



# **POOLED WORKERS' COMPENSATION PROGRAM**

## **MEMORANDUM OF COVERAGE**

**2025/26 PROGRAM YEAR**

CENTRAL SAN JOAQUIN VALLEY RISK MANAGEMENT AUTHORITY

**MEMORANDUM OF COVERAGE**

POOLED WORKERS' COMPENSATION PROGRAM

COVERAGE DECLARATIONS

MEMORANDUM NO. CSJVRMA 2025-WC

NAMED MEMBER CITY: Member Cities of the Central San Joaquin Valley Risk Management Authority, as per Endorsement No. 1  
1750 Creekside Oaks Drive, Suite 200  
Sacramento, CA 95833

MEMORANDUM PERIOD: From 7/1/2025 to 7/1/2026  
12:01 a.m. Pacific Standard Time

LIMITS OF COVERAGE: Workers' Compensation \$500,000 any one loss  
Employer's Liability \$500,000 any one loss

FORM AND ENDORSEMENTS: Form No. CSJVRMA 2025-WC and Endorsements No. 1 and 2 Forming Part of the Memorandum at Inception

It is agreed that this Declarations and the Memorandum of Coverage, together with the terms of any endorsements, the JPA Agreement, Bylaws, Master Plan Document, or other relevant policies, constitute the entire coverage agreement. This Memorandum of Coverage shall be controlling with regards to any inconsistencies.

ON BEHALF OF THE CENTRAL SAN JOAQUIN VALLEY RISK MANAGEMENT AUTHORITY

  
AUTHORIZED REPRESENTATIVE

CENTRAL SAN JOAQUIN VALLEY RISK MANAGEMENT AUTHORITY  
POOLED WORKERS' COMPENSATION PROGRAM

**MEMORANDUM OF COVERAGE**

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**MEMORANDUM OF COVERAGE FOR THE  
CENTRAL SAN JOAQUIN VALLEY RISK MANAGEMENT AUTHORITY**

(Hereinafter referred to as the **Memorandum of Coverage**)

**POOLED WORKERS' COMPENSATION PROGRAM**

This **Memorandum of Coverage** is the coverage document between **Member City** and the **Authority**. The terms of this **Memorandum of Coverage** may not be changed or waived except by amendment made a part of this **Memorandum of Coverage**.

Throughout this **Memorandum of Coverage**, words and phrases that appear in bold have special meaning. They are defined in Part One – Definitions and other Governing Documents of the **Authority**.

**GENERAL SECTION**

**A. THE MEMORANDUM**

This Memorandum includes at its effective date the Declaration Page and all endorsements listed on the Declarations Page. This Memorandum is the coverage document between the **Member City** and the **Authority**. The terms of this Memorandum may not be changed or waived except by endorsement issued by the **Authority** to be part of this Memorandum.

**B. CONTINUOUS MEMORANDUM**

This Memorandum is effective at 12:01 a.m. on the date stated in Item 2 of the Declaration Page. All of the provisions of this Memorandum apply beginning with the date shown in Item 2 of the Declaration Page until 12:01 a.m. on July 1st of that fiscal year.

**C. WHO IS COVERED**

Each **Member City** is a member who has elected to participate in the **Authority's** Pooled Workers' Compensation Program. If a **Member City** loses its status as a member of the **Authority**, the coverage under this **Memorandum of Coverage** shall terminate immediately upon such change in status.

**D. WORKERS' COMPENSATION LAW**

Workers' Compensation Law means the workers' or workmen's compensation law and occupational disease law of the **State** of California or any similar law. It includes any amendments to that law which are in effect during the term of this Memorandum. It does not include any federal workers' or workmen's compensation law, any federal occupational disease law, or the provisions of any law that provide non-occupational disability benefits.

**E. QUALIFIED SELF-INSURER**

The **Member City** represents that it is a duly qualified self-insurer under the Workers' Compensation Law of the **State** of California and will continue to maintain such qualifications during the term this Memorandum is in effect. If the **Member City** should fail to qualify or fail to maintain such qualifications, the coverage provided under this Memorandum shall automatically terminate the first date of such failure. Type text here

**PART ONE – DEFINITIONS**

The term:

- A. **Agreement** means the Joint Exercise of Powers **Agreement** originally signed April 1, 1979, and amended July 1, 1994, which may be amended from time to time.
- B. **Authority** means the Central San Joaquin Valley Risk Management Authority.
- C. **Bylaws** mean the **Bylaws** of the Central San Joaquin Valley Risk Management Authority, which may be amended from time to time.
- D. **Member City** shall mean a city which is an incorporated municipality organized with a council, City Manager/Administrator form of government, and which has been approved for participation in the **Authority** by the **Executive Committee** in accordance with applicable provisions of the Joint Exercise of Powers **Agreement** and the **Bylaws** and has signed the Joint Exercise of Powers **Agreement**.
- E. **Employee** shall mean any person (including a **Volunteer** as defined below and officers) performing work that renders the **Member City** legally liable for workers' compensation benefits under the **Workers' Compensation Act** of the State of California.
- F. **Volunteer** shall mean any person while acting within the scope of his or her duties for or on behalf of the **Member City**, provided that, prior to the **Occurrence**, the governing board of the **Member City** has adopted a resolution as provided in Division 4, Part 1, Chapter 2, Article 2, Section 3363.5 of the California Labor Code, declaring such **Volunteer** workers to be **Employees** of the **Member City** for purposes of the **Workers' Compensation Act**; or provided that such **Volunteer** workers are statutorily deemed by the **Workers' Compensation Act** of the **State** of California to be **Employees** for the purpose of workers' compensation.
- G. **Loss** shall mean claims made against the **Authority** arising out of **Occurrences** or illnesses resulting in benefits for an **Employee** under the applicable **Workers' Compensation Act** of the State of California in settlement of claims or in satisfaction of awards or judgments for liabilities imposed by the **Workers' Compensation Act** of the State of California or other law for bodily injury or occupational disease to an **Employee**. The term **Loss** shall include claim-related expenses, court costs, interest upon awards and judgments, and investigation, adjustment, and legal expenses that are

actually paid by the **Member City** as it pertains to the **Loss**. However, the term **Loss** shall not include the salaries paid to **Employees** of the **Member City**, nor fees and retainers paid to the **Member City's** service organization.

Notwithstanding the foregoing, **Loss** does not include any amounts paid by the **Member City** as benefits, or in payment of amounts imposed upon the **Member City** by employers liability, deriving solely from any **Member City's** enactment, resolution, or other act establishing a presumption of work related illness or injury or any other expansion of benefits beyond those prescribed by the applicable **Workers' Compensation Act** in the State of California. Despite any such enactment, resolution, or act, the **Member City** shall retain the burden of establishing **Loss** within the **Memorandum of Coverage**.

H. **Occurrence** means:

- (1) All bodily injury sustained or alleged by one (1) or more **Employees** involving one (1) or more **Member Cities**, from any one (1) disaster, accident, or event, or any series of disasters, accidents, or events, and is traceable to the same single disaster, accident, or event, or series of disasters, accidents, or events shall be deemed to arise from a single **Occurrence**; however, any one (1) **Occurrence** shall be limited to no more than seven (7) calendar days such that each individual **Employee's** date of injury must fall within the seven (7) calendar day period. The **Authority** will defer to the applicable excess carrier as to the date when any such seven (7) calendar day period begins, provided that it is not earlier than the date and time of the first recorded **Employee's** date of injury, and provided that no two (2) periods overlap. Should this **Memorandum** expire or terminate while an **Occurrence** covered hereunder is in progress, the **Authority** will be responsible for its portion of **Loss** arising from such **Occurrence** under this **Memorandum** through the conclusion of the seven (7) calendar day period, even if such period extends beyond the term of this **Memorandum**, subject to the terms and conditions hereof, provided that no amount of **Loss** for the same **Occurrence** shall be claimed against any renewal or replacement of this **Memorandum**, and provided the **Member City** has continued coverage under the subsequent policy period.
- (2) Occupational disease and communicable disease sustained or alleged by each **Employee** shall be deemed to arise from a separate **Occurrence**, and the **Occurrence** shall be deemed to take place on the last day of the last exposure, in the employment of the **Member City**, to conditions causing or aggravating the disease OR the date upon which the **Employee** first suffered disability and either knew, or in the exercise of reasonable diligence should have known, that such disability was caused by his or her employment with the **Member City**, whichever comes first.

I. **State** means any **State** of the United States of America and the District of Columbia.

J. **Workers' Compensation Act** shall mean California Labor Code Division 4, the other acts as described below in Part Two; however, it shall not include any non-occupational disability benefit provisions of any such act.

- K. **Labor Code Section 4850** means the **Member City's** obligation to pay salary in lieu of temporary disability benefits for the period of disability, but not exceeding one (1) year, or until the earlier date as the **Employee** is retired on permanent disability pension, and is actually receiving disability pension payments, or advanced disability pension payments.

## **PART TWO – WORKERS' COMPENSATION COVERAGE**

### **A. COVERAGE**

The **Authority** will pay those sums for which the **Member City** becomes liable under the Workers' Compensation Law to which this coverage applies. The **Authority** will not pay more than Limit of Liability stated in Item 3 of the Declarations page and further defined under Part Four of this Memorandum during the Coverage Period provided that:

1. Injury must occur during the coverage period; and
2. Illness by disease must be caused or aggravated by the conditions of employment by the **Member City**, and the **Employee's** last day of exposure to the conditions causing or aggravating such injury by disease must occur during the coverage period.

### **B. DEFENSE**

The **Authority** has the right and duty to defend at its expense any claim, proceeding, or suit against the **Member City** for liabilities payable by this coverage. The **Authority** has the right to investigate and settle these claims, proceedings, or suits.

The **Authority** shall provide for the defense of, but not the indemnity for, serious and willful misconduct pursuant to Labor Code 4553, or discrimination or any other actions pursuant to Labor Code 132a brought before the Workers' Compensation Appeals Board. The **Authority's** duty to defend such claims shall cease upon the resolution of the underlying claim for disability.

### **C. PAYMENTS THE MEMBER MUST MAKE**

The **Authority** is not responsible for any payments in excess of benefits regularly provided by the Workers' Compensation Law, including those imposed on the **Member City** because:

1. Of the **Member City's** serious and willful misconduct (except as stated hereinabove);
2. The **Member City** employs an **Employee** in violation of law;
3. The **Member City** fails to comply with a health or safety law or regulation;
4. The **Member City** discharges, coerces, or otherwise discriminates against any **Employee** in violation of the Workers' Compensation Law;

5. The **Member City** violates or fails to comply with any Workers' Compensation Law; or
6. An **Employee** elects to pursue benefits or file a claim in any other **State** outside of California.

If the **Authority** makes any payments in excess of the benefits regularly provided by the California Workers' Compensation Law on the **Member City's** behalf, the **Member City** shall reimburse the **Authority** promptly.

### **PART THREE – EMPLOYER'S LIABILITY COVERAGE**

The **Authority** will pay on behalf of the **Member City** liability because of bodily injury to **Employees** arising out of and in the course of employment during this term of this program, up to the **Authority's** Limit of Liability stated in Item 3 of the Declarations Page.

### **PART FOUR – POLICY EXCLUSIONS**

This **Memorandum of Coverage** shall not apply to:

- A. Liability imposed by the Workers' Compensation Laws because of bodily injury or disease to prisoners or inmates who receive compensation from an entity, other than the **Member City**, for the work performed except for liability imposed by the Workers' Compensation Laws because of bodily injury or disease to participants of a work-release program or other community service program established by a county of the **State** of California;
- B. Liability imposed upon the **Member City** by **Labor Code Section 4850** and Section 4856 of the California Labor Code, except to the extent that the **Member City** or the **Authority** would be obligated to pay temporary disability benefits if **Labor Code Section 4850** did not apply. Any such payments imposed upon the **Member City** by **Labor Code Section 4850** shall not be credited to the satisfaction of the **Member City's** retained limit;
- C. The Employer's Liability Coverage herein does not apply to any obligation imposed by a workers' compensation, occupational disease, unemployment compensation, or disability benefits law, or any similar law;
- D. Bodily injury or disease intentionally caused or aggravated by the **Member City**;
- E. Bodily injury or disease to an **Employee** while employed in violation of law with the actual knowledge of the **Member City**;
- F. Liability for additional compensation imposed on the **Member City** under Labor Code Section 4557 by reason of injury or disease to an **Employee** under sixteen (16) years of age and illegally employed at the time of the injury or disease;



- G. Claims involving a waiver of subrogation approved by a **Member City** after the date of injury or illness that resulted in the claim. This exclusion shall not apply to a waiver of subrogation contained in a written agreement or contract that was approved by the **Member City** and, if applicable, the **Authority** and any excess coverage providers, prior to the date of injury or illness that resulted in the claim; or
- H. To bodily injury or occupational disease sustained by a peace officer, as defined in Section 50920 of the California Government Code, when he or she was off duty, not acting under the immediate direction of his or her employer, and outside the State of California. However, this exclusion shall not apply to bodily injury or occupational disease sustained by a peace officer under such circumstances if:
  - 1. the peace officer at the time of sustaining the injury or illness was engaged in the apprehension or attempted apprehension of law violators or suspected law violators, the protection or preservation of life or property, or the preservation of the peace; and
  - 2. prior to the **Occurrence**, the **Member City** adopted a resolution, as provided for in California Labor Code Section 3600.2, subdivision (b)(4), accepting liability for such bodily injury or occupational illness under the Workers' Compensation Act.
- I. Liability for claims involving a **Member City's Employee** who permanently relocates to a State outside of California and has elected to file a claim and pursue benefits in that State.

## **PART FIVE – THE MEMBER CITY'S RETENTION AND AUTHORITY'S LIMIT OF LIABILITY**

### **A. LIMIT OF COVERAGE BY AUTHORITY**

The **Authority** will indemnify the **Member City** for **Loss** under Workers' Compensation Laws but will not exceed the Limits of Liability stated in Item 3 of the Declaration Page on any one (1) **Loss**. The **Authority** will pay on behalf of the **Member City** for Employer's Liability losses but will not exceed the Limits of Liability stated in Item 3 of the Declaration Page on any one (1) **Loss**.

### **B. HOW THE LIMIT OF COVERAGE APPLIES**

The **Authority's** Limit of Coverage stated in Item 3 of the Declaration Page applies to claims covered under the Workers' Compensation coverage or Employer's Liability coverage as follows:

- 1. All "bodily injury" sustained by one (1) or more **Employees**, as a result of a single accident, shall be deemed to arise from a single **Occurrence**.
- 2. Occupational disease sustained by each **Employee** shall be deemed to arise from a separate **Occurrence**, and the **Occurrence** shall be deemed to take place on the last day of the last exposure, in the employment of the **Member City** to conditions causing or aggravating the disease.

3. All occupational disease sustained by one (1) or more **Employees** as a result of an outbreak of the same communicable disease shall be deemed to arise from a single **Occurrence**. An outbreak of the same communicable disease that spans more than one (1) coverage period shall be deemed to take place during the first such coverage period.

The inclusion of more than one (1) **Member City** as the employer of the injured **Employee(s)** will not increase the **Authority's** Limit of Coverage.

**C. ADJUSTED RETAINED LIMITS IF OCCURRENCE INVOLVES MULTIPLE MEMBER CITIES**

If employees from two (2) or more **Member Cities** incur bodily injury, illness, or disease as a result of an **Occurrence** that is a single accident, incident, or exposure, the Retained Limits of each **Member City** will be adjusted as provided in this provision. Initially, each **Member City's** Retained Limit amount stated in Endorsement No. 2 will be applied to the calculation of the **Authority's** payment of reimbursement under this Memorandum for **Losses** paid as a result of the accident, incident, or exposure involving more than one (1) **Member City**.

Five (5) years after the end of the program year in which the accident, incident, or exposure occurred, the **Authority** will undertake the following adjustment:

1. Calculate the total amount of the **Losses** paid for all **Member Cities** for **Employees** involved in the accident, incident, or exposure;
2. Calculate each involved **Member City's** percentage share (based on the **Losses** paid for each **Member City's Employee or Employees**) of the total **Losses** paid;
3. Multiply each involved **Member City's** percentage share of the total incurred **Losses** by each **Member's City's** respective Retained Limit;
4. Use and apply the amount determined under step 3 as each **Member City's** adjusted Retained Limit for purposes of determining the **Authority** reimbursement for the **Losses** paid for the accident, incident, or exposure;
5. Calculate the amount of the **Authority's** payment of reimbursement, if any, to each **Member City** based on the adjusted Retained Limit of each the **Member City**; and
6. If applicable, pay reimbursement or additional reimbursement to each **Member City** based on the adjusted Retained Limit.

If losses for the accident, incident, or exposure involving multiple **Member Cities** remains payable after the five-year period, the adjusted Retained Limits for each involved **Member City** will continue to apply to the calculation of **Authority** reimbursement until all claims are closed, and the **Authority** will not again readjust each involved **Member City's** Retained Limit.

**PART SIX – CONDITIONS****A. NOTICE OF ACCIDENT**

1. The **Member City** shall give prompt written notice to the **Authority** if a claim for an injury or disease occurs which appears to involve coverage by the **Authority**.
2. Notice of accident given to the **Authority** shall contain complete details on the injury, disease, or death. If a suit, claim, or other proceeding is commenced which appears to involve coverage by the **Authority**, the **Member City** shall give the **Authority**:
  - a) All notices and legal papers related to the claim, proceeding, or suit, or copies of these notices and legal papers; and
  - b) Copies of reports on investigations made by the **Member City** on such claims, proceedings, or suits.
3. If written notice is not provided by the **Member City** to the **Authority** within thirty (30) calendar days of knowledge of such claim, coverage will not be provided under this **Memorandum of Coverage**.

**B. SUBROGATION – RECOVERY FROM OTHERS**

1. The **Authority** has the **Member City's** rights and the rights of persons entitled to compensation benefits from the **Member City** to recover the **Authority's Loss** from any third party liable for the injury or disease. The **Member City** will do everything necessary to protect those rights for the **Authority** and to assist in enforcing them. Any recovery, after deducting the **Authority's** recovery expenses, will first be used to reduce the **Authority's Loss**. The balance, if any, will be returned to the **Member City**.
2. Costs associated with obligations recognized as **State Mandated Costs** should be recoverable from the **State** by the **Member City**.

**C. MEMORANDUM CONFORMS TO LAW**

If terms of this Memorandum are in conflict with any laws applicable to this Memorandum, the **Authority's Agreement**, the **Authority's Bylaws**, or the **Authority's Pooled Workers' Compensation Program Master Plan Document**, this statement amends this Memorandum to conform to such law or document.

**D. ARBITRATION**

Final decisions by the **Authority** concerning a claim (including, but not limited to, decisions regarding claim resolution, negotiation, investigation, defense, appeal or settlement, and decisions about whether coverage exists for a particular claim or part of a claim) shall be made by the **Executive Committee** of the **Authority**. If the **Member City** disagrees with a written denial of coverage from the **Authority**, it may appeal that denial to the **Executive Committee**

within ninety (90) calendar days of receipt of the denial. If the **Member City** disagrees with the decision of the **Executive Committee**, it may appeal that decision to the **Board of Directors** within ninety (90) calendar days of written notice of that decision. The matter shall be placed on the agenda of the next regularly scheduled **Board of Directors'** meeting. The **Member City** must exhaust its rights to appeal to the **Executive Committee** and to the **Board of Directors** before requesting arbitration of a dispute. Any dispute concerning a decision by the **Board of Directors** of the **Authority** to deny coverage for all, or part of a claim shall not be subject to any court action but shall instead be submitted to binding arbitration.

Arbitration shall be conducted pursuant to the California Code of Civil Procedure by a single neutral arbitrator who is a lawyer experienced in contract interpretation or a retired federal or California **State** judge. The arbitrator shall not be employed by or affiliated with the **Authority** or the **Member City** or members.

The selection of the arbitrator shall take place within twenty (20) calendar days from the receipt of the request for arbitration. The arbitration hearing shall commence within forty-five (45) calendar days from the date of the selection of the arbitrator.

Each party shall pay one-half (1/2) of the cost of the selected arbitrator. Each party shall also be responsible for its own costs and expenses of arbitration.

Except for notification of appointment and as provided in the California Code of Civil Procedure, there shall be no communication between the parties and the arbitrator relating to the subject of the arbitration other than at oral hearings.

The decision of the arbitrator shall be final and binding and shall not be subject to appeal.

**CENTRAL SAN JOAQUIN VALLEY RISK MANAGEMENT AUTHORITY**

**MEMORANDUM OF COVERAGE**

**POOLED WORKERS' COMPENSATION PROGRAM  
ENDORSEMENT NO. 1**

This endorsement, effective 12:01 a.m. 7/1/2025, forms a part of Memorandum No. CSJVRMA 2025-WC.

It is understood that the named **Member City** of the Declaration is completed as follows:

City of Angels Camp	City of McFarland
City of Arvin	City of Mendota
City of Atwater	City of Newman
City of Avenal	City of Oakdale
City of Ceres	City of Orange Cove
City of Chowchilla	City of Parlier
City of Corcoran	City of Patterson
City of Delano	City of Porterville
City of Dinuba	City of Reedley
City of Dos Palos	City of Ripon
City of Escalon	City of Riverbank
City of Exeter	City of San Joaquin
City of Farmersville	City of Sanger
City of Firebaugh	City of Selma
City of Fowler	City of Shafter
City of Gustine	City of Sonora
City of Hughson	City of Sutter Creek
City of Huron	City of Taft
City of Kerman	City of Tehachapi
City of Kingsburg	City of Tracy
City of Lathrop	City of Tulare
City of Lemoore	City of Wasco
City of Livingston	City of Waterford
City of Los Banos	City of Woodlake
City of Madera	
City of Maricopa	

Effective Date: July 1, 2025

Endorsement No.: 1

  
AUTHORIZED REPRESENTATIVE

**CENTRAL SAN JOAQUIN VALLEY RISK MANAGEMENT AUTHORITY**

**MEMORANDUM OF COVERAGE**

**POOLED WORKERS' COMPENSATION PROGRAM  
ENDORSEMENT NO. 2**

This endorsement, effective 12:01 a.m. 7/1/2025, forms a part of Memorandum No. CSJVRMA 2025-WC.

It is understood that the "Retained Limits" for the named **Member City** listed in Endorsement No. 1 are as follows:

**\$10,000 Retained Limit**

City of Angels Camp  
City of Dos Palos  
City of Escalon  
City of Firebaugh  
City of Fowler

City of Gustine  
City of Hughson  
City of Huron  
City of Maricopa  
City of McFarland

City of Mendota  
City of Orange Cove  
City of San Joaquin  
City of Sutter Creek  
City of Waterford

**\$25,000 Retained Limit**

City of Arvin  
City of Avenal  
City of Corcoran  
City of Kingsburg  
City of Lathrop

City of Livingston  
City of Newman  
City of Parlier  
City of Patterson  
City of Riverbank

City of Sonora  
City of Tehachapi  
City of Woodlake

**\$50,000 Retained Limit**

City of Dinuba  
City of Exeter  
City of Farmersville  
City of Kerman  
City of Lemoore

City of Los Banos  
City of Oakdale  
City of Reedley  
City of Ripon  
City of Sanger

City of Selma  
City of Shafter  
City of Taft  
City of Wasco

**\$100,000 Retained Limit**

City of Atwater  
City of Ceres

City of Chowchilla  
City of Delano

City of Madera  
City of Tulare

**\$200,000 Retained Limit**

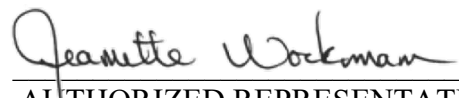
City of Tracy

**\$500,000 Retained Limit**

City of Porterville

Effective Date: July 1, 2025

Endorsement No.: 2



AUTHORIZED REPRESENTATIVE