



Risk Management
Fund

celebrating 30 years

RE

NEW

Annual Report 2018





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Hurricane Harvey flooding in Houston--2017

As the Texas Water Conservation Association Risk Management Fund celebrates its 30th year it also renews its commitment to founding principles. The Fund was created by Texas water districts and river authorities in 1988 to provide a comprehensive program of self-insurance for the Fund's members. Member districts and authorities pool their risks and combine resources to obtain greater stability and economies of scale for transferring and managing risk. That is the basic purpose of the Fund, but the visionary founding trustees of the Fund insisted on more than that. In the beginning its leaders saw that just being another form of insurance company was not enough. What they were looking for in 1988 (and at the most recent trustees meeting) was an organization that anticipated risk, helped eliminate and control risk and made the operations of water districts and authorities in Texas safer and more effective. In the staid world of insurance the idea of an organization devoted to helping its members deal with all kinds of risk was a revolutionary concept. The concept of renewal for the next thirty years embodies maintaining this strong foundation, listening intently to members, finding ways to maintain founding principles and evolve beyond what was good into something even better.

In another generational cycle of renewal, many experienced leaders and employees are reaching retirement at water districts across Texas. These men and women take deep and irreplaceable knowledge about a district with them when they leave. Their experience as managers and supervisors cannot be quickly duplicated through on the job training for their replacements. To help members deal with this process of leadership renewal the Fund offers Leadership Training for new managers and supervisors. The Fund's trainers are now offering courses in three primary areas:

- ▶ Retaining, Encouraging and Developing Employees for Success
- ▶ Leadership Training II and
- ▶ Respect in the Workplace

Courses are taught either at the district or in a regional setting without cost to the member. The Fund believes this



The 2007 drought at Lake Travis

service meets a basic training need of our members and conveys knowledge that will help strengthen their risk management culture and reduce claims. The principle at work is to be more than an insurer of risk by helping reduce risk in the employment liability area with practical training for a changing management team. During the 2016 – 2017 Fund year trainers provided courses to over 200 district staff.

In 2011 Texas experienced its worst one year drought on record. Six years later Hurricane Harvey hit the coast near Rockport then dumped record amounts of rain as it slowly coursed its way eastward across Texas' southern tier. The Fund reacted and adjusted to this meteorological event impacting its members by paying claims, adjusting rates and providing services and coverage that helped members deal with the conditions they faced. As of February 4, 2018, 13 members have reported 81 claims caused by Harvey totaling \$4.3 million. In response to Harvey's devastation some insurance companies would withdraw from areas affected or implement coverage restrictions. Instead of restricting coverage to its members the Fund enhanced several coverages by increasing limits of liability to pay for debris removal, loss of earnings, extra expenses (paid to resume normal services) and rental coverage. Flood coverage for property not in Flood Zone A was continued at a limit of \$7,500,000. This coverage available to members outside Flood Zone A became very significant when flooding far outside the 100 year flood plain affected member facilities and structures.

In the never ending Texas cycle of water depletion and renewal one of the inevitable results of abundant rain is often severe flooding as we saw with Hurricane Harvey. River authorities in particular are faced with trying to regulate the flow of too much water while protecting the integrity of reservoirs that can only hold so much. The growth of litigation in response to the actions of districts and authorities to manage floodwaters in response to Harvey and other flood events could be another emerging trend. The Fund will seek ways to support members who find themselves threatened by litigation for doing their best to protect lives and property during historic rain events.

The Fund's commitment to its members is to grow with them and respond to their changing needs. This means not only a renewal of past services and coverage but growth and change that renews and strengthens the relationship. The next segment of this Annual Report will review some of the valuable features of the Fund's coverage and services.



Lake Travis over full in 2017

Dear Friends,

The Texas Water Conservation Association Risk Management Fund is 30 years old this year. The Fund was originally founded in 1988 by a group of forward-looking men and women who were tired of having to choose between bad and worse in the standard commercial insurance market. The late 1980's was a time of scarce insurance products for water districts in Texas. If a district could find coverage, it was often at an exorbitant price with limited coverage. With the support of the TWCA, a group was formed to examine the possibility of forming our own insurance program – a program designed specifically to meet the needs of water entities. Feasibility and actuarial studies indicated that a self-insured pool, much like what had been established for Texas schools and counties, had a fair chance at success. The first members were enrolled in the plan on July 1, 1988, and the Fund has grown and thrived ever since.

This Annual Report will present a snapshot of the Fund and show its current strength in terms of both membership and financial position. It will also provide an overview of key moments and events in the history of the Fund and some of the difficulties it has overcome in its 30-year existence.

An organization's annual report normally looks back at the most recent complete year of operation, which would be our 2016-2017 Fund year. This report will do that, but it will also look forward at some of the challenges we see affecting the Fund in the next several years. The recent year is a good model for looking at the past and the future. Events during the year were typical of the past in many respects but also harbingers of change. Hurricane Harvey certainly embodied both. Hurricanes are typical hazards for Texas and can have impacts far from the coast. Harvey struck land as a Category 4 storm and did catastrophic damage along the central coast areas of Rockport, Aransas Pass, and Copano Bay. Its hurricane force winds pushed inland to the Bastrop area before the storm moved east as a monster rain generator. Areas around Houston recorded all time record rainfall exceeding 50 inches in many locations. The unprecedented rainfall from this storm is forcing many community leaders and emergency officials to consider the future impact of similar storms on a rapidly growing urban area. Some experts are predicting that the Texas coast could experience more frequent events of this type in the future. Harvey has fundamentally changed how cities, counties, water districts, and river authorities plan for the future. This includes the TWCARME. We will continue to constantly ask how can the Fund better respond to the needs of its members.



We do have a track record built over the last thirty years of responsiveness to member needs brought about by legal and social changes. For example, a recent expansion of coverage helps protect trustees and officers of boards who are sued in their capacity as individuals. The coverage, which provides defense cost to get the individuals removed from these suits, was implemented because of a growing trend in groundwater litigation that tried to pressure individual trustees by using litigation as a weapon. Another emerging trend may be the growth of litigation in response to the actions of districts and authorities who are involved in managing floodwaters. Urban growth, impending changes in flood maps, and increased frequency of major rain events could also presage changes in the Fund's response to member needs.

I am confident that the leadership of the Fund will approach any future needs with the same deliberate and thoughtful consideration that was used in the past. The Fund's strength, as illustrated in this report, is the result of the cumulative efforts of the Fund's members who have contributed over time to its success. There is a wealth of historical and financial information in this report that I hope you find valuable and informative. We are well positioned to enjoy another thirty years of providing great service to our members.

Thank you,

Jace A. Houston

Chair, Texas Water Conservation Association Risk Management Fund



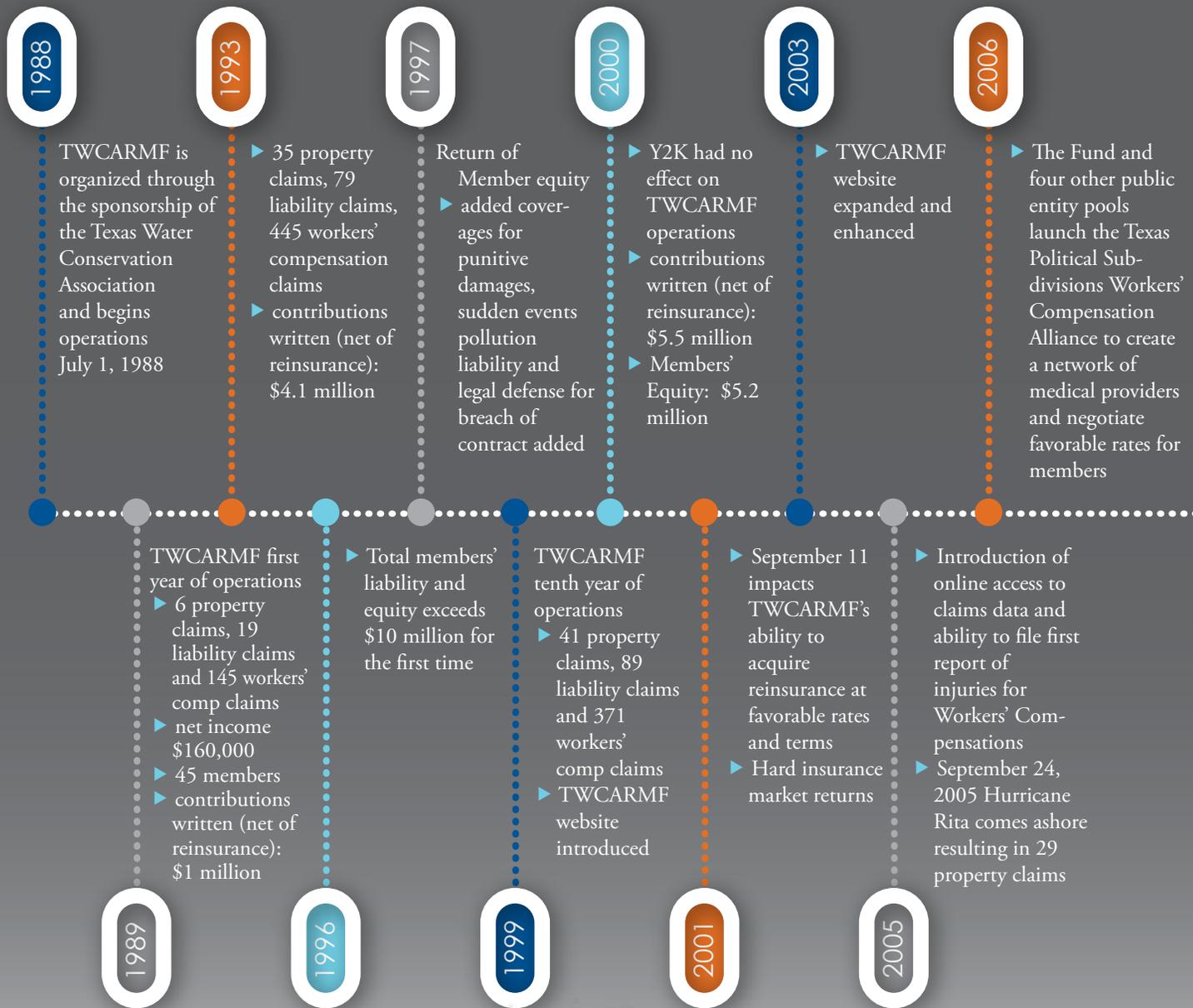
San Jacinto River Authority Water Treatment Plant at Lake Conroe

An Extraordinary Commitment to Service

The TWCA Risk Management Fund provides many important services for its members. The following list highlights some of the services that distinguish the Fund from its competitors and fulfill its commitment to core principles.

- ▶ Fund Members own and govern the Fund. The Board of Trustees is composed of members of executive staff from eleven different water districts and river authorities. Members also participate in the accumulated equity of the fund and are exposed to risk to that equity from losses that are not covered by contributions or the reinsurance program designed to protect the Fund.
- ▶ Protection from Catastrophic Losses through comprehensive reinsurance is provided by Government Entities Mutual and other A+ rated reinsurance carriers in a carefully designed program to protect the Fund and its members. The Fund retains a portion of each major claim then reinsurance pays for amounts above the retention up to their limit of liability. Current retentions and reinsurer limits are:

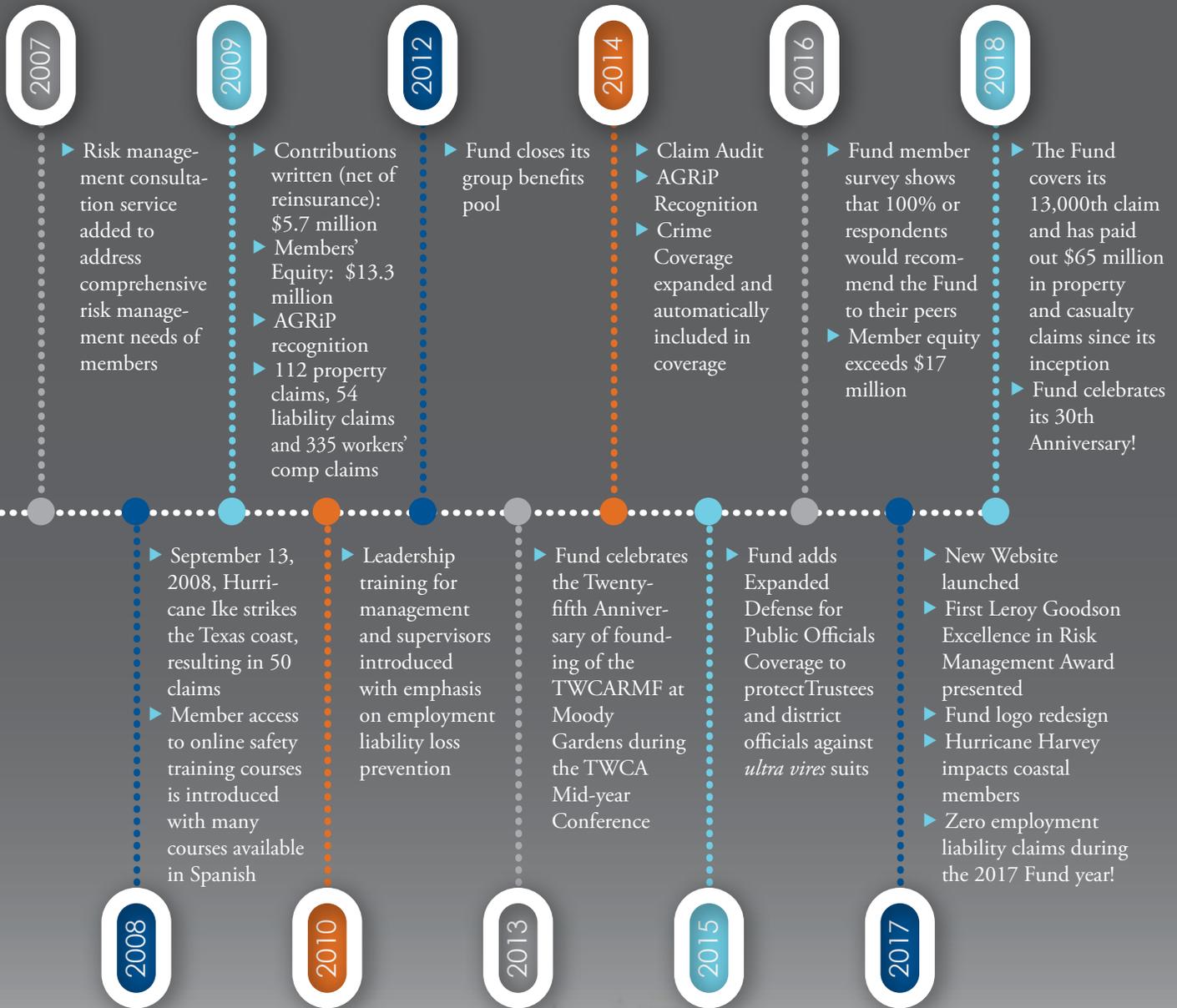
About the Fund



TWCARMF Reinsurance Protection

Coverage Program	Fund Retention	Reinsurer Limit of Liability	Maximum
Workers' Compensation	\$ 300,000	\$ 1,500,000	Statutory*
Liability	\$ 400,000	\$ 9,600,000	\$ 10,000,000
Property	\$ 200,000	\$ 500,000,000	\$ 500,000,000

*Statutory limits mean that there is no maximum limit on medical benefits available to injured workers. The reinsurance company will pay amounts above the retention and first layer of coverage (\$1,800,000).



▶ Loss Prevention services are provided by highly qualified Loss Control Consultants who visit members for facility safety inspections, direct consultations regarding specific safety issues, conduct safety training, coach safety committees and investigate serious accidents. For additional information about loss control services, including surveys and consultations, training, and property appraisals, contact Regan Rychetsky at 800-580-8922, extension 12305, direct at 512-427-2305 and e-mail at regan.rychetsky@yorkrsg.com.

▶ Risk Management Consultations provided by the staff risk management consultant address contract issues, claim analysis, policies and procedures designed to improve risk management. He also conducts comprehensive on site risk management reviews for members resulting in a report to management and recommendations for improvements. Richard Wigzell provides risk management consulting that looks at risk issues in all areas of district operations and policies. He can be reached at the same 800 number, extension 12438, direct at 512-427-2438 or by e-mail at richard.wigzell@yorkrsg.com.

▶ Loss Control staff members also develop and present Safety Seminars and Training on site for individual members or as regional workshops. These workshops are conducted at several locations around the state and are open to all members of the Fund. Workshops were presented across the state in:

- May 24, 2017 - Lubbock (hosted by High Plains UWD)
- June 14, 2017 - Friendswood (hosted by Galveston County Consolidated DD)
- August 30, 2017 - Wylie (hosted by North Texas MWD)
- October 18, 2017 -Conroe (hosted by San Jacinto RA)
- November 8, 2017 - Edinburg (hosted by RGV Managers)



Canyon Lake Dam and Hydroelectric Station, Guadalupe Blanco River Authority

▶ Leadership Training for managers and supervisors is provided through three courses of significant learning:

- Retaining, Encouraging and Developing Employees for Success
- Leadership Training II and
- Respect in the Workplace

Courses are taught either at the district or in a regional setting without cost to the member. For information and scheduling for Leadership Training contact Dan Hernandez at 800-580-8922, extension 12427, direct at 512-427-2427 or e-mail at dan.hernandez@yorkrsg.com.

▶ The quarterly *Risk Advisor* newsletter keeps Fund members informed of current trends and developments in safety and risk management.

▶ Periodic bulletins cover specific risk management topics such as Flood Insurance, Contracts and Hurricane Preparedness. Risk Alerts are issued as needed when members need to know about current risk related events such as tropical storms, cyber threats or flu pandemics.

▶ Legal Loss Prevention is offered on a case by case basis through attorneys familiar with water districts and Texas water law.

▶ Annual property valuations and periodic professional on-site appraisals insure currently valued coverage to prevent under-insurance in the event of a loss.

▶ Efficient Online Services for claim reporting and loss history

▶ Online Safety Training including Spanish language topics

▶ Online Renewals and Online MVR Checks with quick, same day response for new hires

▶ Re-designed and updated website with significant content including upcoming events, newsletters, annual reports, risk checklists and extensive FAQ guidance for contractor and vendor insurance requirements at www.twcarmf.org.

▶ Dedicated Claims staff handle workers' compensation, liability and property claims for the Fund.

▶ Workers' compensation claims adjusters are supported by a data analytics feature that evaluates claims in their very early stages to identify claims that may need allocation of additional medical resources. This process can help prevent adverse medical developments for the injured employee.

▶ Medical bill review for appropriateness is standard on every claim and accredited nurse case managers are available to help injured workers and their families navigate and understand medical treatment.



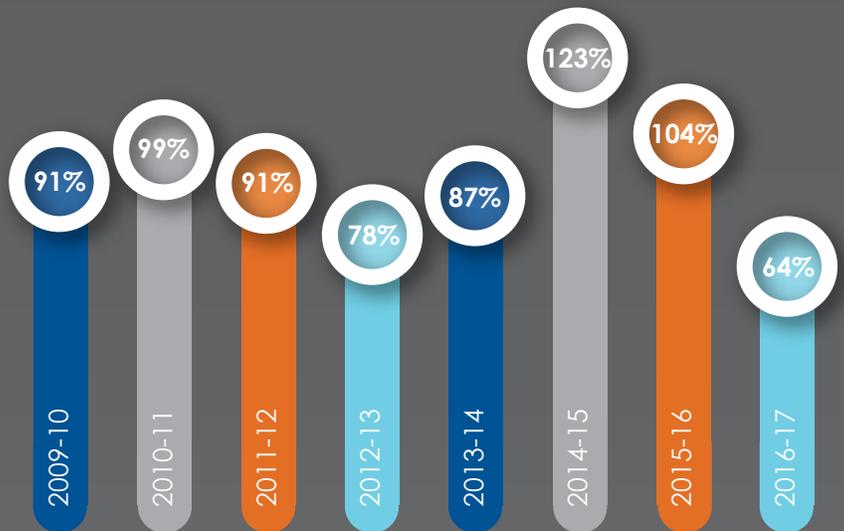
Key Indicators

Total assets of the Fund increased about \$400,000 over 2015/2016. Incurred losses decreased and member net position increased substantially. Member contributions decreased slightly due to reduced rates based on actuarial determinations and reduced loss estimates.



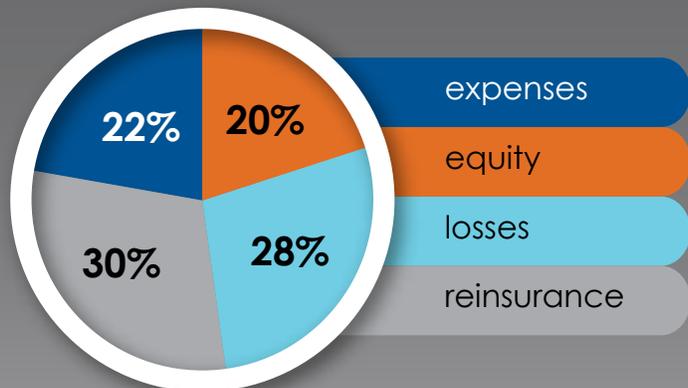
Combined Ratio

A combined ratio is an insurance industry measure of the relationship of claims costs and expenses to the premiums paid by their insureds. Results in the 2016/2017 year were more favorable than last year due decreased claim costs and actuarial revisions to estimated losses. This allowed for an increase in member net position, further strengthening the Fund.



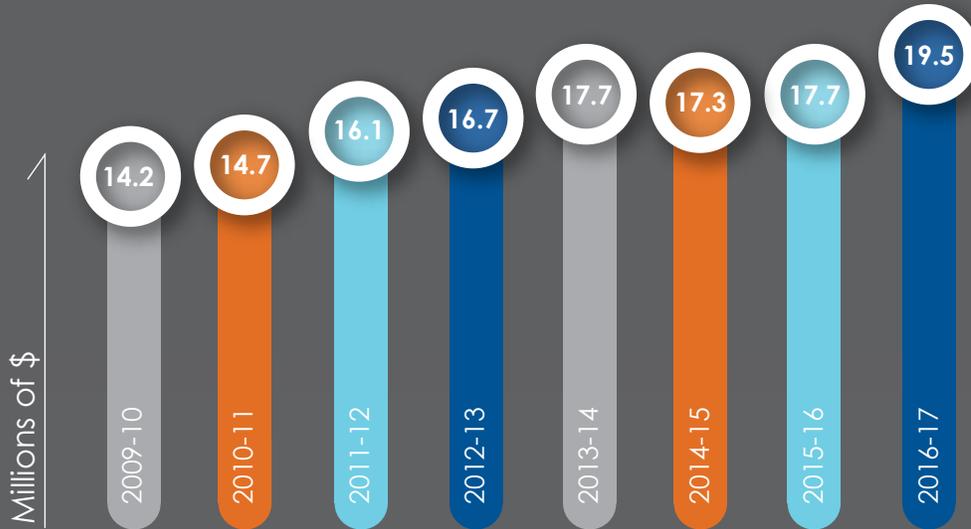
Use of Contributions

This chart illustrates the main categories of expense paid with member contributions.



Net Position

The progress of Members' Net Position or equity in the Fund is illustrated in the next chart. The more favorable results translate to a substantial increase this year.



The All Lines Loss Rate

The All Lines Loss Rate is a benchmark of the total of all claims incurred in the 2016/2017 Fund year against the net operating expenditures of all members of the Fund. The rate shown is claims cost per \$1,000 of net operating expenditures.



To the Board of Trustees of
Texas Water Conservation Association Risk Management Fund:

Report on the Financial Statements

We have audited the accompanying financial statements of Texas Water Conservation Association Risk Management Fund (the “Fund”), which comprise the balance sheets as of June 30, 2017 and 2016, and the related statements of operations and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fund’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Texas Water Conservation Association Risk Management Fund as of June 30, 2017 and 2016, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis and the claims development information and changes in claims liabilities be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United

States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Financial Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying other financial information, consisting of balance sheets by program as of June 30, 2017, and the statements of operations and changes in net position by program for the year ended June 30, 2017, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Haltzman Partners, LLP

December 15, 2017
Austin, Texas



El Paso Water Utilities Desalination Plant

Balance Sheets

As of June 30, 2017 and 2016

ASSETS	2017	2016
CURRENT ASSETS:		
Cash and cash equivalents (Note 3)	\$ 5,216,495	\$ 9,394,819
Investments – short-term (Note 3)	4,994,650	1,989,000
Contributions receivable from members, including unbilled contributions of \$289,973 and \$646,315 at June 30, 2017 and 2016, respectively (Note 2)	395,491	737,655
Accrued interest	59,324	28,692
Prepaid expenses	2,624,042	2,642,723
Total current assets	13,290,002	14,792,889
NONCURRENT ASSETS:		
Investments – long-term (Note 3)	12,958,290	11,042,480
Other assets – long-term (Note 9)	500,000	500,000
Total noncurrent assets	13,458,290	11,542,480
TOTAL	\$ 26,748,292	\$ 26,335,369
LIABILITIES		
CURRENT LIABILITIES:		
Reserve for losses and loss adjustment expenses — net of reinsurance (Notes 5 and 6)	\$ 1,329,012	\$ 1,880,148
Unearned member contributions	2,205,674	2,101,807
Other accrued expenses and liabilities	181,938	125,154
Total current liabilities	3,716,624	4,107,109
LONG-TERM LIABILITIES – Reserve for losses and loss adjustment expenses – net of reinsurance (Notes 5 and 6)	3,572,967	4,563,865
Total liabilities	7,289,591	8,670,974
NET POSITION – unrestricted	19,458,701	17,664,395
TOTAL	\$ 26,748,292	\$ 26,335,369

See notes to financial statements.

Statements Of Operations And Changes In Net Position

For the Years Ended June 30, 2017 and 2016

	2017	2016
CONTRIBUTIONS:		
Gross contributions earned	\$ 7,320,072	\$ 7,135,402
Reinsurance contributions ceded (Note 6)	(2,635,491)	(2,280,315)
Net earned contributions	4,684,581	4,855,087
LOSSES AND LOSS ADJUSTMENT EXPENSES: (Notes 5 and 6)		
Paid losses and loss adjustment expenses – net of deductibles and reinsurance recoveries	2,536,839	2,638,877
Change in reserve for losses and loss adjustment expense – net of deductibles and reinsurance recoverables	(1,542,039)	406,358
Net incurred losses and loss adjustment expenses	994,800	3,045,235
OTHER OPERATING EXPENSES:		
Contract and support fees (Notes 4 and 7)	1,329,494	1,332,549
Loss control fees	385,315	363,199
Legal and professional fees	133,609	160,574
Other expenses	151,177	128,142
Total other operating expenses	1,999,595	1,984,464
OPERATING INCOME (LOSS)	1,690,186	(174,612)
OTHER INCOME:		
Investment income	157,760	329,776
Change in fair value of investments	(53,640)	212,635
Total other income	104,120	542,411
NET INCOME	1,794,306	367,799
NET POSITION – Beginning of year	17,664,395	17,296,596
NET POSITION – End of year	\$ 19,458,701	\$ 17,664,395

See notes to financial statements.

The TWCA Risk Management Fund offers three comprehensive programs tailored to meet the vast majority of water districts' and authorities' insurance needs.

Workers' Compensation

Workers' compensation coverage responds to injuries to district employees who are injured on the job while in the course of their employment. Workers' compensation covers medical bills, rehabilitative and lost income benefits for district and authority employees. Claims adjusters work with the employer to return the employee to meaningful work as soon as possible. To insure the most efficient use of members' contributions claims adjusters employ significant cost savings strategies by directing medical care to pre-approved providers who are members of the Political Subdivision Workers Compensation Alliance. Medical providers in the Alliance have negotiated rates with the Fund and agree to provide immediate care to member employees. Adjusters also use a data analytics approach to identify claims that should be subject to more comprehensive or aggressive treatment early in the development of the claim to help prevent possible medical deterioration. Other cost and claim management measures include a drug formulary, pre-authorization of treatment, medical bill review and assignment of nurse case managers to complex claims.

Liability

The Fund offers automobile liability (AL), general liability (GL), and public official's errors & omissions (E&O) coverages. The liability coverages have been custom tailored to meet the exposures commonly faced by water districts and authorities in Texas. Some examples of this include the addition of options for dam failure liability, limited pollution coverage, defense for breach of contract, assumption of liability by contract, increased coverage for non-owned automobiles, and employment practices liability including employee benefits coverage. A recent addition to coverage provides a limited legal defense for individual board members to get them dismissed from "ultra vires" actions against their district. Limit options are available up to \$10 million for the three major lines of liability coverage.

Property

Property, including buildings, office contents, computers, contractor's equipment, water and wastewater treatment equipment and vehicles owned by the district are also protected against loss. The Texas Water Conservation Association Risk Management Fund provides very broad property coverage for members' property. The insuring agreement in the coverage document grants the coverage based on the principle that if something is not specifically excluded or insured by some other type of coverage, then the property listed on the policy is covered. Basic crime coverage is now included with higher limits of liability available.

Cyber Liability

Cyber Liability coverage outside the Fund can be placed with a Lloyd's of London syndicate that pioneered and specializes in this coverage. They have a standing Breach Response Unit that will guide a member's response to an incident with forensics, attorneys, notification and public relations strategies. Coverage is also provided for damage caused by a breach with limits of liability up to \$5,000,000.

Renewal

The overall program of coverage is subject to constant evaluation and revision based on the input and needs of the members. This process of renewal and evolution has been going on since 1988 and continues to improve and broaden coverage as risk to our members becomes more complex and pervasive.



Aftermath of Hurricane Ike in 2008

Past and Present Trustees of the Texas Water Conservation Risk Management Fund

Charter Board Members

Ronald J. Neighbors, Chair

General Manager
Harris- Galveston Subsidence District
1988 – 2014
Chair Emeritus

Jerry R. Dunn, Vice-Chair

Deputy General Manager
Gulf Coast Waste Disposal Authority
1988 – 1999

Leroy Goodson, Secretary

General Manager
Texas Water Conservation Association
1988 – 2015

Richard S. Bowers

General Manager
North Plains Underground Water Conservation District #1
1988 – 1991

B. W. Bruns

General Manager
Upper Guadalupe River Authority
1988 – 1993

Edd Fifer

General Manager
El Paso County Water Improvement District #1
1988

Dennis W. Marrin

Chief, Administrative Services
San Antonio River Authority
1988 – 1999

Ramona A. Winer

Administrative Services Manager
Trinity River Authority
1988 – 1991

James R. Webb

General Manager
Brownsville Irrigation and Drainage District
1988 – 1994

Jack Wooley

General Manager
Brazos River Authority
1988 – 1989

Subsequent Board Service

James L. Cooksey, Vice Chair

Manager, Financial Services/Controller
Gulf Coast Waste Disposal Authority
1988 – 2015

Sam Collins

General Manager
Sabine River Authority
1989 – 1992

Madeline Robson

Manager, Management Services
Tarrant Regional Water District
1991 – 2007

J. R. Lewis,

Assistant Manager
Colorado River Municipal Water District
1992 – 1999

John C. Williams

General Manager
Canadian River Municipal Water Authority
1993 – 2001

Wayne Halbert

General Manager
Harlingen Irrigation District Cameron County #1
1994 – 2005

Sharon McCoy-Huber

Financial Services Manager
San Antonio River Authority
2000 – 2014

James Parks

Executive Director
North Texas Municipal Water District
2001 – 2014

Tom Kula
Executive Director
North Texas Municipal Water District
2015 – 2016

Ricky Clifton
General Manager
Gulf Coast Authority
2015 – 2017

Current Board Service

David Montagne
General Manager
Sabine River Authority
1992 – present

John Grant
General Manager
Colorado River Municipal Water District
1999 – present

Alvin Schuerg
Senior Advisor to the General Manager
Guadalupe–Blanco River Authority
1999 – present

Sonny Hinojosa
General Manager
Hidalgo County Irrigation District #2
2005 – present

Norman Ashton
Risk Manager
Tarrant Regional Water District
2007 – present

Jace Houston, Chair
General Manager
San Jacinto River Authority
2008 – present

Sonia Lambert, Vice Chair
General Manager
Cameron County Irrigation District #2 and
Cameron County Drainage District #3
2012 – present

Kathy Turner Jones
General Manager
Lone Star Groundwater Conservation District
2014 – present

Rodney Rhoades
Associate General Manager
North Texas Municipal Water District
2016 – present

Bruce Knott
Director of Human Resources
San Antonio River Authority
2014 – present

Lori Traweek
General Manager
Gulf Coast Authority
2017 – present

TWCA Officers of the Board

Leroy Goodson
TWCA General Manager
1988 – 2015
Board Secretary

Dean Robbins
TWCA General Manager
2015 – present
Board Secretary

Managers and Advisors

Fund Administrator
York Risk Services Group, Inc./ York Pooling
Austin, Texas

Actuary
Steven A. Glicksman, FCAS, MAAA
Boca Raton, Florida

Financial Auditor
Holtzman Partners, LLP
Austin, Texas

Investment Consultant
Concord Advisory Group
Princeton, New Jersey

River Authorities

Angelina & Neches River Authority
 Brazos River Authority
 Guadalupe-Blanco River Authority
 Lower Colorado River Authority
 Nueces River Authority

Sabine River Authority of Texas
 San Antonio River Authority
 San Jacinto River Authority
 Sulphur River Basin Authority
 Upper Colorado River Authority

Municipal Water Districts and Authorities

Canadian River Municipal Water Authority
 Coastal Water Authority
 Colorado River Municipal Water District
 Franklin County Water District
 Greater Texoma Utility Authority
 Gulf Coast Waste Disposal Authority

North Harris County Regional Water Authority
 North Texas Municipal Water District
 Riverbend Water Resources District
 Tom Green County Fresh Water Supply District #2
 Upper Neches River Municipal Water Authority
 West Central Texas Municipal Water District

Municipal Utility Districts

New Caney Municipal Utility District
 Roman Forest Consolidated Municipal Utility District

Wells Branch Municipal Utility District

Special Utility Districts

Mustang Special Utility District

Marilee Special Utility District

Water Control & Improvement Districts

Angelina & Nacogdoches County Water Control
 and Improvement District #1
 Brown County Water Improvement District #1
 Cameron County Water Improvement District #10
 Hidalgo County Water Improvement District #3
 Hidalgo County Water Control and Improvement District #19
 Jefferson County Water Control
 and Improvement District #10

Maverick County Water Control and Improvement District #1
 Stonewall Water Control and Improvement District
 Tarrant Regional Water District
 Tom Green County Water Control
 and Improvement District #1
 Wichita County Water Improvement District #2
 Zavala-Dimmit Counties Water Improvement District #1

Groundwater Conservation Districts

Coastal Bend Groundwater Conservation District
 Coastal Plains Groundwater Conservation District
 Evergreen Underground Water Conservation District
 Fort Bend Subsidence District
 Harris-Galveston Subsidence District
 Hemphill County Underground
 Water Conservation District
 High Plains Underground Water Conservation District
 Kenedy County Groundwater Conservation District
 Lone Star Groundwater Conservation District
 Medina County Groundwater Conservation District
 Mid-East Texas Groundwater Conservation District

North Plains Groundwater Conservation District
 North Texas Groundwater Conservation District
 Northern Trinity Groundwater Conservation District
 Panhandle Groundwater Conservation District
 Panola County Groundwater Conservation District
 Pineywoods Groundwater Conservation District
 Plum Creek Conservation District
 Prairielands Groundwater Conservation District
 Red River Groundwater Conservation District
 Sandy Land Underground Water Conservation District
 Upper Trinity Groundwater Conservation District



Port Authorities & Navigation Districts

Chambers-Liberty Counties Navigation District
Orange County Navigation and Port District

Victoria County Navigation District
West Side Calhoun County Navigation District

Irrigation Districts

Adams Gardens Irrigation District #19
Brownsville Irrigation District
Cameron County Irrigation District #2
Cameron County Irrigation District #6
Delta Lake Irrigation District
Donna Irrigation District Hidalgo County #1
Harlingen Irrigation District Cameron County #1
Hidalgo County Irrigation District #1

Hidalgo County Irrigation District #2
Hidalgo County Irrigation District #5
Hidalgo County Irrigation District #16
Hidalgo and Cameron Counties Irrigation District #9
Santa Cruz Irrigation District #15
United Irrigation District of Hidalgo County
Valley Acres Irrigation District
Ward County Irrigation District #1

Drainage Districts

Brazoria County Drainage District #4
Brookshire-Katy Drainage District
Cameron County Drainage District #1
Cameron County Drainage District #3
Cameron County Drainage District #5

Galveston County Consolidated Drainage District
Jefferson County Drainage District #3
Jefferson County Drainage District #7
Orange County Drainage District of Texas
San Patricio County Drainage District

The Fund's 2017 safety awards were presented at the Texas Water Conservation Association's Fall Conference in San Antonio. The four categories of winners were:

The Leroy Goodson Excellence in Risk Management Award

The Leroy Goodson Excellence in Risk Management Award recognizes the effort it takes to achieve great results in all areas of risk management. It is named for Leroy Goodson, former General Manager of the TWCA to honor his commitment to effective risk management through his constant effort to grow and improve the Fund from its inception in 1988 until his retirement in 2016. Winners in each category are selected based on their claims experience in comparison to all other members of the Fund.

▶ **Brazoria County Drainage District #4**



Hurricane Rita hits Texas in 2005

**Outstanding
Safety Record
in Workers'
Compensation**

The following water districts and authorities had superior experience in workers' compensation claims as reflected by their workers' compensation experience modifier of .75 or better. The experience modifier reflects how well a district or authority has controlled its losses over the past four years.

- ▶ **Gulf Coast Authority**
- ▶ **Coastal Water Authority**
- ▶ **Jefferson County Drainage District #7**

**Most Improved
Safety Record
in Workers'
Compensation**

The 2016-17 workers' compensation experience modifiers for the following districts and authorities have declined by greater than 10 percent from their 2015-16 levels with a resulting modifier of less than 1.00.

- ▶ **Hidalgo County Irrigation District #1**
- ▶ **Orange County Drainage District of Texas**
- ▶ **San Antonio River Authority**

**Outstanding
Safety Record in
Liability**

The 2016-17 liability experience modifier reflects the best liability loss history in General Liability, Automobile Liability and Errors & Omissions with a best combined underwriting factor for all three liability coverages.

- ▶ **Harlingen Irrigation District Cameron County #1**
- ▶ **Canadian River Municipal Water Authority**
- ▶ **Brown County Water Improvement District #1**
- ▶ **Cameron County Drainage District #3**
- ▶ **Mustang Special Utility District**
- ▶ **Hidalgo County WCID #19**
- ▶ **Marilee Special Utility District**

The Association of Governmental Risk Pools accredited the Fund as compliant with their high standards of pool governance and management. The standards are recognized as the “best practices” by public entity pools across the United States.



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