

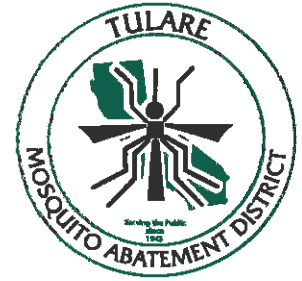
BOARD OF TRUSTEES

Pat Nunes
City of Tulare
Robert Uchita
County of Tulare
Robert Clark
County of Tulare
Stan Creelman
County of Tulare
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County of Tulare
Charles Mayer
City of Visalia

TULARE MOSQUITO ABATEMENT DISTRICT

District Headquarters: Mefford Field - Tulare
6575 Dale Fry Rd Tulare, CA 93274
PH (559) 686-6628 FAX (559) 686-2013
Email: TulareMosquito@gmail.com
www.tularemosquito.com

GENERAL MANAGER
John Avila



A Tulare Mosquito Abatement District Board of Trustees Special Meeting will be held on Tuesday, May 26th at 1:00 p.m. at the District office located at Mefford Field in Tulare.

Agenda

1. **Citizen Comments:** At this time the Board of Trustees will take input from citizens on items they wish to address that are within the Board's jurisdiction. However the Board cannot legally discuss or take action at this meeting on comments received.
2. **Discussion and decision to change the District's Worker's Compensation Insurance from SDRMA to ICW Insurance Group through Hooper Spuhler and Sturgeon (HSS)**
3. **Brief update on Visalia's Trash Can Recycle progress**
4. **Meeting Adjourned**

March 18, 2020

Mr. John Avila
General Manager
Tulare Mosquito Abatement District
6575 Dale Fry Road
Tulare, California 93274

Dear Mr. Avila,

We sincerely appreciate your continued support of SDRMA and patience in waiting for the 2020-21 rates while we are working on obtaining renewal costs from the program excess/reinsurer carriers.

At the SDRMA Board of Directors meeting of February 5 – 6, 2020, the Board approved a FY 2020-21 longevity distribution of **\$563,961**. This action marks the eleventh consecutive year of longevity distributions. Every member that has completed its initial commitment of three full program years in the Workers' Compensation Program is eligible to receive a longevity distribution credit when they renew coverage. The longevity distribution may be declared by the Board each year only after all Board policy reserve requirements have been met. The distribution is weighted based on the member's length of time in that program and the amount of the member's annual contributions compared to the total contributions of all pool members.

To assist your agency in its budgeting process, SDRMA has estimated 2020-21 annual contribution amounts using your agency's applicable Individual Class Code Rates, Experience Modification Factor (EMOD), 2020-21 Estimated Payroll Wages submitted on Renewal Questionnaire, and Longevity Distribution and Multi-Program discounts (if applicable). Your agency's actual contribution amount for 2020-21 will vary from 2019-20 due to variances in your reported payroll, EMOD (worksheet and applicable loss run years detail attached), and Credit Incentive Program (CIP) points earned.

	2019-20	2020-21
Estimated Payroll Wages	\$490,157	\$508,500
EMOD	92%	100%
Annual Gross Contribution (before discounts)	\$36,211	\$40,833
Longevity Distribution	-\$ 380	-\$ 749
5% Multi-Program Discount	-\$ 1,683	-\$ 2,004



SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

Other Important Items to Note:

- Members receive an automatic Multi-Program Discount of 5% per program (Property/Liability and Workers' Compensation) while they belong to both programs.
- Members considering withdrawal from coverage with SDRMA for the 2020-21 program year are required to submit a "Notice of Intent to Withdraw" by April 1 in accordance with SDRMA Bylaws and must have completed the initial three full program year commitment period. Members not renewing coverage for 2020-21 will be ineligible to receive the longevity distribution credit recently approved by the Board.

On behalf of the Board of Directors and our entire risk management team, we thank you for your continued participation in our programs! If you have any questions, please contact Jennifer Chilton at jchilton@sdrma.org or 800.537.7790.

Sincerely,
Special District Risk Management Authority

Laura S. Gill
Chief Executive Officer

Special District Risk Management Authority
Workers' Compensation Program
 Program Year 2020-21



Experience Modification (EMOD) Calculation Form

Tulare Mosquito Abatement District

6575 Dale Fry Road
 Tulare, California 93274

Summary

PY 2020-21 EMOD - 100%

PY 2019-20 EMOD - 92%

Detail Calculations for Program Year 2020-21

Expected Losses

Class Codes	2016-17 Payroll	2017-18 Payroll	2018-19 Payroll	Total Payroll	Expected Loss Rate	Total Expected Losses	Expected Primary Losses	Expected Excess Losses
8742-P	\$6	\$6	\$0	\$12	0.0016	\$1.92	\$0.48	\$1.44
8810	\$0	\$90,549	\$0	\$90,549	0.0011	\$99.60	\$27.49	\$72.11
9031	\$407,889	\$342,894	\$463,055	\$1,213,838	0.0187	\$22,698.77	\$5,697.39	\$17,001.38
	\$407,895	\$433,449	\$463,055	\$1,304,399		\$22,800.29	\$5,725.36	\$17,074.93

Actual Losses valued as of 12/31/2019

Year	Claims Count	Actual Incurred Losses	Actual Losses*	Actual Primary Losses	Actual Excess Losses
2016-17	1	\$679.51	\$429.51	\$429.51	\$0.00
2017-18	1	\$4,776.63	\$4,526.63	\$4,526.63	\$0.00
2018-19	1	\$909.85	\$659.85	\$659.85	\$0.00
		Totals	\$5,615.99	\$5,615.99	\$0.00

* Actual Losses are capped at \$175,000 per claim for purposes of EMOD calculations.

EMOD Calculation - Based on Workers' Compensation Insurance Rating Bureau's (WCIRB) rating model.

Total Adjusted Losses				
Expected Excess Losses	+	Actual Primary Losses)	/ Total Expected Losses =
(\$17,074.93		\$5,615.99		=
				2020-21 EMOD
			\$22,800.29	100%

Special District Risk Management Authority

Workers' Compensation EMOD Claims Detail

Program Year 2020-21

Tulare Mosquito Abatement District



Injury Date	Claim Number	Claim Status	Injury Category	Injury Type	Total Incurred	*Actual Losses
06/14/2017	SDWA-558791	C	Indemnity	Vehicle - Collision W/Other Vehicle	\$679.51	\$429.51
2016-17	No. of Claims	1			\$679.51	\$429.51
01/10/2018	SDWA-559311	C	Indemnity	Struck - Falling/Flying Object	\$4,776.63	\$4,526.63
2017-18	No. of Claims	1			\$4,776.63	\$4,526.63
06/28/2019	SDWA-560487	C	Medical	Slip/Fall	\$909.85	\$659.85
2018-19	No. of Claims	1			\$909.85	\$659.85
Total	No. of Claims	3			\$6,365.99	\$5,615.99

* Actual Losses have the first \$250 excluded and are capped at \$175,000

Workers' Compensation Program Invoice



Program Year 2020-21

Tulare Mosquito Abatement District

6575 Dale Fry Road
Tulare, California 93274

Invoice Date: 05/12/2020
Invoice Number: 68695
Member Number: 7242

Class Code	Classification Description	Reported Payroll	Rate per \$100	Annual Contribution
9031	Pest Control	\$508,500	\$8.03	\$40,832.55

** Indicates per capita rate class code

Total Estimated Annual Contribution Based on Manual Rates	\$40,832.55
Contribution as Adjusted by the Experience Modification Factor of 100%	\$40,832.55
Less: *10% Credit Incentive Program Discount	-4,083.26
Estimated Annual Adjusted Contribution	\$36,749.29
Less: Longevity Distribution Credit	-749.00
Less: 5% Multi-Program Discount	-1,800.01
Less: Member Plus Online RQ Bonus	-75.00
Net Estimated Annual Contribution	\$34,125.28

Total Contribution Amount Due by July 15

\$34,125.28

Please pay in full by the due date. If not, a late charge of one percent (1%) per month, twelve percent (12%) per annum, will be assessed on all sums past due. Imposition of this charge does not extend the due date for payment. Please return BLUE COPY with your payment. For invoice questions call the SDRMA Finance Department.



Insurance Company of the West

Quote Summary

Issue Date: 05/12/2020
IQ

Named Insured: Tulare Mosquito Abatement District
Agent: Hooper Spuhler and Sturgeon
Quote Number: 1168762
Proposed Policy Period: FROM 07/01/2020 TO 07/01/2021
Emp. Liability Limits: 1000/1000/1000



Schedule of Operations

St	Loc	Code No.	Classifications	Prem Basis Total-Est. Ann. Remun	Rate Per \$100 Remun	Est Annual Premium	Net Rate
CA	001	9031	Pest or Nuisance Wildlife Control - Including Yard Employees, Outside Salespersons and Estimators	508,500	6.36	32,341	4.26
			Manual Premium			32,341	
			Experience Modification		100.00	0	
			Modified Premium			32,341	
			Rate Modification Factor		-30.00	-9,702	
			Standard Premium			22,639	
			Premium Discount		5.08	-1,150	
			Subtotal			21,489	
CA			Terrorism Premium - Payroll Based		0.03	153	
			Estimated Annual Premium			21,642	
			100% Deposit			21,642	
			<u>Estimated Fees and Assessments</u>				
			California CIGA Charge			0	
			California Fraud Surcharge			72	
			California Occupational Safety & Health Fund			85	
			California Labor Enforcement & Compliance Fund			83	
			California Subsequent Injuries Benefits Trust Fund			105	
			California Uninsured Employers Benefit Trust Fund			28	
			California User Funding Assessment			369	
			TOTAL			22,384	
			Total Deposit			22,384	

The Net Rate(s) shown above do not include Assessments or Expense Constant in states where these rating factors apply.

AB2883 and SB189 are revisions to CA Labor Code §3352 that may affect this insurance policy. For more information please refer to www.icwgroup.com/AB2883. If coverage is bound and it is New Business for ICW, each person requesting exclusion MUST complete and sign a Waiver form within 15 days of the policy effective date – ONE person per Waiver.

Please note that any changes to payroll estimates after quoting or binding may result in the re-evaluation of the risk and an adjustment to the price.

The payment plan for this account will be Paid in full, on direct billing.

Mail Direct Bill deposit payment to: ICW Group, Attn: Premium Accounting, PO Box 509039, San Diego CA 92150

Payments returned unpaid are subject to an NSF fee charge up to \$25.

At binding, please provide four years of loss runs valued within 120 days of the effective date (or as many years as applies up to 4).

This account is being quoted with 4-Month check audits.

The quoted price includes at no additional charge the benefit for the insured to use the medical facilities within our Medical Provider Network (MPN) Program. Participation is now automatic, and a list of the facilities

Insurance Company of the West

Quote Summary

Issue Date: 05/12/2020

IQ

Named Insured: Tulare Mosquito Abatement District

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Quote Number: 1168762

Proposed Policy Period: FROM 07/01/2020 TO 07/01/2021

Emp. Liability Limits: 1000/1000/1000



Schedule of Operations

within your insured's geographic area is available for you at www.icwgroup.com/mpn

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

Coverage for acts of terrorism is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2015, the definition of act of terrorism has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury – in consultation with the Secretary of Homeland Security, and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning January 1, 2018; 81% beginning January 1, 2019 and 80% beginning January 1, 2020, of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism is \$153.00 and does not include any charges for the portion of losses covered by the United States government under the Act.

Named Insured: Tulare Mosquito Abatement District
Policy Number: TBD
Effective Date: 07/01/2020
Insurer: Insurance Company of the West

This quote is valid until 07/01/2020
AM Best A rated, Financial Size Category XII, domiciled in San Diego, CA.
This is quoted at 15% commission.
CA Short Rate Cancellation fee can be up to 100% of one-year premium.

Expect more **SERVICE**. Get more **SAVINGS**.

1 FEWER CLAIMS

Claim frequency **DROPS** 18% over 5 years.

2 CLOSE CLAIMS FASTER

Claims close **19% FASTER** than the industry and beat industry costs by **21%**.

3 LOWER EX-MODS

Average ex-mod declines **19 POINTS** over 8 years.

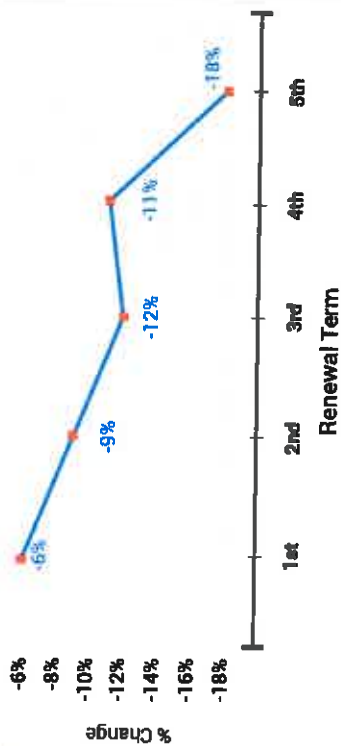
EXPERIENCE THE
POWER OF **3**

"ICW Group helps me save on my work comp premium costs."

*Our Valued Policyholder
Melissa Takeda
Options for Learning*

1

Cumulative Frequency Reduction



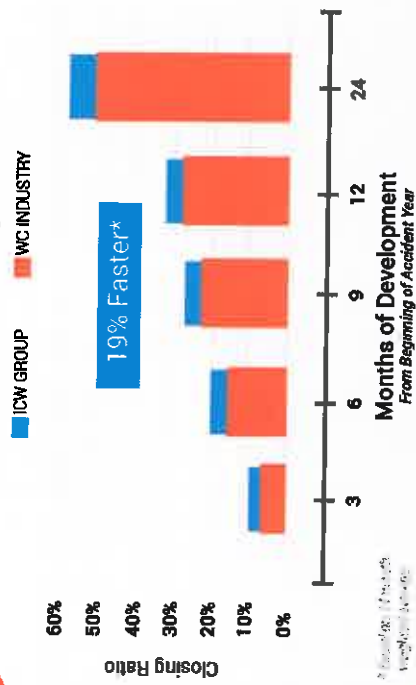
1. FEWER CLAIMS

Innovative Risk Management

- ICW Group works with you to develop practical safety solutions to meet your unique needs.
- You receive on-site risk evaluation, customized training and on-going program management.
- Our proprietary *myResource* and *RMRx* online tools help you manage and reduce your losses.

2

Closing Ratio - Indemnity - California

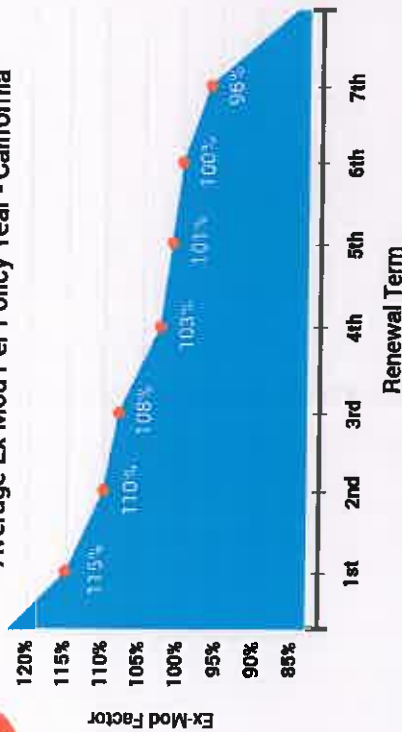


2. CLOSE CLAIMS FASTER
Strategic Claims Expertise

- Our low average caseload per Examiner means you receive personalized hands-on claim management for faster resolution.
- Your claims are reviewed by our highly skilled Triage Unit for early identification of complex and/or disputed issues.
- ICW Group's Claims Examiners give you added claim control and help your employees return to work.

3

Average Ex-Mod Per Policy Year - California



3. LOWER EX-MODS
Premium Cost Savings

- Lower your ex-mod and receive the most value from your workers' compensation insurance.

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- Written summaries of your calls are always available.

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- Performance review tools
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- Employee handbook builder
- Federal, state & local law alerts
- Hiring & termination guidelines
- Compliance guidelines & checklists
- HR audit checklist
- Whitepaper & webinar library

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