

EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
DECEMBER 12, 2018**

A special meeting of the Board of Directors of ERMA was held on December 12, 2018, via teleconference.

BOARD MEMBERS PRESENT: Scott Ellerbrock, President, PERMA
John Gillison, Vice President, PARSAC
Truc Dever, Treasurer, VCJPA
Stuart Schillinger, BCJPIA
Charlene Calica,
Contra Costa County Housing Authority
Don White, ERMAC
Brett Miller, MBASIA (*joined at 10:10am*)
Artesia Dupree, Oakland Housing Authority
John Duckett, SCORE

BOARD MEMBERS ABSENT: Robert Thompson, CalTIP
Linda Cox, MPA
Sean Scully, CSJVRMA

ALTERNATE MEMBERS PRESENT: Shannon Esenwein, CSJVRMA
Kin Ong, PARSAC

ALTERNATE MEMBERS ABSENT: Todd Cusimano, BCJPIA
George Fink, CalTIP
Jamie Goldstein, MBSIA
Tracy Robinson, MPA
Kerry Trost, PERMA
Drew Felder, Oakland Housing Authority
Roger Carroll, SCORE
Jamie Scott, VCJPA
Nataline Jindoian,
Contra Costa County Housing Authority

OTHERS PRESENT: Jennifer Jobe, Executive Director
Kathy Maylin, Litigation Manager
Chee Xiong, Senior Accountant
Brittany Claypool, Analyst
Greg O'Dea, General Counsel
Yahaira Martinez, York Pooling
Seth Cole, Alliant Insurance Services, Inc.
Melissa Guerrero, City of Santa Maria
Joanne Rennie, PARSAC
Jaesa McCulligan, BCJPIA
Jeanette Workman, CSJVRMA

1. CALL TO ORDER

The December 12, 2018, ERMA Special Board of Directors meeting was called to order at 10:04 a.m. by President Scott Ellerbrock. It was determined a quorum was present.

2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

John Gillison moved to approve the agenda as posted. Seconded by Shannon Esenwein. The motion passed unanimously.

3. PUBLIC COMMENTS

None.

4. CONSENT CALENDAR

John Gillison moved to approve the following items: A) Minutes of November 5, 2018, Board of Directors Meeting and Summary of Action Items. Seconded by Artesia Dupree. The motion passed unanimously.

5. COVERAGE MATTERS

A. City of Adelanto (PERMA) Update

Ms. Jennifer Jobe, Executive Director, advised written Notice of Termination as issued to the City of Adelanto following the November 5, 2018, Board of Directors meeting. Ms. Jobe stated that although the Board's intent was to increase the City's self-insured retention (SIR), effective December 12, 2018, ERMA's governing documents preclude such action outside of a sixty (60) day notice prior to the inception of the next program year. Given that the City's participation in ERMA will be terminated, there is no need to increase the SIR.

6. MEMBERSHIP MATTERS

A. Review of Prospective Member Application – City of Santa Maria (ERMAC)

Ms. Jobe reported the City of Santa Maria previously applied and was approved for participation in ERMA in 2016. The City subsequently rescinded their application. Ms. Jobe noted the City re-applied and the application was reviewed by the Underwriting Committee on November 15, 2018. Ms. Jobe advised the City reports payroll at \$48 million, and if approved as an underlying member of ERMAC, the City will be the second largest member following the City of Hayward, thus bringing ERMAC's total payroll to \$127 million. Ms. Jobe further noted the City reports 466 full-time employees and 70 part-time employees. The City has advised their personnel policy and procedures are up-to-date and have recently been reviewed by legal counsel. Within the last seven program years, the City reported five employment practices claims, with a total incurred of \$2.8 million, and the City utilized their

in-house City Attorney. Ms. Jobe advised the Underwriting Committee's recommendation to the Board of Directors is to approve the City of Santa Maria as an underlying member of ERMAC at a \$500,000 SIR, effective January 1, 2019, with the caveat that all claims are to be defended by an approved member of ERMA's defense panel.

Truc Dever moved to approve the City of Santa Maria as an underlying member of ERMAC at a \$500,000 SIR, effective January 1, 2019, with the caveat that any EPL claims are to be defended by an approved member of ERMA's defense panel. Seconded by John Gillison. The motion passed unanimously.

B. Review of Prospective Member Application – Central Marin Fire Authority (BCJPIA)

Ms. Jobe reported the Central Marin Fire Authority is a newly formed entity comprised of fire services from two existing BCJPIA underlying members, the Town of Corte Madera and the City of Larkspur. Ms. Jobe noted the Central Marin Fire Authority is being considered for participation effective January 1, 2019, by BCJPIA's Executive Committee on December 13, 2018. Ms. Jobe stated the City reports 37 full-time employees and, all personnel policies and procedures are up-to-date and have recently been reviewed by legal counsel. In addition, the Authority reports \$5.8 million in payroll, no known losses and has submitted a "No Known Loss" letter. Ms. Jobe advised the recommendation of the Underwriting Committee is to approve the Central Marin Fire Authority as an underlying member of BCJPIA at a \$250,000 SIR, effective January 1, 2019, pending final approval by the BCJPIA Executive Committee.

John Duckett moved to approve the Central Marin Fire Authority as an underlying member of BCJPIA at a \$250,000 SIR, effective January 1, 2019. Seconded by Artesia Dupree. The motion passed unanimously.

7. FINANCIAL MATTERS

B. Update Regarding the Local Agency Investment Fund (LAIF)

Ms. Jobe provided background regarding the discussion from the November 5, 2018, Board of Directors meeting regarding principal funds and LAIF. Ms. Jobe stated following a conversation between Ms. Nancy Broadhurst, Finance Manager, and LAIF representatives, it has been confirmed that LAIF does not provide a guarantee of principal funds.

8. CLOSING COMMENTS

A. Board


Ms. Joanne Rennie, PARSAC, advised she is retiring, effective December 31, 2018, and Mr. Kin Ong will take her place as the Board Alternate for PARSAC.

B. Staff

None.

9. ADJOURNMENT

The December 12, 2018, ERMA Special Board of Directors meeting adjourned at 10:17 a.m. by general consent.



Jennifer Jobe, Executive Director