

## Winter 2011 Inside this issue:

Greetings	1
Membership Matters	1
Winter Driving & Winter Driving Quiz	3
Member Spotlight: Rancho Murieta CSD	4
Be Our Guest: Don't let purpose of workers' comp be subverted (again)	5
Local Government Compensation Report	7
MemberLink Top Achievers & Upcoming Events	Back page

## **Newest Members**

**Brannan-Andrus  
Levee Maintenance  
River Delta  
Fire District  
Ukiah Valley  
Sanitation District  
Downieville Fire  
Protection District  
Meadow Valley  
Cemetery District  
Reclamation District  
317  
City of Dorris  
(Health Plan)**

## Greetings! *Scott Schimke, Risk Manager (sschimke@gsrma.org)*



*Scott Schimke*  
**Risk Manager**

Change, as defined by Webster's, is "(a) to make different in some particular way; (b) to make radically different; (c) to give a different position, course, or direction." And, while an oft-heard saying assures us that "Change is good", we can say with certainty that change is rarely easy. Hence the fact that most of us tend to resist change.

Economic, political, technological, social and other changes are occurring in our society now as never before. Like it or not, change is happening in a big way. Some of us will embrace and accept with little resistance while others will fight to the better end.

Experts identify five stages in

adapting to change: Denial ("This is not happening"), Anger ("Things are finally going well and now this", Dejection ("I hate change"), Acceptance ("Okay, it's going to happen. How will it impact me?") and Learning and Development (Wow! This is a better way. How can I help?").

So, what can we do to help us accept change?

First, simply accept the fact that change happens. Look for clues that change may be on its way. Anticipate change, recognize the different stages and quickly move toward the acceptance stage. Communicate with others who are involved in a particular change. Be open and honest and express any concerns. Assess our strengths and weaknesses as they apply to change and use them to our advantage. Be flexible. Look at change from all angles then apply our strengths and improve our weaknesses. Lastly, stay optimistic and be positive.

(Continued on page 2)

## Membership Matters *Dan Berry, Member Services Director*

The fourth edition of GSRMA's Annual Member Report is in production and will be distributed in the very near future. The report summarizes the 2009-10 program year activities, details GSRMA's current financial status and provides an overview of GSRMA's history. Please do not hesitate to contact us with

questions, requests for additional copies or any other feedback on the publication.

One of the aspects of the report that leaps out is statistical data regarding GSRMA's growth through the years. In 2000, the GSRMA Board made the decision to change the entity's name from Glenn County JPA to Golden

(Continued on page 2)

## Greetings

*(Continued from page 1)*

It seems like change has been constant at GSRMA since 2000 when we expanded our service area beyond Glenn County to include the whole State. In fact, change here seems to be increasing - and at a furious pace! Our growth in members has accelerated as our reputation as a quality risk sharing pool expands.

We are currently being approached by public entities the number and size of which we haven't dealt with in the past. We also continue to add coverage, such as our employee benefits program, as well as programs and products that help our members be safer and save money.

To facilitate this growth and prepare for future growth, we've made many internal

changes. For instance, we have done some office remodeling to make our workspace more functional. Our computer systems have been upgraded and we have added or upgraded most of our internal computer applications. We continue to evaluate and improve our processes to make them as efficient and responsive as possible.

As an organization, we embrace any change that might improve our value to our members by improving our coverage, keeping our costs low and providing the highest level of service.

I must say that the last year has been challenging to our GSRMA team as change has swirled around us and our members. I am proud that we have done so well to accept

and adapt. We now look ahead to the challenge of embracing the change that faces us in 2011 and beyond. It will be exciting!

We'll be striving to help our members who are in the throes of change in their organization. May such change result in good things.

Finally, for those of you that keep abreast of such items as the Chinese zodiac, you should know that 2011 is the Year of the Golden Rabbit. According to Chinese tradition, the Rabbit ushers in a period in which you can catch your breath and calm your nerves. So, amongst all this change, be sure to keep a healthy perspective, breathe deeply and do your best to stay calm.

## Membership Matters

*(Continued from page 1)*

State Risk Management Authority. That change was not simply cosmetic. It was a conscious decision to grow. To maintain the ability to offer members the best rates and services, GSRMA needed to grow.

Growth would allow for more clout in the market and the resources to add staff to provide additional services.

The competitive economic climate at the time hinted that, a small insurance JPA could fold, get swallowed up or priced out by a larger JPA or insurance carrier. There has been contraction over the past 10 years. JPA's that offered too narrow of a range of services or had too few members have consolidated or went into "run out". (A JPA in "run-out" refers to one that exists only to pay

for claims in prior years). It is now 2011, and GSRMA is standing tall on its own.

The motivation for growth was to survive in a bullish, competitive atmosphere. A less-anticipated result has been the ability to thrive in a bearish climate. The primary purpose of risk-sharing pools is to provide stability and consistency in volatile markets. This has been achieved. GSRMA has always tried to run lean, and, therefore, does not need major restructuring to meet the demands of the current climate.

Through the years, GSRMA has kept core functions such as claims, safety services and finance, self-administrated. This has never been the easiest path, but it has always been the right one. Maintaining control of these critical operations

keeps the organization agile. Reaction time is greatly increased when you become a slave to the time-lines of outside interests and contractual arrangements. Over the past 10 years of growth, outsourcing those critical functions has never even been considered.

Growth has allowed GSRMA to do the things they intended, to remain relevant, but also become an excellent option for agencies during these challenging times. GSRMA's growth allows us to offer savings for agencies looking for ways to make it with their limited budgets. When you read the 2009-10 Annual Member Report, remember that each and every member has contributed to the accomplishments that it describes.

## Winter Driving

This winter we have been blessed with a season of wet weather mixed with some fog. We all know that the rain is something the farmers will need for the upcoming growing season; but it does make driving a little more hazardous for us as we drive to and from work. Let's take a look at some safe driving skills that we should practice as well as some common sense things that we all too often seem to forget.



First and foremost we should make sure that our vehicle is well maintained; that means from tires to wipers. When was the last time you had

your engine coolant checked or your washer fluid filled with a non-freezing solvent? As the weather gets colder be aware of the road conditions and be prepared before you leave

the house. Take this short winter driving quiz to help you prepare for the colder weather that you may encounter in the next couple of months.

**Until next time---BE SAFE!**

**Mark Marshall (mmarshall@gsrma.org)**

**Safety Officer**

### Winter Driving Quiz

Do you live in a part of the country where old man winter packs a punch? Test your winter driving knowledge. **Circle the correct answer: True or false?**

*(Quiz originally from Top Safety Newsletter November 2007 edition.)*

1. **True/False.** If your car has antilock brakes and you are braking on ice or snow, you should pump the brakes slowly to keep your car from skidding.
2. **True/False.** Always turn off wipers before shutting off the engine because your blades could freeze to the windshield.
3. **True/False.** In many states, it's the law to clear your vehicle of snow and ice before going on the road.
4. **True/False.** Before heading down an icy or snowy hill, come to a complete stop and make your descent while applying pressure to the breaks.
5. **True/False.** At 30 degrees, ice is more slippery than it is at 0 degrees.

### Winter Driving Quiz Answers...

1. **False.** Apply firm and continuous pressure to the brakes. Antilock brakes automatically pump the brake, and you will impair their effectiveness if you pump them.
2. **True.** Starting your car while blades are frozen could lead to wiper motor burnout
3. **True.** Many states require that the entire car be clear of ice and snow to prevent them from sliding off the roof and covering the windshield as you're slowing down, or flying off into someone else's windshield, causing an accident.
4. **False.** To improve traction, shift into a lower gear before making your descent. Maintain a slow, steady speed instead of applying your brakes.
5. **True.** Warming temperatures can make ice "wet" and more slippery than "dry" ice at 0 degrees. If you hit an unexpected patch of ice, ease up on your accelerator and let your vehicle glide through the slippery area.

Know what to expect when you drive in winter conditions. If you scored poorly on this test, brush up on your winter driving skills before you brush off the snow.

# Rancho Murieta Community Services District



The formation of Rancho Murieta Community Services District was approved in 1982 by residents to provide numerous services for

the Community of Rancho Murieta. These services include water supply collection, treatment and distribution, wastewater collection, treatment and reuse, storm drainage collection, disposal and flood control as well as security and solid waste collection. The funding for these resources are provided by taxes and fees from the property owners of Rancho Murieta.

**Water supply collection, treatment and distribution:** Water supply is collected from rainfall as well as taken from Cosumnes River at Granlee's Dam then processed under the State Department of Health Services requirements. The high quality water is processed through filters made of sand and anthracite coal to remove solids, most taste, microscopic bacteria and organisms. The water is then stored in two different water tanks which hold a two day supply of water for the district's distribution.

**Wastewater collection, treatment and distribution:** Wastewater is collected at the treatment plant from three major pumping stations and flows through five ponds to start the treatment process. This is followed by a filtration process that produces the reclaimed water that meets the strict guidelines of California Code. It is then reused for golf courses, park irrigation, playgrounds and schoolyards.

**Storm drainage collection, disposal and flood control:** The purpose of storm drainage collection is to protect life and property from possible damage, contamination and the inconvenience of seasonal runoff and flooding. The water is collected by natural swales, pipelines and flood control levees then carried to creeks and finally the Cosumnes River. *(Continued on page 6)*



## Be our guest: Don't let purpose of workers' comp be subverted (again)

Martin Brady, Executive Director of Schools Insurance Authority

Attorneys who represent injured workers are wasting no time in calling on Gov.-elect Brown to undo changes made several years ago to California's workers' compensation system. As they have for seven years, these attorneys continue to attack the bipartisan reforms passed in 2004 primarily by trying to rewrite the history of California's crisis and the results of reform.

What they won't recount is the battery of abuses that made California's system ineffectual at helping injured workers heal and get back to work and unaffordable for employers including school districts and local governments. Costs for medical treatment had skyrocketed because physicians could prescribe treatments carte blanche regardless of their efficacy. Permanent disability claims in California were three times the national average because attorneys knew how to manipulate the system so even workers who went back to work with no ill-effects received permanent benefits.

California's system was the nation's most expensive, yet we had no evidence that injured workers fared better here than other states. In fact, the data showed their outcomes were worse. The only thing this system was good at was fostering dispute and litigation. The only interests that were served were those who profited at the expense of the employers and workers the system was supposed to serve.

Now, attorneys are pushing the governor-elect to "restore doc-

tor choice" and "end discrimination" in workers' compensation. But the fact is employees can already elect to be treated by their



**Martin Brady is executive director of Schools Insurance Authority, a joint powers authority providing liability, property and workers' compensation insurance to 34 school districts in northern California. Martin joined SIA in 1988 as wellness program manager and has been executive director since 1997. He is a strong advocate for pools and their potential for providing cost-effective, innovative services, particularly in the public sector arena.**

**Martin is active in the California Coalition for Workers' Compensation (CCWC) and California Association of Joint Powers Authorities (CAJPA). Contact information: (916) 364-1281 or [mbrady@sia-jpa.org](mailto:mbrady@sia-jpa.org).**

personal physician for workplace injuries. If they are treated by physicians in their employers' Medical Provider Network (MPN), they can replace their treating physician at any time. Allegations of so-called "discrimination" in permanent disability ratings are based on isolated instances where doctors have incorrectly interpreted apportionment law, but were corrected by the courts.

Attorneys are attempting to manufacture an epidemic of discrimination simply to undermine the concept of apportionment.

The reality of both of these attacks is that applicant attorneys preferred the old system where they could "doctor shop" for their clients in hopes of maximizing their disability rating and had the power to drive up permanent disability awards by including inappropriate factors such as non-work related and pre-existing disability.

As employers grapple with the still-sour economy, such efforts to inappropriately drive up costs for small business, school districts and other public agencies should be rejected.

As for the attorneys' call to Gov.-elect Brown to unwind the reforms, here are the facts:

The legislative reforms have produced measurable improvements. Injured workers are returning to work sooner and in greater numbers. There is broad agreement that an injured worker's ability to return to work is best possible outcome for minimizing wage loss from a workplace injury. This outcome is at direct odds with the economic interest of applicants' attorneys, who are only compensated when there is a permanent disability award.

The cash benefits injured workers receive while temporarily off the job have increased substantially. The maximum rate for these benefits has doubled since 2002. Two broad-based surveys of injured workers show high levels of satisfaction with access to quality medical treatment in the workers'

(Continued on page 6)

## Be our guest: *(Continued from page 5)*

compensation system. These results show a consistent level of satisfaction after the adoption of evidence-based treatment standards and treatment delivered through MPNs.

The reforms were successful in stemming the rate at which costs for medical treatment and disability benefits were escalating. Still, claims costs have risen by 50 percent since 2005 and are today well above their pre-reform levels due primarily to medical costs including more doctor visits, more treatments, pharmaceuticals and other costs. After

dropping to 13th on the list of most expensive states in 2008, California has risen back to 5th according to a report published by the State of Oregon.

An attorney-driven effort to create loopholes in the new objective system for permanent disability ratings has dropped another costly bombshell on the system. Since 2009, these cases have been driving benefit and legal costs up by a projected \$800 million according to the Workers' Compensation Insurance Rating Bureau. The cases have left open the question of

whether California's system will continue to be objective in accordance with the legislature's intent.

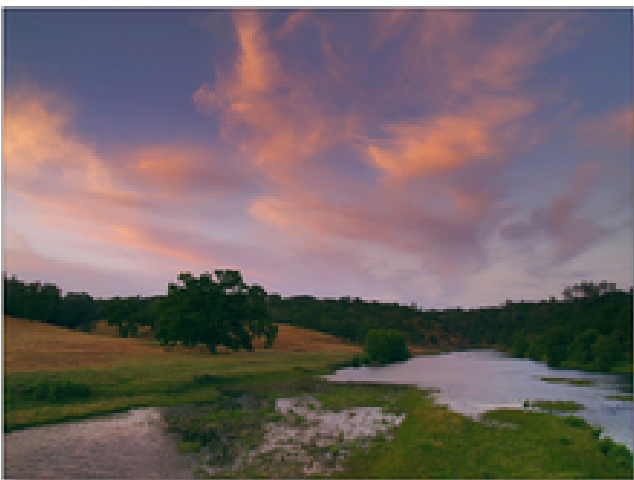
Today we find a system that is much-improved, but not perfect. What is clear is that California's fragile economy and double-digit unemployment cannot withstand another workers' compensation crisis. Given massive budget deficits at the state and local levels, publicly-funded organizations that provide education, public safety and other critical services are at greatest risk of all.

## Member Spotlight! *(Continued from page 4)*

**Security:** The residents of Rancho Murrieta can feel safe in the fact that they are provided with 24/7 security which also provides 24/365 manned security entrance gates. Also provided is a program called "Code Red", in which an automated notification notifies up to 50,000 residents via phone per hour in the event of an emergency. These communications are rendered in case of a drinking water contamination, evacuation advisories & route, missing child, fires or floods, law enforcement emergency, chemical spill or gas leak as well as other times when notification is vital.

Rancho Murieta Community Services District consists of 5 Board members who are elected to represent the community. They are Robert Belton (President), Richard Taylor (Vice President), Betty Ferraro (Director), Steve Mobley (Director) and Gerald Pasek (Director). All of the Board members of Rancho Marieta Community Services District live within the small community and offer a more personal perspective to board issues.

To learn more on how this beautiful well maintained, nourished and safe community is protected and serviced by Rancho Murieta Community Services District, visit them online at [www.ranchomurietacsd.com](http://www.ranchomurietacsd.com)



# Local Government Compensation Report Rick Krepelka, Director of Finances (rkrepelka@gsrma.org)

The California State Controller’s Office recently implemented compensation reporting requirements for all local governmental entities for 2009 compensation. This includes all of our members as well as GSRMA itself. The reporting deadlines are spread over 4 periods based on a public entity’s type. (see table below.)

Reporting is mandatory and an entity is subject to a fine of up to \$5,000 for non-compliance.

The stated purpose of the report is to capture total compensation, including benefits, for each and every job position within local government districts. It is assumed that this data will be available for public review on the State Controller’s Website (as is already done with data collected from state counties and cities.)

All districts are required to report even if they have, for example, no employees and an all-volunteer board. At the very least, the report must contain each board member whether they are compensated or not.

Basically, each position in an entity must be reported and include its annual minimum and maximum salary, pension benefit, and health, dental and vision benefit values. There are special instructions for multiple positions (e.g. filled by one employee), annual salary calculations and specifically handling various type of compensation.

Contractors of the entity, any compensation reported on a 1099 as well as reimbursed expenses are not reported.

Form templates and additional information, including a list of every entity in the State and to which reporting group they belong, is available at the State Controller’s Website at [http://www.sco.ca.gov/ard\\_locinstr\\_lgcomp\\_forms.html](http://www.sco.ca.gov/ard_locinstr_lgcomp_forms.html)



## Local Government Compensation Report Data due Dates

<b>G r o u p</b>	<b>Estimated Release Date</b>	<b>Estimated Due Date</b>	<b>District Activity</b>
<b>1</b>	Oct. 29, 2010	Dec. 13,2010	Fire, Police, Transit, and Waste
<b>2</b>	Dec. 6, 2010	Jan. 14, 2011	Land Reclamation and Levee Maintenance, Health, Hospital, and Water
<b>3</b>	Jan. 31, 2011	Mar. 7, 2011	Cemetery, Electric, Financing or Construction Facilities, Flood Control and Water Conservation, Recreation and Parks, and Community Services Districts
<b>4</b>	Feb. 28, 2011	Apr. 4, 2011	All Other Districts

## MemberLink Top Achievers

For the period of September 2010 – December 2010, GSRMA members completed 655 MemberLink training courses!

We would like to recognize the following agencies and individuals for their efforts

### Top Agencies - Courses Completed

County of Glenn - 143

City of Orland - 130

Williams Fire Protection District– 116

### Top Individuals - Courses Completed

Sam Reynolds, Williams Fire Protection Authority, 19 classes

Jack Miller, Mount Shasta Fire Protection District, 18 classes

Scott Lytal, Williams Fire Protection Authority, 13 classes

## Upcoming Events

- February 6-9, 2011 **Public Agency Risk Management Association (PARMA)** - Anaheim, CA
- March 9, 2011 **GSRMA Board Meeting** - 6 PM, 247 W. Sycamore Street, Willows, CA
- May 11, 2011 **GSRMA Board Meeting** - 6 PM, 247 W. Sycamore Street, Willows, CA
- July 13, 2011 **GSRMA Board Meeting** - 6 PM, 247 W. Sycamore Street, Willows, CA