1	<i>The District complied with seven of the twenty recommendations from the previous visit.</i>
Agreement, Waiver and Release Form	5/5	<i>No recommendations at this time.</i>
Facility Use Agreement	9/9	<i>No recommendations at this time.</i>
Injury & Illness Prevention Program (IIPP)	4/5	<i>The District should have evidence of annual review of the IIPP.</i>
Cybersecurity Practices	2/3	<i>The District should have a cybersecurity policy</i>

		<i>in place to facilitate their practices.</i>
Job Descriptions	2/2	<i>No recommendations at this time.</i>
Screening and Review	2/2	<i>No recommendations at this time.</i>
Preemployment Functional Capacity Examination	4/4	<i>No recommendations at this time.</i>
Employee Training Practice	3/3	<i>No recommendations at this time.</i>
Employee Driving Record Management	3/3	<i>No recommendations at this time.</i>
Employee Handbook & Employment Counsel	3/3	<i>No recommendations at this time.</i>
Volunteers	4/4	<i>No recommendations at this time.</i>
CAPRI Member Portal	4/4	<i>No recommendations at this time.</i>
Safety Committee	0/8	<i>The District should conduct Safety Committee Meetings at least on a quarterly basis and provide CAPRI the minutes within 30 days from the date of the meeting.</i>
Parks and Facility Maintenance	7/10	<p><i>The District should assess the rusted steel in the sidewalk causing the concrete to break apart.</i></p> <p><i>The District should assess the bleachers in the pool area to determine if they are more than 30 inches from the ground that require guardrails and/or barriers.</i></p> <p><i>The District should repair or replace the picnic tables at Rotary Park due to warping tabletops.</i></p>
Playgrounds	N/A	<i>The District does not have a playground.</i>
Life Safety	7/8	<i>The District should complete a PPE assessment through a written certification process under CCR 3380.</i>
Americans with Disabilities Act("ADA")Implementation	6/8	<p><i>The District should have grievance policy and procedures in place.</i></p> <p><i>The District should complete ADA upgrades based upon their self-assessment and transition plan.</i></p>
Pool Safety Practices &	7/8	<i>The pool pump room should be organized and</i>

Maintenance		<i>the eye wash station should be clear of any obstructions.</i>
Bonus Point (Webinar)	+1	
Total	72/90	

Coalinga Huron Recreation and Park District – September 24, 2024

George E. Olsen Park

This park is located at 400 N. Garfield Street in Coalinga. This park has plenty of lawn to host many different types of events such as carnivals. The park also has a lighted baseball field that hosts baseball and softball games. The park has picnic areas and restrooms.



Coalinga Huron received a **Very Good** evaluation.

Scoring and Recommendations:

<u>Criteria</u>	<u>Score</u>	<u>Comments</u>
Follow Up Items	1/1	<i>The District complied with eight of the eleven recommendations from the previous visit.</i>
Agreement, Waiver and Release Form	5/5	<i>No recommendations at this time.</i>
Facility Use Agreement	9/9	<i>No recommendations at this time.</i>
Injury & Illness Prevention Program (IIPP)	4/5	<i>The District should have evidence of the annual review of the IIPP.</i>
Cybersecurity Practices	3/3	<i>No recommendations at this time.</i>
Job Descriptions	2/2	<i>No recommendations at this time.</i>
Screening and Review	0/2	<i>The District should comply with PRC 5164 and AB 506.</i>
Preemployment Functional Capacity Examination	4/4	<i>No recommendations at this time.</i>
Employee Training Practice	3/3	<i>No recommendations at this time.</i>
Employee Driving Record Management	3/3	<i>No recommendations at this time.</i>
Employee Handbook & Employment Counsel	3/3	<i>No recommendations at this time.</i>
Volunteers	4/4	<i>No recommendations at this time.</i>
CAPRI Member Portal	4/4	<i>No recommendations at this time.</i>
Safety Committee	5/8	<i>The Safety Committee should meet at least quarterly and provide CAPRI the minutes of the meetings within 30 days from the date of the meeting.</i>
Parks and Facility Maintenance	9/10	<i>The District should assess the bleachers at Chestnut Park and George E Olsen Park to comply with Guidelines for Retrofitting Bleachers by the CPSC.</i>
Playgrounds	8/10	<i>The District should assess the playgrounds for sufficient surfacing for the type of play equipment installed.</i> <i>The District should conduct low frequency and high frequency inspections.</i>
Life Safety	7/8	<i>The District should complete a PPE assessment through a written certification process under</i>

		<i>CCR 3380.</i>
Americans with Disabilities Act("ADA")Implementation	4.5/8	<i>The District should continue to evaluate accessibility of its facilities.</i>
Pool Safety Practices & Maintenance	8/8	<i>No recommendations at this time.</i>
Bonus Point (Webinar)	+1	
Total	86.5/100	

RECOMMENDATION:

Information only.

REFERENCE MATERIALS ATTACHED:

- None.

Agenda Item 10.2**EXECUTIVE DIRECTOR/ STAFF REPORTS****SUBJECT: CARPD Update**

BACKGROUND AND STATUS:

The CARPD Conference is heading to SoCal! The CARPD Board selected Paradise Point in San Diego, California as the host of the 2025 CARPD Conference. Registration for Staff and Sponsors opens in early December. Mark your calendars for May 21 – 24, 2025!

Additionally, CARPD Staff is working on a number of new member service projects for the year including a Park-ify photo project, member directory, and a new Mentorship program. We are looking forward to a great year with the CARPD Members!

RECOMMENDATION:

Information only.

REFERENCE MATERIALS ATTACHED:

- None.

Agenda Item 10.3**EXECUTIVE DIRECTOR/ STAFF REPORTS****SUBJECT: RIO Update**

BACKGROUND AND STATUS:

Recreation Insurance Organization ("RIO") is looking forward to its second annual meeting in Salt Lake City, Utah in January 2025. The RIO Board will review the first annual audit, evaluate financial performance for the second fiscal year, and examine the insurance outlook for fiscal year 2025-2026.

Recently, Bickmore Actuarial completed its annual Statement of Actuarial Opinion to provide to the State of Utah. The document is attached hereto. Staff will continue to keep the Board updated as to RIO's activities.

RECOMMENDATION:

Information only.

REFERENCE MATERIALS ATTACHED:

- Statement of Actuarial Opinion – October 4, 2024



**STATEMENT OF ACTUARIAL OPINION
ON LOSS AND ALLOCATED LOSS ADJUSTMENT EXPENSE RESERVES**

**RECREATION INSURANCE ORGANIZATION
FISCAL YEAR ENDING JUNE 30, 2024**

IDENTIFICATION

I, Mike Harrington, am associated with the firm Bickmore Actuarial, located at 180 Promenade Circle, Suite 300, Sacramento, CA 95834. I am a Fellow of the Casualty Actuarial Society and a Member of the American Academy of Actuaries. I meet the American Academy of Actuaries' qualification standards for statements of public opinion on loss reserves.

I have been retained by Recreation Insurance Organization (RIO) to express an opinion on the workers' compensation, general liability, and property loss & ALAE liabilities of its self-insurance programs as of June 30, 2024.

RIO's management, the Board of Directors, auditors, and the Utah Insurance Department are the intended users of this Statement of Actuarial Opinion. The purpose of this Statement is to express an opinion on the reserves carried on RIO's financial statements.

SCOPE

This opinion is limited to RIO's workers' compensation, general liability, and property loss & ALAE liabilities as of June 30, 2024. My review excludes all other income statement and balance sheet items. My analysis also excludes an analysis of the appropriateness of the assets backing the reserves presented herein. The following table summarizes the results.

Recreation Insurance Organization (RIO)
Projected Loss & ALAE Liabilities @ June 30, 2024

	<u>Expected</u>
Indicated Reserves	\$16,959,426
Carried Reserves	17,083,390
Difference (\$)	(\$123,964)
Difference (%)	(0.7%)

REVIEW AND VERIFICATION OF DATA

The primary data utilized in this study are claims information, program limits, and historical payroll. All of this data was provided by RIO.

The information provided to us through June 30, 2024 was reviewed for reasonableness and consistency. We summarized claim counts, paid loss, incurred loss, and case reserves by year and compared them to summaries as of December 31, 2023 to ensure that the changes were reasonable. Paid and incurred losses were compared on both an unlimited and limited basis. To the extent that any questions regarding the data arose, we resolved with RIO.

DISCUSSION

RIO was formed effective July 1, 2023 for both the go-forward program and the prior liabilities for all previous policy years.

Key assumptions affecting the uncertainty in the reserve estimates include the following:

1. Incurred and paid loss development patterns after June 30, 2024 will be similar to historical patterns. Future loss rates will be similar to historical loss rates prior to the formation of RIO, after adjusting for claims trends and inflation.
2. There is a predictable relationship between losses in lower limit layers and losses in higher limit layers.

A detailed methodology overview and discussion of results and conclusions regarding the actuarial indications are presented in the Bickmore Actuarial reports to the California Association for Parks and Recreation Indemnity (CAPRI), the parent company of RIA, dated April 4, 2024.

EXPRESSION OF OPINION

In my opinion, the carried reserve amount of \$17,083,390 shown on the Company's financial statements as of June 30, 2024:

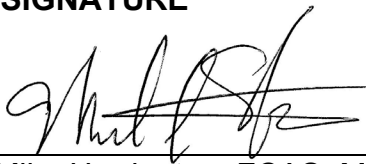
1. Meets the requirements of the insurance laws of Utah;
2. Is computed in accordance with accepted loss reserving practice;
3. Makes an adequate provision for all unpaid loss and allocated loss adjustment expense obligations of RIO under the terms of its contracts and agreements, including claims already reported and the expenses associated with those claims as well as claims incurred but not reported and the expenses associated with those claims;

RISK OF MATERIAL ADVERSE DEVIATION

With total surplus of \$3,352,870 and total carried reserves of \$17,083,390, the captive program is funded at about the 79% confidence level. I have defined a material adverse deviation to be one in which the actual net outstanding losses and loss adjustment expenses exceed the carried net reserves by more than 20% of RIO's surplus, or \$670,574. In selecting this standard, I have considered that a reduction in surplus of 20% would leave RIO funded at the 75% confidence level.

Given that the Liability coverage for RIO has a limit of \$1,000,000 per occurrence, adverse development on a single claim in that amount or emergence of a currently unreported claim valued at that amount would result in a material adverse deviation. As there is a reasonable likelihood that such an event could occur, I conclude that there is potential for material adverse deviation in actual results.

SIGNATURE

A handwritten signature in black ink, appearing to read "Mike Harrington", written over a horizontal line.

Mike Harrington, FCAS, MAAA
President and Managing Partner, Bickmore Actuarial
180 Promenade Circle, Suite 300
Sacramento, CA 95834
916-244-1162

October 4, 2024

Agenda Item 10.4**EXECUTIVE DIRECTOR/ STAFF REPORTS****SUBJECT: Employee Assistance Program Update**

BACKGROUND AND STATUS:

The CAPRI + Anthem Employee Assistance Program ("EAP") marked one year of service in July and has proven to be a valuable member resource. Attached hereto is the EAP Annual Utilization Report as prepared by Anthem.

RECOMMENDATION:

Information only.

REFERENCE MATERIALS ATTACHED:

- Anthem + CAPRI EAP Utilization Report – FY 2023-2024

CAPRI

Employee Assistance Program (EAP) Annual Utilization Report

July 1, 2023 - June 30, 2024

Your EAP Activity Highlights

EAP Utilization	Q1	Q2	Q3	Q4	YTD Total	Utilization Rate ³	Benchmark
Total Employee Count	1000	1000	1000	1000	1000	-	-
Total EAP Contacts ¹	3	4	247	72	326	32.6%	6.4%
Total Service Requests ²	3	4	5	2	14	1.4%	3.1%
Total Employee/Household Member Service Requests	2	3	3	2	10	1.0%	3.0%

Counselor Referrals	Q1	Q2	Q3	Q4	YTD Total	Utilization Rate ³	Benchmark
Total Counselor Referrals	2	3	2	2	9	0.9%	2.1%
Telehealth Platform (virtual)	0	0	1	1	2	0.2%	0.5%
EAP Network (in-person/virtual)	2	3	1	1	7	0.7%	1.6%

Website Usage	Q1	Q2	Q3	Q4	YTD Total
Website Logins	0	0	0	0	0
Web Pages Visited	0	0	0	0	0

1. "Total EAP Contacts" includes: Employee/household member service requests, management consultations, management referrals, training participants and critical incident response (CIR) participants.

2. "Total Service Requests" includes: Employee and household member service requests, management consultations and management referrals.

3. "Utilization Rates" are annualized/projected for First Quarter, Semiannual, and Third Quarter Utilization Reports.

CAPRI

Employee Assistance Program (EAP) Annual Utilization Report

July 1, 2023 - June 30, 2024

Who's Contacting EAP

Demographics	Q1	Q2	Q3	Q4	YTD Total	Percentage
Relationship to Company						
Employee	2	3	3	2	10	100.0%
Household Member	0	0	0	0	0	0.0%
Gender						
Female	1	2	2	2	7	70.0%
Male	1	1	1	0	3	30.0%
Non-binary/Third Gender	0	0	0	0	0	0.0%
Prefer Not to Say	0	0	0	0	0	0.0%
Age Group						
<19	0	0	0	0	0	0.0%
19-30	1	1	0	2	4	40.0%
31-45	0	1	1	0	2	20.0%
46+	1	1	2	0	4	40.0%
Participant Type						
New Participant	1	2	3	1	7	70.0%
Returning Participant	1	1	0	1	3	30.0%
Call Acuity						
Routine	2	3	3	2	10	100.0%
Urgent	0	0	0	0	0	0.0%
Emergent	0	0	0	0	0	0.0%

How Your Members Hear About EAP

Referral Source	Q1	Q2	Q3	Q4	YTD Total	Percentage
Promotional Materials/Resources	0	0	0	0	0	0.0%
Prior EAP Use	0	0	0	0	0	0.0%
Supervisor/Manager/HR	2	2	2	2	8	80.0%
Family/Friend	0	0	0	0	0	0.0%
Co-Worker	0	1	0	0	1	10.0%
Medical/Health Plan	0	0	1	0	1	10.0%
Disability Vendor	0	0	0	0	0	0.0%
Labor Union	0	0	0	0	0	0.0%
Other	0	0	0	0	0	0.0%

CAPRI

Employee Assistance Program (EAP) Annual Utilization Report

July 1, 2023 - June 30, 2024

What Your Members Need Help With

Presenting Issues	Q1	Q2	Q3	Q4	YTD Total	Percentage
Emotional/Psychological	0	1	1	2	4	40.0%
Family/Child	0	0	0	0	0	0.0%
Marital/Couple	2	0	0	0	2	20.0%
Legal	0	0	1	0	1	10.0%
Financial	0	0	0	0	0	0.0%
Work-Related	0	1	1	0	2	20.0%
Substance Use	0	1	0	0	1	10.0%
Medical	0	0	0	0	0	0.0%
Violence/Domestic Abuse	0	0	0	0	0	0.0%
Other Work/Life	0	0	0	0	0	0.0%

How EAP is Helping

Services and Referrals Provided	Q1	Q2	Q3	Q4	YTD Total	Percentage
Staff Clinical Support	1	1	0	0	2	6.7%
General EAP Information	3	5	0	1	9	30.0%
EAP Network Counselor	2	3	2	2	9	30.0%
Legal Services	0	0	1	0	1	3.3%
Financial Services	0	0	0	0	0	0.0%
Childcare Resources	0	0	0	0	0	0.0%
Adult Care Resources	0	0	0	0	0	0.0%
Other Work/Life	0	0	0	0	0	0.0%
Health Plan / Behavioral Health	0	0	0	0	0	0.0%
Health Plan / Medical	0	0	0	0	0	0.0%
Disability Vendor	0	0	0	0	0	0.0%
Other Referrals *	3	5	0	1	9	30.0%

* "Other Referrals" include Emotional Well-being, EAP Website, and Community Resources

CAPRI

Employee Assistance Program (EAP) Annual Utilization Report

July 1, 2023 - June 30, 2024

How EAP is Supporting Your Managers and HR

Employer/Workplace Services	Q1	Q2	Q3	Q4	YTD Total	Percentage
Management/HR Consultations						
Total Management/HR Consultations	1	1	2	0	4	-
Personal/Psychological	0	0	0	0	0	0.0%
Substance Issue	0	0	0	0	0	0.0%
Workplace Issue	0	1	0	0	1	25.0%
Trauma (Critical Incident)	1	0	2	0	3	75.0%
Other	0	0	0	0	0	0.0%
Management Referrals						
Total Management Referrals	0	0	0	0	0	-
Personal/Psychological	0	0	0	0	0	0.0%
Workplace Performance	0	0	0	0	0	0.0%
Workplace Interpersonal	0	0	0	0	0	0.0%
Substance Issue	0	0	0	0	0	0.0%
Other	0	0	0	0	0	0.0%
Critical Incident Response (CIR)						
Critical Incident Response Events	1	0	3	0	4	-
Critical Incident Response Hours	2	0	8.5	0	10.5	-
Number of Participants	0	0	53	0	53	-
Training Services						
Training Events	0	0	5	1	6	-
Training Hours	0	0	5	1	6	-
Number of Participants	0	0	189	70	259	-
Health/Benefits Fairs						
Health/Benefits Fairs Events	0	0	0	0	0	-
Health/Benefits Fairs Hours	0	0	0	0	0	-
Number of Participants	0	0	0	0	0	-
Other Services						
Other Services Events	0	0	0	0	0	-
Other Services Hours	0	0	0	0	0	-
Number of Participants	0	0	0	0	0	-

Services provided by Anthem Blue Cross and/or Anthem Blue Cross Life and Health Insurance Company . Anthem Blue Cross is the trade name of Blue Cross of California. Anthem Blue Cross and Anthem Blue Cross Life and Health Insurance Company are independent licensees of the Blue Cross Association . © ANTHEM is a registered trademark. The Blue Cross name and symbol are registered marks of the Blue Cross Association .