

August 30, 2019

Melisa Geringer, Human Resources Director  
City of Grand Junction  
250 North Fifth Street  
Grand Junction, CO 81501

**RE: 2020 Workers' Compensation Preliminary Contribution Quotation**

Dear Melisa:

Enclosed is the preliminary quotation for your 2020 contribution to the CIRSA Workers' Compensation Pool. We're pleased to let you know that contributions reflect the excellent job members have done in controlling losses.

Now may be a good time to look at your chosen deductible. Many of our members have greatly expanded their payrolls in recent years, but have not increased their chosen deductibles accordingly. A higher deductible is one way in which you may be able to offset workers' compensation contribution amounts. If you have been identified as a member that may have an imbalance between total payroll and chosen deductible, we have included in your quotation an option for the next higher deductible level. If you would like to see additional deductible options, please contact Linda Black, Chief Financial Officer, at (720) 605-5440 or [lindab@cirsa.org](mailto:lindab@cirsa.org). We can run a deductible analysis for you and help you choose deductibles that are more in line with your financial capacity.

Being a CIRSA member offers you significant benefits that are not available elsewhere, especially if you are also obtaining your property and liability coverages through CIRSA. For example, we are able to seamlessly manage claims that cut across coverage lines, such as a workers' compensation matter that also has liability implications, and can take a global perspective to defending and/or settling such a matter. CIRSA's risk management services are also specifically tailored to the unique needs of Colorado municipalities. Please see the attached brochure for a summary of those services.

The enclosed quotation sheet provides a preliminary quotation. Final invoices, e-mailed on January 1, 2020, will be adjusted for any changes made to your 2020 renewal application. Moreover, quoted contributions may also change if CIRSA membership changes significantly for 2020 and/or actual excess insurance premiums are not adequately funded by the budget established within your rate.

The attached quotation sheet provides information on your 2020 contribution, the amount of any Loss Control Credits available to your entity and optional payment plans. In addition, a general description of the types and monetary limits of the proposed coverages to be provided to 2020 CIRSA Workers' Compensation members is attached.



The acceptance form must be completed and returned to CIRSA by **Tuesday, October 1, 2019**.  
When completing your form, please make sure to:

- Initial next to your entity's desired deductible option for 2020
- Write the amount of any available Loss Control Credits you wish to use in the appropriate section of the *Loss Control Credits* table on the Quotation sheet.
- Indicate which payment option you would like for 2020 on the Quotation sheet.
- Return the signature page signed by an authorized signer.

Please note that if you have requested quotations for any of the Optional Coverage Programs including Occupational Accidental Death & Dismemberment Plan, Sports Accident Medical Plan, Community Service Workers' Accident Medical Plan, or Volunteer Accident Medical Plan coverage, they are not included in this mailing. The carriers that provide coverage for each program are unable to provide quotes until later this year. We anticipate that quotations for these coverages will be mailed to members in October.

If you have any questions about your renewal quote, please don't hesitate to contact us. Courtney Fagan, Strategy and Member Engagement Manager, is available to offer any further explanation of your quote that you may require. Courtney can be reached at (720) 728-1304 or [courtneyf@cirsa.org](mailto:courtneyf@cirsa.org). We are also available to give presentations to your council or board of trustees upon request.

Thank you for the opportunity to serve you. We look forward to continuing our relationship with you in 2020.

Sincerely,



Tami A. Tanoue  
Executive Director

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**CIRSA Workers' Compensation Pool**  
**Preliminary 2020 Contribution Quotation**  
**City of Grand Junction**

Description	Amount
Contribution Before Reserve and Loss Experience	\$405,726.00
Reserve Refund Contribution	\$13,753.00
Impact of Loss Experience	\$146,818.00
<b>Total 2020 Preliminary Quotation before Credits</b>	<b>\$566,297.00</b>

Current Deductible or SCP: \$250,000

To Renew with Current Deductible  
 Initial Here:       *JL*      

**Loss Control Credits**

Description	Amount	Credit Options – You must write in the amount that you wish to use. Amount may be split between available options.		
		Credit WC Contribution	Deposit/Leave in Account	Send Check
2020 Loss Control Audit Credit	(\$14,258.00)	✓		
Balance Remaining from Prior Years' LC Credits	(\$0.00)			
<b>Total Preliminary Quotation at Current Deductible with all Available Credits</b>	<b>\$552,039</b>			

**Alternative Deductibles**

Deductible/SCP	Revised Quote (Before Credits)	To Accept New Deductible Option – Initial Here (Choose Only one)
\$300,000	\$531,151.00	

\*Contact Linda Black, CFO at (720) 605-5440 or lindab@cirsa.org if you are interested in other options.

**Billing Options (Please indicate which option you choose)**

<input type="checkbox"/> Annual Billing on January 1, 2020	<input checked="" type="checkbox"/> Quarterly Billing January 1, April 1, July 1, and October 1, 2020
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*WJB*

RECEIVED

SEP 23 2019

Preliminary 2020 Contribution Quotation

This preliminary quotation includes all exposures reported on your entity's 2020 Workers' Compensation Renewal Application.

**The undersigned is authorized to accept this preliminary quotation on behalf of the City of Grand Junction.**

*We accept this preliminary quotation for January 1, 2020 to January 1, 2021. We understand our final invoice may increase or decrease depending upon the number of Workers' Compensation members for 2020, actual excess insurance premiums, and any changes made to our 2020 renewal application.*

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Signature must be that of the Mayor, Manager, Clerk or equivalent (such as President of a Special District.)**

**Both pages of this form must be returned by Tuesday, October 1, 2019.** A mailed, faxed or e-mailed copy is acceptable. Please return to:

Monique Ferguson, Underwriting Administrative Assistant  
3665 Cherry Creek North Drive  
Denver, CO 80209  
Fax: (303) 757-8950 or (800) 850-8950  
E-Mail: MoniqueF@cirsa.org

## **PROPOSED 2020 WORKERS' COMPENSATION COVERAGES**

The types and monetary limits of the proposed coverages to be provided to CIRSA Workers' Compensation members for the applicable coverage period of January 1, 2020 to January 1, 2021 are generally described below. The scope, terms, conditions, and limitations of the coverages are governed by the applicable excess and/or reinsurance policies, the CIRSA Bylaws and Intergovernmental Agreement, and other applicable documents.

### **I. TYPES OF COVERAGES (subject to the limit on CIRSA's liability as described in Section II below):**

- A. Workers' Compensation coverage
- B. Employer's Liability coverage

### **II. PROPOSED CIRSA LOSS FUND, AGGREGATE LIMITS, RETENTIONS, EXCESS INSURERS/REINSURERS**

For the coverages described in Section I, CIRSA is liable only for payment of the self-insured retentions and only to a total annual aggregate amount for CIRSA members as a whole of the amount of the applicable CIRSA loss fund for the coverage period. There is no aggregate excess coverage over any loss fund.

The CIRSA loss fund is as adopted or amended from time to time by the CIRSA Board of Directors based on the members in the Workers' Compensation Pool for the year and investment earnings on those amounts. Information on the current loss fund amounts is available from CIRSA's Finance Department.

CIRSA's proposed self-insured retention will be \$500,000 per claim/occurrence for all claims made by employees other than firefighters or police officers and \$750,000 for all claims made by firefighters or police officers. Coverages in excess of the retention (to statutory limits for Workers' Compensation coverage, and to \$1,000,000/accident for Employer's Liability coverage) are provided by the excess insurers and/or reinsurers in the applicable excess and/or reinsurance policies, and are payable only by those excess insurers and/or reinsurers.

### **III. 2020 PAYROLL AUDIT**

The payroll information in your 2020 renewal application is based on your estimated payroll for 2020. We will ask you to provide your actual 2020 payroll in January 2021 and your 2020 contribution will be adjusted to reflect the actual payroll amounts.

## EXPLANATION OF CREDITS AVAILABLE AND ACCEPTANCE OR WITHDRAW PROCEDURES

### LOSS CONTROL AUDIT SCORE CREDIT

CIRSA members who received a Loss Control Audit Score of 80 or higher in 2019, and renew their membership in 2020, are eligible for a Loss Control Audit Score Credit. This credit is offered to all members that take an active role in preventing or reducing their losses by complying with the CIRSA Loss Control Standards.

If you did not receive a credit for 2020 and would like to receive one in future years, please contact your Loss Control Representative.

### LOSS CONTROL ACCOUNT

The CIRSA Board of Directors has approved your use of any balance in the Loss Control Credit Account, except any Special Credit monies, to pay 2020 contributions. Your entity's balance in this account on August 8, 2019, if any, is shown on the quote letter.

### ACCEPTANCE PROCEDURES

Please complete the enclosed acceptance form indicating your decision for 2020 and return it to the CIRSA office *on or before Tuesday, October 1, 2019*. **Failure to return the form in time may result in the imposition of penalties under CIRSA Bylaw Article XIV upon withdrawal.**

### WITHDRAWAL PROCEDURES *(if applicable)*

The enclosed Article XIV of the CIRSA Bylaws describes withdrawal procedures from CIRSA. **Written notice of withdrawal must be received by CIRSA no later than Tuesday, October 1, 2019, for a withdrawal without penalty effective January 1, 2020.** No withdrawing member shall be eligible for the above-described credits.

Article XIV should be read in its entirety for any penalties which would otherwise apply. Withdrawing members who subsequently apply to rejoin CIRSA may be subject to such terms and conditions as established by the CIRSA Board of Directors.

**WITHDRAWAL NOTICE**

**MUST BE RECEIVED AT THE CIRSA OFFICE  
ON OR BEFORE TUESDAY, OCTOBER 1, 2019**

Sign and return this form if your entity has decided to **withdraw** from CIRSA effective January 1, 2020. Under CIRSA Bylaws, this form must be received by CIRSA *no later than Tuesday, October 1, 2019*, for a withdrawal without penalty effective January 1, 2020.

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**NOTICE OF WITHDRAWAL FROM CIRSA**

This is to notify the CIRSA Board of Directors that the City of Grand Junction is withdrawing from CIRSA for purposes of Workers' Compensation coverage effective January 1, 2020. We understand the City of Grand Junction remains obligated and will be billed for any amounts due CIRSA pursuant to the Bylaws and policies established by CIRSA.

The undersigned is authorized to provide this notice of withdrawal on behalf of the City of Grand Junction.

**Signature must be that of the Mayor, Manager, Clerk, or equivalent (such as President of a Special District.)**

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## ARTICLE XIV

### Withdrawal from Membership

(1) Any member may withdraw from CIRSA by giving prior notice in writing to the Board of Directors of the prospective effective date of its withdrawal.

(2) If the effective date of a member's withdrawal is a date other than a January 1, the withdrawing member shall not be entitled to receive any refund of contributions made for administrative costs for the claim year of withdrawal. The withdrawing member shall be entitled to receive within forty-five (45) days after the effective date of withdrawal, a proportionate return of its contribution to any loss fund.

(3) If the effective date of a member's withdrawal is January 1, but the member's written notice of withdrawal is received by CIRSA more than thirty (29) days after the date on which CIRSA mailed a preliminary quote of the contribution to be assessed the member for the year beginning on that January 1, the withdrawing member shall be obligated to pay its share of CIRSA's administrative costs for the year beginning on that January 1. However, if the preliminary quote is mailed by CIRSA prior to September 1, members shall not be obligated for future claim year administrative costs if the member's written notice of withdrawal is received by CIRSA on or before the October 1 preceding the January 1 renewal date.

(4) The members may, by a two-thirds (2/3) vote of the members present at a meeting, adopt or amend a policy establishing additional conditions applicable to members which withdraw.