

2022 CSD Pool Renewal

Overview of the Renewal Process

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INTRODUCTION

- Timeline
- Renewal System Improvements
- Workers' Compensation Renewal
- Property and Liability Renewal
- Q&A
- Contact Information

TIMELINE

- Select minimum contribution members are issued in September
- Renewal invitations will be emailed in September
 - You will get information on rates and coverage changes, reminders about renewal, and a link to the website
- Several reminders to submit your renewal information will be issued throughout October and November
- The website will close on December 1
- We will begin reviewing and issuing renewals as soon as they are submitted online on a first in / first out basis. The sooner your updates are submitted, the sooner we'll get your 2022 coverage documents to you!

WHEN WILL I GET MY RENEWAL DOCUMENTS?

- Select minimum contribution members issued in September
- We start reviewing renewal updates as soon as they are submitted, and we will issue coverage documents upon completion of our review
- NOTE: Workers' Compensation and Property/Liability renewals will be processed and issued separately.
- We review renewal submissions in the order they are received. If you are in a time crunch due to unforeseen events or hardship, please let us know two weeks in advance.

PAYMENT

- Property and Liability Renewal payments are due 1/3/2022
- Workers' Compensation Renewal payments are due by 1/7/2022 to receive early payment discount. Intent to Cancel notices won't go out until the end of January
- For non-deferred districts, automatic cancellation occurs after 60 days (March 4) per Intergovernmental Agreement (IGA)
 - For deferred districts, cancellation occurs after 90 days (April 4)
- If your district requires more time to pay, let us know before December 1 in order to discuss payment options
- Payment can be made by check or wire
 - Include a remittance invoice copy to ensure payment is applied accurately
- Quarterly Pay Plan available
 - Available for non-deferred districts only

RENEWAL SYSTEM IMPROVEMENTS

You spoke and we listened. There are a few improvements to our renewal system that we want to outline for you:

- Members, management contacts, and brokers who need to provide renewal information will receive an email invitation with a personalized link.
- UPDATE: Code fixes to improve the overall process
- UPDATE: Origami bugs fixed
- UPDATE: Improved printing changes inside Origami's renewal survey
- UPDATE: We are now using a live server on Origami
- Tip: please whitelist the domain origamirisk.com or the email notifications@origamirisk.com to ensure you receive communications (renewal coverage documents will also be sent from this address)

WORKERS' COMPENSATION

WORKERS' COMPENSATION RENEWAL

1. Board Member Only (BMO) districts with no employees - \$450 a year

- ▶ No online update required; BMO members will receive automatic renewals early September
- ▶ Intent to Cancel Notice will be issued on January 31, 2022 to non-payment districts
- ▶ BMO coverage applies to administrative duties only
- ▶ Let us know if a board member stipend is greater than \$1,200

2. All other districts with at least one employee – no rate indication yet

- ▶ Renewal instructions will be emailed in early September; renewal updates due October 15
- ▶ Report estimated annual payroll by individual employee for 2022; review employee classifications for accuracy
- ▶ Once submitted online, renewal issuance could begin by mid-October, pending receipt of approved rating factors by Division of Insurance
- ▶ In absence of your update, an automatic 10% increase on payroll will be applied starting December 1
- ▶ Payment (or proof of payment) must be received by January 7, 2022 to take advantage of Early Pay Discount
- ▶ Intent to Cancel Notices will be issued January 31, 2022 to non-payment districts

WORKERS' COMPENSATION RENEWAL

Individual Payroll Schedule

First Name	Last Name	Official Job Title	Classification Code	Employment Status	Estimated Annual Payroll
John	Smith	Office Assistant	8810	Full Time	\$50,000
David	F.	Board Member	8811	Volunteer	\$1,200
J.	Brown	Firefighter	7710	Part Time	\$30,000
Ben	Griffin	Water Operator	7520	Full Time	\$60,000

WORKERS' COMPENSATION RENEWAL

Changes to Online Renewal Process for Non-BMO Members

Division of Workers' Compensation is now requiring self-insured pools to collect individual employee job title, payroll and employment status.

Tips:

- Members will be required to fill out individual employee name (or identifier), estimated annual payroll, official job title, employment status and class code
- If a budgeted position has yet to be filled, employee name should be filled in "Open". This applies to all seasonal positions to be filled
- Identical positions must be listed on schedule. That means if they have 20 life guards, we would expect to see 20 life guard positions with individual payroll
- If an employee is expected to leave employment next year, she still needs to be listed on the employee schedule with prorated payroll
- Double check your total payroll and employee count on spreadsheet
- Make sure all fields are filled in as missing information will trigger another data request

PROPERTY AND LIABILITY

EXPOSURE UPDATES

- Annually, during our Origami renewal survey, we require districts to update their exposures so we have accurate information about the nature and extent of their operation and asset values.
- You will need to update your General Liability, Property, Inland Marine and Automobile schedules.
- You may be required to complete additional applications and/or documents depending on your selection of optional coverage(s). They will either be included in the renewal survey or we will email them to you for completion.
- Let's look at these schedules and applications in more detail.

GENERAL LIABILITY SCHEDULE

- We use the General Liability Schedule to get specifics about your premises and operations by using a variety of class codes. This helps us in setting an appropriate contribution for the risks of your special district.
- With Origami's renewal survey, we will include a list of available class codes along with the exposure base to enter. This can be total operating expenses, total square footage of occupied premises, total payroll, number of board members, etc.
- Not all class codes will apply to your district, but be sure to review the list to verify you are using the correct class code(s) and if needed, add any that are applicable or delete any that no longer apply.
- **Two of the most important items** on the schedule are total operating expenses and services contracted out, so let's look at those in more detail.

TOTAL OPERATING EXPENSES (TOE)

- Use the Total Operating Expense (TOE) figure on your 2022 budget.
- You may use figures from your preliminary budget if you do not anticipate any major changes. If, after finalizing your budget, there are major changes, let us know so we can revise the figure(s) accordingly.
- Amounts that can be subtracted and/or excluded from TOE include debt services, capital projects, interest on taxes, contingency, reserves, and financial transfers to other districts (not fees).
- If your district provides more than one service, such as water, sanitation, park and recreation, etc., divide your total operating expenses into each applicable class code based on your budget. If your expenses don't match any of the listed categories, enter them as "any other".
- Be sure to include all expenditures, even if they are payments to a vendor, contractor, utilities, and other fees.

SERVICES CONTRACTED OUT

- We consider expenses for services a district contracts out by choice, or by nature of the fact that the district does not have its own employees, as Services Contracted Out to Others (SCO).
- Do not include an expense or fee for services contracted out by necessity; for example, although districts contract out audit services, legal services, election expenses, insurance and utilities, they do so by necessity because these services cannot be performed by a district, even if it had employees.
- Because the liability risk associated with these services is transferred to another party by contract, it reduces a district's exposure; so we apply a contribution credit against these expenses.
- Qualifying SCO expenses should be listed under class code 900.
- A district's SCO figure should never exceed the TOE figure reported, so please be sure to double check you numbers to be sure this isn't the case.

SANITATION MAINTENANCE WARRANTY ENDORSEMENT

- If your district has budgeted sanitation operation expenses, you are eligible for a 33% discount on that portion of your General Liability contribution.
- To receive the discount, the Sanitation Maintenance Warranty Endorsement needs to be signed annually by an authorized representative on the district's Board.
- By signing this endorsement, you warrant that sewer lines are regularly inspected and maintained in accordance with your district's procedures and industry best practices.
- A link to the endorsement will be available in Origami's renewal survey, and the completed form should be uploaded before the survey is submitted.

POLLUTION QUESTIONNAIRE

- All districts will be required to complete a brief questionnaire. A link will be available in Origami's renewal survey, and responses should be uploaded before the survey is submitted.

PROPERTY, INLAND MARINE AND AUTOMOBILE SCHEDULES

- For coverage to apply, the building, contents, pipes, outdoor property, equipment, automobile, etc. must be listed on the applicable schedule.
- Compare your asset/inventory lists to the schedule(s) so you can make appropriate changes such as an addition for a recent purchase or the deletion of an asset you no longer own.
- The value for the schedule should be:
 - Actual Cash Value (ACV) for Automobiles
 - Replacement cost (RC) for Property
 - Actual Cash Value (ACV) for Equipment under the Inland Marine
- We will include details about each scheduled item/asset. As you review each schedule, be sure to make any applicable correction to a location address, building information, equipment make/model, equipment serial number, vehicle's make/model, vehicle identification numbers (VINs), etc.

BUSINESS INCOME

- All members with scheduled property automatically receive Business Income coverage with a \$250,000 sublimit per the Property Coverage Document.
- Business Income coverage, including extra expenses and normal payroll, reimburses lost income and extra costs associated with a covered property loss. For example, if a rec center closes due to a fire, there may still be ongoing payments for utilities, lost funds from patrons that would normally have been collected, and extra costs for relocating administration staff to a temporary office and payroll of critical employees. Business Income could cover those ongoing payments for as long as the limit purchased lasts.
- If \$250,000 is not enough to keep the district's services running, you can increase this amount as necessary. To assist you in determining an adequate limit to cover your maximum possible loss of income, complete the customized public entity worksheet. This worksheet can be found on our website at <https://csdpool.org/documents>.
- If you request a limit higher than \$250,000, a completed, signed worksheet will be required in 2022. A link to the form will be available in Origami's renewal survey, and the completed, signed worksheet should be uploaded before the survey is submitted.

WIND AND HAIL DEDUCTIBLE ENDORSEMENT

- All members will continue to have the Wind and Hail Deductible Endorsement attached to your Property Coverage.
- In the event of damage to a scheduled building or structure caused by wind or hail, the deductible is increased to 2% of the value of the covered damaged property and applicable business income, subject to a \$5,000 minimum and \$50,000 maximum per occurrence.
- For an additional contribution, the Pool has an optional deductible buyback endorsement available which would lower the Wind/Hail deductible to \$5,000 per occurrence.
 - This endorsement must be added to your Property coverage no later than May 1st, otherwise it will be unavailable until the next renewal.
 - When located in a hail prone county, the additional charge is 30% of a district's property contribution. For all other districts, the additional charge is 10%.
- Email us a note in your renewal survey if you would like to obtain the additional change for your district and we will provide it to you for your consideration.

REMINDERS

- Drones can now be added to the Property and Liability coverages.
- ATVs and UTVs should be scheduled as Equipment under the Inland Marine Schedule. They should not be added to the Automobile Schedule.
- For Social Engineering Fraud coverage under Crime, in 2022 a district will need to confirm the payment request was verified in accordance with your procedures on electronic payment requests. Should you need assistance with establishing a procedure before January 1st, please see our newsletter article [Crime or Cyber? How to Tell the Difference](#)

CERTIFICATES OF COVERAGE

- A list of current certificate holders will be included in your renewal survey. Review them for accuracy and to determine if any should be deleted if they no longer require proof of your district's coverage.
- Be sure to verify each certificate holder's mailing address for accuracy. We mail hard copies to each holder as current proof of your district's coverage, so having an accurate address will avoid delay in delivery.
- If you see that a certificate is missing, complete the [Certificate Request Form](#) available on our website and return it to us so we can add it. You can either upload the completed form before the survey is submitted or send the updates to us via email at pc@csdpool.org.
- We may contact you if we have questions about the purpose of the certificate, and a complete copy of the contract may be requested.

2022 RATES

- As in years past, a rate change ranging from a 1% decrease to a 3% increase will be applied based on the performance by district type.
- A district's individual experience is also calculated annually to determine if any adjustments are needed by coverage line. We take your previous eight years of losses and contributions to determine if a district's has had an overall positive or negative experience. To minimize the impact a severe loss year can have, we limit the total loss amount to three (3) times the contribution amount and any rate changes are limited to a 25% increase or decrease.
- After a district has been a Pool member for seven (7) or more consecutive years, they are eligible for a continuity credit ranging from 1% to 20% based on a sliding scale of years of participation with the Pool.
- If your district is located in a hail prone county, there will be a 7% increase to the Property and Auto Physical Damage hail surcharge again this year.
- In September, you will receive more details about these rate changes; they will be on your renewal invitation, at the annual membership meeting and we will post an overview on our web site.
- Coverage changes are being made to the Public Entity Liability Coverage Document as well as the Property Coverage Document. The changes are non-substantive in nature; they are being made to clarify or increase coverage. Later this fall we will post a summary of the 2022 coverage document changes for your review.

Q&A

REMINDERS AND UPCOMING EVENTS

- [Annual Membership Meeting](#) – September 15th
- Visit csdpool.org/events for our complete calendar of events
 - Recording of this presentation will be emailed later today
 - Sign up for [CSD Pool Newsletter & Event Updates](#)

Thank You

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