

March 25, 2021

Ms. Holly Sherer
Office Administrator
California Pines Community Services District
HCR-4 Box 43002
Alturas, California 96101-9504

RE: 2021-22 Property/Liability Program Deductible Information

Dear Ms. Sherer,

On behalf of the Special District Risk Management Authority (SDRMA) Board of Directors, we sincerely appreciate your safety/loss prevention efforts and continued support of SDRMA. We write to share information about changes affecting your agency's coverage for program year 2021-22.

Based on our review and analysis, we have determined that the loss experience of your agency is higher than the established baseline for the Property/Liability Program. During our review period, SDRMA has paid or reserved over \$212,365 for multiple claims experienced by your agency. This resulted in a net loss ratio of 77% which is greater than the 35%-50% baseline established for this program.

Deductible Adjustment: *Based upon the District's loss history, we are implementing a \$25,000 deductible for any Liability, Errors & Omissions and Employment Practices claims with an occurrence date of July 1, 2021 or later.*

By policy, the SDRMA Board of Directors requires an annual review of losses for each individual member agency and comparing those losses to the loss experience of all Authority members. This review ensures that the risk factor assigned to each member:

- *Fairly and equitably rates members;*
- *Equalizes contributions based on a member's exposures and loss experience; and*
- *Encourages members to focus on preventing claims and improving their loss experience.*

The analysis of individual members' losses and the comparison of their losses to the loss experience for all SDRMA members involves only members with multiple losses/claims and where their loss experience exceeds the established baseline. The policy also requires that member's annual contribution amounts be increased to reflect member losses above the



established baseline and conversely, decreased if losses are below the established baseline (detailed loss history attached).

This adjustment is necessary and appropriate based on the District's loss experience and is fair and equitable for the pool membership. We are hopeful that the District's loss experience improves so that we may make appropriate adjustments to the District's deductible in the future.

Members considering withdrawal from coverage with SDRMA for the 2021-22 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.

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, ICMA-CM, ARM, ARM-P, CSDM
Chief Executive Officer

Enclosure: Loss Run

Special District Risk Management Authority



Property/Liability 10 Year Claim Summary

California Pines Community Services District
 Member Since - 08/01/1986
 Member Type - Community Services
 As of 02/28/2021

Coverage Period	Number of Claims			Total Claims Amount			Total Incurred	Average Severity Comparison		
	Open	Closed	Total	Paid	Outstanding Reserve			Member	Member Type	Pool
2020-21	0	0	0	\$0	\$0	\$0	\$0	\$0	\$13,855	\$20,997
2019-20	1	2	3	\$73,257	\$32,443	\$105,700	\$35,233	\$12,105	\$14,220	
2018-19	0	2	2	\$3,361	\$0	\$3,361	\$1,681	\$17,491	\$19,110	
2017-18	0	0	0	\$0	\$0	\$0	\$0	\$87,612	\$50,398	
2016-17	0	1	1	\$9,162	\$0	\$9,162	\$9,162	\$111,470	\$31,148	
2015-16	0	3	3	\$92,542	\$0	\$92,542	\$30,847	\$48,968	\$69,396	
2014-15	0	0	0	\$0	\$0	\$0	\$0	\$28,691	\$74,672	
2013-14	0	2	2	\$6,851	\$0	\$6,851	\$3,425	\$20,283	\$33,157	
2012-13	0	0	0	\$0	\$0	\$0	\$0	\$15,666	\$25,844	
2011-12	0	0	0	\$0	\$0	\$0	\$0	\$9,679	\$26,660	
	1	10	11	\$185,173	\$32,443	\$217,615				

Claims by Claim Type

	Number of Claims			Total Claims Amount			%	Average Severity Comparison		
	Open	Closed	Total	Paid	Outstanding Reserve	Total Incurred		Member	Member Type	Pool
General Property Damage	0	2	2	\$10,662	\$0	\$10,662	5%	\$5,331	\$7,662	\$30,620
Errors and Omissions	1	0	1	\$68,557	\$32,443	\$101,000	46%	\$101,000	\$22,765	\$93,136
Auto Collision	0	1	1	\$74,684	\$0	\$74,684	34%	\$74,684	\$5,560	\$4,596
Auto Comprehensive	0	1	1	\$4,700	\$0	\$4,700	2%	\$4,700	\$6,368	\$4,349
All Risk Perils	0	2	2	\$6,851	\$0	\$6,851	3%	\$3,425	\$17,289	\$16,387
Vandalism	0	1	1	\$0	\$0	\$0	0%	\$0	\$8,826	\$10,781
Theft	0	1	1	\$1,861	\$0	\$1,861	1%	\$1,861	\$6,922	\$8,975
Crime and Fidelity	0	2	2	\$17,858	\$0	\$17,858	8%	\$8,929	\$34,619	\$70,151
	1	10	11	\$185,173	\$32,443	\$217,615				

Claim Status: C - Closed

O - Open R - Reopened

Report Date: 03/24/2021

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