



**EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)
BOARD OF DIRECTORS MEETING
AGENDA**

**Tuesday, June 12, 2018
9:00 a.m.**

**Bickmore
1750 Creekside Oaks Drive, Suite 200
Sacramento, CA 95833**

In compliance with the Americans with Disabilities Act, if you need a disability-related modification or accommodation to participate in this meeting, please contact Jennifer Jobe at (916) 244-1141 or (916) 244-1199 (fax). Requests must be made as early as possible, and at least one full business day before the start of the meeting.

Documents and materials relating to an open session agenda item that are provided to the ERMA Board of Directors less than 72 hours prior to a regular meeting will be available for public inspection at 1750 Creekside Oaks Dr., Suite 200, Sacramento, CA 95833.

Page 1. CALL TO ORDER

2. INTRODUCTIONS

3. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

4. PUBLIC COMMENTS - This time is reserved for members of the public to address the Board relative to matters of ERMA not on the agenda. No action may be taken on non-agenda items unless authorized by law. Comments will be limited to five minutes per person and twenty minutes in total.

5. CONSENT CALENDAR

If a Board member would like to discuss any item listed, it may be pulled from the Consent Calendar.

- | | |
|-----------|---|
| 5 | *A. Minutes of May 1, 2018, Board of Directors Meeting and Summary of Action Items |
| 16 | *B. General Warrants from April 16, 2018, through May 31, 2018 |
| 17 | *C. Claims Payments from April 16, 2018, through May 31, 2018 |
| 18 | *D. Petty Cash Statement from April 16, 2018, through May 31, 2018 |
| 19 | *E. Memorandum of Coverage for the 2018/19 Program Year |
| 51 | *F. Biennial Review of the Conflict of Interest Code |

Recommendation: Approval of the Consent Calendar.

6. ADMINISTRATIVE MATTERS

- 54 A. 2018/19 Goals and Objectives Update

Recommendation: None.

- 55 *B. Proposed Draft Resolution No. 2017-8 Establishing Criteria for Approval of Investigators

Recommendation: Staff recommends the Board of Directors approve Resolution No. 2017-8 Establishing Criteria for Approval of Investigators, as presented.

7. MEMBERSHIP MATTERS

- 62 *A. Prospective New Member – The City of San Jacinto (PERMA)

Recommendation: The Underwriting Committee recommends the Board of Directors approve the City of San Jacinto (PERMA) at a \$25,000 SIR, effective July 1, 2018.

8. COVERAGE MATTERS

- 69 *A. Discussion and Action Regarding Excess Coverage for the 2018/19 Program Year

Recommendation: Staff recommends the Board of Directors authorize binding excess coverage through RSUI for the 2018/19 Program Year as stated in Option #2: \$2M per claim/\$4M per member aggregate/\$10M policy aggregate.

- 80 *B. Request from the City of McFarland (CSJVRMA) to Reduce Self-Insured Retention

Recommendation: Staff recommends the Board of Directors approve the request from the City of McFarland to reduce their self-insured retention from \$75,000 to \$50,000, effective July 1, 2018.

9. TRAINING/LOSS PREVENTION MATTERS

- 82 A. Risk Assessment Updates – Cities of McFarland, Pittsburg & West Hollywood

Recommendation: None.

10. FINANCIAL MATTERS

- 83 *A. Proposed Administrative and Operating Budget for the 2018/19 Program Year

Recommendation: Staff recommends the Board of Directors approve the 2018/19 Proposed Operating Budget at the 80% Confidence Level, and optional excess coverage of \$2 Million X \$1 Million.

- 108 *B. Approval of the California Asset Management Program (CAMP) as an Alternative to the Local Agency Investment Fund (LAIF)

Recommendation: Staff recommends the Board of Directors approve enrollment in the CAMP Pool to be used as an alternative liquid investment option to LAIF.

11. CLAIMS MATTERS

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A. Pursuant to Government Code Section 54956.95(a), the Board of Directors will recess to closed session to discuss the following claims:

- Armstrong v. City of Pleasant Hill
- Borja/Moore/Cordero v. City of Adelanto
- Carter/Riley v. City of Barstow
- Villareal v. Oakland Housing Authority
- Santana v. City of Wasco

B. Report from Closed Session

Pursuant to Government Code 54957.1, the Board of Directors must report in open session any action, or lack thereof, taken in closed session.

12. CLOSING COMMENTS

This time is reserved for comments by the Board of Directors members and staff and to identify matters for future Board of Directors business.

A. Board of Directors

B. Staff

13. ADJOURNMENT

NOTICES:

- The next Board of Directors meeting will be held on November 5, 2018, 9:00 a.m. at the Bickmore office in Sacramento, CA.

CONSENT CALENDAR

SUBJECT: Consent Calendar

BACKGROUND AND STATUS:

The Consent Calendar consists of items that require approval or acceptance but are self-explanatory and require no discussion. If the Board would like to discuss any item listed, it may be pulled from the Consent Calendar.

RECOMMENDATION:

Approval of the Consent Calendar.

REFERENCE MATERIALS ATTACHED:

- *A. Minutes of May 1, 2018, Board of Directors Meeting and Summary of Action Items
- *B. General Warrants from April 16, 2018, through May 31, 2018
- *C. Claims Payments from April 16, 2018, through May 31, 2018
- *D. Petty Cash Statement from April 16, 2018 through May 31, 2018
- *E. Memorandum of Coverage for the 2018/19 Program Year
- *F. Biennial Review of the Conflict of Interest Code

EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)

**MINUTES OF THE BOARD OF DIRECTORS
MEETING OF MAY 1, 2018**

A regular meeting of the Board of Directors of ERMA was held on May 1, 2018, at the Bickmore office in Sacramento, CA.

BOARD MEMBERS PRESENT: Scott Ellerbrock, President, PERMA
John Gillison, Vice President, PARSAC
Truc Dever, Treasurer, VCJPA
John Duckett, SCORE
Charlene Calica, CCCHA
Artesia Dupree, OHA (*arrived at 9:30 a.m.*)
Robert Thompson, CalTIP (*arrived at 9:55 a.m.*)

BOARD MEMBERS ABSENT: Don White, ERMAC
Linda Cox, MPA
Jamie Goldstein, MBASIA
Stuart Schillinger, BCJPIA

ALTERNATE MEMBERS PRESENT: Joanne Rennie, PARSAC
Todd Cusimano, BCJPIA
Shannon Esenwein, CSJVRMA

ALTERNATE MEMBERS ABSENT: Kerry Trost, PERMA

Brett Miller, MBASIA
Tracy Robinson, MPA
Roger Carroll, SCORE
Jamie Scott, VCJPA
George Fink, CalTIP
Joseph Villarreal, HACCC
Drew Felder, OHA

OTHERS PRESENT: Jennifer Jobe, Executive Director
Nancy Broadhurst, Finance Manager
Chee Xiong, Senior Accountant
Greg O'Dea, General Counsel
Julia Byrd, Legal Analyst
Rob Kramer, BCJPIA
Jaesa McCulligan, BCJPIA
Micheon Balmer, CalTIP
Jeanette Workman, CSJVRMA
Chrissy Mack, CSJVRMA
Marcus Beverly, SCORE/ERMAC
Derek Burkhalter, Bickmore
Will Portello, Bickmore
Joyce DeVries, Bickmore
Conor Boughey, Alliant Insurance Services

Seth Cole, Alliant Insurance Services
Michael Christian, Jackson Lewis
Geoffrey Sheldon, Liebert Cassidy Whitmore

1. CALL TO ORDER

The May 1, 2018, Board of Directors meeting was called to order at 9:02 a.m. by President Scott Ellerbrock.

2. INTRODUCTIONS

A majority of the members were present constituting a quorum.

3. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

John Gillison, moved to approve the agenda as amended; seconded by Truc Dever. The motion passed unanimously.

4. PUBLIC COMMENTS

None

5. CONSENT CALENDAR

John Gillison moved to approve/accept the following items: A) Minutes of February 9, 2018, Board of Directors Meeting and Summary of Action Items; B) General Warrants from January 1, 2018, through April 15, 2018; C) Claims Payments from January 1, 2018 through, April 30, 2018; D) Petty Cash Statement from January 1, 2018, through April 15, 2018; E) Treasurer's Report as of March 31, 2018; F) Internal Financial Statements as of March 31, 2018; G) Master Program Document for the Pooled Employment Practices Liability Program as Amended, Effective February 10, 2017; H) Rescission of City of Walnut Creek SIR Increase for the 2018/19 Program Year; seconded by Scott Ellerbrock. The motion passed unanimously.

6. ADMINISTRATIVE MATTERS

A. ERMA Nineteenth Annual Workshop

Ms. Jennifer Jobe, Executive Director, reported the proposed dates for the 2019 Annual Workshop will be Thursday, February 7, and Friday, February 8. Staff solicited a proposal from the Dream Inn, as the Board has been pleased with both the venue and the services. The proposed 2019 rates remained static, with room rates at \$199. Ms. Jobe solicited feedback from the Board as to whether additional proposals should be solicited from alternate venues. President Ellerbrock noted the Board was pleased with the Dream Inn and directed staff to

execute a contract with the Dream Inn for the 2019 Annual Workshop.

B. Draft Resolution Establishing Meeting Dates for the 2018/19 Program Year

Ms. Jobe presented a Draft Resolution Establishing Proposed Meeting Dates for the 2018/19 Program Year as follows: Monday, November 5, 2018; Thursday and Friday, February 7 & 8, 2019 (Annual Workshop/Board Meeting); Tuesday, April 30, 2019; and Tuesday, June 11, 2019.

Truc Dever moved to approve Draft Resolution Establishing Meeting Dates for the 2018/19 Program Year, as amended due to the change of start time; seconded by Scott Ellerbrock. The motion passed unanimously.

C. Draft Resolution No. 2017-7 Requiring Members to Provide Proof of Compliance with Training Mandated by State Law

Ms. Jobe reported the January 1, 2018 implementation of SB 396 requires the inclusion of gender identity, gender expression and sexual orientation as part of AB 1825 mandated training. Ms. Jobe further stated this language was included and, as well, additional language to include retaliation and all forms of discrimination, not limited solely to sexual discrimination. Ms. Jobe concluded by noting Mr. Greg O'Dea, General Counsel, reviewed and approved the draft resolution.

John Gillison moved to approve Resolution 2017-7 Requiring Members to provide proof of compliance and Training Mandated by State Law; seconded by Todd Cusimano. The motion passed unanimously.

D. Proposed Revisions to the Financial Stability Plan

Ms. Nancy Broadhurst, Finance Manager, stated that discussions regarding budget controls have ensued in recent Board meetings. Ms. Broadhurst noted at the February 2018 meeting, an addendum to the Income Statement was added for the purpose of noting any line items that were anticipated to exceed budget during the program year. Ms. Broadhurst further noted that while the Board felt the addendum was useful, staff was asked to bring forward a Budget Control Policy for consideration that would allow the Board to approve variances in spending categories.

Ms. Broadhurst proposed that as the purpose of ERMA's Financial Stability Plan (Plan) is to "ensure the long-term financial viability and stability of the Employment Risk Management Authority (ERMA)", it seemed appropriate to include budget control provisions within this policy document that houses all of the Board's financial programs and policies. As such, Ms. Broadhurst noted the proposed revisions to the Plan were included in red-line strike-out format.

Ms. Broadhurst then presented the proposed budget control provisions included in the revised Plan. Staff will continue to prepare the addendum to the Income Statement each

quarter to report the individual line items expected to exceed budgeted amounts for the program year. In addition, if spending in one of the three major spending categories on the income statement - Claims Expense, Loss Prevention & Training, or General Administration – exceeded the budget, the overage would be presented to the Board for their approval.

An additional proposed change to the Plan states the annual Retrospective Adjustment Calculation will be presented at the June meeting rather than the April meeting, due to the difficulty of completing the calculations on time. Ms. Broadhurst noted indications will continue to be provided to the Board at the April meeting.

Truc Dever moved to approve the proposed revisions to the Financial Stability Plan; seconded by Todd Cusimano. The motion passed unanimously.

E. Consideration of Board Member Attendance at AGRiP Conferences

Ms. Jobe reported that following the Board's approval to join the Association of Governmental Risk Pools (AGRiP), staff was directed to develop an estimate of costs for a Board Member or staff attendance at the three AGRiP conferences conducted on an annual basis. Ms. Jobe reviewed the estimated costs which include registration, transportation based on the locations as identified for the 2018/19 year, and other miscellaneous costs. Ms. Jobe reminded the Board of the discussion at the February, 2018 meeting noting several of the primary pools are already members of AGRiP and, as such, some Board Members may attend AGRiP conferences through their primary pool. With respect to staff, Ms. Jobe noted she attends AGRiP conferences through Bickmore. Ms. Jobe concluded by stating the Memberships and Conferences line item in the preliminary 2018/19 Program Year Budget had been augmented by \$5,000 to account for the costs associated with two Board Member's attendance at an AGRiP conference. Discussion ensued regarding the importance of the availability of funds for Board Members to access. The Board concluded the budget line item increase was appropriate and directed staff to provide updates as to overall usage and continued need moving forward.

F. Excess Coverage Marketing Update for the 2018/19 Program Year

Mr. Seth Cole, Alliant, presented the Board with an update on the excess coverage marketing efforts. Mr. Cole advised that RSUI offered the renewal at the expiring renewal rate of \$1,000,000 each claim per member with a \$2,000,000 per member aggregate and a \$10,000,000 policy aggregate. In addition, RSUI provided various other options that included increased per claim, per member and policy aggregate limits.

Mr. Cole advised six markets were solicited, including Markel, Hartford, Ironshore, Chubb, AIG, Beazley, and Hartford and a full report will be provided to the Board at the June 12, meeting.

The Board inquired as to what percentage of historical claims has exceeded \$1,000,000. Ms.

Jobe advised ERMA has incurred three claims in excess of \$1,000,000; however, the total has been less than \$4,000,000, and 18 in excess of \$500,000.

7. TRAINING/LOSS PREVENTION MATTERS

A. City of Adelanto (PERMA) Risk Assessment Update

Mr. Will Portello, Bickmore, reported that in November, 2017, the City of Adelanto was identified for a risk assessment based upon target ratio calculations. Ms. Kathy Maylin, Litigation Manager, in the course of conducting the risk assessment, met with Adelanto's City Manager, interim City Manager, and City Counsel. Ms. Maylin also attended City Council meetings and discussed with the Council, pending claim allegations. Specialized City Council training was conducted for the City in addition to numerous offers to provide assistance and guidance relative to the on-going administrative issues.

B. Review of Training Program for 2018/19 Program Year

Ms. Jobe reported on an annual basis, ERMA conducts 47 live, regional and individual trainings throughout the State. Ms. Jobe stated that of the 47 allocated trainings, 25 are conducted by Bickmore under the pool administration contract and 22 are conducted by ERMA's attorney partner firms, Jackson Lewis, and Liebert Cassidy Whitmore (LCW), or another approved vendor.

Ms. Jobe advised following review and discussion amongst staff, LCW, Jackson Lewis, and 34th Street Consulting the following proposed slate of training workshop topics were presented for the Board's review and consideration:

1. **AB 1825:** Prevention of Harassment, Discrimination, and Retaliation
2. **Term or Not to Term:** A step-by-step guide to employee discipline in the public sector.
3. **Performance Management:** How to prepare and write performance evaluations and performance improvement plans.
4. **Sexual Harassment Prevention and Workplace Standards:** A 3-hour program including 2 hours of AB 1825 compliance with a broader discussion of respect and professionalism in the workplace.
5. **Prevention of Workplace, Harassment, Discrimination, Retaliation, and Bullying:** Provide guidance on managing day-to-day interactions to prevent unlawful discriminatory harassment and retaliation and meets requirements of AB 1825 and AB 2053.
6. **Bias in the Workplace:** How to recognize and acknowledge your own biases and how to make objective, unbiased decisions. Discussions regarding how commonplace language and behaviors might communicate hostility to others (micro-aggressions), as well as strategies for having difficult conversations around bias.
7. **Human Resources for Non-HR Managers:** Train supervisors to effectively and

appropriately respond to situations that place the agency at risk by offering real-life scenarios and recommendations for dealing with a myriad of legal and interpersonal issues in the workplace.

8. **Making the Most of Your Multi-Generational Workforce**: Assist agencies in making the most of their generationally-diverse workforce – from Traditionalists born before 1945 to Gen Z.
9. **Leading the Charge to Change**: Identify the process of changing a culture, the common pitfalls that organizations face in change management, the role of leaders in the process, and the tools needed by leaders to shepherd the change from its inception to its sustained implementation.

The Board requested the full slate of trainings be made available to the membership. Ms. Jobe advised a solicitation email would be distributed to the membership in order to schedule trainings for member agencies interested in serving as host sites. Staff will provide a calendar of scheduled training dates to the membership by July 1.

Todd Cusimano moved to approve the proposed Training Program for the 2018/19 Program Year; seconded by John Duckett. The motion passed unanimously.

C. Ad Hoc Training Committee Update

Ms. Jobe reported the Ad Hoc Training Committee has not had the opportunity to meet since the last report to the Board in February, 2018. She stated staff has received confirmation from both attorney partner firms that all of the reviews of their assigned member agencies have been conducted and completed. Ms. Jobe stated the data received via the surveys will be utilized to develop a member-wide program that focuses upon identified areas of deficiency. Staff was directed to provide the Committee with an accounting as to the funds expended to-date from within the Capital Contribution Fund. Ms. Jobe advised costs to-date, are below budget.

8. COVERAGE MATTERS

A. Review of the City of Adelanto's (PERMA) Self-Insurance Retention

Mr. Portello reported that following the results of the City of Adelanto's risk assessment, staff recommends the Board consider an increase to the City's self-insured retention (SIR) from \$100,000 to \$250,000, effective July 1, 2018. Ms. Jobe noted the City has participated in ERMA since 2003 and provided the Board with background relative to their historical SIRs. In 2015, the City requested an SIR reduction from \$250,000 to \$25,000; however, as there were significant concerns relative to their fiscal security, the Board approved an SIR reduction to \$100,000. The City has incurred a total of ten claims, six of which were incurred within the last two years. Ms. Jobe also noted the City has been advised the ERMA Board will consider an imposed SIR increase and will provide a recommendation, effective July 1, 2018. Discussion ensued regarding the City's financial ability to manage an increased retained limit. The Board directed staff to advise the City of their decision to increase the SIR

from \$100,000 to \$250,000 and, as well, the Board's intent to review the City's continued participation in ERMA at the November 5, 2018 meeting.

John Gillison moved to increase the City's SIR to \$250,000, effective July 1, 2018. In addition, the Board will add to the Agenda for the November 5, 2018, meeting, discussions regarding the City's continued participation as an ERMA member; seconded by Todd Cusimano. The motion passed unanimously.

B. Request from the City of Murrieta (PERMA) to Reduce Self-Insured Retention from \$250,000 to \$100,000, effective July 1, 2018

President Ellerbrock reported the City of Murrieta has maintained a \$250,000 SIR for a number of years and recently requested a reduction of their SIR to \$100,000.

Truc Dever moved to reduce the City of Murrieta's self-insured retention from \$250,000 to \$100,000, effective July 1, 2018; seconded by Artesia Dupree. The motion passed unanimously.

C. Amendment to Endorsement #1 of the Memorandum of Coverage for Program Years 2016/17 and 2017/18

Ms. Jobe reported the City of Farmersville, an underlying member of CSJVRMA, joined ERMA in 2016 with a \$50,000 retained limit. Ms. Jobe advised staff recently discovered that due to an error, the City has, for the past two program years, contributed at a \$75,000 retained limit. The CSJVRMA met with the City to discuss options which included a retroactive SIR reduction and remittance of the difference in premium, or a retention of a \$75,000 limit. The City advised they wish to retain a \$75,000 SIR. As such, Endorsement #1 to the Memorandum of Coverage for both the 2016/17 and 2017/18 Program Years must be amended to reflect the City's correct SIR.

Truc Dever moved to amend Endorsement #1 of the Memorandum of Coverage for Program Years 2016/17 and 2017/18; seconded by John Duckett. The motion passed unanimously.

9. FINANCIAL MATTERS

A. Actuarial Study and Rates for the 2018/19 Program Year

Mr. Derek Burkhalter, Bickmore, presented the actuarial report and noted the two components: 1) A review of the ultimate loss estimates as of June 30, 2018; and 2) A forecasting analysis to determine the funding rates for the 2018/2019 program year.

Mr. Burkhalter noted the following in his presentation:

- ERMA's Ultimate Loss and Loss Adjustment Expenses for all program years has decreased by \$273,000, or 1.1%;

- At the expected confidence level, ERMA is projected to have a surplus of \$15,253,000 as of June 30, 2018, and a surplus of \$9,654,000 at the 90% confidence level;
- The total estimated liability for outstanding claims is \$13,294,153 as of June 30, 2018;
- Actual incurred development was \$52,000 less than anticipated since the prior report, mainly due to favorable development in all but one of the open accident years; and
- The pooling rate required to collect at the 80% confidence level for the upcoming 2018/19 Program Year at the \$50,000 retention is 0.477; a 4.2% increase from the rate used in the 2017/18 Operating Budget.

John Gillison moved to approve the Actuarial Study and rates for the 2018/19 Program Year; seconded by Todd Cusimano. The motion passed unanimously.

B. Review and Approval of Administrative and Operating Budget for the 2018/19 Program Year

Ms. Broadhurst reviewed the Proposed 2018/19 Budget featuring funding at the 80% confidence level (CL), the same CL as used in the 2017/18 Approved Budget. Ms. Broadhurst advised the 2018/19 Budget represents an overall increase of 7.3%, or \$481,969, over the 2017/18 Approved Budget. She noted two primary drivers to the overall increase; 3.3% in payroll and 4.2% in the funding rate, and reviewed various administration line item and member SIR changes. One change of note was the increase in the Membership and Conferences line item for the inclusion of two attendances at AGRIP conferences.

A question was posed regarding the continued use of the 2% discount rate, and Ms. Broadhurst advised that in her opinion the conservative approach is to maintain the discount rate as low as possible. She noted that she would discuss the issue with Ms. Lesley Murphy, ERMA's investment manager.

Todd Cusimano moved to approve the 2018/19 Proposed Operating Budget at an 80% Confidence Level; seconded by Artesia Dupree. The motion passed unanimously.

C. Review of Annual Retrospective Adjustment Calculation

Ms. Broadhurst presented the Retrospective Adjustment Calculation as of March 31, 2018. She reported that at last year's May 2017 Board meeting, the Board considered an available and eligible dividend in the amount of \$6.49 million, and approved the release of \$3.0 million from which \$150,000 was netted and placed in the Capital Contribution Fund (Fund).

In line with last year's distribution philosophy, Ms. Broadhurst stated that staff was recommending a dividend release in the amount of \$3.0 million, roughly half of the \$7.2 million available, from which \$150,000 would be netted and placed in the Fund. The \$150,000 augmentation would bring the total contributions to the Fund over a four year period to the original desired balance of \$1.0 million for the funding of training and policy

review initiatives. Ms. Broadhurst advised that as with the past three annual contributions to the Fund, the allocation would be determined by each individual member's pro rata share based on 2018/19 premium contributions.

Ms. Broadhurst further recommended the formal closure of program years 2009/10 and 2010/11, as all claims are closed and no IBNR remains.

John Duckett moved to approve a dividend release in the amount of \$3,000,000 in conjunction with a contribution to the Capital Contribution Fund in the amount of \$150,000, which would be netted from the cash dividend, and recommended Program Years 2009/10 and 2010/11 be formally closed; seconded by Truc Dever. The motion passed unanimously.

At 10:33 a.m., the Board recessed for a break and reconvened at 10:45 a.m.

10. LITIGATION MATTERS

No Litigation Report was provided.

11. CLAIMS MATTERS

A. Closed Session Pursuant to Government Code Section 54956.95(a) to Discuss Claims

Pursuant to Government Code Section 54956.95(a), the Board recessed to closed session at 10:45 a.m. to discuss the following claims:

- Jones/Hice v. City of Rialto
- Minor v. City of Coalinga
- Nekooee v. City of Rialto
- Sibbit/Terwinniger v. City of Pittsburg

B. Report from Closed Session

The Board reconvened to open session at 10:55 a.m. The Board met to discuss the claims listed above. With regard to Jones/Hice v. City of Rialto, Minor v. City of Coalinga, and Nekooee v. City of Rialto, the Board voted unanimously to extend settlement authority to the Litigation Manager. With regard to Sibbit/Terwinniger v. City of Pittsburg, no action was taken.

12. CLOSING COMMENTS

A. Board of Directors

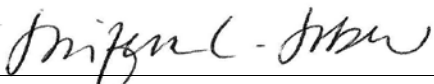
None

B. Staff

None

14. ADJOURNMENT

The May 1, 2018, ERMA Board of Directors meeting adjourned at 10:56 a.m. by general consent.



Jennifer Jobe, Executive Director

EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)
SUMMARY OF ACTION ITEMS
BOARD OF DIRECTORS MEETING OF MAY 1, 2018

- ❖ The following consent calendar items were approved by the Board:
 - A. Minutes of February 9, 2018, Board of Directors Meeting and Summary of Action Items
 - B. General Warrants from January 1, 2018, through April 15, 2018
 - C. Claims Payments from January 1, 2018, through April 15, 2018
 - D. Petty Cash Statement from January 1, 2018, through April 15, 2018
 - E. Treasurer's Report as of March 31, 2018
 - F. Internal Financial Statements for the Quarter Ended March 31, 2018
 - G. Master Program Document for the Pooled Employment Practices Liability Program as Amended, effective February 10, 2017
 - H. Rescission of City of Walnut Creek SIR Increase for the 2018/19 Program Year
- ❖ The Board approved the Resolution Establishing Meeting Dates for the 2018/19 Program Year.
- ❖ The Board approved Resolution 2017-7 Requiring Members to Provide Proof of Compliance with Training Mandated by State Law.
- ❖ The Board approved proposed revisions to the Financial Stability Plan.
- ❖ The Board approved the Training Program for 2018/19 Program Year.
- ❖ The Board approved an increase in the City of Adelanto's Self-Insured Retention to \$250,000, effective July 1, 2018. In addition, the Board will add to the Agenda for the November 5, 2018 meeting discussions regarding the City's continued participation as an ERMA member.
- ❖ The Board approved the Request from City of Murrieta (PERMA) to Reduce Self-Insured Retention from \$250,000 to \$100,000, effective July 1, 2018.
- ❖ The Board approved an Amendment to Endorsement #1 of the Memorandum of Coverage for Program Years 2016/17 and 2017/18.
- ❖ The Board approved the Actuarial Study and Rates for the 2018/19 Program Year.
- ❖ The Board approved the Review and Approval of Administrative and Operating Budget for the 2018/19 Program Year.
- ❖ The Board approved a dividend release in the amount of \$3,000,000, in conjunction with a contribution to the Capital Contribution Fund in the amount of \$150,000, which would be netted from the cash dividend, and recommended Program Years 2009/10 and 2010/11 be formally closed.

Ranges:	From:	To:	Check Date	From:	To:
Check Number	First	Last	4/16/2018	4/16/2018	5/31/2018
Vendor ID	First	Last	Checkbook ID	CBT GENERAL	CBT GENERAL
Vendor Name	First	Last			

Sorted By: Check Number

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
EFT000037	BI100	Bickmore	4/17/2018	CBT GENERAL	PMCHK00000561	\$2,345.95
EFT000038	LO120	Longyear, O'Dea, & Lavra, LLP	4/17/2018	CBT GENERAL	PMCHK00000561	\$2,322.94
EFT000040	BI100	Bickmore	5/14/2018	CBT GENERAL	PMCHK00000564	\$1,739.14
EFT000041	JA100 EFT	Jackson Lewis P.C.	5/14/2018	CBT GENERAL	PMCHK00000564	\$6,059.50
EFT000042	LO120	Longyear, O'Dea, & Lavra, LLP	5/14/2018	CBT GENERAL	PMCHK00000564	\$3,540.20
EFT000044	JA100 EFT	Jackson Lewis P.C.	5/16/2018	CBT GENERAL	PMCHK00000588	\$2,329.00
G 003129	LI100	Liebert Cassidy Whitmore	4/17/2018	CBT GENERAL	PMCHK00000562	\$2,150.00
G 003130	EL100	Scott Ellerbrock	5/14/2018	CBT GENERAL	PMCHK00000565	\$949.97
G 003131	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000565	\$2,150.00
G 003132	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000566	\$6,120.00
G 003133	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000567	\$4,845.00
G 003134	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000568	\$5,661.00
G 003135	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000569	\$8,899.50
G 003136	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000570	\$8,695.50
G 003137	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000571	\$8,364.00
G 003138	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000572	\$5,457.00
G 003139	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000573	\$5,533.50
G 003140	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000574	\$8,262.00
G 003141	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000575	\$6,451.50
G 003142	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000576	\$7,446.00
G 003143	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000577	\$6,018.50
G 003144	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000578	\$7,675.50
G 003145	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000579	\$4,998.00
G 003146	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000580	\$5,946.00
G 003147	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000581	\$7,803.50
G 003148	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000582	\$6,553.50
G 003149	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000583	\$5,023.50
G 003150	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000584	\$4,131.00
G 003151	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000585	\$7,038.00
G 003152	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000586	\$6,859.50
G 003153	LI100	Liebert Cassidy Whitmore	5/14/2018	CBT GENERAL	PMCHK00000587	\$51.00
G 003154	LI100	Liebert Cassidy Whitmore	5/16/2018	CBT GENERAL	PMCHK00000589	\$1,194.00

Total Checks:	32	Total Amount of Checks:	\$162,613.70
			=====

System: 5/29/2018 9:26:03 AM
User Date: 5/29/2018

Employment Risk Management Aut
VENDOR CHECK REGISTER REPORT
Payables Management

Page: 1
User ID: cxiong

Ranges:	From:	To:	From:	To:
Check Number	First	Last	Check Date	4/16/2018
Vendor ID	First	Last	Checkbook ID	CBT CLAIMS
Vendor Name	First	Last		CBT CLAIMS

Sorted By: Check Number

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
L 006925	CA125	City of Cathedral City	5/8/2018	CBT CLAIMS	PMCHK00000563	\$4,504.30
L 006926	CA175	Castillo Harper, APC Client Tr	5/8/2018	CBT CLAIMS	PMCHK00000563	\$70,000.00
L 006927	JA100	Jackson Lewis P.C.	5/8/2018	CBT CLAIMS	PMCHK00000563	\$22,547.37
L 006928	JA100	Jackson Lewis P.C.	5/8/2018	CBT CLAIMS	PMCHK00000563	\$675.00
L 006929	JA100	Jackson Lewis P.C.	5/8/2018	CBT CLAIMS	PMCHK00000563	\$6,064.50
L 006930	JA100	Jackson Lewis P.C.	5/8/2018	CBT CLAIMS	PMCHK00000563	\$6,946.50
L 006931	LI100	Liebert Cassidy Whitmore	5/8/2018	CBT CLAIMS	PMCHK00000563	\$2,012.47
L 006932	LI100	Liebert Cassidy Whitmore	5/8/2018	CBT CLAIMS	PMCHK00000563	\$2,563.15
L 006933	LO100	Lozano Smith, LLP	5/8/2018	CBT CLAIMS	PMCHK00000563	\$4,889.47
L 006934	LO100	Lozano Smith, LLP	5/8/2018	CBT CLAIMS	PMCHK00000563	\$5,063.00
L 006935	LO100	Lozano Smith, LLP	5/8/2018	CBT CLAIMS	PMCHK00000563	\$2,970.80
L 006936	LO100	Lozano Smith, LLP	5/8/2018	CBT CLAIMS	PMCHK00000563	\$305.50
L 006937	LO100	Lozano Smith, LLP	5/8/2018	CBT CLAIMS	PMCHK00000563	\$3,189.10
L 006938	RI050	City of Rialto	5/8/2018	CBT CLAIMS	PMCHK00000563	\$5,491.96
L 006939	BE100	Best Best and Krieger LLP	5/8/2018	CBT CLAIMS	PMCHK00000563	\$17,588.77
L 006940	SE120	Selik and Associates Client Tr	5/22/2018	CBT CLAIMS	PMCHK00000590	\$150,000.00

Total Checks:	16	Total Amount of Checks:	\$304,811.89
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User Date: 5/29/2018

Employment Risk Management Aut
VENDOR CHECK REGISTER REPORT
Payables Management

Page: 1
User ID: cxiong

Ranges:	From:	To:	From:	To:
Check Number	First	Last	Check Date	4/16/2018
Vendor ID	First	Last	Checkbook ID	CBT PETTY
Vendor Name	First	Last		CBT PETTY

Sorted By: Check Number

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
1277	AL120	Alameda County MAD	5/2/2018	CBT PETTY	PMTRX00000714	\$120.69
1278	SA120	City of San Ramon	5/2/2018	CBT PETTY	PMTRX00000714	\$630.54
1279	GR125	City of Greenfield	5/16/2018	CBT PETTY	PMTRX00000714	\$19.87
1280	RA095	City of Rancho Santa Margarita	5/16/2018	CBT PETTY	PMTRX00000714	\$105.83
1281	ME125	City of Merced	5/16/2018	CBT PETTY	PMTRX00000714	\$63.13
Total Checks: 5						Total Amount of Checks: \$940.06

EMPLOYMENT RISK MANAGEMENT AUTHORITY

(ERMA)

MEMORANDUM OF COVERAGE

FOR THE 201~~78~~/~~2018~~19 PROGRAM

YEAR EFFECTIVE JULY 1, 201~~78~~8

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MEMORANDUM OF COVERAGE FOR THE EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)

In consideration of the payment of the deposit premium, the *Authority* agrees with the *Members* as follows:

SECTION I - COVERAGE

The *Authority* will pay up to the *Limit of Coverage* those sums on behalf of the *Covered Party* for the *Ultimate Net Loss*, less the *Retained Limit*, that the *Covered Party* becomes legally obligated to pay as *Damages* because of a *Wrongful Employment Practice*, as that term is herein defined and to which this Memorandum applies, caused by an *Occurrence* during the *Coverage Period*, except as otherwise excluded.

This Memorandum of Coverage does not provide insurance, but instead provides for pooled risk sharing. This Memorandum is a negotiated agreement amongst the *Covered Parties* of the *Authority* and none of the parties to the Memorandum is entitled to rely on any contract interpretation principles which require interpretation of ambiguous language against the drafter of such Memorandum. This Memorandum shall be applied according to the principles of contract law, giving full effect to the intent of the *Covered Parties* of the *Authority*, acting through the Board of Directors in adopting this Memorandum of Coverage. Since the *Authority* is not an insurer, it has no obligation to issue reservation of rights letters, and failure to provide notice to a *Covered Party* of any coverage issue or dispute shall not operate to waive any of the provisions of this Memorandum. Since this Memorandum does not provide insurance, neither the *Authority* nor any *Covered Parties* shall be liable for or subject to any legal action or proceeding as to any claim alleging breach of the implied covenant of good faith and fair dealing with respect to any dispute between the *Authority* and any *Covered Parties* that may arise under this Memorandum.

SECTION II - DEFINITIONS

1. *“Authority”* means the Employment Risk Management Authority.
2. *“Claim”* means: (a) a written demand or notice which is made or brought by an *Employee*, or an oral demand or notice by an *Employee* which is memorialized by the *Covered Party* in writing within fifteen (15) days of the oral demand or notice, and (b) seeks or alleges *Damages* or alleges other injury, harm, or invasion of rights, and (c) which contains an allegation that a *Wrongful Employment Practice* or a series of *Wrongful Employment Practices* has been committed during the *Coverage Period*. *Claim* includes a civil action, an administrative proceeding or charge commenced before the Equal Employment Opportunity Commission or similar state or other agency having jurisdiction over the *Covered Party*, or an alternative dispute resolution proceeding, or action brought by a person or entity acting on behalf of an *Employee* of the *Covered Party*.

Claim does not include a *Union Grievance*, or any type of criminal proceeding, or any claim arising under the FLSA or any California Wage Orders or any similar federal or state law. *Claim* does not include a dispute arising out of a contract for employment between the *Covered Party* and any individual or *Employee*, including but not limited to any dispute regarding the validity or enforceability of such contract.

Claim does not include an internal administrative or disciplinary proceeding pursuant to the terms and conditions of employment.

A *Claim* shall be deemed to be made on the earliest date such written demand or notice is received by a *Covered Party*.

3. "Coverage Period" means that term prescribed for coverage by the *Authority* as set forth in the Declarations page.

4. "Covered Party" means:

(A) The *Member* and any additional entities named in the Declarations page.

(B) Any person who is an *Employee* of a *Covered Party* identified in Section (A) herein, whether or not compensated, while acting in an official capacity for or on behalf of such *Covered Party*, including while acting on any outside board at the direction of such *Covered Party*.

Covered Party shall not include any person, whether or not compensated, who is not acting in the course and scope of his or her employment or whose conduct, as a matter of law, is not within the course and scope of his or her employment by the *Covered Party* at the time of the act or acts alleged in a *Claim*.

(C) All entities named in Endorsement #2, and any officer, director or employee thereof while acting in an official capacity for or on behalf of such entity and in the course and scope of his or her duties. Except for those expressly identified in Endorsement #2, no other person, organization, or entity shall be deemed to be a "Covered Party" under Endorsement #2.

(D) Notwithstanding sections (B) and (C) above, the defense and indemnity coverage afforded by this Memorandum to a past or present *Employee* of a *Covered Party* is not broader than the *Covered Party's* duty to defend and indemnify its *Employee*, pursuant to California Government Code Section 815, 815.3, 825 to 825.6, 995 to 996.6, inclusive, and any amendments thereof. If the *Covered Party* which employs the *Employee* is not obligated under the California Government Code to provide a defense or to provide indemnity for a *Claim*, or if said *Covered Party* refuses to provide such defense and/or indemnity to said *Employee*, then this Memorandum shall not provide any such defense or indemnity coverage to said *Employee*. All immunities, defenses, rights, and privileges afforded to a *Covered Party* under California Government Code Section 815, 815.3, 825 to 825.6, 995 to 996.6, inclusive, and any amendments thereof, shall

be afforded to the *Authority* to bar any defense or indemnity coverage under this Memorandum to that *Covered Party's Employee*.

5. *"Damages"* means compensation in money which a *Covered Party* is legally obligated to pay as a result of a *Claim*. *Damages* include: (1) attorney fees not based on contract, awarded against the *Covered Party*, (2) interest on judgments, or (3) costs for which the *Covered Party* is liable either by adjudication, or by compromise with the written consent of the *Authority*, if the fees, interest, or costs arise from an *Occurrence* to which this coverage applies.

Damages with respect to *Wrongful Employment Practice* shall not include those sums owed by a *Covered Party* as contract *Damages*, prospective salary, wages, or benefits, any salary, wage or benefits resulting from an order that a *Covered Party* hire an applicant or from promotion or reinstatement, or any *Damages* owing under an express contract of employment or an express obligation to make severance payments in the event of termination of employment.

Damages with respect to *Wrongful Employment Practice* also shall not include amounts awarded under a labor grievance or arbitration pursuant to a collective bargaining agreement, nor sums paid pursuant to any judgment or agreement, whether injunctive or otherwise, to undertake actions to correct past discriminatory or unlawful conduct or to establish practices or procedures designed to eliminate or prevent future discriminatory or other unlawful conduct, or any non-monetary relief.

6. *"Defense Costs"* means all fees and expenses incurred by any *Covered Party*, caused by and relating to the adjustment, investigation, defense, or litigation of a *Claim* to which this coverage applies, including attorney's fees, court costs, interest on judgments accruing after entry of judgment, and the time and travel expenses of the Litigation Manager for attendance at trials, mediations, arbitrations and settlement conferences. *Defense Costs* shall not include attorney fees or costs awarded to a prevailing plaintiff against the *Covered Party*.

Defense Costs shall not include the office expenses, salaries of *Employees*, or expenses of the *Covered Party* or the *Authority*. *Defense Costs* shall not include investigation costs incurred by investigators or adjusting expenses that were not approved by ERMA prior to the costs being incurred. *Defense Costs* are included within, and are not in addition to, the applicable *Limit of Coverage*.

Defense Costs shall not include any fee or expense relating to coverage issues or disputes between the *Authority* and any *Covered Party*.

7. *"Discrimination"* means termination of the employment relationship, a demotion, a failure or refusal to hire or promote, denial of an employment benefit, or the taking of any adverse or differential employment action because of race, color, creed, religion, age, sex, disability, pregnancy, sexual orientation, national origin, AIDS, or other protected category or characteristic established pursuant to any applicable federal, state, or local statute or ordinance.

8. “Employee” means any person whose labor or services is engaged and directed by a *Covered Party*, whether past, present or future, including a volunteer, official, or applicant for employment. This includes part-time, seasonal, and temporary labor or services, as well as any person employed in a supervisory, managerial, or confidential position. *Employee* shall not include leased employees, independent contractors or subcontractors, agents, or servants of any *Covered Party*, unless the *Covered Party* has the right to and does control and direct the details of their work rather than the result of that work. *Employee* also shall not include the spouse, child, unborn fetus, parent, brother, or sister of the *Employee*. *Employee* shall not include any person performing labor or services, either voluntarily or involuntarily, while incarcerated in any state or local correctional or penal institution or facility of any nature, or who performs labor or services, either voluntarily or involuntarily, as a condition of or in satisfaction of any penal sentence.

The exclusion of independent contractors or subcontractors from the definition of *Employee* shall not apply to a *Claim* for sexual harassment specifically authorized under Cal. Gov. Code 12940 (j) (4) and (5).

9. “Harassment” means:

(A) Unwelcome sexual advances, requests for sexual favors, or other verbal, visual or physical conduct of a sexual nature, including those which:

- (1) are made a condition of employment with the *Covered Party*;
- (2) are used as a basis for employment decisions by the *Covered Party*; or
- (3) create a work environment by a *Covered Party* that interferes with performance or creates an intimidating, hostile or offensive working environment; or

(B) Workplace conduct (i.e. *Harassment* of a non-sexual nature) committed by a *Covered Party* in violation of law or because of any protected category or characteristic which creates a work environment that interferes with performance, or creates an intimidating, hostile, or offensive working environment.

10. “Limit of Coverage” shall be the amount of coverage stated in the Declarations Page, or sublimits as stated therein for each *Covered Party* per *Occurrence*, subject to any lower sublimit stated in this Memorandum. The *Limit of Coverage* shall include the *Covered Party’s Retained Limit*. For each *Occurrence*, there shall be only one *Limit of Coverage* regardless of the number of claimants or *Covered Parties* against whom a *Claim* is made, or the number of *Coverage Periods* through which the *Occurrence* continues. In the event that a structured settlement, whether purchased from or through a third-party, or paid directly by the *Covered Party* in installments, is utilized in the resolution of a *Claim* or suit, the *Authority* will pay only up to the amount stated in the Declarations in present value of the *Claim*, as determined on the date of settlement, regardless of whether the full value of the settlement exceeds the amount stated in the Declarations.

11. “Member” means a governmental entity, including any commissions, agencies, districts, authorities, boards, or other similar government entity under the direct control of the governmental entity, that is eligible to participate in a joint powers authority. A *Member* is one who has been accepted into ERMA and, is a Named Covered Party in the Memorandum of Coverage and Endorsements thereto.
12. “Occurrence” means an act, policy, or course of conduct by a *Covered Party* during the *Coverage Period* which results in a *Claim* for *Wrongful Employment Practice* during the *Coverage Period* if the first act, policy or course of conduct occurred during the *Coverage Period*.

All allegations by the same *Employee* in the same *Claim* shall be considered one *Occurrence* for the purpose of the *Limit of Coverage*, and such *Occurrence* shall be deemed to exist on the date of the alleged first act, policy, or conduct, in the event of an allegation of multiple acts, policies, or course of conduct.

Regardless of the number of *Covered Parties*, all *Claims* by all *Employees* arising from the same act, policy, or course of conduct shall be considered as one *Occurrence* for the purpose of the *Limit of Coverage*.

13. “Retained Limit” means the amount of *Ultimate Net Loss*, identified in the applicable Declaration, which the *Covered Party* becomes liable to pay before the *Authority* is obligated to make payment.

For each *Occurrence*, there shall be only one *Retained Limit* regardless of the number of claimants or *Covered Parties* against whom a *Claim* is made, or *Coverage Periods* during which the *Occurrence* continues.

14. “Retaliation” means retaliatory treatment against an *Employee* of the *Covered Party* on account of such *Employee’s* exercise or attempted exercise of his or her rights under the law.
15. “Ultimate Net Loss” means the total of all *Defense Costs* incurred by the *Covered Parties* and all *Damages* for which the *Covered Parties* are liable either by adjudication or by compromise with the written consent of the *Authority*, arising from an *Occurrence* to which this coverage applies.
16. “Union Grievance” is limited to labor negotiations with respect to wages or working conditions, union organizing efforts, or unfair labor practice charges within the jurisdiction of the National Labor Relations Board or the Public Employment Relations Board.
17. “Workplace Tort” means any of the following acts alleged to have been committed in violation of law or because of any protected category or characteristic:
 - (A) Actual or constructive termination of an employment relationship in a manner which is alleged to have been against the law or wrongful, or in breach of an implied employment contract or breach of the covenant of good faith and fair dealing in the employment contract;

- (B) Allegations of negligent or wrongful evaluation, wrongful demotion, wrongful discipline, failure to promote, failure to grant tenure, or wrongful deprivation of career opportunity;
- (C) Allegations of misrepresentation or defamation made by an *Employee* which arise from an employment decision to hire, fire, promote or demote;
- (D) Allegations of infliction of emotional distress, mental injury, mental anguish, shock, sickness, disease or disability made by an *Employee* which arise from an employment decision to hire, fire, promote or demote;
- (E) Allegations of false imprisonment, detention, or malicious prosecution made by an *Employee* which arise from an employment decision to hire, fire, promote or demote;
- (F) Allegations of libel, slander, defamation of character, invasion of privacy made by an *Employee* which arise from an employment decision to hire, fire, promote or demote; or
- (G) Other allegations made by an *Employee* which arise from an employment decision to hire, fire, promote or demote.

Workplace Torts do not include *Damages* determined to be owing under a written contract of employment or obligation to make payments, including but not limited to severance payments, in the event of the termination of employment.

Workplace Torts shall not include any allegations other than those set forth above.

- 18. *“Wrongful Employment Practice”* means any actual or alleged *Wrongful Termination, Discrimination, Harassment, Retaliation, or Workplace Tort*.
- 19. *“Wrongful Termination”* means termination of an employment relationship in a manner which is alleged to have been committed in violation of law or because of any protected category or characteristic or in breach of an implied agreement to continue employment.

Wrongful Termination shall not include *Damages* determined to be owing under an express contract of employment or an express obligation to make payments in the event of the termination of employment.

SECTION III - DEFENSE AND SETTLEMENT

The *Authority* shall have no duty to assume charge of investigation or defense of any *Claim*. However, the *Authority* shall have the right to assume the control of the negotiation, investigation, defense, appeal, or settlement of any *Claim* the *Authority* determines, in its sole discretion, to have reasonable probability of resulting in an *Ultimate Net Loss* in excess of the applicable *Retained Limit*. The *Covered Parties* shall fully cooperate in all matters pertaining to such *Claim* or proceeding. Such cooperation shall include, but not be limited to, executing all documents necessary to effectuate a settlement. If the *Covered Party’s* lack of cooperation prevents

settlement of the claim for a reasonable amount, defined as the amount the *Authority* is willing to pay and the claimant is willing to accept, and increases the potential liability for *Damages* and continued *Defense Costs*, the *Covered Party* shall pay or shall reimburse the *Authority* for those *Defense Costs* incurred after the claim could have been settled, and for any *Damages* awarded or settlement agreed upon in excess of the amount for which the claim could have been settled, or, in the alternative, the *Authority* shall have the right to tender the claim back to the *Covered Party* and coverage shall cease.

If the *Authority* assumes the control of the handling of a *Claim*, the *Covered Parties* shall be obligated to pay at the discretion of the *Authority* any sum necessary for the defense and settlement of a *Claim*, or to satisfy liability imposed by law, up to the applicable *Retained Limit*.

No *Claim* shall be settled for an amount in excess of the *Retained Limit* without the prior written consent of the *Authority*, and the *Authority* shall not be required to contribute to any settlement to which it has not consented.

SECTION IV - ERMA'S LIMIT OF COVERAGE

Regardless of the number of (1) *Covered Parties* under this Memorandum, (2) persons or organizations who sustain injury or damage, (3) *Claims* made or suits brought, or (4) *Coverage Periods involved*, the *Authority's* liability is limited as follows:

With respect to coverage provided, the *Authority's* liability for any one *Occurrence* shall be limited to the *Ultimate Net Loss* which is in excess of the *Covered Party's Retained Limit*, but then only up to the sum set forth in the Declarations as the *Authority's Limit of Coverage* for any one *Occurrence*. In the event that a structured settlement, whether purchased from or through a third party, or paid directly by the *Covered Party* in installments, is utilized in the resolution of a *Claim* or suit, the *Authority* will pay only up to the amount stated in the Declarations in present value of the *Claim*, as determined on the date of settlement, regardless of whether the full value of the settlement exceeds the amount stated in the Declarations.

Nothing contained herein shall operate to increase the *Authority's Limit of Coverage* under this Memorandum.

SECTION V - COVERAGE PERIOD AND TERRITORY

This Memorandum applies to *Wrongful Employment Practice* that occurs anywhere in the world during the *Coverage Period* identified in the applicable Declaration.

SECTION VI - EXCLUSIONS

This Memorandum does not cover:

1. **Bodily Injury.** We do not cover *Claims*:

- (A) for bodily injury, sickness, disease or death of any person; or
- (B) brought by the person's domestic partner, spouse, child, parent, brother or sister as a result of such bodily injury, sickness, disease or death.

This does not apply to *Claims* for emotional distress, mental anguish or humiliation that arise from a *Wrongful Employment Practice*.

2. **Compliance with ADA Requirements.** We do not cover any costs or expenses incurred to make premises accessible to persons with disabilities as required by:

- (A) the Americans with Disabilities Act of 1990;
- (B) any similar federal, state or local law;
- (C) any amendments to such laws; or
- (D) any regulations promulgated under any such laws.

3. **Contractual Liability.** We do not cover the liability of others assumed by the *Covered Party* in a contract or agreement. This does not apply to liability that the *Covered Party* would have had in the absence of the contract or agreement.

4. **ERISA, COBRA WARN Act, and FLSA Liability.** We do not cover any liability imposed on the *Covered Party* under:

- (A) the Employee Retirement Income Security Act of 1974;
- (B) the Comprehensive Omnibus Budget Reconciliation Act;
- (C) the Worker Adjustment and Retraining Notification Act;
- (D) the Fair Labor Standards Act, including but not limited to any wage and hour or other claim arising under the FLSA or any California Wage Orders or any similar federal or state law;
- (E) any similar federal, state or local laws;
- (F) any amendments to such laws; or

(G) any regulations promulgated under any such laws.

5. **Fines, Multiplied Damages, or Non-Monetary Relief.** We do not cover:

(A) fines, taxes, penalties, or liquidated Damages;

(B) the multiplied portion of any Damage award that is subject to a multiplier;

(C) non-monetary relief; or

(D) any punitive damages or other uninsurable amounts.

6. **Intentional Conduct Done with Willful and Conscious Disregard.** We do not cover *Claims* for injury or *Damages* caused by intentional conduct done by the *Covered Party* with willful and conscious disregard of the rights or safety of others, or with malice. However, where the *Covered Party* did not authorize, ratify, participate in, consent to, or have knowledge of such conduct by its *Employee*, and the *Claim* against the *Covered Party* is based solely on its vicarious liability arising from its relationship with such *Employee*, this exclusion does not apply to said *Covered Party*.

7. **Intentional Violations of Laws and Orders.** We do not cover *Claims* that arise out of a *Covered Party's* intentional failure to comply with, or reckless disregard of, any law, order or regulation relating to employment practices.

8. **Prior Wrongful Employment Practices.** We do not cover liability arising out of any *Claim*, fact, circumstance, situation, transaction or event concerning a *Wrongful Employment Practice* of which any *Covered Party* had received a prior *Claim*, or which was the subject of any notice given under any insurance policy or coverage prior to the *Covered Party* obtaining coverage under this Memorandum.

9. **Property Damage.** We do not cover *Claims* for damage to or destruction of any tangible property, including loss of its use.

10. **Strikes and Lockouts.** We do not cover *Claims* that arise out of a lockout, strike, picket line, replacement or other similar actions resulting from labor disputes or labor negotiations.

11. **Ultimate Net Loss.** We do not cover *Ultimate Net Loss* arising out of relief, or redress, in any form other than money *Damages* or seeking only injunctive or non-monetary relief, regardless of whether a prevailing claimant may be entitled to recover attorney's fees and costs.

12. **Actions for Administrative or Equitable Relief.** We do not cover any action, in any forum, for injunctive, administrative, declaratory, or other non-monetary form of relief, including specific performance, nor hearings of internal administrative matters or actions involving the review of any final administrative order or decision made as the result of an administrative hearing, regardless of whether such action seeks *Damages* or attorneys' fees. This exclusion is in addition to, and does not conflict with, Exclusion 11, above.

13. **Workers' Compensation or Similar Law.** We do not cover obligations under a workers' compensation law, Labor Code 132a, disability benefits or unemployment compensation law, or any similar law. This exclusion does not apply to *Retaliation* or *Discrimination* for filing a workers' compensation *Claim* or a *Claim* for disability benefits.
14. **Actions by Inmates or Prisoners.** We do not cover *Claims* for injury or *Damages* brought by any person:
 - (A) performing labor or services, either voluntarily or involuntarily, while incarcerated in any state or local correctional or penal institution or facility; or
 - (B) performing labor or services, either voluntarily or involuntarily, as a condition of or in satisfaction of any penal sentence.

SECTION VII – CONDITIONS

1. Covered Party's Duties in the Event of Occurrence, Claim, or Suit

The following provisions are conditions precedent to coverage under this Memorandum. The *Covered Party's* failure to comply with any of these provisions shall void the coverage provided herein.

- (A) The *Covered Party* shall notify the *Authority* within 30 days upon receipt of notice of a *Claim* by an *Employee*.

Written notice containing particulars sufficient to identify the claimant(s), the *Covered Party(ies)*, and also reasonably obtainable information with respect to the time, place, and circumstances thereof, and the names and addresses of the *Covered Party* and of available witnesses, shall be given to the *Authority* or any of its authorized agents as soon as possible.

- (B) Any *Claim*, except one which the Litigation Manager has discretion to accept, which is not reported to the *Authority* within 30 days, as required by subsection (A) herein, shall be considered untimely and shall be denied.

The *Covered Party* may appeal the denial of such *Claim* to the *Authority's* Board of Directors in accordance with the appeal procedure set forth in Section 7 below. The Board shall consider the following factors in its determination of the appeal:

- (1) Late reported *Claims* are strongly disfavored. Relief from denial of coverage for a *Claim* reported more than 90 days late shall not be granted, absent extraordinary circumstances as determined by the Board, in its sole discretion.
- (2) An appeal based on the *Covered Party's* lack of familiarity with the definition of a *Claim* and/or its obligation to timely report the *Claim* to the *Authority* shall be

strongly disfavored, since the *Covered Party* is responsible for understanding the definition of a *Claim* and adhering to the reporting requirements set forth herein.

- (3) An appeal based on the absence of the employee designated by the *Covered Party* as responsible for reporting *Claims* must be verified, and the employee must have been absent during the entire time the *Claim* was not reported.
- (4) An appeal of any late-reported *Claim* which the Board, in its sole discretion, determines may result in any financial or other prejudice to the *Authority* shall be denied regardless of any provision set forth herein or any other basis for the appeal.

Each appeal shall be considered on its own merits, and the Board's decision on any one appeal shall not establish any precedent for future appeals.

For all late-reported *Claims* for which the *Covered Party's* appeal of the denial of coverage is granted, the Board shall increase the *Covered Party's Retained Limit* as follows:

PENALTY STRUCTURE

SIR	Penalty	Percentage of Penalty to SIR
\$25,000	\$6,250	25%
\$50,000	\$12,500	25%
\$75,000	\$18,750	25%
\$100,000	\$25,000	25%
\$250,000	\$37,500	15%
\$500,000	\$50,000	10%

This provision shall not be construed as limiting the Board's power to deny an appeal of any late-reported *Claim*.

- (C) If a suit is brought against the *Covered Party*, in addition to the information required by subparagraph (A), the *Covered Party* shall be obligated to forward immediately to the *Authority* every demand, notice, summons, or other process received by it or its representative.
- (D) The *Covered Party* shall cooperate with the *Authority* and upon its request assist in making settlements, in the conduct of suits, and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the *Covered Party* because of *Wrongful Employment Practice* with respect to which coverage is afforded under this Memorandum. The *Covered Party* shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. In all matters in which the *Authority* has selected defense counsel, the *Covered Party* shall refrain from interference with the *Authority's* control of the defense, and shall cooperate fully with the defense counsel and the *Authority* in respect to the defense of the Covered Parties in the

Claim or suit.

With regard to the settlement of any *Claim* or suit, if the *Covered Party's* refusal to cooperate with the *Authority* in the conduct of the defense, execution of documents, enforcement of any right of contribution or indemnity, or in any other manner prevents settlement of the claim for a reasonable amount, defined as the amount the *Authority* is willing to pay and the claimant is willing to accept, and increases the potential liability for *Damages* and continued *Defense Costs*, the *Covered Party* shall pay or shall reimburse the *Authority* for those *Defense Costs* incurred after the claim could have been settled, and for any *Damages* awarded or settlement agreed upon in excess of the amount for which the claim could have been settled, or, in the alternative, the *Authority* shall have the right to tender the claim back to the *Covered Party* and coverage shall cease.

- (E) The *Authority* shall be entitled to complete access of the *Covered Party's Claim* file, the defense attorney's complete file, and all investigation material and reports, including all evaluations and information on negotiations. The *Covered Party through assigned defense counsel* shall be responsible to report on the progress of the litigation and any significant developments to the *Authority*, and to provide the *Authority* with simultaneous copies of all correspondence provided to the *Covered Party* by its defense attorneys and/or agents.
- (F) If the *Covered Party* is not in substantial compliance with the requirements of Government Code §12950.1 (AB 1825) during the *Coverage Period* for an *Occurrence* related to that code section, the *Covered Party's Retained Limit* shall be doubled for such claim. Proof of substantial compliance shall be provided at the request of the *Authority* and in the form set forth in Resolution No. 2010-2, or any superseding Resolution, which requires documentation to confirm compliance with the sexual harassment training mandated by State law.

2. Bankruptcy or Insolvency

Bankruptcy or insolvency of the *Covered Party* shall not relieve the *Authority* of any of its obligations hereunder.

3. Other Coverage

If any *Covered Party* has coverage with any insurer, joint powers authority or other source which covers a loss also covered hereunder (whether on a primary, excess or contingent basis), the *Covered Party* shall, as soon as practicable after reporting a *Claim* to the *Authority*, or upon request of the *Authority*, provide the *Authority* with copies of all applicable policies, memorandums or documents evidencing such coverage, and shall cooperate in all respects with the *Authority* with respect to such coverage, including but not limited to the tendering of any *Claim* and providing the *Authority* with copies of all communications between the *Covered Party* and any entity providing coverage for such *Claim*.

If insurance or any other coverage with any insurer, joint powers authority or other source is available to the *Covered Party* covering a loss also covered hereunder (whether on primary, excess, or contingent basis), the coverage hereunder shall be in excess of, and shall not contribute with, such other insurance or coverage.

This coverage shall be in excess of, and shall not contribute with, any insurance or coverage which names a *Covered Party* herein as an additional *Covered Party* or additional insured party, where coverage is extended to a loss also covered hereunder. In order for the coverage herein to apply, the *Covered Party* must pay the full amount of its *Retained Limit*. Payment of the *Retained Limit* by the *Covered Party* is required in addition to and despite any payments from any other source for or on behalf of that *Covered Party*, unless the *Covered Party* has purchased insurance coverage solely and expressly for the purpose of satisfying its *Retained Limit*, in which case that insurance coverage may be used by the *Covered Party* in payment of its *Retained Limit*.

4. Accumulation of Limits

A *Claim* which contains allegations extending to a duration of more than one *Coverage Period* shall be treated as a single *Occurrence* arising during the *Coverage Period* when the first act takes place without regard to any review process or appeal relating to such conduct.

5. Severability of Interests

The term *Covered Party* is used severally and not collectively, but the inclusion herein of more than one *Covered Party* shall not operate to increase the limits of the *Authority's* liability or the *Retained Limit* applicable per *Occurrence*.

6. Subrogation

The *Authority* shall be subrogated to the extent of any payment hereunder to all the *Covered Parties'* rights of recovery thereof and the *Covered Parties* shall do nothing after loss to prejudice such right and shall do everything necessary to secure such right. Any amounts so recovered shall be apportioned as follows:

- (A) The highest layer of coverage shall be reimbursed first and if there are sufficient recoveries then the next highest layer shall be reimbursed until all recoveries are used up.
- (B) The expenses of all such recovery proceedings shall be paid before any reimbursements are made. If there is no recovery in the proceedings conducted by the *Authority*, it shall bear the expenses thereof.

7. Arbitration

Decisions by the *Authority* whether to assume control of the negotiation, investigation, defense, appeal, or settlement of a *Claim*, or whether or not coverage exists for a particular *Claim* or part of a *Claim* or any other dispute that arises under and in

connection with the Memorandum shall be made by the Board of Directors of the *Authority*. An appeal to the Board from a coverage decision or opinion by staff or general counsel must be made in writing to the *Authority* by the *Covered Party* within ninety (90) days of receipt of such opinion or decision. If, either prior to or following the Board's decision, a new coverage opinion or decision is sent by staff or general counsel to the *Covered Party*, a new ninety (90) day period commences from receipt of such new opinion or decision in which the *Covered Party* may appeal to the Board.

The Board will take action on any appeal within sixty (60) days or the next scheduled Board of Directors meeting, whichever is later, unless an extension is agreed to by the parties.

Any dispute concerning a decision by the Board shall be submitted to binding arbitration within ninety (90) days of written notification of the Board's decision. The *Covered Party* must exhaust all rights to appeal as established by the Bylaws prior to requesting arbitration of a dispute.

Arbitration shall be conducted pursuant to the California Code of Civil Procedure. Arbitration shall be conducted by a single arbitrator. No arbitrator shall be employed or affiliated with the *Authority* or the *Covered Party(ies)* or any Member of the *Authority*.

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 bear one-half the cost of the selected arbitrator. In addition, each party shall be responsible for its own attorneys' fees, costs and expenses of arbitration.

In the event that the *Member* prevails in the coverage dispute in the arbitration, the following shall apply to any monetary award in the *Member's* favor:

- (A) Any interest awarded shall be at the Local Agency Investment Fund (LAIF) rate + 1% in effect at the time of the award;
- (B) Any attorneys' fees award for *Defense Costs* of the underlying *Claim* above the *Member's Retained Limit* shall be subject to all provisions of the ERMA Litigation Management Guidelines and shall not exceed the hourly rate established by the ERMA Litigation Management Guidelines in effect at the time of the *Occurrence* of the underlying *Claim*;
- (C) Any award shall be subject to and shall not exceed the *Defense Costs* and indemnity *Coverage* under the *Limit of Coverage* afforded under the ERMA Memorandum in effect at the time of the *Occurrence* of the underlying *Claim*;
- (D) No award at the arbitration shall be permitted for damages of any nature or in any amount other than as expressly allowed in this Section VII, subsection 7. By way of example,

and without limitation, no award shall be permitted for consequential damages, extra contractual damages, tort damages or damages for any alleged breach of the implied covenant of good faith and fair dealing; and

- (E) Any award for *Defense Costs* and/or indemnity with respect to the underlying *Claim* shall be treated the same for purposes of the determination of the *Member's* Ex Mod or premium calculation, as if the *Claim* had been originally covered by ERMA.

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 procedures set forth in California Code of Civil Procedure Section 1283.05 relating to depositions and discovery shall apply to any arbitration pursuant to this paragraph 8.

Except as provided otherwise above, arbitration shall be conducted as provided in Title 9 of the Code of Civil Procedure (commencing with Section 1280).

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

SECTION VIII – MISCELLANEOUS PROVISIONS

1. Termination

This Memorandum may be terminated at any time in accordance with the Bylaws of the *Authority*.

2. Changes

Notice to any agent of the *Authority* or knowledge possessed by such agent or by any other person shall not effect a waiver or a change in any part of this Memorandum of Coverage, nor shall the terms of this Memorandum of Coverage be waived or changed, except by endorsement issued to form a part of this Memorandum of Coverage.

**EMPLOYMENT RISK MANAGEMENT AUTHORITY
MEMORANDUM OF COVERAGE
ENDORSEMENT #1**

This endorsement, effective 12:01 a.m. 7/1/2017~~8~~, forms a part of ERMA 2017~~8~~-IEPL. It is understood that the named Covered Party of the Declarations and the “Retained Limits” for the Covered Parties are completed as follows:

Employment Risk Management Authority,

Bay Cities Joint Powers Insurance Authority (BCJPIA)

COVERED PARTY	RETENTION
City of Albany	\$50,000
City of Brisbane	\$50,000
City of Emeryville	\$50,000
Management of Emeryville Services Authority (MESA)	
Town of Corte Madera	\$100,000
Town of Fairfax	\$50,000
Central Marin Police Authority	\$100,000
City of Larkspur	\$250,000
City of Los Altos	\$100,000
City of Menlo Park	\$250,000
City of Mill Valley	\$50,000
City of Novato	\$250,000
City of Piedmont	\$50,000
City of Pleasanton	\$75,000
Livermore Pleasanton Fire Department	
Town of San Anselmo	\$50,000
City of Sausalito	\$50,000
Town of Tiburon	\$25,000
City of Union City	\$75,000

California Transit Indemnity Pool (CalTIP)

COVERED PARTY	RETENTION
El Dorado County Transit Authority	\$50,000
Humboldt Transit Authority	\$75,000
Livermore Amador Valley Transit Authority	\$50,000
Mendocino Transit Authority	\$50,000
Morongo Basin Transit Authority	\$50,000
San Luis Obispo Regional Transit Authority	\$50,000
South County Area Transit	\$50,000
Tahoe Transportation District	\$50,000
Western Contra Costa Transit Authority	\$50,000
Yolo County Transportation District	\$50,000

Central San Joaquin Valley Risk Management Authority (CSJVRMA)

	COVERED PARTY	RETENTION
	City of Angels	\$25,000
	City of Atwater	\$25,000
	City of Ceres	\$25,000
	City of Chowchilla	\$25,000
	City of Corcoran	\$25,000
	City of Delano	\$25,000
	City of Dinuba	\$100,000
	City of Dos Palos	\$25,000
	City of Escalon	\$25,000
	City of Farmersville	\$50 75,000
	City of Fowler	\$25,000
	City of Gustine	\$25,000
	City of Hughson	\$25,000
	City of Huron	\$25,000
	City of Kerman	\$25,000
	City of Kingsburg	\$25,000
	City of Lathrop	\$25,000
	City of Lemoore	\$25,000
	City of Livingston	\$25,000
	City of Madera	\$25,000
	City of McFarland	\$75,000
	City of Mendota	\$25,000
	City of Merced	\$100,000
	City of Newman	\$25,000
	City of Oakdale	\$50,000
	City of Orange Cove	\$50,000
	City of Parlier	\$50,000
	City of Patterson	\$50,000
	City of Porterville	\$25,000
	City of Reedley	\$25,000
	City of Riverbank	\$50,000
	City of San Joaquin	\$25,000
	City of Sanger	\$25,000
	City of Selma	\$50,000
	City of Shafter	\$25,000
	City of Sonora	\$25,000
	City of Taft	\$25,000
	City of Tehachapi	\$25,000
	City of Tulare	\$100,000
	City of Wasco	\$50,000
	City of Woodlake	\$25,000

Exclusive Risk Management Authority of California (ERMAC)

COVERED PARTY	RETENTION
City of Hayward	\$500,000
City of Laguna Hills	\$100,000

Monterey Bay Area Self Insurance Authority (MBASIA)

COVERED PARTY	RETENTION
City of Capitola	\$500,000
City of Del Rey Oaks	\$500,000
City of Gonzales	\$500,000
City of Greenfield	\$500,000
City of Hollister	\$500,000
City of King City	\$500,000
City of Marina	\$500,000
City of Sand City	\$500,000
City of Scotts Valley	\$500,000
City of Soledad	\$500,000

Municipal Pooling Authority (MPA)

	COVERED PARTY	RETENTION
	City of Antioch	\$50,000
	City of Brentwood	\$50,000
	City of Clayton	\$50,000
	Town of Danville	\$50,000
	City of El Cerrito	\$50,000
	City of Hercules	\$50,000
	City of Lafayette	\$50,000
	City of Manteca	\$50,000
	City of Martinez	\$50,000
	Town of Moraga	\$50,000
	City of Oakley	\$50,000
	City of Orinda	\$50,000
	City of Pacifica	\$50 75,000
	City of Pinole	\$50,000
	City of Pittsburg	\$50,000
	City of Pleasant Hill	\$50,000
	City of San Pablo	\$100,000
	City of San Ramon	\$50,000
	City of Walnut Creek	\$50,000

Public Agency Risk Sharing Authority of California (PARSAC)

COVERED PARTY	RETENTION
City of Amador	\$25,000
City of Avalon	\$25,000
City of Belvedere	\$25,000
City of Blue Lake	\$25,000
City of California City	\$100,000
City of Calimesa	\$25,000
City of Calistoga	\$25,000
City of Citrus Heights	\$100,000
City of Clearlake	\$25,000
City of Coalinga	\$25,000
City of Ferndale	\$25,000
City of Grass Valley	\$25,000
City of Highland	\$25,000
City of Menifee	\$25,000
City of Nevada City	\$25,000
City of Pacific Grove	\$50,000
City of Placentia	\$100,000
City of Placerville	\$50,000
City of Plymouth	\$25,000
City of Point Arena	\$25,000
City of Rancho Cucamonga	\$250,000
Rancho Cucamonga Fire Protection District	\$75,000
City of Rancho Santa Margarita	\$25,000
City of San Juan Bautista	\$25,000
City of South Lake Tahoe	\$100,000
City of Tehama	\$25,000
City of Trinidad	\$25,000
City of Truckee	\$25,000
City of Twentynine Palms	\$25,000
City of Watsonville	\$250,000
City of West Hollywood	\$ 10 25,0
City of Wheatland	\$25,000
City of Wildomar	\$25,000
Town of Yountville	\$25,000
City of Yucaipa	\$50,000
Town of Yucca Valley	\$ 25 100,0

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Public Entity Risk Management Authority (PERMA)

	COVERED PARTY	RETENTION
	City of Adelanto	\$ 100 250,0
	City of Banning	\$25,000
	City of Barstow	\$25,000
	City of Canyon Lake	\$25,000
	City of Cathedral City	\$25,000
	City of Coachella	\$25,000
	City of Desert Hot Springs	\$25,000
	City of Eastvale	\$25,000
	City of Hesperia	\$50,000
	City of Holtville	\$25,000
	Imperial County Transportation Commission	\$25,000
	City of Jurupa Valley	\$25,000
	City of La Mesa	\$25,000
	City of Murrieta	\$ 25 100,00
	Palm Springs Aerial Tramway	\$25,000
	City of Perris	\$25,000
	San Diego Regional Training Center	\$25,000
	City of Stanton	\$25,000
	SunLine Transit Agency	\$50,000
	Victor Valley Transit Authority	\$25,000
	City of Victorville	\$25,000

Endorsement
#1 (~~7/1/2017~~)

Small Cities Organized Risk Effort (SCORE)

COVERED PARTY	RETENTION
City of Biggs	\$25,000
City of Colfax	\$25,000
City of Live Oak	\$25,000
City of Mt. Shasta	\$25,000
City of Portola	\$25,000
City of Rio Dell	\$25,000
City of Shasta Lake	\$25,000
City of Susanville	\$25,000
City of Tulelake	\$25,000
Town of Loomis	\$25,000
City of Weed	\$100,000
City of Yreka	\$25,000

Vector Control Joint Powers Agency (VCJPA)

COVERED PARTY	RETENTION
Alameda County Mosquito Abatement District	\$25,000
Burney Basin Mosquito Abatement District	\$25,000
Butte County Mosquito and Vector Control District	\$25,000
Coachella Valley Mosquito and Vector Control District	\$25,000
Colusa Mosquito Abatement District	\$25,000
Compton Creek Mosquito Abatement District	\$25,000
Consolidated Mosquito Abatement District	\$25,000
Contra Costa Mosquito and Vector Control District	\$25,000
Delta Vector Control District	\$25,000
Durham Mosquito Abatement District	\$25,000
Fresno Mosquito and Vector Control District	\$25,000
Glenn County Mosquito and Vector Control District	\$25,000
Greater Los Angeles County Vector Control District	\$25,000
Kings Mosquito Abatement District	\$25,000
Lake County Vector Control District	\$25,000
Los Angeles County West Vector Control District	\$25,000
Marin-Sonoma Mosquito and Vector Control District	\$25,000
Mosquito and Vector Management District of Santa Barbara County	\$25,000
Napa County Mosquito Abatement District	\$25,000
Northwest Mosquito and Vector Control District	\$25,000
Orange County Mosquito and Vector Control District	\$25,000
Oroville Mosquito Abatement District	\$25,000
Placer Mosquito and Vector Control District	\$25,000
Sacramento-Yolo Mosquito and Vector Control District	\$25,000
San Gabriel Valley Mosquito and Vector Control District	\$25,000
San Joaquin County Mosquito and Vector Control District	\$25,000
San Mateo County Mosquito Abatement District	\$25,000
Shasta Mosquito and Vector Control District	\$25,000
Sutter-Yuba Mosquito and Vector Control District	\$25,000
Tehama County Mosquito and Vector Control District	\$25,000
Turlock Mosquito Abatement District	\$25,000
West Valley Mosquito and Vector Control District	\$25,000

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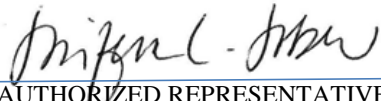
Endorsement
#1 (7/1/2017)

Individual Entities

COVERED PARTY	RETENTION
Oakland Housing Authority	\$50,000
Contra Costa County Housing Authority	\$50,000

| Effective Date: July 1, 201~~7~~⁸

Endorsement No.: 1



AUTHORIZED REPRESENTATIVE

| ~~Endorsement
#1 (7/1/2017)~~

EMPLOYMENT RISK MANAGEMENT AUTHORITY
MEMORANDUM OF COVERAGE
ENDORSEMENT #2

This endorsement, effective 12:01 a.m. 7/1/201~~7~~⁸, forms a part of ERMA 201~~7~~⁸-1EPL.

It is understood that the definition of "Covered Party" in Section II is amended to include the following entities and any officer, director or employee while in the course and scope of their duties for the following entities:

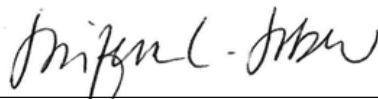
Bay Cities Joint Powers Insurance Authority (BCJPIA)
California Transit Indemnity Pool (CalTIP)
Central San Joaquin Valley Risk Management Authority (CSJVRMA)
Employment Risk Management Authority (ERMA)
Exclusive Risk Management Authority of California (ERMAC)
Public Agency Risk Sharing Authority of California (PARSAC)
Public Entity Risk Management Authority (PERMA)
Monterey Bay Area Self Insurance Authority (MBASIA)
Municipal Pooling Authority (MPA)
Small Cities Organized Risk Effort (SCORE)
Vector Control Joint Powers Agency (VCJPA)

The retained limit for the coverage provided by this endorsement is \$25,000.

It is further understood that no other person, organization, or entity shall be deemed to be a "Covered Party" under this endorsement except for those expressly identified herein.

Effective Date: July 1, 201~~7~~⁸

Endorsement No.: 2



AUTHORIZED REPRESENTATIVE

~~Endorsement~~
~~#2 (7/1/2017)~~

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**EMPLOYMENT RISK MANAGEMENT AUTHORITY
MEMORANDUM OF COVERAGE
ENDORSEMENT #3**

| This endorsement, effective 12:01 a.m. 7/1/201~~7~~8, forms a part of ERMA 201~~7~~8-1EPL.

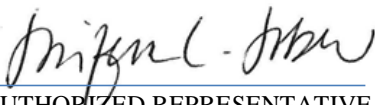
It is understood that for the following Covered Parties, the limit of coverage is \$500,000 per *Occurrence*.

Small Cities Organized Risk Effort (SCORE)

COVERED PARTY	RETENTION
City of Biggs	\$25,000
City of Colfax	\$25,000
City of Live Oak	\$25,000
City of Portola	\$25,000
City of Mt. Shasta	\$25,000
City of Shasta Lake	\$25,000
City of Susanville	\$25,000
City of Tulelake	\$25,000
City of Rio Dell	\$25,000
Town of Loomis	\$25,000
City of Weed	\$100,000
City of Yreka	\$25,000

| Effective Date: July 1, 201~~7~~8

Endorsement No.: 3



AUTHORIZED REPRESENTATIVE

|

| ~~Endorsement~~

| ~~#3(7/01/2017)~~

CONFLICT OF INTEREST CODE FOR THE EMPLOYMENT RISK MANAGEMENT AUTHORITY

The Political Reform Act, Government Code Sections 81000 et seq., requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regs., Section 18730, which contains the terms of a standard Conflict of Interest Code, which can be incorporated by reference and which may be amended by the Fair Political Practices Commission to conform to amendments to the Political Reform Act after public notice and hearings. Therefore, the terms of 2 Cal. Code of Regs., Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission, along with the attached Appendix in which officials and employees are designated and disclosure categories are set forth, are hereby incorporated by reference and constitute the Conflict of Interest Code of Employment Risk Management Authority.

It has been determined that the positions listed below manage public investments and will file a statement of economic interests pursuant to Government Code Section 87200:

President
Vice President
Treasurer

Designated employees shall file their statements of economic interests with Employment Risk Management Authority which shall make the statement available for public inspection and reproduction (Gov. Code Section 81008). Statements for all designated employees shall be retained by the Employment Risk Management Authority.

**CONFLICT OF INTEREST CODE FOR THE
EMPLOYMENT RISK MANAGEMENT AUTHORITY**

APPENDIX A

DESIGNATED EMPLOYEES

DISCLOSURE CATEGORIES

Executive Committee	All
Members of the Board	All
Alternate Members of the Board	All
Administrator	All
Board Secretary	All
Litigation Manager	All
General Counsel	All
Insurance Broker	All
Consultants*	All

DISCLOSURE CATEGORIES

1. Investments and business positions in business entities, and sources of income, of the type to contract with ERMA to supply materials, commodities, supplies, books, machinery, vehicles or equipment utilized by the agency.
2. Investments and business positions in business entities, and sources of income, which are contractors, or subcontractors, engaged in the performance of work or services of the type utilized by ERMA, including but not limited to, insurance companies, carriers, holding companies, underwriters, agents or accounting firms.
3. Investments and business positions in business entities, and sources of income, which have filed claims, or have claims pending against ERMA.
4. Investments and business positions in business entities, and sources of income, from banks or savings and loans.
5. Investments and business positions in, and income from, entities in which ERMA is empowered to invest its funds.
6. Interests in commercial real property (or interests in real property used for commercial leasing purposes).

* With respect to Consultants, the Administrator, or the President in the absence of the Administrator, may determine in writing that a particular consultant, although a designated person, is hired to perform a range of duties that are limited in scope and thus is not required to comply with the disclosure requirements described in this Section. Such written determination shall include a description of the consultants duties and, based upon that description, a statement of the extent of disclosure requirements. A copy of this determination shall be retained the Employment Risk Management Authority. Nothing herein excuses any such consultant from any other provision of the Conflict of Interest Code.

This is the last page of the conflict of interest code for the **Employment Risk Management Authority**.



CERTIFICATION OF FPPC APPROVAL

Pursuant to Government Code Section 87303, the conflict of interest code for the **Employment Risk Management Authority** was approved on December 30, 1999. The code will be effective on January 29, 2000.

A handwritten signature in cursive script, appearing to read "Robert Tribe", written over a horizontal line.

Robert Tribe
Executive Director
Fair Political Practices Commission

ADMINISTRATIVE MATTERS

SUBJECT: 2018/19 Goals and Objectives Update

BACKGROUND AND STATUS:

At the February 2018 Annual Workshop, the Board of Directors established four goals and objectives for the 2018/19 Program Year, as follows:

Goal #1: Develop a budgetary control point policy. At the May 1, 2018, meeting, staff presented proposed revisions to ERMA's Financial Stability Plan ("Plan") that included budget control provisions within the policy document. All proposed revisions were approved and the document was finalized.

Goal #2: Identify anonymous reporting application options. ERMA's anonymous reporting line has been in use for several years and, annually, the Board discusses usage and overall efficacy. As a result of the increased availability of similar internet-based communication applications, staff was directed to identify viable alternatives or complementary options to the existing telephone-based, reporting line. Staff will research the availability of any such applications with a focus upon use by public entities to serve in addition to the reporting mechanisms currently in place.

Goal #3: Identify targeted human resource training opportunities. As heightened awareness and emphasis on employment-related matters continue to grow, staff was directed to incorporate targeted human resource training available to member agencies in the 2018/19 Program Year. Three of the seven trainings offered, in addition to AB 1825-compliant training, focus upon human resource matters.

Goal #4: Develop and implement Phase II: Policy Review Initiative. This secondary phase of the established Policy Review Initiative includes the development and implementation of employment-practices training for ERMA member agency's high-level management. Staff was directed to work with the Ad Hoc Training Committee in this endeavor.

RECOMMENDATION:

None.

ADMINISTRATIVE MATTERS

SUBJECT: Proposed Draft Resolution No. 2017-8 Establishing Criteria for Approval of Investigators

BACKGROUND AND STATUS:

The Litigation Manager received information from a majority of ERMA-approved investigators that ERMA rate caps on investigation services are significantly below the investigators' standard rates, and even significantly below the investigators' discounted or reduced-rate fee structures, if any. As a result of that information, and additionally due to specific instances of difficulty by members in retaining an investigator, the Litigation Manager conducted an informal poll of ERMA-approved investigators to determine if the ERMA rate-structure is reasonably competitive so that members may be assured of being able to continue to retain first-rate investigators. Further, the Litigation Manager reviewed whether the rate structure appropriately differentiates between attorney and non-attorney investigator rates, and whether the rate structure appropriately establishes differential compensation between investigation and post-investigation services of the investigator. Draft Resolution No. 2017-8 reflects proposed additions and changes to the rate structure that addresses all of these issues.

As background, ERMA sets a maximum hourly rate for investigation services. Currently, these rates are \$210 per hour for attorney investigators and \$195 for non-attorney investigators. As noted in the table below, the Board last approved an increase to these rates to be effective July 2015. The current rate structure does not contemplate differential compensation between investigation and post-investigation services by the investigator.

The 2015 ERMA rates, median public sector market rates, defense panel rates (as comparator information), proposed rates, and the percentage increase or decrease of the proposed investigation rates are set forth below.

	2015 Rate	Median Public Sector Market Rate	Defense Panel Rate (Partner)	Proposed Rate	Proposed Post Investigation Services Rate	% Increase or Decrease for Investigation Services
Attorney Investigator	\$ 210	\$ 290	\$ 285	\$ 250	\$ 285	+19%
Non Attorney Investigator	\$ 195	\$ 160	n/a	\$ 160	\$ 205	-18%

The Litigation Manager also recommends additional edits to the Criteria for Approval of Investigators as contained in the draft resolution.

Attached for the Board's review and consideration in redline strike-out text is Resolution No. 2017-8, in draft format.

RECOMMENDATION:

Staff recommends the Board of Directors approve Resolution No.2017-8 Establishing Criteria for Approval of Investigators, as presented.

REFERENCE MATERIALS ATTACHED:

- Draft Resolution No. 2017-8 Establishing Criteria for Approval of Investigators (redline/strike out)

RESOLUTION NO. ~~2014-4~~2017-8

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EMPLOYMENT RISK MANAGEMENT AUTHORITY
ESTABLISHING CRITERIA FOR APPROVAL OF INVESTIGATORS**

WHEREAS, the Employment Risk Management Authority, hereinafter ERMA, is a Joint Powers Authority organized and existing in accordance with the laws of the State of California, and

WHEREAS, one of the functions of ERMA is to operate a “Pooled Wrongful Employment Practices” “risk sharing” coverage program, and

WHEREAS, it is the desire of the Board of Directors to continue to reduce and control the costs and fees associated with the defense of claims, and

WHEREAS, the ERMA program has been in existence since 1999 and the Board of Directors previously established a panel of approved investigation firms to handle the employment practices investigations for ERMA and its members, and

~~WHEREAS, the previously established panel of approved investigators now consists of the ten (10) approved defense panel attorney firms plus an additional thirteen (13) investigation firms, some of whom are not law firms, and~~

WHEREAS, it is in the best interest of all members to ensure a thorough, good faith and impartial investigation of ~~all~~ allegations of employment wrongdoing, when appropriate, to limit liability in an employment practices lawsuit, and

WHEREAS, it is in the best interest of all members to ensure ~~a~~ professional, competent, and cost effective handling of investigations, and

WHEREAS, it is in the best interest of all members to have established professional criteria and a cap on the billable hourly rate an investigator may charge for the investigative services it provides.

NOW, THEREFORE, BE IT RESOLVED THIS RESOLUTION REPLACES RESOLUTION 2014-1 as follows:

A~~The~~ referral panel of approved investigators is in place for the ERMA program. With prior approval of the ERMA Litigation Manager, program will no longer be utilized as currently constituted. Instead, with the approval of the ERMA Litigation Manager, a member may use any investigator listed on the referral panel, or other investigator not listed on the referral panel, who~~that~~ meets and agrees to the Investigator Criteria set forth below.

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A. Criteria to be Approved to Conduct Investigative Services for ERMA Member Entities

Investigators desiring to be approved to perform investigative services for ERMA Member Entities must meet and agree to the following provisions before the Litigation Manager may approve them to do work for an ERMA member. Failure to obtain approval by the ERMA

Litigation Manager will result in the fees and costs incurred by the member not being counted toward the member entity's self-insured retention (SIR):

1. The outside investigator must be able to perform the investigation for the member entity in a neutral and unbiased ~~manner~~fashion.
2. The outside investigator must have at least five years' experience conducting employment practices investigations, and be familiar with laws applicable to the facts of the investigation and applicable to the particular member entity;
3. A significant percentage of the outside investigator's practice and experience (if the investigator is an attorney, a significant percentage of his or her investigation practice and experience) must involve conducting public sector employment practices investigations;
4. Unless the outside investigator is an attorney or otherwise exempt, he/she must comply with the requirements of the California's Private Investigator Act;
- ~~5.~~ The outside investigator ~~must~~should be familiar with the Fair Credit Reporting Act;
- ~~5.6.~~ The outside investigator is preferred to have attended and completed the Association of Workplace Investigators' Training Institute, and obtain a certificate of completion;
- ~~6.7.~~ At the commencement of the investigation, the outside investigator must agree to sign an engagement letter which outlines the scope of the investigation and responsibilities of the investigator. The outside investigator must be advised and agree that his/her role is to conduct a fact-based investigation, where a member may also ask for conclusions/opinions by the outside investigator of whether the member's policy or practice has been violated. The outside investigator agrees to conduct the investigation within the parameters of the member's requested scope of the investigation, and will not exceed that scope unless first authorized by the member and Litigation Manager. The scope of the outside investigator's role shall not at any time include drawing legal conclusions~~;~~;
- ~~7.8.~~ The outside investigator shall provide a proposed budget for the investigation at the commencement of the investigator's retention. Should the investigation begin to exceed the budget, the investigator shall, as soon as reasonably foreseeable, provide an updated budget for approval by the Litigation Manager or member~~;~~;
- ~~8.9.~~ Investigators must first obtain approval by the Litigation Manager before the member will have any expenditures of the investigator counted toward the ~~member's~~SIR~~;~~;

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10. The rate to be charged by the investigator shall not exceed \$~~254~~0.00 per hour if the investigator is also an attorney. The rate to be charged by the investigator shall not exceed \$~~170.00~~95 for non-attorney investigators. ~~Outside investigators on ERMA's established panel of approved~~ investigators agree to not separately bill a member for any differential amount between the investigator's standard hourly rate (if higher than ERMA's maximum hourly rate) and ERMA's approved hourly rate;

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~~9.11.~~ Should a particular investigation result in litigation or other process where the investigator is called upon to provide post-investigation services, including but not limited to deposition testimony, trial testimony, or preparation for deposition or trial testimony, the rate to be charged by the investigator shall not exceed \$285.00 per hour for attorney investigators, and \$205.00 per hour for non-attorney investigators; and,

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~~10.12.~~ The outside investigator agrees to submit monthly bills unless otherwise approved by the Litigation Manager, and will describe the services and costs provided during the billing period. Bills shall include a brief description of services performed, the date the services were performed, and the number of hours, or fraction thereof, spent performing the services.

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Nothing in this resolution shall be construed to limit the right of a member entity to retain its own ~~n~~Non-ERMA approved investigator to investigate allegations of employment wrongdoing. If, however, a member entity retains its own ~~n~~Non-ERMA approved investigator, the member entity shall be solely responsible for that investigator's fees and costs, and the fees and costs will not be counted toward the member's SIR.

B. Evaluation of Investigators and Investigation Firms

The performance of ~~the~~ investigators will be evaluated ~~bi~~annually by the Litigation Management Staff. ~~The performance of the particular investigators from each firm who worked on ERMA cases will also be reviewed bi annually.~~ The Litigation Manager reserves the right to disapprove of any investigation firm or any investigator which would then preclude that investigator from doing additional work for a member entity that would count toward the ~~member's~~ SIR.

C. In-House Counsel, In-House Investigations, and Third Party Investigators

Nothing in this Resolution should be construed to require member entities to engage and retain the services of third-party investigators for investigation of allegations of wrongful employment acts. A member entity has the right to utilize its own in-house investigators, in-house or outside counsel, employees, etc., to assist with or conduct an investigation for the member entity. However, no in-house or outside counsel or in-house investigator's fees or costs shall be applied towards the satisfaction of the member entity's SIR.

AYES	_____	
NOES	_____	
ABSTAIN	_____	
ABSENT	_____	
ABSTAIN	_____	
ABSENT	_____	

	_____	PRESIDENT
	_____	PRESIDENT

BOARD SECRETARY

MEMBERSHIP MATTERS

SUBJECT: Prospective New Member – The City of San Jacinto (PERMA)

BACKGROUND AND STATUS:

The City of San Jacinto has applied for membership in ERMA through the Public Entity Risk Management Authority (PERMA) and requested a \$25,000 self-insured retention (SIR). Based upon the City's payroll of \$3,358,185, this SIR is in accordance with ERMA's Underwriting Guidelines.

The information provided on the City's application indicates the City has written policies and procedures in place, with the most recent revisions conducted in 2012, and further revisions planned for the latter half of 2018. The City has 48 full-time employees, has incurred no EPL-related claims within the previous seven fiscal years, and issued a letter attesting to "No Known Losses". Although the application states the City is out of compliance with AB 1825 training requirements, following the retirement of the City's previous Human Resources Manager, the new Manager implemented a training program which brought the City into full compliance by April 30, 2018.

RECOMMENDATION:

The Underwriting Committee recommends the Board of Directors approve the City of San Jacinto's (PERMA) application at a \$25,000 SIR, effective July 1, 2018.

REFERENCE MATERIALS ATTACHED:

- City of San Jacinto Completed Potential New Member Application
- City of San Jacinto Premium Indication

EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)

LIABILITY COVERAGE APPLICATION

If completed electronically, this application will adjust to allow space for any answers. If not completed electronically, then additional sheets may be needed.

ENTITY NAME: City of San Jacinto		Date: 3/27/2018	
EMPLOYMENT PRACTICES INFORMATION			
A. Policies and Procedures			
1.	Does the Entity have written personnel policies and procedures?	X Yes	<input type="checkbox"/> No
2.	Does the Entity distribute the manual/rules to all employees?	X Yes	<input type="checkbox"/> No
3.	Does the Entity have employees sign an acknowledgement form indicating they have read and understood the above-referenced policies?	X Yes	<input type="checkbox"/> No
4.	Are the following policies or procedures included in the manual? Check all that apply:		
	X Hiring	X Termination	X Suspension
	X Medical Leave	X Unpaid Leave	X Grievance Procedures
	X Drug & Alcohol Testing	X Discipline	X Attendance
	X Family Medical Leave Act	X Anti-Harassment Policies	
	X Written Job Description for all Positions	X Workplace Violence Policies	
	X Regular Written Performance Evaluations for all employees		
5.	Do the policies/rules include all protected categories under the Fair Employment and Housing Act (FEHA), Ca. Gov't. Code section 12940)?	X Yes	<input type="checkbox"/> No
6.	Does the Entity have legal counsel regularly review the manual/rules/rules?	X Yes	<input type="checkbox"/> No
7.	Have the above-referenced policies been updated within the past five years?	<input type="checkbox"/> Yes	X No
	If no, when was the manual or rules last reviewed? 2/21/2012		
8.	Were the above-referenced policies formally approved and adopted by council/governing board?	X Yes	<input type="checkbox"/> No
9.	Does the Entity have legal counsel to provide advice regarding disciplinary matters?	X Yes	<input type="checkbox"/> No
10.	Has there been a layoff of employees or is a reduction in service planned? <i>Not in the last 24 months as referenced in Section D.4.</i>	<input type="checkbox"/> Yes	X No
11.	Does the entity have an orientation program for all employees that addresses workplace conduct, EPL policies and practices, and grievance procedures?	X Yes	<input type="checkbox"/> No

B. Employee Information					
1.	Number of Full Time Employees: 48				
2.	Number of Part time Employees: 1 (<i>this does not include City Council, Planning Commissioners or Elected Treasurer</i>)				
3.	For each of the past five years, what has been your annual percentage turnover rate of employees? (please see added notes below)				
	2013 13%	2014 27%	2015 11%	2016 18%	2017 8%

Notes: The turnover percentages above do not include City Council, Planning Commissioners or Treasurer. In 2014, 10 terminations were layoffs due to lack of funds, and in 2015 2 terminations were layoffs due to lack of funds.

EMPLOYMENT PRACTICES INFORMATION

4.	How many involuntary employment terminations have occurred in the past two years?	
	2016 0	2017 1
	<i>Involuntary employment termination with respect to this questionnaire means notification to an employee that such employee will no longer be employed whether such notification is effective immediately or in the future. Involuntary employment termination shall also include actual or alleged constructive discharge.</i>	
5.	Percentage of Employees with salaries less than \$100,000 85%	Should = 100%
6.	Percentage of Employees with salaries greater than \$100,000 15%	

Note: This information reflects our payroll for 2017. There have been 4-5 new hires or promotions in 2018 resulting in additional employees over \$100,000.

C.	Employment Practices Claims Handling	
1.	Who in the Entity has been designated to handle claims? HR Manager, along with City Attorney	
2.	With respect to oral or written claims, do you have a written procedure for obtaining information and conducting required follow up on the claim?	X Yes <input type="checkbox"/> No
	If yes, describe the policy and procedure for reviewing claims: We have a grievance hearing procedure that is outlined in the SEIU MOU.	
3.	Has your entity received any claim in the previous 7 completed fiscal years, including the partial current fiscal year, (including but not limited to Tort Claim, any and all claims filed with the DFEH, EEOC, Department of Labor or Federal Department of Justice, any civil lawsuit or other written claim) alleging the following?	
	(a) allegations of discrimination or harassment under FEHA, Title VII or any other federal or state law relating to discrimination based on race, sex, religion, disability, national origin, marital status, age, sexual orientation, retaliation or any similar protected legal status	<input type="checkbox"/> Yes X No
	(b) actual or construction termination of an employment relationship in a manner which is alleged to have been against the law or wrongful, or in breach of an implied employment contract or breach of the covenant of good faith and fair dealing in the employment contract	<input type="checkbox"/> Yes X No
	(c) allegations of negligent or wrongful evaluation, wrongful demotion, wrongful discipline, failure to promote, failure to grant tenure, or wrongful deprivation of career opportunity	<input type="checkbox"/> Yes X No
	(d) allegations of misrepresentation or defamation made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote or demote	<input type="checkbox"/> Yes X No
	(e) allegations of infliction of emotional distress, mental injury, mental anguish, shock, sickness, disease or disability made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote or demote	<input type="checkbox"/> Yes X No

	(f) allegations of false imprisonment, detention, or malicious prosecution made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote or demote	<input type="checkbox"/> Yes X No
EMPLOYMENT PRACTICES INFORMATION		
	(g) allegations of libel, slander, defamation of character, invasion of privacy made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote or demote; and	<input type="checkbox"/> Yes X No
	(h) other personal injury allegations made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote or demote.	<input type="checkbox"/> Yes X No
If the answer is yes to any of the above, please attach a listing of the loss(es) showing a full description of each claim, including the date filed, the substance of the allegations, the disposition of the claim, and any monetary amounts paid in connection with the claim.		

D. Employment Practices Risk Management		
1.	Does the applicant have a Human Resources or Personnel Department?	X Yes <input type="checkbox"/> No
If no, please describe handling of this function:		
2.	Do you have any established set of grievance procedures as an effective means of resolving disputes prior to litigation?	X Yes <input type="checkbox"/> No
3.	Do you anticipate any "layoffs" during the next 12 months?	<input type="checkbox"/> Yes X No
If yes, please provide details		
4.	Have you had any "layoffs" in the past 24 months?	<input type="checkbox"/> Yes X No
If yes, please provide details		
5.	Is your entity in full compliance with the training requirements set forth in AB 1825?	<input type="checkbox"/> Yes X No
If no, please explain. Supervisory employees have been assigned to complete AB 1825 compliant training on or before April 30, 2018. Non-supervisory employees have been assigned Sexual Harassment that is specifically for team members. This training is also due on April 30, 2018.		
6.	Briefly describe the procedure for maintaining AB 1825 training records: Stored in an online database with Target Solutions endorsed by PERMA. Also, paper certifications are kept in each employee's personnel file.	
7.	Are elected officials trained on the entity's policy regarding harassment and discrimination?	X Yes <input type="checkbox"/> No

E. DESIRED SELF-INSURED RETENTION						
X \$25K	<input type="checkbox"/> \$50K	<input type="checkbox"/> \$75K	<input type="checkbox"/> \$100K	<input type="checkbox"/> \$250K	<input type="checkbox"/> \$500K	

Please attach a copy of the following:

- *Employment practices liability individual loss information (including Date of Loss and total incurred) for the previous 7 completed fiscal years, including the partial current fiscal year;*
- *Payroll information for the previous 7 completed calendar years;*
- *Completed resolution authorizing participation in ERMA;*
- *Completed intent to participate; and*
- *Most Recent Financial Audit*

The undersigned declares that no fact, circumstance, or situation indicating the probability of a claim or action is now known to any person proposed for this coverage; and it is agreed by all concerned that if there be knowledge of any such fact, circumstance or situation, any claim or action subsequently emanating therefrom shall be excluded from coverage under the coverage for herewith being applied. The undersigned being authorized by, and acting on behalf of, the applicant and all persons or concerns seeking coverage, has read and understands this application, and declares all statements set forth herein are true, complete, and accurate, and include all material information.

The undersigned further declares and represents that any occurrence taking place prior to the inception of the coverage for which is being applied, which may render inaccurate, untrue or incomplete any statement made herein will immediately be reported in writing to ERMA. The undersigned acknowledges and agrees that the submission and ERMA's receipt of such report, prior to the inception of the coverage for which being applied, is a condition precedent to coverage.

The undersigned acknowledges:

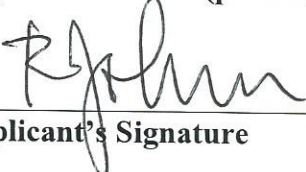
- (1) ERMA does not require the submittal of the aforementioned policies and procedures. ERMA does, however, rely on the information provided by the applicant in review of the application and the undersigned, therefore, declares and represents that the policies and procedures as represented above are the current policies and procedures of the entity.
- (2) ERMA's Board of Directors may recommend a risk assessment of any new member within 60 days of joining ERMA and/or a higher self-insured retention from what was requested, if an application for membership is approved.

The undersigned further acknowledges and agrees this application contains requests for information and requests for data on a range of exposures, but such requests do not imply that coverage is afforded in the program for which is being applied.

City of San Jacinto
Agency or Entity Name

Robert Johnson
Applicant's Name (please print)

City Manager
Title


Applicant's Signature

4/12/18
Date

EMPLOYMENT RISK MANAGEMENT AUTHORITY PREMIUM INDICATION

PERMA

Name of Entity	City of San Jacinto
2017 Payroll	\$3,358,185
Coverage Period	July 1, 2018 to June 30, 2019

CALCULATION

Member Retained Limit Options		\$25,000	\$50,000	\$75,000
Retained Limit Factor		1.14	1.00	0.90
Retained Limit Rate		0.544	0.477	0.429
Defense & Indemnity: Pooled Funding		\$18,261	\$16,019	\$14,417
Administration	0.0565	1,896	1,896	1,896
Loss Prevention & Training	0.0070	234	234	234
Subtotal		\$20,391	\$18,148	\$16,546
JPA Participation Credit	8.14%	(\$1,660)	(\$1,477)	(\$1,347)
Individual Experience Mod Factor *		1.000		
Off-Balance Factor		1.194		
TOTAL ERMA PREMIUM **		\$22,362	\$19,902	\$18,146

* New members are assigned an experience modification factor of 1.000 their first year in ERMA.

** Premium prorated based on date of inception of coverage.

COVERAGE MATTERS

SUBJECT: Discussion and Action Regarding Excess Coverage for the 2018/19 Program Year

BACKGROUND AND STATUS:

ERMA has obtained excess coverage through RSUI in the amount of \$1M excess of \$1M for each member per claim, \$2M per member aggregate, and \$10M policy aggregate since the 2010/11 Program Year.

In an effort to ensure fair pricing and coverage, Alliant Insurance Services (Alliant) marketed the upcoming program year excess renewal placement. Seven markets including Markel, Hartford Steam Boiler, Beazley, Ironshore, Chubb, AIG and CSAC EIA, declined to quote or did not provide a response. RSUI, the incumbent provider, offered a renewal quote at the expiring rate and terms and in addition, provided options for increased per member/per claim and policy aggregate limits.

Attached are correspondence and a renewal proposal from Mr. Seth Cole, Alliant, for the 2018/19 Program Year. The renewal premium, at expiring limits, is \$248,669, a 5.52% increase over the expiring premium of \$235,697.

RSUI provided three additional renewal options with increased per member/per claim and policy aggregate limits, as follows:

OPTIONS	RATE	PAYROLL	PREMIUM	% DIFF.
Expiring: \$1M/\$2M/\$10M	0.0333	\$707,797,670	\$235,697	
#1 Renewal: \$1M/\$2M/\$10M	0.0333	\$746,843,014	\$248,699	5.52%
#2 Renewal: \$2M/\$4M/\$10M	0.04	\$746,843,014	\$298,737	26.75%
#3 Renewal: \$1M/\$2M/\$15M	0.045	\$746,843,014	\$336,079	42.59%
#4 Renewal: \$2M/\$4M/\$15M	0.05	\$746,843,014	\$373,422	58.43%

Since inception of the program in 1999/00, ERMA has incurred three claims with total amounts in excess of \$1M and 18 claims in excess of \$500,000. With the addition of several new members over the past two program years, staff recommends the Board consider an increase in member per claim and member aggregate limits. The nominal number of historical claims that have approached or pierced ERMA's excess layer of coverage, coupled with the significant premium differential associated with increased policy aggregate limits, provide for the additional recommendation to maintain the existing policy aggregate limit of \$10M for the 2018/19 Program Year renewal.

Mr. Cole will be in attendance to discuss the renewal with the Board.

RECOMMENDATION:

Staff recommends the Board of Directors authorize binding excess coverage through RSUI for the 2018/19 Program Year as stated in Option #2: \$2M per claim/\$4M per member aggregate/\$10M policy aggregate.

REFERENCE MATERIALS ATTACHED:

- Correspondence from Mr. Seth Cole, Alliant, and Renewal Proposal

May 24, 2018

Jennifer Jobe
Executive Director
ERMA
c/o Bickmore
1750 Creekside Oaks Drive, Suite 200
Sacramento, CA 95833

Employment Risk Management Authority (ERMA) Renewal Proposal: July 1, 2018-2019

Dear Jennifer:

We are pleased to present our renewal proposal for ERMA's optional Excess Employment Practices Liability program effective July 1, 2018. At the Board's request, Alliant marketed the excess renewal placement to ensure the pricing and coverage is in line with the general marketplace. We have attached the Marketing Summary for your review. The Board also discussed consideration of a higher *Policy Aggregate* limits and options for higher *Each Claim* limits, in part, due to the addition of several new members joining this coverage year. RSUI currently provides \$1,000,000 in limits Each Claim per Member with a \$2,000,000 Per Member Aggregate and \$10,000,000 Policy Aggregate excess of ERMA's Retained Limit of \$1,000,000.

We were successful in negotiating a renewal offer from RSUI at the **expiring rate and terms**. The renewal premium is \$248,669; a 5.52% increase over the expiring premium. Payroll for members of this optional coverage is up \$39,045,344 (5.52%). RSUI also provided options at higher Per Member/Per Claim and Aggregate limits. Summarized below.

<u>Options</u>	<u>Rate</u>	<u>Payroll</u>	<u>Premium</u>
Expiring \$1M/2M/10M	0.0333	\$707,797,670	\$235,697
#1: Renewal \$1M/2M/10M	0.0333	\$746,843,014	\$248,699
#2: Renewal \$2M/4M/10M	0.04	\$746,843,014	\$298,737
#3: Renewal \$1M/2M/15M	0.045	\$746,843,014	\$336,079
#4: Renewal \$2M/4M/15M	0.05	\$746,843,014	\$373,422

We look forward to reviewing with you and the Board on June 12th.

Sincerely,



Seth Colc, ARM
Senior Vice President
scolc@alliant.com

cc: Michael Simmons, Vice Chairman – Public Entities
msimmons@alliant.com

Marketing Summary

Market	Status	Comments
RSUI	Quoted	Provided options at higher per member/per claim and aggregate limits.
Markel	Declined	Can only follow A- or better rated insurance carrier on traditional policy form.
Hartford Steam Boiler	Declined	Risk profile.
Beazley	Declined	Would not offer limits for all members (offered terms for only 2 members).
Ironshore	Declined	Ironshore requires an actuary review and pricing would be higher. Since RSUI has not increased rate and this would require a large underwriting/possible actuary review I think it's best for them to maintain the account.
Chubb	Declined	Cannot sit over an MOU.
AIG	No response	
CSAC EIA	Declined	Cannot offer standalone EPL.

Excess Employment Practices Liability Coverage

INSURANCE COMPANY:	RSUI Indemnity Company
A.M. BEST RATING:	A+(Superior), Financial Size Category: XIV (\$1.5 Billion to \$2 Billion) as of 9/29/17
STANDARD & POOR'S RATING:	A+ (Strong) pulled as of 5/23/18
STATE COVERED STATUS:	Admitted
POLICY/COVERAGE TERM:	July 1, 2018 – July 1, 2019
Coverage Form:	Claims Made & Reported Coverage; Follow Form Excess
Members Covered:	CSJVRMA, MBASIA, MPA, VCJPA, Oakland Housing Authority, Housing Authority of the County of Contra Costa, CalTIP (6 members: Livermore Amador Valley Transit Authority, Mendocino Transit Authority, San Luis Obispo Regional Transit Authority, South County Area Transit, Tahoe Transportation District, Yolo County Transportation District)
Limits:	
Option 1 – Same as expiring policy	
Per Claim	\$1,000,000 Each Claim Per Member
Per Member Aggregate	\$2,000,000 Per Member Aggregate
Policy Aggregate	\$10,000,000 Policy Aggregate
Annual Premium for Option 1	\$248,699 Flat
	Rate per \$100 of payroll is .0333; based on annual payroll of \$746,843,014
Option 2	
Per Claim	\$2,000,000 Each Claim Per Member
Per Member Aggregate	\$4,000,000 Per Member Aggregate
Policy Aggregate	\$10,000,000 Policy Aggregate
Annual Premium for Option 2	\$298,737 Flat
	Rate per \$100 of payroll is .04; based on annual payroll of \$746,843,014
Option 3	
Per Claim	\$1,000,000 Each Claim Per Member
Per Member Aggregate	\$2,000,000 Per Member Aggregate
Policy Aggregate	\$15,000,000 Policy Aggregate
Annual Premium for Option 3	\$336,079 Flat
	Rate per \$100 of payroll is .045; based on annual payroll of \$746,843,014
Option 4	
Per Claim	\$2,000,000 Each Claim Per Member
Per Member Aggregate	\$4,000,000 Per Member Aggregate
Policy Aggregate	\$15,000,000 Policy Aggregate
Annual Premium for Option 4	\$373,422 Flat
	Rate per \$100 of payroll is .05; based on annual payroll of \$746,843,014

Excess Employment Practices Liability Coverage – Continued

ERMA's Retention:	\$1,000,000 per occurrence of loss and claims expense, inclusive of member's deductibles
Retroactive Date:	7/1/10 except for MBASIA which is 7/1/11; City of Patterson, City of Mendota, City of Lemoore, City of Sonora, City of Tehachapi which are 7/1/13; City of Sanger which is 4/18/16; City of Woodlake, City of Dinuba, City of Farmersville which is 7/1/16; CalTIP (6 members) which is 7/1/17.
Definitions:	Wrongful Act, Loss and Claim shall each have the same meaning as defined in the Primary Policy
Defense Inside/Outside the Limits:	Inside
Who has the Duty to Defend:	Insurer
Endorsement & Exclusions continued (including but not limited to):	<ul style="list-style-type: none">) Additional Named Insured Endorsement) Amendatory Endorsement-Claims Made and Reported and Limit of Liability) Amended Declarations-\$1MM per claim per member city/\$2MM aggregate per member/\$10MM policy aggregate) Disclosure pursuant to Terrorism Risk Insurance Act) Prior Acts Exclusion-Wrongful Acts that occurred prior to 7/1/10; 7/1/11 for MBASIA; 7/1/13 for City of Patterson, City of Mendota, City of Lemoore, City of Sonora, City of Tehachapi; 4/18/16 for City of Sanger; 7/1/16 for City of Woodlake, City of Dinuba, City of Farmersville; 7/1/17 for CalTIP (6 members).) Prior and/or Pending Litigation Exclusion-Litigation that occurred prior to 7/1/10; 7/1/11 for MBASIA; 7/1/13 for City of Patterson, City of Mendota, City of Lemoore, City of Sonora, City of Tehachapi; 4/18/16 for City of Sanger; 7/1/16 for City of Woodlake, City of Dinuba, City of Farmersville; 7/1/17 for CalTIP (6 members).) Specific Entities Exclusion-BCJPIA, PARSAC, PERMA, SCORE excluded from coverage) Exclusion-Telecommunications Claims) Three Year Bilateral Discovery Period - If the policy is not renewed or is cancelled, insured has option to purchase Discovery period in which to give notice of claims: One Yr @ 100% of annual premium; Two Yrs @ 150% of annual premium; Three Yrs @ 175% of annual premium.
Quote Valid Until:	July 1, 2018
Binding Conditions:	See Binding Requirements Recap Page

See Disclaimer Page for Important Notices and Acknowledgement

Disclosures

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal, whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

NY Regulation 194

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

Other Disclosures / Disclaimers

FATCA:

The Foreign Account Tax Compliance Act (FATCA) requires the notification of certain financial accounts to the United States Internal Revenue Service. Alliant does not provide tax advice so please contact your tax consultant for your obligation regarding FATCA.

Claims Reporting:

Your policy will come with specific claim reporting requirements. Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

Claims Made Policy:

(Applicable to any coverage that is identified as claims made)

This claims-made policy contains a requirement stating that this policy applies only to any claim first made against the Insured and reported to the insurer during the policy period or applicable extended reporting period. Claims must be submitted to the insurer during the policy period, or applicable extended reporting period, as required pursuant to the Claims/Loss Notification Clause within the policy in order for coverage to apply. Late reporting or failure to report pursuant to the policy's requirements could result in a disclaimer of coverage by the insurer.

Claims Made Policy (D&O/EPL)

(Applicable to any coverage that is identified as claims made)

This claims-made policy contains a requirement stating that this policy applies only to any claim first made against the Insured and reported to the insurer during the policy period or applicable extended reporting period. Claims must be submitted to the insurer during the policy period, or applicable extended reporting period, as required pursuant to the Claims/Loss Notification Clause within the policy in order for coverage to apply. Late reporting or failure to report pursuant to the policy's requirements could result in a disclaimer of coverage by the insurer.

Any Employment Practices Liability (EPL) or Directors & Officers (D&O) with EPL coverage must give notice to the insurer of any charges / complaints brought by any state / federal agency (i.e. EEOC and similar proceedings) involving an employee. To preserve your rights under the policy, it is important that timely notice be given to the insurer, whether or not a right to sue letter has been issued.

Other Disclosures / Disclaimers = Continued

NRRA:

(Applicable if the insurance company is non-admitted)

The Non-Admitted and Reinsurance Reform Act (NRRA) went into effect on July 21, 2011. Accordingly, surplus lines tax rates and regulations are subject to change which could result in an increase or decrease of the total surplus lines taxes and/or fees owed on this placement. If a change is required, we will promptly notify you. Any additional taxes and/or fees must be promptly remitted to Alliant Insurance Services, Inc.

Changes and Developments

It is important that we be advised of any changes in your operations, which may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

- Changes in any operations such as expansion to another states, new products, or new applications of existing products.
- Travel to any state not previously disclosed.
- Mergers and/or acquisition of new companies and any change in business ownership, including percentages.
- Any newly assumed contractual liability, granting of indemnities or hold harmless agreements.
- Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed or occupied
- Circumstances which may require an increased liability insurance limit.
- Any changes in fire or theft protection such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to the system.
- Immediate notification of any changes to a scheduled of equipment, property, vehicles, electronic data processing, etc.
- Property of yours that is in transit, unless previously discussed and/or currently insured.

Certificates / Evidence of Insurance

A certificate is issued as a matter of information only and confers no rights upon the certificate holder. The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy. Nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or certificate holder.

You may have signed contracts, leases or other agreements requiring you to provide this evidence. In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a certificate of insurance, you may be required to name your client or customer on your policy as an additional insured. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

-) Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.
-) Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.
-) There may be conflicts in defense when your insurer has to defend both you and the additional insured.

See Request to Bind Coverage page for acknowledgment of all disclaimers and disclosures.

Binding Requirements Recap

Below is a recap by Line of Coverage. **ALL** coverage(s) require the following:

-) A written request to bind coverage
-) A signed and dated Client Notification of Carrier Ratings Policy, Guidelines and Practices letter is required prior to binding (only if the carrier rating is below a B+, or not rated)
-) All Surplus Lines Taxes/Fees are Fully Earned (only applies to a non-admitted carrier)

Coverage Line and Description of Subjectivity(ies)	Effective Date
Excess Employment Practices Liability <ul style="list-style-type: none">) Copy of 18-19 ERMA MOC	July 1, 2018

In order to complete the underwriting process, we require that you send us any additional information requested above. We are not required to bind coverage prior to our receipt and underwriting acceptance of the above information. However, if we do bind coverage prior to such acceptance, the terms and conditions as indicated above may be amended until such receipt and acceptance. Any agreement to bind coverage in connection with this proposal must be in writing from an authorized employee of the Insurer

Request to Bind Coverage

Employment Risk Management Authority (ERMA)

We have reviewed the proposal and agree to the terms and conditions of the coverages presented. We are requesting coverage to be bound as outlined by coverage line below:

Coverage Line	Bind Coverage for:
Excess Employment Practices Liability	
Option 1: \$1 million each claim/\$2 million per member/\$10 million policy aggregate	<input type="checkbox"/>
Option 2: \$2 million each claim/\$4 million per member/\$10 million policy aggregate	<input type="checkbox"/>
Option 3: \$1 million each claim/\$2 million per member/\$15 million policy aggregate	<input type="checkbox"/>
Option 4: \$2 million each claim/\$4 million per member/\$15 million policy aggregate	<input type="checkbox"/>

This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers and disclosures, including exposures used to develop insurance terms, contained within this proposal.

Signature

Date

Title

Printed / Typed Name

This proposal does not constitute a binder of insurance. Binding is subject to final carrier approval. *The actual terms and conditions of the policy will prevail.*

COVERAGE MATTERS

SUBJECT: Request from the City of McFarland (CSJVRMA) to Reduce Self-Insured Retention

BACKGROUND AND STATUS:

In accordance with ERMA's Bylaws, any reduction to a member's self-insured retention (SIR) must be approved by the Board of Directors. Staff received a request from the City of McFarland (CSJVRMA) to reduce their SIR from \$75,000 to \$50,000. The City's 2017 payroll of \$2,822,186 falls in line with the request, as outlined in ERMA's Underwriting Guidelines.

The City has participated in ERMA since inception of the program and has incurred a total of twenty claims. Three claims are currently open with \$0 total incurred. The City has participated in two risk assessments, most recently under City Manager John Wooner, and has made significant strides to implement prudent risk control measures and improve losses.

Ms. Kathy Maylin will be present to discuss staff's recommendation and answer any questions from the Board.

RECOMMENDATION:

Staff recommends the Board of Directors approve the request from the City of McFarland to reduce their self-insured retention from \$75,000 to \$50,000, effective July 1, 2018.

REFERENCE MATERIALS ATTACHED:

- Email from the City of McFarland Regarding Requested Reduction of SIR

Jennifer Jobe

From: John Wooner <jwooner@mcfarlandcity.org>
Sent: Thursday, May 17, 2018 10:43 AM
To: Jennifer Jobe
Cc: Rocio Mosqueda
Subject: Request
Attachments: John Wooner.vcf

Follow Up Flag: Follow up
Flag Status: Flagged

Categories: ERMA

Jennifer,

Please consider this my formal request to reduce our SIR from \$75,000 to \$50,000. If you should require more than this email to proceed to your Board with this request, please let me know.

Thanks



TRAINING/LOSS PREVENTION MATTERS

SUBJECT: Risk Assessment Updates – Cities of McFarland, Pittsburg & West Hollywood

BACKGROUND AND STATUS:

Ms. Kathy Maylin, Litigation Manager, reported at the November 6, 2017, Board meeting that during the 2015/16 Program Year, the Cities of McFarland, Pittsburg and West Hollywood exceeded multiple parameters of ERMA's Target Ratio Calculations. Ms. Maylin advised risk assessments would be beneficial for the Cities and advised a report of her findings would be presented at the June 2018 Board meeting.

Ms. Maylin will be in attendance to provide a report and answer any questions of the Board.

RECOMMENDATION:

None.

FINANCIAL MATTERS

SUBJECT: Proposed Administrative and Operating Budget for the 2018/19 Program Year

BACKGROUND AND STATUS:

Attached for the Board's consideration is the Proposed Annual Budget for the 2018/19 Program Year. The Budget features funding at the 80% confidence level (CL), the same CL as used in the 2017/18 Approved Budget. The featured discount rate continues to be 2.0%.

The Budget features optional excess coverage of \$2 million X \$1 million. This represents a change from the \$1 million X \$1 million coverage purchased since the 2010/11 program year.

The recommended 2018/19 Proposed Budget represents an overall increase of 8.1%, or \$539,041, over the 2017/18 Approved Budget. There are two drivers in the overall increase:

- The increase in payroll of 3.4%; and
- The increase in the funding rate of 4.2%.

Total premium reflects the following assumptions and significant factors:

- Funding for losses at the 80% CL, at the actuarially-determined rate of .477 per \$100 of payroll (\$50,000 SIR); a 4.2% increase over last year's rate at the 80% CL;
- Discount factor of 2.0%;
- Funding for losses to \$1 million in excess of individual member's SIR;
- Optional excess insurance coverage to \$2 million excess of \$1 million at the rate of .040.
Note: As presented by Alliant in the Excess Coverage Update, the rate for optional excess coverage from \$1 million excess of \$1 million is the expiring rate of .0333. Under this option, the EPL excess premium would be \$50,000 less. The Summary pages of this Budget option are attached for the Board's review.
- Actual payroll as of December 31, 2017;
- An increase in payroll of 3.4%;
- A less than 1.0% increase in the Loss Prevention and Training portion of the budget in the Employee Reporting Mechanism line item;
- A 5.4% increase in the Administration portion of the budget. Variances from last year's budget include:
 - Program Administration – 2.9% contractual increase with the augmentation of the renewed five-year contract with Bickmore, and the increased fee due to the proposed addition of the City of San Jacinto in PERMA;
 - Risk Assessments – 100%, or \$5,000, increase due to a larger number of members undergoing assessments;
 - Legal Services - 50%, or \$15,000, increase due to increased usage of attorney's time for coverage opinions;
 - Financial Audit – 5.3%, or \$500, contractual increase with the augmentation of a renewed three-year contract;

ERMA
BOARD OF DIRECTORS MEETING
June 12, 2018

- Claims Audit – Biennial funded line item – budgeted in 2018/19;
- Memberships and Conferences - \$5,200 increase includes \$5,000 for participation in AGRIP conferences;
- Website – Funding no longer required for this line item; and
- Other expenses - \$500 augmentation for additional bank fees.
- The withdrawal of LP Fire from BCJPIA;
- The proposed addition of the City of San Jacinto in PERMA at a \$25,000 SIR;
- Changes in member’s self-insured retentions as follows:
 - Pacifica in MPA – from \$50,000 to \$75,000;
 - West Hollywood in PARSAC – from \$100,000 to \$250,000;
 - Yucca Valley in PARSAC – from \$25,000 to \$100,000;
 - Adelanto in PERMA – from \$100,000 to \$250,000;
 - Murrieta in PERMA – from \$250,000 to \$100,000 (*Board approved in April*) and
 - McFarland in CSJVRMA – from \$75,000 to \$50,000 (*requires Board approval*).

Experience Modification Calculation:

Continuing the methodology that has been employed for the past nine years, the proposed budget utilizes a three-tiered experience modification factor (ex-mod) calculation:

- The first calculates the ex-mod at the JPA level, and determines each JPA’s premium contribution to ERMA;
- A secondary calculation reflects the effects of each underlying member’s individual loss experience in the premium each individual member pays to its JPA, as it utilizes the “pure” ex-mod, rather than the credibility-factored ex-mod used in the primary JPA calculation, capped at .75 on the low end and 1.50 on the high end; and
- A third calculation attempts to correct significant swings by capping individual ex-mod changes to .25 from the previous year’s ex-mod.

Please note that ERMA assumes the budgeted premium calculation methodology for any future calculations of individual member target performance ratios, as well as retained earnings calculations that determine retrospective adjustments.

RECOMMENDATION:

Staff recommends the Board of Directors approve the 2018/19 Proposed Operating Budget at the 80% Confidence Level, and optional excess coverage of \$2 Million X \$1 Million.

REFERENCE MATERIALS ATTACHED:

- 2018/19 Proposed Annual Budget at the 80% Confidence Level, with optional excess coverage of \$2 Million X \$1 Million
- 2018/19 Proposed Annual Budget with Excess Coverage \$1 Million X of \$1 Million (Summary pages only)

Employment Risk Management Authority

~ 2018/2019 Proposed Operating Budget ~ Preliminary Approval May 2, 2018 ~

~ 80 % Confidence Level ~ 2.0% Discount Factor ~

~ Excess Insurance \$2 million x \$1 million ~ \$4 million / \$10 million Aggregate ~

	Prior Year - 2017/2018		2018/2019 Proposed Budget	Increase/(Dec) Over Prior Year Budget	Percentage Change
<u>Claims Expense:</u>	Projected Actual	Approved Budget			
Funding for Pooled Losses (SIR to \$1M)	\$5,466,618	\$5,466,618	\$5,897,262	\$430,644	7.88%
Excess Insurance	235,697	235,697	298,737	63,040	26.75%
Total Claims Costs	\$5,702,315	\$5,702,315	\$6,195,999	\$493,684	8.66%
<u>Loss Prevention and Training:</u>					
Employee Reporting Mechanism	9,500	8,500	9,500	1,000	11.76%
Web-based Training: AB1825 & AB1234	18,000	18,000	18,000	0	0.00%
Training Bulletins	6,000	6,000	6,000	0	0.00%
Additional Web-based Training	12,000	12,000	12,000	0	0.00%
Hotline Services - Jackson Lewis & LCW	7,000	7,000	7,000	0	0.00%
Misc. Training Expenses	3,000	6,000	6,000	0	0.00%
Customized Training Sessions (Attorney firms), and Training Workshops (22 x \$2,150)	30,100 17,200	17,200 30,100	47,300	0	0.00%
Total Loss Prevention and Training	\$102,800	\$104,800	\$105,800	\$1,000	0.95%
<u>Administration:</u>					
Program Management	\$678,949	\$678,949	\$698,706	\$19,757	2.91%
Includes:					
• Training Workshops (Inhouse as per Bickmore contract - 25 x \$1,800 = \$36,000)					
Risk Assessments	12,300	5,000	10,000	5,000	100.00%
Claims System	5,000	5,000	5,000	0	0.00%
Legal Services	46,000	30,000	45,000	15,000	50.00%
Actuarial Study	9,950	9,950	9,950	0	0.00%
Financial Audit	9,450	9,450	9,950	500	5.29%
Claims Audit	0	0	5,900	5,900	
Board Meetings & Retreat	25,000	30,000	30,000	0	0.00%
Memberships and Conferences	950	1,500	6,700	5,200	346.67%
Accreditation	1,417	1,500	1,500	0	0.00%
Fidelity Bonds	1,139	1,200	1,200	0	0.00%
E & O Coverage	2,485	2,500	2,500	0	0.00%
Investment Management Services	28,000	30,000	30,000	0	0.00%
Website	7,500	7,500	0	(7,500)	-100.00%
Other Expenses	4,000	3,500	4,000	500	14.29%
Total Administration	\$832,140	\$816,049	\$860,406	\$44,357	5.44%
Total Deposit Premium	\$6,637,255	\$6,623,164	\$7,162,205	\$539,041	8.14%

2018/2019 member changes from the prior year (approved in May, 2018) include:

- ~ Increase in SIR from \$50,000 to \$75,000 for Pacifica in MPA
- ~ Increase in SIR from \$100,000 to \$250,000 for West Hollywood in PARSAC
- ~ Increase in SIR from \$25,000 to \$100,000 for Yucca Valley in PARSAC
- ~ Increase in SIR from \$100,000 to \$250,000 for Adelanto in PERMA
- ~ Decrease in SIR from \$250,000 to \$100,000 for Murrieta in PERMA
- ~ Withdrawal of LP Fire from BCJPIA

2018/2019 member changes since May 2, 2018 meeting:

- ~ Addition of the City of San Jacinto in PERMA ~ \$25,000 SIR
- ~ Decrease in SIR from \$75,000 to \$50,000 for McFarland in CSJVRMA

Employment Risk Management Authority

~ 2018/2019 Proposed Operating Budget ~ Preliminary Approval May 2, 2018 ~

Member Summary

~ 80 % Confidence Level ~ 2.0 % Discount Factor ~

									Deposit Premium			Prior Year Comparison		
									Deposit Premium		TOTAL Deposit Premium			
									Actual 2017	Funding For Losses *		Loss Prevention & Training	Admin. Costs	Deposit Premium
Member Entities	Payroll													
BCJPIA	\$221,880,901	\$830,687	\$15,448	\$125,630	\$971,765	0.773	\$751,563	0.988	\$742,589		\$742,589	\$784,685	-5.4%	-1.7%
CaTIP	20,638,603	97,222	1,437	11,686	110,344	1.000	110,344	0.988	109,027	5,127	114,153	\$101,264	12.7%	12.7%
CSJVRMA	276,492,646	1,275,490	19,250	156,551	1,451,291	1.250	1,814,114	0.988	1,792,452	110,597	1,903,049	1,787,694	6.5%	2.7%
ERMAC	85,959,423	80,001	5,985	48,671	134,656	0.767	103,329	0.988	102,095		102,095	107,777	-5.3%	-5.3%
MBASIA	52,450,612	39,447	3,652	29,698	72,797	1.025	74,647	0.988	73,755	20,980	94,735	82,384	15.0%	9.3%
MPA	315,821,765	1,332,449	21,989	178,820	1,533,257	0.750	1,149,943	0.988	1,136,212	126,329	1,262,541	1,212,684	4.1%	-2.8%
PARSAC	241,906,438	832,650	16,842	136,968	986,461	1.250	1,232,943	0.988	1,218,221		1,218,221	1,179,233	3.3%	-1.8%
PERMA	194,633,979	900,630	13,551	110,203	1,024,384	1.072	1,098,187	0.988	1,085,074		1,085,074	819,944	32.3%	24.7%
SCORE	20,557,794	79,159	1,431	11,640	92,231	0.884	81,493	0.988	80,520		80,520	76,107	5.8%	0.2%
VCJPA	55,554,010	268,743	3,868	31,455	304,066	1.146	348,414	0.988	344,254	22,222	366,476	305,591	19.9%	15.1%
Oakland H.A.	28,486,957	135,883	1,983	16,129	153,996	1.006	154,900	0.988	153,050	11,395	164,445	173,592	-5.3%	-11.3%
Contra Costa H.A.	5,220,093	24,900	363	2,956	28,219	0.940	26,536	0.988	26,219	2,088	28,307	27,734	2.1%	1.8%
Total	\$1,519,603,220	\$5,897,262	\$105,800	\$860,406	\$6,863,468		\$6,946,412		\$6,863,468	\$298,737	\$7,162,205	\$6,658,688	7.6%	4.2%

* Includes JPA Participation Credit

2016 Actual Payroll	\$1,470,030,652
Percent Change	3.37%

Table of Rates	
Budget Item	Rates
Funding for Losses - 2.0% Discounted 80% Confidence Level	\$0.4770
Excess Insurance: \$2M x \$1M ~ \$4M / \$10M Aggregate	0.0400
Loss Prevention & Training	0.0070
Administration	0.0566

Employment Risk Management Authority

~ 2018/2019 Proposed Operating Budget ~ Preliminary Approval May 2, 2018 ~
Prior Year Comparison

Member Entities	DEPOSIT PREMIUM CHANGE			CURRENT PAYROLL CHANGE			EX MOD CALCULATION								
							EX MOD CHANGE			AVERAGE PAYROLL CHANGE			AVERAGE LOSS CHANGE		
	Current Year	Prior Year		Current Year	Prior Year		Current Year	Prior Year	Percentage	Current Year	Prior Year	Percentage	Current Year	Prior Year	Percentage
	TOTAL Deposit Premium	Deposit Premium	Percentage Change	Payroll	Payroll	Change	Ex Mod	Ex Mod	Change	Average Payroll	Average Payroll	Change	Average Losses	Average Losses	Change
BCJPIA	\$742,589	\$784,685	-5.4%	\$221,880,901	\$230,305,992	-3.7%	0.773	0.791	-2.2%	\$193,181,519	\$193,824,840	-0.3%	137,383	\$145,110	-5.3%
CalTIP	114,153	101,264	12.7%	20,638,603	18,575,245	11.1%	1.000	1.000	0.0%	15,078,865					
CSJVRMA	1,903,049	1,787,694	6.5%	276,492,646	266,418,455	3.8%	1.250	1.238	1.0%	236,375,000	230,332,070	2.6%	713,399	578,926	23.2%
ERMAC	102,095	107,777	-5.3%	85,959,423	94,101,827	-8.7%	1.000	1.000	0.0%	82,095,031					
MBASIA	94,735	82,384	15.0%	52,450,612	49,607,745	5.7%	1.025	0.967	6.0%	44,575,237	44,232,559	0.8%	87,741	58,851	49.1%
MPA	1,262,541	1,212,684	4.1%	315,821,765	295,490,022	6.9%	0.750	0.787	-4.7%	267,197,597	263,950,853	1.2%	192,482	226,637	-15.1%
PARSAC	1,218,221	1,179,233	3.3%	241,906,438	230,170,584	5.1%	1.250	1.250	0.0%	209,183,254	207,000,653	1.1%	587,926	685,699	-14.3%
PERMA	1,085,074	819,944	32.3%	194,633,979	180,809,708	7.6%	1.072	0.908	18.1%	162,124,004	159,444,104	1.7%	337,904	190,010	77.8%
SCORE	80,520	76,107	5.8%	20,557,794	19,472,925	5.6%	0.884	0.886	-0.3%	17,692,234	16,570,889	6.8%	-	-	
VCJPA	366,476	305,591	19.9%	55,554,010	53,003,822	4.8%	1.146	1.009	13.6%	48,102,084	46,862,262	2.6%	146,483	79,156	85.1%
Oakland H.A.	164,445	173,592	-5.3%	28,486,957	26,867,023	6.0%	1.006	1.152	-12.7%	25,107,499	24,368,847	3.0%	45,287	82,455	-45.1%
Contra Costa H.A.	28,307	27,734	2.1%	5,220,093	5,207,303	0.2%	0.940	0.939	0.1%	4,644,950	4,749,605	-2.2%	-	-	0.0%
Total	\$7,162,205	\$6,658,688	7.6%	\$1,519,603,220	\$1,470,030,652	3.4%				\$1,305,357,275	\$1,191,336,682	9.6%	\$2,248,605	\$2,046,844	9.9%

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Bickmore Fee Worksheet

	Original Contract Year		
	Current Year - 2018/2019		
Percentage Increase over previous year			\$697,162
			2.54%
Baseline as of 4/1/18	Payroll	Payroll Calc %age	BRS Fees
	1,516,245,035		697,162
PERMA San Jacinto	3,358,185	0.002215	1,544
Totals as of 6/30/19	1,519,603,220		\$698,706

	2019/2020		
			\$712,680
Percentage Increase over previous year			2.00%
Baseline as of 7/1/19	Payroll	Payroll Calc %age	BRS Fees
			712,680
Totals as of 6/30/20	0		\$712,680

	2020/2021		
			\$726,934
Percentage Increase over previous year			2.00%
Baseline as of 7/1/20	Payroll	Payroll Calc %age	BRS Fees
			726,934
Totals as of 6/30/21	0		\$726,934

Approved contract is for a 5 year period. Final two years of contract are not shown.

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~ BCJPIA ~

											JPA Experience Mod Calculation (Used in determining the JPA's premium to ERMA)				Individual Experience Mod Calculation (Used in determining each individual member's premium to their JPA)								
1											2	3	4	5	6	7	8	Info Only:	9	10	11		
											JPA Experience Modification Factor	Dep Prem Adjusted for Experience Modification	Off-Balance Factor	Dep Prem Adjusted for Off Balance Factor	Individual Experience Modification Factor	Capped Individual Experience Modification	Ex Mod Including .25 capped change over prior year	Prior Year (2017/2018) Experience Modification	Deposit Adjusted for Experience Modification	Off-Balance Factor	Premium Adjusted for Off Balance Factor	Prior Year Deposit Premium	Increase (Decrease)
Member	Actual 2017 Payroll	SIR Selected	Payroll/100 Pool Rate	Funding For Losses	Loss Prevention & Training	Admin. Costs	Deposit Premium	JPA Participation Credit	Net Deposit Premium														
1 Albany/Albany JPA	\$10,382,672	\$50,000	\$0.477	\$49,525	\$723	\$5,879	\$56,127	(\$2,724)	\$53,403	0.773	\$41,302	0.988	\$40,809	0.000	0.750	0.750	0.750	0.750	\$40,052	0.928	\$37,180	\$36,172	\$1,008
2 Brisbane	9,197,185	50,000	0.477	43,871	640	5,207	49,718	(2,413)	47,306	0.773	36,586	0.988	36,149	0.000	0.750	0.750	0.750	0.750	35,479	0.928	32,935	32,112	823
3 Central Marin PA	4,076,456	100,000	0.391	15,945	284	2,308	18,537	(900)	17,637	0.773	13,640	0.988	13,478	0.000	0.750	0.750	0.750	0.750	13,228	0.928	12,279	14,384	(2,104)
4 Corte Madera (7/1/17)	6,221,073	100,000	0.391	24,333	433	3,522	28,289	(1,373)	26,916	0.773	20,817	0.988	20,568	0.000	0.750	0.750	1.000	1.000	20,187	0.928	18,739	23,680	(4,941)
5 Emeryville	4,793,089	50,000	0.477	22,863	334	2,714	25,911	(1,257)	24,653	0.773	19,067	0.988	18,839	0.000	0.750	0.750	0.750	0.750	18,490	0.928	17,164	16,351	813
6 Emeryville (MESA)	9,417,552	50,000	0.477	44,922	656	5,332	50,910	(2,470)	48,439	0.773	37,463	0.988	37,016	0.000	0.750	0.750	0.750	0.750	36,329	0.928	33,724	31,624	2,100
7 Fairfax	2,641,046	50,000	0.477	12,598	184	1,495	14,277	(693)	13,584	0.773	10,506	0.988	10,381	0.000	0.750	0.750	0.750	0.750	10,188	0.928	9,458	9,731	(274)
8 Larkspur	6,151,456	250,000	0.229	14,084	428	3,483	17,996	(873)	17,122	0.773	13,242	0.988	13,084	0.000	0.750	0.750	0.750	0.750	12,842	0.928	11,921	11,414	507
9 Los Altos (07/01/12)	13,123,439	100,000	0.391	51,331	914	7,431	59,675	(2,896)	56,779	0.773	43,913	0.988	43,389	1.082	1.082	1.082	1.082	1.250	61,449	0.928	57,043	54,840	2,202
10 Menlo Park (07/01/02)	27,678,124	250,000	0.229	63,372	1,927	15,671	80,970	(3,929)	77,041	0.773	59,584	0.988	58,872	0.411	0.750	0.750	0.750	0.750	57,781	0.928	53,637	54,527	(890)
11 Mill Valley (07/01/01)	16,484,232	50,000	0.477	78,630	1,148	9,333	89,111	(4,324)	84,787	0.773	65,574	0.988	64,791	0.000	0.750	0.750	0.750	0.750	63,590	0.928	59,030	55,564	3,466
12 Novato (09/01/07)	17,463,450	250,000	0.229	39,984	1,216	9,888	51,088	(2,479)	48,609	0.773	37,594	0.988	37,145	2.035	1.500	1.500	1.500	1.376	72,913	0.928	67,685	61,098	6,587
13 Piedmont	12,293,059	50,000	0.477	58,638	856	6,960	66,454	(3,225)	63,229	0.773	48,902	0.988	48,318	1.644	1.500	1.000	0.750	0.750	63,229	0.928	58,695	43,991	14,705
14 Pleasanton	42,004,560	75,000	0.429	180,326	2,925	23,783	207,033	(10,047)	196,987	0.773	152,349	0.988	150,530	0.195	0.750	0.750	0.750	0.750	147,740	0.928	137,146	134,374	2,772
15 San Anselmo	2,892,949	50,000	0.477	13,799	201	1,638	15,639	(759)	14,880	0.773	11,508	0.988	11,371	0.000	0.750	0.750	0.750	0.750	11,160	0.928	10,360	9,562	797
16 Sausalito	6,278,839	50,000	0.477	29,950	437	3,555	33,942	(1,647)	32,295	0.773	24,977	0.988	24,679	0.000	0.750	0.750	0.750	0.750	24,221	0.928	22,485	21,486	999
17 Tiburon (7/1/11)	3,434,481	25,000	0.544	18,676	239	1,945	20,860	(1,012)	19,848	0.773	15,350	0.988	15,167	0.000	0.750	0.750	0.750	0.750	14,886	0.928	13,818	13,462	356
18 Union City	27,347,240	75,000	0.429	117,402	1,904	15,484	134,790	(6,541)	128,249	0.773	99,188	0.988	98,003	0.000	0.750	0.750	0.750	0.750	96,187	0.928	89,289	90,561	(1,272)
Total	\$221,880,901			\$880,248	\$15,448	\$125,630	\$1,021,326	(\$49,561)	\$971,765		\$751,563		\$742,589						\$799,952		\$742,589	\$714,933	\$27,656
				(49,561)	JPA participation credit																		
				\$830,687	Net funding																		
											JPA Ex mod calc:				Individual Ex mod calc:								
											1 X 2 = 3; then 3 X 4 = 5				1 X 8 = 9; then 9 X 10 = 11								

Total JPA Payroll	\$457,238,276
Participating Payroll	221,880,901
Participation Credit	4.85%
2016 Payroll	\$230,305,992
2017 Payroll	221,880,901
Percentage Increase	-3.66%

Retained Limit Rates - 80% C.L.		
SIR	Factor	Rates
\$25,000	1.14	\$0.544
50,000	1.00	0.477
75,000	0.90	0.429
100,000	0.82	0.391
250,000	0.48	0.229
500,000	0.19	0.091

Other Rates	
Description	Rates
Excess Insurance: \$2M x \$1M – \$4M / \$10M Aggregate	\$0.0400
Loss Prevention & Training	0.0070
Administration	0.0566

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1									JPA Experience Mod Calculation <i>(Used in determining the JPA's premium to ERMA)</i>				Individual Experience Mod Calculation <i>(Used in determining each individual member's premium to their JPA)</i>												
									2	3	4	5	6	7	8	Info Only:	9	10	11						Excess Insurance \$1M x \$1M
Member	Actual 2017 Payroll	SIR Selected	Funding For Losses	Loss Prevention & Training	Admin. Costs	Deposit Premium	JPA Participation Credit	Net Deposit Premium	JPA Experience Modification Factor	Dep Prem Adjusted for Experience Modification	Off-Balance Factor	Dep Prem Adjusted for Off Balance Factor	Individual Experience Modification Factor	Capped Individual Experience Modification	Ex Mod Including .25 capped change over prior year	Prior Year (2017/2018) Experience Modification	Deposit Adjusted for Experience Modification	Off-Balance Factor	Premium Adjusted for Off Balance Factor			Prior Year Deposit Premium	Increase (Decrease)		
1 El Dorado County TA	\$3,339,214	\$50,000	\$15,928	\$232	\$1,891	\$18,051	(\$24)	\$18,027	1.000	\$18,027	0.988	\$17,812	0.000	0.750	0.750	1.000	\$13,520	1.317	\$17,812		\$17,812	\$16,364	\$1,448		
2 Humboldt Transit	2,259,983	75,000	9,702	157	1,280	11,139	(15)	11,124	1.000	11,124	0.988	10,991	0.000	0.750	0.750	1.000	8,343	1.317	10,991		10,991	10,668	323		
3 Livermore Amador Valley TA	1,328,830	50,000	6,339	93	752	7,183	(10)	7,174	1.000	7,174	0.988	7,088	0.000	0.750	0.750	1.000	5,380	1.317	7,088	532	7,620	7,378	242		
4 Mendocino Transit	2,603,358	50,000	12,418	181	1,474	14,073	(19)	14,055	1.000	14,055	0.988	13,887	0.000	0.750	0.750	1.000	10,541	1.317	13,887	1,041	14,928	13,763	1165		
5 Morongo Basin TA	1,292,280	50,000	6,164	90	732	6,986	(9)	6,977	1.000	6,977	0.988	6,893	0.000	0.750	0.750	1.000	5,232	1.317	6,893		6,893	6,331	562		
6 San Luis Obispo Regional TA	4,440,740	50,000	21,182	309	2,514	24,006	(32)	23,974	1.000	23,974	0.988	23,688	0.000	0.750	0.750	1.000	17,981	1.317	23,688	1,776	25,464	24,828	636		
7 South County Transit	461,254	50,000	2,200	32	261	2,493	(3)	2,490	1.000	2,490	0.988	2,460	0.000	0.750	0.750	1.000	1,868	1.317	2,460	185	2,645	2,368	277		
8 Tahoe Transportation District	3,051,845	50,000	14,557	212	1,728	16,498	(22)	16,476	1.000	16,476	0.988	16,279	0.000	0.750	0.750	1.000	12,357	1.317	16,279	1,221	17,500	9,878	7622		
9 Western Contra Costa TA	930,194	50,000	4,437	65	527	5,028	(7)	5,022	1.000	5,022	0.988	4,962	0.000	0.750	0.750	1.000	3,766	1.317	4,962		4,962	4,723	238		
10 Yolo County Trans. District	930,905	50,000	4,440	65	527	5,032	(7)	5,026	1.000	5,026	0.988	4,966	0.000	0.750	0.750	1.000	3,769	1.317	4,966	372	5,338	4,964	374		
Total	\$20,638,603		\$97,368	\$1,437	\$11,686	\$110,491	(\$146)	\$110,344	\$110,344				\$109,027	\$82,758				\$109,027	\$5,127	\$114,153	\$101,264		\$12,889		
									(146) JPA participation credit																
									\$97,222				Net funding				JPA Ex mod calc: 1 X 2 = 3; then 3 X 4 = 5				Individual Ex mod calc: 1 X 8 = 9; then 9 X 10 = 11				

Total JPA Payroll	\$1,556,791,711
Participating Payroll	20,638,603
Participation Credit	0.13%
2016 Payroll	\$18,575,245
2017 Payroll	20,638,603
Percentage Increase	11.11%

Retained Limit Rates - 80% C.L.		
SIR	Factor	Rates
\$25,000	1.14	\$0.544
50,000	1.00	0.477
75,000	0.90	0.429
100,000	0.82	0.391
250,000	0.48	0.229
500,000	0.19	0.091

Other Rates	
Description	Rates
Excess Insurance: \$2M x \$1M ~ \$4M / \$10M Aggregate	\$0.0400
Loss Prevention & Training	0.0070
Administration	0.0566

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~ CSJVRMA ~

										JPA Experience Mod Calculation (Used in determining the JPA's premium to ERMA)				Individual Experience Mod Calculation (Used in determining each individual member's premium to their JPA)																					
1										2		3		4		5		6		7		8		9		10		11							
										JPA Experience Modification	Dep Prem Adjusted for Experience	Off-Balance	Dep Prem Adjusted for Off Balance	Individual Experience Modification	Capped Individual Experience	Capped Ind. Ex Mod Including .25 capped change over prior year	Prior Year (2017/2018) Experience Modification	Deposit Adjusted for Experience	Off-Balance	Premium Adjusted for Off Balance	Excess Insurance \$1M x \$1M	TOTAL Deposit Premium	Prior Year Premium	Prior Year Increase (Decrease)											
Member	Actual 2017 Payroll	SIR Selected	Payroll/100 Pool Rate	Funding For Losses	Loss Prevention & Training	Admin. Costs	Deposit Premium	JPA Participation Credit	Net Deposit Premium	Factor	Modification	Factor	Factor	Factor	Modification	prior year	Modification	Modification	Factor	Factor	Factor	Factor	Factor	Factor	Factor	Factor	Factor	Factor	Factor	Factor	Factor	Factor			
1 Angels Camp	\$2,859,842	\$25,000	\$0.544	\$15,551	\$199	\$1,619	\$17,370	(\$1,103)	\$16,267	1.250	\$20,333	0.988	\$20,090	0.000	0.750	0.750	0.750	\$12,200	1.259	\$15,361	\$1,144	\$16,505	\$18,434	(\$1,929)											
2 Atwater (7/01/00)	5,476,157	25,000	0.544	29,778	381	3,101	33,260	(2,112)	31,148	1.250	38,935	0.988	38,470	10,624	1.500	1.500	1.250	46,722	1.259	58,829	2,190	61,019	51,786	9,234											
3 Ceres	14,621,088	25,000	0.544	79,507	1,018	8,279	88,803	(5,640)	83,163	1.250	103,954	0.988	102,713	5,350	1.500	1.500	1.250	124,745	1.259	157,070	5,848	162,918	148,411	14,507											
4 Chowchilla (07/01/01)	3,853,637	25,000	0.544	20,955	268	2,182	23,406	(1,486)	21,919	1.250	27,399	0.988	27,072	0.000	0.750	0.750	0.750	16,439	1.259	20,699	1,541	22,241	21,346	895											
5 Corcoran	3,958,828	25,000	0.544	21,527	276	2,242	24,044	(1,527)	22,517	1.250	28,147	0.988	27,811	0.000	0.750	0.750	0.750	16,888	1.259	21,264	1,584	22,848	22,882	(34)											
6 Delano	17,855,729	25,000	0.544	97,096	1,243	10,110	108,449	(6,887)	101,562	1.250	126,952	0.988	125,436	3,619	1.500	1.500	1.500	152,343	1.259	191,819	7,142	198,961	198,213	748											
7 Dinuba (7/1/16)	10,880,247	100,000	0.391	42,557	758	6,160	49,475	(3,142)	46,333	1.250	57,916	0.988	57,225	0.000	0.750	0.750	0.750	34,750	1.259	43,754	4,352	48,106	48,960	(854)											
8 Dos Palos (12/1/10)	1,237,470	25,000	0.544	6,729	86	701	7,516	(477)	7,039	1.250	8,798	0.988	8,693	0.000	0.750	0.750	0.750	5,279	1.259	6,647	495	7,142	7,588	(446)											
9 Escalon	1,930,391	25,000	0.544	10,497	134	1,093	11,724	(745)	10,980	1.250	13,725	0.988	13,561	0.000	0.750	0.750	0.750	8,235	1.259	10,369	772	11,141	10,556	585											
10 Farmersville (7/1/16)	2,325,429	75,000	0.429	9,983	162	1,317	11,462	(728)	10,734	1.250	13,417	0.988	13,257	0.000	0.750	0.750	0.750	8,050	1.259	10,136	930	11,067	11,471	(404)											
11 Fowler	1,923,045	25,000	0.544	10,457	134	1,089	11,680	(742)	10,938	1.250	13,673	0.988	13,509	0.000	0.750	1.000	1.250	10,938	1.259	13,772	769	14,542	18,237	(3,695)											
12 Gustine	1,426,840	25,000	0.544	7,759	99	808	8,666	(550)	8,116	1.250	10,145	0.988	10,024	0.000	0.750	0.750	0.750	6,087	1.259	7,664	571	8,235	8,974	(739)											
13 Hughson	1,027,149	25,000	0.544	5,585	72	582	6,239	(396)	5,842	1.250	7,303	0.988	7,216	24,990	1.500	1.000	0.750	5,842	1.259	7,356	411	7,767	5,817	1,950											
14 Huron (07/01/10)	1,140,518	25,000	0.544	6,202	79	646	6,927	(440)	6,487	1.250	8,109	0.988	8,012	0.000	0.750	0.750	0.750	4,865	1.259	6,126	456	6,582	6,589	(6)											
15 Kerman (07/01/00)	3,676,460	25,000	0.544	19,992	256	2,082	22,329	(1,418)	20,911	1.250	26,139	0.988	25,827	3,228	1.500	1.250	1.000	26,139	1.259	32,913	1,471	34,383	27,299	7,084											
16 Kingsburg (07/01/05)	3,347,411	25,000	0.544	18,203	233	1,895	20,331	(1,291)	19,040	1.250	23,800	0.988	23,516	1,167	1.167	1.000	0.750	19,040	1.259	23,973	1,339	25,312	19,140	6,172											
17 Lathrop (10/4/05)	6,345,978	25,000	0.544	34,508	442	3,593	38,543	(2,448)	36,095	1.250	45,119	0.988	44,580	0.000	0.750	0.750	1.000	27,072	1.259	34,086	2,538	36,625	45,331	(8,707)											
18 Lemoore (07/01/13)	6,793,489	25,000	0.544	36,942	473	3,847	41,261	(2,620)	38,641	1.250	48,301	0.988	47,724	0.000	0.750	0.750	0.750	28,981	1.259	36,490	2,717	39,208	33,594	5,614											
19 Livingston	3,830,666	25,000	0.544	20,830	267	2,169	23,266	(1,478)	21,788	1.250	27,236	0.988	26,910	0.000	0.750	0.750	0.750	16,341	1.259	20,576	1,532	22,108	20,419	1,689											
20 Madera	18,152,193	25,000	0.544	98,708	1,264	10,278	110,250	(7,002)	103,248	1.250	129,600	0.988	127,519	0.000	0.750	0.750	0.750	77,436	1.259	97,502	7,261	104,763	97,865	6,898											
21 McFarland	2,822,186	50,000	0.477	13,462	196	1,598	15,256	(969)	14,287	1.250	17,859	0.988	17,646	21,352	1.500	1.500	1.500	21,431	1.259	26,984	1,129	28,113	24,393	3,720											
22 Mendota (07/01/13)	2,229,862	25,000	0.544	12,126	155	1,263	13,543	(860)	12,683	1.250	15,854	0.988	15,665	0.000	0.750	0.750	0.750	9,512	1.259	11,977	892	12,869	12,976	(106)											
23 Merced (07/01/03)	33,627,926	100,000	0.391	131,532	2,341	19,040	152,914	(9,711)	143,203	1.250	179,003	0.988	176,866	0.000	0.750	0.750	0.750	107,402	1.259	135,233	13,451	148,684	140,901	7,783											
24 Newman	2,478,770	25,000	0.544	13,479	173	1,403	15,055	(956)	14,099	1.250	17,624	0.988	17,413	0.000	0.750	0.750	0.750	10,574	1.259	13,314	992	14,306	14,124	182											
25 Oakdale (8/1/12)	6,656,911	50,000	0.477	31,753	463	3,769	35,986	(2,285)	33,701	1.250	42,126	0.988	41,623	1,302	1.302	1.302	1.500	43,866	1.259	55,233	2,663	57,896	72,339	(14,444)											
26 Orange Cove (07/07/07)	2,044,488	50,000	0.477	9,752	142	1,158	11,052	(702)	10,350	1.250	12,938	0.988	12,783	0.000	0.750	0.750	0.750	7,763	1.259	9,774	818	10,592	9,701	891											
27 Parlier	2,084,659	50,000	0.477	9,944	145	1,180	11,269	(716)	10,554	1.250	13,192	0.988	13,035	6,012	1.500	1.500	1.250	15,830	1.259	19,933	834	20,766	16,725	4,042											
28 Patterson (07/01/13)	8,055,172	50,000	0.477	38,423	561	4,561	43,545	(2,765)	40,779	1.250	50,974	0.988	50,366	0.000	0.750	0.750	0.750	30,585	1.259	38,510	3,222	41,732	36,837	4,895											
29 Porterville	20,077,330	25,000	0.544	109,177	1,398	11,368	121,942	(7,744)	114,198	1.250	142,748	0.988	141,043	0.000	0.750	0.750	0.750	85,649	1.259	107,842	8,031	115,873	114,412	1,462											
30 Reedley	7,857,246	25,000	0.544	42,726	547	4,449	47,722	(3,031)	44,691	1.250	55,864	0.988	55,197	0.000	0.750	0.750	0.750	33,518	1.259	42,204	3,143	45,347	44,766	581											
31 Riverbank (7/1/12)	3,431,467	50,000	0.477	16,368	239	1,943	18,550	(1,178)	17,372	1.250	21,715	0.988	21,456	0.000	0.750	0.750	0.750	13,029	1.259	16,405	1,373	17,778	18,182	(404)											
32 Sanger (4/18/16)	8,013,974	25,000	0.544	43,578	558	4,538	48,674	(3,091)	45,583	1.250	56,978	0.988	56,298	8,693	1.500	1.500	1.250	68,374	1.259	86,092	3,206	89,297	73,629	15,668											
33 San Joaquin (08/08/03)	657,809	25,000	0.544	3,577	46	372	3,995	(254)	3,742	1.250	4,677	0.988	4,621	0.000	0.750	0.750	0.750	2,806	1.259	3,533	263	3,796	4,129	(333)											
34 Selma	6,316,007	50,000	0.477	30,127	440	3,576	34,143	(2,168)	31,975	1.250	39,969	0.988	39,491	0.000	0.750	0.750	0.750	23,981	1.259	30,195	2,526	32,722	31,380	1,341											
35 Shafter	12,891,212	25,000	0.544	70,100	898	7,299	78,296	(4,972)	73,324	1.250	91,655	0.988	90,561	6,229	1.500	1.500	1.250	109,986	1.259	138,486	5,156	143,643	116,773	26,870											
36 Sonora (07/01/13)	3,243,551	25,000	0.544	17,638	226	1,837	19,700	(1,251)	18,449	1.250	23,061	0.988	22,786	0.000	0.750	0.750	0.750	13,837	1.259	17,422	1,297	18,720	19,223	(504)											
37 Taft	8,057,857	25,000	0.544	43,817	561	4,562	48,940	(3,108)	45,832	1.250	57,290	0.988	56,606	2,172	1.500	1.000	0.750	45,832	1.259																

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~ ERMAC ~

1									JPA Experience Mod Calculation <i>(Used in determining the JPA's premium to ERMA)</i>				Individual Experience Mod Calculation <i>(Used in determining each individual member's premium to their JPA)</i>									
									2	3	4	5	6	7	8	Info Only:	9	10	11			
									JPA Experience	Dep Prem Adjusted for Experience	Off-Balance	Dep Prem Adjusted for Off Balance	Individual Experience	Capped Individual Experience	Capped Ind. Ex Mod Including .25 capped change over prior year	Prior Year (2017/2018) Experience	Deposit Adjusted for Experience	Off-Balance	Premium Adjusted for Off Balance	Prior Year		
Member	Actual 2017 Payroll	SIR Selected	Funding For Losses	Loss Prevention & Training	Admin. Costs	Deposit Premium	JPA Participation Credit	Net Deposit Premium	Experience Modification Factor	Dep Prem Adjusted for Experience Modification	Off-Balance Factor	Dep Prem Adjusted for Off Balance Factor	Individual Experience Modification Factor	Capped Individual Experience Modification	Capped Ind. Ex Mod Including .25 capped change over prior year	Prior Year (2017/2018) Experience Modification	Deposit Adjusted for Experience Modification	Off-Balance Factor	Premium Adjusted for Off Balance Factor	Prior Year Deposit Premium	Increase (Decrease)	
1 Hayward (7/1/16)	\$82,550,154	\$500,000	\$74,815	\$5,747	\$46,740	\$127,303	(\$7,264)	\$120,038	0.767	\$92,111	0.988	\$91,012	0.075	0.750	0.750	0.750	\$90,029	1.011	\$91,012	\$97,456	(\$6,444)	
2 Laguna Hills (7/1/16)	3,409,269	100,000	13,335	237	1,930	15,503	(885)	14,618	0.767	11,217	0.988	11,083	0.000	0.750	0.750	0.750	10,964	1.011	11,083	10,321	763	
Total	\$85,959,423		\$88,150	\$5,985	\$48,671	\$142,806	(\$8,149)	\$134,656		\$103,329		\$102,095					\$100,992		\$102,095	\$107,777	(\$5,682)	
			(8,149)	JPA participation credit																		
			\$80,001	Net funding					JPA Ex mod calc: 1 X 2 = 3; then 3 X 4 = 5				Individual Ex mod calc: 1 X 8 = 9; then 9 X 10 = 11									

Total JPA Payroll	\$150,635,260
Participating Payroll	<u>85,959,423</u>
Participation Credit	<u>5.71%</u>
2016 Payroll	\$91,114,972
2017 Payroll	<u>85,959,423</u>
Percentage Increase	<u>-5.66%</u>

Retained Limit Rates - 80% C.L.		
SIR	Factor	Rates
\$25,000	1.14	\$0.544
50,000	1.00	0.477
75,000	0.90	0.429
100,000	0.82	0.391
250,000	0.48	0.229
500,000	0.19	0.091

<i>Other Rates</i>	
Description	Rates
Excess Insurance: \$2M x \$1M ~ \$4M / \$10M Aggregate	\$0.0400
Loss Prevention & Training	0.0070
Administration	0.0560

Employment Risk Management Authority

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~ MBASIA ~

1										JPA Experience Mod Calculation (Used in determining the JPA's premium to ERMA)				Individual Experience Mod Calculation (Used in determining each individual member's premium to their JPA)										
										2	3	4	5	6	7	8	Info Only:	9	10	11				
Member	Actual 2017 Payroll	SIR Selected	Funding For Losses	Loss Prevention & Training	Admin. Costs	Deposit Premium	JPA Participation Credit	Net Deposit Premium	JPA Experience Modification Factor	Dep Prem Adjusted for Experience Modification	Off-Balance Factor	Dep Prem Adjusted for Off Balance Factor	Individual Experience Modification Factor	Capped Individual Experience Modification	8 Capped ind. Ex Mod Including .25 capped change over prior year	Prior Year (2017/2018) Experience Modification	Deposit Adjusted for Experience Modification	Off-Balance Factor	Premium Adjusted for Off Balance Factor	Excess Insurance \$1M x \$1M	TOTAL Deposit Premium	Prior Year Deposit Premium	Increase (Decrease)	
1 Capitola	\$6,015,372	\$500,000	\$5,452	\$419	\$3,406	\$9,276	(\$928)	\$8,349	1.025	\$8,561	0.988	\$8,459	0.000	0.750	0.750	0.750	\$6,262	1.222	\$7,654	\$2,406	\$10,061	\$8,843	\$1,217	
2 Del Ray Oaks	1,018,757	500,000	923	71	577	1,571	(157)	1,414	1.025	1,450	0.988	1,433	7.105	1.500	1.000	0.750	1,414	1.222	1,728	408	2,136	1,499	637	
3 Gonzales	3,181,254	500,000	2,883	221	1,801	4,906	(491)	4,415	1.025	4,527	0.988	4,473	0.000	0.750	0.750	0.750	3,311	1.222	4,048	1,273	5,321	4,155	1,166	
4 Greenfield	3,767,526	500,000	3,415	262	2,133	5,810	(581)	5,229	1.025	5,362	0.988	5,298	11.631	1.500	1.500	1.250	7,844	1.222	9,588	1,507	11,095	7,430	3,666	
5 Hollister	14,860,294	500,000	13,468	1,035	8,414	22,916	(2,292)	20,625	1.025	21,149	0.988	20,896	0.000	0.750	0.750	1.000	15,469	1.222	18,909	5,944	24,854	25,474	(620)	
6 King City	2,855,610	500,000	2,588	199	1,617	4,404	(440)	3,963	1.025	4,064	0.988	4,016	0.000	0.750	0.750	1.000	2,973	1.222	3,634	1,142	4,776	4,908	(132)	
7 Marina	8,922,530	500,000	8,086	621	5,052	13,760	(1,376)	12,384	1.025	12,698	0.988	12,547	0.000	0.750	0.750	0.750	9,288	1.222	11,354	3,569	14,923	12,755	2,168	
8 Sand City	2,494,186	500,000	2,260	174	1,412	3,846	(385)	3,462	1.025	3,550	0.988	3,507	0.000	0.750	0.750	0.750	2,596	1.222	3,174	998	4,171	3,572	599	
9 Scotts Valley	5,123,539	500,000	4,643	357	2,901	7,901	(790)	7,111	1.025	7,292	0.988	7,205	0.000	0.750	0.750	0.750	5,333	1.222	6,520	2,049	8,569	7,608	961	
10 Soledad	4,211,545	500,000	3,817	293	2,385	6,495	(649)	5,845	1.025	5,994	0.988	5,922	2.968	1.500	1.000	0.750	5,845	1.222	7,146	1,685	8,830	6,142	2,688	
Total	\$52,450,612		\$47,536	\$3,652	\$29,698	\$80,886	(\$8,089)	\$72,797		\$74,647		\$73,755					\$60,334		\$73,755	\$20,980	\$94,735	\$82,384	\$12,351	
			(8,089)	JPA participation credit																				
			\$39,447	Net funding																				
									JPA Ex mod calc:				Individual Ex mod calc:											
									1 X 2 = 3; then 3 X 4 = 5				1 X 8 = 9; then 9 X 10 = 11											

Retained Limit Rates - 80% C.L.			
SIR	Factor	Rates	
\$25,000	1.14	\$0.544	
50,000	1.00	0.477	
75,000	0.90	0.429	
100,000	0.82	0.391	
250,000	0.48	0.229	
500,000	0.19	0.091	

Other Rates	
Description	Rates
Excess Insurance: \$2M x \$1M ~ \$4M / \$10M Aggregate	\$0.0400
Loss Prevention & Training	0.0070
Administration	0.0566

Total JPA Payroll*	\$52,450,612
Participating Payroll	52,450,612
Participation Credit	10.00%
2016 Payroll	\$49,607,745
2017 Payroll	52,450,612
Percentage Increase	5.73%

Employment Risk Management Authority

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~ MPA ~

1									JPA Experience Mod Calculation (Used in determining the JPA's premium to ERMA)				Individual Experience Mod Calculation (Used in determining each individual member's premium to their JPA)											
									2	3	4	5	6	7	8	Info Only:	9	10	11					Excess Insurance \$1M x \$1M
Member	Actual 2017 Payroll	SIR Selected	Funding For Losses	Loss Prevention & Training	Admin. Costs	Deposit Premium	JPA Participation Credit	Net Deposit Premium	JPA Experience Modification Factor	Dep Prem Adjusted for Experience Modification	Off-Balance Factor	Dep Prem Adjusted for Off Balance Factor	Individual Experience Modification Factor	Capped Individual Experience Modification	Capped Ind. Ex Mod Including .25 capped change over prior year	Prior Year (2017/2018) Experience Modification	Deposit Adjusted for Experience Modification	Off-Balance Factor	Premium Adjusted for Off Balance Factor	Factor	\$1M x \$1M	Premium	Prior Year Deposit Premium	
1 Antioch	\$32,424,275	\$50,000	\$154,664	\$2,257	\$18,359	\$175,280	(\$15,999)	\$159,281	0.750	\$119,461	0.988	\$118,034	0.000	0.750	0.750	0.750	\$119,461	0.802	\$95,867	\$12,970	\$108,837	\$92,247	\$16,590	
2 Brentwood	31,074,714	50,000	148,226	2,164	17,595	167,985	(15,333)	152,652	0.750	114,489	0.988	113,122	0.000	0.750	0.750	0.750	114,489	0.802	91,877	12,430	104,307	96,618	7,689	
3 Clayton	2,186,675	50,000	10,430	152	1,238	11,821	(1,079)	10,742	0.750	8,056	0.988	7,960	0.000	0.750	0.750	0.750	8,056	0.802	6,465	875	7,340	6,951	389	
4 Danville	8,529,442	50,000	40,685	594	4,829	46,109	(4,209)	41,900	0.750	31,425	0.988	31,050	0.000	0.750	0.750	0.750	31,425	0.802	25,218	3,412	28,630	26,687	1,943	
5 El Cerrito	20,005,704	50,000	95,427	1,393	11,327	108,147	(9,871)	98,276	0.750	73,707	0.988	72,827	0.095	0.750	0.750	0.750	73,707	0.802	59,150	8,002	67,152	63,502	3,650	
6 Hercules	6,906,525	50,000	32,944	481	3,911	37,335	(3,408)	33,928	0.750	25,446	0.988	25,142	0.627	0.750	0.750	0.750	25,446	0.802	20,420	2,763	23,183	21,215	1,967	
7 LaFayette	4,229,892	50,000	20,177	294	2,395	22,866	(2,087)	20,779	0.750	15,584	0.988	15,398	0.000	0.750	0.750	0.750	15,584	0.802	12,506	1,692	14,198	13,821	378	
8 Manteca	37,132,165	50,000	177,120	2,585	21,024	200,730	(18,322)	182,408	0.750	136,806	0.988	135,173	1.089	1.089	1.089	1.000	198,725	0.802	159,476	14,853	174,329	155,309	19,021	
9 Martinez	12,914,506	50,000	61,602	899	7,312	69,814	(6,372)	63,441	0.750	47,581	0.988	47,013	0.000	0.750	0.750	0.750	47,581	0.802	38,184	5,166	43,349	35,486	7,863	
10 Moraga	3,552,034	50,000	16,943	247	2,011	19,202	(1,753)	17,449	0.750	13,087	0.988	12,931	0.000	0.750	0.750	0.750	13,087	0.802	10,502	1,421	11,923	10,524	1,398	
11 Oakley (07/01/02)	8,106,705	50,000	38,669	564	4,590	43,823	(4,000)	39,823	0.750	29,868	0.988	29,511	0.000	0.750	1.000	1.250	39,823	0.802	31,958	3,243	35,201	34,975	225	
12 Orinda	3,420,186	50,000	16,314	238	1,937	18,489	(1,688)	16,801	0.750	12,601	0.988	12,451	0.000	0.750	0.750	0.750	12,601	0.802	10,112	1,368	11,480	11,311	169	
13 Pacifica (03/09/07)	18,291,939	75,000	78,527	1,274	10,357	90,158	(8,229)	81,929	0.750	61,446	0.988	60,713	0.000	0.750	0.750	0.750	61,446	0.802	49,311	7,317	56,627	58,403	(1,776)	
14 Pinole	8,275,070	50,000	39,472	576	4,685	44,734	(4,083)	40,651	0.750	30,488	0.988	30,124	0.000	0.750	0.750	0.750	30,488	0.802	24,466	3,310	27,776	25,618	2,159	
15 Pittsburg	25,932,604	50,000	123,699	1,806	14,683	140,187	(12,796)	127,391	0.750	95,544	0.988	94,403	3.087	1.500	1.500	1.250	191,087	0.802	153,347	10,373	163,720	133,716	30,004	
16 Pleasant Hill	11,738,410	50,000	55,992	817	6,646	63,456	(5,792)	57,664	0.750	43,248	0.988	42,731	0.331	0.750	0.817	1.067	47,086	0.802	37,787	4,695	42,482	52,687	(10,205)	
17 San Pablo	13,147,976	100,000	51,427	915	7,444	59,787	(5,457)	54,330	0.750	40,747	0.988	40,261	0.000	0.750	0.750	0.750	40,747	0.802	32,700	5,259	37,959	42,593	(4,634)	
18 San Ramon	29,419,162	50,000	140,329	2,048	16,657	159,035	(14,516)	144,519	0.750	108,389	0.988	107,095	0.000	0.750	0.750	0.750	108,389	0.802	86,982	11,768	98,750	97,683	1,066	
19 Walnut Creek	38,533,782	50,000	183,806	2,683	21,818	208,307	(19,013)	189,294	0.750	141,970	0.988	140,275	0.000	0.750	1.250	1.500	236,617	0.802	189,884	15,414	205,298	233,337	(28,040)	
Total	\$315,821,765		\$1,486,456	\$21,989	\$178,820	\$1,687,264	(\$154,007)	\$1,533,257		\$1,149,943		\$1,136,212				\$1,415,847		\$1,136,212	\$126,329	\$1,262,541	\$1,212,684	\$49,857		

(154,007) JPA participation credit

\$1,332,449 Net funding

JPA Ex mod calc: 1 X 2 = 3; then 3 X 4 = 5

Individual Ex mod calc: 1 X 8 = 9; then 9 X 10 = 11

Total JPA Payroll	\$346,007,903
Participating Payroll	315,821,765
Participation Credit	9.13%

2016 Payroll	\$295,490,022
2017 Payroll	315,821,765
Percentage Increase	6.88%

Retained Limit Rates - 80% C.L.		
SIR	Factor	Rates
\$25,000	1.14	\$0.544
50,000	1.00	0.477
75,000	0.90	0.429
100,000	0.82	0.391
250,000	0.48	0.229
500,000	0.19	0.088

Other Rates	
Description	Rates
Excess Insurance: \$2M x \$1M - \$4M / \$10M Aggregate	\$0.0400
Loss Prevention & Training	0.0070
Administration	0.0566

Employment Risk Management Authority

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~ PARSAC ~

										JPA Experience Mod Calculation (Used in determining the JPA's premium to ERMA)				Individual Experience Mod Calculation (Used in determining each individual member's premium to their JPA)									
1										2	3	4	5	6	7	8	Info Only:		9	10	11		
Member	Actual 2017	SIR	Funding For	Loss Prevention & Training	Admin. Costs	Deposit Premium	JPA Participation Credit	Net Deposit Premium	JPA Experience Modification	Dep Prem Adjusted for Experience	Off-Balance Factor	Dep Prem Adjusted for Off Balance	Individual Experience Modification	Capped Individual Experience	Capped ind. Ex Mod Including .25 capped change over prior year	Prior Year (2017/2018) Experience Modification	Deposit Adjusted for Experience	Off-Balance Factor	Premium Adjusted for Off Balance Factor	Prior Year Deposit Premium	Increase (Decrease)		
	Payroll	Selected	Losses						Factor	Modification			Factor	Modification									
1 Amador	\$39,527	\$25,000	\$215	\$3	\$22	\$240	(\$21)	\$219	1.250	\$274	0.988	\$271	0.000	0.750	0.750	0.750	\$164	1.288	\$212	\$187	\$25		
2 Avalon	6,725,017	25,000	36,569	468	3,808	40,845	(3,578)	37,268	1.250	46,579	0.988	46,023	0.000	0.750	0.750	0.750	27,951	1.288	36,000	28,290	7,710		
3 Belvedere (7/1/15)	2,445,983	25,000	13,301	170	1,385	14,856	(1,301)	13,555	1.250	16,942	0.988	16,739	0.000	0.750	0.750	0.750	10,166	1.288	13,094	12,174	920		
4 Blue Lake	437,918	25,000	2,381	30	248	2,660	(233)	2,427	1.250	3,033	0.988	2,997	0.000	0.750	0.750	0.750	1,820	1.288	2,344	2,226	119		
5 California City	6,805,845	100,000	26,620	474	3,853	30,948	(2,711)	28,237	1.250	35,292	0.988	34,871	1.858	1.500	1.500	1.250	42,355	1.288	54,554	46,130	8,424		
6 Calimesa	798,870	25,000	4,344	56	452	4,852	(425)	4,427	1.250	5,533	0.988	5,467	74.558	1.500	1.500	1.250	6,641	1.288	8,553	6,434	2,119		
7 Calistoga	5,438,365	25,000	29,573	379	3,079	33,031	(2,893)	30,137	1.250	37,668	0.988	37,218	0.000	0.750	0.750	0.750	22,603	1.288	29,113	24,810	4,303		
8 Citrus Heights	18,674,611	100,000	73,044	1,300	10,574	84,918	(7,438)	77,480	1.250	96,839	0.988	95,683	0.000	0.750	0.750	0.750	58,110	1.288	74,845	72,653	2,192		
9 Clearlake	3,641,534	25,000	19,802	254	2,062	22,117	(1,937)	20,180	1.250	25,222	0.988	24,921	0.000	0.750	0.750	0.750	15,135	1.288	19,494	17,461	2,033		
10 Coalinga	5,627,226	25,000	30,600	392	3,186	34,178	(2,994)	31,184	1.250	38,976	0.988	38,510	0.000	0.750	1.250	1.500	38,980	1.288	50,206	55,492	(5,285)		
11 Ferndale	672,082	25,000	3,655	47	381	4,082	(358)	3,724	1.250	4,655	0.988	4,599	0.000	0.750	0.750	0.750	2,793	1.288	3,598	3,355	242		
12 Grass Valley	6,527,874	25,000	35,497	454	3,696	39,648	(3,473)	36,175	1.250	45,214	0.988	44,674	0.000	0.750	0.750	0.750	27,131	1.288	34,945	33,735	1,210		
13 Highland	2,748,438	25,000	14,945	191	1,556	16,693	(1,462)	15,231	1.250	19,036	0.988	18,809	0.000	0.750	0.750	0.750	11,423	1.288	14,713	13,551	1,162		
14 Menifee (10/1/08)	5,321,763	25,000	28,939	371	3,013	32,322	(2,831)	29,491	1.250	36,860	0.988	36,420	0.000	0.750	1.250	1.500	36,864	1.288	47,481	49,349	(1,868)		
15 Nevada City	2,512,433	25,000	13,662	175	1,423	15,260	(1,337)	13,923	1.250	17,402	0.988	17,194	0.000	0.750	0.750	0.750	10,442	1.288	13,450	12,403	1,047		
16 Pacific Grove	6,498,122	50,000	30,996	452	3,679	35,128	(3,077)	32,051	1.250	40,059	0.988	39,581	0.000	0.750	0.750	0.750	24,038	1.288	30,961	27,595	3,366		
17 Placentia	11,580,708	100,000	45,297	806	6,557	52,660	(4,613)	48,048	1.250	60,053	0.988	59,336	0.000	0.750	1.250	1.500	60,059	1.288	77,356	86,961	(9,605)		
18 Placerville	6,165,279	50,000	29,408	429	3,491	33,328	(2,919)	30,409	1.250	38,007	0.988	37,553	0.000	0.750	0.750	0.750	22,807	1.288	29,375	28,541	835		
19 Plymouth	532,043	25,000	2,893	37	301	3,231	(283)	2,948	1.250	3,685	0.988	3,641	0.000	0.750	0.750	0.750	2,211	1.288	2,848	2,896	(47)		
20 Point Arena	305,455	25,000	1,661	21	173	1,855	(163)	1,693	1.250	2,116	0.988	2,090	0.000	0.750	1.250	1.500	2,116	1.288	2,725	3,037	(311)		
21 Rancho Cucamonga	30,269,435	250,000	69,305	2,107	17,139	88,551	(7,756)	80,795	1.250	100,982	0.988	99,777	0.000	0.750	0.750	0.750	60,596	1.288	78,047	73,841	4,207		
22 Rancho Cucamonga FPD (7/1/16)	17,735,581	75,000	76,139	1,235	10,042	87,416	(7,657)	79,759	1.250	99,688	0.988	98,497	0.000	0.750	0.750	0.750	59,819	1.288	77,047	69,524	7,523		
23 Rancho Santa Margarita (1/1/04)	2,649,096	25,000	14,405	184	1,500	16,090	(1,409)	14,680	1.250	18,348	0.988	18,129	0.000	0.750	0.750	0.750	11,010	1.288	14,181	13,355	826		
24 San Juan Bautista	501,676	25,000	2,728	35	284	3,047	(267)	2,780	1.250	3,475	0.988	3,433	0.000	0.750	0.750	0.750	2,085	1.288	2,686	2,468	217		
25 South Lake Tahoe	17,589,245	100,000	68,799	1,225	9,959	79,982	(7,006)	72,977	1.250	91,211	0.988	90,122	0.000	0.750	1.080	1.330	78,826	1.288	101,528	118,058	(16,531)		
26 Tehama	31,303	25,000	170	2	18	190	(17)	173	1.250	217	0.988	214	0.000	0.750	0.750	0.750	130	1.288	168	176	(8)		
27 Trinidad	345,108	25,000	1,877	24	195	2,096	(184)	1,912	1.250	2,390	0.988	2,362	0.000	0.750	0.750	0.750	1,434	1.288	1,847	1,671	177		
28 Truckee	9,318,857	25,000	50,674	649	5,276	56,599	(4,958)	51,642	1.250	64,545	0.988	63,774	0.000	0.750	0.750	0.750	38,731	1.288	49,886	44,467	5,419		
29 Twentynine Palms	2,347,892	25,000	12,767	163	1,329	14,260	(1,249)	13,011	1.250	16,262	0.988	16,068	0.000	0.750	0.750	0.750	9,758	1.288	12,569	11,772	797		
30 Watsonville	28,597,471	250,000	65,477	1,991	16,192	83,660	(7,328)	76,332	1.250	95,405	0.988	94,265	1.432	1.432	1.250	1.000	95,415	1.288	122,894	91,455	31,440		
31 West Hollywood (7/1/14)	26,506,255	250,000	60,689	1,845	15,008	77,542	(6,792)	70,750	1.250	88,428	0.988	87,372	10,910	1.500	1.500	1.250	106,125	1.288	136,689	162,283	(25,594)		
32 Wheatland	1,523,573	25,000	8,285	106	863	9,254	(811)	8,443	1.250	10,553	0.988	10,427	0.000	0.750	0.750	0.750	6,332	1.288	8,156	7,624	532		
33 Wildomar (7/1/08)	1,169,492	25,000	6,359	81	662	7,103	(622)	6,481	1.250	8,100	0.988	8,004	0.000	0.750	0.750	0.750	4,861	1.288	6,261	5,344	916		
34 Yountville	2,635,304	25,000	14,330	183	1,492	16,006	(1,402)	14,604	1.250	18,253	0.988	18,035	2,560	1.500	1.500	1.250	21,906	1.288	28,215	16,364	11,851		
35 Yucaipa	4,463,822	50,000	21,292	311	2,527	24,131	(2,114)	22,017	1.250	27,518	0.988	27,190	0.000	0.750	0.750	0.750	16,513	1.288	21,268	19,989	1,279		
36 Yucca Valley	2,723,235	100,000	10,652	190	1,542	12,383	(1,085)	11,299	1.250	14,122	0.988	13,953	0.000	0.750	0.750	0.750	8,474	1.288	10,914	13,564	(2,650)		
Total	\$241,906,438		\$927,351	\$16,842	\$136,968	\$1,081,162	(\$94,700)	\$986,461		\$1,232,943		\$1,218,221					\$945,827		\$1,218,221	\$1,179,233	\$38,988		
										(94,700) JPA participation credit													
										\$832,650		Net funding		JPA Ex mod calc: 1 X 2 = 3; then 3 X 4 = 5		Individual Ex mod calc: 1 X 8 = 9; then 9 X 10 = 11							

Total JPA Payroll	\$276,176,100
Participating Payroll	241,906,438
Participation Credit	8.76%
2016 Payroll	\$230,170,584
2017 Payroll	241,906,438
Percentage Increase	5.10%

Retained Limit Rates - 80% C.L.		
SIR	Factor	Rates
\$25,000	1.14	\$0.544
50,000	1.00	0.477
75,000	0.90	0.429
100,000	0.82	0.391
250,000	0.48	0.229
500,000	0.19	0.088

Other Rates	
Description	Rates
Excess Insurance: \$2M x \$1M ~ \$4M / \$10M Aggregate	\$0.0400
Loss Prevention & Training	0.0070
Administration	0.0566

Employment Risk Management Authority

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~ PERMA ~

									JPA Experience Mod Calculation (Used in determining the JPA's premium to ERMA)				Individual Experience Mod Calculation (Used in determining each individual member's premium to their JPA)												
1									2	3	4	5	6	7	8	Info Only:	9	10	11	Prior Year					
Member	Actual 2017 Payroll	SIR Selected	Funding For Losses	Loss Prevention & Training	Admin. Costs	Deposit Premium	JPA Participation Credit	Net Deposit Premium	JPA Experience Modification Factor	Dep Prem Adjusted for Experience Modification	Off-Balance Factor	Dep Prem Adjusted for Off Balance Factor	Individual Experience Modification Factor	Capped Individual Experience Modification	Capped m. Ex Mod Including .25 capped change over prior year	Prior Year (2017/2018) Experience Modification	Deposit Adjusted for Experience Modification	Off-Balance Factor	Premium Adjusted for Off Balance Factor	Prior Year Deposit Premium	Increase (Decrease)				
1 Adelanto (07/1/03)	\$2,804,616	\$250,000	\$6,421	\$195	\$1,588	\$8,205	(\$672)	\$7,533	1.072	\$8,076	0.988	\$7,979	22.433	1.500	1.250	1.000	\$9,416	1.197	\$11,274	\$10,914	\$360				
2 Banning (02/14/02)	15,571,310	25,000	84,674	1,084	8,817	94,574	(7,742)	86,832	1.072	93,088	0.988	91,976	5.595	1.500	1.500	1.500	130,248	1.197	155,949	125,776	30,173				
3 Barstow (02/04/02)	15,488,188	25,000	84,222	1,078	8,769	94,069	(7,701)	86,369	1.072	92,591	0.988	91,485	1.622	1.500	1.000	0.750	86,369	1.197	103,411	65,260	38,151				
4 Canyon Lake (7/1/11)	487,923	25,000	2,653	34	276	2,963	(243)	2,721	1.072	2,917	0.988	2,882	0.000	0.750	0.750	0.750	2,041	1.197	2,443	1,939	504				
5 Cathedral City (02/14/01)	21,245,925	25,000	115,531	1,479	12,030	129,040	(10,564)	118,476	1.072	127,012	0.988	125,495	0.000	0.750	0.750	0.750	88,857	1.197	106,391	89,028	17,363				
6 Coachella (10/01/00)	5,974,186	25,000	32,486	416	3,383	36,285	(2,970)	33,315	1.072	35,715	0.988	35,288	0.000	0.750	0.750	0.750	24,986	1.197	29,916	24,865	5,051				
7 Desert Hot Springs (07/01/01)	4,601,543	25,000	25,022	320	2,605	27,948	(2,288)	25,660	1.072	27,509	0.988	27,180	0.000	0.750	0.750	1.000	19,245	1.197	23,043	22,900	143				
8 Eastvale (7/1/15)	843,838	25,000	4,589	59	478	5,125	(420)	4,706	1.072	5,045	0.988	4,984	0.000	0.750	0.750	0.750	3,529	1.197	4,226	3,463	763				
9 Hesperia (7/1/10)	12,030,252	50,000	57,384	838	6,812	65,033	(5,324)	59,710	1.072	64,011	0.988	63,247	0.016	0.750	0.750	0.750	44,782	1.197	53,619	45,347	8,271				
10 Holtville (7/1/08)	1,281,145	25,000	6,967	89	725	7,781	(637)	7,144	1.072	7,659	0.988	7,567	0.000	0.750	0.750	0.750	5,358	1.197	6,415	5,228	1,187				
11 ICTC (7/1/12)	559,992	25,000	3,045	39	317	3,401	(278)	3,123	1.072	3,348	0.988	3,308	0.000	0.750	0.750	0.750	2,342	1.197	2,804	2,249	555				
12 Jurupa Valley (11/2/15)	1,282,341	25,000	6,973	89	726	7,788	(638)	7,151	1.072	7,666	0.988	7,575	0.000	0.750	0.750	0.750	5,363	1.197	6,421	4,730	1,692				
13 La Mesa (07/01/02)	23,262,084	25,000	126,495	1,620	13,171	141,285	(11,566)	129,719	1.072	139,065	0.988	137,404	0.134	0.750	0.750	0.750	97,289	1.197	116,487	97,242	19,245				
14 Murrieta (07/01/01)	25,084,295	100,000	98,115	1,746	14,203	114,064	(9,338)	104,726	1.072	112,271	0.988	110,931	0.000	0.750	0.750	0.750	78,545	1.197	94,043	52,242	41,801				
15 Palm Sps Tram (11/01/05)	4,607,936	25,000	25,057	321	2,609	27,987	(2,291)	25,696	1.072	27,547	0.988	27,218	0.000	0.750	0.750	0.750	19,272	1.197	23,075	21,172	1,902				
16 Perris (09/25/00)	6,530,512	25,000	35,512	455	3,698	39,664	(3,247)	36,417	1.072	39,041	0.988	38,574	0.000	0.750	0.750	0.750	27,313	1.197	32,702	27,341	5,361				
17 San Jacinto	3,358,185	25,000	18,261	234	1,901	20,396	(1,670)	18,727	1.072	20,076	0.988	19,836			1.000		18,727	1.197	22,422	27,341	(4,919)				
18 SDRTC (11/04/13)	683,648	25,000	3,718	48	387	4,152	(340)	3,812	1.072	4,087	0.988	4,038	0.000	0.750	1.000	1.250	3,812	1.197	4,565	4,908	(343)				
19 Stanton (07/01/01)	3,097,789	25,000	16,845	216	1,754	18,815	(1,540)	17,275	1.072	18,519	0.988	18,298	0.000	0.750	0.750	0.750	12,956	1.197	15,512	12,111	3,402				
20 SunLine (11/04/13)	16,861,855	50,000	80,431	1,174	9,547	91,152	(7,462)	83,690	1.072	89,720	0.988	88,648	1.511	1.500	1.250	1.000	104,613	1.197	125,255	84,176	41,079				
21 Victorville (07/01/01)	27,744,606	25,000	150,870	1,932	15,709	168,510	(13,795)	154,715	1.072	165,862	0.988	163,882	0.000	0.750	0.750	0.750	116,037	1.197	138,933	114,601	24,332				
22 VVTA (7/1/12)	1,231,809	25,000	6,698	86	697	7,482	(612)	6,869	1.072	7,364	0.988	7,276	0.000	0.750	0.750	0.750	5,152	1.197	6,168	4,453	1,715				
Total	\$194,633,979		\$991,968	\$13,551	\$110,203	\$1,115,722	(\$91,338)	\$1,024,384		\$1,098,187		\$1,085,074					\$906,250		\$1,085,074	\$847,285	\$237,789				
							JPA participation credit																		
			\$900,630				Net funding										JPA Ex mod calc:	1 X 2 = 3; then 3 X 4 = 5			Individual Ex mod calc:	1 X 8 = 9; then 9 X 10 = 11			

Total JPA Payroll	\$237,751,070
Participating Payroll	194,633,979
Participation Credit	8.19%
2016 Payroll	\$180,809,708
2017 Payroll	194,633,979
Percentage Increase	7.65%

Retained Limit Rates - 80% C.L.		
SIR	Factor	Rates
\$25,000	1.14	\$0.544
50,000	1.00	0.477
75,000	0.90	0.429
100,000	0.82	0.391
250,000	0.48	0.229
500,000	0.19	0.088

Other Rates	
Description	Rates
Excess Insurance: \$2M x \$1M ~ \$4M / \$10M Aggregate	\$0.0400
Loss Prevention & Training	0.0070
Administration	0.0566

Employment Risk Management Authority

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~ SCORE ~

1										JPA Experience Mod Calculation <i>(Used in determining the JPA's premium to ERMA)</i>				Individual Experience Mod Calculation <i>(Used in determining each individual member's premium to their JPA)</i>									
										2	3	4	5	6	7	8 Capped Ex Mod Including .25 capped change over prior year	Info Only: Prior Year (2017/2018) Experience Modification	9	10	11			
Member	Actual 2017 Payroll	SIR Selected	Payroll/100 Pool Rate	Funding For Losses	Loss Prevention & Training	Admin. Costs	Deposit Premium	JPA Participation Credit	Net Deposit Premium	JPA Experience Modification Factor	Dep Prem Adjusted for Experience Modification	Dep Prem Adjusted for Off-Balance Factor	Dep Prem Adjusted for Off Balance Factor	Individual Experience Modification Factor	Capped Individual Experience Modification			Deposit Adjusted for Experience Modification	Off-Balance Factor	Premium Adjusted for Off Balance Factor	Prior Year Deposit Premium	Increase (Decrease)	
1 Biggs (7/1/17)	\$396,932	\$25,000	\$0.440	\$1,747	\$28	\$225	\$1,999	(\$179)	\$1,820	0.884	1,608	0.988	1,589	0.000	0.750	0.750	1.000	1,365	1.164	1,589	2,048	(459)	
2 Colfax	792,003	25,000	0.440	3,485	55	448	3,989	(357)	3,631	0.884	3,208	0.988	3,170	0.000	0.750	0.750	0.750	2,723	1.164	3,170	2,561	610	
3 Live Oak (07/01/04)	1,395,034	25,000	0.440	6,139	97	790	7,026	(630)	6,396	0.884	5,651	0.988	5,584	0.000	0.750	0.750	0.750	4,797	1.164	5,584	5,390	194	
4 Loomis (7/1/12)	857,619	25,000	0.440	3,774	60	486	4,319	(387)	3,932	0.884	3,474	0.988	3,433	0.000	0.750	0.750	0.750	2,949	1.164	3,433	2,921	512	
5 Mt. Shasta (07/01/01)	2,082,387	25,000	0.440	9,163	145	1,179	10,487	(940)	9,548	0.884	8,436	0.988	8,335	0.000	0.750	0.750	0.750	7,161	1.164	8,335	7,716	620	
6 Portola	749,220	25,000	0.440	3,297	52	424	3,773	(338)	3,435	0.884	3,035	0.988	2,999	0.000	0.750	0.750	0.750	2,576	1.164	2,999	3,163	(164)	
7 Rio Dell (07/01/02)	1,020,181	25,000	0.440	4,489	71	578	5,138	(460)	4,677	0.884	4,133	0.988	4,084	0.000	0.750	0.750	0.750	3,508	1.164	4,084	3,994	90	
8 Shasta Lake	3,910,822	25,000	0.440	17,209	272	2,214	19,696	(1,765)	17,931	0.884	15,843	0.988	15,654	0.000	0.750	0.750	0.750	13,448	1.164	15,654	14,242	1,413	
9 Susanville (07/01/04)	3,977,057	25,000	0.440	17,501	277	2,252	20,029	(1,795)	18,234	0.884	16,112	0.988	15,919	0.000	0.750	0.750	0.750	13,676	1.164	15,919	15,768	151	
10 Tulelake (7/1/15)	373,352	25,000	0.440	1,643	26	211	1,880	(169)	1,712	0.884	1,512	0.988	1,494	0.000	0.750	0.750	0.750	1,284	1.164	1,494	1,409	86	
11 Weed (7/1/15)	1,800,282	100,000	0.317	5,698	125	1,019	6,843	(613)	6,230	0.884	5,504	0.988	5,439	0.000	0.750	0.750	0.750	4,672	1.164	5,439	5,043	395	
12 Yreka	3,202,905	25,000	0.440	14,094	223	1,813	16,131	(1,446)	14,685	0.884	12,975	0.988	12,820	0.000	0.750	0.750	0.750	11,014	1.164	12,820	11,854	966	
Total	\$20,557,794			\$88,239	\$1,431	\$11,640	\$101,310	(\$9,079)	\$92,231		\$81,493		\$80,520					\$69,173		\$80,520	\$76,107	\$4,414	

(9,079) JPA participation credit

\$79,159 Net funding

JPA Ex mod calc: 1 X 2 = 3; then 3 X 4 = 5

Individual Ex mod calc: 1 X 8 = 9; then 9 X 10 = 11

Total JPA Payroll	\$22,939,057
Participating Payroll	20,557,794
Participation Credit	8.96%
2016 Payroll	\$19,472,925
2017 Payroll	20,557,794
Percentage Increase	5.57%

Retained Limit Rates - 80% C.L.			
SIR	Factor	Rates	
\$25,000	1.14	\$0.440	
50,000	1.00	0.386	**
75,000	0.90	0.347	
100,000	0.82	0.317	
250,000	0.48	0.185	
500,000	0.19	0.088	

Other Rates	
Description	Rates
Excess Insurance: \$2M x \$1M ~ \$4M / \$10M Aggregate	\$0.0400
Loss Prevention & Training	0.0070
Administration	0.0566

** SCORE receives a \$.091 credit off the base rate due to its adjoining CJPRMA coverage in the layer from \$500K to \$1M.

Employment Risk Management Authority

~ 2018/2019 Proposed Operating Budget ~ Preliminary Approval May 2, 2018 ~
~ VCJPA ~

Member	1								JPA Experience Mod Calculation (Used in determining the JPA's premium to ERMA)				Individual Experience Mod Calculation (Used in determining each individual member's premium to their JPA)												Prior Year Deposit Premium	Increase (Decrease)
	Actual 2017 Payroll	SIR Selected	Funding For Losses	Loss Prevention & Training	Admin. Costs	Deposit Premium	JPA Participation Credit	Net Deposit Premium	JPA Experience Modification Factor	Dep Prem Adjusted for Experience Modification	Dep Prem Off-Balance Factor	Dep Prem Adjusted for Off Balance Factor	Individual Experience Modification Factor	Capped Individual Experience Modification	8	9	10	Premium Adjusted for Off Balance Factor	Excess Insurance \$1M x \$1M	TOTAL Deposit Premium						
															Capped Ind. Ex Mod Including .25 capped change over prior year	Info Only: Prior Year (2017/2018) Experience Modification	Deposit Adjusted for Experience Modification				Off-Balance Factor					
1 Alameda County	\$1,563,529	\$25,000	\$8,502	\$109	\$885	\$9,496	(\$939)	\$8,558	1.146	\$9,806	0.988	\$9,689	0.834	0.834	1.250	1,500	\$10,697	1.319	\$14,113	\$625	\$14,738	\$14,375	\$363			
2 Burney Basin	50,409	25,000	274	4	29	306	(30)	276	1.146	316	0.988	312	0.000	0.750	0.750	0.750	207	1.319	273	20	293	247	46			
3 Butte County	1,346,734	25,000	7,323	94	763	8,180	(808)	7,371	1.146	8,446	0.988	8,345	0.000	0.750	0.750	0.750	5,528	1.319	7,294	539	7,832	6,700	1,132			
4 Coachella Valley (09/14/00)	4,649,100	25,000	25,281	324	2,632	28,237	(2,791)	25,446	1.146	29,157	0.988	28,809	0.000	0.750	0.750	0.750	19,085	1.319	25,178	1,860	27,038	22,764	4,274			
5 Colusa	200,877	25,000	1,092	14	114	1,220	(121)	1,099	1.146	1,260	0.988	1,245	0.000	0.750	0.750	0.750	825	1.319	1,088	80	1,168	1,065	103			
6 Compton Creek	119,325	25,000	649	8	68	725	(72)	653	1.146	748	0.988	739	0.000	0.750	0.750	0.750	490	1.319	646	48	694	567	127			
7 Consolidated	1,481,122	25,000	8,054	103	839	8,996	(889)	8,107	1.146	9,289	0.988	9,178	0.000	0.750	0.750	0.750	6,080	1.319	8,021	592	8,614	6,887	1,726			
8 Contra Costa County	3,292,543	25,000	17,904	229	1,864	19,998	(1,976)	18,021	1.146	20,650	0.988	20,403	1.250	1.250	1.250	1,000	22,527	1.319	29,719	1,317	31,036	21,290	9,746			
9 Delta VCD (7/1/08)	1,199,039	25,000	6,520	83	679	7,283	(720)	6,563	1.146	7,520	0.988	7,430	0.000	0.750	0.750	0.750	4,922	1.319	6,494	480	6,973	6,225	748			
10 Durham (8/26/02)	67,783	25,000	369	5	38	412	(41)	371	1.146	425	0.988	420	0.000	0.750	0.750	0.750	278	1.319	367	27	394	325	70			
11 Fresno	903,600	25,000	4,914	63	512	5,488	(542)	4,946	1.146	5,667	0.988	5,599	0.000	0.750	0.750	0.750	3,709	1.319	4,894	361	5,255	4,021	1,234			
12 Glenn County	89,964	25,000	489	6	51	546	(54)	492	1.146	564	0.988	557	0.000	0.750	0.750	0.750	369	1.319	487	36	523	672	(149)			
13 Greater Los Angeles	5,939,559	25,000	32,298	414	3,363	36,075	(3,565)	32,509	1.146	37,251	0.988	36,806	0.000	0.750	0.750	0.750	24,382	1.319	32,167	2,376	34,543	28,990	5,553			
14 Kings Mosquito A.D. (7/1/09)	983,186	25,000	5,346	68	557	5,972	(590)	5,381	1.146	6,166	0.988	6,093	0.000	0.750	0.750	0.750	4,036	1.319	5,325	393	5,718	4,611	1,107			
15 Lake County VCD (2/1/04)	560,840	25,000	3,050	39	318	3,406	(337)	3,070	1.146	3,517	0.988	3,475	0.000	0.750	0.750	0.750	2,302	1.319	3,037	224	3,262	2,966	296			
16 Los Angeles County West	3,018,465	25,000	16,414	210	1,709	18,333	(1,812)	16,521	1.146	18,931	0.988	18,705	0.000	0.750	0.750	0.750	12,391	1.319	16,347	1,207	17,555	15,111	2,443			
17 Marin-Sonoma	3,226,419	25,000	17,545	225	1,827	19,596	(1,937)	17,659	1.146	20,235	0.988	19,993	0.000	0.750	0.750	0.750	13,244	1.319	17,473	1,291	18,764	15,453	3,311			
18 Napa County	753,978	25,000	4,100	52	427	4,579	(453)	4,127	1.146	4,729	0.988	4,672	0.000	0.750	0.750	0.750	3,095	1.319	4,083	302	4,385	3,648	737			
19 Northwest	1,722,959	25,000	9,369	120	976	10,465	(1,034)	9,430	1.146	10,806	0.988	10,677	0.000	0.750	0.750	0.750	7,073	1.319	9,331	689	10,020	8,328	1,693			
20 Orange County	6,064,617	25,000	32,978	422	3,434	36,834	(3,641)	33,194	1.146	38,035	0.988	37,581	0.000	0.750	0.750	0.750	24,895	1.319	32,844	2,426	35,270	31,824	3,446			
21 Oroville (07/01/02)	65,035	25,000	354	5	37	395	(39)	356	1.146	408	0.988	403	0.000	0.750	0.750	0.750	267	1.319	352	26	378	382	(4)			
22 Placer County	1,535,417	25,000	8,349	107	869	9,326	(922)	8,404	1.146	9,630	0.988	9,515	0.000	0.750	0.750	0.750	6,303	1.319	8,315	614	8,930	7,299	1,631			
23 Sacramento Yolo	4,645,228	25,000	25,260	323	2,630	28,213	(2,788)	25,425	1.146	29,133	0.988	28,785	0.000	0.750	0.750	0.750	19,069	1.319	25,157	1,858	27,015	22,348	4,667			
24 San Gabriel Valley	2,312,602	25,000	12,575	161	1,309	14,046	(1,388)	12,658	1.146	14,504	0.988	14,331	35.120	1.500	1,500	1,500	18,986	1.319	25,049	925	25,974	20,946	5,028			
25 San Joaquin County	2,461,438	25,000	13,385	171	1,394	14,950	(1,478)	13,472	1.146	15,437	0.988	15,253	7.986	1.500	1,500	1,500	20,208	1.319	26,661	985	27,646	23,570	4,076			
26 San Mateo County	2,096,070	25,000	11,398	146	1,187	12,731	(1,258)	11,473	1.146	13,146	0.988	12,989	0.000	0.750	0.750	0.750	8,604	1.319	11,352	838	12,190	10,041	2,149			
27 Santa Barbara County	432,883	25,000	2,354	30	245	2,629	(260)	2,369	1.146	2,715	0.988	2,682	0.000	0.750	0.750	0.750	1,777	1.319	2,344	173	2,518	2,195	323			
28 Shasta	1,048,691	25,000	5,703	73	594	6,369	(630)	5,740	1.146	6,577	0.988	6,498	0.000	0.750	0.750	0.750	4,305	1.319	5,679	419	6,099	5,032	1,067			
29 Sutter-Yuba	1,036,945	25,000	5,639	72	587	6,298	(622)	5,676	1.146	6,503	0.988	6,426	0.000	0.750	0.750	0.750	4,257	1.319	5,616	415	6,031	5,133	897			
30 Tehama County	345,687	25,000	1,880	24	196	2,100	(208)	1,892	1.146	2,168	0.988	2,142	0.000	0.750	0.750	0.750	1,419	1.319	1,872	138	2,010	1,702	309			
31 Turlock	944,491	25,000	5,136	66	535	5,736	(567)	5,170	1.146	5,924	0.988	5,853	0.000	0.750	0.750	0.750	3,877	1.319	5,115	378	5,493	4,335	1,158			
32 West Valley	1,395,475	25,000	7,588	97	790	8,476	(838)	7,638	1.146	8,752	0.988	8,647	0.000	0.750	0.750	0.750	5,728	1.319	7,558	558	8,116	6,537	1,579			
Total	\$55,554,010		\$302,092		\$3,868	\$31,455	\$337,414	(\$33,348)	\$304,066		\$348,414		\$344,254				\$260,936		\$344,254	\$22,222	\$366,476	\$305,591	\$60,885			
										</																

Total JPA Payroll	\$56,208,692
Participating Payroll	55,554,010
Participation Credit	9.88%
2016 Payroll	\$53,003,822
2017 Payroll	55,554,010
Percentage Increase	4.81%

Retained Limit Rates - 80% C.L.		
SIR	Factor	Rates
\$25,000	1.14	\$0.544
50,000	1.00	0.477
75,000	0.90	0.429
100,000	0.82	0.391
250,000	0.48	0.229
500,000	0.19	0.088

Other Rates	
Description	Rates
Excess Insurance: \$2M x \$1M ~ \$4M / \$10M Aggregate	\$0.0400
Loss Prevention & Training	0.0070
Administration	0.0566

Employment Risk Management Authority

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~ Oakland Housing Authority ~

Member	Actual 2017 Payroll	SIR Selected	Funding For Losses	Loss Prevention & Training	Admin. Costs	Deposit Premium	JPA Participation Credit	Net Deposit Premium	Experience Modification Factor	Deposit Premium Adjusted for Experience Modification	Off-Balance Factor	Deposit Premium Adjusted for Off Balance Factor	Excess Insurance \$1M x \$1M	TOTAL Deposit Premium	Prior Year Deposit Premium	Increase (Decrease)
Oakland H.A.	\$28,486,957	\$50,000	\$135,883	\$1,983	\$16,129	\$153,996		\$153,996	1.006	\$154,900	0.988	\$153,050	\$11,395	\$164,445	\$173,592	(\$9,147)
Total	\$28,486,957		\$135,883	\$1,983	\$16,129	\$153,996	\$0	\$153,996		\$154,900		\$153,050	\$11,395	\$164,445	\$173,592	(\$9,147)

Participation Credit N/A

		Retained Limit Rates - 80% C.L.		
		SIR	Factor	Rates
2016 Payroll	\$26,867,023	\$25,000	1.14	\$0.544
2017 Payroll	28,486,957	50,000	1.00	0.477
Percentage Increase	6.03%	75,000	0.90	0.429
		100,000	0.82	0.391
		250,000	0.48	0.229
		500,000	0.19	0.088

Other Rates	
Description	Rates
Excess Insurance: \$2M x \$1M ~ \$4M / \$10M Aggregate	\$0.0400
Loss Prevention & Training	0.0070
Administration	0.0566

Employment Risk Management Authority

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~ Contra Costa County Housing Authority ~

Member	Actual 2017 Payroll	SIR Selected	Funding For Losses	Loss Prevention & Training	Admin. Costs	Deposit Premium	JPA Participation Credit	Net Deposit Premium	Experience Modification Factor	Adjusted for Experience Modification	Off-Balance Factor	Adjusted for Off Balance Factor	Excess Insurance \$1M x \$1M	TOTAL Deposit Premium	Prior Year Deposit Premium	Increase (Decrease)
Contra Costa H.A.	\$5,220,093	\$50,000	\$24,900	\$363	\$2,956	\$28,219		\$28,219	0.940	\$26,536	0.988	\$26,219	\$2,088	\$28,307	\$27,734	\$572
Total	\$5,220,093		\$24,900	\$363	\$2,956	\$28,219	\$0	\$28,219		\$26,536		\$26,219	\$2,088	\$28,307	\$27,734	\$572

Participation Credit N/A

2016 Payroll	\$5,207,303
2017 Payroll	5,220,093
Percentage Increase	0.25%

Retained Limit Rates - 80% C.L.			
SIR	Factor	Rates	
\$25,000	1.14	\$0.544	
50,000	1.00	0.477	
75,000	0.90	0.429	
100,000	0.82	0.391	
250,000	0.48	0.229	
500,000	0.19	0.088	

Other Rates	
Description	Rates
Excess Insurance: \$2M x \$1M ~ \$4M / \$10M Aggregate	\$0.0400
Loss Prevention & Training	0.0070
Administration	0.0566

**Employment Risk Management Authority
Experience Modification Calculation**

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Calendar Year Payroll						Incurred Losses at 12/31/17 Individual Losses from \$25k and Capped at \$500k						Experience Modification Calculation										Prior Year	
Member	Actual 2012 Payroll	Actual 2013 Payroll	Actual 2014 Payroll	Actual 2015 Payroll	(Not Used) Actual 2016 Payroll	(Not Used or Updated) Program Year 2012/2013	Program Year 2013/2014	Program Year 2014/2015	Program Year 2015/2016	Program Year 2016/2017	(Not Used) Program Year 2017/2018	4 Year Average Payroll	4 Year Average Losses	4 Year Loss Rate \$100/PR	Average Expected Losses	Member Experience Ratio	Credibility Factor	Deviation from Norm Multiplied by Credibility	Factored Experience Modifier	JPA Capped* Factored Experience Modifier	Ind. Capped** Ex Mod (No factor applied)	JPA Capped* Factored Experience Modifier	Ind. Capped** Ex Mod (Capped Change)
BCJPIA																							
1 Albany/Albany JPA	\$ 8,491,584	\$ 8,509,376	\$ 8,872,594	\$ 9,780,063		-	-	-	-	-		\$ 8,913,404	\$ -	-	15,424	-	0.083	-0.083	0.917		0.750		0.750
2 Brisbane	6,728,406	6,889,424	7,374,403	8,491,299		-	-	-	-	-		7,370,883	-	-	12,755	-	0.075	-0.075	0.925		0.750		0.750
3 Central Marin PA (formerly Twin Cities) +	6,010,600	5,544,993	5,503,543	4,902,795		-	-	-	-	-		5,490,483	-	-	9,501	-	0.065	-0.065	0.935		0.750		0.750
4 Corte Madera (7/1/17)	5,055,509	5,151,163	5,515,504	5,390,374		-	-	-	-	-		5,278,137	-	-	9,134	-	0.064	-0.064	0.936		0.750		1.000
5 Emeryville (Includes MESA)	10,377,744	10,729,725	11,322,378	12,699,712		-	-	-	-	-		11,282,390	-	-	19,524	-	0.093	-0.093	0.907		0.750		0.750
6 Emeryville MESA Inc.						-	-	-	-	-		2,411,465	-	-	4,173	-	0.043	-0.043	0.957		0.750		0.750
7 Fairfax	2,361,135	2,358,747	2,456,789	2,469,190		-	-	-	-	-		5,430,738	-	-	9,398	-	0.065	-0.065	0.935		0.750		0.750
8 Larkspur	5,146,643	5,366,320	5,435,284	5,774,706		-	-	-	-	-		11,669,145	21,854	0.187	20,193	1.082	0.095	0.008	1.008		1.082		1.250
9 Los Altos (7/1/12)	11,353,102	11,299,928	11,531,648	12,491,902		-	26,785	11,013	49,617	-		22,844,253	16,250	0.071	39,531	0.411	0.132	-0.078	0.922		0.750		0.750
10 Menlo Park (7/1/02)	22,470,728	22,404,763	22,490,925	24,010,597		-	-	-	-	65,000		13,968,239	-	-	24,172	-	0.103	-0.103	0.897		0.750		0.750
11 Mill Valley (7/1/01)	12,787,894	13,516,069	14,187,706	15,381,285		-	-	-	-	-		15,771,239	55,529	0.352	27,292	2.035	0.110	0.114	1.114		1.500		1.376
12 Novato (9/1/07)	15,115,658	15,291,222	15,522,912	17,155,164		125,000	147,115	-	75,000	-		10,986,481	31,250	0.284	19,012	1.644	0.092	0.059	1.059		1.500		0.750
13 Piedmont	10,243,266	10,662,110	11,376,475	11,664,074		-	-	-	125,000	-		36,971,016	12,500	0.034	63,977	0.195	0.168	-0.135	0.865		0.750		0.750
14 Pleasanton	35,315,090	36,121,288	37,455,483	38,992,201		-	-	-	-	50,000		2,475,645	-	-	4,284	-	0.044	-0.044	0.956		0.750		0.750
15 San Anselmo +	2,346,277	2,549,000	2,520,527	2,486,777		-	-	-	-	-		5,875,255	-	-	10,167	-	0.067	-0.067	0.933		0.750		0.750
16 Sausalito	5,910,758	5,787,599	5,840,302	5,962,361		-	-	-	-	-		3,200,001	-	-	5,537	-	0.050	-0.050	0.950		0.750		0.750
17 Tiburon (7/1/11)	3,158,309	3,259,487	3,122,699	3,259,507		-	-	-	-	-		23,242,745	-	-	40,221	-	0.133	-0.133	0.867		0.750		0.750
18 Union City	21,984,463	22,924,548	23,948,742	24,113,227		-	-	-	-	-													
BCJPIA Total	184,857,166	188,365,762	194,477,914	205,025,234		125,000	173,900	11,013	249,617	115,000	-	193,181,519	137,383	0.071	334,294	0.411	0.385	-0.227	0.773	0.773		0.791	
CalTIP																							
1 El Dorado County TA	2,350,912	2370266.47	2,417,671.80	2,466,025.24			-	-	-	-		\$ 2,401,219	\$ -	-	4,155	-	0.043	-0.043	0.957		0.750		1.000
2 Humboldt Transit	1,648,069	1796448.24	1,832,377.20	1,869,024.75			-	-	-	-		1,786,480	-	-	3,091	-	0.037	-0.037	0.963		0.750		1.000
3 Livermore Amador Valley TA	1,557,615	2824331.89	2,880,818.53	2,938,434.90			-	-	-	-		2,550,300	-	-	4,413	-	0.044	-0.044	0.956		0.750		1.000
4 Mendocino Transit	2,158,202	2200161.78	2,244,165.02	2,289,048.32			-	-	-	-		2,222,894	-	-	3,847	-	0.041	-0.041	0.959		0.750		1.000
5 Morongo Basin TA	1,100,689	1113376.74	1,135,644.27	1,158,357.16			-	-	-	-		1,127,017	-	-	1,950	-	0.029	-0.029	0.971		0.750		1.000
6 San Luis Obispo Regional TA	2,986,038	3048493.77	3,109,463.64	3,171,652.91			-	-	-	-		3,078,912	-	-	5,328	-	0.049	-0.049	0.951		0.750		1.000
7 South County Transit	351,974	353291.37	360,357.19	367,564.34			-	-	-	-		358,297	-	-	620	-	0.017	-0.017	0.983		0.750		1.000
8 Tahoe Transportation District	198,118	261245.47	266,470.38	271,799.79			-	-	-	-		249,409	-	-	432	-	0.014	-0.014	0.986		0.750		1.000
9 Western Contra Costa TA	578,368	613533.94	625,804.62	638,320.71			-	-	-	-		614,007	-	-	1,063	-	0.022	-0.022	0.978		0.750		1.000
10 Yolo County Trans. District	689,928	676838.12	690,374.88	704,182.38			-	-	-	-		690,331	-	-	1,195	-	0.023	-0.023	0.977		0.750		1.000
CalTIP Total	13,619,914	15,257,988	15,563,148	15,874,411		-	-	-	-	-	-	15,078,865	-	-	26,093	-	0.107	-0.107	0.893	0.893		1.000	

Employment Risk Management Authority
Experience Modification Calculation
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Calendar Year Payroll						Incurred Losses at 12/31/17 Individual Losses from \$25k and Capped at \$500k						Experience Modification Calculation											Prior Year	
	Actual 2012	Actual 2013	Actual 2014	Actual 2015	(Not Used) Actual 2016	(Not Used or Updated) Program Year	Program Year	Program Year	Program Year	Program Year	(Not Used) Program Year	4 Year Average Payroll	4 Year Average Losses	4 Year Loss Rate \$100/PR	Average Expected Losses	Member Experience Ratio	Credibility Factor	Deviation from Norm Multiplied by Credibility	Factored Experience Modifier	JPA Capped* Factored Experience Modifier	Ind. Capped** Ex Mod (No factor applied)	JPA Capped* Factored Experience Modifier	Ind. Capped** Ex Mod (Capped Change)	
Member	Payroll	Payroll	Payroll	Payroll	Payroll	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018													
CSJVRMA																								
1 Angels Camp	\$ 2,121,012	\$ 2,388,203	\$ 2,562,119	\$ 2,907,392		-	-	-	-	-		\$ 2,494,682	\$ -	-	4,317	-	0.044	-0.044	0.956		0.750		0.750	
2 Atwater (7/1/00)	6,002,418	4,647,868	5,207,953	5,301,545		-	276,493	112,519				5,289,946	97,253	1.838	9,154	10.624	0.064	0.613	1.613		1.500		1.250	
3 Ceres	13,889,098	14,346,800	14,308,514	14,988,712		-	482,651			49,949		14,383,281	133,150	0.926	24,890	5.350	0.105	0.457	1.457		1.500		1.250	
4 Chowchilla (7/1/01)	3,161,572	3,576,926	3,920,401	3,710,943		-	-	-				3,592,461	-	-	6,217	-	0.052	-0.052	0.948		0.750		0.750	
5 Corcoran	3,454,923	4,140,115	4,118,108	3,948,137		-	-	-				3,915,321	-	-	6,775	-	0.055	-0.055	0.945		0.750		0.750	
6 Delano	10,651,075	10,973,343	14,761,274	17,210,292		-	245,666			90,000		13,398,996	83,917	0.626	23,186	3.619	0.101	0.265	1.265		1.500		1.500	
7 Dinuba (7/1/16)	8,899,573	9,361,965	10,356,233	10,309,110		-	-	-	-			9,731,720	-	-	16,840	-	0.086	-0.086	0.914		0.750		0.750	
8 Dos Palos (12/1/10)*	1,145,018	1,091,312	1,173,846	1,267,581		-	-	-				1,169,439	-	-	2,024	-	0.030	-0.030	0.970		0.750		0.750	
9 Escalon	1,909,338	1,603,824	1,548,275	1,688,219		-	-	-				1,687,414	-	-	2,920	-	0.036	-0.036	0.964		0.750		0.750	
10 Farmersville (7/1/16)	1,653,134	1,624,599	1,829,600	2,045,154		-	-	-	-			1,788,122	-	-	3,094	-	0.037	-0.037	0.963		0.750		0.750	
11 Fowler	1,691,133	1,808,461	1,871,921	1,936,485		-	-	-				1,827,000	-	-	3,162	-	0.037	-0.037	0.963		0.750		1.250	
12 Gustine	1,373,180	1,374,796	1,423,103	1,459,712		-	-	-				1,407,698	-	-	2,436	-	0.033	-0.033	0.967		0.750		0.750	
13 Hughson	886,378	830,982	833,570	917,729		-	-	150,000				867,165	37,500	4.324	1,501	24.990	0.026	0.618	1.618		1.500		0.750	
14 Huron (7/1/10)	991,241	999,518	854,739	1,048,253		-	-	-	-			973,438	-	-	1,684	-	0.027	-0.027	0.973		0.750		0.750	
15 Kerman	3,315,796	3,370,295	3,356,825	3,385,695		-	-	75,000	-			3,357,153	18,750	0.559	5,809	3.228	0.051	0.113	1.113		1.500		1.000	
16 Kingsburg (7/1/05)	2,883,926	2,972,419	3,219,466	3,306,373		-	-	-		25,000		3,095,546	6,250	0.202	5,357	1.167	0.049	0.008	1.008		1.167		0.750	
17 Lathrop (10/4/05)	4,731,110	4,778,870	5,160,267	5,261,035		-	-	-	-			4,982,821	-	-	8,623	-	0.062	-0.062	0.938		0.750		1.000	
18 Lemoore (7/1/13)	5,338,028	5,385,992	5,410,228	5,603,912		-	-	-				5,434,540	-	-	9,404	-	0.065	-0.065	0.935		0.750		0.750	
19 Livingston	3,361,821	3,182,393	2,969,071	3,092,642		-	-	-	-			3,151,482	-	-	5,454	-	0.049	-0.049	0.951		0.750		0.750	
20 Madera	14,783,946	13,785,177	14,238,573	15,568,388		-	-	-				14,594,021	-	-	25,254	-	0.106	-0.106	0.894		0.750		0.750	
21 McFarland	1,778,553	2,119,540	2,304,673	2,269,813		-	-	-	298,050	15,000		2,118,145	78,263	3.695	3,665	21.352	0.040	0.820	1.820		1.500		1.500	
22 Mendota (7/1/13)	1,649,416	1,711,073	1,828,943	2,070,990		-	-	-				1,815,106	-	-	3,141	-	0.037	-0.037	0.963		0.750		0.750	
23 Merced (7/1/03)	30,052,390	30,275,008	30,499,971	30,955,378		-	-	-				30,445,687	-	-	52,685	-	0.153	-0.153	0.847		0.750		0.750	
24 Newman	1,956,999	2,022,439	2,092,360	2,194,234		-	-	-	-			2,066,508	-	-	3,576	-	0.040	-0.040	0.960		0.750		0.750	
25 Oakdale (8/1/12)	8,335,920	7,448,496	6,839,102	6,235,119		332,228	-	-	65,002	-		7,214,659	16,251	0.225	12,485	1.302	0.074	0.022	1.022		1.302		1.500	
26 Orange Cove (7/7/07)	2,007,800	2,211,271	1,974,145	1,949,408		-	-	-	-			2,035,656	-	-	3,523	-	0.039	-0.039	0.961		0.750		0.750	
27 Parlier	2,480,563	2,354,216	1,963,437	2,100,674		-	-	67,578	-	25,000		2,224,723	23,145	1.040	3,850	6.012	0.041	0.207	1.207		1.500		1.250	
28 Patterson (7/1/13)	4,994,353	5,526,487	5,909,430	6,304,647		-	-	-	-			5,683,729	-	-	9,835	-	0.066	-0.066	0.934		0.750		0.750	
29 Porterville	17,446,565	17,442,036	17,836,658	18,468,067		-	-	-	-			17,798,332	-	-	30,799	-	0.117	-0.117	0.883		0.750		0.750	
30 Reedley	6,436,016	6,802,580	6,988,388	7,741,870		-	-	-	-			6,992,214	-	-	12,100	-	0.073	-0.073	0.927		0.750		0.750	
31 Riverbank (7/1/12)	3,244,266	3,298,425	3,252,997	3,503,656		-	-	-	-			3,324,836	-	-	5,754	-	0.050	-0.050	0.950		0.750		0.750	
32 Sanger (4/18/16)	6,795,107	6,444,390	6,465,687	6,629,207		-	-	250,071	146,063	-		6,583,598	99,033	1.504	11,393	8.693	0.071	0.546	1.546		1.500		1.250	
33 San Joaquin (8/8/03)*	674,610	644,529	729,644	740,692		-	-	-	-			697,369	-	-	1,207	-	0.023	-0.023	0.977		0.750		0.750	
34 Selma	5,288,865	5,477,133	5,736,948	6,196,694		-	-	-	-			5,674,910	-	-	9,820	-	0.066	-0.066	0.934		0.750		0.750	
35 Shafter	5,726,183	6,021,976	10,005,223	11,139,254		-	220,209	-	134,346	-		8,223,159	88,639	1.078	14,230	6.229	0.079	0.415	1.415		1.500		1.250	
36 Sonora 7/1/13)	2,669,520	2,904,692	2,938,019	2,926,436		-	-	-	-			2,859,667	-	-	4,949	-	0.047	-0.047	0.953		0.750		0.750	
37 Taft	3,313,028	3,417,435	6,088,753	7,133,598		-	-	-	75,000	-		4,988,204	18,750	0.376	8,632	2.172	0.062	0.072	1.072		1.500		0.750	
38 Tehachapi (7/1/13)	3,198,571	3,950,483	4,213,434	4,218,007		54,412	-	-	-	-		3,895,124	-	-	6,740	-	0.055	-0.055	0.945		0.750		1.428	
39 Tulare (7/1/12)	19,795,480	20,225,035	20,238,901	20,704,062		-	-	-	-			20,240,870	-	-	35,026	-	0.125	-0.125	0.875		0.750		0.750	
40 Wasco	2,908,322	2,872,006	2,806,714	2,946,769		-	-	-	50,000	-		2,883,453	12,500	0.434	4,990	2.505	0.047	0.071	1.071		1.500		0.750	
41 Woodlake (7/1/16)	1,514,931	1,330,300	1,432,988	1,589,029		-	-	-	-	-		1,466,812	-	-	2,538	-	0.034	-0.034	0.966		0.750		0.750	
CSJVRMA Total						386,640	1,225,019	655,168	768,461	204,949	-	236,375,000	713,399	0.302	409,039	1,744	0.426	0.317	1,317	1,250		1,238		
ERM MAC 7/1/16																								
1 Hayward	\$ 74,331,768	\$ 76,538,447	\$ 76,627,164	\$ 87,545,215		-	-	-	-	41,081	15,000	\$ 78,760,648	10,270	0.013	136,293	0.075	0.246	-0.227	0.773		0.750		0.750	
2 Laguna Hills	3,181,510	3,255,162	3,331,103	3,569,757		-	-	-	-	-		3,334,383	-	-	5,770	-	0.051	-0.051	0.949		0.750		0.750	
ERM MAC Total						-	-	-	-	41,081	15,000	82,095,031	10,270	0.01251	142,063	0.072	0.251	-0.233	0.767					

Employment Risk Management Authority
Experience Modification Calculation
~ 2018/2019 Proposed Operating Budget ~ Preliminary Approval May 2, 2018 ~

Calendar Year Payroll						Incurred Losses at 12/31/17 Individual Losses from \$25k and Capped at \$500k						Experience Modification Calculation										Prior Year		
	Actual 2012	Actual 2013	Actual 2014	Actual 2015	(Not Used) Actual 2016	(Not Used or Updated) Program Year	Program Year	Program Year	Program Year	Program Year	(Not Used) Program Year	4 Year Average	4 Year Average	4 Year Loss Rate	Average Expected	Member Experience	Credibility	Deviation from Norm	Factored Experience	JPA Capped* Factored	Ind. Capped** Ex Mod	JPA Capped* Factored	Ind. Capped** Ex Mod	
Member	Payroll	Payroll	Payroll	Payroll	Payroll	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	Payroll	Losses	\$100/PR	Losses	Ratio	Factor	Multiplied by Credibility	Modifier	Modifier	(No factor applied)	Modifier	(Capped Change)	
MPA																								
1 Antioch	\$ 24,072,622	\$ 25,006,196	\$ 26,961,175	\$ 26,819,735		-	-	-	-	-		\$ 25,714,932	\$ -	-	44,499	-	0.140	-0.140	0.860		0.750		0.750	
2 Brentwood	25,319,380	25,786,575	25,776,874	27,636,761		-	-	-	-	-		26,129,898	-	-	45,217	-	0.141	-0.141	0.859		0.750		0.750	
3 Clayton	2,049,023	2,080,121	2,051,793	2,103,188		-	-	-	-	-		2,071,031	-	-	3,584	-	0.040	-0.040	0.960		0.750		0.750	
4 Danville	6,925,327	7,120,634	7,649,030	7,878,120		-	-	-	-	-		7,393,278	-	-	12,794	-	0.075	-0.075	0.925		0.750		0.750	
5 El Cerrito	16,922,907	16,650,173	17,083,275	17,746,500		-	11,225	-	-	-		17,100,714	2,806	0.016	29,592	0.095	0.114	-0.104	0.896		0.750		0.750	
6 Hercules	5,860,900	5,562,411	5,835,313	5,784,403		-	-	-	-	25,000		5,760,757	6,250	0.108	9,969	0.627	0.066	-0.025	0.975		0.750		0.750	
7 LaFayette	3,480,721	3,637,718	3,821,626	3,884,001		-	-	-	-	-		3,706,017	-	-	6,413	-	0.053	-0.053	0.947		0.750		0.750	
8 Manteca	28,766,455	28,865,743	29,625,913	32,088,700		-	-	125,000	75,000	25,000		29,836,703	56,250	0.189	51,631	1.089	0.151	0.014	1.014	1.014	1.089		1.000	
9 Martinez	11,492,091	11,839,409	11,420,417	9,379,375		-	-	-	-	-		11,032,823	-	-	19,092	-	0.092	-0.092	0.908		0.750		0.750	
10 Moraga	3,029,754	3,155,568	3,188,207	3,259,021		-	-	-	-	-		3,158,138	-	-	5,465	-	0.049	-0.049	0.951		0.750		0.750	
11 Oakley (7/1/02)	1,733,029	2,062,579	2,953,654	3,135,326		-	-	-	-	-		2,471,147	-	-	4,276	-	0.044	-0.044	0.956		0.750		1.250	
12 Orinda	2,930,792	2,842,289	3,072,768	3,208,063		-	-	-	-	-		3,013,478	-	-	5,215	-	0.048	-0.048	0.952		0.750		0.750	
13 Pacifica (3/9/07)	16,143,244	16,296,512	16,582,762	17,312,674		-	-	-	-	-		16,583,798	-	-	28,698	-	0.113	-0.113	0.887		0.750		0.750	
14 Pinole	9,096,503	8,869,832	8,951,254	8,558,756		-	-	-	-	-		8,869,086	-	-	15,348	-	0.082	-0.082	0.918		0.750		0.750	
15 Pittsburg	20,652,941	20,823,410	21,789,503	23,359,152		-	215,808	-	171,944	75,000		21,656,252	115,688	0.534	37,475	3.087	0.129	0.269	1.269		1.500		1.250	
16 Pleasant Hill	11,141,989	10,442,498	10,935,656	11,113,716		74,857	-	-	25,000	-		10,908,465	6,250	0.057	18,877	0.331	0.091	-0.061	0.939		0.750		1.067	
17 San Pablo	11,873,671	13,132,240	14,201,126	13,901,596		-	-	-	-	-		13,277,158	-	-	22,976	-	0.101	-0.101	0.899		0.750		0.750	
18 San Ramon	24,438,479	24,193,743	24,849,020	27,011,123		-	-	-	-	-		25,123,091	-	-	43,475	-	0.139	-0.139	0.861		0.750		0.750	
19 Walnut Creek	30,483,476	30,961,642	32,766,735	33,680,557		461,689	-	-	-	-		31,973,103	-	-	55,328	-	0.157	-0.157	0.843		0.750		1.500	
20 MPA JPA Staff	1,324,973	1,327,263	1,494,922	1,523,765		-	-	-	20,952	-		1,417,731	5,238	0.369	2,453	2.135	0.033	0.037	1.037		1.500		N/A	
MPA Total	257,738,277	260,656,556	271,011,023	279,384,532		536,546	227,033	125,000	292,896	125,000	-	267,197,597	192,482	0.072	462,376	0.416	0.452	-0.264	0.736	0.750		0.787		
PARSAC																								
1 Amador	31,494	42,886	38,076	31,707		-	-	-	-	-		\$ 36,041	\$ -	-	62	-	0.005	-0.005	0.995		0.750		0.750	
2 Avalon	4,677,415	4,752,239	4,974,142	5,239,817		-	-	-	-	-		4,910,903	-	-	8,498	-	0.061	-0.061	0.939		0.750		0.750	
3 Belvedere (7/1/15)	2,143,219	2,115,189	2,199,898	2,274,560		-	-	-	-	-		2,183,217	-	-	3,778	-	0.041	-0.041	0.959		0.750		0.750	
4 Blue Lake	375,751	414,716	435,003	413,448		-	-	-	-	-		409,730	-	-	709	-	0.018	-0.018	0.982		0.750		0.750	
5 California City	4,873,751	5,730,694	5,780,471	6,942,695		-	-	-	-	75,000		5,831,903	18,750	0.322	10,092	1.858	0.067	0.057	1.057		1.500		1.250	
6 Calimesa	727,865	751,080	722,020	825,910		-	390,527	-	-	-		756,719	97,632	12.902	1,309	74.558	0.024	1.771	2.771		1.500		1.250	
7 Calistoga	4,004,251	4,171,029	4,195,992	4,334,096		-	-	-	-	-		4,176,342	-	-	7,227	-	0.057	-0.057	0.943		0.750		0.750	
8 Citrus Heights	15,927,651	16,711,963	17,220,540	18,923,855		-	-	-	-	-		17,196,002	-	-	29,757	-	0.115	-0.115	0.885		0.750		0.750	
9 Clearlake	2,593,697	2,729,741	2,383,066	2,923,436		-	-	-	-	-		2,657,485	-	-	4,599	-	0.045	-0.045	0.955		0.750		0.750	
10 Coalinga	6,003,358	5,691,324	5,808,964	5,243,776		75,000	-	-	-	-		5,686,856	-	-	9,841	-	0.066	-0.066	0.934		0.750		1.500	
11 Ferndale	550,515	516,449	603,325	632,475		-	-	-	-	-		575,691	-	-	996	-	0.021	-0.021	0.979		0.750		0.750	
12 Grass Valley	6,476,895	6,318,048	6,414,324	6,246,152		-	-	-	-	-		6,363,855	-	-	11,012	-	0.070	-0.070	0.930		0.750		0.750	
13 Highland	2,528,740	2,484,588	2,560,238	2,575,511		-	-	-	-	-		2,537,269	-	-	4,391	-	0.044	-0.044	0.956		0.750		0.750	
14 Menifee (10/1/08)	2,366,055	2,557,032	3,297,137	4,125,444		206,792	-	-	-	-		3,086,417	-	-	5,341	-	0.049	-0.049	0.951		0.750		1.500	
15 Nevada City	1,836,392	1,819,013	1,989,087	2,170,024		-	-	-	-	-		1,953,629	-	-	3,381	-	0.039	-0.039	0.961		0.750		0.750	
16 Pacific Grove	7,545,144	6,997,865	6,259,907	5,871,348		-	-	-	-	-		6,668,566	-	-	11,540	-	0.071	-0.071	0.929		0.750		0.750	
17 Placencia	11,103,371	10,839,489	10,928,431	9,999,751		272,382	-	-	-	-		10,717,761	-	-	18,547	-	0.091	-0.091	0.909		0.750		1.500	
18 Placerville	4,803,622	4,948,313	5,203,080	5,633,955		-	-	-	-	-		5,147,243	-	-	8,907	-	0.063	-0.063	0.937		0.750		0.750	
19 Plymouth	457,447	446,703	513,725	536,871		-	-	-	-	-		488,687	-	-	846	-	0.019	-0.019	0.981		0.750		0.750	
20 Point Arena	237,645	257,260	232,074	245,593		55,982	-	-	-	-		243,143	-	-	421	-	0.014	-0.014	0.986		0.750		1.500	
21 Rancho Cucamonga	28,345,325	27,442,074	28,998,641	28,258,081		-	-	-	-	-		28,261,030	-	-	48,905	-	0.147	-0.147	0.853		0.750		0.750	
22 Rancho Cucamonga FPD (7/1/16)	14,031,902	14,201,040	14,950,740	15,968,875		-	-	-	-	-		14,788,139	-	-	25,590	-	0.106	-0.106	0.894		0.750		0.750	
23 Rancho Santa Margarita (1/1/04)	1,871,706	2,031,160	1,949,053	2,333,843		-	-	-	-	-		2,046,441	-	-	3,541	-	0.040	-0.040	0.960		0.750		0.750	
24 San Juan Bautista	261,332	317,324	362,243	413,178		-	-	-	-	-		338,519	-	-	586	-	0.016	-0.016	0.984		0.750		0.750	
25 South Lake Tahoe	14,905,722	14,771,542	15,789,827	16,219,949		132,419	-																	

**Employment Risk Management Authority
Experience Modification Calculation**

~ 2018/2019 Proposed Operating Budget ~ Preliminary Approval May 2, 2018 ~

Calendar Year Payroll						Incurred Losses at 12/31/17 Individual Losses from \$25k and Capped at \$500k						Experience Modification Calculation										Prior Year	
Member	Actual 2012 Payroll	Actual 2013 Payroll	Actual 2014 Payroll	Actual 2015 Payroll	(Not Used) Actual 2016 Payroll	(Not Used or Updated) Program Year 2012/2013	Program Year 2013/2014	Program Year 2014/2015	Program Year 2015/2016	Program Year 2016/2017	(Not Used) Program Year 2017/2018	4 Year Average Payroll	4 Year Average Losses	4 Year Loss Rate \$100/PR	Average Expected Losses	Member Experience Ratio	Credibility Factor	Deviation from Norm Multiplied by Credibility	Factored Experience Modifier	JPA Capped* Factored Experience Modifier	Ind. Capped** Ex Mod (No factor applied)	JPA Capped* Factored Experience Modifier	Ind. Capped** Ex Mod (Capped Change)
PERMA																							
1 Adelanto (7/1/03)	\$ 4,388,183	\$ 3,238,294	\$ 2,957,346	\$ 2,940,017		-	-	450,000	-	75,000		\$ 3,380,960	\$ 131,250	3.882	5,851	22.433	0.051	1.091	2.091		1.500		1.000
2 Banning (2/14/02)	12,812,684	13,350,074	13,073,020	13,270,275		475,000	-	92,681	415,718	-		13,126,513	127,100	0.968	22,715	5.595	0.100	0.461	1.461		1.500		1.500
3 Barstow (2/04/02)	13,601,018	14,755,158	14,011,746	12,928,713		-	-	155,198	-	-		13,824,159	38,800	0.281	23,922	1.622	0.103	0.064	1.064		1.500		0.750
4 Canyon Lake (7/1/11) from PARSAC	355,270	347,409	386,675	388,656		-	-	-	-	-		369,502	-	-	639	-	0.017	-0.017	0.983		0.750		0.750
5 Cathedral City (2/14/01)	18,776,721	16,108,886	16,784,452	18,565,939		-	-	-	-	-		17,559,000	-	-	30,385	-	0.116	-0.116	0.884		0.750		0.750
6 Coachella (10/01/00)	4,740,007	5,045,456	5,240,721	5,707,821		-	-	-	-	-		5,183,501	-	-	8,970	-	0.063	-0.063	0.937		0.750		0.750
7 Desert Hot Springs (yr.3)	6,208,765	6,413,645	3,985,102	3,481,082		-	-	-	-	-		5,022,148	-	-	8,691	-	0.062	-0.062	0.938		0.750		1.000
8 Eastvale (7/1/15)	668,136	692,048	873,544	755,018		-	-	-	-	-		747,186	-	-	1,293	-	0.024	-0.024	0.976		0.750		0.750
9 Hesperia (7/1/10) From PARSAC	11,498,002	11,446,006	12,645,910	11,815,631		-	-	-	1,274	-		11,851,387	319	0.003	20,508	0.016	0.095	-0.094	0.906		0.750		0.750
10 Holtville (7/1/08)	1,332,801	1,158,422	1,173,765	1,160,755		-	-	-	-	-		1,206,436	-	-	2,088	-	0.030	-0.030	0.970		0.750		0.750
11 ICTC (7/1/12)	308,371	409,347	468,749	468,578		-	-	-	-	-		413,761	-	-	716	-	0.018	-0.018	0.982		0.750		0.750
12 Jurupa Valley (11/2/15) - No Staff until 9/2015	-	-	555,000	1,090,219		-	-	-	-	-		411,305	-	-	712	-	0.018	-0.018	0.982		0.750		0.750
13 La Mesa (7/1/02)	20,084,231	20,263,077	20,632,210	20,916,633		-	-	19,041	-	-		20,474,038	4,760	0.023	35,430	0.134	0.125	-0.108	0.892		0.750		0.750
14 Murrieta (7/1/01)	20,998,098	22,729,026	23,722,451	23,422,177		-	-	-	-	-		22,717,938	-	-	39,313	-	0.132	-0.132	0.868		0.750		0.750
15 Palm Sps Tram (11/1/05)	3,608,670	3,775,505	3,914,503	4,475,625		-	-	-	-	-		3,943,576	-	-	6,824	-	0.055	-0.055	0.945		0.750		0.750
16 Perris (9/25/00)	4,727,857	4,637,423	5,545,431	5,701,034		-	-	-	-	-		5,152,936	-	-	8,917	-	0.063	-0.063	0.937		0.750		0.750
17 SDRTC (11/4/13)	507,361	517,864	462,019	580,983		-	-	-	-	-		517,057	-	-	895	-	0.020	-0.020	0.980		0.750		1.250
18 Stanton (7/1/01)	2,486,055	2,220,842	2,474,931	2,585,078		-	-	-	-	-		2,441,727	-	-	4,225	-	0.043	-0.043	0.957		0.750		0.750
19 Sunline (11/4/13)	12,203,731	13,039,508	14,052,659	15,285,967		11,000	-	-	140,752	1,951		13,645,466	35,676	0.261	23,613	1.511	0.102	0.052	1.052		1.500		1.000
20 Victorville (7/1/01)	17,532,317	17,857,047	20,554,844	21,901,180		-	-	-	-	-		19,461,347	-	-	33,677	-	0.122	-0.122	0.878		0.750		0.750
21 VVTA (7/1/12)	530,160	581,701	719,684	864,702		-	-	-	-	-		674,062	-	-	1,166	-	0.023	-0.023	0.977		0.750		0.750
PERMA Total	157,368,438	158,586,736	164,234,762	168,306,082		486,000	-	716,920	557,744	76,951	-	162,124,004	337,904	0.208	280,550	1.204	0.352	0.072	1.072	1.072		0.908	
SCORE																							
1 Biggs	\$ 404,123	\$ 383,142	\$ 383,261	\$ 380,549		-	-	-	-	-		\$ 387,769	\$ -	-	671	-	0.017	-0.017	0.983		0.750		1.000
2 Colfax	451,759	498,059	444,870	445,047		-	-	-	-	-		459,934	-	-	796	-	0.019	-0.019	0.981		0.750		0.750
3 Live Oak (7/1/04)	1,284,556	1,262,596	1,243,636	1,281,001		-	-	-	-	-		1,267,947	-	-	2,194	-	0.031	-0.031	0.969		0.750		0.750
4 Loomis (7/1/12)	673,118	707,003	706,570	738,548		-	-	-	-	-		706,310	-	-	1,222	-	0.023	-0.023	0.977		0.750		0.750
5 Mt. Shasta (7/1/01)	1,603,103	1,595,079	1,708,545	1,764,123		-	-	-	-	-		1,667,713	-	-	2,886	-	0.036	-0.036	0.964		0.750		0.750
6 Portola	659,378	650,959	618,406	721,331		-	-	-	-	-		662,519	-	-	1,146	-	0.023	-0.023	0.977		0.750		0.750
7 Rio Dell (7/1/02)	967,050	940,699	962,896	978,061		-	-	-	-	-		962,177	-	-	1,665	-	0.027	-0.027	0.973		0.750		0.750
8 Shasta Lake	3,094,845	3,193,800	3,226,333	3,431,994		-	-	-	-	-		3,236,743	-	-	5,601	-	0.050	-0.050	0.950		0.750		0.750
9 Susanville (7/1/04)	3,437,547	3,540,390	3,524,068	3,674,289		-	-	-	-	-		3,544,074	-	-	6,133	-	0.052	-0.052	0.948		0.750		0.750
10 Tulelake (7/1/15)	330,610	305,853	310,702	349,348		-	-	-	-	-		324,128	-	-	561	-	0.016	-0.016	0.984		0.750		0.750
11 Weed (7/1/15)	1,545,965	1,542,006	1,658,551	1,541,803		-	-	-	-	-		1,572,081	-	-	2,720	-	0.035	-0.035	0.965		0.750		0.750
12 Yreka	2,875,980	2,885,795	3,014,230	2,827,360		-	-	-	-	-		2,900,841	-	-	5,020	-	0.047	-0.047	0.953		0.750		0.750
SCORE Total	17,328,034	17,505,381	17,802,068	18,133,454		-	-	-	-	-	-	17,692,234	-	-	30,616	-	0.116	-0.116	0.884	0.884		0.886	

**Employment Risk Management Authority
Experience Modification Calculation**

~ 2018/2019 Proposed Operating Budget ~ Preliminary Approval May 2, 2018 ~

Calendar Year Payroll						Incurred Losses at 12/31/17 Individual Losses from \$25k and Capped at \$500k						Experience Modification Calculation										Prior Year	
	Actual 2012	Actual 2013	Actual 2014	Actual 2015	(Not Used) Actual 2016	(Not Used or Updated) Program Year	Program Year	Program Year	Program Year	Program Year	(Not Used) Program Year	4 Year Average Payroll	4 Year Average Losses	4 Year Loss Rate \$100/PR	Average Expected Losses	Member Experience Ratio	Credibility Factor	Deviation from Norm Multiplied by Credibility	Factored Experience Modifier	JPA Capped* Factored Experience Modifier	Ind. Capped** Ex Mod (No factor applied)	JPA Capped* Factored Experience Modifier	Ind. Capped** Ex Mod (Capped Change)
Member	Payroll	Payroll	Payroll	Payroll	Payroll	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018												
VCJPA																							
1 Alameda County	\$ 1,048,932	\$ 1,033,233	\$ 1,336,568	\$ 1,334,976		9,391	6,858	-	-	-		\$ 1,188,427	\$ 1,715	0.144	2,057	0.834	0.030	-0.005	0.995		0.834		1.500
2 Burney Basin	76,395	79,932	94,116	54,817		-	-	-	-	-		76,315	-	-	132	-	0.008	-0.008	0.992		0.750		0.750
3 Butte County	1,256,229	1,238,865	1,105,237	1,216,804		-	-	-	-	-		1,204,284	-	-	2,084	-	0.030	-0.030	0.970		0.750		0.750
4 Coachella Valley (9/14/00)	3,581,260	3,649,461	3,826,348	4,405,282		-	-	-	-	-		3,865,588	-	-	6,689	-	0.054	-0.054	0.946		0.750		0.750
5 Colusa	173,540	172,786	170,986	197,876		-	-	-	-	-		178,797	-	-	309	-	0.012	-0.012	0.988		0.750		0.750
6 Compton Creek	85,563	87,227	94,076	96,876		-	-	-	-	-		90,935	-	-	157	-	0.008	-0.008	0.992		0.750		0.750
7 Consolidated	1,149,013	1,156,938	1,183,261	1,304,677		-	-	-	-	-		1,198,472	-	-	2,074	-	0.030	-0.030	0.970		0.750		0.750
8 Contra Costa County	2,794,749	2,800,224	2,903,940	3,023,168		-	-	24,926	-	-		2,880,520	6,232	0.216	4,985	1.250	0.047	0.012	1.012		1.250		1.000
9 Delta VCD (7/1/08)	1,058,417	1,080,525	1,065,957	1,113,971		-	-	-	-	-		1,079,718	-	-	1,868	-	0.029	-0.029	0.971		0.750		0.750
10 Durham (8/26/02)	58,405	60,541	63,765	59,646		-	-	-	-	-		60,589	-	-	105	-	0.007	-0.007	0.993		0.750		0.750
11 Fresno	521,785	596,127	597,425	678,547		-	-	-	-	-		598,471	-	-	1,036	-	0.021	-0.021	0.979		0.750		0.750
12 Glenn County	117,799	118,822	115,962	126,759		-	-	-	-	-		119,835	-	-	207	-	0.010	-0.010	0.990		0.750		0.750
13 Greater Los Angeles	4,940,975	5,041,115	5,273,515	5,409,424		15,912	-	-	-	-		5,166,257	-	-	8,940	-	0.063	-0.063	0.937		0.750		0.750
14 Kings MAD (7/1/09)	766,175	827,451	844,340	850,186		-	-	-	-	-		822,038	-	-	1,423	-	0.025	-0.025	0.975		0.750		0.750
15 Lake County (2/1/04)	601,769	546,366	553,390	563,489		-	-	-	-	-		566,254	-	-	980	-	0.021	-0.021	0.979		0.750		0.750
16 Los Angeles County West	2,628,882	2,685,477	2,532,089	2,605,775		-	-	-	-	-		2,613,056	-	-	4,522	-	0.045	-0.045	0.955		0.750		0.750
17 Marin-Sonoma	3,197,489	3,210,667	3,151,665	3,055,514		-	-	-	-	-		3,153,834	-	-	5,458	-	0.049	-0.049	0.951		0.750		0.750
18 Napa County	651,661	665,804	657,683	688,943		-	-	-	-	-		666,023	-	-	1,153	-	0.023	-0.023	0.977		0.750		0.750
19 Northwest	1,144,918	1,243,499	1,384,784	1,518,556		-	-	-	-	-		1,322,939	-	-	2,289	-	0.032	-0.032	0.968		0.750		0.750
20 Orange County	5,363,381	5,231,404	5,135,555	5,966,908		-	-	-	-	-		5,424,312	-	-	9,387	-	0.064	-0.064	0.936		0.750		0.750
21 Oroville (7/1/02)	70,757	66,520	62,071	72,566		-	-	-	-	-		67,978	-	-	118	-	0.007	-0.007	0.993		0.750		0.750
22 Placer County	1,098,553	1,177,254	1,259,077	1,357,506		-	-	-	-	-		1,223,098	-	-	2,117	-	0.031	-0.031	0.969		0.750		0.750
23 Sacramento Yolo	4,293,806	4,222,298	4,322,281	4,265,067		-	-	-	-	-		4,275,863	-	-	7,399	-	0.057	-0.057	0.943		0.750		0.750
24 San Gabriel Valley	1,627,476	1,699,414	1,841,425	1,868,251		-	16,307	260,147	151,184	-		1,759,141	106,910	6.077	3,044	35.120	0.037	1.253	2.253	1.500		1.500	
25 San Joaquin County	2,269,192	2,189,688	2,294,215	2,401,289		-	126,510	-	-	-		2,288,596	31,628	1.382	3,960	7.986	0.042	0.293	1.293	1.500		1.500	
26 San Mateo County	1,504,818	1,538,771	1,796,171	1,930,469		-	-	-	-	-		1,692,557	-	-	2,929	-	0.036	-0.036	0.964		0.750		0.750
27 Santa Barbara County	397,101	405,425	376,374	417,616		-	-	-	-	-		399,129	-	-	691	-	0.017	-0.017	0.983		0.750		0.750
28 Shasta	1,017,460	1,165,708	1,012,122	969,818		-	-	-	-	-		1,041,277	-	-	1,802	-	0.028	-0.028	0.972		0.750		0.750
29 Sutter-Yuba	965,060	978,461	1,000,725	960,126		-	-	-	-	-		976,093	-	-	1,689	-	0.027	-0.027	0.973		0.750		0.750
30 Tehama County	295,768	306,007	316,645	326,106		-	-	-	-	-		311,132	-	-	538	-	0.015	-0.015	0.985		0.750		0.750
31 Turlock	748,429	737,212	781,807	821,556		-	-	-	-	-		772,251	-	-	1,336	-	0.024	-0.024	0.976		0.750		0.750
32 West Valley	957,313	983,222	1,039,942	1,092,739		-	-	-	-	-		1,018,304	-	-	1,762	-	0.028	-0.028	0.972		0.750		0.750
VCJPA Total	46,463,070	46,996,444	48,193,517	50,755,303		25,303	149,675	285,073	151,184	-	-	48,102,084	146,483	0.305	83,239	1.760	0.192	0.146	1.146	1.146		1.009	
Oakland H.A.	\$ 23,568,661	\$ 24,933,479	\$ 25,427,490	\$ 26,500,365		-	181,149	-	-	-	-	25,107,499	45,287	0.180	43,448	1.042	0.139	0.006	1.006	1.006		1.152	
Contra Costa H.A.	\$ 4,817,268	\$ 4,501,350	\$ 4,487,553	\$ 4,773,630		-	-	-	-	-	-	4,644,950	-	-	8,038	-	0.060	-0.060	0.940	0.940		0.939	
Totals	1,254,561,334	1,271,161,298	1,318,009,027	1,377,697,439		2,442,103	2,603,058	3,403,715	2,263,468	765,259	15,000	1,305,357,275	2,258,875	0.173	2,258,875	1.000	1.000	0.000	1.000				

Employment Risk Management Authority

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~ 80 % Confidence Level ~ 2.0% Discount Factor ~

~ Excess Insurance \$1 million x \$1 million ~ \$2 million / \$10 million Aggregate ~

	Prior Year - 2017/2018		2018/2019	Increase/(Dec)	Percentage
	Projected Actual	Approved Budget	Proposed Budget	Over Prior Year Budget	Change
<u>Claims Expense:</u>					
Funding for Pooled Losses (SIR to \$1M)	\$5,466,618	\$5,466,618	\$5,897,262	\$430,644	7.88%
Excess Insurance	235,697	235,697	248,699	13,002	5.52%
Total Claims Costs	\$5,702,315	\$5,702,315	\$6,145,960	\$443,645	7.78%
<u>Loss Prevention and Training:</u>					
Employee Reporting Mechanism	9,500	8,500	9,500	1,000	11.76%
Web-based Training: AB1825 & AB1234	18,000	18,000	18,000	0	0.00%
Training Bulletins	6,000	6,000	6,000	0	0.00%
Additional Web-based Training	12,000	12,000	12,000	0	0.00%
Hotline Services - Jackson Lewis & LCW	7,000	7,000	7,000	0	0.00%
Misc. Training Expenses	3,000	6,000	6,000	0	0.00%
Customized Training Sessions (Attorney firms), and	30,100	17,200			
Training Workshops (22 x \$2,150)	17,200	30,100	47,300	0	0.00%
Total Loss Prevention and Training	\$102,800	\$104,800	\$105,800	\$1,000	0.95%
<u>Administration:</u>					
Program Management	\$678,949	\$678,949	\$698,706	\$19,757	2.91%
Includes:					
• Training Workshops					
(Inhouse as per Bickmore contract - 25 x \$1,800 = \$36,000)					
Risk Assessments	12,300	5,000	10,000	5,000	100.00%
Claims System	5,000	5,000	5,000	0	0.00%
Legal Services	46,000	30,000	45,000	15,000	50.00%
Actuarial Study	9,950	9,950	9,950	0	0.00%
Financial Audit	9,450	9,450	9,950	500	5.29%
Claims Audit	0	0	5,900	5,900	
Board Meetings & Retreat	25,000	30,000	30,000	0	0.00%
Memberships and Conferences	950	1,500	6,700	5,200	346.67%
Accreditation	1,417	1,500	1,500	0	0.00%
Fidelity Bonds	1,139	1,200	1,200	0	0.00%
E & O Coverage	2,485	2,500	2,500	0	0.00%
Investment Management Services	28,000	30,000	30,000	0	0.00%
Website	7,500	7,500	0	(7,500)	-100.00%
Other Expenses	4,000	3,500	4,000	500	14.29%
Total Administration	\$832,140	\$816,049	\$860,406	\$44,357	5.44%
Total Deposit Premium	\$6,637,255	\$6,623,164	\$7,112,166	\$489,002	7.38%

2018/2019 member changes from the prior year (approved in May, 2018) include:

- ~ Increase in SIR from \$50,000 to \$75,000 for Pacifica in MPA
- ~ Increase in SIR from \$100,000 to \$250,000 for West Hollywood in PARSAC
- ~ Increase in SIR from \$25,000 to \$100,000 for Yucca Valley in PARSAC
- ~ Increase in SIR from \$100,000 to \$250,000 for Adelanto in PERMA
- ~ Decrease in SIR from \$250,000 to \$100,000 for Murrieta in PERMA
- ~ Withdrawal of LP Fire from BCJPIA

2018/2019 member changes since May 2, 2018 meeting:

- ~ Addition of the City of San Jacinto in PERMA ~ \$25,000 SIR
- ~ Decrease in SIR from \$75,000 to \$50,000 for McFarland in CSJVRMA

Employment Risk Management Authority

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Member Summary

~ 80 % Confidence Level ~ 2.0 % Discount Factor ~

Member Entities	Actual 2017 Payroll	Funding For Losses *	Loss Prevention & Training	Admin. Costs	Deposit Premium	Experience Modification Factor	Deposit Premium Adjusted for Ex Mod	Off-Balance Factor	Deposit Premium			Prior Year Comparison		
									Deposit Premium Adjusted for Off-Bal Factor	Excess Insurance \$1M x \$1M	TOTAL Deposit Premium	Prior Yr. Deposit Premium	Percentage Change	Percentage Change Net of Payroll
BCJPIA	\$221,880,901	\$830,687	\$15,448	\$125,630	\$971,765	0.773	\$751,563	0.988	\$742,589		\$742,589	\$784,685	-5.4%	-1.7%
CalTIP	20,638,603	97,222	1,437	11,686	110,344	1.000	110,344	0.988	109,027	4,268	113,295	\$101,264	11.9%	11.9%
CSJVRMA	276,492,646	1,275,490	19,250	156,551	1,451,291	1.250	1,814,114	0.988	1,792,452	92,072	1,884,524	1,787,694	5.4%	1.6%
ERMAC	85,959,423	80,001	5,985	48,671	134,656	0.767	103,329	0.988	102,095		102,095	107,777	-5.3%	-5.3%
MBASIA	52,450,612	39,447	3,652	29,698	72,797	1.025	74,647	0.988	73,755	17,466	91,221	82,384	10.7%	5.0%
MPA	315,821,765	1,332,449	21,989	178,820	1,533,257	0.750	1,149,943	0.988	1,136,212	105,169	1,241,381	1,212,684	2.4%	-4.5%
PARSAC	241,906,438	832,650	16,842	136,968	986,461	1.250	1,232,943	0.988	1,218,221		1,218,221	1,179,233	3.3%	-1.8%
PERMA	194,633,979	900,630	13,551	110,203	1,024,384	1.072	1,098,187	0.988	1,085,074		1,085,074	819,944	32.3%	24.7%
SCORE	20,557,794	79,159	1,431	11,640	92,231	0.884	81,493	0.988	80,520		80,520	76,107	5.8%	0.2%
VCJPA	55,554,010	268,743	3,868	31,455	304,066	1.146	348,414	0.988	344,254	18,499	362,754	305,591	18.7%	13.9%
Oakland H.A.	28,486,957	135,883	1,983	16,129	153,996	1.006	154,900	0.988	153,050	9,486	162,536	173,592	-6.4%	-12.4%
Contra Costa H.A.	5,220,093	24,900	363	2,956	28,219	0.940	26,536	0.988	26,219	1,738	27,957	27,734	0.8%	0.6%
Total	\$1,519,603,220	\$5,897,262	\$105,800	\$860,406	\$6,863,468		\$6,946,412		\$6,863,468	\$248,699	\$7,112,166	\$6,658,688	6.8%	3.4%

* Includes JPA Participation Credit

2016 Actual Payroll	\$1,470,030,652
Percent Change	3.37%

Table of Rates	
Budget Item	Rates
Funding for Losses - 2.0% Discounted 80% Confidence Level	\$0.4770
Excess Insurance: \$1M x \$1M ~ \$2M / \$10M Aggregate	0.0333
Loss Prevention & Training	0.0070
Administration	0.0566

FINANCIAL MATTERS

SUBJECT: Approval of the California Asset Management Program (CAMP) Pool as an Alternative to the Local Agency Investment Fund (LAIF)

BACKGROUND

ERMA currently keeps a high balance in LAIF (Local Agency Investment Fund) in order to have access to liquid cash in order to pay settlements, rather than moving funds from the PFM (Public Financial Management) investment portfolio. Although LAIF's performance is steadily improving over time, obtaining an alternative that is still liquid, but provides a better yield than LAIF, would be beneficial to ERMA's overall investment earnings.

California Asset Management Program (CAMP) is a California Joint Powers Authority (JPA) established in 1989 to provide California public agencies with professional investment services. The investment options offered to public agencies through CAMP are the CAMP Pool (Pool) and individual portfolios. ERMA currently maintains its investment portfolio with PFM via its membership in CAMP. The Pool is a short-term money market portfolio and cash management vehicle, and is a permitted investment for all local agencies under California Government Code Section 53601(p). The Pool provides public agencies with:

- Daily liquidity
- 11 a.m. Pacific Time, transaction deadline
- Unlimited number of deposits and withdrawals
- Transactions by wire, ACH and check
- Sub-accounting to track multiple funds/accounts
- Competitive money market returns

CAMP Disclaimer:

*This information is for institutional investor use only, not for further distribution to retail investors, and does not represent an offer to sell or a solicitation of an offer to buy or sell any fund or other security. Investors should consider the Trust's investment objectives, risks, charges and expenses before investing in the Trust. This and other information about the Trust is available in the Trust's current Information Statement, which should be read carefully before investing. A copy of the Trust's Information Statement may be obtained by calling 1-800-729-7665 or is available on the Trust's website at www.camponline.com. While the Trust seeks to maintain a stable net asset value of \$1.00 per share, it is possible to lose money investing in the Trust. An investment in the Trust is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Shares of the Trust are distributed by **PFM Fund Distributors, Inc.**, member Financial Industry Regulatory Authority (FINRA) (www.finra.org) and Securities Investor Protection Corporation (SIPC) (www.sipc.org). PFM Fund Distributors, Inc. is a wholly owned subsidiary of PFM Asset Management LLC.*

RECOMMENDATION

Staff recommends the Board of Directors approve enrollment in the CAMP Pool to be used as an alternative liquid investment option to LAIF.

REFERENCE MATERIAS ATTACHED:

- CAMP Pool Fact Sheet
- Introduction to CAMP Portfolio

California Asset Management Program Fact Sheet

Cash Reserve Portfolio ("Pool") Characteristics as of February 28, 2018



California Asset Management Program ("CAMP")

is a California Joint Powers Authority ("JPA") established in 1989 to provide California public agencies with professional investment services. The CAMP Pool is a permitted investment for all local agencies under California Government Code Section 53601(p).

CAMP is directed by a Board of Trustees, which is made up of experienced local government finance directors and treasurers.

CAMP offers a range of services to assist Investors/Participants with their investment and arbitrage compliance needs, including:

- **A short-term money market portfolio rated AAAm by Standard & Poor's**
- **Separately managed portfolios**
- **Specialized services for bond proceeds and operating funds**
- **Investment and safekeeping services at a reasonable cost**
- **Investment advice provided by PFM Asset Management LLC**
- **Arbitrage rebate analysis and calculation**

Investment Objective

Preserve principal, provide liquidity, provide as high a level of current income as is consistent with preserving principal and maintaining liquidity.

Investment Philosophy

The Pool's adviser seeks to optimize investment returns through careful analysis of and investment in short-term governmental securities and other high-quality money market instruments while preserving the safety and liquidity of the underlying principal.

CAMP Pool Statistics

As of February 28, 2018

Current 7-Day Net Yield¹	1.52%
Weighted Average Maturity²	41 days
Standard and Poor's Fund Rating	AAAm
Investment Adviser	PFM Asset Management LLC

Performance (30-Day Yield %)

	30-Day Net Yield³
Feb-18	1.50%
Jan-18	1.43%
Dec-17	1.30%
Nov-17	1.20%
Oct-17	1.16%
Sep-17	1.14%
Aug-17	1.14%
Jul-17	1.12%
Jun-17	1.05%
May-17	0.97%
Apr-17	0.96%
Mar-17	0.89%

¹ The 7-Day yield is computed in accordance with methods prescribed by the SEC. The 7-Day SEC yield excludes distributed capital gains/losses. The current 7-day net yield more closely reflects the current earnings of the Fund than the average annual returns.

² Weighted Average Maturity: Calculated by the final maturity for a security held in the portfolio and the interest rate reset date. This is a way to measure a fund's sensitivity to potential interest rate changes.

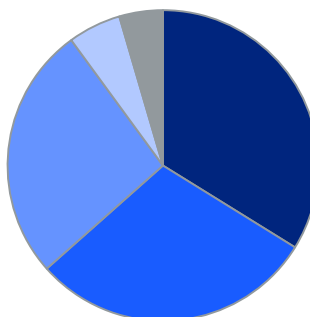
³ As of the last day of the month. Average annualized 30-day yields are based on net investment income and distributed gains or losses for the period shown. The average annual returns are an SEC standardized calculation that represents the annual change in value of an investment over specified periods and assumes sales charges and reinvestment of dividends and capital gains. Past performance is no guarantee of future results. Yields will fluctuate as market conditions change. The current fund performance may be higher or lower than that cited.

The yields shown may reflect fee waivers by service providers that subsidize and reduce the total operating expenses of the Fund. Fund yields would be lower if there were no such waivers. The current expense ratio is 0.15%.

Average annual returns for historic periods and important disclosure information is provided on the following page.

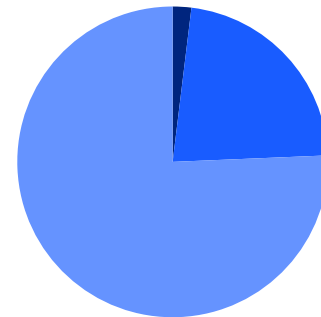
Fund Diversification **

Sector Composition *



Negotiable Certificates of Deposit	30%
Commercial Paper	26%
Federal Agencies	23%
Repurchase Agreements	11%
U.S. Treasuries	10%

Credit Quality Distribution
(Standard & Poor's Fund Ratings)



AA+	1%
A-1+ Short Term	46%
A-1 Short Term	54%

*In accordance with California Government Code §53601, sector percentages are applicable only at the date of purchase. Investment Sector Composition is compliant with California Government Code §53601 at the time of purchase.

**Percentages may not total to 100% due to rounding.

For more information, visit www.camponline.com or contact the Fund's Investment Adviser at 800-729-7665

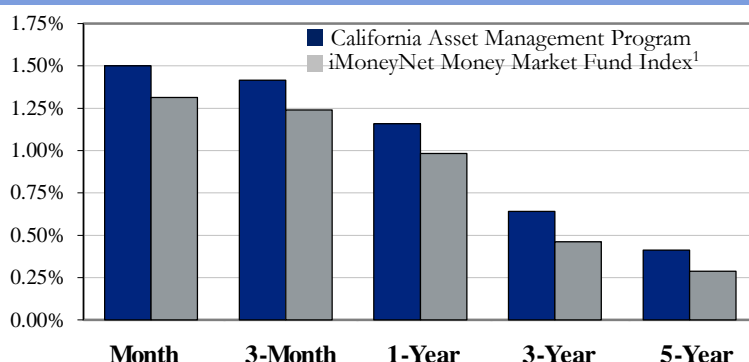
California Asset Management Program Fact Sheet

Cash Reserve Portfolio ("Pool") Characteristics as of February 28, 2018



Average Annual Return

As of February 28, 2018



California Asset Management Program	1.50%	1.41%	1.16%	0.64%	0.41%
iMoneyNet Money Market Fund Index	1.31%	1.24%	0.98%	0.46%	0.29%

Must be preceded or accompanied by a Program Guide. For a current Program Guide, which contains more complete information, please visit <http://www.camponline.com/> or call 800-729-7665. Before investing, consider the investment objectives, risks, charges and expenses of the fund carefully. This and other information can be found in the fund's Program Guide. Read the Program Guide carefully before you invest or send money.

¹Source: iMoneyNet First Tier Institutional Money Market Fund Average. This index is comprised of funds rated in the top grade that invest in high-quality financial instruments with dollar-weighted average maturities of less than 60 days. It is not possible to invest directly in such an index.

Standard & Poor's fund ratings are based on analysis of credit quality, market price exposure, and management. According to Standard & Poor's rating criteria, the AAAM rating signifies excellent safety of investment principal and a superior capacity to maintain a \$1.00 per share net asset value. However, it should be understood that the rating is not a "market" rating nor a recommendation to buy, hold or sell the securities. For a full description on rating methodology, visit Standard & Poor's website (http://www.standardandpoors.com/en_US/web/guest/home).

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Service Providers

Investment Adviser and Administrator

PFM Asset Management LLC
50 California Street, Suite 2300
San Francisco, CA 94111

Distributor

PFM Fund Distributors, Inc.
One Keystone Plaza, Suite 300
North Front & Market Streets
Harrisburg, PA 17101-2044

Custodian

U.S. Bank, N.A.
800 Nicollet Mall
Minneapolis, MN 55402

Independent Registered Public Accounting Firm

Ernst & Young LLP
560 Mission Street Suite 1500
San Francisco, CA 94105

Counsel

Nossaman LLP
50 California Street, 34th floor
San Francisco, CA 94111

**For more information, visit
www.camponline.com or
contact CAMP's Investment
Adviser at
800-729-7665**



CALIFORNIA ASSET
MANAGEMENT PROGRAM

JOINT POWERS AUTHORITY

50 California Street, Suite 2300

San Francisco, CA 94111

Tel: (800) 729-7665 Fax: (415) 982-4513

www.camponline.com

Introduction to the California Asset Management Program

- The California Asset Management Program (“CAMP”) is a California Joint Powers Authority established in 1989 to provide California public agencies with professional investment services
- Current investment and service options offered through CAMP include:
 - S&P “AAAm” rated Cash Reserve Portfolio (Pool)*
 - Individual Portfolios
 - Specialized services for bond proceeds
 - Investment and safekeeping services

** Standard & Poor’s fund ratings are based on analysis of credit quality, market price exposure, and management. According to Standard & Poor’s rating criteria, the AAAM rating signifies excellent safety of investment principal and a superior capacity to maintain a \$1.00 per share net asset value. However, it should be understood that the rating is not a “market” rating nor a recommendation to buy, hold, or sell the securities. For a full description on rating methodology, visit Standard & Poor’s website (http://www.standardandpoors.com/en_US/web/guest/home).*

Introduction to the California Asset Management Program

The Cash Reserve Portfolio offers:

- Same-day liquidity (11:00 a.m. Pacific Time cut-off for transactions)
- Competitive yield
- Interest paid monthly
- Zero out of pocket expenses
- Unlimited transactions via wire, ACH, or check
- Online account management
- Sub-accounting
- Sweep capability

Introduction to the California Asset Management Program

Customized Individual Portfolio offers:

- Professionally managed by CAMP's Investment Adviser, PFM Asset Management LLC
- Tailored for your agency's investment needs
- Active portfolio management
- Competitive security shopping
- Third-party safekeeping of assets
- Resources supporting broad diversification to high-quality credit

Introduction to the California Asset Management Program

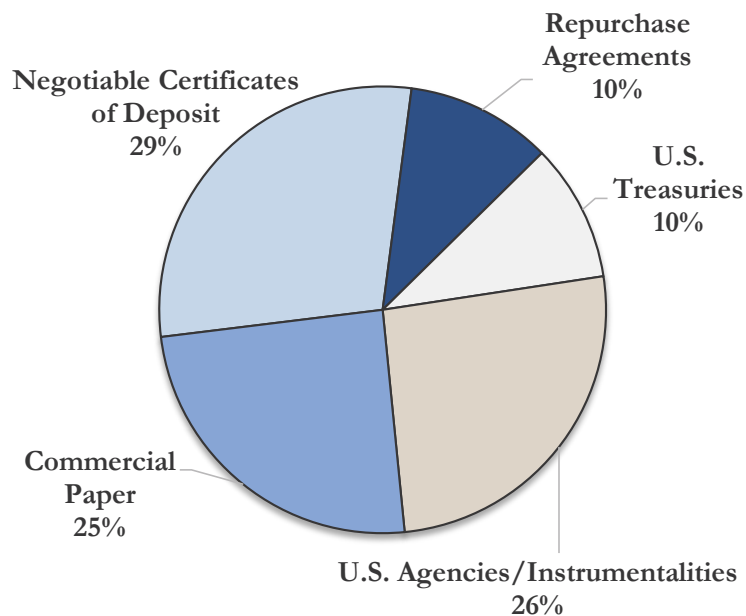
The Cash Reserve Portfolio is ideal for:

- Operating funds
- Capital reserves
- Funds requiring separate accounting
- Proceeds of debt issues

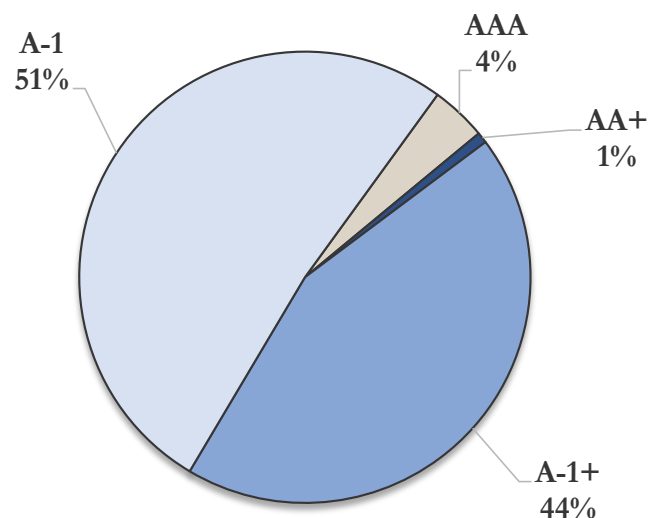
Cash Reserve Portfolio Characteristics as of February 28, 2018

Total Fund Net Assets ¹	\$3,172,260,915	Weighted Average Maturity	41 Days
Current 7-Day Yield ²	1.52%	Net Asset Value per Share	\$1.00

Portfolio Sector Composition



Portfolio Credit Quality Distribution*



Percentages may not total to 100% due to rounding.

* Ratings by Standard & Poor's.

1. Total fund net assets, portfolio holdings valued at amortized cost, trade date based.

2. As of February 28, 2018, the current seven-day yield of the CAMP Cash Reserve Portfolio may, from time to time, be quoted in reports, literature and advertisements published by the Trust. The current seven-day yield, also known as the current annualized yield, represents the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical account with a balance of one share (normally \$1.00 per share) over a seven-day base period expressed as a percentage of the value of one share at the beginning of the seven-day period. This resulting net change in account value is then annualized by multiplying it by 365 and dividing the result by 7. Past performance is not indicative of future results and yields may vary.

3. Negotiable Certificate of Deposit holdings were under 30% as of the last purchase.

4. Updated Monthly

Pooled Investment Comparison

- Features of each pool vary depending on the type of investment selected, and should be carefully reviewed before investing

CAMP ¹	
Net Asset Value (NAV)	Stable
S&P Rating	AAAm
Weighted Average Maturity	48 days
Interest Payment Frequency	Monthly

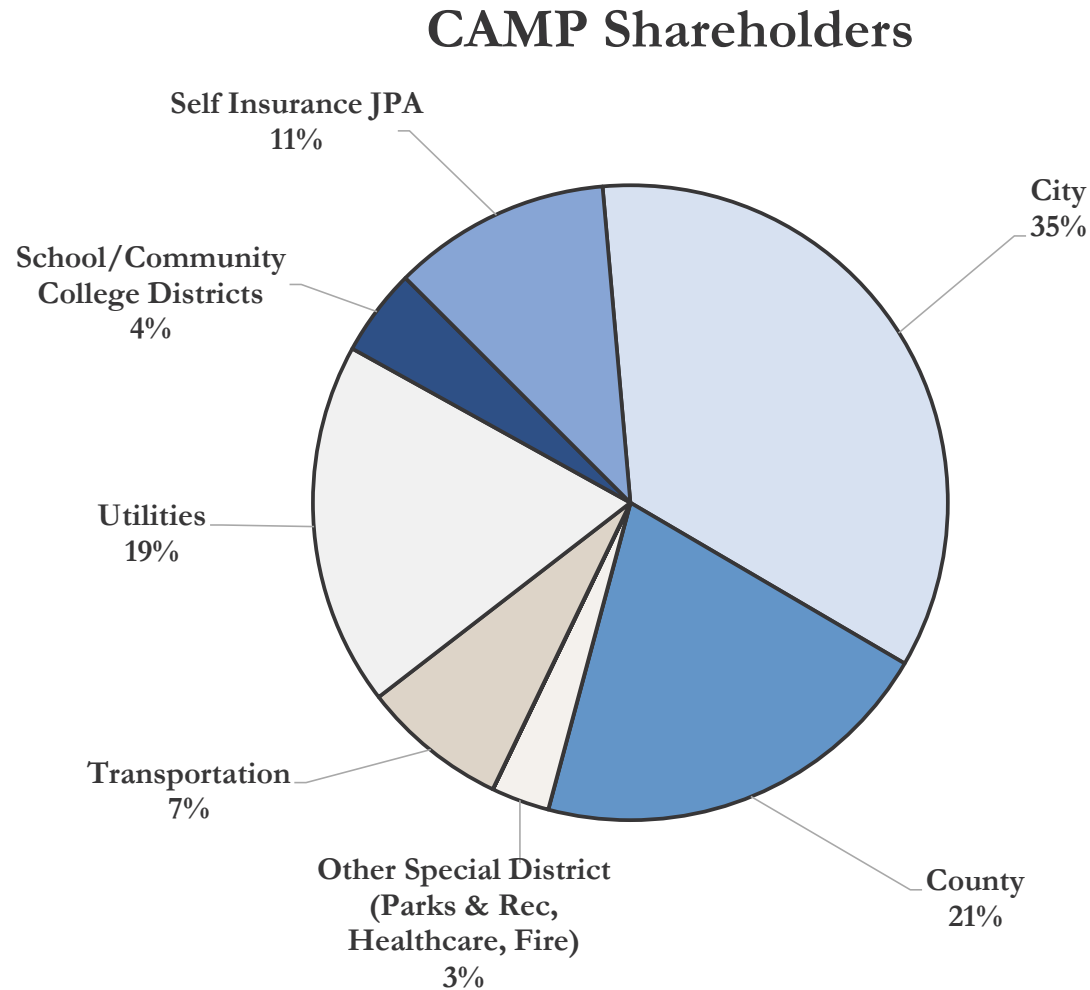
LAIF ²	
Net Asset Value (NAV)	Stable
S&P Rating	Not Rated
Weighted Average Maturity	186 days
Interest Payment Frequency	Quarterly

1. Source: CAMP website. As of December 31, 2017. Please see important disclosures at the end of this presentation.

2. Source: LAIF website. Weighted average maturity is as of December 31, 2017

3. Updated Quarterly

Shareholders by Type



1. As of December 31, 2017. Percentages are based on number of Shareholders.
2. Updated Quarterly

Disclaimer

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PFM Asset Management LLC ("PFM") serves as CAMP's Program Administrator, Investment Adviser and Rebate Calculation Agent. PFM specializes in meeting the investment needs of public agencies. PFM is registered as an investment adviser with the Securities and Exchange Commission ("SEC") under the Investment Advisers Act of 1940.

CLAIMS MATTERS

SUBJECT: Closed Session Pursuant to Government Code Section 54956.95(a) to Discuss Claims

BACKGROUND AND STATUS:

The confidential Litigation Manager's Report was distributed to the Board of Directors under separate cover. The Board will discuss the claims listed below during the closed session.

For the Board's reference, we have included the claim and corresponding page number from the Litigation Manager's Report.

Claim	Litigation Mgr. Rpt. Pg. #
Armstrong v. Pleasant Hill	Page 31
Borja/Moore/Cordero v. Adelanto	Page 41
Carter/Riley v. Barstow	Page 44
Villarreal v. Oakland Housing Authority	Page 18
Santana v. Wasco	Page 27

RECOMMENDATION:

None.

REFERENCE MATERIALS ATTACHED:

- Confidential Litigation Manager's Report (distributed under separate cover; copies to be turned in at the meeting)