



**EMPLOYMENT RISK MANAGEMENT AUTHORITY
BOARD OF DIRECTORS MEETING
AGENDA**

**Tuesday, June 9, 2020
10:00 a.m.**

Webex

Dial-in Number: (904) 900-2303

Meeting Number: 469-210-7159

[Meeting Link](#)

In compliance with the Americans with Disabilities Act, if you need a disability-related modification or accommodation to participate in this meeting, please contact Mona Hedin at (916) 290-4645 or mona.hedin@sedgwick.com. 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 by contacting Mona Hedin at (916) 290-4645 or mona.hedin@sedgwick.com.

Page 1. CALL TO ORDER; ROLL CALL

2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

- 3. PUBLIC COMMENTS** - The Public may submit any questions in advance of the meeting by contacting Jennifer Jobe at: jennifer.jobe@sedgwick.com. This time is reserved for members of the public to address the Board relative to matters of the ERMA not on the agenda. No action may be taken on non-agenda items unless authorized by law.

4 4. CONSENT CALENDAR

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

- *A. Minutes of April 28, 2020, Board of Directors Meeting and Summary of Action Items
- *B. General Warrants from April 1, 2020, through April 30, 2020
- *C. Claims Payments from April 1, 2020, through April 30, 2020
- *D. Treasurer's Report as of March 31, 2020
- *E. Internal Financial Statements as of March 31, 2020
- *F. Notice of Intent to Withdraw: City of Stanton (PERMA); Town of Fort Jones (SCORE)
- *G. PFM: Quarterly Investment Report as of March 31, 2020

- *H. Draft Resolution No. 2020-2 Establishing Meeting Dates for the 2020/21 Program Year

- *I. 2020/21 Goals and Objectives Update
Recommendation: Approval of the Consent Calendar.

5. FINANCIAL MATTERS

- 90 *A. Review of Annual Retrospective Adjustment Calculation
Recommendation: Staff recommends the Board of Directors approve a dividend release in the amount of \$1,112,752 drawn proportionately from open program years 2012/13, 2013/14 and 2014/15.
- 102 *B. Proposed Administrative and Operating Budget for the 2020/21 Program Year
Recommendation: Staff recommends the Board of Directors approve the Proposed Administrative and Operating Budget for the 2020/21 Program Year and provide direction to staff, as necessary.

6. ADMINISTRATIVE MATTERS

- 128 *A. Proposed Amendments to 2020/21 Memorandum of Coverage
Recommendation: Staff recommends the Board of Directors approve the Memorandum of Coverage, as amended, effective July 1, 2020.
- 166 *B. Proposed Amendments to 2020/21 Master Program Document
Recommendation: Staff recommends the Board of Directors approve the Master Program Document, as amended, effective July 1, 2020.
- 197 *C. Draft Resolution No. 2020-3, Establishing A Litigation Management Program
Recommendation: Staff recommends the Board of Directors approve Draft Resolution No. 2020-3, Establishing a Litigation Management Program.

7. COVERAGE MATTERS

- 205 *A. Discussion and Action Regarding Excess Coverage for the 2020/21 Program Year
Recommendation: Staff recommends the Board of Directors authorize binding excess coverage through RSUI for the 2020/21 Program Year, as presented.

8. MEMBERSHIP MATTERS

- 215 *A. Review of Prospective New Member Applications – Pooled Liability Assurances Network (PLAN) and Underlying Member Entities
Recommendation: The Underwriting Committee recommends the Board of Directors approve the Pooled Liability Assurances Network (PLAN) and underlying members – City of American Canyon at a \$50,000 SIR, Town of Atherton at a \$100,000 SIR and Town of Woodside at a \$50,000 SIR, effective July 1, 2020.

* Reference materials enclosed with staff report.

- 235 *B. Review of Prospective New Member Application - City of Beaumont (ERMAC)

Recommendation: The Underwriting Committee recommends the Board of Directors approve: A) The City of Beaumont (ERMAC) at a \$500,000 SIR, effective July 1, 2020, with the express conditions that: 1) All employment matters are to be managed by a pre-identified member of ERMA's defense panel; and 2) Any EPL claims are to be defended by an approved member of ERMA's defense panel. Failure to comply with these conditions will constitute grounds for immediate expulsion. Or, B) Delegate final review and approval of the City of Beaumont's application for participation to the Committee under the same conditions as presented in Option A.

9. CLAIMS MATTERS

- 241 A. Pursuant to Government Code Section 54956.95(a), the Board of Directors will recess to Closed Session to discuss the following claims:
- Borja/Moore/Cordero v. City of Adelanto
- 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.

10. 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

11. ADJOURNMENT

NOTICES:

- The next Board of Directors meeting will be held on Monday, November 2, 2020, at a time and location to be determined.

* Reference materials enclosed with staff report.

CONSENT CALENDAR

SUBJECT: Consent Calendar

BACKGROUND AND STATUS:

The Consent Calendar consists of items that require approval or acceptance but are self-explanatory and typically require no discussion. Should the Board wish 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 April 28, 2020, Board of Directors Meeting and Summary of Action Items
- B. General Warrants from April 1, 2020, through April 30, 2020
- C. Claims Payments from April 1, 2020, through April 30, 2020
- D. Treasurer's Report as of March 31, 2020
- E. Internal Financial Statements as of March 31, 2020
- F. Notice of Intent to Withdraw: City of Stanton (PERMA); Town of Fort Jones (SCORE)
- G. PFM: Quarterly Investment Report as of March 31, 2020
- H. Draft Resolution No. 2020-2, Establishing Meeting Dates for the 2020/21 Program Year
- I. 2020/21 Goals and Objectives Update

EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)

MINUTES OF THE BOARD OF DIRECTORS MEETING OF APRIL 28, 2020

A regular meeting of the Board of Directors of ERMA was held on April 28, 2020, all portions of this meeting were conducted via Webex in accordance with Government Code Section 54953(b). The meeting was conducted under Governor Gavin Newsom's Executive Order N-25-20 wherein public noticing of teleconference locations for each meeting participant is suspended.

BOARD MEMBERS PRESENT: John Gillison, President, PARSAC
Truc Dever, Vice President, VCJPA
Stuart Schillinger, Treasurer, BCJPIA
Scott Ellerbrock, PERMA
Robert Thompson, CalTIP
Don White, ERMAC
Brett Miller, MBASIA
Linda Cox, MPA
Artesia Dupree, OHA
John Duckett, SCORE

BOARD MEMBERS ABSENT: Charlene Calica, CCCHA
Sean Scully, CSJVRMA

ALTERNATE MEMBERS PRESENT: Kin Ong, PARSAC
Jamie Scott, VCJPA
Heather Rowden, BCJPIA
Deneen Proctor, CSJVRMA
Nataline Jindoian, CCCHA
Mellissa Guerrero, ERMAC (*Joined at 11:26 am*)

ALTERNATE MEMBERS ABSENT: Yumi Augustus, PERMA
George Fink, CalTIP
Jamie Goldstein, MBASIA
Reina Schwartz, MPA
Drew Felder, OHA
Roger Carroll, SCORE

OTHERS PRESENT: Jennifer Jobe, Executive Director
Mona Hedin, Analyst/Training Coordinator
Alana Theiss, Finance Manager
Kathy Maylin, Litigation Manager
Ligia Nicolae, Litigation Analyst
Chee Xiong, Senior Accountant
Doug Alliston, General Counsel
Seth Cole, Alliant
Michael Christian, Jackson Lewis
Geoff Sheldon, Liebert Cassidy Whitmore
Scott Tiedemann, Liebert Cassidy Whitmore
Liz Arce, Liebert Cassidy Whitmore
Derek Burkhalter, Bickmore Actuarial
York Lee, Bickmore Actuarial
Jaesa McCulligan, BCJPIA
Chrissy Mack, CalTIP/VCJPA

Jeanette Workman, CSJVRMA
Marcus Beverly, ERMAC/SCORE
Conor Boughey, MBASIA
Athena Troy, Meyers Fozi & Dwork, LLP.
(Joined 11:50 a.m.; left 12:33 p.m.)
Jamaar Boyd-Weatherby, Meyers Fozi & Dwork, LLP.
(Joined 11:50 a.m.; left 12:12 p.m.)

1. CALL TO ORDER; ROLL CALL

The April 28, 2020, Board of Directors Meeting was called to order at 10:05 a.m., by President John Gillison. Roll call was conducted, and it was determined a quorum was present.

2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

Scott Ellerbrock moved to approve the Agenda as posted. Seconded by Linda Cox. Roll call was conducted with affirmative votes by Truc Dever, Stuart Schillinger, Scott Ellerbrock, Robert Thompson, Deneen Proctor, Don White, Brett Miller, Linda Cox, John Duckett, Nataline Jindoain, Artesia Dupree, and John Gillison, with no nays or abstentions. The motion passed unanimously.

3. PUBLIC COMMENTS

None

4. CONSENT CALENDAR

John Gillison, Board President, noted two items for discussion in the Consent Calendar. Truc Dever, Vice President, requested an amendment to the Agency reference included in the Minutes of the January 21, 2020 Special Board of Directors Meeting. Jennifer Jobe, Executive Director, then directed the Board's attention to the Joint Proposal from Liebert Cassidy Whitmore and Jackson Lewis for a Successor Memorandum of Understanding and reviewed the proposed amendments.

Truc Dever moved to approve the Consent Calendar as follows: A) Minutes of January 21, 2020, Special Meeting of the Board of Directors; B) Minutes of February 7, 2020 Meeting of the Board of Directors and Summary of Action Items; C) General Warrants from January 1, 2020, through March 31, 2020; D) Claims Payments from January 1, 2020, through March 31, 2020; E) Petty Cash Statement from January 1, 2020, through March 31, 2020; F) Adjustment of ERMA Annual Base Contract Price for 2019/20 Program Year; G) City of Merced: Request to Rescind Notice of Intent of Withdrawal from ERMA; H) Memo from PFM: Recent Market Volatility and CAMP's Commitment to Safety of Public Fund Investments; I) Joint Proposal from Liebert Cassidy Whitmore and Jackson Lewis for Successor Memorandum of Understanding. Seconded by Scott Ellerbrock. Roll call was conducted with affirmative votes by Truc Dever, Stuart Schillinger, Scott Ellerbrock, Robert Thompson, Deneen Proctor, Don White, Brett Miller, Linda Cox, John Duckett, Nataline Jindoain, Artesia Dupree, and John Gillison, with no nays or abstentions. The motion passed unanimously.

5. FINANCIAL MATTERS

A. Actuarial Study and Rates for the 2020/21 Program Year

Derek Burkhalter, Bickmore Actuarial, presented the actuarial study, specifically noting two components: 1) review of the ultimate loss estimates as of June 30, 2020; and 2) forecasting analysis to determine the funding rates for the 2020/21 program year.

Mr. Burkhalter noted the following in his presentation:

- The total estimated liability for outstanding claims is \$17,356,000 as of June 30, 2020;
- Actual incurred development was \$523,000 greater than anticipated since the prior report, mainly due to greater development than expected in two of the most recent accident years; and
- The 2020/21 loss rate projection at 80% confidence level is 12.7% higher than 2019/20.

Linda Cox moved to accept and file the actuarial study, as presented. Seconded by Artesia Dupree. Roll call was conducted with affirmative votes by Truc Dever, Stuart Schillinger, Scott Ellerbrock, Robert Thompson, Deneen Proctor, Don White, Brett Miller, Linda Cox, John Duckett, Nataline Jindoain, Artesia Dupree, and John Gillison, with no nays or abstentions. The motion passed unanimously.

B. Review of Annual Retrospective Adjustment Calculation

Alana Theiss, Finance Manager, reviewed the methodology applied to calculate the retrospective adjustment, and recommended a dividend release up to the full amount available. Ms. Jobe reminded the Board that review of the dividend release annually occurs during the June Board of Directors meeting. She advised the Board staff felt it pertinent to review a potential dividend release prior to review of the preliminary budget due to the increase in the pooled layer funding rate as noted in the actuarial study presented earlier in the meeting.

Discussion ensued regarding the mechanism used to release funds to members, and the interest of some members in receiving a direct payment of the applicable dividend in lieu of an invoice offset. Ms. Theiss advised the Board that dividends would be released to each of the primary members, allowing them to distribute funds to the individual members in a manner of their choosing. She further advised a detailed accounting would be provided by staff which allocates funding for each individual member.

The Board expressed a desire to review the Preliminary Administrative and Operating Budget for the 2020/21 Program Year prior to determining any release of dividends. Mr. Gillison requested staff proceed with the review of the Preliminary Budget and stated the Board would then determine necessary action regarding the Annual Retrospective Adjustment Calculation.

C. Review of Preliminary Administrative and Operating Budget for the 2020/21 Program Year

Ms. Jobe reminded the Board of the Pooled Liability Assurance Network JPA's (PLAN) interest in joining ERMA. She noted payroll for each of PLAN's underlying members is included in the Preliminary Operating Budget.

Ms. Theiss stated staff recommends the Board continue to fund for losses at the 80% confidence

level with a 2% discount rate and apply dividends to the budget in order to offset the proposed rate increase. Ms. Theiss presented the budget via two models for review and consideration. She presented budget model number one which represents a full dividend release in the amount of \$1,775,470 and budget model number two which represents a $\frac{2}{3}$ or 67% release of dividends.

Ms. Jobe reminded the Board of their historically conservative approach declaring dividend releases and restated staff's concerns related to the projected economic downturn as an effect of Coronavirus (COVID-19).

Board discussion ensued regarding the presentation of budget model number two for review at the June Board Meeting.

Don White moved to accept the Preliminary Administrative and Operating Budget for the 2020/21 Program Year - Budget Model Two. Seconded by Linda Cox. Roll call was conducted with affirmative votes by Truc Dever, Stuart Schillinger, Scott Ellerbrock, Robert Thompson, Deneen Proctor, Don White, Brett Miller, Linda Cox, John Duckett, Nataline Jindoain, Artesia Dupree, and John Gillison, with no nays or abstentions. The motion passed unanimously.

Mr. Gillison directed the Board's attention back to the Annual Retrospective Adjustment Calculation. Ms. Jobe reminded the Board that as with previous practice, the dividend release will be provided to the members with a detailed accounting by individual member.

John Duckett moved to approve a two- thirds dividend release in the amount of \$1,189,565 to be applied as a credit to the 2020/21 Program Year Budgeted Member Contributions. Seconded by Brett Miller. Roll call was conducted with affirmative votes by Truc Dever, Stuart Schillinger, Scott Ellerbrock, Robert Thompson, Deneen Proctor, Don White, Brett Miller, Linda Cox, John Duckett, Nataline Jindoain, Artesia Dupree, and John Gillison, with no nays or abstentions. The motion passed unanimously.

6. LITIGATION MATTERS

A. Report from Kathy Maylin, Litigation Manager

Kathy Maylin, Litigation Manager, provided an overview on recent changes and adjustments to litigation management as a result of COVID-19 public health orders. She advised the Board claim resolution is progressing with the use of technology via remote mediations and depositions. She further noted plaintiffs currently appear to be more amenable to negotiating settlement terms, which has been positive for the ERMA Program.

Michael Christian, Jackson Lewis, discussed expectations of the courts as they begin to re-open. He noted he anticipates the legal system will be overloaded with the interest in closing existing cases delayed due to COVID-19, while also managing emerging claims.

Geoff Sheldon, Liebert Cassidy Whitmore, further noted each court's process varies based on county jurisdiction. He stated he anticipates claims of discrimination and failure to accommodate will emerge as a result of the impact of COVID-19 on employers.

7. ADMINISTRATION MATTERS

A. Excess Coverage Marketing Update for the 2020/21 Program Year

Seth Cole, Alliant, provided an update on the excess coverage renewal efforts. He advised the Royal Specialty Underwriting, Inc. (RSUI) offered a flat rate renewal at expiring terms with limits of \$2M per claim, per member, \$4M per member aggregate and \$10M policy aggregate. Mr. Cole concluded by stating RSUI's final renewal terms will be presented at the June meeting.

8. TRAINING/LOSS PREVENTION MATTERS

A. Update Regarding the Training Program for the 2019/20 Program Year

Ms. Jobe provided the Board with an update regarding the current program year training program. She reviewed with the Board the locations of the live training sessions conducted to-date, as well as trainer assignments.

Ms. Jobe reported to-date, 40 trainings have taken place. She noted sessions scheduled during the months of April and June were cancelled in response to public health orders. Ms. Jobe further stated these orders resulted in an influx of Member Agencies utilizing ERMA's online training resources and noted staff has worked closely with the agencies to assist with use of the online platform, ERMANet.

B. Review of Training Program for the 2020/21 Program Year

Ms. Jobe presented the Board with proposed training sessions for the 2020/21 Program Year. She stated in addition to state-mandated training, additional sessions are proposed including employer guidance regarding the effects of COVID-19, managing privacy and social networking and specialized harassment training for public safety departments.

Ms. Jobe reminded the Board of the increased number of live training sessions from 47 to 67 during the previous program year and noted it proved beneficial for the Member Agencies. She further stated staff plans to begin scheduling training for the 2020/21 Program Year in early May.

Truc Dever moved to approve the proposed slate of training workshop topics for the 2020/21 Program Year. Seconded by Nataline Jindoain. Roll call was conducted with affirmative votes by Truc Dever, Stuart Schillinger, Scott Ellerbrock, Robert Thompson, Deneen Proctor, Don White, Brett Miller, Linda Cox, John Duckett, Nataline Jindoain, Artesia Dupree, and John Gillison, with no nays or abstentions. The motion passed unanimously.

9. 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 11:50 a.m. to discuss the following claims:

- Ibanez v. City of California City
- Perez v. City of El Cerrito

B. Report from Closed Session

The Board reconvened to Open Session at 12:40 p.m. The Board met to discuss the claims listed above. Mr. Alliston advised no reportable action was taken in Closed Session.

10. CLOSING COMMENTS

A. Board of Directors

None

B. Staff

None

11. ADJOURNMENT

The April 28, 2020, ERMA Board of Directors meeting adjourned at 12:40 p.m. by general consent.

Mona Hedin

Mona Hedin, Board Secretary

System: 5/13/2020 11:26:17 AM
User Date: 5/13/2020

Employment Risk Management Aut
VENDOR CHECK REGISTER REPORT
Payables Management

Page: 1
User ID: atheiss

Ranges:	From:	To:	Check Date	From:	To:
Check Number	First	Last	4/1/2020	CBT GENERAL	4/30/2020
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
EFT000142	BI105	Prime Actuarial Consulting, LL	4/16/2020	CBT GENERAL	PMCHK00000697	\$10,200.00
EFT000143	LI100 EFT	Liebert Cassidy Whitmore	4/16/2020	CBT GENERAL	PMCHK00000697	\$2,150.00
EFT000144	MU110	Murphy, Campbell, Alliston & Q	4/16/2020	CBT GENERAL	PMCHK00000697	\$1,245.50
EFT000145	YO110	York Risk Services Group, Inc.	4/16/2020	CBT GENERAL	PMCHK00000697	\$1,881.00
Total Checks:	4			Total Amount of Checks:		\$15,476.50

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Employment Risk Management Aut
VENDOR CHECK REGISTER REPORT
Payables Management

Page: 1
User ID: atheiss

Ranges:	From:	To:	From:	To:
Check Number	First	Last	Check Date	4/1/2020
Vendor ID	First	Last	Checkbook ID	First
Vendor Name	First	Last		Last

Sorted By: Check Number

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
EFT000142	BI105	Prime Actuarial Consulting, LL	4/16/2020	CBT GENERAL	PMCHK00000697	\$10,200.00
EFT000143	LI100 EFT	Liebert Cassidy Whitmore	4/16/2020	CBT GENERAL	PMCHK00000697	\$2,150.00
EFT000144	MU110	Murphy, Campbell, Alliston & Q	4/16/2020	CBT GENERAL	PMCHK00000697	\$1,245.50
EFT000145	YO110	York Risk Services Group, Inc.	4/16/2020	CBT GENERAL	PMCHK00000697	\$1,881.00
L 007343	AI105	Aitken Campbell Heikau Weaver	4/16/2020	CBT CLAIMS	PMCHK00000698	\$500,000.00
* L 007344	BE100	Best Best and Krieger LLP	4/16/2020	CBT CLAIMS	PMCHK00000698	\$11,364.27
L 007345	BR150	Bryant Whitten, LLP Client Tru	4/16/2020	CBT CLAIMS	PMCHK00000698	\$82,500.00
L 007346	CA170	Carpenter Rothans & Dumont LLP	4/16/2020	CBT CLAIMS	PMCHK00000698	\$7,451.00
* L 007347	JA100	Jackson Lewis P.C.	4/16/2020	CBT CLAIMS	PMCHK00000698	\$19,614.16
* L 007348	LI100	Liebert Cassidy Whitmore	4/16/2020	CBT CLAIMS	PMCHK00000698	\$13,934.70
* L 007349	LO100	Lozano Smith, LLP	4/16/2020	CBT CLAIMS	PMCHK00000698	\$55,469.86
L 007350	WA120	City of Watsonville	4/16/2020	CBT CLAIMS	PMCHK00000698	\$16,311.85
L 007351	VC100	VCJPA	4/16/2020	CBT CLAIMS	PMCHK00000698	\$1,820.17
L 007352	BE100	Best Best and Krieger LLP	4/16/2020	CBT CLAIMS	PMCHK00000699	\$1,242.50
L 007353	BE100	Best Best and Krieger LLP	4/16/2020	CBT CLAIMS	PMCHK00000699	\$8,145.27
L 007354	BE100	Best Best and Krieger LLP	4/16/2020	CBT CLAIMS	PMCHK00000699	\$1,976.50
L 007355	JA100	Jackson Lewis P.C.	4/16/2020	CBT CLAIMS	PMCHK00000699	\$10,522.10
L 007356	JA100	Jackson Lewis P.C.	4/16/2020	CBT CLAIMS	PMCHK00000699	\$3,949.50
L 007357	JA100	Jackson Lewis P.C.	4/16/2020	CBT CLAIMS	PMCHK00000699	\$506.06
L 007358	JA100	Jackson Lewis P.C.	4/16/2020	CBT CLAIMS	PMCHK00000699	\$2,741.50
L 007359	JA100	Jackson Lewis P.C.	4/16/2020	CBT CLAIMS	PMCHK00000699	\$1,070.00
L 007360	JA100	Jackson Lewis P.C.	4/16/2020	CBT CLAIMS	PMCHK00000699	\$59.00
L 007361	JA100	Jackson Lewis P.C.	4/16/2020	CBT CLAIMS	PMCHK00000699	\$766.00
L 007362	LI100	Liebert Cassidy Whitmore	4/16/2020	CBT CLAIMS	PMCHK00000699	\$4,803.00
L 007363	LI100	Liebert Cassidy Whitmore	4/16/2020	CBT CLAIMS	PMCHK00000699	\$1,633.70
L 007364	LI100	Liebert Cassidy Whitmore	4/16/2020	CBT CLAIMS	PMCHK00000699	\$413.00
L 007365	LI100	Liebert Cassidy Whitmore	4/16/2020	CBT CLAIMS	PMCHK00000699	\$129.50
L 007366	LI100	Liebert Cassidy Whitmore	4/16/2020	CBT CLAIMS	PMCHK00000699	\$6,513.00
L 007367	LI100	Liebert Cassidy Whitmore	4/16/2020	CBT CLAIMS	PMCHK00000699	\$442.50
L 007368	LO100	Lozano Smith, LLP	4/16/2020	CBT CLAIMS	PMCHK00000699	\$2,464.78
L 007369	LO100	Lozano Smith, LLP	4/16/2020	CBT CLAIMS	PMCHK00000699	\$3,854.65
L 007370	LO100	Lozano Smith, LLP	4/16/2020	CBT CLAIMS	PMCHK00000699	\$10,172.97
L 007371	LO100	Lozano Smith, LLP	4/16/2020	CBT CLAIMS	PMCHK00000699	\$38,977.46
* REMIT0000000000000002	LA160	Lake County Vector Control Dis	4/16/2020		PMCHK00000699	\$0.00

Total Checks:	34	Total Amount of Checks:	\$723,942.51
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Employment Risk Management Authority

Cash & Investment Report

March 31, 2020

Accounts	Book Value	Market Value *	% of Total	Effective Yield
California Bank & Trust - Administration ¹	\$ 3,506	\$ 3,506	0.01%	0.00%
California Bank & Trust - General Operating ¹	24,850	24,850	0.08%	0.00%
California Bank & Trust - Claims Payment ²	(12,818)	(12,818)	-0.04%	0.00%
Local Agency Investment Fund	2,408,865	2,426,886	8.16%	2.03%
CAMP - Liquidity Account	1,546,973	1,546,973	5.20%	1.50%
CAMP - Money Market	451,334	451,334	1.52%	1.50%
CAMP - Investments managed by PFM	24,708,711	25,313,056	85.08%	2.12%
Total	\$ 29,131,421	\$ 29,753,787		2.07%

* Yield to Maturity at Cost

Notes:

¹ These accounts are non-interest bearing analysis checking accounts in which the earning credit offsets a portion of the banking service charges.

² Beginning on February 2, 2016, ERMA's claims account was converted to a zero-balance account with a sweep arrangement to the general operating account. The negative balance represents the total outstanding checks as of the end of the quarter.

Attached are the PFM Asset Management (PFM), Local Agency Investment Fund (LAIF), and CAMP Liquidity Account statements detailing all investment transactions. Market prices are derived from closing bid prices as of the last business day of the month from either Interactive Data, Bloomberg, Telerate, and other widely-used third party pricing vendors.

This report reflects all cash and investments and is in conformity with the investment policy of the Authority. The investment program shown herein is sufficient to meet the Authority's expenditure requirements over the next six months.

Respectfully submitted,



Alana Theiss, Assistant Treasurer

Accepted,



Stuart Schillinger, Treasurer



Local Agency Investment Fund
 P.O. Box 942809
 Sacramento, CA 94209-0001
 (916) 653-3001

April 01, 2020

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

EMPLOYMENT RISK MANAGEMENT AUTHORITY

ASSISTANT TREASURER
 1750 CREEKSIDE OAKS DRIVE
 SACRAMENTO, CA 95833

[Tran Type Definitions](#)

//

Account Number: 35-34-011

March 2020 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
3/23/2020	3/20/2020	RW	1634567	1596308	ALANA THEISS	-175,000.00

Account Summary.

Total Deposit:	0.00	Beginning Balance:	2,583,865.07
Total Withdrawal:	-175,000.00	Ending Balance:	2,408,865.07

**ERMA
LAIF Market Value
3/31/2020**

Adjustment for Market Value	
LAIF Statement Balance	\$ 2,408,865.07
Fair Value Factor per LAIF Performance Report	<u>1.007481015</u>
Adjusted Market Value	<u><u>\$ 2,426,885.83</u></u>



PMIA/LAIF Performance Report as of 04/15/20



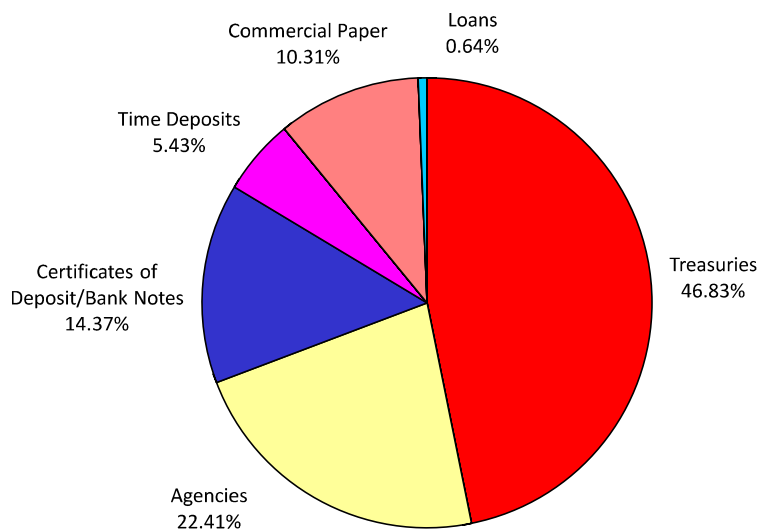
PMIA Average Monthly Effective Yields⁽¹⁾

Mar	1.787
Feb	1.912
Jan	1.967

LAIF Quarterly Performance Quarter Ended 03/31/20

Apportionment Rate ⁽²⁾ :	2.03
Earnings Ratio ⁽²⁾ :	0.00005535460693046
Fair Value Factor ⁽¹⁾ :	1.007481015
Daily ⁽¹⁾ :	1.73%
Quarter to Date ⁽¹⁾ :	1.89%
Average Life ⁽¹⁾ :	208

Pooled Money Investment Account Portfolio Composition ⁽¹⁾ 03/31/20 \$98.1billion



Percentages may not total 100% due to rounding

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
 P.O. Box 942809
 Sacramento, CA 94209-0001
 (916) 653-3001

March 12, 2020

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EMPLOYMENT RISK MANAGEMENT AUTHORITY

ASSISTANT TREASURER
 1750 CREEKSIDE OAKS DRIVE
 SACRAMENTO, CA 95833

[Tran Type Definitions](#)

Account Number: 35-34-011

February 2020 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
2/19/2020	2/18/2020	RW	1632287	1594029	ALANA THEISS	-175,000.00
2/25/2020	2/24/2020	RW	1632704	1594423	ALANA THEISS	-125,000.00

Account Summary

Total Deposit:	0.00	Beginning Balance:	2,883,865.07
Total Withdrawal:	-300,000.00	Ending Balance:	2,583,865.07

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
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 (916) 653-3001

February 05, 2020

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EMPLOYMENT RISK MANAGEMENT AUTHORITY

ASSISTANT TREASURER
 1750 CREEKSIDE OAKS DRIVE
 SACRAMENTO, CA 95833

[Tran Type Definitions](#)

Account Number: 35-34-011

January 2020 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
1/15/2020	1/14/2020	QRD	1628283	SYSTEM	20,588.35
1/15/2020	1/14/2020	RW	1629933	ALANA THEISS	-80,000.00
1/17/2020	1/17/2020	RW	1630246	ALANA THEISS	-15,000.00
1/24/2020	1/23/2020	RW	1630652	ALANA THEISS	-110,000.00

Account Summary

Total Deposit:	20,588.35	Beginning Balance:	3,068,276.72
Total Withdrawal:	-205,000.00	Ending Balance:	2,883,865.07



Account Statement

For the Month Ending **March 31, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - Liquidity Account - 596-01

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
CAMP Pool					
Opening Balance					2,174,925.45
03/04/20	03/04/20	Redemption - ACH Redemption	1.00	(630,000.00)	1,544,925.45
03/31/20	04/01/20	Accrual Income Div Reinvestment - Distributions	1.00	2,047.43	1,546,972.88
Closing Balance					1,546,972.88

	Month of March	Fiscal YTD January-March		
Opening Balance	2,174,925.45	2,667,271.71	Closing Balance	1,546,972.88
Purchases	2,047.43	9,701.17	Average Monthly Balance	1,605,959.24
Redemptions (Excl. Checks)	(630,000.00)	(1,130,000.00)	Monthly Distribution Yield	1.50%
Check Disbursements	0.00	0.00		
Closing Balance	1,546,972.88	1,546,972.88		
Cash Dividends and Income	2,047.43	9,701.17		



Account Statement

For the Month Ending **February 29, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - Liquidity Account - 596-01

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
CAMP Pool					
Opening Balance					2,671,298.83
02/27/20	02/27/20	Redemption - ACH Redemption	1.00	(500,000.00)	2,171,298.83
02/28/20	03/02/20	Accrual Income Div Reinvestment - Distributions	1.00	3,626.62	2,174,925.45
Closing Balance					2,174,925.45

	Month of February	Fiscal YTD January-February		
Opening Balance	2,671,298.83	2,667,271.71	Closing Balance	2,174,925.45
Purchases	3,626.62	7,653.74	Average Monthly Balance	2,619,824.80
Redemptions (Excl. Checks)	(500,000.00)	(500,000.00)	Monthly Distribution Yield	1.75%
Check Disbursements	0.00	0.00		
Closing Balance	2,174,925.45	2,174,925.45		
Cash Dividends and Income	3,626.62	7,653.74		



Account Statement

For the Month Ending **January 31, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - Liquidity Account - 596-01

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
CAMP Pool					
Opening Balance					2,667,271.71
01/31/20	02/03/20	Accrual Income Div Reinvestment - Distributions	1.00	4,027.12	2,671,298.83
Closing Balance					2,671,298.83

	Month of January	Fiscal YTD January-January		
Opening Balance	2,667,271.71	2,667,271.71	Closing Balance	2,671,298.83
Purchases	4,027.12	4,027.12	Average Monthly Balance	2,667,401.62
Redemptions (Excl. Checks)	0.00	0.00	Monthly Distribution Yield	1.78%
Check Disbursements	0.00	0.00		
Closing Balance	2,671,298.83	2,671,298.83		
Cash Dividends and Income	4,027.12	4,027.12		



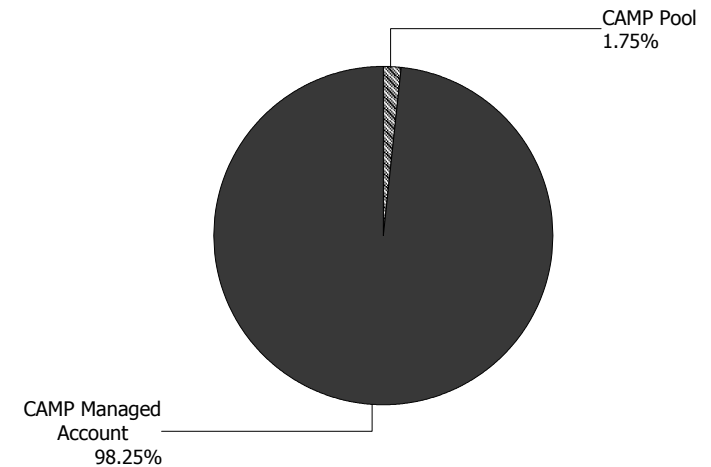
Account Statement - Transaction Summary

For the Month Ending **March 31, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00

CAMP Pool	
Opening Market Value	661,119.41
Purchases	344,689.13
Redemptions	(554,474.13)
Unsettled Trades	0.00
Change in Value	0.00
Closing Market Value	\$451,334.41
Cash Dividends and Income	791.75
CAMP Managed Account	
Opening Market Value	24,961,935.57
Purchases	550,716.80
Redemptions	(301,206.60)
Unsettled Trades	0.00
Change in Value	101,610.13
Closing Market Value	\$25,313,055.90
Cash Dividends and Income	16,933.66

Asset Summary		
	March 31, 2020	February 29, 2020
CAMP Pool	451,334.41	661,119.41
CAMP Managed Account	25,313,055.90	24,961,935.57
Total	\$25,764,390.31	\$25,623,054.98
Asset Allocation		





Managed Account Detail of Securities Held

For the Month Ending **March 31, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 11/15/2010 2.625% 11/15/2020	912828PC8	35,000.00	AA+	Aaa	05/03/16	05/06/16	37,171.09	1.21	348.32	35,304.86	35,514.06
US TREASURY NOTES DTD 05/31/2016 1.375% 05/31/2021	912828R77	650,000.00	AA+	Aaa	03/15/17	03/17/17	633,115.24	2.02	3,003.59	645,187.43	658,835.97
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	410,000.00	AA+	Aaa	12/01/16	12/05/16	411,217.19	1.93	713.04	410,376.36	419,609.38
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	900,000.00	AA+	Aaa	07/06/17	07/11/17	905,449.22	1.85	1,565.22	901,909.80	921,093.75
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	1,100,000.00	AA+	Aaa	06/27/17	06/29/17	1,111,988.28	1.73	1,913.04	1,104,160.70	1,125,781.25
US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	550,000.00	AA+	Aaa	08/30/17	08/31/17	541,320.31	1.64	2,889.77	546,640.58	558,078.13
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	275,000.00	AA+	Aaa	01/03/18	01/04/18	271,508.79	2.18	2,167.32	273,280.45	283,808.58
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	525,000.00	AA+	Aaa	07/03/18	07/06/18	509,496.09	2.69	4,137.62	516,364.85	541,816.38
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	600,000.00	AA+	Aaa	05/03/18	05/07/18	580,828.13	2.73	4,728.71	589,729.84	619,218.72
US TREASURY NOTES DTD 08/15/2012 1.625% 08/15/2022	912828TJ9	450,000.00	AA+	Aaa	09/05/18	09/07/18	431,121.09	2.76	924.11	438,381.39	463,851.54
US TREASURY N/B NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	325,000.00	AA+	Aaa	04/01/19	04/05/19	316,151.37	2.32	1,774.85	318,187.75	337,796.88
US TREASURY N/B NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	375,000.00	AA+	Aaa	03/04/19	03/06/19	361,391.60	2.53	2,047.90	364,706.13	389,765.63
US TREASURY N/B NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	400,000.00	AA+	Aaa	05/01/19	05/03/19	390,375.00	2.25	2,184.43	392,458.19	415,750.00
US TREASURY N/B NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	575,000.00	AA+	Aaa	06/03/19	06/07/19	570,485.35	1.83	3,140.11	571,386.50	597,640.63



Managed Account Detail of Securities Held

For the Month Ending **March 31, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 10/31/2016 1.625% 10/31/2023	912828T91	325,000.00	AA+	Aaa	07/01/19	07/03/19	322,854.49	1.78	2,219.87	323,215.36	339,574.24
US TREASURY NOTES DTD 10/31/2016 1.625% 10/31/2023	912828T91	450,000.00	AA+	Aaa	10/02/19	10/04/19	452,583.98	1.48	3,073.66	452,280.33	470,179.71
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	300,000.00	AA+	Aaa	02/03/20	02/07/20	308,144.53	1.36	1,516.48	307,877.63	320,343.75
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	350,000.00	AA+	Aaa	03/02/20	03/06/20	367,048.83	0.85	1,769.23	366,771.96	373,734.38
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	650,000.00	AA+	Aaa	01/02/20	01/07/20	659,572.27	1.66	3,285.71	659,090.15	694,078.13
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	1,200,000.00	AA+	Aaa	12/02/19	12/05/19	1,218,000.00	1.66	6,065.93	1,216,774.21	1,281,375.00
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	1,275,000.00	AA+	Aaa	11/01/19	11/06/19	1,300,798.83	1.55	6,445.05	1,298,646.25	1,361,460.94
Security Type Sub-Total		11,720,000.00					11,700,621.68	1.89	55,913.96	11,732,730.72	12,209,307.05
Supra-National Agency Bond / Note											
INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 09/19/2017 1.561% 09/12/2020	45905UP32	625,000.00	AAA	Aaa	09/12/17	09/19/17	623,500.00	1.64	514.91	624,770.23	627,381.25
INTER-AMERICAN DEVELOPMENT BANK DTD 11/08/2013 2.125% 11/09/2020	4581X0CD8	500,000.00	AAA	Aaa	10/02/17	10/10/17	504,634.55	1.81	4,190.97	500,931.58	504,529.50
INTER-AMERICAN DEVELOPMENT BANK NOTE DTD 04/19/2018 2.625% 04/19/2021	4581X0DB1	150,000.00	AAA	Aaa	04/12/18	04/19/18	149,670.00	2.70	1,771.88	149,881.50	153,289.05
INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 07/25/2018 2.750% 07/23/2021	459058GH0	500,000.00	AAA	Aaa	07/18/18	07/25/18	498,830.00	2.83	2,597.22	499,475.67	514,573.50
Security Type Sub-Total		1,775,000.00					1,776,634.55	2.12	9,074.98	1,775,058.98	1,799,773.30



Managed Account Detail of Securities Held

For the Month Ending **March 31, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Municipal Bond / Note											
CHAFFEY UHSD, CA TXBL GO BONDS DTD 12/05/2019 2.101% 08/01/2024	157411TK5	60,000.00	AA-	Aa1	11/06/19	12/05/19	60,000.00	2.10	210.10	60,000.00	61,128.60
Security Type Sub-Total		60,000.00					60,000.00	2.10	210.10	60,000.00	61,128.60
Federal Agency Collateralized Mortgage Obligation											
FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	102,165.62	AA+	Aaa	04/11/18	04/30/18	104,197.79	2.27	303.09	102,995.77	102,852.53
FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/25/2022	3137BM6P6	130,000.00	AA+	Aaa	04/04/18	04/09/18	131,107.03	2.61	334.75	130,516.08	133,712.62
FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	75,311.95	AA+	Aaa	12/07/18	12/17/18	75,311.72	3.11	201.02	75,311.72	77,714.40
FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/25/2024	3137FO3V3	78,613.83	AA+	Aaa	11/20/19	11/26/19	78,611.94	2.03	137.05	78,611.94	80,358.46
FHMS K043 A2 DTD 03/01/2015 3.062% 12/25/2024	3137BGK24	175,000.00	AA+	Aaa	03/19/20	03/25/20	183,667.97	0.94	446.54	183,667.97	187,602.93
Security Type Sub-Total		561,091.40					572,896.45	2.00	1,422.45	571,103.48	582,240.94
Federal Agency Bond / Note											
FHLB GLOBAL NOTE DTD 07/14/2016 1.125% 07/14/2021	3130A8OS5	625,000.00	AA+	Aaa	07/14/16	07/15/16	621,199.38	1.25	1,503.91	623,999.42	630,470.63
Security Type Sub-Total		625,000.00					621,199.38	1.25	1,503.91	623,999.42	630,470.63
Corporate Note											
TOYOTA MOTOR CREDIT CORP DTD 04/17/2017 1.950% 04/17/2020	89236TDU6	350,000.00	AA-	A1	04/11/17	04/17/17	349,839.00	1.97	3,109.17	349,997.56	350,002.45
APPLE INC BONDS DTD 05/11/2017 1.800% 05/11/2020	037833CS7	200,000.00	AA+	Aa1	05/04/17	05/11/17	199,796.00	1.84	1,400.00	199,992.27	200,100.20



Managed Account Detail of Securities Held

For the Month Ending **March 31, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
HOME DEPOT INC CORP NOTES DTD 06/05/2017 1.800% 06/05/2020	437076BQ4	125,000.00	A	A2	05/24/17	06/05/17	124,927.50	1.82	725.00	124,995.61	124,964.38
CATERPILLAR FINL SERVICE NOTE DTD 09/07/2017 1.850% 09/04/2020	14913Q2A6	185,000.00	A	A3	09/05/17	09/07/17	184,844.60	1.88	256.69	184,977.39	184,543.05
PACCAR FINANCIAL CORP NOTES DTD 11/13/2017 2.050% 11/13/2020	69371RN85	125,000.00	A+	A1	11/06/17	11/13/17	124,988.75	2.05	982.29	124,997.63	125,474.25
WAL-MART STORES INC CORP NOTE DTD 10/20/2017 1.900% 12/15/2020	931142EA7	250,000.00	AA	Aa2	10/11/17	10/20/17	249,637.50	1.95	1,398.61	249,916.45	250,778.50
IBM CORP CORP NOTES DTD 02/06/2018 2.650% 02/05/2021	44932HAG8	250,000.00	A	A2	02/01/18	02/06/18	249,877.50	2.67	1,030.56	249,964.49	250,873.50
NATIONAL RURAL UTIL COOP NOTE DTD 02/26/2018 2.900% 03/15/2021	63743HER9	100,000.00	A	A2	02/21/18	02/26/18	99,889.00	2.94	128.89	99,963.88	100,128.60
NATIONAL RURAL UTIL COOP NOTE DTD 02/26/2018 2.900% 03/15/2021	63743HER9	150,000.00	A	A2	04/12/18	04/19/18	149,365.50	3.05	193.33	149,786.06	150,192.90
PEPSICO INC CORP (CALLABLE) NOTE DTD 10/10/2017 2.000% 04/15/2021	713448DX3	165,000.00	A+	A1	10/05/17	10/10/17	164,967.00	2.01	1,521.67	164,989.94	164,857.61
BANK OF AMERICA CORP NOTE DTD 04/19/2016 2.625% 04/19/2021	06051GFW4	25,000.00	A-	A2	11/01/17	11/03/17	25,194.00	2.39	295.31	25,060.58	25,156.58
BANK OF NEW YORK MELLON (CALLABLE) NOTES DTD 05/02/2016 2.050% 05/03/2021	06406FAB9	150,000.00	A	A1	05/17/16	05/20/16	150,319.50	2.00	1,264.17	150,069.50	150,755.85
AMERICAN EXPRESS CREDIT (CALLABLE) NOTES DTD 05/05/2016 2.250% 05/05/2021	0258M0EB1	150,000.00	A-	A2	05/25/16	05/31/16	149,721.00	2.29	1,368.75	149,935.60	149,998.35
HERSHEY COMPANY CORP NOTES DTD 05/10/2018 3.100% 05/15/2021	427866BA5	100,000.00	A	A1	05/03/18	05/10/18	99,931.00	3.12	1,171.11	99,973.44	100,455.70
STATE STREET CORP NOTES DTD 05/19/2016 1.950% 05/19/2021	857477AV5	70,000.00	A	A1	05/19/16	05/24/16	69,735.40	2.03	500.50	69,937.54	69,636.98



Managed Account Detail of Securities Held

For the Month Ending **March 31, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
CHARLES SCHWAB CORP NOTES DTD 05/22/2018 3.250% 05/21/2021	808513AW5	160,000.00	A	A2	05/17/18	05/22/18	159,995.20	3.25	1,877.78	159,998.08	160,403.84
BANK OF AMERICA CORP (CALLABLE) DTD 09/18/2017 2.328% 10/01/2021	06051GGS2	175,000.00	A-	A2	09/13/17	09/18/17	175,000.00	2.33	2,037.00	175,000.00	173,125.75
JOHN DEERE CAPITAL CORP NOTES DTD 01/06/2017 2.650% 01/06/2022	24422ETL3	225,000.00	A	A2	03/10/17	03/15/17	224,007.75	2.75	1,407.81	224,622.81	224,935.20
PACCAR FINANCIAL CORP NOTE DTD 03/01/2019 2.850% 03/01/2022	69371RP75	50,000.00	A+	A1	02/22/19	03/01/19	49,956.00	2.88	118.75	49,971.46	49,170.05
BANK OF AMERICA CORP NOTES DTD 05/17/2018 3.499% 05/17/2022	06051GHH5	50,000.00	A-	A2	05/14/18	05/17/18	50,000.00	3.50	651.20	50,000.00	50,488.25
JPMORGAN CHASE & CO BONDS DTD 03/22/2019 3.207% 04/01/2023	46647PBB1	250,000.00	A-	A2	03/15/19	03/22/19	250,000.00	3.21	4,008.75	250,000.00	253,957.75
PNC BANK NA CORP NOTES DTD 01/23/2019 3.500% 01/23/2024	693475AV7	250,000.00	A-	A3	02/12/19	02/15/19	251,780.00	3.34	1,652.78	251,401.54	259,359.00
MORGAN STANLEY CORP NOTES DTD 04/28/2014 3.875% 04/29/2024	61746BDO6	250,000.00	BBB+	A3	07/19/19	07/23/19	264,322.50	2.59	4,090.28	262,365.03	263,060.00
AMERICAN HONDA FINANCE CORP NOTE DTD 06/27/2019 2.400% 06/27/2024	02665WCZ2	250,000.00	A	A3	07/11/19	07/15/19	248,760.00	2.51	1,566.67	248,930.51	246,503.75
GOLDMAN SACHS GROUP INC BONDS DTD 07/08/2014 3.850% 07/08/2024	38141EC23	250,000.00	BBB+	A3	07/08/19	07/11/19	261,645.00	2.84	2,219.10	260,058.47	260,963.25
BB&T CORPORATION CORP BONDS DTD 07/29/2019 2.500% 08/01/2024	05531FBH5	250,000.00	A-	A3	08/01/19	08/05/19	250,415.00	2.46	1,041.67	250,363.99	245,098.50
WALT DISNEY COMPANY/THE DTD 09/06/2019 1.750% 08/30/2024	254687FK7	250,000.00	A	A2	09/03/19	09/06/19	248,980.00	1.84	376.74	249,091.16	251,833.00
BANK OF NY MELLON CORP DTD 10/24/2019 2.100% 10/24/2024	06406RAL1	100,000.00	A	A1	01/21/20	01/28/20	100,440.00	2.00	915.83	100,425.38	99,760.70
Security Type Sub-Total		4,905,000.00					4,928,334.70	2.46	37,310.41	4,926,786.37	4,936,577.94



Managed Account Detail of Securities Held

For the Month Ending **March 31, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Commercial Paper											
MUFG BANK LTD/NY COMM PAPER DTD 01/13/2020 0.000% 10/06/2020	62479LK61	250,000.00	A-1	P-1	01/10/20	01/13/20	246,662.50	1.82	0.00	247,650.00	248,251.00
Security Type Sub-Total		250,000.00					246,662.50	1.82	0.00	247,650.00	248,251.00
Certificate of Deposit											
BANK OF NOVA SCOTIA HOUSTON CD DTD 06/07/2018 3.080% 06/05/2020	06417GU22	250,000.00	A-1	P-1	06/05/18	06/07/18	249,905.00	3.10	2,481.11	249,991.31	250,897.50
BANK OF MONTREAL CHICAGO CERT DEPOS DTD 08/03/2018 3.190% 08/03/2020	06370REU9	425,000.00	A-1	P-1	08/01/18	08/03/18	425,000.00	3.23	9,038.33	425,000.00	428,333.28
WESTPAC BANKING CORP NY CD DTD 08/07/2017 2.050% 08/03/2020	96121T4A3	450,000.00	A-1+	P-1	08/03/17	08/07/17	450,000.00	2.05	1,383.75	450,000.00	451,662.75
SUMITOMO MITSUI BANK NY CERT DEPOS DTD 10/18/2018 3.390% 10/16/2020	86565BPC9	250,000.00	A-1	P-1	10/16/18	10/18/18	249,660.00	3.46	3,955.00	249,851.67	253,235.00
SWEDBANK (NEW YORK) CERT DEPOS DTD 11/17/2017 2.270% 11/16/2020	87019U6D6	500,000.00	A-1	P-1	11/16/17	11/17/17	500,000.00	2.30	4,256.25	500,000.00	503,426.50
ROYAL BANK OF CANADA NY CD DTD 06/08/2018 3.240% 06/07/2021	78012UEE1	425,000.00	AA-	Aa2	06/07/18	06/08/18	425,000.00	3.24	4,360.50	425,000.00	435,391.68
MUFG BANK LTD/NY CERT DEPOS DTD 02/28/2019 2.980% 02/25/2022	55379WZU3	250,000.00	A	A1	02/27/19	02/28/19	250,000.00	3.01	724.31	250,000.00	258,428.75
NORDEA BANK ABP NEW YORK CERT DEPOS DTD 08/29/2019 1.850% 08/26/2022	65558TLL7	250,000.00	AA-	Aa3	08/27/19	08/29/19	250,000.00	1.87	449.65	250,000.00	254,003.25
SKANDINAV ENSKILDA BANK LT CD DTD 09/03/2019 1.860% 08/26/2022	83050PDR7	250,000.00	A+	Aa2	08/29/19	09/03/19	250,000.00	1.88	452.08	250,000.00	254,062.50
DNB BANK ASA/NY LT CD DTD 12/04/2019 2.040% 12/02/2022	23341VZT1	250,000.00	AA-	Aa2	12/04/19	12/06/19	250,000.00	2.04	1,657.50	250,000.00	255,776.50
Security Type Sub-Total		3,300,000.00					3,299,565.00	2.63	28,758.48	3,299,842.98	3,345,217.71
Asset-Backed Security											



Managed Account Detail of Securities Held

For the Month Ending **March 31, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Asset-Backed Security											
TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021	89238MAD0	4,556.71	AAA	Aaa	03/07/17	03/15/17	4,556.17	1.74	3.50	4,556.58	4,554.97
ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	5,349.21	NR	Aaa	01/24/17	01/31/17	5,348.75	1.70	4.04	5,349.10	5,346.32
FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	28,919.91	NR	Aaa	01/18/17	01/25/17	28,919.81	1.67	21.46	28,919.89	28,868.39
ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	40,754.38	NR	Aaa	03/21/17	03/29/17	40,749.57	1.79	32.24	40,753.05	40,711.97
HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	23,862.11	AAA	NR	09/25/17	09/29/17	23,859.52	1.94	15.42	23,861.11	23,668.81
TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	74,590.38	AAA	Aaa	01/23/18	01/31/18	74,589.53	2.35	77.91	74,589.97	74,612.85
HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	225,000.00	AAA	Aaa	11/20/18	11/28/18	224,966.36	3.17	316.00	224,976.85	226,163.50
NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	225,000.00	AAA	Aaa	12/04/18	12/12/18	224,956.89	3.53	322.00	224,969.00	228,031.18
VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/20/2024	92348TAA2	125,000.00	AAA	Aaa	01/21/20	01/29/20	124,985.36	1.86	70.66	124,986.11	117,992.86
COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	500,000.00	AAA	NR	08/28/19	09/05/19	499,874.10	1.73	382.22	499,888.93	494,804.50
VWALT 2019-A A4 DTD 10/04/2019 2.020% 08/20/2024	92867XAE6	250,000.00	AAA	NR	10/01/19	10/04/19	249,990.60	2.02	154.31	249,991.67	255,333.38
Security Type Sub-Total		1,503,032.70					1,502,796.66	2.31	1,399.76	1,502,842.26	1,500,088.73
Managed Account Sub-Total		24,699,124.10					24,708,710.92	2.12	135,594.05	24,740,014.21	25,313,055.90
Money Market Mutual Fund											
CAMP Pool		451,334.41	AAA	NR			451,334.41		0.00	451,334.41	451,334.41



Managed Account Detail of Securities Held

For the Month Ending **March 31, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Money Market Sub-Total		451,334.41					451,334.41		0.00	451,334.41	451,334.41
Securities Sub-Total		\$25,150,458.51					\$25,160,045.33	2.12%	\$135,594.05	\$25,191,348.62	\$25,764,390.31
Accrued Interest											\$135,594.05
Total Investments											\$25,899,984.36



Managed Account Security Transactions & Interest

For the Month Ending **March 31, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal	Accrued	Total	Realized G/L	Realized G/L	Sale
Trade	Settle				Proceeds	Interest		Cost	Amort Cost	Method
BUY										
03/02/20	03/06/20	US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	350,000.00	(367,048.83)	(1,269.23)	(368,318.06)			
03/19/20	03/25/20	FHMS K043 A2 DTD 03/01/2015 3.062% 12/25/2024	3137BGK24	175,000.00	(183,667.97)	(357.23)	(184,025.20)			
Transaction Type Sub-Total				525,000.00	(550,716.80)	(1,626.46)	(552,343.26)			
INTEREST										
03/01/20	03/01/20	PACCAR FINANCIAL CORP NOTE DTD 03/01/2019 2.850% 03/01/2022	69371RP75	50,000.00	0.00	712.50	712.50			
03/01/20	03/25/20	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/25/2024	3137FO3V3	78,774.16	0.00	137.33	137.33			
03/01/20	03/25/20	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	75,447.95	0.00	201.38	201.38			
03/01/20	03/25/20	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/25/2022	3137BM6P6	130,000.00	0.00	334.75	334.75			
03/01/20	03/25/20	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	103,879.05	0.00	311.84	311.84			
03/02/20	03/02/20	UBS AG STAMFORD CT LT CD DTD 03/06/2018 2.900% 03/02/2020	90275DHG8	250,000.00	0.00	3,645.14	3,645.14			
03/04/20	03/04/20	CATERPILLAR FINL SERVICE NOTE DTD 09/07/2017 1.850% 09/04/2020	14913O2A6	185,000.00	0.00	1,711.25	1,711.25			
03/12/20	03/12/20	INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 09/19/2017 1.561% 09/12/2020	45905UP32	625,000.00	0.00	4,881.25	4,881.25			
03/15/20	03/15/20	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	80,666.57	0.00	157.97	157.97			
03/15/20	03/15/20	NATIONAL RURAL UTIL COOP NOTE DTD 02/26/2018 2.900% 03/15/2021	63743HER9	150,000.00	0.00	2,175.00	2,175.00			
03/15/20	03/15/20	NATIONAL RURAL UTIL COOP NOTE DTD 02/26/2018 2.900% 03/15/2021	63743HER9	100,000.00	0.00	1,450.00	1,450.00			
03/15/20	03/15/20	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	225,000.00	0.00	592.50	592.50			
03/15/20	03/15/20	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	2,095.19	0.00	2.25	2.25			



Managed Account Security Transactions & Interest

For the Month Ending **March 31, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L	Realized G/L	Sale Method
Trade	Settle							Cost	Amort Cost	
INTEREST										
03/15/20	03/15/20	COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	500,000.00	0.00	716.67	716.67			
03/15/20	03/15/20	ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	8,905.50	0.00	12.62	12.62			
03/15/20	03/15/20	TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021	89238MAD0	9,932.56	0.00	14.32	14.32			
03/15/20	03/15/20	ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	54,521.60	0.00	80.87	80.87			
03/15/20	03/15/20	FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	42,231.53	0.00	58.77	58.77			
03/15/20	03/15/20	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	225,000.00	0.00	603.75	603.75			
03/18/20	03/18/20	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	27,041.87	0.00	40.34	40.34			
03/18/20	03/18/20	HONDA ABS 2016-4 A3 DTD 10/25/2016 1.210% 12/18/2020	43814RAC0	1,834.70	0.00	1.85	1.85			
03/20/20	03/20/20	VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/20/2024	92348TAA2	125,000.00	0.00	327.60	327.60			
03/20/20	03/20/20	VWALT 2019-A A4 DTD 10/04/2019 2.020% 08/20/2024	92867XAE6	250,000.00	0.00	420.83	420.83			
Transaction Type Sub-Total				3,300,330.68	0.00	18,590.78	18,590.78			
MATURITY										
03/02/20	03/02/20	UBS AG STAMFORD CT LT CD DTD 03/06/2018 2.900% 03/02/2020	90275DHG8	250,000.00	250,000.00	0.00	250,000.00	0.00	0.00	
Transaction Type Sub-Total				250,000.00	250,000.00	0.00	250,000.00	0.00	0.00	
PAYDOWNS										
03/01/20	03/25/20	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	1,713.43	1,713.43	0.00	1,713.43	(34.08)	0.00	
03/01/20	03/25/20	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/25/2024	3137FO3V3	160.33	160.33	0.00	160.33	0.00	0.00	



Managed Account Security Transactions & Interest

For the Month Ending **March 31, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal	Accrued	Total	Realized G/L	Realized G/L	Sale
Trade	Settle				Proceeds	Interest		Cost	Amort Cost	
PAYDOWNS										
03/01/20	03/25/20	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	136.00	136.00	0.00	136.00	0.00	0.00	
03/15/20	03/15/20	FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	13,311.63	13,311.63	0.00	13,311.63	0.05	0.00	
03/15/20	03/15/20	ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	3,556.29	3,556.29	0.00	3,556.29	0.31	0.00	
03/15/20	03/15/20	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	2,095.19	2,095.19	0.00	2,095.19	0.28	0.00	
03/15/20	03/15/20	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	6,076.19	6,076.19	0.00	6,076.19	0.07	0.00	
03/15/20	03/15/20	ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	13,767.23	13,767.23	0.00	13,767.23	1.62	0.00	
03/15/20	03/15/20	TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021	89238MAD0	5,375.85	5,375.85	0.00	5,375.85	0.63	0.00	
03/18/20	03/18/20	HONDA ABS 2016-4 A3 DTD 10/25/2016 1.210% 12/18/2020	43814RAC0	1,834.70	1,834.70	0.00	1,834.70	0.12	0.00	
03/18/20	03/18/20	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	3,179.76	3,179.76	0.00	3,179.76	0.34	0.00	
Transaction Type Sub-Total				51,206.60	51,206.60	0.00	51,206.60	(30.66)	0.00	
Managed Account Sub-Total					(249,510.20)	16,964.32	(232,545.88)	(30.66)	0.00	
Total Security Transactions					(249,510.20)	\$16,964.32	(\$232,545.88)	(\$30.66)	\$0.00	



Managed Account Security Transactions & Interest

For the Month Ending February 29, 2020

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal	Accrued	Total	Realized G/L	Realized G/L	Sale
Trade	Settle				Proceeds	Interest		Cost	Amort Cost	Method
BUY										
02/03/20	02/07/20	US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	300,000.00	(308,144.53)	(626.37)	(308,770.90)			
Transaction Type Sub-Total				300,000.00	(308,144.53)	(626.37)	(308,770.90)			
INTEREST										
02/01/20	02/01/20	BB&T CORPORATION CORP BONDS DTD 07/29/2019 2.500% 08/01/2024	05531FBH5	250,000.00	0.00	3,159.72	3,159.72			
02/01/20	02/01/20	CHAFFEY UHSD, CA TXBL GO BONDS DTD 12/05/2019 2.101% 08/01/2024	157411TK5	60,000.00	0.00	196.09	196.09			
02/01/20	02/25/20	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/25/2022	3137BM6P6	130,000.00	0.00	334.75	334.75			
02/01/20	02/25/20	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	75,572.43	0.00	201.72	201.72			
02/01/20	02/25/20	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	104,761.85	0.00	311.42	311.42			
02/01/20	02/25/20	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/25/2024	3137FO3V3	98,327.02	0.00	346.95	346.95			
02/03/20	02/03/20	AMER EXP CREDIT NT (CALLED OMD 03/03/20) DTD 03/03/2017 2.200% 02/03/2020	0258M0EE5	180,000.00	0.00	1,628.00	1,628.00			
02/05/20	02/05/20	IBM CORP CORP NOTES DTD 02/06/2018 2.650% 02/05/2021	44932HAG8	250,000.00	0.00	3,312.50	3,312.50			
02/07/20	02/07/20	WESTPAC BANKING CORP NY CD DTD 08/07/2017 2.050% 08/03/2020	96121T4A3	450,000.00	0.00	4,612.50	4,612.50			
02/07/20	02/07/20	CREDIT SUISSE NEW YORK CERT DEPOS DTD 02/08/2018 2.670% 02/07/2020	22549LFR1	0.00	0.00	13,516.88	13,516.88			
02/15/20	02/15/20	ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	12,552.64	0.00	17.78	17.78			
02/15/20	02/15/20	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	225,000.00	0.00	603.75	603.75			
02/15/20	02/15/20	TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021	89238MAD0	15,726.69	0.00	22.67	22.67			

**Managed Account Security Transactions & Interest**For the Month Ending **February 29, 2020****EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)**

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L	Realized G/L	Sale Method
Trade	Settle							Cost	Amort Cost	
INTEREST										
02/15/20	02/15/20	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	225,000.00	0.00	592.50	592.50			
02/15/20	02/15/20	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	8,193.53	0.00	8.81	8.81			
02/15/20	02/15/20	ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	68,131.19	0.00	101.06	101.06			
02/15/20	02/15/20	US TREASURY NOTES DTD 08/15/2012 1.625% 08/15/2022	912828TJ9	450,000.00	0.00	3,656.25	3,656.25			
02/15/20	02/15/20	COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	500,000.00	0.00	716.67	716.67			
02/15/20	02/15/20	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	87,332.38	0.00	171.03	171.03			
02/15/20	02/15/20	FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	57,384.47	0.00	79.86	79.86			
02/18/20	02/18/20	HONDA ABS 2016-4 A3 DTD 10/25/2016 1.210% 12/18/2020	43814RAC0	9,874.03	0.00	9.96	9.96			
02/18/20	02/18/20	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	30,337.61	0.00	45.25	45.25			
02/20/20	02/20/20	VWALT 2019-A A4 DTD 10/04/2019 2.020% 08/20/2024	92867XAE6	250,000.00	0.00	420.83	420.83			
02/26/20	02/26/20	SKANDINAV ENSKILDA BANK LT CD DTD 09/03/2019 1.860% 08/26/2022	83050PDR7	250,000.00	0.00	2,273.33	2,273.33			
02/26/20	02/26/20	MUFG BANK LTD/NY CERT DEPOS DTD 02/28/2019 2.980% 02/25/2022	55379WZU3	250,000.00	0.00	7,512.08	7,512.08			
02/26/20	02/26/20	NORDEA BANK ABP NEW YORK CERT DEPOS DTD 08/29/2019 1.850% 08/26/2022	65558TLL7	250,000.00	0.00	2,325.35	2,325.35			
02/28/20	02/28/20	FNMA NOTES DTD 02/28/2017 1.500% 02/28/2020	3135G0T29	150,000.00	0.00	1,125.00	1,125.00			
02/28/20	02/28/20	WALT DISNEY COMPANY/THE DTD 09/06/2019 1.750% 08/30/2024	254687FK7	250,000.00	0.00	2,090.28	2,090.28			
02/29/20	02/29/20	US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	410,000.00	0.00	4,100.00	4,100.00			



Managed Account Security Transactions & Interest

For the Month Ending February 29, 2020

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L	Realized G/L	Sale Method
Trade	Settle							Cost	Amort Cost	
INTEREST										
02/29/20	02/29/20	US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	900,000.00	0.00	9,000.00	9,000.00			
02/29/20	02/29/20	US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	1,100,000.00	0.00	11,000.00	11,000.00			
Transaction Type Sub-Total				7,098,193.84	0.00	73,492.99	73,492.99			
MATURITY										
02/03/20	02/03/20	AMER EXP CREDIT NT (CALLED OMD 03/03/20) DTD 03/03/2017 2.200% 02/03/2020	0258M0EE5	180,000.00	180,000.00	0.00	180,000.00	187.20	0.00	
02/07/20	02/07/20	CREDIT SUISSE NEW YORK CERT DEPOS DTD 02/08/2018 2.670% 02/07/2020	22549LFR1	250,000.00	250,000.00	0.00	250,000.00	0.00	0.00	
02/28/20	02/28/20	FNMA NOTES DTD 02/28/2017 1.500% 02/28/2020	3135G0T29	150,000.00	150,000.00	0.00	150,000.00	96.00	0.00	
Transaction Type Sub-Total				580,000.00	580,000.00	0.00	580,000.00	283.20	0.00	
PAYDOWNS										
02/01/20	02/25/20	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	124.48	124.48	0.00	124.48	0.00	0.00	
02/01/20	02/25/20	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	882.80	882.80	0.00	882.80	(17.56)	0.00	
02/01/20	02/25/20	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/25/2024	3137FQ3V3	19,552.86	19,552.86	0.00	19,552.86	0.47	0.00	
02/15/20	02/15/20	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	6,098.34	6,098.34	0.00	6,098.34	0.82	0.00	
02/15/20	02/15/20	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	6,665.81	6,665.81	0.00	6,665.81	0.08	0.00	
02/15/20	02/15/20	FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	15,152.94	15,152.94	0.00	15,152.94	0.06	0.00	
02/15/20	02/15/20	TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021	89238MAD0	5,794.13	5,794.13	0.00	5,794.13	0.68	0.00	



Managed Account Security Transactions & Interest

For the Month Ending **February 29, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L	Realized G/L	Sale Method
Trade	Settle							Cost	Amort Cost	
PAYDOWNS										
02/15/20	02/15/20	ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	3,647.14	3,647.14	0.00	3,647.14	0.32	0.00	
02/15/20	02/15/20	ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	13,609.59	13,609.59	0.00	13,609.59	1.60	0.00	
02/18/20	02/18/20	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	3,295.74	3,295.74	0.00	3,295.74	0.36	0.00	
02/18/20	02/18/20	HONDA ABS 2016-4 A3 DTD 10/25/2016 1.210% 12/18/2020	43814RAC0	8,039.33	8,039.33	0.00	8,039.33	0.52	0.00	
Transaction Type Sub-Total				82,863.16	82,863.16	0.00	82,863.16	(12.65)	0.00	
Managed Account Sub-Total					354,718.63	72,866.62	427,585.25	270.55	0.00	
Total Security Transactions					354,718.63	72,866.62	427,585.25	270.55	0.00	



Managed Account Security Transactions & Interest

For the Month Ending **January 31, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal	Accrued	Total	Realized G/L	Realized G/L	Sale
Trade	Settle				Proceeds	Interest		Cost	Amort Cost	
BUY										
01/02/20	01/07/20	US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	650,000.00	(659,572.27)	(250.00)	(659,822.27)			
01/10/20	01/13/20	MUFG BANK LTD/NY COMM PAPER DTD 01/13/2020 0.000% 10/06/2020	62479LK61	250,000.00	(246,662.50)	0.00	(246,662.50)			
01/21/20	01/28/20	BANK OF NY MELLON CORP DTD 10/24/2019 2.100% 10/24/2024	06406RAL1	100,000.00	(100,440.00)	(548.33)	(100,988.33)			
01/21/20	01/29/20	VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/20/2024	92348TAA2	125,000.00	(124,985.36)	0.00	(124,985.36)			
Transaction Type Sub-Total				1,125,000.00	(1,131,660.13)	(798.33)	(1,132,458.46)			
INTEREST										
01/01/20	01/25/20	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/25/2022	3137BM6P6	130,000.00	0.00	334.75	334.75			
01/01/20	01/25/20	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	106,400.81	0.00	320.74	320.74			
01/01/20	01/25/20	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/25/2024	3137FO3V3	99,842.82	0.00	185.79	185.79			
01/01/20	01/25/20	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	75,696.28	0.00	202.05	202.05			
01/06/20	01/06/20	JOHN DEERE CAPITAL CORP NOTES DTD 01/06/2017 2.650% 01/06/2022	24422ETL3	225,000.00	0.00	2,981.25	2,981.25			
01/08/20	01/08/20	GOLDMAN SACHS GROUP INC BONDS DTD 07/08/2014 3.850% 07/08/2024	38141EC23	250,000.00	0.00	4,812.50	4,812.50			
01/14/20	01/14/20	FHLB GLOBAL NOTE DTD 07/14/2016 1.125% 07/14/2021	3130A8OS5	625,000.00	0.00	3,515.63	3,515.63			
01/15/20	01/15/20	COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	500,000.00	0.00	716.67	716.67			
01/15/20	01/15/20	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	13,962.12	0.00	15.01	15.01			
01/15/20	01/15/20	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	225,000.00	0.00	592.50	592.50			
01/15/20	01/15/20	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	225,000.00	0.00	603.75	603.75			



Managed Account Security Transactions & Interest

For the Month Ending **January 31, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal	Accrued	Total	Realized G/L	Realized G/L	Sale
Trade	Settle				Proceeds	Interest		Cost	Amort Cost	
INTEREST										
01/15/20	01/15/20	TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021	89238MAD0	21,714.84	0.00	31.31	31.31			
01/15/20	01/15/20	ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	83,356.04	0.00	123.64	123.64			
01/15/20	01/15/20	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	94,094.66	0.00	184.27	184.27			
01/15/20	01/15/20	ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	16,590.72	0.00	23.50	23.50			
01/15/20	01/15/20	FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	73,038.08	0.00	101.64	101.64			
01/18/20	01/18/20	HONDA ABS 2016-4 A3 DTD 10/25/2016 1.210% 12/18/2020	43814RAC0	17,925.56	0.00	18.07	18.07			
01/18/20	01/18/20	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	33,661.82	0.00	50.21	50.21			
01/20/20	01/20/20	VWALT 2019-A A4 DTD 10/04/2019 2.020% 08/20/2024	92867XAE6	250,000.00	0.00	420.83	420.83			
01/23/20	01/23/20	INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 07/25/2018 2.750% 07/23/2021	459058GH0	500,000.00	0.00	6,875.00	6,875.00			
01/23/20	01/23/20	PNC BANK NA CORP NOTES DTD 01/23/2019 3.500% 01/23/2024	693475AV7	250,000.00	0.00	4,375.00	4,375.00			
Transaction Type Sub-Total				3,816,283.75	0.00	26,484.11	26,484.11			
MATURITY										
01/13/20	01/13/20	MUFG BANK LTD/NY COMM PAPER DTD 04/18/2019 0.000% 01/13/2020	62479LAD7	500,000.00	500,000.00	0.00	500,000.00	9,825.00	0.00	
Transaction Type Sub-Total				500,000.00	500,000.00	0.00	500,000.00	9,825.00	0.00	
PAYDOWNS										
01/01/20	01/25/20	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	1,638.96	1,638.96	0.00	1,638.96	(32.60)	0.00	
01/01/20	01/25/20	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	123.85	123.85	0.00	123.85	0.00	0.00	



Managed Account Security Transactions & Interest

For the Month Ending **January 31, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal	Accrued	Total	Realized G/L	Realized G/L	Sale
Trade	Settle				Proceeds	Interest		Cost	Amort Cost	
PAYDOWNS										
01/01/20	01/25/20	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/25/2024	3137FQ3V3	1,515.80	1,515.80	0.00	1,515.80	0.04	0.00	
01/15/20	01/15/20	ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	15,224.84	15,224.84	0.00	15,224.84	1.80	0.00	
01/15/20	01/15/20	FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	15,653.61	15,653.61	0.00	15,653.61	0.06	0.00	
01/15/20	01/15/20	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	6,762.28	6,762.28	0.00	6,762.28	0.08	0.00	
01/15/20	01/15/20	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	5,768.59	5,768.59	0.00	5,768.59	0.77	0.00	
01/15/20	01/15/20	TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021	89238MAD0	5,988.15	5,988.15	0.00	5,988.15	0.70	0.00	
01/15/20	01/15/20	ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	4,038.08	4,038.08	0.00	4,038.08	0.35	0.00	
01/18/20	01/18/20	HONDA ABS 2016-4 A3 DTD 10/25/2016 1.210% 12/18/2020	43814RAC0	8,051.53	8,051.53	0.00	8,051.53	0.52	0.00	
01/18/20	01/18/20	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	3,324.21	3,324.21	0.00	3,324.21	0.36	0.00	
Transaction Type Sub-Total				68,089.90	68,089.90	0.00	68,089.90	(27.92)	0.00	
SELL										
01/02/20	01/07/20	US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	550,000.00	558,400.39	224.76	558,625.15	17,123.04	15,116.31	FIFO
01/21/20	01/28/20	BANK OF NEW YORK MELLON (CALLABLE) NOTES DTD 05/02/2016 2.050% 05/03/2021	06406FAB9	100,000.00	100,326.00	484.03	100,810.03	113.00	271.83	FIFO
Transaction Type Sub-Total				650,000.00	658,726.39	708.79	659,435.18	17,236.04	15,388.14	
Managed Account Sub-Total					95,156.16	26,394.57	121,550.73	27,033.12	15,388.14	
Total Security Transactions					\$95,156.16	\$26,394.57	\$121,550.73	\$27,033.12	\$15,388.14	

EMPLOYMENT RISK MANAGEMENT AUTHORITY

~ STATEMENT OF NET POSITION ~

March 31, 2020

(Unaudited)

ASSETS

CURRENT ASSETS

Cash in Bank	\$	15,538	
Camp Liquidity Account		1,546,973	
Local Agency Investment Fund		2,408,865	
Market Valuation - LAIF		18,021	
Investments - Managed Portfolio		5,475,589	
Market Valuation - Investments		20,589	
Accounts Receivable - Members		30,652	
Accounts Receivable - Excess Insurance		232,551	
Accounts Receivable - Miscellaneous		20,116	
Interest Receivable		149,577	
Prepaid Expense		192,296	
Prepaid Insurance		79,571	
TOTAL CURRENT ASSETS			10,190,337

NONCURRENT ASSETS

Investments - Managed Portfolio		19,684,456	
Market Valuation - Investments		583,756	
TOTAL NONCURRENT ASSETS			20,268,212
TOTAL ASSETS			\$ 30,458,550

LIABILITIES AND NET POSITION

CURRENT LIABILITIES

Accounts Payable	\$	61,633	
Unearned Revenue		1,959,332	
Reserve - Claims		3,139,932	
Reserve - IBNR & ULAE		1,920,486	
TOTAL CURRENT LIABILITIES			7,081,383

NONCURRENT LIABILITIES

Reserve - IBNR & ULAE		11,728,091	
TOTAL NONCURRENT LIABILITIES			11,728,091
TOTAL LIABILITIES			18,809,475

NET POSITION

Net Position - Undesignated		11,003,949	
Net Position - Capital Fund		789,763	
TOTAL NET POSITION - BEGINNING OF YEAR			11,793,712
Change in Net Position - Undesignated		(173,833)	
Change in Net Position - Capital Fund		29,196	
TOTAL CHANGE IN NET POSITION - CURRENT YEAR			(144,637)
TOTAL NET POSITION - ENDING			\$ 11,649,075

\$ -

EMPLOYMENT RISK MANAGEMENT AUTHORITY
~ STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION ~
For the Nine Months Ended March 31, 2020
(Unaudited)

	Actual	2019-20 Budget	% Used	\$ Variance
REVENUES				
Deposit Premium	\$ 5,614,795	\$ 7,466,697	75%	\$ (1,851,902)
Excess Insurance Premium	233,655	311,540	75%	(77,885)
Interest Income	990,414			990,414
TOTAL REVENUES	6,838,863	7,778,237	88%	(939,374)
EXPENSES				
Claims Expense				
Claims Paid	\$ 3,198,967 **	\$ 6,446,930 *	94%	(418,101)
Incr/(Decr) in Reserves	2,829,862 **			
Excess Insurance	233,655	311,540	75%	(77,885)
Subtotal Claims Expense	6,262,485	6,758,470	93%	(495,986)
Loss Prevention & Training				
Employee Reporting	7,664	10,500	73%	(2,837)
Web-based Training / Training Bulletins	18,000	24,000	75%	(6,000)
Additional Web-based Training	9,000	12,000	75%	(3,000)
Hotline Services	0	6,500	0%	(6,500)
Miscellaneous Training Expenses	4,385	5,000	88%	(615)
Attorney / Training Workshops	55,025	90,300	61%	(35,275)
Subtotal Loss Prevention & Training	94,073	148,300	63%	(54,227)
Capital Fund Expenditures				
Development/ Delivery of Survey/ Results	0			-
SubtotalCapital Fund Expenditures	0			-
General & Administrative Expenses				
Program Management	533,083	709,517	75%	(176,434)
Risk Assessments	0	10,000	0%	(10,000)
Board Meetings & Retreat	24,014	30,000	80%	(5,986)
Memberships & Conferences	1,535	7,500	20%	(5,965)
Actuarial Study	0	9,950	0%	(9,950)
Legal Services	27,290	50,000	55%	(22,710)
Financial Audit	9,950	10,200	98%	(250)
Claims Audit	0	0		0
Accreditation	1,062	1,500	71%	(438)
Fidelity Bond	962	1,300	74%	(339)
SLIP Insurance	2,003	2,500	80%	(497)
Investment Management Services	19,931	30,000	66%	(10,069)
Claims System	3,750	5,000	75%	(1,250)
Miscellaneous	3,362	4,000	84%	(638)
Subtotal General & Admin Expenses	626,943	871,467	72%	(244,524)
Dividend Expense - Return of Equity	0	0		0
TOTAL EXPENSES	6,983,500	7,778,237	90%	(794,737)
CHANGE IN NET POSITION	\$ (144,637)	\$ (0)		

* Amount budgeted for claims expense is for the current program year only, to be paid in current and future years.

** Amount paid for claims is for all program years paid in the current year, as well as changes in reserves for prior years.

+ See attached "Report of Line Items Exceeded Budgeted Amount"

EMPLOYMENT RISK MANAGEMENT AUTHORITY

~ STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION ADDENDUM ~ Report of Line Items Exceeded Budgeted Amount For the Nine Months Ended March 31, 2020

	<u>Actual</u>	<u>Budget</u>	<u>% Used</u>	<u>\$ Variance</u>
Claims Expense				
+ <u>Claims Paid & Incr/(Decr) in Reserves</u>	6,028,830	6,446,930	94%	(418,101)
<i>Adverse claims development resulted in an increase in the ultimate loss per the March 2020 actuarial study; therefore, increase changes in reserves.</i>				
Loss Prevention & Training				
+ <u>Miscellaneous Training Expenses</u>	4,385	5,000	88%	(615)
<i>Small overage in expenses year to date due to accelerated training schedule.</i>				
<hr/>				
General & Administrative Expenses				
+ <u>Board Meetings & Retreat</u>	24,014	30,000	80%	(5,986)
<i>Annual retreat was completed and expensed in full.</i>				
+ <u>Financial Audit</u>	9,950	10,200	98%	(250)
<i>Work is performed early in the year and billed based on percentage of completion (i.e progress billing).</i>				
+ <u>SLIP Insurance</u>	2,003	2,500	80%	(497)
<i>Actual SLIP insurance coverage, including fees, exceeds the budget by a small amount.</i>				
+ <u>Miscellaneous</u>	3,362	4,000	84%	(638)
<i>This line items is primarily bank fees, and it is possible that we will exceed the budget a bit, depending on type and amount of usage as the year continues.</i>				
<hr/>				

Employment Risk Management Authority
Program Net Position by Member
At the Expected Confidence Level
As of March 31, 2020

Member	2012/13 Program Year	2013/14 Program Year	2014/15 Program Year	2015/16 Program Year	2016/17 Program Year	2017/18 Program Year	2018/19 Program Year	2019/20 Program Year	Total
BCJPIA	\$ 433,945	\$ 373,628	\$ 118,836	\$ 167,901	\$ 235,552	\$ 18,944	\$ 41,390	\$ 85,594	\$ 1,475,790
CalTIP						(1,624)	625	7,436	6,438
CSJVRMA	816,618	621,021	162,044	291,203	462,170	(72,044)	(40,203)	98,712	2,339,521
ERMAC					47,084	2,611	7,654	21,148	78,496
MBASIA	44,057	43,996	10,129	17,812	22,628	(3,320)	(2,028)	5,264	138,539
MPA	633,660	505,600	125,801	260,277	331,299	(48,871)	(26,670)	76,625	1,857,720
PARSAC	589,398	542,856	165,364	223,032	406,012	28,566	67,900	96,075	2,119,204
PERMA	547,842	546,059	175,443	188,859	236,536	19,862	60,480	124,272	1,899,352
SCORE	40,359	37,195	11,892	17,341	22,971	1,844	4,556	10,040	146,196
VCJPA	170,387	141,651	33,543	56,363	87,929	(12,315)	(7,742)	20,554	490,369
Oakland HA	85,129	66,408	16,038	24,479	35,147	(6,996)	(3,474)	9,039	225,769
Contra Costa County HA	20,546	17,027	3,598	4,747	7,060	(1,118)	(598)	1,459	52,721
Capital Fund									818,959
Total	<u>\$ 3,381,941</u>	<u>\$ 2,895,440</u>	<u>\$ 822,688</u>	<u>\$ 1,252,013</u>	<u>\$ 1,894,388</u>	<u>\$ (74,461)</u>	<u>\$ 101,891</u>	<u>\$ 556,218</u>	<u>\$ 11,649,075</u>

NOTES:

- * ERMA's first three program years, 1999/2000 - 2001/2002 were closed as of June 30, 2008.
- * Program years 2002/2003 and 2003/2004 were closed as of April 1, 2013.
- * Program years 2004/2005 through 2007/2008 were retrospectively adjusted as of June 30, 2013.
- * Program years 2004/2005 and 2005/2006 were closed as of April 1, 2014.
- * Program years 2004/2005 through 2008/2009 were retrospectively adjusted as of June 30, 2014.
- * Program years 2006/2007 through 2009/2010 were retrospectively adjusted as of June 30, 2015.
- * Program years 2007/2008 through 2010/2011 were retrospectively adjusted as of June 30, 2016.
- * Program years 2006/2007 through 2008/2009 were closed as of April 1, 2016.
- * Program years 2009/2010 through 2010/2011 were closed as of May 1, 2018.
- * Program year 2011/2012 was closed as of June 11, 2019.
- *

ERMA's Capital Fund was reactivated as of June 30, 2015 with \$300,000 allocated based on 2015/16 premiums. An additional \$400,000 was funded on June 30, 2016 allocated based on 2016/17 premiums. An additional \$150,000 was funded on June 30, 2017 allocated based on 2017/18 premiums. An additional \$150,000 was funded on June 30, 2018 allocated based on 2018/19 premiums.

Additional Information:

Current IBNR

IBNR as of 3/31/20	\$ -	\$ -	\$ 229,438	\$ 487,755	\$ 1,166,784	\$ 2,175,426	\$ 5,256,778	\$ 4,332,396	\$ 13,648,577
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Net Position @ 90% CL:

Net Position @ 90% CL:	<u>\$ 3,381,941</u>	<u>\$ 2,895,440</u>	<u>\$ 697,989</u>	<u>\$ 1,084,137</u>	<u>\$ 1,317,071</u>	<u>\$ (1,640,268)</u>	<u>\$ (2,252,989)</u>	<u>\$ (1,319,987)</u>	<u>\$ 4,163,332</u>
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Assessments / (Dividends):

Net Assessments / Dividends	(\$626,714)							<i>From 1999/00 to Present</i>	<u>\$ (17,171,760)</u>
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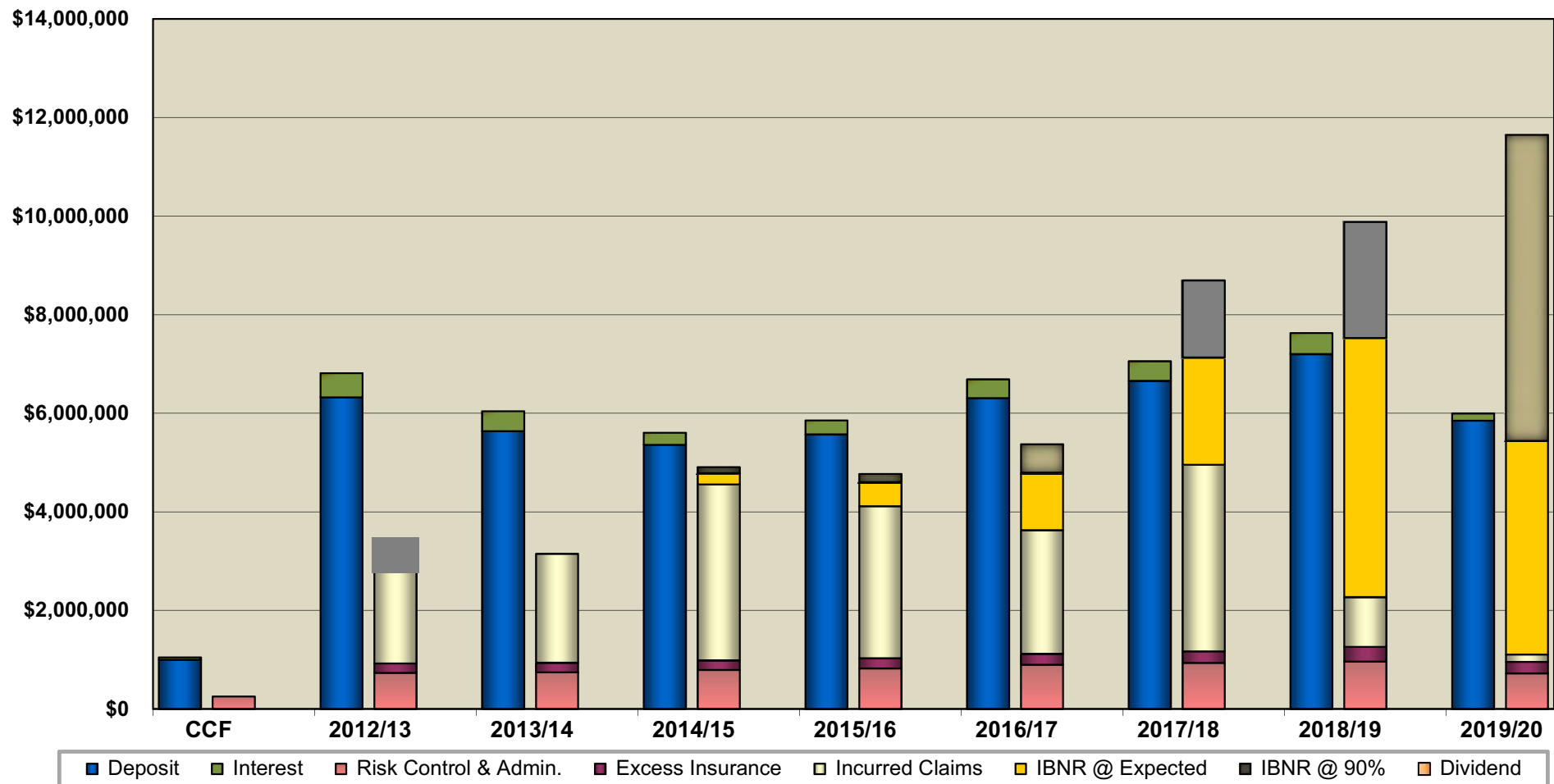
Confidence Level Funding:

80%	80%	80%	80%	80%	80%	80%	80%	80%
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Employment Risk Management Authority

Review of Financial Condition

As of March 31, 2020



From: [Jobe, Jennifer](#)
To: [Scott Ellerbrock](#)
Cc: [Theiss, Alana](#); [Xiong, Chee](#); [Hedin, Mona](#); [Maylin, Kathy](#)
Subject: RE: Notice of Intent - City of Stanton - CONFIRMED
Date: Thursday, April 16, 2020 11:24:14 AM
Attachments: [image003.png](#)

Thank you for letting us know, Scott. We will update our records and remove them from the 2020/21 Budget.

Best, Jeni

Jennifer Jobe, ARM | Director, Pool Administration

Sedgwick

Sacramento, CA

DIRECT 916.244.1141 | CELL 916.425.9466

www.sedgwick.com | Caring counts®



From: Scott Ellerbrock <SEllerbrock@perma.dst.ca.us>

Sent: Thursday, April 16, 2020 11:09 AM

To: Jobe, Jennifer <Jennifer.Jobe@Sedgwick.com>; Elledge, Jim <Jim.Elledge@Sedgwick.com>; Seth Cole <scole@alliant.com>; Matt McManus <mmcmamus@alliant.com>; Banesa Laird <blaird@alliant.com>; Kevin Bibler <kbibler@alliant.com>; 'Brian Kelley' <bkelley@CSAC-EIA.org>

Subject: RE: Notice of Intent - City of Stanton - CONFIRMED

The City of Stanton has confirmed that they will not be rescinding its Notice of Withdrawal and will terminate its membership in PERMA at the end of the 2019-20 program year.

The new City Manager for the City had previously worked at the cities of La Habra Heights and Villa Park - both cities are members of the CalJPIA, which is where he is placing the City of Stanton.

Any questions or concerns, please do not hesitate to contact me.

Scott Ellerbrock, ARM-P

General Manager

PERMA

Tel: (760) 360-4966, ext. 304

Fax: (760) 360-3264

www.perma.dst.ca.us

From: Scott Ellerbrock

Sent: Thursday, January 2, 2020 3:14 PM

To: Jennifer Jobe <jennifer.jobe@yorkrisk.com>; Jim Elledge <jim.elledge@sedgwick.com>; Seth Cole <scole@alliant.com>; Matt McManus <mmcmanus@alliant.com>; Banesa Laird <blaird@alliant.com>; Kevin Bibler <kbibler@alliant.com>; Brian Kelley <bkelley@CSAC-EIA.org>

Subject: FW: Notice of Intent - City of Stanton

Please find attached a City of Stanton Notice of Intent to Withdraw from PERMA effective June 30, 2020.

PERMA does allow a member to rescind a notice of intent to withdraw, and I have asked the City that should it wish to rescind its notice that it should do so by April 30, 2020, which is memorialized in the attached letter.

For now, PERMA will remove the City from its 2020-21 budget to be distributed in March, but will still provide premium estimates to the City so it can include them in their review of other premium quotes received. If the City decides to remain in PERMA, we will then add them back in to the budget.

Any questions or concerns, please do not hesitate to contact me.

Scott Ellerbrock

General Manager

PERMA

(760) 360-4966, ext. 304

From: Guzman, Cynthia <CGuzman@ci.stanton.ca.us>

Sent: Wednesday, December 18, 2019 4:00 PM

To: Scott Ellerbrock <SEllerbrock@perma.dst.ca.us>

Subject: Notice of Intent - City of Stanton

Hi Scott,

As discussed last week, City Council approved the submission of the Notice of Intent to Terminate membership with PERMA (see attached) as we continue to further evaluate alternative insurance coverage options. The City Manager and I will continue phase two early January and will keep you updated as to where we are and when we are ready to review our membership with PERMA.

An original copy was placed in the mail yesterday. Please let me know if you have any questions.

Hope you have a wonderful holiday break!

Thank you,

Cynthia Guzman

HR/Risk Management Analyst



City of Stanton

7800 Katella Avenue, Stanton, CA 90680

(714) 890-4225 | (714) 890-1443 (fax)

"Community Pride and Forward Vision"

www.ci.stanton.ca.us

Town Council

Chris Flynn, Mayor
Michelle DeCausmaker
Kate Tasem
Mercedes Garcia
Bill Beckwith



City Administrator
Karl Drexel, SDA

City Clerk
Paula Basteyns

January 3, 2020

Employment Risk Management Authority
1750 Creekside Oaks Drive, Suite 200
Sacramento, California 95833

Attn: Jennifer Jobe, Executive Director
RE: SCORE

Dear Ms Jobe,

It was brought to my attention this morning that in order to continue with ERMA, we must also be a member of SCORE. We recently submitted a Notice of Intent to Withdraw from SCORE in order to provide enough notice to them of our intention to search other options as is our fiduciary responsibility to the citizens of the Town of Fort Jones. Since we may be leaving SCORE, I am also submitting this Notice to ERMA.

Please accept this notification that the Town of Fort Jones will be sending out Requests for Proposals (RFPs) for comparative rates for all of our Insurance coverages for the upcoming fiscal year starting July 1, 2020. It is prudent for the Town to compare premium rates and available coverages to acquire the best possible coverage for our Town.

It is our understanding that the Town must inform ERMA prior to December 31, 2019 of the possibility of withdrawal and our final decision must be made by June 1, 2020. This notice serves to meet the December 31, 2019 notification of intent to withdraw deadline since our notice was received by SCORE prior to that date and you were officially notified by them. Subsequent notification will be made to inform SCORE and ERMA of our decision before the final deadline.

Please feel free to contact me with any questions or if you require any additional information.

Respectfully,

Karl Drexel
City Administrator

Cc: Marcus Beverly, SCORE
Margaret Long, Prentice Long



EMPLOYMENT RISK MANAGEMENT AUTHORITY

Investment Performance Review For the Quarter Ended March 31, 2020

Client Management Team

Lesley Murphy, Senior Managing Consultant

PFM Asset Management LLC

50 California St, Suite 2300
San Francisco, CA 94111
415-982-5544

213 Market Street
Harrisburg, PA 17101-2141
717-232-2723

Market Update

QUARTERLY MARKET SUMMARY

SUMMARY

- In Q1, U.S. economic conditions were characterized by: (1) solid economic fundamentals to start the year made largely irrelevant by the emergence of the COVID-19 pandemic; (2) global economic shutdowns enforced to slow the spread of the virus; (3) whole scale equity market sell-offs; (4) bond market dislocations amid liquidity concerns and sharply wider yield spreads; (5) record-shattering weekly jobless claims; (6) contraction in both the manufacturing and services sectors; and, (7) massive monetary and fiscal initiatives designed to support markets, households, and businesses.
- As the COVID-19 pandemic took hold across the globe, it created a threefold crisis: (1) a global health crisis, (2) a virtual economic shutdown in the U.S. and elsewhere, and (3) sudden, extreme volatility in the financial markets. U.S. states attempted to slow the spread of the virus through closures of non-essential businesses and lockdowns, causing severe and abrupt economic distress.
- The Fed acted quickly and aggressively by cutting rates at two emergency meetings to the new target range of 0% to 0.25%. It initiated unlimited bond-buying (quantitative easing) of various security types and rolled out an “alphabet soup” of market support programs totaling \$2.3 trillion. Some programs are from the 2008-2009 financial crisis playbook and new, even broader, programs are to cushion the potential blow on financial markets.
- U.S. Treasury yields plunged in the wake of the Fed’s rate cuts and a broad flight-to-quality. Short-term yields settled near 0%, and long-term rates fell to record lows with the 10-year Treasury well below 1%. At the same time, credit spreads widened to the highest levels since the 2008-9 financial crisis and equity markets plunged. U.S. equities ended its 11-year bull market (2009 – 2020), and the S&P 500 lost 19.6% of its value in the first quarter.

ECONOMIC SNAPSHOT

- The immediate impact of the pandemic on global economies made typical economic indicators, most of which are backward-looking, essentially irrelevant. The U.S. economy grew at 2.1% in Q4, driven by consumer spending, but by the end of Q1, the economy was likely in recession. Economists’ forecasts for second quarter GDP point to a deep recession, perhaps as severe as -40% on an annualized rate basis.
- The U.S. labor market was turned on its head in March as tens of millions of Americans filed for unemployment. While the usually-important March employment report showed job losses and an uptick in the official unemployment rate, the real rate is likely much higher. The weekly release of initial jobless claims painted a more dire picture of current conditions. Despite long lines and overburdened state unemployment systems, over 10 million Americans filed initial jobless claims during the last two weeks of the quarter, with an additional 6.6 million filing for the week ended April 4.
- As expected, due to the shelter-in-place orders and closures of many businesses, both the U.S. services and goods-producing parts of the economy fell into contraction, according to the latest Markit PMI surveys. Services suffered the steepest decline in output since data collection began in 2009.

INTEREST RATES

- U.S. Treasury yields plunged amid a flight-to-quality and extreme levels of volatility. Short-term rates (with maturities less than six months) fell in near lock-step with the Fed’s rate actions, with the 3-month T-Bill falling approximately 1.46%. Intermediate- and longer-term yields (with maturities beyond two years) also fell, declining between 1.00% to 1.35%. Long-term Treasuries fell to the lowest yields on record.
- At quarter-end, the yield on a 3-month T-Bill stood at a mere 0.09%, the 2-year and 5-year notes were 0.25% and 0.38%, respectively, the 10-year note was 0.67% and the 30-year Treasury ended at 1.32%.
- As a result of the sharp fall in Treasury yields over the quarter, longer duration was advantageous for portfolio returns. For example, the 3-month and 2-year Constant Maturity U.S. Treasury Indexes returned 0.6% and 2.8%, respectively, while the longer 5-year and 10-year indices returned 6.7% and 11.9%, respectively.

SECTOR PERFORMANCE

- Amid the extreme flight to quality, U.S. Treasuries led all investment-grade (IG) fixed income sectors. Yield spreads on non-Treasuries widened, generating severe underperformance. Diversification away from U.S. Treasury securities, which typically enhances returns, was a detractor of historic proportions for fixed income portfolios.
- While federal agency and supranational spreads increased to multi-year wides, each sector produced positive absolute returns, less than comparable Treasury securities.
- The corporate sector underperformed markedly in Q1, as spreads widened to levels not seen since the financial crisis, but well below peak levels of that recession. As a result, IG corporates produced negative excess returns, with longer-duration and lower quality issues underperforming the most. In coming months, the IG corporate market will face numerous challenges and uncertainties as companies respond to the dislocation brought on by the near shutdown of the economy.
- Asset-backed securities (ABS), even AAA-rated issues, were not immune to credit-related sell-offs. ABS was one of the worst-performing sectors as investors raised concerns about consumer’s ability to pay on credit cards and auto loans in the wake of the shutdown and unemployment. Similar to corporates, spreads spiked to their highest levels since the financial crisis, still not reaching the widest levels during that recession.
- Federal agency mortgage-backed securities (MBS) posted positive absolute returns but trailed similar-duration Treasuries. The sector was hurt initially by an expected surge in prepayments as mortgage rates fell, then was hurt by spread widening due to reports of mortgage forbearance. The Fed’s announcement of unlimited buying of agency MBS eased liquidity concerns and helped stabilize the MBS sector near quarter-end.
- Like other credit sectors, both the taxable and tax-exempt municipal sectors were affected by lack of liquidity and spread widening, which produced negative excess returns that were most pronounced in longer-term taxable securities.
- In money markets, overnight repurchase agreement rates fell to near zero. Yield spreads on commercial paper and bank CDs widened sharply, but issuers re-entered the market in late March, supported by the Fed’s liquidity support measures.

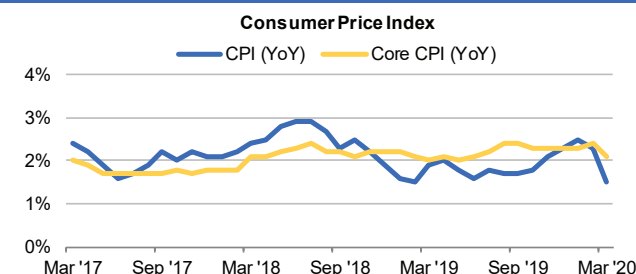
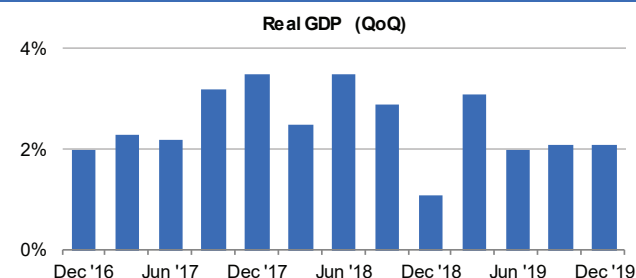
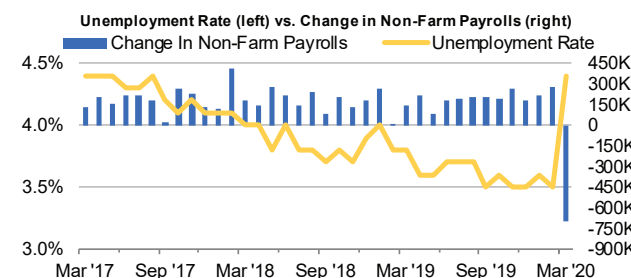
QUARTERLY MARKET SUMMARY

Economic Snapshot

Labor Market		Latest	Dec '19	Mar '19
Unemployment Rate	Mar '20	4.4%	3.5%	3.8%
Change In Non-Farm Payrolls	Mar '20	-701,000	184,000	147,000
Average Hourly Earnings (YoY)	Mar '20	3.1%	3.0%	3.4%
Personal Income (YoY)	Feb '20	4.0%	3.7%	4.7%
Initial Jobless Claims (week)	4/11/20	5,245,000	220,000	211,000

Growth		Latest	Dec '19	Mar '19
Real GDP (QoQ SAAR)	2019Q4	2.1%	2.1% ¹	1.1% ²
GDP Personal Consumption (QoQ SAAR)	2019Q4	1.8%	3.2% ¹	1.4% ²
Retail Sales (YoY)	Mar '20	-6.2%	5.4%	3.8%
ISM Manufacturing Survey (month)	Mar '20	49.1	47.8	54.6
Existing Home Sales SAAR (month)	Feb '20	5.77 mil.	5.53 mil.	5.23 mil.

Inflation / Prices		Latest	Dec '19	Mar '19
Personal Consumption Expenditures (YoY)	Feb '20	1.8%	1.6%	1.4%
Consumer Price Index (YoY)	Mar '20	1.5%	2.3%	1.9%
Consumer Price Index Core (YoY)	Mar '20	2.1%	2.3%	2.0%
Crude Oil Futures (WTI, per barrel)	Mar 31	\$20.48	\$61.06	\$60.14
Gold Futures (oz.)	Mar 31	\$1,583	\$1,523	\$1,293



1. Data as of Third Quarter 2019.

2. Data as of Fourth Quarter 2018.

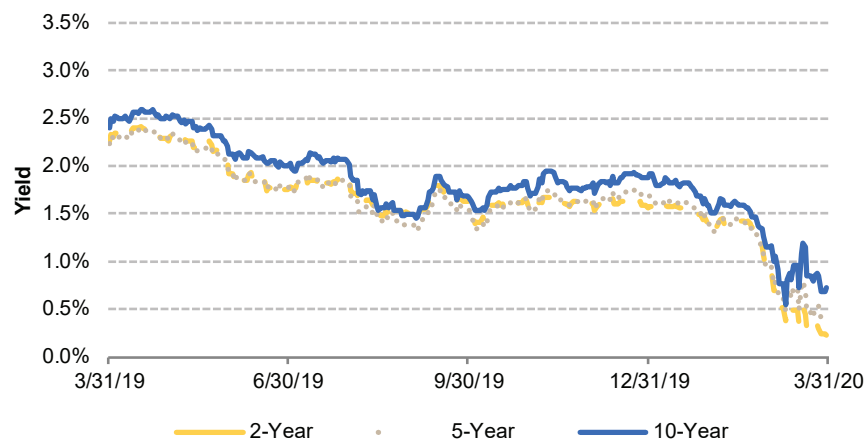
Note: YoY = year-over-year, QoQ = quarter-over-quarter, SAAR = seasonally adjusted annual rate, WTI = West Texas Intermediate crude oil.

Source: Bloomberg.

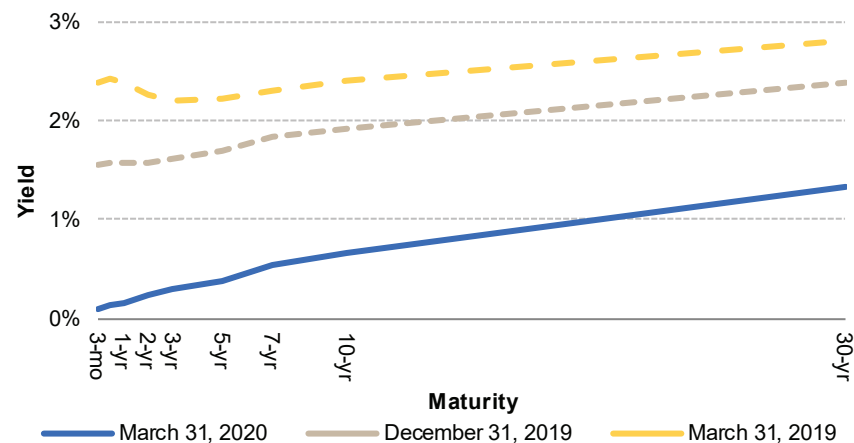
QUARTERLY MARKET SUMMARY

Interest Rate Overview

U.S. Treasury Note Yields



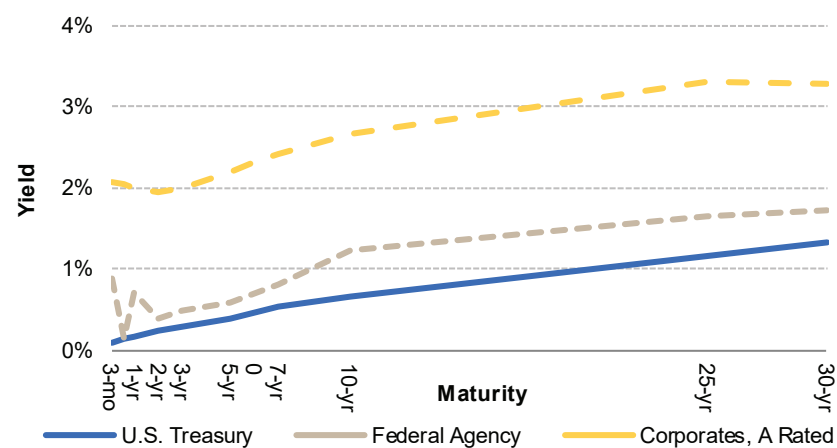
U.S. Treasury Yield Curve



U.S. Treasury Yields

Maturity	Mar '20	Dec '19	Change over Quarter	Mar '19	Change over Year
3-Month	0.09%	1.55%	(1.46%)	2.39%	(2.30%)
1-Year	0.16%	1.58%	(1.42%)	2.39%	(2.23%)
2-Year	0.25%	1.57%	(1.32%)	2.26%	(2.01%)
5-Year	0.38%	1.69%	(1.31%)	2.23%	(1.85%)
10-Year	0.67%	1.92%	(1.25%)	2.41%	(1.74%)
30-Year	1.32%	2.39%	(1.07%)	2.82%	(1.50%)

Yield Curves as of 03/31/2020



Source: Bloomberg.

QUARTERLY MARKET SUMMARY

Fixed Income Management

ICE BofAML Index Returns

As of 03/31/2020		Returns for Periods ended 03/31/2020			
March 31, 2020	Duration	Yield	3 Month	1 Year	3 Years
1-3 Year Indices					
U.S. Treasury	1.81	0.20%	2.81%	5.42%	2.70%
Federal Agency	1.47	0.54%	1.95%	4.48%	2.51%
U.S. Corporates, A-AAA rated	1.76	2.36%	(0.29%)	2.99%	2.45%
Agency MBS (0 to 3 years)	2.26	1.47%	3.40%	7.36%	4.07%
Taxable Municipals	1.61	1.97%	0.27%	3.39%	2.89%
1-5 Year Indices					
U.S. Treasury	2.58	0.25%	3.80%	6.86%	3.26%
Federal Agency	1.95	0.64%	2.42%	5.12%	2.78%
U.S. Corporates, A-AAA rated	2.55	2.40%	(0.36%)	3.60%	8.71%
Agency MBS (0 to 5 years)	1.36	1.28%	2.53%	6.43%	3.42%
Taxable Municipals	2.22	2.43%	0.19%	3.34%	2.99%
Master Indices (Maturities 1 Year or Greater)					
U.S. Treasury	7.35	0.56%	8.80%	13.92%	6.07%
Federal Agency	4.26	0.90%	4.23%	8.37%	4.28%
U.S. Corporates, A-AAA rated	7.75	2.85%	(0.72%)	7.02%	4.72%
Agency MBS (0 to 30 years)	2.25	1.64%	2.79%	7.06%	4.08%
Taxable Municipals	11.03	3.31%	0.17%	8.36%	6.97%

Returns for periods greater than one year are annualized.

Source: ICE BofAML Indices.

QUARTERLY MARKET SUMMARY

Fixed Income Management

DISCLOSURES

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Investment Performance Review

Portfolio Recap

- ◆ Our strategy throughout the first quarter included the following elements:
 - PFM took a proactive response to the emerging crisis and fast-moving markets by further emphasizing safety and liquidity in the portfolio's strategy, as well as holding frequent ad-hoc Credit and Investment Committee meetings to assess emerging news and market trends. Our first step was to restrict all new credit and ABS purchases.
 - We enhanced the liquidity profile of the portfolio by increasing our target allocation of U.S. Treasuries while also reassessing our clients' potential near-term cash needs.
 - Portfolio durations were maintained in line with benchmarks, which has been an important element in sustaining performance over the past several years.
 - After several quarters of reducing federal agency allocations due to unattractive levels and limited supply, yield spreads widened to levels not seen since 2009.
 - Entering the quarter, we had a modestly defensive posture on corporate credit, reflective of our eye on narrow yield spreads and concerns about overall increased leverage by issuers in the sector. In prior quarters, we had modestly reduced allocations to the sector but still viewed corporate securities as a core holding in the portfolio.
 - Investment grade corporate bond spreads widened significantly in the second half of the quarter, although not to the same degree as during the 2008-09 financial crisis. The move in spreads resulted in significant negative excess returns in the sector to the tune of 200 to 400 basis points (-2% to -4%), depending on credit quality, industry, and maturity. The unprecedented economic conditions will stress many companies' revenue, profits, liquidity, and credit ratings. As noted above, we initially paused all new credit purchases and subsequently re-approved a limited number of issuers for short-term purchases only. PFM has also undertaken a wholesale review of all issuers on our approved list and redoubled our ongoing monitoring and due diligence efforts.
 - Asset-backed securities (ABS) also generated significant negative excess returns as spreads widened sharply from recent lows to 10-year wides (again, not reaching 2008-09 levels). All new ABS purchases were halted, and cash flows were reallocated to U.S. Treasuries and federal agencies to improve portfolio liquidity.

Portfolio Recap

- PFM closely monitored agency mortgage-backed securities (MBS) holdings in the first quarter as declining rates caused a wave of prepayments and yield spread widening. However, the Fed's quick response and commitment to purchase large amounts of agency MBS and commercial MBS have helped stabilize the sector.
- Both taxable and tax-exempt municipals generated negative excess returns as spreads widened amid revenue concerns. Wider spreads offered value, but supply was limited and liquidity was very poor.
- Like their longer-term counterparts, short-term credit (negotiable CDs and commercial paper) spreads widened sharply due to credit and liquidity concerns. We partially returned to the CP/CD market in a cautious manner late in the quarter, emphasizing the largest, strongest banks and industrial issuers.

Investment Strategy Outlook

- ◆ U.S. economic fundamentals are expected to deteriorate significantly in the second quarter as the full effect of COVID-19 materializes. The real question is the duration of the economic shutdown and the speed and trajectory of the eventual recovery. As a result of this uncertainty, we plan to maintain neutral portfolio durations relative to their respective benchmarks into April as we monitor guidance from index vendors regarding future rebalancing.
- ◆ Our outlook for major investment-grade sectors includes the following:
 - Federal agencies currently offer value, materially less credit risk, and better liquidity than most other sectors. Moving into the second quarter, we will likely target increased allocations to agencies. Given low yields, we also find value in callable agencies but will evaluate them on an issue-specific basis.
 - The supranational sector remains underwhelming, even though spreads are wider than the previous quarter. We anticipate increasing allocations as opportunities become available.
 - The investment grade corporate market faces numerous challenges and uncertainties. We believe the prudent action is to remain cautious and vigilant until longer-term economic consequences are better understood and market liquidity stabilizes. While spreads are significantly wider, PFM's view is that under current conditions the risks still outweigh the potential benefits. The late quarter surge in new issues that were easily absorbed by investors is an early, optimistic sign.
 - In ABS, spreads remain wide, and liquidity remains impaired. At the forefront of risks are consumers' and businesses' ability to make timely credit card, auto loan, and equipment lease payments. We plan to avoid new ABS purchases until the outlook is clearer. ABS allocations are expected to naturally decline from principal paydowns.
 - The MBS sector survived the recent surge of prepayments and now has support from the unlimited Fed purchase program. As a result, spreads began to narrow in the late first quarter. We view this stabilization as a modest buying opportunity in MBS heading into the second quarter with a focus on structures with less prepayment risk.
 - In the municipal sector, recent monetary and fiscal stimulus is expected to benefit local government issuers. We anticipate continuing to search for and scrutinize high-quality municipal issuers that are best positioned to weather current challenges.

Fixed-Income Sector Outlook – April 2020

Sector	Our Investment Preferences	Comments
COMMERCIAL PAPER / CD		<ul style="list-style-type: none"> Money market credit spreads have come in but are still wide from a historic perspective. Fed action has gradually improved liquidity but varies by issuer.
TREASURIES T-Bill T-Note	 	<ul style="list-style-type: none"> T-Bills are attractive in the near term with overnight repo trading near zero and scarce agency discount note supply. Issuance is expected to increase. During times of extreme volatility, Treasuries typically have value as a safe haven. Recent market turmoil has strained the sector's liquidity as seen in wider bid/ask spreads; Fed facilities have improved the sector's functioning and liquidity is expected to further improve.
FEDERAL AGENCIES Bullets Callables	 	<ul style="list-style-type: none"> Federal Agency bullet spreads have gapped tighter by 3-15 bps across the curve from the move wider two weeks ago. Bullets still offer relative value vs Treasuries and should be considered for reinvestment of cash or UST. Callable spreads to like-maturity Treasuries have widened over the week. Value is available on a structure by structure basis.
SUPRANATIONALS		<ul style="list-style-type: none"> Supranational spreads are at their widest levels since 2016. Despite the move wider, secondary offerings are still in line with similar maturity GSEs. Accounts should favor GSEs over secondary SSA's to enhance liquidity. New issues may benefit from their concession to existing supply.
CORPORATES Financials Industrials	 	<ul style="list-style-type: none"> Fed actions helped calm credit markets, allowing companies to bring a record month of bond issuance to shore up liquidity. The fiscal stimulus package should also help blunt the negative impact of the pandemic on the economy. We still remain cautious given an uncertain timeline to contain the virus, making it difficult to assess the potential damage to corporate balance sheets.
SECURITIZED Asset-Backed Agency Mortgage-Backed Agency CMBS	 	<ul style="list-style-type: none"> ABS yield spreads widened significantly. There is a high level of uncertainty regarding the consumer's ability and/or willingness to make payments. Lower volatility and the Fed's ability to buy an unlimited amount of MBS has reduced the sector's spreads. Recent Fed action has also supported liquidity. Prepayment risk should be reduced in the near term. Agency CMBS spreads widened. The sector was added in the MBS purchase program which should provide support but renters' ability to pay is a question.
MUNICIPALS		<ul style="list-style-type: none"> Taxable, tax-exempt, and pre-refunded bonds offer relative value. We remain cautious on certain sub-sectors given potential risks from Covid-19.

● Current outlook

○ Outlook one month ago

Negative

Slightly Negative

Neutral

Slightly Positive

Positive

Sector Allocation and Compliance

- The portfolio is in compliance with the Authority's Investment Policy and California Government Code.

Security Type	Market Value As of 3/31/20	% of Portfolio	% Change vs. 12/31/19	Permitted by Policy	In Compliance
U.S. Treasury	\$12,209,307	44.7%	+5%	100%	✓
Federal Agency	\$630,471	2.3%	-1%	100%	✓
Federal Agency CMOs	\$582,241	2.1%	+1%	20%	✓
Municipal Obligations	\$61,129	0.2%	-	100%	✓
Supranationals	\$1,799,773	6.6%	-	30%	✓
Negotiable CDs	\$3,345,218	12.2%	-2%	30%	✓
Corporate Notes	\$4,936,578	18.1%	-	30%	✓
Commercial Paper	\$248,251	0.9%	-1%	25%	✓
Asset-Backed Securities	\$1,500,089	5.5%	-	20%	✓
Securities Sub-Total	\$25,313,056	92.6%			
Accrued Interest	\$135,594				
Securities Total	\$25,448,650				
CAMP Pool - Portfolio	\$451,334	1.7%	+1%	100%	✓
CAMP Pool - Liquidity	\$1,546,973	5.7%	-4%		
Total Investments	\$27,446,957	100.0%			

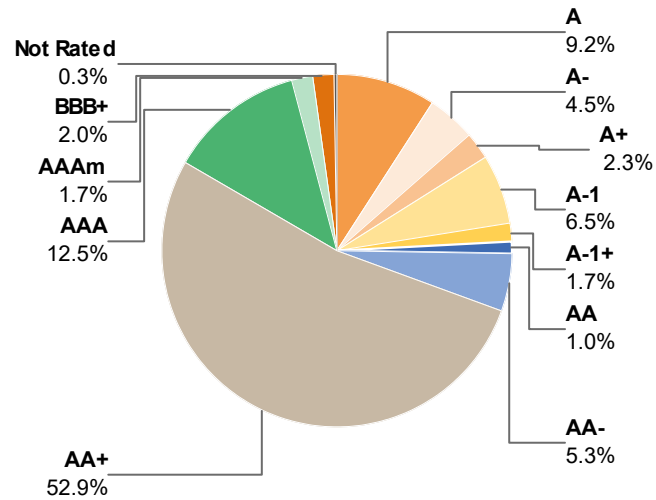
Detail may not add to total due to rounding. Current Investment Policy as of February 2020.

Portfolio Statistics

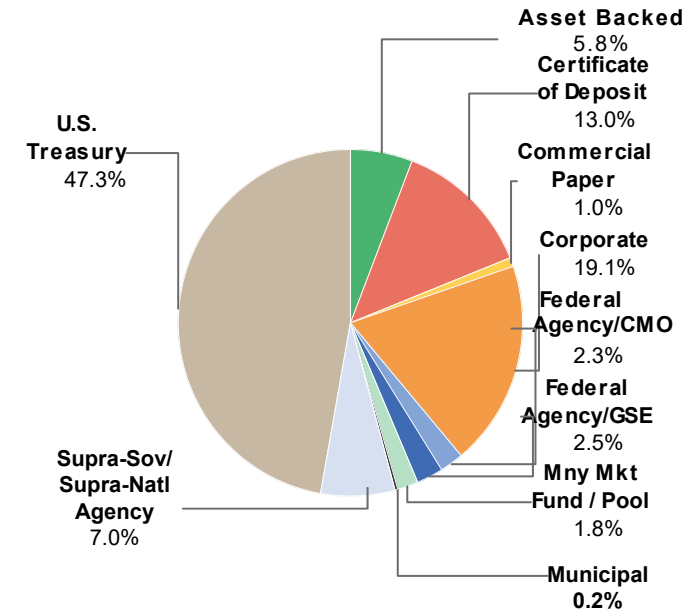
As of March 31, 2020

Par Value:	\$25,150,459
Total Market Value:	\$25,899,984
Security Market Value:	\$25,313,056
Accrued Interest:	\$135,594
Cash:	-
CAMP	\$451,334
Amortized Cost:	\$25,191,349
Yield at Market:	1.00%
Yield at Cost:	2.12%
Effective Duration:	2.10 Years
Duration to Worst:	2.11 Years
Average Maturity:	2.32 Years
Average Credit: *	AA

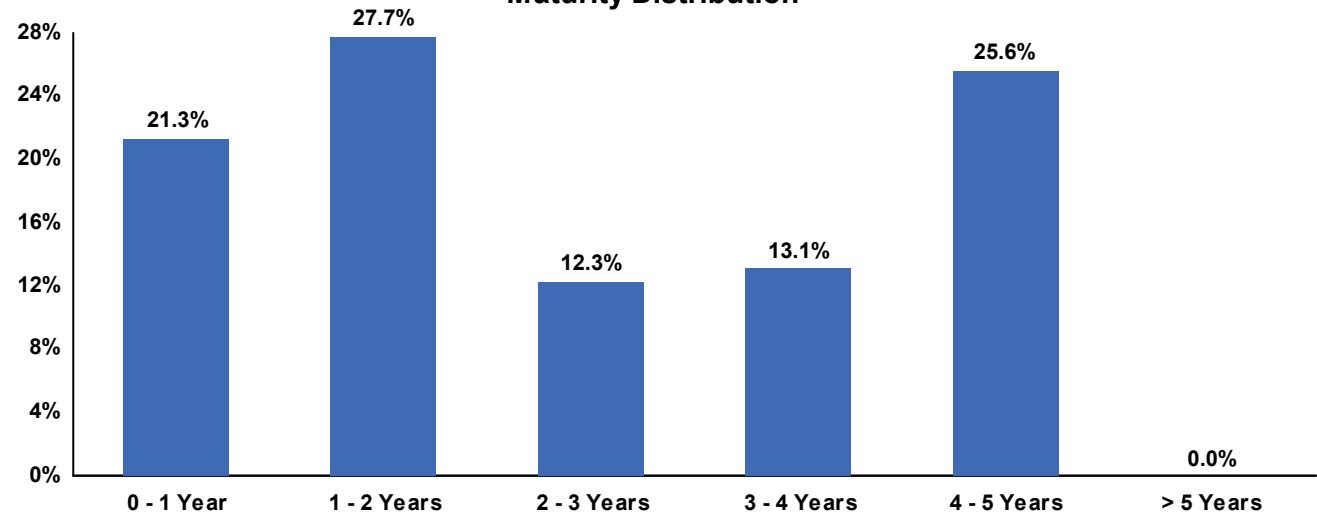
Credit Quality (S&P Ratings)**



Sector Allocation



Maturity Distribution

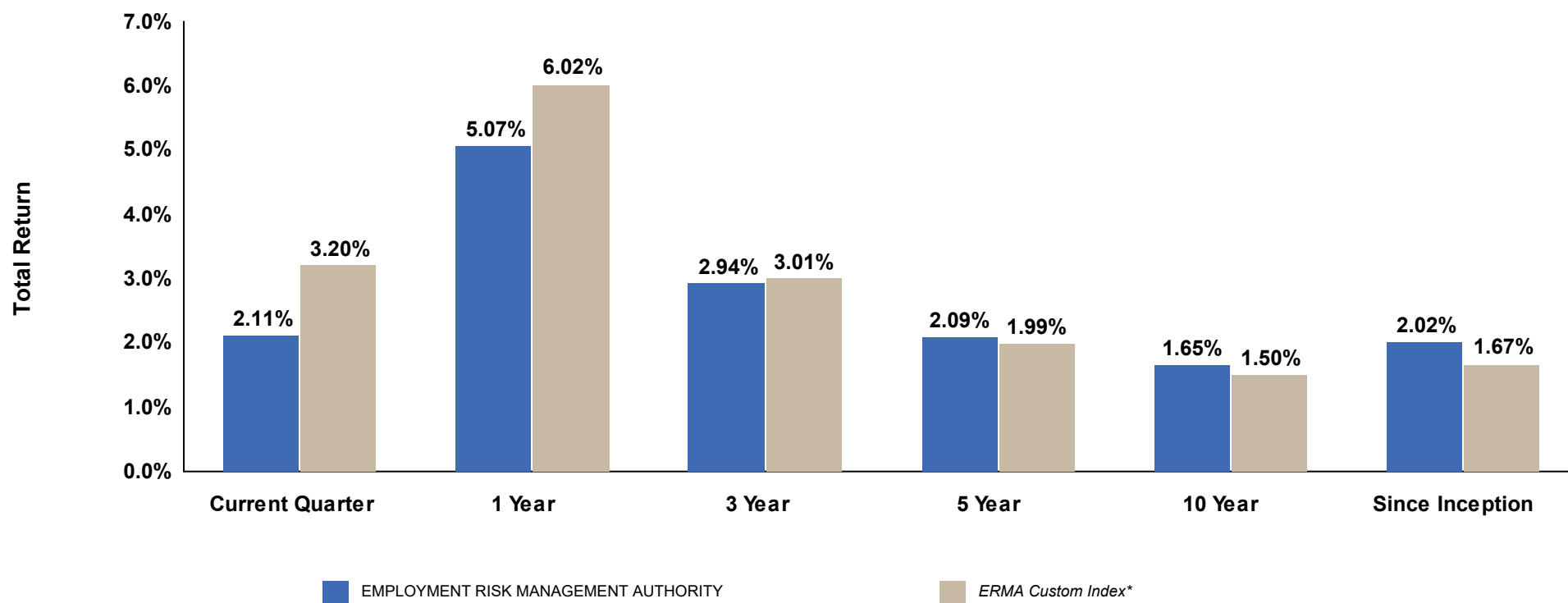


*An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.

**Securities held in the Authority's portfolio are in compliance with California Government Code and the Authority's Investment Policy dated February 2020.

Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Current Quarter	1 Year	Annualized Return			
				3 Year	5 Year	10 Year	Since Inception (09/30/08)
EMPLOYMENT RISK MANAGEMENT AUTHORITY	2.10	2.11%	5.07%	2.94%	2.09%	1.65%	2.02%
ERMA Custom Index*	2.12	3.20%	6.02%	3.01%	1.99%	1.50%	1.67%
Difference		-1.09%	-0.95%	-0.07%	0.10%	0.15%	0.35%



Portfolio performance is gross of fees unless otherwise indicated.

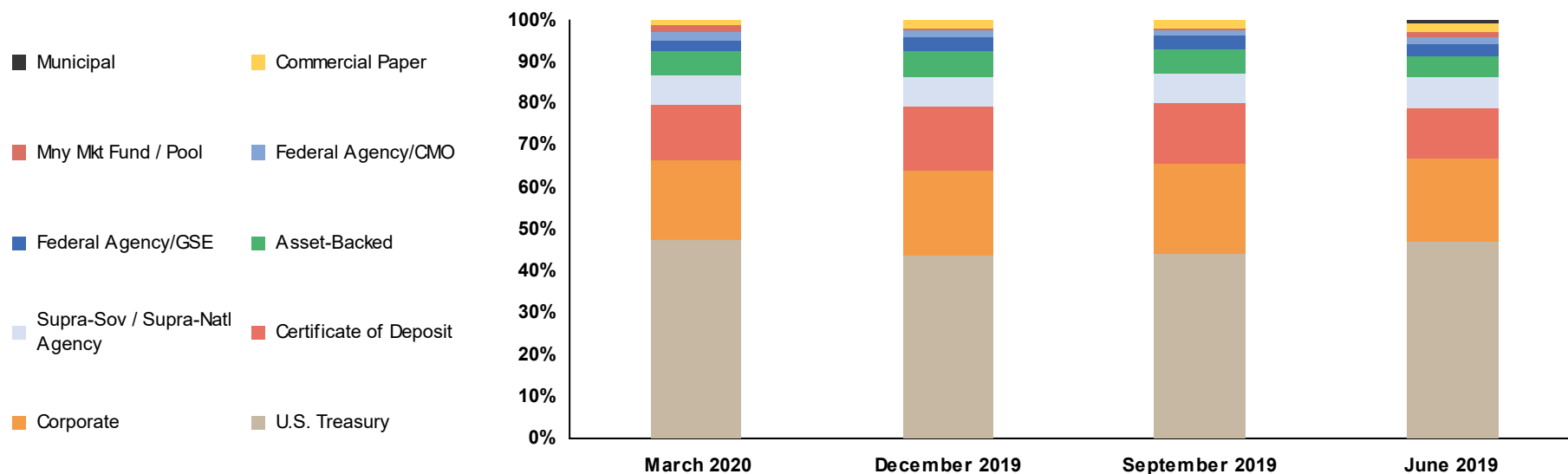
*ERMA's Custom Index is the ICE Bank of America Merrill Lynch (BofAML) 1-3 Year Treasury Index from inception through March 31, 2016 and the ICE BofAML 0-5 Year U.S. Treasury Index thereafter.

Portfolio Earnings**Quarter-Ended March 31, 2020**

	Market Value Basis	Accrual (Amortized Cost) Basis
Beginning Value (12/31/2019)	\$25,251,214.69	\$25,061,802.83
Net Purchases/Sales	\$111,348.53	\$111,348.53
Change in Value	\$401,827.09	\$18,197.26
Ending Value (03/31/2020)	\$25,764,390.31	\$25,191,348.62
Interest Earned	\$132,422.36	\$132,422.36
Portfolio Earnings	\$534,249.45	\$150,619.62

Sector Allocation

Sector	March 31, 2020		December 31, 2019		September 30, 2019		June 30, 2019	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
U.S. Treasury	12.2	47.3%	11.0	43.6%	11.1	44.1%	11.7	47.0%
Corporate	4.9	19.1%	5.2	20.3%	5.4	21.5%	4.9	19.6%
Certificate of Deposit	3.3	13.0%	3.8	15.2%	3.6	14.3%	3.1	12.3%
Supra-Sov / Supra-Natl Agency	1.8	7.0%	1.8	7.1%	1.8	7.1%	1.8	7.2%
Asset-Backed	1.5	5.8%	1.6	6.2%	1.5	6.0%	1.2	4.9%
Federal Agency/GSE	0.6	2.5%	0.8	3.1%	0.8	3.1%	0.8	3.1%
Federal Agency/CMO	0.6	2.3%	0.4	1.7%	0.4	1.4%	0.4	1.5%
Mny Mkt Fund / Pool	0.5	1.8%	0.1	0.6%	0.1	0.5%	0.3	1.3%
Commercial Paper	0.2	1.0%	0.5	2.0%	0.5	2.0%	0.5	2.0%
Municipal	0.1	0.2%	0.1	0.2%	0.0	0.0%	0.3	1.1%
Total	\$25.8	100.0%	\$25.3	100.0%	\$25.1	100.0%	\$24.9	100.0%

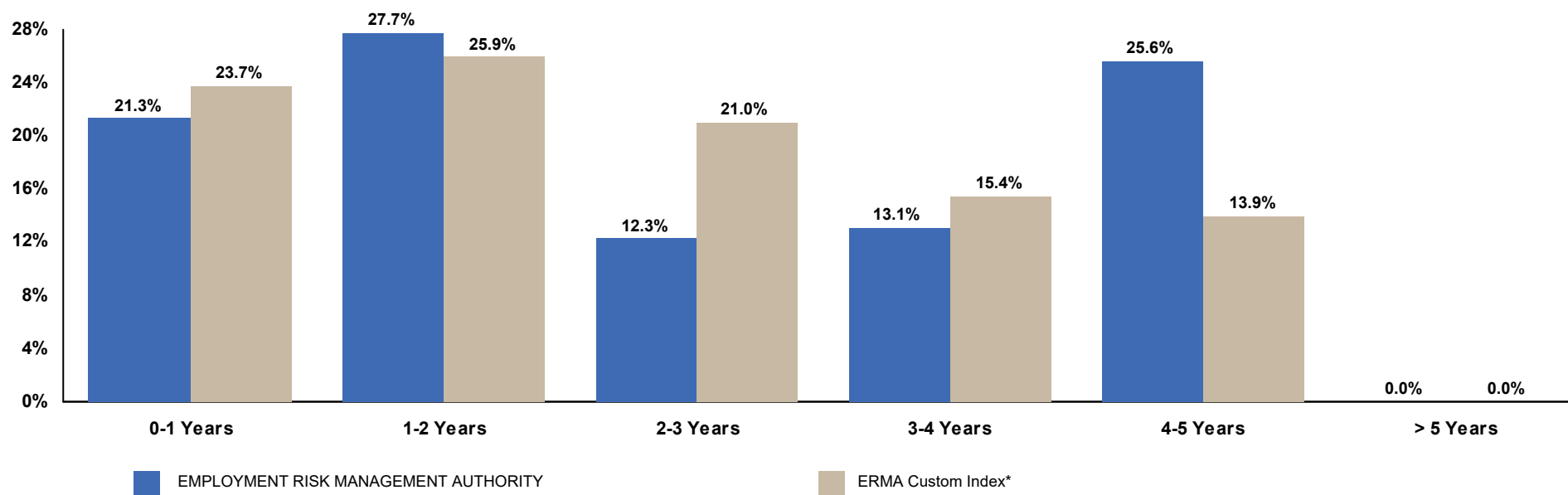


Detail may not add to total due to rounding.

Maturity Distribution

As of March 31, 2020

Portfolio/Benchmark	Yield at Market	Average Maturity	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years
EMPLOYMENT RISK MANAGEMENT AUTHORITY	1.00%	2.32 yrs	21.3%	27.7%	12.3%	13.1%	25.6%	0.0%
ERMA Custom Index*	0.22%	2.22 yrs	23.7%	25.9%	21.0%	15.4%	13.9%	0.0%



*ERMA's Custom Index is the ICE Bank of America Merrill Lynch (BofAML) 1-3 Year Treasury Index from inception through March 31, 2016 and the ICE BofAML 0-5 Year U.S. Treasury Index thereafter.

Issuer Distribution

As of March 31, 2020

Issuer	Market Value (\$)	% of Portfolio	Top 5 = 58.8%	Top 10 = 68.0%
UNITED STATES TREASURY	12,209,307	47.4%		
INTL BANK OF RECONSTRUCTION AND DEV	1,141,955	4.4%		
INTER-AMERICAN DEVELOPMENT BANK	657,819	2.6%		
FEDERAL HOME LOAN BANKS	630,471	2.5%		
MITSUBISHI UFJ FINANCIAL GROUP INC	506,680	2.0%		
SWEDBANK AB	503,427	2.0%		
CAPITAL ONE FINANCIAL CORP	494,805	1.9%		
FREDDIE MAC	479,388	1.9%		
WESTPAC BANKING CORP	451,663	1.8%		
CAMP POOL	451,334	1.8%		
ROYAL BANK OF CANADA	435,392	1.7%		
TOYOTA MOTOR CORP	429,170	1.7%		
BANK OF MONTREAL	428,333	1.7%		
MORGAN STANLEY	263,060	1.0%		
GOLDMAN SACHS GROUP INC	260,963	1.0%		
PNC FINANCIAL SERVICES GROUP	259,359	1.0%		
DNB ASA	255,777	1.0%		
VOLKSWAGEN AUTO LEASE TURST	255,333	1.0%		

EMPLOYMENT RISK MANAGEMENT AUTHORITY

Portfolio Composition

Issuer	Market Value (\$)	% of Portfolio
SKANDINAVISKA ENSKILDA BANKEN AB	254,063	1.0%
NORDEA BANK AB	254,003	1.0%
JP MORGAN CHASE & CO	253,958	1.0%
SUMITOMO MITSUI FINANCIAL GROUP INC	253,235	1.0%
THE WALT DISNEY CORPORATION	251,833	1.0%
BANK OF NOVA SCOTIA	250,898	1.0%
IBM CORP	250,874	1.0%
WAL-MART STORES INC	250,779	1.0%
THE BANK OF NEW YORK MELLON CORPORATION	250,517	1.0%
NATIONAL RURAL UTILITIES CO FINANCE CORP	250,322	1.0%
HONDA AUTO RECEIVABLES	249,832	1.0%
BANK OF AMERICA CO	248,771	1.0%
AMERICAN HONDA FINANCE	246,504	1.0%
BB&T CORPORATION	245,099	1.0%
NISSAN AUTO RECEIVABLES	228,031	0.9%
DEERE & COMPANY	224,935	0.9%
APPLE INC	200,100	0.8%
CATERPILLAR INC	184,543	0.7%
PACCAR FINANCIAL CORP	174,644	0.7%
PEPSICO INC	164,858	0.6%
CHARLES SCHWAB	160,404	0.6%

EMPLOYMENT RISK MANAGEMENT AUTHORITY

Portfolio Composition

Issuer	Market Value (\$)	% of Portfolio
AMERICAN EXPRESS CO	149,998	0.6%
HOME DEPOT INC	124,964	0.5%
VERIZON OWNER TRUST	117,993	0.5%
FANNIE MAE	102,853	0.4%
HERSHEY COMPANY	100,456	0.4%
STATE STREET CORPORATION	69,637	0.3%
CHAFFEY CA JT UNION HS DIST	61,129	0.2%
ALLY AUTO RECEIVABLES TRUST	46,058	0.2%
FORD CREDIT AUTO OWNER TRUST	28,868	0.1%
Grand Total:	25,764,390	100.0%

Portfolio Transactions and Holdings

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
BUY									
1/2/20	1/7/20	650,000	912828XX3	US TREASURY N/B NOTES	2.00%	6/30/24	659,822.27	1.66%	
1/10/20	1/13/20	250,000	62479LK61	MUFG BANK LTD/NY COMM PAPER	0.00%	10/6/20	246,662.50	1.82%	
1/21/20	1/28/20	100,000	06406RAL1	BANK OF NY MELLON CORP	2.10%	10/24/24	100,988.33	2.00%	
1/21/20	1/29/20	125,000	92348TAA2	VZOT 2020-A A1A	1.85%	7/20/24	124,985.36	1.86%	
2/3/20	2/7/20	300,000	912828XX3	US TREASURY N/B NOTES	2.00%	6/30/24	308,770.90	1.36%	
3/2/20	3/6/20	350,000	912828XX3	US TREASURY N/B NOTES	2.00%	6/30/24	368,318.06	0.85%	
3/19/20	3/25/20	175,000	3137BGK24	FHMS K043 A2	3.06%	12/25/24	184,025.20	0.94%	
Total BUY		1,950,000					1,993,572.62		
INTEREST									
1/1/20	1/25/20	75,696	3137FKK39	FHMS KP05 A	3.20%	7/1/23	202.05		
1/1/20	1/25/20	130,000	3137BM6P6	FHLMC SERIES K721 A2	3.09%	8/25/22	334.75		
1/1/20	1/25/20	99,843	3137FQ3V3	FHMS KJ27 A1	2.09%	7/25/24	185.79		
1/1/20	1/25/20	106,401	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	320.74		
1/6/20	1/6/20	225,000	24422ETL3	JOHN DEERE CAPITAL CORP NOTES	2.65%	1/6/22	2,981.25		
1/8/20	1/8/20	250,000	38141EC23	GOLDMAN SACHS GROUP INC BONDS	3.85%	7/8/24	4,812.50		
1/14/20	1/14/20	625,000	3130A8QS5	FHLB GLOBAL NOTE	1.12%	7/14/21	3,515.63		
1/15/20	1/15/20	500,000	14041NFU0	COMET 2019-A2 A2	1.72%	8/15/24	716.67		
1/15/20	1/15/20	225,000	65478NAD7	NAROT 2018-C A3	3.22%	6/15/23	603.75		
1/15/20	1/15/20	13,962	44891EAC3	HYUNDAI ABS 2016-B A3	1.29%	4/15/21	15.01		
1/15/20	1/15/20	16,591	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	23.50		
1/15/20	1/15/20	83,356	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	123.64		
1/15/20	1/15/20	73,038	34531EAD8	FORD ABS 2017-A A3	1.67%	6/15/21	101.64		
1/15/20	1/15/20	225,000	43815AAC6	HAROT 2018-4 A3	3.16%	1/15/23	592.50		

EMPLOYMENT RISK MANAGEMENT AUTHORITY

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
1/15/20	1/15/20	94,095	89238BAD4	TAOT 2018-A A3	2.35%	5/16/22	184.27		
1/15/20	1/15/20	21,715	89238MAD0	TOYOTA ABS 2017-A A3	1.73%	2/15/21	31.31		
1/18/20	1/18/20	17,926	43814RAC0	HONDA ABS 2016-4 A3	1.21%	12/18/20	18.07		
1/18/20	1/18/20	33,662	43814PAC4	HAROT 2017-3 A3	1.79%	9/18/21	50.21		
1/20/20	1/20/20	250,000	92867XAE6	VWALT 2019-A A4	2.02%	8/20/24	420.83		
1/23/20	1/23/20	250,000	693475AV7	PNC BANK NA CORP NOTES	3.50%	1/23/24	4,375.00		
1/23/20	1/23/20	500,000	459058GH0	INTL BANK OF RECONSTRUCTION AND DEV NOTE	2.75%	7/23/21	6,875.00		
2/1/20	2/1/20	60,000	157411TK5	CHAFFEY UHSD, CA TXBL GO BONDS	2.10%	8/1/24	196.09		
2/1/20	2/1/20	250,000	05531FBH5	BB&T CORPORATION CORP BONDS	2.50%	8/1/24	3,159.72		
2/1/20	2/25/20	130,000	3137BM6P6	FHLMC SERIES K721 A2	3.09%	8/25/22	334.75		
2/1/20	2/25/20	104,762	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	311.42		
2/1/20	2/25/20	98,327	3137FQ3V3	FHMS KJ27 A1	2.09%	7/25/24	346.95		
2/1/20	2/25/20	75,572	3137FKK39	FHMS KP05 A	3.20%	7/1/23	201.72		
2/3/20	2/3/20	180,000	0258M0EE5	AMER EXP CREDIT NT (CALLED OMD 03/03/20)	2.20%	2/3/20	1,628.00		
2/5/20	2/5/20	250,000	44932HAG8	IBM CORP CORP NOTES	2.65%	2/5/21	3,312.50		
2/7/20	2/7/20	450,000	96121T4A3	WESTPAC BANKING CORP NY CD	2.05%	8/3/20	4,612.50		
2/7/20	2/7/20	0	22549LFR1	CREDIT SUISSE NEW YORK CERT DEPOS	2.67%	2/7/20	13,516.88		
2/15/20	2/15/20	57,384	34531EAD8	FORD ABS 2017-A A3	1.67%	6/15/21	79.86		
2/15/20	2/15/20	87,332	89238BAD4	TAOT 2018-A A3	2.35%	5/16/22	171.03		
2/15/20	2/15/20	68,131	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	101.06		
2/15/20	2/15/20	8,194	44891EAC3	HYUNDAI ABS 2016-B A3	1.29%	4/15/21	8.81		
2/15/20	2/15/20	500,000	14041NFU0	COMET 2019-A2 A2	1.72%	8/15/24	716.67		
2/15/20	2/15/20	225,000	43815AAC6	HAROT 2018-4 A3	3.16%	1/15/23	592.50		
2/15/20	2/15/20	12,553	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	17.78		
2/15/20	2/15/20	225,000	65478NAD7	NAROT 2018-C A3	3.22%	6/15/23	603.75		
2/15/20	2/15/20	450,000	912828TJ9	US TREASURY NOTES	1.62%	8/15/22	3,656.25		
2/15/20	2/15/20	15,727	89238MAD0	TOYOTA ABS 2017-A A3	1.73%	2/15/21	22.67		
2/18/20	2/18/20	30,338	43814PAC4	HAROT 2017-3 A3	1.79%	9/18/21	45.25		
2/18/20	2/18/20	9,874	43814RAC0	HONDA ABS 2016-4 A3	1.21%	12/18/20	9.96		
2/20/20	2/20/20	250,000	92867XAE6	VWALT 2019-A A4	2.02%	8/20/24	420.83		

EMPLOYMENT RISK MANAGEMENT AUTHORITY

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
2/26/20	2/26/20	250,000	83050PDR7	SKANDINAV ENSKILDA BANK LT CD	1.86%	8/26/22	2,273.33		
2/26/20	2/26/20	250,000	55379WZU3	MUFG BANK LTD/NY CERT DEPOS	2.98%	2/25/22	7,512.08		
2/26/20	2/26/20	250,000	65558TLL7	NORDEA BANK ABP NEW YORK CERT DEPOS	1.85%	8/26/22	2,325.35		
2/28/20	2/28/20	150,000	3135G0T29	FNMA NOTES	1.50%	2/28/20	1,125.00		
2/28/20	2/28/20	250,000	254687FK7	WALT DISNEY COMPANY/THE	1.75%	8/30/24	2,090.28		
2/29/20	2/29/20	1,100,000	912828D72	US TREASURY NOTES	2.00%	8/31/21	11,000.00		
2/29/20	2/29/20	410,000	912828D72	US TREASURY NOTES	2.00%	8/31/21	4,100.00		
2/29/20	2/29/20	900,000	912828D72	US TREASURY NOTES	2.00%	8/31/21	9,000.00		
3/1/20	3/1/20	50,000	69371RP75	PACCAR FINANCIAL CORP NOTE	2.85%	3/1/22	712.50		
3/1/20	3/25/20	75,448	3137FKK39	FHMS KP05 A	3.20%	7/1/23	201.38		
3/1/20	3/25/20	130,000	3137BM6P6	FHLMC SERIES K721 A2	3.09%	8/25/22	334.75		
3/1/20	3/25/20	78,774	3137FQ3V3	FHMS KJ27 A1	2.09%	7/25/24	137.33		
3/1/20	3/25/20	103,879	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	311.84		
3/2/20	3/2/20	250,000	90275DHG8	UBS AG STAMFORD CT LT CD	2.90%	3/2/20	3,645.14		
3/4/20	3/4/20	185,000	14913Q2A6	CATERPILLAR FINL SERVICE NOTE	1.85%	9/4/20	1,711.25		
3/12/20	3/12/20	625,000	45905UP32	INTL BANK OF RECONSTRUCTION AND DEV NOTE	1.56%	9/12/20	4,881.25		
3/15/20	3/15/20	150,000	63743HER9	NATIONAL RURAL UTIL COOP NOTE	2.90%	3/15/21	2,175.00		
3/15/20	3/15/20	500,000	14041NFU0	COMET 2019-A2 A2	1.72%	8/15/24	716.67		
3/15/20	3/15/20	54,522	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	80.87		
3/15/20	3/15/20	42,232	34531EAD8	FORD ABS 2017-A A3	1.67%	6/15/21	58.77		
3/15/20	3/15/20	9,933	89238MAD0	TOYOTA ABS 2017-A A3	1.73%	2/15/21	14.32		
3/15/20	3/15/20	2,095	44891EAC3	HYUNDAI ABS 2016-B A3	1.29%	4/15/21	2.25		
3/15/20	3/15/20	225,000	43815AAC6	HAROT 2018-4 A3	3.16%	1/15/23	592.50		
3/15/20	3/15/20	8,906	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	12.62		
3/15/20	3/15/20	100,000	63743HER9	NATIONAL RURAL UTIL COOP NOTE	2.90%	3/15/21	1,450.00		
3/15/20	3/15/20	80,667	89238BAD4	TAOT 2018-A A3	2.35%	5/16/22	157.97		
3/15/20	3/15/20	225,000	65478NAD7	NAROT 2018-C A3	3.22%	6/15/23	603.75		
3/18/20	3/18/20	1,835	43814RAC0	HONDA ABS 2016-4 A3	1.21%	12/18/20	1.85		
3/18/20	3/18/20	27,042	43814PAC4	HAROT 2017-3 A3	1.79%	9/18/21	40.34		
3/20/20	3/20/20	250,000	92867XAE6	VWALT 2019-A A4	2.02%	8/20/24	420.83		

EMPLOYMENT RISK MANAGEMENT AUTHORITY

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
3/20/20	3/20/20	125,000	92348TAA2	VZOT 2020-A A1A	1.85%	7/20/24	327.60		
Total INTEREST		14,214,808					118,567.88		

MATURITY

1/13/20	1/13/20	500,000	62479LAD7	MUFG BANK LTD/NY COMM PAPER	0.00%	1/13/20	500,000.00		0.00
2/3/20	2/3/20	180,000	0258M0EE5	AMER EXP CREDIT NT (CALLED OMD 03/03/20)	2.20%	2/3/20	180,000.00		0.00
2/7/20	2/7/20	250,000	22549LFR1	CREDIT SUISSE NEW YORK CERT DEPOS	2.67%	2/7/20	250,000.00		0.00
2/28/20	2/28/20	150,000	3135G0T29	FNMA NOTES	1.50%	2/28/20	150,000.00		0.00
3/2/20	3/2/20	250,000	90275DHG8	UBS AG STAMFORD CT LT CD	2.90%	3/2/20	250,000.00		0.00
Total MATURITY		1,330,000					1,330,000.00		0.00

PAYDOWNS

1/1/20	1/25/20	1,639	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	1,638.96		0.00
1/1/20	1/25/20	124	3137FKK39	FHMS KP05 A	3.20%	7/1/23	123.85		0.00
1/1/20	1/25/20	1,516	3137FQ3V3	FHMS KJ27 A1	2.09%	7/25/24	1,515.80		0.00
1/15/20	1/15/20	5,988	89238MAD0	TOYOTA ABS 2017-A A3	1.73%	2/15/21	5,988.15		0.00
1/15/20	1/15/20	4,038	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	4,038.08		0.00
1/15/20	1/15/20	15,654	34531EAD8	FORD ABS 2017-A A3	1.67%	6/15/21	15,653.61		0.00
1/15/20	1/15/20	5,769	44891EAC3	HYUNDAI ABS 2016-B A3	1.29%	4/15/21	5,768.59		0.00
1/15/20	1/15/20	6,762	89238BAD4	TAOT 2018-A A3	2.35%	5/16/22	6,762.28		0.00
1/15/20	1/15/20	15,225	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	15,224.84		0.00
1/18/20	1/18/20	8,052	43814RAC0	HONDA ABS 2016-4 A3	1.21%	12/18/20	8,051.53		0.00
1/18/20	1/18/20	3,324	43814PAC4	HAROT 2017-3 A3	1.79%	9/18/21	3,324.21		0.00
2/1/20	2/25/20	883	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	882.80		0.00
2/1/20	2/25/20	124	3137FKK39	FHMS KP05 A	3.20%	7/1/23	124.48		0.00
2/1/20	2/25/20	19,553	3137FQ3V3	FHMS KJ27 A1	2.09%	7/25/24	19,552.86		0.00

EMPLOYMENT RISK MANAGEMENT AUTHORITY

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
2/15/20	2/15/20	6,666	89238BAD4	TAOT 2018-A A3	2.35%	5/16/22	6,665.81		0.00
2/15/20	2/15/20	15,153	34531EAD8	FORD ABS 2017-A A3	1.67%	6/15/21	15,152.94		0.00
2/15/20	2/15/20	13,610	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	13,609.59		0.00
2/15/20	2/15/20	6,098	44891EAC3	HYUNDAI ABS 2016-B A3	1.29%	4/15/21	6,098.34		0.00
2/15/20	2/15/20	5,794	89238MAD0	TOYOTA ABS 2017-A A3	1.73%	2/15/21	5,794.13		0.00
2/15/20	2/15/20	3,647	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	3,647.14		0.00
2/18/20	2/18/20	8,039	43814RAC0	HONDA ABS 2016-4 A3	1.21%	12/18/20	8,039.33		0.00
2/18/20	2/18/20	3,296	43814PAC4	HAROT 2017-3 A3	1.79%	9/18/21	3,295.74		0.00
3/1/20	3/25/20	1,713	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	1,713.43		0.00
3/1/20	3/25/20	160	3137FQ3V3	FHMS KJ27 A1	2.09%	7/25/24	160.33		0.00
3/1/20	3/25/20	136	3137FKK39	FHMS KP05 A	3.20%	7/1/23	136.00		0.00
3/15/20	3/15/20	2,095	44891EAC3	HYUNDAI ABS 2016-B A3	1.29%	4/15/21	2,095.19		0.00
3/15/20	3/15/20	6,076	89238BAD4	TAOT 2018-A A3	2.35%	5/16/22	6,076.19		0.00
3/15/20	3/15/20	3,556	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	3,556.29		0.00
3/15/20	3/15/20	5,376	89238MAD0	TOYOTA ABS 2017-A A3	1.73%	2/15/21	5,375.85		0.00
3/15/20	3/15/20	13,767	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	13,767.23		0.00
3/15/20	3/15/20	13,312	34531EAD8	FORD ABS 2017-A A3	1.67%	6/15/21	13,311.63		0.00
3/18/20	3/18/20	3,180	43814PAC4	HAROT 2017-3 A3	1.79%	9/18/21	3,179.76		0.00
3/18/20	3/18/20	1,835	43814RAC0	HONDA ABS 2016-4 A3	1.21%	12/18/20	1,834.70		0.00
Total PAYDOWNS		202,160					202,159.66		0.00
SELL									
1/2/20	1/7/20	550,000	912828N30	US TREASURY NOTES	2.12%	12/31/22	558,625.15	1.60%	15,116.31
1/21/20	1/28/20	100,000	06406FAB9	BANK OF NEW YORK MELLON (CALLABLE) NOTES	2.05%	5/3/21	100,810.03	1.79%	271.83
Total SELL		650,000					659,435.18		15,388.14

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 11/15/2010 2.625% 11/15/2020	912828PC8	35,000.00	AA+	Aaa	5/3/2016	5/6/2016	37,171.09	1.21	348.32	35,304.86	35,514.06
US TREASURY NOTES DTD 05/31/2016 1.375% 05/31/2021	912828R77	650,000.00	AA+	Aaa	3/15/2017	3/17/2017	633,115.24	2.02	3,003.59	645,187.43	658,835.97
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	410,000.00	AA+	Aaa	12/1/2016	12/5/2016	411,217.19	1.93	713.04	410,376.36	419,609.38
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	1,100,000.00	AA+	Aaa	6/27/2017	6/29/2017	1,111,988.28	1.73	1,913.04	1,104,160.70	1,125,781.25
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	900,000.00	AA+	Aaa	7/6/2017	7/11/2017	905,449.22	1.85	1,565.22	901,909.80	921,093.75
US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	550,000.00	AA+	Aaa	8/30/2017	8/31/2017	541,320.31	1.64	2,889.77	546,640.58	558,078.13
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	525,000.00	AA+	Aaa	7/3/2018	7/6/2018	509,496.09	2.69	4,137.62	516,364.85	541,816.38
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	275,000.00	AA+	Aaa	1/3/2018	1/4/2018	271,508.79	2.18	2,167.32	273,280.45	283,808.58
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	600,000.00	AA+	Aaa	5/3/2018	5/7/2018	580,828.13	2.73	4,728.71	589,729.84	619,218.72
US TREASURY NOTES DTD 08/15/2012 1.625% 08/15/2022	912828TJ9	450,000.00	AA+	Aaa	9/5/2018	9/7/2018	431,121.09	2.76	924.11	438,381.39	463,851.54
US TREASURY N/B NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	575,000.00	AA+	Aaa	6/3/2019	6/7/2019	570,485.35	1.83	3,140.11	571,386.50	597,640.63
US TREASURY N/B NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	400,000.00	AA+	Aaa	5/1/2019	5/3/2019	390,375.00	2.25	2,184.43	392,458.19	415,750.00
US TREASURY N/B NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	325,000.00	AA+	Aaa	4/1/2019	4/5/2019	316,151.37	2.32	1,774.85	318,187.75	337,796.88
US TREASURY N/B NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	375,000.00	AA+	Aaa	3/4/2019	3/6/2019	361,391.60	2.53	2,047.90	364,706.13	389,765.63
US TREASURY NOTES DTD 10/31/2016 1.625% 10/31/2023	912828T91	450,000.00	AA+	Aaa	10/2/2019	10/4/2019	452,583.98	1.48	3,073.66	452,280.33	470,179.71

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 10/31/2016 1.625% 10/31/2023	912828T91	325,000.00	AA+	Aaa	7/1/2019	7/3/2019	322,854.49	1.78	2,219.87	323,215.36	339,574.24
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	1,200,000.00	AA+	Aaa	12/2/2019	12/5/2019	1,218,000.00	1.66	6,065.93	1,216,774.21	1,281,375.00
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	650,000.00	AA+	Aaa	1/2/2020	1/7/2020	659,572.27	1.66	3,285.71	659,090.15	694,078.13
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	350,000.00	AA+	Aaa	3/2/2020	3/6/2020	367,048.83	0.85	1,769.23	366,771.96	373,734.38
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	1,275,000.00	AA+	Aaa	11/1/2019	11/6/2019	1,300,798.83	1.55	6,445.05	1,298,646.25	1,361,460.94
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	300,000.00	AA+	Aaa	2/3/2020	2/7/2020	308,144.53	1.36	1,516.48	307,877.63	320,343.75
Security Type Sub-Total		11,720,000.00					11,700,621.68	1.89	55,913.96	11,732,730.72	12,209,307.05
Supra-National Agency Bond / Note											
INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 09/19/2017 1.561% 09/12/2020	45905UP32	625,000.00	AAA	Aaa	9/12/2017	9/19/2017	623,500.00	1.64	514.91	624,770.23	627,381.25
INTER-AMERICAN DEVELOPMENT BANK DTD 11/08/2013 2.125% 11/09/2020	4581X0CD8	500,000.00	AAA	Aaa	10/2/2017	10/10/2017	504,634.55	1.81	4,190.97	500,931.58	504,529.50
INTER-AMERICAN DEVELOPMENT BANK NOTE DTD 04/19/2018 2.625% 04/19/2021	4581X0DB1	150,000.00	AAA	Aaa	4/12/2018	4/19/2018	149,670.00	2.70	1,771.88	149,881.50	153,289.05
INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 07/25/2018 2.750% 07/23/2021	459058GH0	500,000.00	AAA	Aaa	7/18/2018	7/25/2018	498,830.00	2.83	2,597.22	499,475.67	514,573.50
Security Type Sub-Total		1,775,000.00					1,776,634.55	2.12	9,074.98	1,775,058.98	1,799,773.30

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Municipal Bond / Note											
CHAFFEY UHSD, CA TXBL GO BONDS DTD 12/05/2019 2.101% 08/01/2024	157411TK5	60,000.00	AA-	Aa1	11/6/2019	12/5/2019	60,000.00	2.10	210.10	60,000.00	61,128.60
Security Type Sub-Total		60,000.00					60,000.00	2.10	210.10	60,000.00	61,128.60
Federal Agency Collateralized Mortgage Obligation											
FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	102,165.62	AA+	Aaa	4/11/2018	4/30/2018	104,197.79	2.27	303.09	102,995.77	102,852.53
FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/25/2022	3137BM6P6	130,000.00	AA+	Aaa	4/4/2018	4/9/2018	131,107.03	2.61	334.75	130,516.08	133,712.62
FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	75,311.95	AA+	Aaa	12/7/2018	12/17/2018	75,311.72	3.11	201.02	75,311.72	77,714.40
FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/25/2024	3137FQ3V3	78,613.83	AA+	Aaa	11/20/2019	11/26/2019	78,611.94	2.03	137.05	78,611.94	80,358.46
FHMS K043 A2 DTD 03/01/2015 3.062% 12/25/2024	3137BGK24	175,000.00	AA+	Aaa	3/19/2020	3/25/2020	183,667.97	0.94	446.54	183,667.97	187,602.93
Security Type Sub-Total		561,091.40					572,896.45	2.00	1,422.45	571,103.48	582,240.94
Federal Agency Bond / Note											
FHLB GLOBAL NOTE DTD 07/14/2016 1.125% 07/14/2021	3130A8QS5	625,000.00	AA+	Aaa	7/14/2016	7/15/2016	621,199.38	1.25	1,503.91	623,999.42	630,470.63
Security Type Sub-Total		625,000.00					621,199.38	1.25	1,503.91	623,999.42	630,470.63
Corporate Note											
TOYOTA MOTOR CREDIT CORP DTD 04/17/2017 1.950% 04/17/2020	89236TDU6	350,000.00	AA-	A1	4/11/2017	4/17/2017	349,839.00	1.97	3,109.17	349,997.56	350,002.45
APPLE INC BONDS DTD 05/11/2017 1.800% 05/11/2020	037833CS7	200,000.00	AA+	Aa1	5/4/2017	5/11/2017	199,796.00	1.84	1,400.00	199,992.27	200,100.20

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
HOME DEPOT INC CORP NOTES DTD 06/05/2017 1.800% 06/05/2020	437076BQ4	125,000.00	A	A2	5/24/2017	6/5/2017	124,927.50	1.82	725.00	124,995.61	124,964.38
CATERPILLAR FINL SERVICE NOTE DTD 09/07/2017 1.850% 09/04/2020	14913Q2A6	185,000.00	A	A3	9/5/2017	9/7/2017	184,844.60	1.88	256.69	184,977.39	184,543.05
PACCAR FINANCIAL CORP NOTES DTD 11/13/2017 2.050% 11/13/2020	69371RN85	125,000.00	A+	A1	11/6/2017	11/13/2017	124,988.75	2.05	982.29	124,997.63	125,474.25
WAL-MART STORES INC CORP NOTE DTD 10/20/2017 1.900% 12/15/2020	931142EA7	250,000.00	AA	Aa2	10/11/2017	10/20/2017	249,637.50	1.95	1,398.61	249,916.45	250,778.50
IBM CORP CORP NOTES DTD 02/06/2018 2.650% 02/05/2021	44932HAG8	250,000.00	A	A2	2/1/2018	2/6/2018	249,877.50	2.67	1,030.56	249,964.49	250,873.50
NATIONAL RURAL UTIL COOP NOTE DTD 02/26/2018 2.900% 03/15/2021	63743HER9	100,000.00	A	A2	2/21/2018	2/26/2018	99,889.00	2.94	128.89	99,963.88	100,128.60
NATIONAL RURAL UTIL COOP NOTE DTD 02/26/2018 2.900% 03/15/2021	63743HER9	150,000.00	A	A2	4/12/2018	4/19/2018	149,365.50	3.05	193.33	149,786.06	150,192.90
PEPSICO INC CORP (CALLABLE) NOTE DTD 10/10/2017 2.000% 04/15/2021	713448DX3	165,000.00	A+	A1	10/5/2017	10/10/2017	164,967.00	2.01	1,521.67	164,989.94	164,857.61
BANK OF AMERICA CORP NOTE DTD 04/19/2016 2.625% 04/19/2021	06051GFW4	25,000.00	A-	A2	11/1/2017	11/3/2017	25,194.00	2.39	295.31	25,060.58	25,156.58
BANK OF NEW YORK MELLON (CALLABLE) NOTES DTD 05/02/2016 2.050% 05/03/2021	06406FAB9	150,000.00	A	A1	5/17/2016	5/20/2016	150,319.50	2.00	1,264.17	150,069.50	150,755.85
AMERICAN EXPRESS CREDIT (CALLABLE) NOTES DTD 05/05/2016 2.250% 05/05/2021	0258M0EB1	150,000.00	A-	A2	5/25/2016	5/31/2016	149,721.00	2.29	1,368.75	149,935.60	149,998.35
HERSHEY COMPANY CORP NOTES DTD 05/10/2018 3.100% 05/15/2021	427866BA5	100,000.00	A	A1	5/3/2018	5/10/2018	99,931.00	3.12	1,171.11	99,973.44	100,455.70
STATE STREET CORP NOTES DTD 05/19/2016 1.950% 05/19/2021	857477AV5	70,000.00	A	A1	5/19/2016	5/24/2016	69,735.40	2.03	500.50	69,937.54	69,636.98
CHARLES SCHWAB CORP NOTES DTD 05/22/2018 3.250% 05/21/2021	808513AW5	160,000.00	A	A2	5/17/2018	5/22/2018	159,995.20	3.25	1,877.78	159,998.08	160,403.84

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
BANK OF AMERICA CORP (CALLABLE) DTD 09/18/2017 2.328% 10/01/2021	06051GGS2	175,000.00	A-	A2	9/13/2017	9/18/2017	175,000.00	2.33	2,037.00	175,000.00	173,125.75
JOHN DEERE CAPITAL CORP NOTES DTD 01/06/2017 2.650% 01/06/2022	24422ETL3	225,000.00	A	A2	3/10/2017	3/15/2017	224,007.75	2.75	1,407.81	224,622.81	224,935.20
PACCAR FINANCIAL CORP NOTE DTD 03/01/2019 2.850% 03/01/2022	69371RP75	50,000.00	A+	A1	2/22/2019	3/1/2019	49,956.00	2.88	118.75	49,971.46	49,170.05
BANK OF AMERICA CORP NOTES DTD 05/17/2018 3.499% 05/17/2022	06051GHH5	50,000.00	A-	A2	5/14/2018	5/17/2018	50,000.00	3.50	651.20	50,000.00	50,488.25
JPMORGAN CHASE & CO BONDS DTD 03/22/2019 3.207% 04/01/2023	46647PBB1	250,000.00	A-	A2	3/15/2019	3/22/2019	250,000.00	3.21	4,008.75	250,000.00	253,957.75
PNC BANK NA CORP NOTES DTD 01/23/2019 3.500% 01/23/2024	693475AV7	250,000.00	A-	A3	2/12/2019	2/15/2019	251,780.00	3.34	1,652.78	251,401.54	259,359.00
MORGAN STANLEY CORP NOTES DTD 04/28/2014 3.875% 04/29/2024	61746BDQ6	250,000.00	BBB+	A3	7/19/2019	7/23/2019	264,322.50	2.59	4,090.28	262,365.03	263,060.00
AMERICAN HONDA FINANCE CORP NOTE DTD 06/27/2019 2.400% 06/27/2024	02665WCZ2	250,000.00	A	A3	7/11/2019	7/15/2019	248,760.00	2.51	1,566.67	248,930.51	246,503.75
GOLDMAN SACHS GROUP INC BONDS DTD 07/08/2014 3.850% 07/08/2024	38141EC23	250,000.00	BBB+	A3	7/8/2019	7/11/2019	261,645.00	2.84	2,219.10	260,058.47	260,963.25
BB&T CORPORATION CORP BONDS DTD 07/29/2019 2.500% 08/01/2024	05531FBH5	250,000.00	A-	A3	8/1/2019	8/5/2019	250,415.00	2.46	1,041.67	250,363.99	245,098.50
WALT DISNEY COMPANY/THE DTD 09/06/2019 1.750% 08/30/2024	254687FK7	250,000.00	A	A2	9/3/2019	9/6/2019	248,980.00	1.84	376.74	249,091.16	251,833.00
BANK OF NY MELLON CORP DTD 10/24/2019 2.100% 10/24/2024	06406RAL1	100,000.00	A	A1	1/21/2020	1/28/2020	100,440.00	2.00	915.83	100,425.38	99,760.70
Security Type Sub-Total		4,905,000.00					4,928,334.70	2.46	37,310.41	4,926,786.37	4,936,577.94

Commercial Paper

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Commercial Paper											
MUFG BANK LTD/NY COMM PAPER DTD 01/13/2020 0.000% 10/06/2020	62479LK61	250,000.00	A-1	P-1	1/10/2020	1/13/2020	246,662.50	1.82	0.00	247,650.00	248,251.00
Security Type Sub-Total		250,000.00					246,662.50	1.82	0.00	247,650.00	248,251.00
Certificate of Deposit											
BANK OF NOVA SCOTIA HOUSTON CD DTD 06/07/2018 3.080% 06/05/2020	06417GU22	250,000.00	A-1	P-1	6/5/2018	6/7/2018	249,905.00	3.10	2,481.11	249,991.31	250,897.50
WESTPAC BANKING CORP NY CD DTD 08/07/2017 2.050% 08/03/2020	96121T4A3	450,000.00	A-1+	P-1	8/3/2017	8/7/2017	450,000.00	2.05	1,383.75	450,000.00	451,662.75
BANK OF MONTREAL CHICAGO CERT DEPOS DTD 08/03/2018 3.190% 08/03/2020	06370REU9	425,000.00	A-1	P-1	8/1/2018	8/3/2018	425,000.00	3.23	9,038.33	425,000.00	428,333.28
SUMITOMO MITSUI BANK NY CERT DEPOS DTD 10/18/2018 3.390% 10/16/2020	86565BPC9	250,000.00	A-1	P-1	10/16/2018	10/18/2018	249,660.00	3.46	3,955.00	249,851.67	253,235.00
SWEDBANK (NEW YORK) CERT DEPOS DTD 11/17/2017 2.270% 11/16/2020	87019U6D6	500,000.00	A-1	P-1	11/16/2017	11/17/2017	500,000.00	2.30	4,256.25	500,000.00	503,426.50
ROYAL BANK OF CANADA NY CD DTD 06/08/2018 3.240% 06/07/2021	78012UEE1	425,000.00	AA-	Aa2	6/7/2018	6/8/2018	425,000.00	3.24	4,360.50	425,000.00	435,391.68
MUFG BANK LTD/NY CERT DEPOS DTD 02/28/2019 2.980% 02/25/2022	55379WZU3	250,000.00	A	A1	2/27/2019	2/28/2019	250,000.00	3.01	724.31	250,000.00	258,428.75
NORDEA BANK ABP NEW YORK CERT DEPOS DTD 08/29/2019 1.850% 08/26/2022	65558TLL7	250,000.00	AA-	Aa3	8/27/2019	8/29/2019	250,000.00	1.87	449.65	250,000.00	254,003.25
SKANDINAV ENSKILDA BANK LT CD DTD 09/03/2019 1.860% 08/26/2022	83050PDR7	250,000.00	A+	Aa2	8/29/2019	9/3/2019	250,000.00	1.88	452.08	250,000.00	254,062.50
DNB BANK ASA/NY LT CD DTD 12/04/2019 2.040% 12/02/2022	23341VZT1	250,000.00	AA-	Aa2	12/4/2019	12/6/2019	250,000.00	2.04	1,657.50	250,000.00	255,776.50
Security Type Sub-Total		3,300,000.00					3,299,565.00	2.63	28,758.48	3,299,842.98	3,345,217.71

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Asset-Backed Security											
TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021	89238MAD0	4,556.71	AAA	Aaa	3/7/2017	3/15/2017	4,556.17	1.74	3.50	4,556.58	4,554.97
ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	5,349.21	NR	Aaa	1/24/2017	1/31/2017	5,348.75	1.70	4.04	5,349.10	5,346.32
FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	28,919.91	NR	Aaa	1/18/2017	1/25/2017	28,919.81	1.67	21.46	28,919.89	28,868.39
ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	40,754.38	NR	Aaa	3/21/2017	3/29/2017	40,749.57	1.79	32.24	40,753.05	40,711.97
HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	23,862.11	AAA	NR	9/25/2017	9/29/2017	23,859.52	1.94	15.42	23,861.11	23,668.81
TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	74,590.38	AAA	Aaa	1/23/2018	1/31/2018	74,589.53	2.35	77.91	74,589.97	74,612.85
HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	225,000.00	AAA	Aaa	11/20/2018	11/28/2018	224,966.36	3.17	316.00	224,976.85	226,163.50
NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	225,000.00	AAA	Aaa	12/4/2018	12/12/2018	224,956.89	3.53	322.00	224,969.00	228,031.18
VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/20/2024	92348TAA2	125,000.00	AAA	Aaa	1/21/2020	1/29/2020	124,985.36	1.86	70.66	124,986.11	117,992.86
COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	500,000.00	AAA	NR	8/28/2019	9/5/2019	499,874.10	1.73	382.22	499,888.93	494,804.50
VWALT 2019-A A4 DTD 10/04/2019 2.020% 08/20/2024	92867XAE6	250,000.00	AAA	NR	10/1/2019	10/4/2019	249,990.60	2.02	154.31	249,991.67	255,333.38
Security Type Sub-Total		1,503,032.70					1,502,796.66	2.31	1,399.76	1,502,842.26	1,500,088.73
Managed Account Sub Total		24,699,124.10					24,708,710.92	2.12	135,594.05	24,740,014.21	25,313,055.90
Money Market Mutual Fund											
CAMP Pool		451,334.41	AAAm	NR			451,334.41		0.00	451,334.41	451,334.41

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Money Market Sub Total		451,334.41					451,334.41		0.00	451,334.41	451,334.41
Securities Sub-Total		\$25,150,458.51					\$25,160,045.33	2.12%	\$135,594.05	\$25,191,348.62	\$25,764,390.31
Accrued Interest											\$135,594.05
Total Investments											\$25,899,984.36

Bolded items are forward settling trades.

Appendix

IMPORTANT DISCLOSURES

This material is based on information obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management LLC cannot guarantee its accuracy, completeness or suitability. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation. All statements as to what will or may happen under certain circumstances are based on assumptions, some, but not all of which, are noted in the presentation. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Past performance does not necessarily reflect and is not a guaranty of future results. The information contained in this presentation is not an offer to purchase or sell any securities.

- Market values that include accrued interest are derived from closing bid prices as of the last business day of the month as supplied by Refinitiv, Bloomberg, or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield based matrix system to arrive at an estimated market value.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. Past performance is not indicative of future returns.
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

GLOSSARY

- **ACCRUED INTEREST:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **AGENCIES:** Federal agency securities and/or Government-sponsored enterprises.
- **AMORTIZED COST:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **BANKERS' ACCEPTANCE:** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **COMMERCIAL PAPER:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **CONTRIBUTION TO DURATION:** Represents each sector or maturity range's relative contribution to the overall duration of the portfolio measured as a percentage weighting. Since duration is a key measure of interest rate sensitivity, the contribution to duration measures the relative amount or contribution of that sector or maturity range to the total rate sensitivity of the portfolio.
- **DURATION TO WORST:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years, computed from cash flows to the maturity date or to the put date, whichever results in the highest yield to the investor.
- **EFFECTIVE DURATION:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **EFFECTIVE YIELD:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **INTEREST RATE:** Interest per year divided by principal amount and expressed as a percentage.
- **MARKET VALUE:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.
- **NEGOTIABLE CERTIFICATES OF DEPOSIT:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **PAR VALUE:** The nominal dollar face amount of a security.

GLOSSARY

- **PASS THROUGH SECURITY:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.
- **REPURCHASE AGREEMENTS:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **SETTLE DATE:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- **TRADE DATE:** The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- **UNSETTLED TRADE:** A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- **U.S. TREASURY:** The department of the U.S. government that issues Treasury securities.
- **YIELD:** The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- **YTM AT COST:** The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- **YTM AT MARKET:** The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.

DRAFT RESOLUTION NO. 2020-2

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
EMPLOYMENT RISK MANAGEMENT AUTHORITY
ESTABLISHING MEETING DATES FOR THE 2020/21 PROGRAM YEAR**

BE IT RESOLVED THAT:

The following meeting dates are hereby established for the 2020/21 program year:

<u>Monday, November 2, 2020</u> Sacramento, CA 10:00 a.m.	<u>Tuesday, April 27, 2021</u> Sacramento, CA 10:00 a.m.
<u>Friday, February 12, 2021</u> TBD 9:00 a.m.	<u>Tuesday, June 8, 2021</u> Sacramento, CA 10:00 a.m.

ANNUAL WORKSHOP/BOARD MEETING

Thursday, February 11, 2021

TBD

11:00 a.m. – 5 p.m.

Friday, February 12, 2021

TBD

9:00 a.m.

This Resolution was adopted by the Board of Directors at a regular meeting of the Board on June 9, 2020, via Webex, by the following vote:

AYES _____

NOES _____

ABSTAIN _____

ABSENT _____

PRESIDENT

ATTEST:

BOARD SECRETARY

FINANCIAL MATTERS

SUBJECT: Review of Annual Retrospective Adjustment Calculation

BACKGROUND AND STATUS:

In accordance with the Financial Stability Plan (Plan), as amended May 1, 2018, the annual Retrospective Adjustment Calculation (Calculation) is considered each year by the Board of Directors. A calculation is presented in the attached document using the financial statements as of March 31, 2020.

The Plan, and specifically the Retrospective Adjustment Process (Process), calls for adjusting only program years that are a full five years old. Per the Process amended on May 1, 2018:

“...if an eligible program year is in a surplus position, the Board would consider issuing dividends (in whole or part at the Board’s discretion) for any equity amount that exceeds the 90% confidence level to allow for continuing claims development in future years.

If a current program year not yet eligible to receive a retrospective adjustment is in a deficit position at any confidence level, the negative equity at that confidence level will be subtracted from the “Total Distribution Available” at that confidence level.”

Open program years fully five years old, and therefore “eligible” for adjustment, are 2012/13 through 2014/15. As of March 31, 2020, ERMA’s net position (i.e. “equity”) is \$11,649,075 at the Expected Confidence Level and \$4,163,332 at the 90% Confidence Level for all program years.

Net Position at the 90% CL for “eligible” program years, less the deficit balances from the 2017/18 through 2019/20 program years, yields a possible dividend to the membership in the amount of \$1,762,125. If that entire amount were to be returned to the membership in the form of a dividend, net position of \$2,401,208 at the 90% CL would remain. This satisfies the Plan, and specifically the Process, which maintains that:

“...the ERMA Program as a whole, must remain funded at the 90% confidence level after the issuance of the dividend.”

As discussed at the April 2020, Board meeting, increases in loss estimates drove an increase in recommended funding rates in excess of 12% over the prior year. In order to smooth the impact of increasing loss rates in an environment where members are recognizing declines in staffing and revenue, the Proposed Budget is presented in the following agenda item with 67% of the available dividend from the Calculation presented as an offset to member contributions. The available retrospective adjustment amounts shown in the Proposed Administrative and Operating Budget total \$1,112,752 and are based on amounts refundable to current members that participated in the 2012/13, 2013/14 and/or 2014/15 Program Years. Amounts attributable to withdrawn members are not included in the Budget and total \$67,872.

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Members may elect to have their dividends applied as a credit against their 2020/2021 contribution invoice or to receive a cash payment. Such an election will not impact the underlying accounting treatment of the dividend, and will only impact the flow of cash between ERMA and the member JPAs. ERMA's presentation of the recommended dividend on the face of the Budget does not dictate the member JPA's treatment of the dividend within the underlying entities.

Staff will review the Calculation with the Board and answer any questions.

RECOMMENDATION:

Staff recommends the Board of Directors approve a dividend release in the amount of \$1,112,752 drawn proportionately from open program years 2012/13, 2013/14 and 2014/15.

REFERENCE MATERIALS ATTACHED:

- Retrospective Adjustment Calculation
- Release of Dividends to the ERMA Membership
- Allocation of Dividend Release

Employment Risk Management Authority
Program Net Position by Member
As of March 31, 2020

Calculation of the Annual Retrospective Adjustment

Member	Retrospective Adjustment Eligible Program Years ~ Fully Five Years Old				Total Distribution Available**	~ Program Years Not Yet Eligible for Adjustment ~						Total All Program Years
	2012/13 Program Year	2013/14 Program Year	2014/15 Program Year	Member Subtotals		2015/16 Program Year	2016/17 Program Year	2017/18 Program Year	2018/19 Program Year	2019/20 Program Year	Member Subtotals	
BCJPIA	\$ 433,945	\$ 373,628	\$ 118,836	\$ 926,408		\$ 167,901	\$ 235,552	\$ 18,944	\$ 41,390	\$ 85,594	\$ 549,381	\$ 1,475,790
CalTIP								(1,624)	625	7,436	6,438	6,438
CSJVRMA	816,618	621,021	162,044	1,599,683		291,203	462,170	(72,044)	(40,203)	98,712	739,838	2,339,521
ERMAC							47,084	2,611	7,654	21,148	78,496	78,496
MBASIA	44,057	43,996	10,129	98,183		17,812	22,628	(3,320)	(2,028)	5,264	40,356	138,539
MPA	633,660	505,600	125,801	1,265,061		260,277	331,299	(48,871)	(26,670)	76,625	592,660	1,857,720
PARSAC	589,398	542,856	165,364	1,297,618		223,032	406,012	28,566	67,900	96,075	821,586	2,119,204
PERMA	547,842	546,059	175,443	1,269,343		188,859	236,536	19,862	60,480	124,272	630,009	1,899,352
SCORE	40,359	37,195	11,892	89,446		17,341	22,971	1,844	4,556	10,040	56,750	146,196
VCJPA	170,387	141,651	33,543	345,581		56,363	87,929	(12,315)	(7,742)	20,554	144,788	490,369
Oakland HA	85,129	66,408	16,038	167,574		24,479	35,147	(6,996)	(3,474)	9,039	58,195	225,769
Contra Costa County HA	20,546	17,027	3,598	41,171		4,747	7,060	(1,118)	(598)	1,459	11,550	52,721
Capital Fund												818,959
Totals:												
Net Position at Expected C.L.	\$ 3,381,941	\$ 2,895,440	\$ 822,688	\$ 7,100,068		\$ 1,252,013	\$ 1,894,388	\$ (74,461)	\$ 101,891	\$ 556,218	\$ 3,730,049	\$ 11,649,075
Net Position at 90% C.L.	\$ 3,381,941	\$ 2,895,440	\$ 697,989	\$ 6,975,369	\$ 1,762,125	\$ 1,084,137	\$ 1,317,071	\$ (1,640,268)	\$ (2,252,989)	\$ (1,319,987)	\$ (2,812,036)	4,163,332

** Negative equity in current program years is included in Total Distribution Available

Additional Information:	Subtotals:					Subtotals:					Totals:
IBNR at Expected as of 3/31/2020: \$	-	\$ -	\$ 229,438	\$ 229,438		\$ 487,755	\$ 1,166,784	\$ 2,175,426	\$ 5,256,778	\$ 4,332,396	\$ 13,419,139
Open claims as of 3/31/2020	1	0	2	3		1	8	12	12	10	46
Confidence Level Funding:	80%	80%	80%			80%	80%	80%	80%	80%	

Employment Risk Management Authority

Release of Dividends to the ERMA Membership

Based on the Annual Retrospective Adjustment as of March 31, 2020

Member	Program Year	Program Year	Program Year	Member Dividend
	2012/13	2013/14	2014/15	
BCJPIA	\$ 69,493	\$ 59,281	\$ 13,786	\$ 142,560
CalTIP				
CSJVRMA	144,998	112,177	29,271	286,446
ERMAC				
MBASIA	7,822	7,949	1,828	17,599
MPA	112,512	91,332	22,722	226,566
PARSAC	94,382	86,132	19,185	199,699
PERMA	87,728	86,640	20,358	194,726
PLAN JPA				
SCORE	6,462	5,902	1,380	13,744
VCJPA	30,254	25,586	6,062	61,902
Oakland HA	15,115	11,996	2,897	30,008
Contra Costa County HA	3,648	3,076	650	7,374
Totals:				
Equity at 90% C.L.	\$ 572,414	\$ 490,071	\$ 118,139	\$ 1,180,624

Information Only:

Equity at 90% C.L.	\$ 3,381,941	\$ 2,895,440	\$ 697,989	\$ 6,975,369
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Employment Risk Management Authority

BCJPIA ~ Allocation of Dividend Release ~ June, 2020

Individual Member	Program Year	Program Year	Program Year	Member Dividend
	2012/13	2013/14	2014/15	
Albany	\$ 2,938	\$ 2,425	\$ 548	\$ 5,911
Albany JPA	688	553	132	1,373
Brisbane	2,397	2,101	491	4,989
CMFA (1/1/19)				
Central Marin PA	1,030	1,565	330	2,925
Corte Madera (7/1/17)				
Emeryville	1,070	1,065	276	2,411
Emeryville MESA	3,832	2,506	489	6,827
Fairfax	879	737	168	1,784
Larkspur	965	833	197	1,995
Los Altos (7/1/12)	4,410	2,956	673	8,039
Menlo Park (7/1/02)	5,643	6,061	1,646	13,350
Mill Valley (7/1/01)	4,719	3,994	964	9,677
Novato (09/01/07)	3,048	2,446	562	6,056
Piedmont	6,090	4,265	760	11,115
Pleasanton	11,616	11,283	2,748	25,647
LP Fire Dept.	5,610	5,310	1,316	12,236
San Anselmo	1,785	733	182	2,700
Sausalito	4,514	3,077	550	8,141
Tiburon (7/1/11)	1,177	1,107	261	2,545
Union City	7,082	6,264	1,493	14,839
TOTALS	\$ 69,493	\$ 59,281	\$ 13,786	\$ 142,560

* Merged with Albany in the 2019/20 Program Year

** Formerly Twin Cities

*** Withdrawn member

Employment Risk Management Authority

CSJVRMA ~ Allocation of Dividend Release ~ June, 2020

Individual Member	Program Year	Program Year	Program Year	Member
	2012/13	2013/14	2014/15	Dividend
Angels Camp	\$ 1,347	\$ 1,090	\$ 323	\$ 2,760
Atwater (7/1/00)	4,994	3,085	629	8,708
Ceres	9,087	7,139	1,943	18,169
Chowchilla (7/1/01)	1,927	1,625	484	4,036
Corcoran	2,468	1,776	561	4,805
Delano	14,142	10,642	2,891	27,675
Dinuba (07/01/16)				
Dos Palos (12/1/10)	1,042	589	148	1,779
Escalon	1,314	981	217	2,512
Farmersville (7/1/16)				
Fowler	1,149	869	322	2,340
Gustine	1,440	1,372	362	3,174
Hughson	1,224	886	183	2,293
Huron (7/1/10)	899	510	135	1,544
Kerman (7/1/00)	2,191	1,704	456	4,351
Kingsburg (7/1/05)	4,225	2,415	529	7,169
Lathrop (10/4/05)	5,546	3,962	1,259	10,767
Lemoore (7/1/13)		3,607	729	4,336
Livingston	4,616	2,815	567	7,998
Madera	10,194	7,599	1,867	19,660
McFarland	2,397	1,777	558	4,732
Mendota (7/1/13)		1,115	232	1,347
Merced (7/1/03)	20,302	11,690	3,116	35,108
Newman	1,226	1,006	274	2,506
Oakdale (8/1/12)	6,036	3,843	1,189	11,068
Orange Cove (7/7/07)	1,233	926	269	2,428
Parlier ***	2,436	1,501	286	4,223
Patterson (7/1/13)		3,022	672	3,694
Porterville	11,490	8,968	2,362	22,820
Reedley	4,343	3,308	921	8,572
Riverbank (7/1/12)	2,710	1,496	401	4,607
Sanger (04/18/16)				
San Joaquin (8/8/03)	431	347	87	865
Selma	3,138	2,438	666	6,242
Shafter	3,741	2,943	815	7,499
Sonora (7/1/13)		1,804	393	2,197
Taft	2,101	1,703	463	4,267
Tehachapi (7/1/13)		2,161	535	2,696
Tulare (7/1/12)	12,931	7,703	2,078	22,712
Wasco	2,678	1,760	349	4,787
Woodlake (7/1/16)				
TOTALS	\$ 144,998	\$ 112,177	\$ 29,271	\$ 286,446

*** Withdrawn member

Employment Risk Management Authority

MBASIA ~ Allocation of Dividend Release ~ June, 2020

Individual Member	Program Year	Program Year	Program Year	Member Dividend
	2012/13	2013/14	2014/15	
Capitola	\$ 928	\$ 775	\$ 181	\$ 1,884
Del Ray Oaks	161	212	40	413
Gonzales	391	373	90	854
Greenfield	491	408	96	995
Hollister	1,685	1,474	387	3,546
King City	432	563	152	1,147
Marina	1,464	2,057	393	3,914
Sand City	419	350	81	850
Scotts Valley	814	742	165	1,721
Soledad	1,037	995	243	2,275
TOTALS	\$ 7,822	\$ 7,949	\$ 1,828	\$ 17,599

Employment Risk Management Authority

MPA ~ Allocation of Dividend Release ~ June, 2020

Individual Member	Program Year	Program Year	Program Year	Member Dividend
	2012/13	2013/14	2014/15	
Antioch	\$ 9,422	\$ 7,906	\$ 1,979	\$ 19,307
Brentwood	9,865	8,315	2,040	20,220
Clayton	849	673	165	1,687
Danville	2,766	2,274	563	5,603
El Cerrito	6,532	5,558	1,317	13,407
Hercules	6,015	3,095	573	9,683
Lafayette	1,350	1,143	288	2,781
Manteca	11,689	12,319	3,665	27,673
Martinez	4,484	3,774	937	9,195
Moraga	1,118	995	250	2,363
Oakley (7/1/02)	1,260	915	311	2,486
Orinda	1,223	962	225	2,410
Pacifica (3/9/07)	13,359	8,524	1,679	23,562
Pinole	3,867	2,987	702	7,556
Pittsburg	8,336	6,783	1,648	16,767
Pleasant Hill	4,291	3,659	1,076	9,026
San Pablo	3,862	3,308	884	8,054
WCCTAC ***	132	105		237
San Ramon	9,741	8,026	1,970	19,737
Walnut Creek	12,351	10,011	2,450	24,812
TOTALS	\$ 112,512	\$ 91,332	\$ 22,722	\$ 226,566

*** Withdrawn member

Employment Risk Management Authority

PARSAC ~ Allocation of Dividend Release ~ June, 2020

Individual Member		Program Year	Program Year	Program Year	Member
		2012/13	2013/14	2014/15	Dividend
Alturas	***	\$ 543	\$ 514	\$ 100	\$ 1,157
Amador		14	14	4	32
Avalon		2,040	2,126	446	4,612
Belvedere (07/01/15)					
Blue Lake		316	228	39	583
California City		1,707	1,645	534	3,886
Calimesa		531	441	70	1,042
Calistoga		1,870	1,820	391	4,081
Citrus Heights		13,032	10,748	1,674	25,454
Clearlake		1,106	1,179	256	2,541
Coalinga		7,746	5,458	1,068	14,272
Ferndale		239	250	48	537
Grass Valley		3,016	2,944	593	6,553
Highland		1,208	1,149	233	2,590
Menifee (10/1/08)		830	1,075	240	2,145
Nevada City		883	835	171	1,889
Pacific Grove	***	3,014	3,055	586	6,655
Placentia		3,691	3,747	1,011	8,449
Placerville		1,948	1,945	414	4,307
Plymouth		217	208	42	467
Point Arena		150	180	32	362
Rancho Cucamonga		10,897	11,895	1,971	24,763
Rancho Cucamonga FPD (7/1/16)					
Rancho S. Margarita (1/1/04)		911	851	191	1,953
Rialto	***	18,781	12,742	2,422	33,945
San Juan Bautista		73	119	30	222
South Lake Tahoe		5,421	6,708	1,722	13,851
Tehama		18	18	4	40
Trinidad		116	125	26	267
Truckee		3,743	3,686	746	8,175
Twentynine Palms		1,116	1,137	232	2,485
Watsonville		5,136	5,123	1,048	11,307
West Hollywood (7/1/14)	***			1,844	1,844
Wheatland		479	487	110	1,076
Wildomar (7/1/08)		223	270	62	555
Yountville		735	762	166	1,663
Yucaipa		1,341	1,371	387	3,099
Yucca Valley		1,291	1,277	272	2,840
TOTALS		\$ 94,382	\$ 86,132	\$ 19,185	\$ 199,699

*** Withdrawn member

Employment Risk Management Authority

PERMA ~ Allocation of Dividend Release ~ June, 2020

Individual Member	Program Year			Member Dividend
	2012/13	2013/14	2014/15	
City of Adelanto (7/1/03) ***	\$ 945	\$ 960	\$ 168	\$ 2,073
City of Banning (2/14/02)	10,679	12,142	3,009	25,830
City of Barstow (2/4/02)	10,177	8,593	1,663	20,433
Canyon Lake (7/1/11)	176	168	39	383
City of Cathedral City (2/14/01)	14,876	11,863	1,815	28,554
City of Coachella (10/1/00)	2,191	2,246	569	5,006
City of Desert Hot Springs (yr.3)	6,000	5,884	1,445	13,329
Eastvale (07/01/15)				
Hesperia (7/1/10)	6,642	4,853	1,534	13,029
City of Holtville (7/1/08)	718	632	131	1,481
ICTC (7/1/12)	199	195	61	455
Jurupa Valley (11/2/15)				
City of La Mesa (7/1/02)	9,533	9,517	2,283	21,333
City of Murrieta (7/1/01)	9,085	9,185	2,352	20,622
Palm Sprgs Aerial Tram (11/1/05)	1,628	1,710	425	3,763
City of Perris (9/25/00)	3,540	2,987	523	7,050
Rancho Mirage (12/31/19)				
San Jacinto (07/01/18)				
SDRTC (11/8/13)		210	78	288
City of Stanton (7/1/01) ***	2,591	2,356	417	5,364
Sunline Transit (11/8/13)		4,497	1,747	6,244
City of Victorville (7/1/01)	8,454	8,307	2,012	18,773
VVTA	294	335	87	716
TOTALS	\$ 87,728	\$ 86,640	\$ 20,358	\$ 194,726

*** Withdrawn member

Employment Risk Management Authority

SCORE ~ Allocation of Dividend Release ~ June, 2020

Individual Member	Program Year	Program Year	Program Year	Member
	2012/13	2013/14	2014/15	Dividend
Biggs (07/01/17)				
Colfax	266	223	73	562
Dorris (7/1/01)	60	78		138
Dunsmuir (01/01/20)				
Live Oak (7/1/04)	542	476	112	1,130
Loomis (7/1/12)	424	249	63	736
Mt. Shasta (7/1/01)	1,098	791	141	2,030
Portola	242	244	58	544
Rio Dell (7/1/02)	416	358	83	857
Shasta Lake	716	1,146	282	2,144
Susanville (7/1/04)	1,431	1,272	313	3,016
Tulelake (07/01/15)				
Weed (07/01/15)				
Yreka	1,267	1,065	255	2,587
TOTALS	\$ 6,462	\$ 5,902	\$ 1,380	\$ 13,744

*** Withdrawn member

Employment Risk Management Authority

VCJPA ~ Allocation of Dividend Release ~ June, 2020

Individual Member	Program Year	Program Year	Program Year	Member
	2012/13	2013/14	2014/15	Dividend
Alameda County	\$ 631	\$ 494	\$ 118	\$ 1,243
Burney Basin	41	36	9	86
Butte County	680	592	141	1,413
Coachella Valley MVCD (9/14/00)	3,721	3,273	675	7,669
Colusa	97	82	20	199
Compton Creek	43	40	10	93
Consolidated	662	542	132	1,336
Contra Costa County	1,531	1,317	319	3,167
Delta (7/1/08)	593	499	123	1,215
Durham (8/26/02)	31	28	7	66
Fresno	303	246	68	617
Glenn County	65	56	14	135
Greater LA County	4,308	3,058	574	7,940
Kings MAD (7/1/09)	420	474	153	1,047
Lake County VCD (2/1/04)	316	284	62	662
LA County West	1,457	1,239	306	3,002
Marin-Sonoma	1,641	1,507	365	3,513
Napa County	361	307	76	744
Northwest	622	540	142	1,304
Orange County	2,932	2,528	595	6,055
Oroville (7/1/02)	38	33	8	79
Placer County	591	518	134	1,243
Sacramento Yolo	2,458	2,024	481	4,963
San Gabriel Valley	1,179	1,247	374	2,800
San Joaquin County	1,247	1,404	405	3,056
San Mateo County	1,707	1,153	230	3,090
Santa Barbara Costal	214	187	46	447
Shasta	736	480	133	1,349
Sutter-Yuba	515	455	111	1,081
Tehama County	169	139	35	343
Turlock	421	353	84	858
West Valley	524	451	112	1,087
TOTALS	\$ 30,254	\$ 25,586	\$ 6,062	\$ 61,902

*** Withdrawn member

FINANCIAL MATTERS

SUBJECT: Proposed Administrative and Operating Budget for the 2020/21 Program Year

BACKGROUND AND STATUS:

Annually, the ERMA Operating Budget is prepared using actuarial rates applied to the prior calendar year actual payroll as the basis for the pool's funding contributions. Recently, public health orders directing citizens to stay at home in response to rising levels of COVID-19 community transmissions were issued throughout the State. Accordingly, some members have recognized decreased demands for public service and instituted layoffs, furloughs and/or hiring freezes. Such staffing actions may result in lower payroll for the 2020/21 Program Year than the actual 2019 calendar year payroll used as the basis of the ERMA budget.

Given these unique circumstances, consideration was given to the support of ERMA's members. We anticipate there is likely to be a *decrease* in the program's overall exposure while concurrently seeing a sharp *increase* in rates reported in the most recent actuarial study. The combination of these two conditions caused staff to consider how to assist members in managing increased costs in an environment of decreasing exposure. To further the discussion regarding the impact of a possible dividend release, two preliminary Budget Models were considered at the Board's April 2020 meeting: one which presented member contributions offset with a full release of available dividends, and one which presented member contributions offset with 67% or $\frac{2}{3}$ of available dividends. Per the Board's instructions at that meeting, staff prepared the Proposed Operating Budget (Budget) which shows the gross contributions for the 2020/21 Program Year and discloses the contribution amount net of 67% of available dividends as measured at March 31, 2020.

It should be noted that presentation of the recommended dividends amount and discussion of the dividends in concert with the Budget is not intended to direct members' internal accounting or billing. Disclosure of the dividends amount in the Budget does not change the underlying accounting treatment of either the dividends or the annual member contributions. Further, the disclosure of possible dividends in the Budget does not dictate what the member JPAs may invoice or refund to their membership. The dividends are disclosed in the Budget for purposes of information and discussion only.

The funding confidence level for the 2020/21 Program Year remains at 80%. It is anticipated that although a reduction in the exposure base may result in a decrease in the program's total number of losses, such a decrease is more likely in lower-value claims. High-value claims are inherently unpredictable and may occur irrespective of reduced staffing levels.

The recommended 2020/21 Proposed Administrative and Operating Budget represents an overall increase of 18.04%, or \$1,402,908, over the 2019/20 Approved Budget. There are two drivers in the overall increase:

- The increase in payroll of 7.26%; and
- The increase in the loss funding rate of 12.72%. For ease of review, a comparison appears on the Table of Rates on the Member Summary page.

Total premium reflects the following assumptions and significant factors:

- Funding for losses at the 80% CL at the actuarially-determined rate of .567 per \$100 of payroll (\$50,000 SIR); a 12.72% 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 expiring rate of .040;
- Actual payroll for the year ended December 31, 2019;
- An increase in payroll of 7.26%;
- A 0.30% increase in the Loss Prevention and Training portion of the budget due to the increase of Employee Reporting Mechanism of \$1,000, Miscellaneous Training Expenses of \$1,000, offset by a \$1,550 decrease in Customized Training/Workshops; and
- A 5.27% increase in the Administration portion of the Budget. Variances from last year's Budget include:
 - Program Administration – 5.08% increase which consists of the 2% contractual increase with Sedgwick based on the ending Annual Base Contract Price from the prior year (net increases due to the addition of four member agencies, offset by the withdrawal of three members);
 - Actuarial Study – 5.03% increase per contract;
 - Claims Audit – Biennial study last budgeted in the 2018/19 Program Year, \$5,900 per existing contract;
 - E & O Coverage – Estimated at \$3,000 for the 2020/21 Program Year, a \$500 increase over prior year.
 - Investment Management Services - Estimated at \$32,000 based on actual charges of \$15,399 for the first six months of the 2019/20 Program Year.
 - Other Expenses - Estimated at \$5,000 for the 2020/21 Program Year based on actual charges of \$3,362 for the first nine months of the 2019/20 Program Year.

Changes in membership due to:

- Addition of City of Rancho Mirage (PERMA), effective December 31, 2019;
- Addition of City of Dunsmuir (SCORE), effective January 1, 2020;
- Withdrawal of City of Pacific Grove (PARSAC), effective June 30, 2020;
- Withdrawal of City of Stanton (PERMA), effective June 30, 2020;
- Withdrawal of Town of Fort Jones (SCORE), effective June 30, 2020;
- Addition of City of Beaumont (ERMAL) effective July 1, 2020;
- Addition of PLAN JPA and three member agencies – City of American Canyon, Town of Atherton and Town of Woodside, effective July 1, 2020; and
- No known SIR changes.

Changes since the Preliminary Budget approved in April:

- Removal of contribution amounts for JPA staff: MPA, PARSAC and PERMA;
- Removal of 23 member agencies of PLAN JPA that did not elect coverage with ERMA;
- Withdrawal of the City of Stanton (PERMA) effective July 1, 2020;
- Addition of the City of Beaumont (ERMAC) effective July 1, 2020;
- Change in attachment point of SCORE to CJPRMA from \$750,000 to \$500,000;
- Disclosure of 67% of the available retrospective adjustment at March 31, 2020 – superseding the figures based on the December 31, 2019 financials presented during the last meeting;
- Revision of the Customized Training / Workshops budget to \$88,750 to more closely reflect estimated costs; and
- Increase of \$1,000 to \$5,000 total for the estimate of Other Expenses.

Experience Modification Calculation

The Preliminary Operating Budget utilizes a three-tiered experience modification factor (ex-mod) calculation.

- The first calculation determines the ex-mod at the JPA level and is applied in determining each JPA's contribution to ERMA;
- The second calculation captures the effects of each underlying member's individual loss experience and is applied in determining the individual member contributions to the related JPA. It utilizes the "pure" ex-mod rather than the credibility-factored ex-mod used in the primary JPA calculation and is capped at 0.75 on the low end and 1.50 on the high end;
- A third calculation attempts to smooth significant swings by capping individual ex-mod changes by 0.25 from the previous years' ex-mod; and
- The contributions as adjusted by the ex-mods are used as the basis for member target performance ratios and the allocation of retrospective adjustments.

RECOMMENDATION:

Staff recommends the Board of Directors approve the Proposed Administrative and Operating Budget for the 2020/21 Program Year and provide direction to staff, as necessary.

REFERENCE MATERIALS ATTACHED:

- 2020/21 Proposed Administrative and Operating Budget at the 80% Confidence Level and 2.0% discount rate - disclosing 67% of available Retrospective Adjustments

Employment Risk Management Authority

~ 2020/2021 Proposed Operating Budget ~ With 67% Available Retrospective Adjustment ~

~ 80% Confidence Level ~ 2.0% Discount Factor ~

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

	Prior Year - 2019/2020		2020/2021	Increase/(Dec)	
	Projected Actual	Approved Budget	Proposed Budget	Over Prior Year Budget	Percentage Change
<u>Claims Expense:</u>					
Funding for Pooled Losses (SIR to \$1M)	\$6,446,930	\$6,446,930	\$7,781,987	\$1,335,057	20.71%
Excess Insurance	311,540	311,540	333,029	21,489	6.90%
Total Claims Costs	\$6,758,470	\$6,758,470	\$8,115,016	\$1,356,546	20.07%
<u>Loss Prevention and Training:</u>					
Employee Reporting Mechanism	11,000	10,500	11,500	1,000	9.52%
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	6,500	6,500	6,500	0	0.00%
Misc. Training Expenses	5,700	5,000	6,000	1,000	20.00%
Customized Training / Workshops	65,775	90,300	88,750	(1,550)	-1.72%
Total Loss Prevention and Training	\$124,975	\$148,300	\$148,750	\$450	0.30%
<u>Administration:</u>					
Program Management	\$721,658	\$709,517	\$745,529	\$36,012	5.08%
Includes:					
• Training Workshops					
(In-house as per Sedgwick contract - 25 sessions)					
Risk Assessments	0	10,000	10,000	0	0.00%
Claims System	5,000	5,000	5,000	0	0.00%
Legal Services	37,000	50,000	50,000	0	0.00%
Actuarial Study	10,200	9,950	10,450	500	5.03%
Financial Audit	9,950	10,200	10,200	0	0.00%
Claims Audit	0	0	5,900	5,900	
Board Meetings & Retreat	30,000	30,000	30,000	0	0.00%
Memberships and Conferences	5,000	7,500	7,500	0	0.00%
Accreditation	1,417	1,500	1,500	0	0.00%
Fidelity Bonds	1,282	1,300	1,300	0	0.00%
E & O Coverage	2,642	2,500	3,000	500	20.00%
Investment Management Services	30,797	30,000	32,000	2,000	6.67%
Other Expenses	4,600	4,000	5,000	1,000	25.00%
Total Administration	\$859,546	\$871,467	\$917,379	\$45,912	5.27%
Total Deposit Premium	\$7,742,991	\$7,778,237	\$9,181,145	\$1,402,908	18.04%
67% of Available Retrospective Adjustment Amounts	n/a	n/a	(\$1,112,752)	(\$1,112,752)	
Total Deposit Premium, net of Retrospective Adjustment	\$7,742,991	\$7,778,237	\$8,068,393	\$290,156	3.73%

2020/2021 changes from prior year:

- ~ Addition of Beaumont in ERMAC (effective 7/1/20)
- ~ Addition of Rancho Mirage in PERMA (effective 12/31/19) - 2020/2021 First Full Year
- ~ Addition of PLAN JPA and 3 member agencies (effective 7/1/20)
- ~ Addition of Dunsmuir in SCORE (effective 1/1/20) - 2020/2021 First Full Year
- ~ Withdrawal of Pacific Grove from PARSAC (effective 7/1/20)
- ~ Withdrawal of Stanton from PERMA (effective 7/1/20)
- ~ Withdrawal of Fort Jones from SCORE (effective 7/1/20)

Employment Risk Management Authority

~ 2020/2021 Proposed Operating Budget ~ With 67% Available Retrospective Adjustment ~

Member Summary

~ 80% Confidence Level ~ 2.0% Discount Factor ~

														Prior Year Comparison				
Member Entities	Actual	Funding	Loss	Admin.	Deposit	Experience	Deposit	Off-Balance	Deposit	Excess	TOTAL	67% of Available	TOTAL	Prior Year	Without Retro. Adj.		Net of Retro. Adj.	
	2019	For	Prevention &						Modification	Premium					Premium	Insurance	Retrospective	Deposit
	Payroll	Losses *	Training	Costs	Premium	Factor	Ex Mod	Factor	Off-Bal	\$2M x \$1M	Premium	Adjustment	Net of	Premium	Change	of Payroll	Retro. Adj.	of Payroll
BCJPIA	\$243,572,043	\$1,086,449	\$20,922	\$129,032	\$1,236,403	0.791	\$978,526	1.001	\$979,357		\$979,357	(130,324)	\$849,033	\$858,951	14.0%	8.0%	-1.2%	-7.2%
CalTIP	22,925,614	126,587	1,969	12,145	140,701	0.889	125,040	1.001	125,146	5,643	130,789	0	130,789	112,114	16.7%	10.8%	16.7%	10.8%
CSJVRMA	295,282,592	1,617,902	25,364	156,425	1,799,691	1.154	2,077,107	1.001	2,078,870	118,113	2,196,983	(282,223)	1,914,760	2,066,676	6.3%	1.8%	-7.4%	-11.8%
ERMAC	169,183,666	163,723	14,532	89,625	267,880	0.955	255,943	1.001	256,160		256,160	0	256,160	212,221	20.7%	10.2%	20.7%	10.2%
MBASIA	60,825,988	55,230	5,225	32,222	92,678	1.044	96,709	1.001	96,791	24,330	121,122	(17,599)	103,523	110,204	9.9%	3.9%	-6.1%	-12.1%
MPA	349,886,617	1,758,209	30,054	185,352	1,973,615	0.838	1,653,564	1.001	1,654,968	139,955	1,794,922	(226,329)	1,568,593	1,604,242	11.9%	6.2%	-2.2%	-7.9%
PARSAC	231,411,346	1,014,509	19,878	122,590	1,156,976	1.166	1,348,530	1.001	1,349,674		1,349,674	(156,098)	1,193,576	964,130	40.0%	35.8%	23.8%	19.6%
PERMA	222,338,863	1,223,755	19,098	117,784	1,360,637	1.062	1,445,590	1.001	1,446,817		1,446,817	(187,289)	1,259,528	1,108,572	30.5%	19.7%	13.6%	2.8%
PLAN JPA	14,195,875	67,991	1,219	7,520	76,731	1.000	76,731	1.001	76,796	5,678	82,474	0	82,474	0	n/a	n/a	n/a	n/a
SCORE	23,829,685	107,750	2,047	12,624	122,421	1.097	134,327	1.001	134,441		134,441	(13,606)	120,835	91,009	47.7%	39.0%	32.8%	24.0%
VCJPA	61,755,057	352,818	5,305	32,715	390,837	1.092	426,693	1.001	427,055	24,702	451,757	(61,902)	389,855	430,322	5.0%	1.1%	-9.4%	-13.2%
Oakland H.A.	30,966,730	175,581	2,660	16,405	194,646	0.968	188,411	1.001	188,571	12,387	200,958	(30,008)	170,950	189,241	6.2%	0.9%	-9.7%	-15.0%
Contra Costa H.A.	5,552,285	31,481	477	2,941	34,900	0.958	33,441	1.001	33,469	2,221	35,690	(7,374)	28,316	30,554	16.8%	12.4%	-7.3%	-11.7%
Total	\$1,731,726,361	\$7,781,987	\$148,750	\$917,379	\$8,848,116		\$8,840,614		\$8,848,116	\$333,029	\$9,181,145	(\$1,112,752)	\$8,068,393	\$7,778,236	18.0%	10.8%	3.7%	-3.5%

* Includes JPA Participation Credit

2018 Actual Payroll	\$1,614,537,173
2019 Actual Payroll	\$1,731,726,361
Percent Change	7.26%

Table of Rates			
Budget Item	Rates	Prior Year Rate	% Change
Funding for Losses - 2.0% Discounted 80% CL	\$0.5670	\$0.5030	12.72%
Excess Insurance: \$2M x \$1M ~ \$4M / \$10M Aggregate	0.0400	0.0400	0.00%
Loss Prevention & Training	0.0086	0.0092	-6.63%
Administration	0.0530	0.0540	-1.90%

Prior Year Comparison w/o PLAN JPA				
Prior Year	Without Retro. Adj.		Net of Retro. Adj.	
Deposit	Percentage	Percentage	Percentage	Percentage
Premium	Change Net	Change Net	Change w/	Change Net
	of Payroll	of Payroll	Retro. Adj.	of Payroll
\$7,778,236	17.0%	10.6%	2.7%	-3.7%

Employment Risk Management Authority

~ 2020/2021 Proposed Operating Budget ~ With 67% Available Retrospective Adjustment ~
Prior Year Comparison

Member Entities	DEPOSIT PREMIUM CHANGE			CURRENT PAYROLL CHANGE			EX MOD CALCULATION								
	Current Year			Current Year			EX MOD CHANGE			AVERAGE PAYROLL CHANGE			AVERAGE LOSS CHANGE*		
	Prior Year			Prior Year			Prior Year			Prior Year			Prior Year		
	TOTAL Deposit Premium	Total Deposit Premium	Percentage Change	Payroll	Payroll	Percentage Change	Current Year Ex Mod	Prior Year Ex Mod	Percentage Change	Current Year Average Payroll	Prior Year Average Payroll	Percentage Change	Current Year Average Losses	Prior Year Average Losses	Percentage Change
BCJPIA	\$979,357	\$858,951	14.0%	\$243,572,043	\$229,699,946	6.0%	0.791	0.808	-2.0%	\$207,937,716	\$199,558,931	4.2%	166,028	\$150,051	10.6%
CalTIP	130,789	112,114	16.7%	22,925,614	21,654,834	5.9%	0.889	0.889	-0.1%	17,662,852	16,317,698	8.2%	-	-	0.0%
CSJVRMA	2,196,983	2,066,676	6.3%	295,282,592	282,678,764	4.5%	1.154	1.250	-7.7%	257,260,687	244,755,988	5.1%	616,797	639,666	-3.6%
ERMAC	256,160	212,221	20.7%	169,183,666	153,114,547	10.5%	0.955	0.920	3.9%	128,033,106	86,242,169	48.5%	191,742	88,313	117.1%
MBASIA	121,122	110,204	9.9%	60,825,988	57,382,172	6.0%	1.044	1.060	-1.6%	48,650,325	46,148,284	5.4%	105,740	91,348	15.8%
MPA	1,794,922	1,604,242	11.9%	349,886,617	331,210,310	5.6%	0.838	0.871	-3.8%	291,152,375	276,988,274	5.1%	328,397	297,015	10.6%
PARSAC	1,349,674	964,130	40.0%	231,411,346	222,082,602	4.2%	1.166	0.981	18.8%	195,382,525	193,215,258	1.1%	497,435	274,341	81.3%
PERMA	1,446,817	1,108,572	30.5%	222,338,863	200,610,549	10.8%	1.062	0.990	7.3%	176,965,966	168,152,026	5.2%	366,487	244,437	49.9%
PLAN JPA	82,474	n/a	n/a	14,195,875	n/a	n/a	1.000	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
SCORE	134,441	91,009	47.7%	23,829,685	21,910,292	8.8%	1.097	0.883	24.3%	18,991,560	18,228,457	4.2%	61,563	-	0.0%
VCJPA	451,757	430,322	5.0%	61,755,057	59,467,956	3.8%	1.092	1.187	-8.1%	51,876,663	49,737,272	4.3%	135,152	146,322	-7.6%
Oakland H.A	200,958	189,241	6.2%	30,966,730	29,405,018	5.3%	0.968	1.062	-8.9%	26,820,459	25,932,089	3.4%	36,164	56,006	-35.4%
Contra Costa H.A.	35,690	30,554	16.8%	5,552,285	5,320,183	4.4%	0.958	0.940	1.9%	4,922,145	4,742,459	3.8%	2,500	-	0.0%
Total	\$9,181,145	\$7,778,237	18.0%	\$1,731,726,361	\$1,614,537,173	7.3%				\$1,425,656,378	\$1,330,018,904	7.2%	2,508,005	\$1,987,498	26.2%

* Average incurred losses as displayed in the Experience Modification Calculation. Individual losses from \$25k and capped at \$500k.

Employment Risk Management Authority

~ 2020/2021 Proposed Operating Budget ~ With 67% Available Retrospective Adjustment ~

Program Administration Fee Worksheet

		Original Contract Year						2019/2020						2020/2021			
		2018/2019						2019/2020						2020/2021			
Annual Base Contract Price (ABCP)					\$697,162	Annual Base Contract Price (ABCP)					\$735,384	Annual Base Contract Price (ABCP)					\$738,012
						Percentage Increase over previous year					2.00%	Percentage Increase over previous year					2.00%
		Payroll	Payroll Calc %age	Sedgwick Fees Prorated	Sedgwick Fees Annualized			Payroll	Payroll Calc %age	Sedgwick Fees Prorated	Sedgwick Fees Annualized			Payroll	Payroll Calc %age	Sedgwick Fees Prorated	Sedgwick Fees Annualized
Baseline as of 4/1/18		1,516,245,035		697,162	697,162	Baseline as of 7/1/19		1,568,013,740		735,384	735,384	Baseline as of 7/1/20		1,542,761,952		738,012	738,012
PERMA	Joined 7/1/18 San Jacinto	3,358,185	0.002215	1,544	1,544	PARSAC Withdrew 7/1/19 W. Hollywood		(27,353,542)	-0.017445	(12,829)	(12,829)	PARSAC Withdrawing 6/30/20 Pacific Grove		(8,495,678)	-0.005507	(4,064)	(4,064)
ERMAC	Joined 1/1/19 Santa Maria	47,947,627	0.031623	11,023	22,046	PERMA Withdrew 7/1/19 Adelanto		(3,174,293)	-0.002024	(1,489)	(1,489)	PERMA Withdrawing 6/30/20 Stanton		(3,301,106)	-0.002140	(1,579)	(1,579)
SCORE	Joined 1/1/19 Fort Jones	462,893	0.000305	106	213	CSJVRMA Withdrew 7/1/19 Parlier		(2,748,207)	-0.001753	(1,289)	(1,289)	SCORE Withdrawing 6/30/20 Fort Jones		(533,924)	-0.000346	(255)	(255)
						PERMA Joined 12/31/19 Rancho Mirage		7,250,967	0.004624	1,700	3,401	ERMAC Joining 7/1/20 Beaumont		13,846,362	0.008975	6,624	6,624
						SCORE Joined 1/1/20 Dunsmuir		773,287	0.000493	181	363	PLAN JPA Joining 7/1/20 American Canyon Atherton Woodside		7,193,051 4,799,844 2,202,980	0.004662 0.003111 0.001428	3,441 2,296 1,054	3,441 2,296 1,054
Totals as of 6/30/19		1,568,013,740		\$709,835	\$720,965	Totals as of 6/30/20		1,542,761,952		\$721,658	\$723,541	Totals as of 6/30/21		1,558,473,482		\$745,529	\$745,529

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

Employment Risk Management Authority

~ 2020/2021 Proposed Operating Budget ~ With 67% Available Retrospective Adjustment ~

~ BCJPIA ~

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>							67% of Available Retro. Adj. Amounts	Premium Net of Retro. Adj.	Prior Year Comparison		
										2	3	4	5	6	7	8	Info Only:	9	10	11			Prior Year Deposit Premium	Increase (Decrease) w/o Retro. Adj.	Increase (Decrease) Net of Retro. Adj.
Member	Actual 2019 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	Individual Experience Modification Factor	Capped Individual Experience Modification	Capped Ind. Ex Mod Including .25 capped change over prior year	Prior Year (2019/2020) Experience Modification	Deposit Adjusted for Experience Modification	Off-Balance Factor	Premium Adjusted for Off Balance Factor			Prior Year Deposit Premium			
1 Albany/Albany JPA	\$11,273,329	\$50,000	\$0.567	\$63,920	\$968	\$5,972	\$70,860	(\$3,539)	\$67,321	0.791	\$53,280	1.001	\$53,325	0.366	0.750	0.750	0.750	\$50,491	0.958	\$48,385	(\$7,284)	\$41,101	\$41,969	\$6,416	(\$868)
2 Brisbane	10,205,927	50,000	0.567	57,868	877	5,407	64,151	(3,204)	60,946	0.791	48,235	1.001	48,276	0.000	0.750	0.750	0.750	45,710	0.958	43,804	(4,989)	38,815	37,347	6,457	1,468
3 CMFA (1/1/19)	4,119,184	100,000	0.465	19,152	354	2,182	21,688	(1,083)	20,604	0.791	16,307	1.001	16,321	0.000	0.750	0.750	1.000	15,453	0.958	14,809	0	14,809	26,891	(12,082)	(12,082)
4 Central Marin PA	5,457,093	100,000	0.465	25,372	469	2,891	28,732	(1,435)	27,297	0.791	21,603	1.001	21,622	0.000	0.750	0.750	0.750	20,473	0.958	19,619	(2,925)	16,694	16,405	3,214	289
5 Corte Madera (7/1/17)	3,620,916	100,000	0.465	16,835	311	1,918	19,064	(952)	18,112	0.791	14,334	1.001	14,347	0.000	0.750	0.750	0.750	13,584	0.958	13,018	0	13,018	10,677	2,341	2,341
6 Emeryville	5,353,640	50,000	0.567	30,355	460	2,836	33,651	(1,681)	31,970	0.791	25,302	1.001	25,324	0.000	0.750	0.750	0.750	23,978	0.958	22,978	(2,411)	20,567	20,157	2,821	410
7 Emeryville (MESA)	9,753,849	50,000	0.567	55,304	838	5,167	61,309	(3,062)	58,247	0.791	46,098	1.001	46,137	0.000	0.750	0.750	0.750	43,685	0.958	41,864	(6,827)	35,037	35,890	5,974	(853)
8 Fairfax	3,019,166	50,000	0.567	17,119	259	1,599	18,977	(948)	18,029	0.791	14,269	1.001	14,281	0.000	0.750	0.750	0.750	13,522	0.958	12,958	(1,784)	11,174	11,203	1,755	(29)
9 Larkspur	4,437,164	250,000	0.278	12,328	381	2,351	15,059	(752)	14,307	0.791	11,323	1.001	11,333	0.000	0.750	0.750	0.750	10,730	0.958	10,283	(1,995)	8,288	5,664	4,619	2,624
10 Los Altos (07/01/12)	13,397,476	100,000	0.465	62,290	1,151	7,097	70,538	(3,523)	67,015	0.791	53,038	1.001	53,083	0.709	0.750	0.750	0.881	50,261	0.958	48,165	(8,039)	40,126	55,923	(7,758)	(15,797)
11 Menlo Park (07/01/02)	31,900,426	250,000	0.278	88,629	2,740	16,899	108,268	(5,408)	102,860	0.791	81,407	1.001	81,476	0.909	0.909	0.909	1.000	93,505	0.958	89,606	(13,350)	76,256	82,803	6,803	(6,547)
12 Mill Valley (07/01/01)	17,527,967	50,000	0.567	99,384	1,506	9,285	110,175	(5,503)	104,671	0.791	82,840	1.001	82,910	0.000	0.750	0.750	0.750	78,504	0.958	75,230	(9,677)	65,553	65,091	10,139	462
13 Novato (09/01/07)	19,704,268	250,000	0.278	54,744	1,693	10,438	66,875	(3,340)	63,535	0.791	50,283	1.001	50,326	0.414	0.750	1.000	1.250	63,535	0.958	60,885	(6,056)	54,829	61,646	(761)	(6,817)
14 Piedmont	13,938,268	50,000	0.567	79,030	1,197	7,384	87,611	(4,376)	83,235	0.791	65,875	1.001	65,930	4.435	1.500	1.250	124,852	0.958	119,646	(11,115)	108,531	87,173	32,473	21,358	
15 Pleasanton	50,018,700	75,000	0.510	255,245	4,296	26,497	286,039	(14,288)	271,752	0.791	215,072	1.001	215,255	0.000	0.750	0.750	0.750	203,814	0.958	195,315	(25,647)	169,668	152,641	42,674	17,027
16 San Anselmo	3,374,056	50,000	0.567	19,131	290	1,787	21,208	(1,059)	20,149	0.791	15,946	1.001	15,960	0.000	0.750	0.750	0.750	15,112	0.958	14,481	(2,700)	11,781	13,291	1,190	(1,510)
17 Sausalito	6,646,132	50,000	0.567	37,684	571	3,521	41,775	(2,087)	39,689	0.791	31,411	1.001	31,437	0.000	0.750	0.750	0.750	29,766	0.958	28,525	(8,141)	20,384	25,214	3,311	(4,830)
18 Tiburon (7/1/11)	3,735,038	25,000	0.641	23,931	321	1,979	26,230	(1,310)	24,920	0.791	19,722	1.001	19,739	0.000	0.750	0.750	0.750	18,690	0.958	17,911	(2,545)	15,366	15,034	2,877	332
19 Union City	26,089,444	75,000	0.510	133,134	2,241	13,821	149,196	(7,452)	141,744	0.791	112,180	1.001	112,276	0.000	0.750	0.750	0.750	106,308	0.958	101,875	(14,839)	87,036	93,933	7,942	(6,897)
Total	\$243,572,043			\$1,151,455	\$20,922	\$129,032	\$1,301,408	(\$65,005)	\$1,236,403		\$978,526	\$979,357						\$1,021,971		\$979,357	(\$130,324)	\$849,033	\$858,952	\$120,405	(\$9,919)
				(65,005)	JPA participation credit																				
				\$1,086,449	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	\$487,630,739
Participating Payroll	243,572,043
Participation Credit	5.00%
2018 Payroll	\$229,699,946
2019 Payroll	243,572,043
Percentage Increase	6.04%

Retained Limit Rates - 80% C.L.		
SIR	Factor	Rates
\$25,000	1.13	\$0.641
50,000	1.00	0.567
75,000	0.90	0.510
100,000	0.82	0.465
250,000	0.49	0.278
500,000	0.19	0.108

Other Rates	
Description	Rates
Excess Insurance: \$2M x \$1M ~ \$4M / \$10M Aggregate	\$0.0400
Loss Prevention & Training	0.0086
Administration	0.0530

Employment Risk Management Authority

~ 2020/2021 Proposed Operating Budget ~ With 67% Available Retrospective Adjustment ~

~ CalTIP ~

										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>								67% of Available Retro. Adj. Amounts	Premium Net of Retro. Adj.	Prior Year Comparison						
1										2	3	4	5	6	7	8	Info Only:	9	10	11					Prior Year	Increase (Decrease)	Increase (Decrease)			
Member	Actual		Payroll/100	Funding	Loss			JPA	Net	JPA	Dep Prem	Dep Prem	Individual	Capped	Ex Mod	Prior Year	Deposit		Premium	Excess	TOTAL				Prior Year					
	2019	SIR	Pool	For	Prevention	Admin.	Deposit	Participation	Deposit	Experience	Adjusted for	Adjusted for	Experience	Individual	Incl. .25	(2019/2020)	Adjusted for	Off-Balance	Adjusted for	Insurance	Deposit				Deposit	w/o Retro.	Net of			
	Payroll	Selected	Rate	Losses	& Training	Costs	Premium	Credit	Premium	Modification	Experience	Off-Balance	Modification	Experience	capped	Experience	Experience	Factor	Factor	\$2M x \$1M	Premium		Premium	Adj.	Retro. Adj.					
1 El Dorado County TA	\$3,515,292	\$50,000	\$0.567	\$19,932	\$302	\$1,862	\$22,096	(\$304)	\$21,792	0.889	\$19,366	1.001	\$19,382	0.000	0.750	0.750	0.750	\$16,344	1.186	\$19,382		\$19,382	\$0	\$19,382	\$17,120	\$2,262	\$2,262			
2 Humboldt Transit	2,532,761	75,000	0.510	12,925	218	1,342	14,484	(200)	14,284	0.889	12,694	1.001	12,705	0.000	0.750	0.750	0.750	10,713	1.186	12,705		12,705	0	12,705	10,907	1,798	1,798			
3 Livermore Amador Valley TA	1,671,605	50,000	0.567	9,478	144	886	10,507	(145)	10,362	0.889	9,209	1.001	9,217	0.000	0.750	0.750	0.750	7,772	1.186	9,217	669	9,885	0	9,885	7,524	2,361	2,361			
4 Mendocino Transit	2,972,395	50,000	0.567	16,853	255	1,575	18,683	(257)	18,426	0.889	16,375	1.001	16,389	0.000	0.750	0.750	0.750	13,820	1.186	16,389	1,189	17,578	0	17,578	13,896	3,682	3,682			
5 Morongo Basin TA	1,711,324	50,000	0.567	9,703	147	907	10,757	(148)	10,609	0.889	9,428	1.001	9,436	0.000	0.750	0.750	0.750	7,956	1.186	9,436		9,436	0	9,436	7,437	1,999	1,999			
6 San Luis Obispo Regional TA	5,212,936	50,000	0.567	29,557	448	2,762	32,767	(451)	32,315	0.889	28,718	1.001	28,743	0.000	0.750	0.750	0.750	24,236	1.186	28,743	2,085	30,828	0	30,828	25,873	4,955	4,955			
7 South County Transit	371,659	50,000	0.567	2,107	32	197	2,336	(32)	2,304	0.889	2,047	1.001	2,049	0.000	0.750	0.750	0.750	1,728	1.186	2,049	149	2,198	0	2,198	2,370	(172)	(172)			
8 Tahoe Transportation District	2,914,349	50,000	0.567	16,524	250	1,544	18,319	(252)	18,066	0.889	16,055	1.001	16,069	0.000	0.750	0.750	0.750	13,550	1.186	16,069	1,166	17,235	0	17,235	17,216	19	19			
9 Western Contra Costa TA	1,059,072	50,000	0.567	6,005	91	561	6,657	(92)	6,565	0.889	5,834	1.001	5,839	0.000	0.750	0.750	0.750	4,924	1.186	5,839		5,839	0	5,839	4,647	1,192	1,192			
10 Yolo County Trans. District	964,222	50,000	0.567	5,467	83	511	6,061	(83)	5,977	0.889	5,312	1.001	5,316	0.000	0.750	0.750	0.750	4,483	1.186	5,316	386	5,702	0	5,702	5,124	578	578			
Total	\$22,925,614			\$128,552	\$1,969	\$12,145	\$142,666	(\$1,965)	\$140,701		\$125,040		\$125,146				\$105,526		\$125,146	\$5,643	\$130,789	\$0	\$130,789	\$112,114	\$18,675	\$18,675				
				(1,965)	JPA participation credit																									
				\$126,587	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	\$166,439,821
Participating Payroll	22,925,614
Participation Credit	1.38%
2018 Payroll	\$21,654,834
2019 Payroll	22,925,614
Percentage Increase	5.87%

Retained Limit Rates - 80% C.L.		
SIR	Factor	Rates
\$25,000	1.13	\$0.641
50,000	1.00	0.567
75,000	0.90	0.510
100,000	0.82	0.465
250,000	0.49	0.278
500,000	0.19	0.108

Other Rates	
Description	Rates
Excess Insurance: \$2M x \$1M ~ \$4M / \$10M Aggregate	\$0.0400
Loss Prevention & Training	0.0086
Administration	0.0530

Employment Risk Management Authority

~ 2020/2021 Proposed Operating Budget ~ With 67% Available Retrospective Adjustment ~

~ CSJVRMA ~

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)										Excess Insurance \$2M x \$1M	TOTAL Deposit Premium	67% of Available Retro. Adj. Amounts	Premium Net of Retro. Adj.	Prior Year Comparison																														
	Actual 2019 Payroll	SIR Selected	Payroll/100 Pool Rate	Funding For Losses	Loss Prevention & Training	Admin. Costs	Deposit Premium	JPA Participation Credit	Net Deposit Premium	2	3	4	5	6	7	8 capped mod. Ex Mod Including .25 capped change over prior year	9	10	11	12	13	14	15	16	17					18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	Total	JPA participation credit (119,853)	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	Prior Year Deposit Premium	Increase (Decrease) w/o Retro. Adj.	Increase (Decrease) Retro. Adj.
1 Angels Camp	\$2,348,605	\$25,000	\$0.641	\$15,048	\$202	\$1,244	\$16,494	(\$1,030)	\$15,464	1.154	\$17,848	1.001	\$17,863	0.000	0.750	0.750	0.750	\$11,598	1.196	\$13,866	\$939	\$14,805	(2,760)	\$12,045	\$17,360	(\$2,555)	(\$5,315)																																	
2 Atwater (07/01/00)	5,192,561	25,000	0.641	33,269	446	2,751	36,466	(2,277)	34,189	1.154	39,459	1.001	39,493	2.786	1.500	1.500	1.500	51,284	1.196	61,313	2,077	63,390	(8,708)	54,682	64,247	(857)	(9,565)																																	
3 Ceres	15,762,823	25,000	0.641	100,994	1,354	8,350	110,698	(6,912)	103,786	1.154	119,785	1.001	119,886	0.135	0.750	1.000	1.250	103,786	1.196	124,084	6,305	130,389	(18,169)	112,220	148,493	(18,104)	(36,273)																																	
4 Chowchilla (07/01/01)	4,489,822	25,000	0.641	28,767	386	2,378	31,531	(1,969)	29,562	1.154	34,119	1.001	34,148	0.000	0.750	0.750	0.750	22,172	1.196	26,508	1,796	28,304	(4,036)	24,268	25,972	2,332	(1,704)																																	
5 Corcoran	4,297,812	25,000	0.641	27,537	369	2,277	30,182	(1,885)	28,298	1.154	32,660	1.001	32,688	0.000	0.750	0.750	0.750	21,223	1.196	25,374	1,719	27,093	(4,805)	22,288	24,678	2,415	(2,390)																																	
6 Delano	20,346,087	25,000	0.641	130,359	1,748	10,778	142,885	(8,922)	133,964	1.154	154,614	1.001	154,745	2.239	1.500	1.500	1.500	200,946	1.196	240,245	8,138	248,383	(27,675)	220,708	230,932	17,451	(10,224)																																	
7 Dinuba (07/01/16)	9,977,747	100,000	0.465	46,391	857	5,286	52,533	(3,280)	49,253	1.154	56,845	1.001	56,894	0.000	0.750	0.750	0.750	36,940	1.196	44,164	3,991	48,155	0	48,155	50,262	(2,107)	(2,107)																																	
8 Dos Palos (12/01/10)	1,455,597	25,000	0.641	9,326	125	771	10,222	(638)	9,584	1.154	11,061	1.001	11,071	0.000	0.750	0.750	0.750	7,188	1.196	8,594	582	9,176	(1,779)	7,397	9,026	150	(1,629)																																	
9 Escalon	2,169,803	25,000	0.641	13,902	186	1,149	15,238	(951)	14,287	1.154	16,489	1.001	16,503	0.000	0.750	0.750	0.750	10,715	1.196	12,810	868	13,678	(2,512)	11,166	12,760	918	(1,594)																																	
10 Farmersville (7/1/16)	2,534,516	75,000	0.510	12,934	218	1,343	14,494	(905)	13,589	1.154	15,684	1.001	15,697	0.000	0.750	0.750	0.750	10,192	1.196	12,185	1,014	13,199	0	13,199	11,842	1,357	1,357																																	
11 Fowler	2,048,543	25,000	0.641	13,125	176	1,085	14,386	(898)	13,488	1.154	15,567	1.001	15,580	16.725	1.500	1.500	1.250	20,232	1.196	24,189	819	25,008	(2,340)	22,668	19,143	5,865	3,525																																	
12 Gustine	1,666,735	25,000	0.641	10,679	143	883	11,705	(731)	10,974	1.154	12,666	1.001	12,677	0.000	0.750	0.750	0.750	8,231	1.196	9,840	667	10,507	(3,174)	7,333	8,869	1,638	(1,536)																																	
13 Hughson	986,819	25,000	0.641	6,323	85	523	6,930	(433)	6,497	1.154	7,499	1.001	7,505	0.000	0.750	1.000	1.250	6,497	1.196	7,768	395	8,163	(2,293)	5,870	10,116	(1,953)	(4,246)																																	
14 Huron (07/01/10)	1,122,407	25,000	0.641	7,191	96	595	7,882	(492)	7,390	1.154	8,529	1.001	8,537	0.000	0.750	0.750	0.750	5,543	1.196	6,627	449	7,076	(1,544)	5,532	6,804	272	(1,272)																																	
15 Kerman (07/01/00)	4,197,823	25,000	0.641	26,896	361	2,224	29,480	(1,841)	27,640	1.154	31,900	1.001	31,927	0.000	0.750	1.066	1.316	29,458	1.196	35,219	1,679	36,898	(4,351)	32,547	41,363	(4,465)	(8,816)																																	
16 Kingsburg (07/01/05)	3,970,486	25,000	0.641	25,439	341	2,103	27,884	(1,741)	26,143	1.154	30,173	1.001	30,198	12.017	1.500	1.500	1.250	39,214	1.196	46,883	1,588	48,471	(7,169)	41,302	35,941	12,530	5,361																																	
17 Lathrop (10/04/05)	7,346,922	25,000	0.641	47,072	631	3,892	51,596	(3,222)	48,374	1.154	55,831	1.001	55,878	0.000	0.750	0.750	0.750	36,281	1.196	43,376	2,939	46,315	(10,767)	35,548	40,875	5,440	(5,327)																																	
18 Lemoore (07/01/13)	7,986,606	25,000	0.641	51,171	686	4,231	56,088	(3,502)	52,586	1.154	60,692	1.001	60,743	0.000	0.750	0.750	0.750	39,439	1.196	47,153	3,195	50,347	(4,336)	46,011	47,339	3,008	(1,328)																																	
19 Livingston	4,852,236	25,000	0.641	31,089	417	2,570	34,076	(2,128)	31,948	1.154	36,873	1.001	36,904	0.000	0.750	0.750	0.750	23,961	1.196	28,647	1,941	30,588	(7,998)	22,590	25,889	4,699	(3,299)																																	
20 Madera	17,546,597	25,000	0.641	112,423	1,507	9,295	123,225	(7,694)	115,531	1.154	133,340	1.001	133,453	0.000	0.750	0.750	0.750	86,648	1.196	103,594	7,019	110,613	(19,660)	90,953	117,282	(6,669)	(26,329)																																	
21 McFarland	2,507,354	50,000	0.567	14,217	215	1,328	15,760	(984)	14,776	1.154	17,054	1.001	17,068	19.866	1.500	1.500	1.500	22,164	1.196	26,499	1,003	27,502	(4,732)	22,770	28,602	(1,100)	(5,832)																																	
22 Mendota (07/01/13)	2,427,588	25,000	0.641	15,554	209	1,286	17,048	(1,064)	15,984	1.154	18,448	1.001	18,463	0.000	0.750	0.750	0.750	11,988	1.196	14,332	971	15,303	(1,347)	13,956	14,395	908	(439)																																	
23 Merced (07/01/03)	36,186,516	100,000	0.465	168,246	3,108	19,170	190,524	(11,896)	178,628	1.154	206,162	1.001	206,337	0.112	0.750	0.750	0.750	133,971	1.196	160,171	14,475	174,646	(35,108)	139,538	166,603	8,043	(27,065)																																	
24 Newman	2,813,698	25,000	0.641	18,028	242	1,491	19,760	(1,234)	18,526	1.154	21,382	1.001	21,400	0.000	0.750	0.750	0.750	13,895	1.196	16,612	1,125	17,737	(2,506)	15,231	16,875	862	(1,644)																																	
25 Oakdale (08/01/12)	6,700,086	50,000	0.567	37,989	576	3,549	42,114	(2,630)	39,485	1.154	45,571	1.001	45,610	1.905	1.500	1.500	1.500	59,227	1.196	70,810	2,680	73,490	(11,068)	62,422	59,867	13,623	2,555																																	
26 Orange Cove (07/07/07)	1,992,845	50,000	0.567	11,299	171	1,056	12,526	(782)	11,744	1.154	13,555	1.001	13,566	0.000	0.750	0.750	0.750	8,808	1.196	10,531	797	11,328	(2,428)	8,900	10,806	522	(1,906)																																	
27 Patterson (07/01/13)	9,481,497	50,000	0.567	53,760	814	5,023	59,597	(3,721)	55,876	1.154	64,489	1.001	64,544	1.041	1.041	1.000	0.750	55,876	1.196	66,804	3,793	70,596	(3,694)	66,902	48,910	21,686	17,992																																	
28 Porterville	22,223,862	25,000	0.641	142,391	1,909	11,773	156,073	(9,745)	146,328	1.154	168,883	1.001	169,027	3.555	1.500	1.000	0.750	146,328	1.196	174,945	8,890	183,834	(22,820)	161,014	130,197	53,637	30,817																																	
29 Reedley	8,737,363	25,000	0.641	55,981	751	4,629	61,360	(3,831)	57,529	1.154	66,397	1.001	66,453	0.000	0.750	0.750	0.750	43,147	1.196	51,585	3,495	55,080	(8,572)	46,508	51,737	3,343	(5,229)																																	
30 Riverbank (07/01/12)	3,585,662	50,000	0.567	20,331	308	1,899	22,538	(1,407)	21,131	1.154	24,388	1.001	24,409	0.416	0.750	0.750	0.750	15,848	1.196	18,948	1,434	20,382	(4,607)	15,775	19,450	932	(3,675)																																	
31 Sanger (04/18/16)	9,203,184	25,000	0.641	58,966	791	4,875	64,632	(4,035)	60,596	1.154	69,937	1.001	69,996	5.970	1.500	1.500	1.500	90,8																																										

Employment Risk Management Authority

~ 2020/2021 Proposed Operating Budget ~ With 67% Available Retrospective Adjustment ~
~ ERMAC ~

										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>																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												
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	Actual		Payroll/100	Funding	Loss				JPA	Net	JPA	Dep Prem	Dep Prem	Individual	Capped	Capped Ind.	Prior Year	Deposit			Premium																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																					

(29,764) JPA participation credit

\$163,723 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	\$169,183,667
Participating Payroll	169,183,666
Participation Credit	10.00%

2018 Payroll	\$153,114,547
2019 Payroll	169,183,666
Percentage Increase	10.49%

Retained Limit Rates - 80% C.L.		
SIR	Factor	Rates
\$25,000	1.13	\$0.641
50,000	1.00	0.567
75,000	0.90	0.510
100,000	0.82	0.465
250,000	0.49	0.278
500,000	0.19	0.108

Other Rates	
Description	Rates
Excess Insurance: \$2M x \$1M ~ \$4M / \$10M Aggregate	\$0.0400
Loss Prevention & Training	0.0086
Administration	0.0530

Employment Risk Management Authority

~ 2020/2021 Proposed Operating Budget ~ With 67% Available Retrospective Adjustment ~

~ MBASIA ~

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>										Prior Year Comparison				
										2	3	4	5	6	7	8	Info Only:	9	10					11			67% of Available Retro. Adj. Amounts	Premium Net of Retro. Adj.
Member	Actual 2019 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	Off Balance Factor	Individual Experience Modification Factor	Capped Individual Experience Modification	Capped Ind. Ex Mod Including .25 capped change over prior year	Prior Year (2019/2020) Experience Modification	Deposit Adjusted for Experience Modification	Off-Balance Factor	Premium Adjusted for Off Balance Factor	Excess Insurance \$2M x \$1M	TOTAL Deposit Premium			Prior Year Deposit Premium	Increase (Decrease) w/o Retro. Adj.	Increase (Decrease) Net of Retro. Adj.	
1 Capitola	\$6,421,510	\$500,000	\$0.108	\$6,918	\$552	\$3,402	\$10,871	(\$1,087)	\$9,784	1.044	\$10,210	1.001	\$10,218	3.082	1.500	1.250	1.000	\$12,230	1.165	\$14,253	\$2,569	\$16,822	(\$1,884)	\$14,938	\$13,184	\$3,638	\$1,754	
2 Del Ray Oaks	1,612,490	500,000	0.108	1,737	139	854	2,730	(273)	2,457	1.044	2,564	1.001	2,566	15.994	1.500	1.500	1.250	3,685	1.165	4,295	645	4,940	(413)	4,527	3,620	1,320	907	
3 Gonzales	4,006,408	500,000	0.108	4,316	344	2,122	6,783	(678)	6,104	1.044	6,370	1.001	6,375	0.000	0.750	0.750	0.750	4,578	1.165	5,336	1,603	6,938	(854)	6,084	6,181	757	(97)	
4 Greenfield	5,959,984	500,000	0.108	6,421	512	3,157	10,090	(1,009)	9,081	1.044	9,476	1.001	9,484	7.304	1.500	1.500	1.500	13,621	1.165	15,874	2,384	18,258	(995)	17,263	16,105	2,153	1,158	
5 Hollister	17,320,133	500,000	0.108	18,659	1,488	9,175	29,322	(2,932)	26,390	1.044	27,538	1.001	27,561	0.000	0.750	0.750	0.750	19,792	1.165	23,066	6,928	29,994	(3,546)	26,448	28,491	1,503	(2,043)	
6 King City	2,986,810	500,000	0.108	3,218	257	1,582	5,057	(506)	4,551	1.044	4,749	1.001	4,753	0.000	0.750	0.750	0.750	3,413	1.165	3,978	1,195	5,172	(1,147)	4,025	5,208	(36)	(1,183)	
7 Marina	9,611,831	500,000	0.108	10,355	826	5,092	16,272	(1,627)	14,645	1.044	15,282	1.001	15,295	0.166	0.750	0.750	0.750	10,984	1.165	12,801	3,845	16,645	(3,914)	12,731	15,671	974	(2,940)	
8 Sand City	2,702,236	500,000	0.108	2,911	232	1,432	4,575	(457)	4,117	1.044	4,296	1.001	4,300	0.000	0.750	0.750	0.750	3,088	1.165	3,599	1,081	4,680	(850)	3,830	4,713	(33)	(883)	
9 Scotts Valley	5,456,068	500,000	0.108	5,878	469	2,890	9,237	(924)	8,313	1.044	8,675	1.001	8,682	0.000	0.750	0.750	0.750	6,235	1.165	7,266	2,182	9,449	(1,721)	7,728	9,258	191	(1,530)	
10 Soledad	4,748,518	500,000	0.108	5,116	408	2,516	8,039	(804)	7,235	1.044	7,550	1.001	7,556	0.000	0.750	0.750	0.750	5,426	1.165	6,324	1,899	8,223	(2,275)	5,948	7,772	451	(1,824)	
Total	\$60,825,988			\$65,528	\$5,225	\$32,222	\$102,975	(\$10,298)	\$92,678		\$96,709		\$96,791					\$83,054		\$96,791	\$24,330	\$121,122	(\$17,599)	\$103,523	\$110,203	\$10,919	(\$6,680)	
				(10,298)	JPA participation credit																							
				\$55,230	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									

		Retained Limit Rates - 80% C.L.		
		SIR	Factor	Rates
Total JPA Payroll*	\$60,825,988			
Participating Payroll	60,825,988	\$25,000	1.13	\$0.641
Participation Credit	10.00%	50,000	1.00	0.567
		75,000	0.90	0.510
2018 Payroll	\$57,382,172	100,000	0.82	0.465
2019 Payroll	60,825,988	250,000	0.49	0.278
Percentage Increase	6.00%	500,000	0.19	0.108

Other Rates	
Description	Rates
Excess Insurance: \$2M x \$1M ~ \$4M / \$10M Aggregate	\$0.0400
Loss Prevention & Training	0.0086
Administration	0.0530

~ 2020/2021 Proposed Operating Budget ~ With 67% Available Retrospective Adjustment ~
~ MPA ~

Total JPA Payroll	\$384,531,798	Retained Limit Rates - 80% C.L.			Other Rates	
Participating Payroll	349,886,617	SIR	Factor	Rates	Description	Rates
Participation Credit	9.10%	\$25,000	1.13	\$0.641	Excess Insurance: \$2M x \$1M ~ \$4M / \$10M Aggregate	\$0.0400
		50,000	1.00	0.567	Loss Prevention & Training	0.0086
2018 Payroll	\$331,210,310	75,000	0.90	0.510	Administration	0.0530
2019 Payroll	349,886,617	100,000	0.82	0.465		
Percentage Increase	5.64%	250,000	0.49	0.278		
		500,000	0.19	0.108		

Employment Risk Management Authority

~ 2020/2021 Proposed Operating Budget ~ With 67% Available Retrospective Adjustment ~

~ PARSAC ~

										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>							67% of Available Retro. Adj. Amounts	Premium Net of Retro. Adj.	Prior Year Comparison		
1										2345				678			Info Only:	910		11			Prior Year Deposit Premium	Increase (Decrease) w/o Retro. Adj.	Increase (Decrease) Net of Retro. Adj.
Member	Actual 2019 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 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 (2019/2020) Experience Modification	Deposit Adjusted for Experience Modification	Off-Balance Factor						
1 Amador	\$39,420	\$25,000	0.641	\$253	\$3	\$21	\$277	(\$21)	\$256	1.166	\$298	1.001	\$299	0.000	0.750	0.750	0.750	\$192	1.227	\$236	(\$32)	\$204	\$189	\$47	\$15
2 Avalon	6,598,744	25,000	0.641	42,279	567	3,496	46,341	(3,486)	42,855	1.166	49,951	1.001	49,993	0.635	0.750	0.750	0.750	32,142	1.227	39,452	(4,612)	34,840	30,149	9,303	4,691
3 Belvedere (07/01/15)	2,141,612	25,000	0.641	13,722	184	1,135	15,040	(1,131)	13,909	1.166	16,211	1.001	16,225	1.190	1.190	1.000	0.750	13,909	1.227	17,072	0	17,072	10,949	6,123	6,123
4 Blue Lake	517,148	25,000	0.641	3,313	44	274	3,632	(273)	3,359	1.166	3,915	1.001	3,918	0.000	0.750	0.750	0.750	2,519	1.227	3,092	(583)	2,509	2,098	994	411
5 California City	8,538,890	100,000	0.465	39,701	733	4,523	44,958	(3,382)	41,576	1.166	48,459	1.001	48,500	6.734	1.500	1.500	1.500	62,364	1.227	76,548	(3,886)	72,662	45,885	30,663	26,777
6 Calimesa	1,919,936	25,000	0.641	12,301	165	1,017	13,483	(1,014)	12,469	1.166	14,533	1.001	14,546	0.000	0.750	1.000	1.250	12,469	1.227	15,305	(1,042)	14,263	10,954	4,351	3,309
7 Calistoga	6,425,210	25,000	0.641	41,167	552	3,404	45,123	(3,394)	41,728	1.166	48,637	1.001	48,678	0.000	0.750	0.750	0.750	31,296	1.227	38,415	(4,081)	34,334	26,556	11,859	7,778
8 Citrus Heights	19,535,966	100,000	0.465	90,831	1,678	10,349	102,858	(7,737)	95,121	1.166	110,869	1.001	110,963	0.000	0.750	0.750	0.750	71,340	1.227	87,567	(25,454)	62,113	65,036	22,531	(2,923)
9 Clearlake	4,470,339	25,000	0.641	28,642	384	2,368	31,394	(2,362)	29,033	1.166	33,839	1.001	33,868	2.515	1.500	1.000	0.750	29,033	1.227	35,636	(2,541)	33,095	18,123	17,513	14,972
10 Coalinga	4,863,578	25,000	0.641	31,161	418	2,576	34,156	(2,569)	31,586	1.166	36,816	1.001	36,847	3.230	1.500	1.500	1.500	47,380	1.227	58,156	(14,272)	43,884	46,184	11,972	(2,300)
11 Ferndale	695,638	25,000	0.641	4,457	60	369	4,885	(367)	4,518	1.166	5,266	1.001	5,270	0.000	0.750	0.750	0.750	3,388	1.227	4,159	(537)	3,622	3,058	1,101	564
12 Grass Valley	7,815,626	25,000	0.641	50,075	671	4,140	54,887	(4,129)	50,758	1.166	59,162	1.001	59,212	0.000	0.750	0.750	0.750	38,069	1.227	46,727	(6,553)	40,174	33,649	13,078	6,525
13 Highland	3,142,495	25,000	0.641	20,134	270	1,665	22,069	(1,660)	20,409	1.166	23,788	1.001	23,808	0.000	0.750	0.750	0.750	15,307	1.227	18,788	(2,590)	16,198	13,144	5,644	3,054
14 Menifee (10/1/08)	8,540,141	25,000	0.641	54,718	734	4,524	59,975	(4,511)	55,464	1.166	64,647	1.001	64,701	8.946	1.500	1.250	1.000	69,330	1.227	85,098	(2,145)	82,953	37,868	47,230	45,085
15 Nevada City	2,675,062	25,000	0.641	17,139	230	1,417	18,786	(1,413)	17,373	1.166	20,250	1.001	20,267	0.628	0.750	0.750	0.750	13,030	1.227	15,993	(1,889)	14,104	11,892	4,101	2,212
16 Placentia	12,908,301	100,000	0.465	60,016	1,109	6,838	67,963	(5,112)	62,851	1.166	73,256	1.001	73,318	0.585	0.750	0.750	0.750	47,138	1.227	57,859	(8,449)	49,410	42,354	15,505	7,056
17 Placerville	6,892,317	50,000	0.567	39,079	592	3,651	43,323	(3,259)	40,064	1.166	46,697	1.001	46,737	0.000	0.750	0.750	0.750	30,048	1.227	36,882	(4,307)	32,575	26,746	10,136	5,829
18 Plymouth	614,150	25,000	0.641	3,935	53	325	4,313	(324)	3,989	1.166	4,649	1.001	4,653	0.000	0.750	0.750	0.750	2,991	1.227	3,672	(467)	3,205	2,927	745	278
19 Point Arena	378,120	25,000	0.641	2,423	32	200	2,655	(200)	2,456	1.166	2,862	1.001	2,865	0.000	0.750	0.750	1.000	1,842	1.227	2,261	(362)	1,899	2,264	(3)	(365)
20 Rancho Cucamonga	31,354,233	250,000	0.278	87,111	2,693	16,610	106,415	(8,005)	98,410	1.166	114,703	1.001	114,800	1.940	1.500	1.250	1.000	123,012	1.227	150,991	(24,763)	126,228	93,279	57,712	32,949
21 Rancho Cucamonga FPD (7/1/16)	17,606,332	75,000	0.510	89,845	1,512	9,327	100,684	(7,574)	93,111	1.166	108,526	1.001	108,619	0.000	0.750	0.750	0.750	69,833	1.227	85,716	0	85,716	66,903	18,813	18,813
22 Rancho Santa Margarita (01/01/04)	2,779,123	25,000	0.641	17,806	239	1,472	19,517	(1,468)	18,049	1.166	21,037	1.001	21,055	0.000	0.750	0.750	0.750	13,537	1.227	16,616	(1,953)	14,663	12,337	4,279	2,326
23 San Juan Bautista	729,841	25,000	0.641	4,676	63	387	5,125	(386)	4,740	1.166	5,525	1.001	5,529	0.000	0.750	0.750	0.750	3,555	1.227	4,364	(222)	4,142	2,741	1,623	1,401
24 South Lake Tahoe	19,379,930	100,000	0.465	90,105	1,665	10,266	102,036	(7,675)	94,361	1.166	109,984	1.001	110,077	0.090	0.750	0.750	0.830	70,771	1.227	86,867	(13,851)	73,016	70,944	15,923	2,072
25 Tehama	34,072	25,000	0.641	218	3	18	239	(18)	221	1.166	258	1.001	258	0.000	0.750	0.750	0.750	166	1.227	204	(40)	164	151	53	13
26 Trinidad	373,150	25,000	0.641	2,391	32	198	2,621	(197)	2,423	1.166	2,825	1.001	2,827	0.000	0.750	0.750	0.750	1,818	1.227	2,231	(267)	1,964	1,610	621	354
27 Truckee	10,297,968	25,000	0.641	65,980	885	5,455	72,320	(5,440)	66,880	1.166	77,953	1.001	78,019	0.000	0.750	0.750	0.750	50,160	1.227	61,569	(8,175)	53,394	44,659	16,910	8,735
28 Twentynine Palms	2,671,257	25,000	0.641	17,115	229	1,415	18,760	(1,411)	17,348	1.166	20,221	1.001	20,238	2.908	1.500	1.000	0.750	17,348	1.227	21,294	(2,485)	18,809	11,944	9,350	6,865
29 Watsonville	32,235,209	250,000	0.278	89,559	2,769	17,077	109,405	(8,230)	101,175	1.166	117,926	1.001	118,026	3.588	1.500	1.500	1.500	151,762	1.227	186,280	(11,307)	174,973	135,112	51,168	39,861
30 Wheatland	1,788,939	25,000	0.641	11,462	154	948	12,563	(945)	11,618	1.166	13,542	1.001	13,553	0.000	0.750	0.750	0.750	8,714	1.227	10,696	(1,076)	9,620	7,615	3,081	2,005
31 Wildomar (07/01/08)	1,346,748	25,000	0.641	8,629	116	713	9,458	(711)	8,746	1.166	10,195	1.001	10,203	0.000	0.750	0.750	0.750	6,560	1.227	8,052	(555)	7,497	5,695	2,357	1,802
32 Yountville	3,675,605	25,000	0.641	23,550	316	1,947	25,813	(1,942)	23,871	1.166	27,823	1.001	27,847	0.000	0.750	1.000	1.250	23,871	1.227	29,301	(1,663)	27,638	26,102	3,199	1,536
33 Yucaipa	5,533,147	50,000	0.567	31,373	475	2,931	34,779	(2,616)	32,163	1.166	37,488	1.001	37,520	0.000	0.750	0.750	0.750	24,122	1.227	29,609	(3,099)	26,510	20,204	9,405	6,306
34 Yucca Valley	2,893,099	100,000	0.465	13,451	249	1,533	15,232	(1,146)	14,086	1.166	16,419	1.001	16,433	0.000	0.750	0.750	0.750	10,565	1.227	12,968	(2,840)	10,128	7,517	5,451	2,611
Total	\$231,411,346			\$1,108,618	\$19,878	\$122,590	\$1,251,085	(\$94,109)	\$1,156,976		\$1,348,530		\$1,349,674					\$1,099,579		\$1,349,674	(\$156,098)	\$1,193,576	\$936,838	\$412,836	\$256,738
										(94,109) JPA participation credit															
										Net funding															
										\$1,014,509															
										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	\$307,639,403
Participating Payroll	231,411,346
Participation Credit	7.52%
2018 Payroll	\$222,082,602
2019 Payroll	231,411,346
Percentage Increase	4.20%

Retained Limit Rates - 80% C.L.		
SIR	Factor	Rates
\$25,000	1.13	\$0.641
50,000	1.00	0.567
75,000	0.90	0.510
100,000	0.82	0.465
250,000	0.49	0.278</

Employment Risk Management Authority

~ 2020/2021 Proposed Operating Budget ~ With 67% Available Retrospective Adjustment ~

~ PERMA ~

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)						67% of Available Retro. Adj. Amounts	Premium Net of Retro. Adj.	Prior Year Comparison				
										2	3	4	5	6	7	8	Info Only: Prior Year (2019/2020) Experience Modification	9	10			11	Prior Year Deposit Premium	Increase (Decrease) w/o Retro. Adj.	Increase (Decrease) Net of Retro. Adj.	
Member	Actual 2019 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	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 (2019/2020) Experience Modification	Deposit Adjusted for Experience Modification	Off-Balance Factor	Premium Adjusted for Off Balance Factor						
1 Banning (02/14/02)	\$17,834,938	\$25,000	\$1	\$114,270	\$1,532	\$9,448	\$125,250	-\$10,659	\$114,591	1.062	\$121,746	1.001	\$121,849	5.513	1.500	1.500	1.500	\$171,886	1.127	\$193,793	(\$25,830)	\$167,963	\$155,132	\$38,661	\$12,831	
2 Barstow (02/04/02)	14,151,898	25,000	0.641	90,673	1,216	7,497	99,385	(8,458)	90,927	1.062	96,604	1.001	96,686	0.559	0.750	1.000	1.250	90,927	1.127	102,516	(20,433)	82,083	123,036	(20,520)	(40,953)	
3 Canyon Lake (07/01/11)	543,956	25,000	0.641	3,485	47	288	3,820	(325)	3,495	1.062	3,713	1.001	3,716	0.000	0.750	0.750	0.750	2,621	1.127	2,955	(383)	2,572	2,341	614	231	
4 Cathedral City (02/14/01)	23,656,831	25,000	0.641	151,572	2,032	12,532	166,136	(14,139)	151,997	1.062	161,487	1.001	161,624	2.756	1.500	1.065	0.815	161,873	1.127	182,504	(28,554)	153,950	118,276	64,228	35,674	
5 Coachella (10/01/00)	6,335,648	25,000	0.641	40,593	544	3,356	44,494	(3,787)	40,707	1.062	43,249	1.001	43,285	0.000	0.750	0.750	0.750	30,530	1.127	34,421	(5,006)	29,415	28,224	6,197	1,191	
6 Desert Hot Springs (07/01/01)	6,820,411	25,000	0.641	43,699	586	3,613	47,898	(4,076)	43,822	1.062	46,558	1.001	46,597	0.000	0.750	0.750	0.750	32,866	1.127	37,055	(13,329)	23,726	26,112	10,943	(2,386)	
7 Eastvale (07/01/15)	2,313,936	25,000	0.641	14,826	199	1,226	16,250	(1,383)	14,867	1.062	15,795	1.001	15,809	0.000	0.750	0.750	0.750	11,150	1.127	12,572	0	12,572	6,557	6,015	6,015	
8 Hesperia (07/01/10)	12,657,105	50,000	0.567	71,766	1,087	6,705	79,558	(6,771)	72,787	1.062	77,332	1.001	77,398	1.317	1.317	1.000	0.750	72,787	1.127	82,064	(13,029)	69,035	51,780	30,284	17,255	
9 Holtville (07/01/08)	1,293,076	25,000	0.641	8,285	111	685	9,081	(773)	8,308	1.062	8,827	1.001	8,834	0.000	0.750	0.750	0.750	6,231	1.127	7,025	(1,481)	5,544	6,002	1,023	(458)	
10 ICTC (07/01/12)	738,110	25,000	0.641	4,729	63	391	5,184	(441)	4,742	1.062	5,039	1.001	5,043	0.000	0.750	0.750	0.750	3,557	1.127	4,010	(455)	3,555	3,051	959	504	
11 Jurupa Valley (11/2/15)	1,657,942	25,000	0.641	10,623	142	878	11,643	(991)	10,652	1.062	11,318	1.001	11,327	0.000	0.750	0.750	0.750	7,989	1.127	9,008	0	9,008	6,965	2,043	2,043	
12 La Mesa (07/01/02)	24,949,893	25,000	0.641	159,856	2,143	13,217	175,217	(14,912)	160,305	1.062	170,314	1.001	170,458	0.385	0.750	0.750	0.750	120,229	1.127	135,552	(21,333)	114,219	113,640	21,912	579	
13 Murrieta (07/01/01)	29,620,133	100,000	0.465	137,716	2,544	15,691	155,951	(13,272)	142,679	1.062	151,588	1.001	151,716	0.000	0.750	0.750	0.750	107,009	1.127	120,648	(20,622)	100,026	92,549	28,099	7,477	
14 Palm Sps Tram (11/01/05)	4,909,205	25,000	0.641	31,454	422	2,601	34,476	(2,934)	31,542	1.062	33,511	1.001	33,540	0.136	0.750	0.750	0.750	23,657	1.127	26,671	(3,763)	22,908	23,221	3,450	(313)	
15 Perris (09/25/00)	8,333,606	25,000	0.641	53,394	716	4,415	58,525	(4,981)	53,544	1.062	56,887	1.001	56,935	0.000	0.750	0.750	0.750	40,158	1.127	45,276	(7,050)	38,226	33,956	11,320	4,270	
16 Rancho Mirage (12/31/19)	8,066,651	25,000	0.641	51,684	693	4,273	56,650	(4,821)	51,829	1.062	55,065	1.001	55,112			1.000		51,829	1.127	58,434	0	58,434		58,434	58,434	
17 San Jacinto (07/01/18)	4,385,847	25,000	0.641	28,101	377	2,323	30,801	(2,621)	28,179	1.062	29,939	1.001	29,964	0.000	0.750	0.750	0.750	21,135	1.127	23,828	0	23,828	18,101	5,727	5,727	
18 SDRTC (11/04/13)	545,756	25,000	0.641	3,497	47	289	3,833	(326)	3,507	1.062	3,725	1.001	3,729	0.000	0.750	0.750	0.750	2,630	1.127	2,965	(288)	2,677	2,790	175	(113)	
19 SunLine (11/04/13)	17,408,813	50,000	0.567	98,708	1,495	9,222	109,426	(9,313)	100,113	1.062	106,364	1.001	106,454	2.450	1.500	1.500	1.500	150,170	1.127	169,308	(6,244)	163,064	138,680	30,628	24,384	
20 Victorville (07/01/01)	34,626,579	25,000	0.641	221,856	2,974	18,343	243,174	(20,695)	222,479	1.062	236,369	1.001	236,570	0.296	0.750	0.750	0.750	166,859	1.127	188,125	(18,773)	169,352	135,064	53,061	34,288	
21 VVTA (7/1/12)	1,488,528	25,000	0.641	9,537	128	789	10,454	(890)	9,564	1.062	10,161	1.001	10,170	0.000	0.750	0.750	0.750	7,173	1.127	8,087	(716)	7,371	6,652	1,435	719	
Total	\$222,338,863			\$1,350,322	\$19,098	\$117,784	\$1,487,204	(\$126,568)	\$1,360,637		\$1,445,590		\$1,446,817					\$1,283,267		\$1,446,817	(\$187,289)	\$1,259,528	\$1,092,129	\$354,688	\$167,399	

(126,568) JPA participation credit

\$1,223,755 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	\$261,254,497
Participating Payroll	222,338,863
Participation Credit	8.51%
2018 Payroll	\$200,610,549
2019 Payroll	222,338,863
Percentage Increase	10.83%

Retained Limit Rates - 80% C.L.		
SIR	Factor	Rates
\$25,000	1.13	\$0.641
50,000	1.00	0.567
75,000	0.90	0.510
100,000	0.82	0.465
250,000	0.49	0.278
500,000	0.19	0.108

Other Rates	
Description	Rates
Excess Insurance: \$2M x \$1M ~ \$4M / \$10M Aggregate	\$0.0400
Loss Prevention & Training	0.0086
Administration	0.0530

Employment Risk Management Authority
 ~ 2020/2021 Proposed Operating Budget ~ With 67% Available Retrospective Adjustment ~
 ~ PLAN JPA ~

										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>								67% of Available Retro. Adj. Amounts	Premium Net of Retro. Adj.	Prior Year Comparison			
										2	3	4	5	6	7	8	Info Only:	9	10	11					Prior Year Deposit	Increase (Decrease) w/o Retro. Adj.	Increase (Decrease) Net of Retro. Adj.
Member	Actual 2019 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	Capped Ind. Ex Mod Including .25 capped change over prior year	Prior Year (2019/2020) Experience Modification	Deposit Adjusted for Experience Modification	Off-Balance Factor	Premium Adjusted for Off Balance Factor	Excess Insurance \$2M x \$1M	TOTAL Deposit Premium			Prior Year Premium		
1 American Canyon	\$7,193,051	\$100,000	0.465	\$33,443	\$618	\$3,811	\$37,872	(\$128)	\$37,744	1.000	\$37,744	1.001	\$37,776	1.000	1.000	1.000		\$37,744	1.001	\$37,776	\$2,877	\$40,653	\$0	\$40,653	\$40,653		
2 Atherton	4,799,844	100,000	0.465	22,316	412	2,543	25,271	(85)	25,186	1.000	25,186	1.001	25,208	1.000	1.000	1.000		25,186	1.001	25,208	1,920	27,128	0	27,128	27,128		
3 Woodside	2,202,980	50,000	0.567	12,491	189	1,167	13,847	(47)	13,801	1.000	13,801	1.001	13,812	1.000	1.000	1.000		13,801	1.001	13,812	881	14,693	0	14,693	14,693		
Total	\$14,195,875			\$68,251	\$1,219	\$7,520	\$76,990	(\$259)	\$76,731		\$76,731		\$76,796					\$76,731		\$76,796	\$5,678	\$82,474	\$0	\$82,474	\$82,474		
				(259)	JPA participation credit																						
				\$67,991	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	\$421,387,076 *
Participating Payroll	14,195,875
Participation Credit	0.34%
2018 Payroll	\$0
2019 Payroll	14,195,875
Percentage Increase	n/a

Retained Limit Rates - 80% C.L.		
SIR	Factor	Rates
\$25,000	1.13	\$0.641
50,000	1.00	0.567
75,000	0.90	0.510
100,000	0.82	0.465
250,000	0.49	0.278
500,000	0.19	0.108

Other Rates	
Description	Rates
Excess Insurance: \$2M x \$1M ~ \$4M / \$10M Aggregate	\$0.0400
Loss Prevention & Training	0.0086
Administration	0.0530

* Total JPA 19/20 budgeted payroll less Pacifica and Tiburon which participate under MPA and BCJPIA, respectively.

Employment Risk Management Authority

~ 2020/2021 Proposed Operating Budget ~ With 67% Available Retrospective Adjustment ~

~ 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>						67% of Available Retro. Adj. Amounts	Premium Net of Retro. Adj.	Prior Year Comparison							
										2	3	4	5	6	7	8	Info Only: <i>Prior Year (2019/2020) Experience Modification</i>	9	10			11	Prior Year <i>Deposit Premium</i>	Increase <i>(Decrease) w/o Retro. Adj.</i>	Increase <i>(Decrease) Net of Retro. Adj.</i>				
Member	Actual 2019 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	Individual Experience Modification Factor	Capped Individual Experience Modification	Capped Ind. Ex Mod Including .25 capped change over prior year	Prior Year <i>Experience Modification</i>	Deposit Adjusted for Experience Modification	Off-Balance Factor	Premium Adjusted for Off Balance Factor										
1 Biggs (07/01/17)	\$409,035	\$25,000	0.518	\$2,117	\$35	\$217	\$2,369	(\$219)	\$2,150	1.097	\$2,359	1.001	\$2,361	0.000	0.750	0.750	0.750	\$1,613	1.321	\$2,130	\$0	\$2,130	\$1,696	\$434	\$434				
2 Colfax	791,853	25,000	0.518	4,098	68	419	4,586	(423)	4,162	1.097	4,567	1.001	4,571	0.000	0.750	0.750	0.750	3,122	1.321	4,124	(562)	3,562	2,899	1,225	663				
3 Dunsmuir (01/01/20)	842,510	25,000	0.518	4,360	72	446	4,879	(450)	4,429	1.097	4,859	1.001	4,864			1.000		4,429	1.321	5,851	0	5,851		5,851	5,851				
4 Live Oak (07/01/04)	1,352,814	25,000	0.518	7,001	116	717	7,834	(723)	7,111	1.097	7,803	1.001	7,809	0.000	0.750	0.750	0.750	5,333	1.321	7,046	(1,130)	5,916	5,853	1,193	63				
5 Loomis (07/01/12)	1,148,076	25,000	0.518	5,942	99	608	6,649	(614)	6,035	1.097	6,622	1.001	6,627	0.000	0.750	0.750	0.750	4,526	1.321	5,980	(736)	5,244	3,990	1,990	1,254				
6 Mt. Shasta (07/01/01)	2,434,448	25,000	0.518	12,599	209	1,290	14,098	(1,301)	12,797	1.097	14,041	1.001	14,053	14.403	1.500	1.000	0.750	12,797	1.321	16,906	(2,030)	14,876	9,235	7,671	5,641				
7 Portola	878,576	25,000	0.518	4,547	75	465	5,088	(470)	4,618	1.097	5,067	1.001	5,072	0.000	0.750	0.750	0.750	3,464	1.321	4,576	(544)	4,032	2,913	1,663	1,119				
8 Rio Dell (07/01/02)	1,181,113	25,000	0.518	6,113	101	626	6,840	(631)	6,209	1.097	6,812	1.001	6,818	0.000	0.750	0.750	0.750	4,656	1.321	6,152	(857)	5,295	4,294	1,858	1,001				
9 Shasta Lake	4,174,281	25,000	0.518	21,604	359	2,211	24,173	(2,231)	21,942	1.097	24,076	1.001	24,097	0.000	0.750	0.750	0.750	16,457	1.321	21,741	(2,144)	19,597	17,134	4,607	2,463				
10 Susanville (07/01/04)	4,291,749	25,000	0.518	22,212	369	2,274	24,854	(2,294)	22,560	1.097	24,754	1.001	24,775	2.111	1.500	1.000	0.750	22,560	1.321	29,804	(3,016)	26,788	16,852	12,952	9,936				
11 Tulelake (07/01/15)	411,085	25,000	0.518	2,128	35	218	2,381	(220)	2,161	1.097	2,371	1.001	2,373	0.000	0.750	0.750	0.750	1,621	1.321	2,141	0	2,141	1,682	459	459				
12 Weed (07/01/15)	2,203,702	100,000	0.376	8,276	189	1,167	9,633	(889)	8,744	1.097	9,594	1.001	9,602	0.000	0.750	0.750	0.750	6,558	1.321	8,664	0	8,664	6,747	1,917	1,917				
13 Yreka	3,710,444	25,000	0.518	19,203	319	1,966	21,487	(1,983)	19,504	1.097	21,401	1.001	21,419	0.000	0.750	0.750	0.750	14,628	1.321	19,326	(2,587)	16,739	14,733	4,593	2,006				
Total	\$23,829,685			\$120,199	\$2,047	\$12,624	\$134,870	(\$12,449)	\$122,421		\$134,327		\$134,441					\$101,762		\$134,441	(\$13,606)	\$120,835	\$88,028	\$46,413	\$32,807				
					(12,449) JPA participation credit																								
					\$107,750 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														
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Employment Risk Management Authority

~ 2020/2021 Proposed Operating Budget ~ With 67% Available Retrospective Adjustment ~

~ VCJPA ~

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)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																					
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(42,853)	JPA participation credit
\$352,818	Net funding

JPA Ex mod calc:	1 X 2 = 3; then 3 X 4 = 5
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Individual Ex mod calc:	1 X 8 = 9; then 9 X 10 = 11
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Total JPA Payroll	\$62,498,973 ***
Participating Payroll	61,755,057
Participation Credit	9.88%
2018 Payroll	\$59,467,956
2019 Payroll	61,755,057
Percentage Increase	3.85%

Retained Limit Rates - 80% C.L.		
SIR	Factor	Rates
\$25,000	1.13	\$0.641
50,000	1.00	0.567
75,000	0.90	0.510
100,000	0.82	0.465
250,000	0.49	0.278
500,000	0.19	0.108

Other Rates	
Description	Rates
Excess Insurance: \$2M x \$1M ~ \$4M / \$10M Aggregate	\$0.0400
Loss Prevention & Training	0.0086
Administration	0.0530

**Imputed payroll of \$1,000 budgeted for Oroville. District is currently being dissolved and had no payroll for 2019. ERMA anticipates providing coverage to the District's all-volunteer board for the 2020/2021 program year.

***Actual JPA payroll plus \$1,000 imputed payroll for Oroville.

Employment Risk Management Authority

~ 2020/2021 Proposed Operating Budget ~ With 67% Available Retrospective Adjustment ~
~ Oakland Housing Authority ~

																		Prior Year Comparison		
	Actual		Payroll/100	Funding	Loss			JPA	Net	Experience	Deposit		Deposit	Excess	TOTAL Deposit Premium	67% of Available Retro. Adj. Amounts	Premium Net of Retro. Adj.		Increase	Increase
Member	2019 Payroll	SIR Selected	Pool Rate	For Losses	Prevention & Training	Admin. Costs	Deposit Premium	Participation Credit	Deposit Premium	Modification Factor	Experience Modification	Off-Balance Factor	Adjusted for Off Balance Factor	Insurance \$2M x 1M				Prior Year Deposit Premium	(Decrease) w/o Retro. Adj.	(Decrease) Net of Retro. Adj.
Oakland H.A.	\$30,966,730	\$50,000	0.567	\$175,581	\$2,660	\$16,405	\$194,646		\$194,646	0.968	\$188,411	1.001	\$188,571	\$12,387	\$200,958	(30,008)	\$170,950	\$189,241	\$11,717	(\$18,291)
Total	\$30,966,730			\$175,581	\$2,660	\$16,405	\$194,646	\$0	\$194,646		\$188,411		\$188,571	\$12,387	\$200,958	(\$30,008)	\$170,950	\$189,241	\$11,717	(\$18,291)

Participation Credit N/A

2018 Payroll	\$29,405,018
2019 Payroll	30,966,730
Percentage Increase	5.31%

Retained Limit Rates - 80% C.L.		
SIR	Factor	Rates
\$25,000	1.13	\$0.641
50,000	1.00	0.567
75,000	0.90	0.510
100,000	0.82	0.465
250,000	0.49	0.278
500,000	0.19	0.108

Other Rates	
Description	Rates
Excess Insurance: \$2M x \$1M ~ \$4M / \$10M Aggregate	\$0.0400
Loss Prevention & Training	0.0086
Administration	0.0530

Employment Risk Management Authority

~ 2020/2021 Proposed Operating Budget ~ With 67% Available Retrospective Adjustment ~

~ Contra Costa County Housing Authority ~

																	Prior Year Comparison			
Member	Actual 2019 Payroll	SIR Selected	Payroll/100 Pool Rate	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	Deposit Premium Adjusted for Off Balance Factor	Excess Insurance \$2M x \$1M	TOTAL Deposit Premium	67% of Available Retro. Adj. Amounts	Premium Net of Retro. Adj.	Prior Year Deposit Premium	Increase (Decrease) w/o Retro. Adj.	Increase (Decrease) Net of Retro. Adj.
	Contra Costa H.A.	\$5,552,285	\$50,000	0.567	\$31,481	\$477	\$2,941	\$34,900		\$34,900	0.958	\$33,441	1.001	\$33,469	\$2,221	\$35,690	(7,374)	\$28,316	\$30,554	\$5,136
Total	\$5,552,285			\$31,481	\$477	\$2,941	\$34,900	\$0	\$34,900		\$33,441		\$33,469	\$2,221	\$35,690	(\$7,374)	\$28,316	\$30,554	\$5,136	(\$2,238)

Participation Credit

N/A

2018 Payroll	\$5,320,183
2019 Payroll	5,552,285
Percentage Increase	4.36%

Retained Limit Rates - 80% C.L.		
SIR	Factor	Rates
\$25,000	1.13	\$0.641
50,000	1.00	0.567
75,000	0.90	0.510
100,000	0.82	0.465
250,000	0.49	0.278
500,000	0.19	0.108

Other Rates	
Description	Rates
Excess Insurance: \$2M x \$1M ~ \$4M / \$10M Aggregate	\$0.0400
Loss Prevention & Training	0.0086
Administration	0.0530

Employment Risk Management Authority
~ 2020/2021 Proposed Operating Budget ~ With 67% Available Retrospective Adjustment ~
Experience Modification Calculation

Calendar Year Payroll					Incurred Losses at 12/31/19 Individual Losses from \$25k and Capped at \$500k					Experience Modification Calculation										Prior Year
Member	Actual 2014 Payroll	Actual 2015 Payroll	Actual 2016 Payroll	Actual 2017 Payroll	(Not Used or Updated) Program Year 2014/2015	Program Year 2015/2016	Program Year 2016/2017	Program Year 2017/2018	Program Year 2018/2019	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
BCJPIA																				
1 Albany/Albany JPA	\$ 8,872,594	\$ 9,780,063	\$ 9,800,501	\$ 10,382,672	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ 9,708,958	\$ 6,250	0.064	\$ 17,080	0.366	0.083	-0.052	0.948		0.750	
2 Brisbane	7,374,403	8,491,299	8,700,279	9,197,185	-	-	-	-	-	8,440,792	-	-	14,849	-	0.077	-0.077	0.923		0.750	
3 CMFA (7/1/19)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.000	0.000	1.000		0.750	
4 Central Marin PA	5,503,543	4,902,795	4,680,063	4,076,456	-	-	-	-	-	4,790,714	-	-	8,428	-	0.058	-0.058	0.942		0.750	
5 Corte Madera (7/1/17)	5,515,504	5,390,374	5,778,674	6,221,073	-	-	-	-	-	5,726,406	-	-	10,074	-	0.063	-0.063	0.937		0.750	
6 Emeryville (Includes MESA)	11,322,378	12,699,712	12,998,017	14,210,641	-	-	-	-	-	12,807,687	-	-	22,531	-	0.095	-0.095	0.905		0.750	
7 Emeryville MESA Inc.	Inc.	Inc.	Inc.	Inc.																
8 Fairfax	2,456,789	2,469,190	2,636,569	2,641,046	-	-	-	-	-	2,550,899	-	-	4,488	-	0.042	-0.042	0.958		0.750	
9 Larkspur	5,435,284	5,774,706	5,704,758	6,151,456	-	-	-	-	-	5,766,551	-	-	10,144	-	0.064	-0.064	0.936		0.750	
10 Los Altos (7/1/12)	11,531,648	12,491,902	10,706,200	13,123,439	11,013	49,663	-	-	10,000	11,963,297	14,916	0.125	21,046	0.709	0.092	-0.027	0.973		0.750	
11 Menlo Park (7/1/02)	22,490,925	24,010,597	27,252,249	27,678,124	-	-	162,208	-	-	25,357,974	40,552	0.160	44,610	0.909	0.133	-0.012	0.988		0.909	
12 Mill Valley (7/1/01)	14,187,706	15,381,285	15,054,322	16,484,232	-	-	-	-	-	15,276,886	-	-	26,875	-	0.104	-0.104	0.896		0.750	
13 Novato (9/1/07)	15,522,912	17,155,164	16,649,838	17,463,450	-	38,608	-	-	10,000	16,697,841	12,152	0.073	29,375	0.414	0.108	-0.063	0.937		0.750	
14 Piedmont	11,376,475	11,664,074	11,918,651	12,293,059	-	242,328	-	126,306	-	11,813,065	92,159	0.780	20,781	4.435	0.091	0.313	1.313		1.500	
15 Pleasanton	37,455,483	38,992,201	39,922,220	42,004,560	-	-	-	-	-	39,593,616	-	-	69,653	-	0.167	-0.167	0.833		0.750	
16 San Anselmo +	2,520,527	2,486,777	2,590,732	2,892,949	-	-	-	-	-	2,622,746	-	-	4,614	-	0.043	-0.043	0.957		0.750	
17 Sausalito	5,840,302	5,962,361	5,821,219	6,278,839	-	-	-	-	-	5,975,680	-	-	10,512	-	0.065	-0.065	0.935		0.750	
18 Tiburon (7/1/11)	3,122,699	3,259,507	3,247,062	3,434,481	-	-	-	-	-	3,265,937	-	-	5,745	-	0.048	-0.048	0.952		0.750	
19 Union City	23,948,742	24,113,227	26,905,460	27,347,240	-	-	-	-	-	25,578,667	-	-	44,998	-	0.134	-0.134	0.866		0.750	
BCJPIA Total	194,477,914	205,025,234	210,366,814	221,880,902	11,013	330,599	162,208	151,306	20,000	207,937,716	166,028	0.080	365,803	0.454	0.382	-0.209	0.791	0.791		0.808
CalTIP (7/1/17)																				
1 El Dorado County TA	2,417,672	2,466,025	3,083,889	3,339,214	-	-	-	-	-	2,826,700	-	-	4,973	-	0.045	-0.045	0.955		0.750	
2 Humboldt Transit	1,832,377	1,869,025	2,204,675	2,259,983	-	-	-	-	-	2,041,515	-	-	3,591	-	0.038	-0.038	0.962		0.750	
3 Livermore Amador Valley TA	2,880,819	2,938,435	1,308,339	1,328,830	-	-	-	-	-	2,114,106	-	-	3,719	-	0.039	-0.039	0.961		0.750	
4 Mendocino Transit	2,244,165	2,289,048	2,440,587	2,603,358	-	-	-	-	-	2,394,290	-	-	4,212	-	0.041	-0.041	0.959		0.750	
5 Morongo Basin TA	1,135,644	1,158,357	1,193,205	1,292,280	-	-	-	-	-	1,194,872	-	-	2,102	-	0.029	-0.029	0.971		0.750	
6 San Luis Obispo Regional TA	3,109,464	3,171,653	4,402,713	4,440,740	-	-	-	-	-	3,781,142	-	-	6,652	-	0.051	-0.051	0.949		0.750	
7 South County Transit	360,357	367,564	419,832	461,254	-	-	-	-	-	402,252	-	-	708	-	0.017	-0.017	0.983		0.750	
8 Tahoe Transportation District	266,470	271,800	1,751,626	3,051,845	-	-	-	-	-	1,335,435	-	-	2,349	-	0.031	-0.031	0.969		0.750	
9 Western Contra Costa TA	625,805	638,321	890,176	930,194	-	-	-	-	-	771,124	-	-	1,357	-	0.023	-0.023	0.977		0.750	
10 Yolo County Trans. District	690,375	704,182	880,203	930,905	-	-	-	-	-	801,416	-	-	1,410	-	0.024	-0.024	0.976		0.750	
CalTIP Total	15,563,148	15,874,411	18,575,245	20,638,603	-	-	-	-	-	17,662,852	-	-	31,072	-	0.111	-0.111	0.889	0.889		0.889

Employment Risk Management Authority
~ 2020/2021 Proposed Operating Budget ~ With 67% Available Retrospective Adjustment ~
Experience Modification Calculation

Calendar Year Payroll					Incurred Losses at 12/31/19 Individual Losses from \$25k and Capped at \$500k					Experience Modification Calculation										Prior Year
Member	Actual 2014 Payroll	Actual 2015 Payroll	Actual 2016 Payroll	Actual 2017 Payroll	(Not Used or Updated) Program Year 2014/2015	Program Year 2015/2016	Program Year 2016/2017	Program Year 2017/2018	Program Year 2018/2019	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
CSJVRMA																				
1 Angels Camp	2,562,119	2,907,392	3,153,794	2,859,842	-	-	-	-	-	2,870,787	-	-	5,050	-	0.045	-0.045	0.955		0.750	
2 Atwater (7/1/00)	5,207,953	5,301,545	5,439,893	5,476,157	112,519	-	15,000	75,000	15,000	5,356,387	26,250	0.490	9,423	2.786	0.061	0.109	1.109		1.500	
3 Ceres	14,308,514	14,988,712	15,590,041	14,621,088	-	-	14,129	-	-	14,877,089	3,532	0.024	26,172	0.135	0.102	-0.088	0.912		0.750	
4 Chowchilla (7/1/01)	3,920,401	3,710,943	3,651,982	3,853,637	-	-	-	-	-	3,784,241	-	-	6,657	-	0.052	-0.052	0.948		0.750	
5 Corcoran	4,118,108	3,948,137	3,914,771	3,958,828	-	-	-	-	-	3,984,961	-	-	7,010	-	0.053	-0.053	0.947		0.750	
6 Delano	14,761,274	17,210,292	17,453,033	17,855,729	-	-	265,000	-	-	16,820,082	66,250	0.394	29,590	2.239	0.109	0.135	1.135		1.500	
7 Dinuba (7/1/16)	10,356,233	10,309,110	11,079,439	10,880,247	-	-	-	-	-	10,656,257	-	-	18,746	-	0.086	-0.086	0.914		0.750	
8 Dos Palos (12/1/10)*	1,173,846	1,267,581	1,298,263	1,237,470	-	-	-	-	-	1,244,290	-	-	2,189	-	0.030	-0.030	0.970		0.750	
9 Escalon	1,548,275	1,688,219	1,805,937	1,930,391	-	-	-	-	-	1,743,206	-	-	3,067	-	0.035	-0.035	0.965		0.750	
10 Farmersville (7/1/16)	1,829,600	2,045,154	2,385,811	2,325,429	-	-	-	-	-	2,146,499	-	-	3,776	-	0.039	-0.039	0.961		0.750	
11 Fowler	1,871,921	1,936,485	1,915,691	1,923,045	-	-	-	225,000	-	1,911,786	56,250	2.942	3,363	16.725	0.037	0.576	1.576		1.500	
12 Gustine	1,423,103	1,459,712	1,535,290	1,426,840	-	-	-	-	-	1,461,236	-	-	2,571	-	0.032	-0.032	0.968		0.750	
13 Hughson	833,570	917,729	995,296	1,027,149	124,828	-	-	-	-	943,436	-	-	1,660	-	0.026	-0.026	0.974		0.750	
14 Huron (7/1/10)	854,739	1,048,253	1,127,219	1,140,518	-	-	-	-	-	1,042,682	-	-	1,834	-	0.027	-0.027	0.973		0.750	
15 Kerman	3,356,825	3,385,695	3,553,492	3,676,460	26,871	-	-	-	-	3,493,118	-	-	6,145	-	0.049	-0.049	0.951		0.750	
16 Kingsburg (7/1/05)	3,219,466	3,306,373	3,274,608	3,347,411	-	-	277,955	-	-	3,286,965	69,489	2.114	5,782	12.017	0.048	0.529	1.529		1.500	
17 Lathrop (10/4/05)	5,160,267	5,261,035	5,900,778	6,345,978	-	-	-	-	-	5,667,015	-	-	9,969	-	0.063	-0.063	0.937		0.750	
18 Lemoore (7/1/13)	5,410,228	5,603,912	5,747,492	6,793,489	-	-	-	-	-	5,888,780	-	-	10,360	-	0.064	-0.064	0.936		0.750	
19 Livingston	2,969,071	3,092,642	3,493,421	3,830,666	-	-	-	-	-	3,346,450	-	-	5,887	-	0.048	-0.048	0.952		0.750	
20 Madera	14,238,573	15,568,388	16,743,464	18,152,193	-	-	-	-	-	16,175,655	-	-	28,456	-	0.107	-0.107	0.893		0.750	
21 McFarland	2,304,673	2,269,813	2,627,754	2,822,186	-	298,050	52,283	-	-	2,506,107	87,583	3.495	4,409	19.866	0.042	0.791	1.791		1.500	
22 Mendota (7/1/13)	1,828,943	2,070,990	2,219,972	2,229,862	-	-	-	-	-	2,087,442	-	-	3,672	-	0.038	-0.038	0.962		0.750	
23 Merced (7/1/03)	30,499,971	30,955,378	31,885,102	33,627,926	-	-	-	-	25,000	31,742,094	6,250	0.020	55,840	0.112	0.149	-0.133	0.867		0.750	
24 Newman	2,092,360	2,194,234	2,416,386	2,478,770	-	-	-	-	-	2,295,438	-	-	4,038	-	0.040	-0.040	0.960		0.750	
25 Oakdale (8/1/12)	6,839,102	6,235,119	7,129,086	6,656,911	-	65,002	-	-	25,000	6,715,055	22,500	0.335	11,813	1.905	0.069	0.062	1.062		1.500	
26 Orange Cove (7/7/07)	1,974,145	1,949,408	1,851,368	2,044,488	-	-	-	-	-	1,954,852	-	-	3,439	-	0.037	-0.037	0.963		0.750	
27 Patterson (7/1/13)	5,909,430	6,304,647	7,029,962	8,055,172	-	-	-	-	50,000	6,824,803	12,500	0.183	12,006	1.041	0.069	0.003	1.003		1.041	
28 Porterville	17,836,658	18,468,067	19,574,393	20,077,330	-	-	-	475,000	-	18,989,112	118,750	0.625	33,406	3.555	0.115	0.295	1.295		1.500	
29 Reedley	6,988,388	7,741,870	7,658,877	7,857,246	-	-	-	-	-	7,561,595	-	-	13,302	-	0.073	-0.073	0.927		0.750	
30 Riverbank (7/1/12)	3,252,997	3,503,656	3,469,749	3,431,467	-	-	-	-	10,000	3,414,467	2,500	0.073	6,007	0.416	0.049	-0.029	0.971		0.750	
31 Sanger (4/18/16)	6,465,687	6,629,207	7,734,489	8,013,974	250,071	253,089	-	49,844	-	7,210,839	75,733	1.050	12,685	5.970	0.071	0.353	1.353		1.500	
32 San Joaquin (8/8/03)*	729,644	740,692	706,478	657,809	-	-	-	-	-	708,656	-	-	1,247	-	0.022	-0.022	0.978		0.750	
33 Selma	5,736,948	6,196,694	5,988,578	6,316,007	-	-	10,000	-	16,972	6,059,557	6,743	0.111	10,660	0.633	0.065	-0.024	0.976		0.750	
34 Shafter	10,005,223	11,139,254	12,266,567	12,891,212	-	68,782	-	25,000	-	11,575,564	23,445	0.203	20,364	1.151	0.090	0.014	1.014		1.151	
35 Sonora 7/1/13)	2,938,019	2,926,436	3,288,898	3,243,551	-	-	-	-	-	3,099,226	-	-	5,452	-	0.047	-0.047	0.953		0.750	
36 Taft	6,088,753	7,133,598	7,644,079	8,057,857	-	44,326	-	-	-	7,231,072	11,082	0.153	12,721	0.871	0.071	-0.009	0.991		0.871	
37 Tehachapi (7/1/13)	4,213,434	4,218,007	4,377,082	4,679,849	-	-	4,982	-	-	4,372,093	1,245	0.028	7,691	0.162	0.055	-0.046	0.954		0.750	
38 Tulare (7/1/12)	20,238,901	20,704,062	21,610,202	23,347,776	-	-	-	-	10,000	21,475,235	2,500	0.012	37,779	0.066	0.123	-0.115	0.885		0.750	
39 Wasco	2,806,714	2,946,769	3,309,700	3,579,954	-	96,775	-	-	-	3,160,784	24,194	0.765	5,560	4.351	0.047	0.158	1.158		1.500	
40 Woodlake (7/1/16)	1,432,988	1,589,029	1,605,018	1,676,074	-	-	-	-	-	1,575,777	-	-	2,772	-	0.033	-0.033	0.967		0.750	
CSJVRMA Total	239,307,064	250,874,239	264,453,455	274,407,988	514,289	826,024	639,349	849,844	151,972	257,260,687	616,797	0.240	452,571	1.363	0.425	0.154	1.154	1.154		1.250

Employment Risk Management Authority
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Experience Modification Calculation

Calendar Year Payroll					Incurred Losses at 12/31/19 Individual Losses from \$25k and Capped at \$500k					Experience Modification Calculation										Prior Year
Member	Actual 2014 Payroll	Actual 2015 Payroll	Actual 2016 Payroll	Actual 2017 Payroll	(Not Used or Updated) Program Year 2014/2015	Program Year 2015/2016	Program Year 2016/2017	Program Year 2017/2018	Program Year 2018/2019	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
ERMAC																				
1 Hayward (7/1/16)	76,627,164	87,545,215	90,791,035	82,550,154	-	-	441,564	75,000	30,000	84,378,392	136,641	0.162	148,438	0.921	0.243	-0.019	0.981		0.921	
2 Laguna Hills (7/1/16)	3,331,103	3,569,757	3,310,792	3,409,269	-	-	-	-	-	3,405,230	-	-	5,990	-	0.049	-0.049	0.951		0.750	
3 Santa Maria (1/1/19)	36,303,323	40,721,273	41,585,048	42,388,293	-	-	170,404	50,000	-	40,249,484	55,101	0.137	70,807	0.778	0.168	-0.037	0.963		0.778	
ERMAC Total	116,261,590	131,836,245	135,686,875	128,347,716	-	-	611,968	125,000	30,000	128,033,106	191,742	0.150	225,235	0.851	0.300	-0.045	0.955	0.955		0.920
MBASIA (7/1/11)																				
1 Capitola	5,395,766	5,444,913	5,959,658	6,015,372	-	-	-	123,690	-	5,703,927	30,922	0.542	10,034	3.082	0.063	0.132	1.132		1.500	
2 Del Ray Oaks	982,823	1,049,636	1,009,975	1,018,757	-	-	114,270	-	-	1,015,298	28,568	2.814	1,786	15.994	0.027	0.400	1.400		1.500	
3 Gonzales	2,448,561	2,593,836	2,799,904	3,181,254	-	-	-	-	-	2,755,889	-	-	4,848	-	0.044	-0.044	0.956		0.750	
4 Greenfield	2,932,982	2,839,735	3,300,449	4,546,123	-	50,000	-	95,000	30,000	3,404,822	43,750	1.285	5,990	7.304	0.049	0.308	1.308		1.500	
5 Hollister	11,751,525	12,303,341	13,640,783	14,860,294	-	-	-	-	-	13,138,986	-	-	23,114	-	0.096	-0.096	0.904		0.750	
6 King City	2,677,571	2,609,217	2,627,976	2,855,610	-	-	-	-	-	2,692,594	-	-	4,737	-	0.043	-0.043	0.957		0.750	
7 Marina	8,189,375	8,635,588	8,595,638	8,922,530	-	-	-	10,000	-	8,585,783	2,500	0.029	15,104	0.166	0.078	-0.065	0.935		0.750	
8 Sand City	2,196,214	2,259,091	2,407,301	2,494,186	-	-	-	-	-	2,339,198	-	-	4,115	-	0.041	-0.041	0.959		0.750	
9 Scotts Valley	4,665,790	5,094,611	5,127,056	5,123,539	-	-	-	-	-	5,002,749	-	-	8,801	-	0.059	-0.059	0.941		0.750	
10 Soledad	3,636,196	4,057,572	4,139,005	4,211,545	-	-	-	-	-	4,011,080	-	-	7,056	-	0.053	-0.053	0.947		0.750	
MBASIA Total	44,876,803	46,887,540	49,607,745	53,229,210	-	50,000	114,270	228,690	30,000	48,650,325	105,740	0.217	85,585	1.235	0.185	0.044	1.044	1.044		1.060
MPA																				
1 Antioch	26,961,175	26,819,735	27,369,276	32,424,275	-	-	-	-	-	28,393,615	-	-	49,950	-	0.141	-0.141	0.859		0.750	
2 Brentwood	25,776,874	27,636,761	28,666,125	31,074,714	-	-	-	475,000	-	28,288,619	118,750	0.420	49,765	2.386	0.141	0.195	1.195		1.500	
3 Clayton	2,051,793	2,103,188	2,062,344	2,186,675	-	-	-	-	-	2,101,000	-	-	3,696	-	0.038	-0.038	0.962		0.750	
4 Danville	7,649,030	7,878,120	7,918,011	8,529,442	-	-	-	25,000	-	7,993,651	6,250	0.078	14,062	0.444	0.075	-0.042	0.958		0.750	
5 El Cerrito	17,083,275	17,746,500	18,840,958	20,005,704	-	-	-	-	-	18,419,109	-	-	32,403	-	0.114	-0.114	0.886		0.750	
6 Hercules	5,835,313	5,784,403	6,294,550	6,906,525	-	-	51,619	-	-	6,205,198	12,905	0.208	10,916	1.182	0.066	0.012	1.012		1.182	
7 LaFayette	3,821,626	3,884,001	4,100,552	4,229,892	-	-	-	-	-	4,009,018	-	-	7,053	-	0.053	-0.053	0.947		0.750	
8 Manteca	29,625,913	32,088,700	35,434,889	37,132,165	188,674	29,622	-	-	-	33,570,417	7,406	0.022	59,057	0.125	0.153	-0.134	0.866		0.750	
9 Martinez	11,420,417	9,379,375	10,528,583	12,914,506	-	-	-	-	-	11,060,720	-	-	19,458	-	0.088	-0.088	0.912		0.750	
10 Moraga	3,188,207	3,259,021	3,122,572	3,552,034	-	-	-	-	-	3,280,459	-	-	5,771	-	0.048	-0.048	0.952		0.750	
11 Oakley (7/1/02)	2,953,654	3,135,326	6,482,454	8,106,705	-	-	-	-	-	5,169,535	-	-	9,094	-	0.060	-0.060	0.940		0.750	
12 Orinda	3,072,768	3,208,063	3,355,987	3,420,186	-	-	-	-	-	3,264,251	-	-	5,742	-	0.048	-0.048	0.952		0.750	
13 Pacifica (3/9/07)	16,582,762	17,312,674	17,328,037	18,291,939	-	-	-	-	-	17,378,853	-	-	30,573	-	0.110	-0.110	0.890		0.750	
14 Pinole	8,951,254	8,558,756	7,600,654	8,275,070	-	-	-	-	-	8,346,434	-	-	14,683	-	0.077	-0.077	0.923		0.750	
15 Pittsburg	21,789,503	23,359,152	24,783,244	25,932,604	-	199,868	1,525	-	10,000	23,966,126	52,848	0.221	42,161	1.253	0.130	0.033	1.033		1.253	
16 Pleasant Hill	10,935,656	11,113,716	11,324,440	11,738,410	-	475,000	-	-	-	11,278,056	118,750	1.053	19,840	5.985	0.089	0.443	1.443		1.500	
17 San Pablo	14,201,126	13,901,596	14,881,003	13,147,976	-	-	-	-	-	14,032,925	-	-	24,687	-	0.099	-0.099	0.901		0.750	
18 San Ramon	24,849,020	27,011,123	28,982,280	29,419,162	-	-	-	-	-	27,565,396	-	-	48,493	-	0.139	-0.139	0.861		0.750	
19 Walnut Creek	32,766,735	33,680,557	36,414,063	38,533,782	-	-	-	-	25,000	35,348,784	6,250	0.018	62,185	0.101	0.157	-0.142	0.858		0.750	
20 MPA JPA Staff	1,494,922	1,523,765	1,410,962	1,491,195	-	20,952	-	-	-	1,480,211	5,238	0.354	2,604	2.012	0.032	0.033	1.033		1.500	
MPA Total	271,011,023	279,384,532	296,900,984	317,312,961	188,674	725,443	53,144	500,000	35,000	291,152,375	328,397	0.113	512,193	0.641	0.452	-0.162	0.838	0.838		0.871

Employment Risk Management Authority
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Experience Modification Calculation

Calendar Year Payroll					Incurred Losses at 12/31/19 Individual Losses from \$25k and Capped at \$500k					Experience Modification Calculation										Prior Year
Member	Actual 2014 Payroll	Actual 2015 Payroll	Actual 2016 Payroll	Actual 2017 Payroll	(Not Used or Updated) Program Year 2014/2015	Program Year 2015/2016	Program Year 2016/2017	Program Year 2017/2018	Program Year 2018/2019	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
PARSAC																				
1 Amador	38,076	31,707	35,858	39,527	-	-	-	-	-	36,292	-	-	64	-	0.005	-0.005	0.995		0.750	
2 Avalon	4,974,142	5,239,817	5,423,728	6,725,017	-	25,000	-	-	-	5,590,676	6,250	0.112	9,835	0.635	0.063	-0.023	0.977		0.750	
3 Belvedere (7/1/15)	2,199,898	2,274,560	2,334,006	2,445,983	-	-	-	-	19,379	2,313,612	4,845	0.209	4,070	1.190	0.040	0.008	1.008		1.190	
4 Blue Lake	435,003	413,448	426,713	437,918	-	-	-	-	-	428,271	-	-	753	-	0.017	-0.017	0.983		0.750	
5 California City	5,780,471	6,942,695	7,158,119	6,805,845	-	-	41,139	275,000	-	6,671,783	79,035	1.185	11,737	6.734	0.068	0.392	1.392		1.500	
6 Calimesa	722,020	825,910	740,142	798,870	-	-	-	-	-	771,736	-	-	1,358	-	0.023	-0.023	0.977		0.750	
7 Calistoga	4,195,992	4,334,096	4,756,533	5,438,365	-	-	-	-	-	4,681,247	-	-	8,235	-	0.057	-0.057	0.943		0.750	
8 Citrus Heights	17,220,540	18,923,855	18,789,739	18,674,611	-	-	-	-	-	18,402,186	-	-	32,373	-	0.114	-0.114	0.886		0.750	
9 Clearlake	2,383,066	2,923,436	3,347,602	3,641,534	-	-	-	54,405	-	3,073,910	13,601	0.442	5,408	2.515	0.046	0.070	1.070		1.500	
10 Coalinga	5,808,964	5,243,776	5,319,362	5,627,226	-	-	-	125,000	-	5,499,832	31,250	0.568	9,675	3.230	0.062	0.138	1.138		1.500	
11 Ferndale	603,325	632,475	643,269	672,082	-	-	-	-	-	637,788	-	-	1,122	-	0.021	-0.021	0.979		0.750	
12 Grass Valley	6,414,324	6,246,152	6,467,533	6,527,874	-	-	-	-	-	6,413,971	-	-	11,283	-	0.067	-0.067	0.933		0.750	
13 Highland	2,560,238	2,575,511	2,597,995	2,748,438	-	-	-	-	-	2,620,546	-	-	4,610	-	0.043	-0.043	0.957		0.750	
14 Menifee (10/1/08)	3,297,137	4,125,444	4,730,530	5,321,763	-	-	-	-	275,000	4,368,719	68,750	1.574	7,685	8.946	0.055	0.440	1.440		1.500	
15 Nevada City	1,989,087	2,170,024	2,377,877	2,512,433	-	-	-	-	10,000	2,262,355	2,500	0.111	3,980	0.628	0.040	-0.015	0.985		0.750	
16 Placentia	10,928,431	9,999,751	11,245,111	11,580,708	-	-	-	-	45,000	10,938,500	11,250	0.103	19,243	0.585	0.088	-0.036	0.964		0.750	
17 Placerville	5,203,080	5,633,955	6,146,313	6,165,279	-	-	-	-	-	5,787,157	-	-	10,181	-	0.064	-0.064	0.936		0.750	
18 Plymouth	513,725	536,871	555,144	532,043	-	-	-	-	-	534,446	-	-	940	-	0.019	-0.019	0.981		0.750	
19 Point Arena	232,074	245,593	291,096	305,455	-	-	-	-	-	268,555	-	-	472	-	0.014	-0.014	0.986		0.750	
20 Rancho Cucamonga	28,998,641	28,258,081	29,333,940	30,269,435	-	-	328,831	-	70,000	29,215,024	99,708	0.341	51,395	1.940	0.143	0.135	1.135		1.500	
21 Rancho Cucamonga FPD (7/1/16)	14,950,740	15,968,875	16,417,869	17,735,581	-	-	-	-	-	16,268,266	-	-	28,619	-	0.107	-0.107	0.893		0.750	
22 Rancho Santa Margarita (1/1/04)	1,949,053	2,333,843	2,560,400	2,649,096	-	-	-	-	-	2,373,098	-	-	4,175	-	0.041	-0.041	0.959		0.750	
23 San Juan Bautista	362,243	413,178	473,213	501,676	-	-	-	-	-	437,578	-	-	770	-	0.018	-0.018	0.982		0.750	
24 South Lake Tahoe	15,789,827	16,219,949	17,215,677	17,589,245	-	-	-	10,557	-	16,703,675	2,639	0.016	29,385	0.090	0.108	-0.099	0.901		0.750	
25 Tehama	44,468	37,731	33,714	31,303	-	-	-	-	-	36,804	-	-	65	-	0.005	-0.005	0.995		0.750	
26 Trinidad	293,696	309,516	320,282	345,108	-	-	320,282	-	-	317,151	-	-	558	-	0.015	-0.015	0.985		0.750	
27 Truckee	8,558,216	7,799,707	8,525,098	9,318,857	-	-	-	-	-	8,550,470	-	-	15,042	-	0.077	-0.077	0.923		0.750	
28 Twentynine Palms	2,064,330	2,126,882	2,256,892	2,347,892	-	-	-	-	45,000	2,198,999	11,250	0.512	3,868	2.908	0.039	0.075	1.075		1.500	
29 Watsonville	24,220,252	25,360,911	27,248,330	28,597,471	-	243,566	-	376,863	45,000	26,356,741	166,357	0.631	46,367	3.588	0.136	0.352	1.352		1.500	
30 Wheatland	1,256,933	1,327,896	1,461,750	1,523,573	-	-	-	-	-	1,392,538	-	-	2,450	-	0.031	-0.031	0.969		0.750	
31 Wildomar (7/1/08)	763,436	967,518	1,024,591	1,169,492	-	-	-	-	-	981,259	-	-	1,726	-	0.026	-0.026	0.974		0.750	
32 Yountville	1,838,992	1,955,270	1,882,338	2,635,304	-	-	-	-	-	2,077,976	-	-	3,656	-	0.038	-0.038	0.962		0.750	
33 Yucaipa	3,747,105	3,902,227	4,304,666	4,463,822	-	-	-	-	-	4,104,455	-	-	7,221	-	0.054	-0.054	0.946		0.750	
34 Yucca Valley	2,427,844	2,576,259	2,600,479	2,723,235	-	-	-	-	-	2,581,954	-	-	4,542	-	0.043	-0.043	0.957		0.750	
35 PARSAC Staff	452,595	462,423	539,949	484,877	-	-	-	-	-	484,961	-	-	853	-	0.018	-0.018	0.982		0.750	
PARSAC Total	183,217,964	189,339,342	199,585,858	209,386,938	-	268,566	369,970	841,825	509,379	195,382,525	497,435	0.255	343,716	1.447	0.370	0.166	1.166	1.166		0.981

Employment Risk Management Authority
~ 2020/2021 Proposed Operating Budget ~ With 67% Available Retrospective Adjustment ~
Experience Modification Calculation

Calendar Year Payroll					Incurred Losses at 12/31/19 Individual Losses from \$25k and Capped at \$500k					Experience Modification Calculation										Prior Year
Member	Actual 2014 Payroll	Actual 2015 Payroll	Actual 2016 Payroll	Actual 2017 Payroll	(Not Used or Updated) Program Year 2014/2015	Program Year 2015/2016	Program Year 2016/2017	Program Year 2017/2018	Program Year 2018/2019	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
PERMA																				
1 Banning (2/14/02)	13,073,020	13,270,275	14,252,065	15,571,310	42,212	409,761	125,000	-	10,000	14,041,667	136,190	0.970	24,702	5.513	0.099	0.448	1.448		1.500	
2 Barstow (2/04/02)	14,011,746	12,928,713	14,789,478	15,488,188	475,000	-	-	56,250	-	14,304,531	14,063	0.098	25,164	0.559	0.100	-0.044	0.956		0.750	
3 Canyon Lake (7/1/11)	386,675	388,656	439,435	487,923	-	-	-	-	-	425,672	-	-	749	-	0.017	-0.017	0.983		0.750	
4 Cathedral City (2/14/01)	16,784,452	18,565,939	20,175,933	21,245,925	-	-	87,241	285,000	-	19,193,062	93,060	0.485	33,764	2.756	0.116	0.204	1.204		1.500	
5 Coachella (10/01/00)	5,240,721	5,707,821	5,635,149	5,974,186	-	-	-	-	-	5,639,469	-	-	9,921	-	0.063	-0.063	0.937		0.750	
6 Desert Hot Springs	3,985,102	3,481,082	3,892,237	4,601,543	-	-	-	-	-	3,989,991	-	-	7,019	-	0.053	-0.053	0.947		0.750	
7 Eastvale (7/1/15)	873,544	755,018	784,796	843,838	-	-	-	-	-	814,299	-	-	1,433	-	0.024	-0.024	0.976		0.750	
8 Hesperia (7/1/10)	12,645,910	11,815,631	11,543,778	12,030,252	-	1,274	100,000	-	10,000	12,008,893	27,818	0.232	21,126	1.317	0.092	0.029	1.029		1.317	
9 Holtville (7/1/08)	1,173,765	1,160,755	1,184,853	1,281,145	-	-	-	-	-	1,200,129	-	-	2,111	-	0.029	-0.029	0.971		0.750	
10 ICTC (7/1/12)	468,749	468,578	509,701	559,992	-	-	-	-	-	501,755	-	-	883	-	0.019	-0.019	0.981		0.750	
11 Jurupa Valley (11/2/15)	555,000	1,090,219	1,071,916	1,282,341	-	-	-	-	-	999,869	-	-	1,759	-	0.026	-0.026	0.974		0.750	
12 La Mesa (7/1/02)	20,632,210	20,916,633	22,037,448	23,262,084	19,041	-	-	58,769	-	21,712,094	14,692	0.068	38,196	0.385	0.123	-0.076	0.924		0.750	
13 Murrieta (7/1/01)	23,722,451	23,422,177	24,532,558	25,084,295	-	-	-	-	-	24,190,370	-	-	42,556	-	0.130	-0.130	0.870		0.750	
14 Palm Sps Tram (11/1/05)	3,914,503	4,475,625	4,798,159	4,607,936	-	-	4,246	-	-	4,449,056	1,061	0.024	7,827	0.136	0.056	-0.048	0.952		0.750	
15 Perris (9/25/00)	5,545,431	5,701,034	6,196,159	6,530,512	-	-	-	-	-	5,993,284	-	-	10,543	-	0.065	-0.065	0.935		0.750	
16 San Jacinto (7/1/18)	3,489,178	2,653,364	2,782,506	3,358,185	-	-	-	-	-	3,070,808	-	-	5,402	-	0.046	-0.046	0.954		0.750	
17 SDRTC (11/4/13)	462,019	580,983	667,310	683,648	-	-	-	-	-	598,490	-	-	1,053	-	0.020	-0.020	0.980		0.750	
18 Stanton	2,474,931	2,585,078	2,744,578	3,097,789	-	-	-	-	-	2,725,594	-	-	4,795	-	0.044	-0.044	0.956		0.750	
19 Sunline (11/4/13)	14,052,659	15,285,967	16,071,138	16,861,855	-	131,458	136,951	-	-	15,567,905	67,102	0.431	27,387	2.450	0.104	0.152	1.152		1.500	
20 Victorville (7/1/01)	20,554,844	21,901,180	25,971,469	27,744,606	-	-	-	-	50,000	24,043,025	12,500	0.052	42,296	0.296	0.130	-0.091	0.909		0.750	
21 VVTA (7/1/12)	719,684	864,702	1,009,164	1,231,809	-	-	-	-	-	956,340	-	-	1,682	-	0.026	-0.026	0.974		0.750	
22 PERMA Staff	501,981	544,680	542,562	569,426	-	-	-	-	-	539,662	-	-	949	-	0.019	-0.019	0.981		0.750	
PERMA Total	165,268,575	168,564,109	181,632,392	192,398,788	536,253	542,493	453,437	400,019	70,000	176,965,966	366,487	0.207	311,317	1.177	0.352	0.062	1.062	1.062		0.990
SCORE																				
1 Biggs (7/1/17)	383,261	380,549	386,860	396,932	-	-	-	-	-	386,901	-	-	681	-	0.016	-0.016	0.984		0.750	
2 Colfax	444,870	445,047	645,079	792,003	-	-	-	-	-	581,750	-	-	1,023	-	0.020	-0.020	0.980		0.750	
3 Live Oak (7/1/04)	1,243,636	1,281,001	1,357,810	1,395,034	-	-	-	-	-	1,319,370	-	-	2,321	-	0.030	-0.030	0.970		0.750	
4 Loomis (7/1/12)	706,570	738,548	735,943	857,619	-	-	-	-	-	759,670	-	-	1,336	-	0.023	-0.023	0.977		0.750	
5 Mt. Shasta (7/1/01)	1,708,545	1,764,123	1,943,730	2,082,387	-	-	-	190,000	-	1,874,696	47,500	2.534	3,298	14.403	0.036	0.486	1.486		1.500	
6 Portola	618,406	721,331	796,713	749,220	-	-	-	-	-	721,418	-	-	1,269	-	0.022	-0.022	0.978		0.750	
7 Rio Dell (7/1/02)	962,896	978,061	1,006,121	1,020,181	-	-	-	-	-	991,815	-	-	1,745	-	0.026	-0.026	0.974		0.750	
8 Shasta Lake	3,226,333	3,431,994	3,587,737	3,910,822	-	-	-	-	-	3,539,222	-	-	6,226	-	0.050	-0.050	0.950		0.750	
9 Susanville (7/1/04)	3,524,068	3,674,289	3,972,225	3,977,057	-	-	56,250	-	-	3,786,910	14,063	0.371	6,662	2.111	0.052	0.057	1.057		1.500	
10 Tulelake (7/1/15)	310,702	349,348	354,832	373,352	-	-	-	-	-	347,059	-	-	611	-	0.016	-0.016	0.984		0.750	
11 Weed (7/1/15)	1,658,551	1,541,803	1,699,522	1,800,282	-	-	-	-	-	1,675,040	-	-	2,947	-	0.034	-0.034	0.966		0.750	
12 Yreka	3,014,230	2,827,360	2,986,353	3,202,905	-	-	-	-	-	3,007,712	-	-	5,291	-	0.046	-0.046	0.954		0.750	
SCORE Total	17,802,068	18,133,454	19,472,925	20,557,794	-	-	56,250	190,000	-	18,991,560	61,563	0.324	33,410	1.843	0.115	0.097	1.097	1.097		0.883

Employment Risk Management Authority
~ 2020/2021 Proposed Operating Budget ~ With 67% Available Retrospective Adjustment ~
Experience Modification Calculation

Calendar Year Payroll					Incurred Losses at 12/31/19 Individual Losses from \$25k and Capped at \$500k					Experience Modification Calculation										Prior Year
Member	Actual 2014 Payroll	Actual 2015 Payroll	Actual 2016 Payroll	Actual 2017 Payroll	(Not Used or Updated) Program Year 2014/2015	Program Year 2015/2016	Program Year 2016/2017	Program Year 2017/2018	Program Year 2018/2019	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
VCJPA																				
1 Alameda County	1,336,568	1,334,976	1,447,199	1,563,529	-	-	-	-	-	1,420,568	-	-	2,499	-	0.032	-0.032	0.968		0.750	
2 Burney Basin	94,116	54,817	48,172	50,409	-	-	-	-	-	61,879	-	-	109	-	0.007	-0.007	0.993		0.750	
3 Butte County	1,105,237	1,216,804	1,305,293	1,346,734	-	-	-	-	-	1,243,517	-	-	2,188	-	0.030	-0.030	0.970		0.750	
4 Coachella Valley (9/14/00)	3,826,348	4,405,282	4,434,691	4,649,100	-	-	-	-	-	4,328,855	-	-	7,615	-	0.055	-0.055	0.945		0.750	
5 Colusa	170,986	197,876	207,436	200,877	-	-	-	-	-	194,294	-	-	342	-	0.012	-0.012	0.988		0.750	
6 Compton Creek	94,076	96,876	110,501	119,325	-	-	-	-	-	105,195	-	-	185	-	0.009	-0.009	0.991		0.750	
7 Consolidated	1,183,261	1,304,677	1,341,775	1,481,122	-	-	-	-	20,000	1,327,709	5,000	0.377	2,336	2.141	0.031	0.035	1.035		1.500	
8 Contra Costa County	2,903,940	3,023,168	3,162,039	3,292,543	24,926	-	-	-	35,000	3,095,423	8,750	0.283	5,445	1.607	0.047	0.028	1.028		1.500	
9 Delta VCD (7/1/08)	1,065,957	1,113,971	1,212,742	1,199,039	-	-	-	-	-	1,147,927	-	-	2,019	-	0.028	-0.028	0.972		0.750	
10 Durham (8/26/02)	63,765	59,646	63,249	67,783	-	-	-	-	-	63,611	-	-	112	-	0.007	-0.007	0.993		0.750	
11 Fresno	597,425	678,547	783,378	903,600	-	-	-	-	-	740,738	-	-	1,303	-	0.023	-0.023	0.977		0.750	
12 Glenn County	115,962	126,759	131,002	89,964	-	-	-	-	-	115,922	-	-	204	-	0.009	-0.009	0.991		0.750	
13 Greater Los Angeles	5,273,515	5,409,424	5,647,762	5,939,559	-	-	-	-	-	5,567,565	-	-	9,794	-	0.062	-0.062	0.938		0.750	
14 Kings MAD (7/1/09)	844,340	850,186	898,298	983,186	-	-	-	-	-	894,002	-	-	1,573	-	0.025	-0.025	0.975		0.750	
15 Lake County (2/1/04)	553,390	563,489	577,729	560,840	-	-	-	-	-	563,862	-	-	992	-	0.020	-0.020	0.980		0.750	
16 Los Angeles County West	2,532,089	2,605,775	2,943,903	3,018,465	-	-	-	125,000	-	2,775,058	31,250	1.126	4,882	6.401	0.044	0.238	1.238		1.500	
17 Marin-Sonoma	3,151,665	3,055,514	3,010,559	3,226,419	-	-	-	-	-	3,111,039	-	-	5,473	-	0.047	-0.047	0.953		0.750	
18 Napa County	657,683	688,943	710,647	753,978	-	-	-	-	-	702,813	-	-	1,236	-	0.022	-0.022	0.978		0.750	
19 Northwest	1,384,784	1,518,556	1,622,363	1,722,959	-	-	-	-	-	1,562,166	-	-	2,748	-	0.033	-0.033	0.967		0.750	
20 Orange County	5,135,555	5,966,908	6,199,879	6,064,617	-	-	-	-	-	5,841,740	-	-	10,277	-	0.064	-0.064	0.936		0.750	
21 Oroville (7/1/02)	62,071	72,566	74,370	65,035	-	-	-	-	-	68,511	-	-	121	-	0.007	-0.007	0.993		0.750	
22 Placer County	1,259,077	1,357,506	1,421,940	1,535,417	-	-	-	-	-	1,393,485	-	-	2,451	-	0.031	-0.031	0.969		0.750	
23 Sacramento Yolo	4,322,281	4,265,067	4,353,798	4,645,228	-	-	-	-	-	4,396,593	-	-	7,734	-	0.056	-0.056	0.944		0.750	
24 San Gabriel Valley	1,841,425	1,868,251	2,108,694	2,312,602	185,647	360,608	-	-	-	2,032,743	90,152	4.435	3,576	25.210	0.038	0.914	1.914		1.500	
25 San Joaquin County	2,294,215	2,401,289	2,372,822	2,461,438	-	-	-	-	-	2,382,441	-	-	4,191	-	0.041	-0.041	0.959		0.750	
26 San Mateo County	1,796,171	1,930,469	1,956,127	2,096,070	-	-	-	-	-	1,944,709	-	-	3,421	-	0.037	-0.037	0.963		0.750	
27 Santa Barbara County	376,374	417,616	427,538	432,883	-	-	-	-	-	413,603	-	-	728	-	0.017	-0.017	0.983		0.750	
28 Shasta	1,012,122	969,818	980,333	1,048,691	-	-	-	-	-	1,002,741	-	-	1,764	-	0.027	-0.027	0.973		0.750	
29 Sutter-Yuba	1,000,725	960,126	1,000,006	1,036,945	-	-	-	-	-	999,450	-	-	1,758	-	0.026	-0.026	0.974		0.750	
30 Tehama County	316,645	326,106	331,540	345,687	-	-	-	-	-	329,995	-	-	581	-	0.015	-0.015	0.985		0.750	
31 Turlock	781,807	821,556	844,600	944,491	-	-	-	-	-	848,113	-	-	1,492	-	0.024	-0.024	0.976		0.750	
32 West Valley	1,039,942	1,092,739	1,273,438	1,395,475	-	-	-	-	-	1,200,399	-	-	2,112	-	0.029	-0.029	0.971		0.750	
VCJPA Total	48,193,517	50,755,303	53,003,823	55,554,010	210,573	360,608	-	125,000	55,000	51,876,663	135,152	0.261	91,261	1.481	0.191	0.092	1.092	1.092		1.187
Oakland H.A.	25,427,490	26,500,365	26,867,023	28,486,957	25,000	-	144,657	-	-	26,820,459	\$ 36,164	0.135	47,182	0.766	0.137	-0.032	0.968	0.968		1.062
Contra Costa H.A.	4,487,553	4,773,630	5,207,303	5,220,093	-	-	-	-	10,000	4,922,145	\$ 2,500	0.051	8,659	0.289	0.059	-0.042	0.958	0.958		0.940
Totals	\$ 1,325,894,708	\$ 1,387,948,403	\$ 1,461,360,442	\$ 1,527,421,960	\$ 1,485,802	\$ 3,103,733	\$ 2,605,254	\$ 3,411,684	\$ 911,350	\$ 1,425,656,378	\$ 2,508,005	0.176	\$ 2,508,005	1.000	1.000	0.000	1.000			

ADMINISTRATIVE MATTERS

SUBJECT: Proposed Amendments to 2020/21 Memorandum of Coverage

BACKGROUND AND STATUS:

As part of the annual review of ERMA's governing documents, staff and Doug Alliston, Board Counsel, reviewed the Memorandum of Coverage. Following is a summary of the recommended changes for discussion by the Board:

MEMORANDUM OF COVERAGE	PROPOSED CHANGE
Page 3	Clarification regarding "Ultimate Net Loss" as defined, to include Damages and Defense Costs
Page 3	Amendments to definition of "Claim"
Page 4	Clarification regarding "notice" of a claim
Page 7	Amendments to definition of "Occurrence"
Page 14	Amendments regarding Litigation Manager Claim discretion

The Coverage Committee, comprised of President John Gillison, Vice President Truc Dever, Treasurer Stuart Schillinger and Board member Scott Ellerbrock, met in January 2020, to review the proposed changes. Mr. Alliston reviewed the proposed changes with the Board at the February 2020 Board of Directors Meeting and advised additional proposed changes would be brought forth for the Board's final review prior to the inception of the 2020/21 Program Year.

Mr. Alliston will provide the Board of Directors with a review of the proposed changes and answer any questions.

RECOMMENDATION:

Staff recommends the Board of Directors approve the Memorandum of Coverage, as amended, effective July 1, 2020.

REFERENCE MATERIALS ATTACHED:

- 2020/21 Memorandum of Coverage – redline/strikeout

EMPLOYMENT RISK MANAGEMENT AUTHORITY

(ERMA)

MEMORANDUM OF COVERAGE

FOR THE 20~~19~~/20/21 PROGRAM YEAR

EFFECTIVE JULY 1, 20~~19~~20

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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 Ultimate Net Loss, less the Retained Limit, 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 due to a Claim against the Covered Party 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.

Comment [DA1]: Ultimate Net Loss is defined to include Damages and Defense Costs. It makes no sense to say that ERMA will pay Ultimate Net Loss the Covered Party is legally obligated to pay as Damages. The Covered Party does not become legally obligated to pay Defense Costs as Damages.

Comment [DA2]: The definition of Occurrence includes the Coverage Period requirement so there's no reason to refer here to an Occurrence during the Coverage Period.

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 oral or written notice to the *Covered Party* that an *Employee* alleges a *Wrongful Employment Practice*. "*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*.

Comment [DA3]: Discussion at the 2/7/20 Board meeting indicated this definition could be made simpler

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*.

Comment [DA4]: As pointed out by Marcus Beverley, if oral notice constitutes a reportable Claim, it does not make sense to say the Claim is deemed to have been made when written notice was received, nor does it make sense to refer to a demand. Obviously, a demand would constitute notice but a demand is not required.

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 ~~D~~ 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 ~~D~~ damages owing under an express contract of employment or an express obligation to make severance payments in the event of termination of employment.

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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 harassment specifically authorized under Cal. Gov. Code 12940 (j)(1) 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 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 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.

D “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.

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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 act or omission or series of related acts or omissions by a Covered Party during the Coverage Period which results in a Claim for a Wrongful Employment Practice. All acts or omissions alleged by the same Employee in the same Claim shall be deemed to constitute one Occurrence that took place on the date of the first alleged act or omission~~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.~~

~~Regardless of the number of Covered Parties, all Claims by all Employees arising from the same act or omission or series of related acts or omissions shall be deemed to be one Occurrence for the purpose of the Limit of Coverage, and that Occurrence shall be deemed to have taken place on the date of the first such act or omission alleged by the Employee or Employees. 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.

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Π. “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 e-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.

Ⓑ “Wrongful Employment Practice” means any actual or alleged *Wrongful Termination, Discrimination, Harassment, Retaliation, or Workplace Tort*.

Ⓓ “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

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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

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(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.

11.

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

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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 Litigation Manager shall have discretion to accept as timely any *Claim* reported after 30 days except for any of the following: notice from the U.S. Equal Employment Opportunity Commission, the California Department of Fair Employment and Housing or any other state or federal Government agency to which an *Employee* has made a claim; a Government claim; or a civil lawsuit.

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.

(4)

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.

(2)

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

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- (2) 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.
- (3) 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

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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* thirty_

(30) calendar 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 thirty (30) calendar day period commences from receipt of such new opinion or decision in which the *Covered Party* may appeal to the Board. The Program Administrator shall have the discretion to extend the time period within which an appeal from a coverage decision or opinion must be presented to the Board by an additional 30 days.

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

In the event a Covered Party disputes a decision by the Board, the Covered Party must request to binding arbitration within thirty (30) c-a-l-e-n-d-a-r days of written notification of the Board's decision. The *Covered Party* must exhaust all rights to appeal as established by the Bylaws, the Master Program Document and the Memorandum of Coverage 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. 7/1/2019, forms a part of ERMA 2019-1EPL. 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
Central Marin Fire 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
<i>(No coverage under this Memorandum is afforded to the Livermore-Pleasanton Fire Department)</i>	
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	\$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	\$50,000
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 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

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Exclusive Risk Management Authority of California (ERMAC)

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

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	\$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 Wheatland	\$25,000
City of Wildomar	\$25,000
Town of Yountville	\$25,000
City of Yucaipa	\$50,000
Town of Yucca Valley	\$100,000

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Public Entity Risk Management Authority (PERMA)

COVERED PARTY	RETENTION
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	\$100,000
Palm Springs Aerial Tramway	\$25,000
City of Perris	\$25,000
City of Rancho Mirage	\$50,000
San Diego Regional Training Center	\$25,000
City of San Jacinto	\$25,000
City of Stanton	\$25,000
SunLine Transit Agency	\$50,000
Victor Valley Transit Authority	\$25,000
City of Victorville	\$25,000

Small Cities Organized Risk Effort (SCORE)

COVERED PARTY	RETENTION
City of Biggs	\$25,000
City of Colfax	\$25,000
City of Dunsmuir	\$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 Fort Jones	\$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

Individual Entities

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

Effective Date: July 1, 2019

Endorsement No.: 1

AUTHORIZED REPRESENTATIVE

**EMPLOYMENT RISK MANAGEMENT AUTHORITY
MEMORANDUM OF COVERAGE
ENDORSEMENT #2**

This endorsement, effective 12:01 a.m. 7/1/20~~19~~²⁰, forms a part of ERMA 20~~19~~²⁰-1EPL.

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, 20~~19~~²⁰

Endorsement No.: 2

AUTHORIZED REPRESENTATIVE

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

This endorsement, effective 12:01 a.m. 7/1/201920, forms a part of ERMA 201920-1EPL.

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
<u>City of Dunsmuir</u>	<u>\$25,000</u>
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
<u>Town of Fort Jones</u>	<u>\$25,000</u>
Town of Loomis	\$25,000
City of Weed	\$100,000
City of Yreka	\$25,000

Effective Date: July 1, 201920

Endorsement No.: 3

AUTHORIZED REPRESENTATIVE

ADMINISTRATIVE MATTERS

SUBJECT: Proposed Amendments to 2020/21 Master Program Document

BACKGROUND AND STATUS:

The Coverage Committee, comprised of President John Gillison, Vice President Truc Dever, Treasurer Stuart Schillinger and Board member Scott Ellerbrock, met in January 2020, to review the proposed changes. Doug Alliston, Board Counsel, reviewed the proposed changes at the February 2020 Board of Directors Meeting and advised the Master Program Document would be brought forth for the Board's final review prior to the inception of the 2020/21 Program Year.

Following is a summary of the proposed changes:

MASTER PROGRAM DOCUMENT	PROPOSED CHANGE
Page 15	Amendments regarding Litigation Manager Claim discretion to align with proposed amendments to the Memorandum of Coverage.

Mr. Alliston will provide the Board of Directors with a review of the proposed changes and answer any questions.

RECOMMENDATION:

Staff recommends the Board of Directors approve the Master Program Document, as amended, effective July 1, 2020.

REFERENCE MATERIALS ATTACHED:

- Draft 2020/21 Master Program Document – redline/strikeout

EMPLOYMENT RISK MANAGEMENT AUTHORITY

(ERMA)

MASTER PROGRAM DOCUMENT

FOR THE

POOLED EMPLOYMENT PRACTICES LIABILITY PROGRAM

(PEPLP)

AS AMENDED EFFECTIVE JULY 1, ~~2019~~2020

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EMPLOYMENT RISK MANAGEMENT AUTHORITY

MASTER PROGRAM DOCUMENT

FOR THE

POOLED EMPLOYMENT PRACTICES LIABILITY PROGRAM

(PEPLP)

ARTICLE I - GENERAL

A. PURPOSE

1. The primary purpose in forming the Employment Risk Management Authority, hereinafter *ERMA*, is to create a method for providing coverage for legal damages incurred by the *Members* because of *Wrongful Employment Practices*. The Joint Exercise of Powers Agreement and the Bylaws have been created and duly approved to provide the *Members* with this coverage. This *Master Program Document*, hereinafter the MPD, for the Pooled Employment Practices Liability Program, hereinafter the PEPLP, sets forth the manner in which these services shall be delivered to the membership. In the event of a conflict among these governing documents, the Joint Exercise of Powers Agreement controls over the Bylaws, and the Bylaws control over this MPD.
2. The PEPLP shall use pooled sharing of operating costs and losses above the *Members' Retained Limits*. The PEPLP may purchase excess coverage or reinsurance above those limits provided by ERMA.
3. The PEPLP shall provide various *Retained Limits* from which the *Members* may choose, subject to the approval of the *Board of Directors*.
4. The *Board of Directors* has the right to alter the terms and conditions of the pooled underlying coverage in response to the needs and abilities of the PEPLP, the *Members*, and the availability of coverage from outside sources.
5. A summary of the *Limits of Coverage* and *Retained Limits* provided in *Program Years* is set forth in Appendix B.

B. PROGRAM YEARS

1. A *Program Year* shall be defined as the losses incurred during the period from 12:01 a.m. Pacific time on July 1st of each year to 12:00am Pacific time on June 30th of the following year. The income and expenses of each *Program Year* shall be accounted separately from any other *Program Year's*

income or expenses.

2. The PEPLP shall charge a *Deposit Premium* to each *Member* at inception of each *Program Year* to fund the cost of losses and expenses anticipated for the life of the *Program Year*. The *Deposit Premium* shall consist of a premium to cover pooled losses, based on an actuarial projection of losses for the year and the exposure of loss presented by each *Member* plus a reasonable margin for contingencies, as well as *administrative expenses* and training expenses based on expected costs.
3. After a *Program Year* is at least five years old, *Retrospective Adjustments* may be made annually, subject to the discretion of the Executive Committee or the *Board*, and subject to criteria set forth in this MPD. The process for determining *Retrospective Adjustments* is set forth in Appendix A.
4. A *Program Year* cannot be completed until all *Claims* incurred during that *Program Year* are closed and it is probable that no new *Claims* for that *Program Year* will be made. The *Program Year* shall remain open until the *Board of Directors* authorizes closure based on its determination that known *Claims* for the year are closed, and no further *Claims* will be made.
5. To maintain the actuarial soundness of the PEPLP, the *Board of Directors* shall have actuarial studies done periodically and shall take appropriate action, as set forth in Article III – Premiums, Rates and Assessments, if a *Program Year* is found to be actuarially deficient.

C. FINANCING THE PROGRAM

1. DEPOSIT PREMIUMS

Deposit Premiums shall be established as set forth in Article III.A.1.

2. CAPITAL CONTRIBUTION

In addition to the *Deposit Premium*, in ERMA's early years, each *Member* was required to make a capital contribution annually for the first five years of participation, which equated to 15% of loss funding premium collected, to provide a margin for greater confidence in the program and to build a fund that could be used for program years in need. The capital contribution was equal to the *Board*-approved capitalization rate per \$100 of payroll and was paid over a five-year period. All original funds have been allocated.

The capital contribution fund was reactivated in 2014 to receive funds dedicated to future training initiatives.

Capital contributions will not be dedicated to any one specific *Program Year*, but will be considered when determining the overall actuarial soundness of the PEPLP. The capital contribution amounts will be maintained in a separate equity account and will be returned in the same proportion as the return of other equity at the discretion of the *Board of Directors*. Capital contributions may be applied at the discretion of the *Board of Directors* to any *Program Year*.

3. BONDS OR DEBT INSTRUMENTS

- (a) Bonds or other debt instruments may be used to fund one or more *Program Years*. However, *Members* shall be responsible only for the retirement of such debt for the *Program Years* in which they participate. Such retirement of debt shall be calculated into the rates and deposit premiums.
- (b) Upon a two-thirds vote of the *Board of Directors*, debt financing can be authorized for any legal purpose; however, any debt so incurred shall be the debt of *ERMA* and not the debt of any *Member*, unless each *Member*, in writing, authorizes the debt and accepts responsibility for its payment.
- (c) Any monies collected or earned by *ERMA* may be used to retire such debts.

4. ASSESSMENTS

Assessments may be made at the discretion of the *Board of Directors*, when the PEPLP, as a whole, is found to be actuarially unsound. *Assessments* shall be determined as set forth in Article III, C. 2.

D. AMENDMENTS TO THIS MASTER PROGRAM DOCUMENT

- 1. This MPD may be amended by a two-thirds vote of the Executive Committee or *Board of Directors*, provided prior written notice has been given to the *Members*.
- 2. The *Members* may repeal such amendments by a majority vote at the next regular or special meeting of the *Board* after the effective date of the amendment.

ARTICLE II - COVERAGE

A. GENERAL DESCRIPTION

1. COVERAGE PROVIDED

- (a) The Memorandum of Coverage, and any endorsements thereto, shall provide the terms, conditions, limitations and exclusions for the defense and indemnification of covered parties, as defined, for liability because of

Wrongful Employment Practices. The Memorandum of Coverage shall be reviewed annually and approved by the *Board of Directors*.

- (b) An account shall be established from which losses and expenses of the PEPLP shall be paid. Although the intent of the PEPLP is to provide pooled coverage, coverage may be obtained, either partly or wholly, from commercial insurance or reinsurance if it is to the financial advantage of the PEPLP as determined by the *Board of Directors*. In making its determination, the *Board* shall consider the objectives of security, minimizing costs to the PEPLP, and the desire of the *Members* for a particular type of coverage. Any such commercial insurance shall have an A.M. Best Rating Classification of A or better and an A.M. Best Financial Rating of VII or better, or their equivalents.

2. LIMITS OF COVERAGE

- (a) The PEPLP shall provide, where economically practical, *Limits of Coverage* of at least \$2,000,000 per occurrence.
- (b) The *Board of Directors* may authorize choices of limits less than \$1,000,000 by the *Members*.

3. RETAINED LIMITS

- (a) The pooled coverage shall be excess of the *Retained Limits* as recommended by the Administrator, chosen by each *Member*, and approved by the *Board of Directors*. The Administrator shall consider, among other factors, the financial needs of the *Members* when establishing the choices of *Retained Limits*. The *Board of Directors* may alter the choices of *Retained Limits*, increase *Retained Limits* for *Members* which do not substantially comply with elements of the PEPLP, and institute Aggregate Stop Loss coverage, as described below, or other forms of retentions as the financial strength of the PEPLP dictates.
- (b) The *Board of Directors* may offer annual aggregate limitations to the repeated cost of the *Retained Limit* payments by a *Member* in any *Program Year*. This form of coverage shall be called Aggregate Stop Loss and is further defined in Article II, A, 3, (b).
- (c) A participating *Member* may elect to change its *Retained Limit* after its first year in the program, but any request to lower a *Retained Limit* is effective only with approval of the *Board of Directors*. Any change in the *Retained Limit* shall be for a complete *Program Year* and must be received by the *Board of Directors* at least thirty (30) days prior to the inception of the new *Program Year* in which the change is to be effective.

The *Board of Directors* may require a *Member* to increase its *Retained Limit* at the inception of a new *Program Year* by providing written notice of such change to the *Member* at least sixty (60) days prior to the increase.

- (d) Each *Member* shall bear the costs of its *Claims*, including defense and related costs, including but not limited to attorneys' fees, investigation costs, expert costs, vendor costs and any other related costs up to the amount of its *Retained Limit*. This expense shall be borne by the individual *Member* to the extent such costs are not limited by an *Aggregate Stop Loss*. *Members* shall report all payments made within their *Retained Limits* to ERMA to ensure efficient claims control and actuarial analysis.

4. COVERAGE TERM, RENEWAL, AND CANCELLATION

The coverage term shall be the same period of time as the *Program Year*. Cancellation of coverage by withdrawal of a *Member* shall be permitted only at the end of any *Program Year*. The timing of cancellation of coverage by expulsion of a *Member* shall be as determined by the *Board of Directors*.

B. MEMORANDUM OF COVERAGE

- 1. The President shall appoint a Coverage Committee, which may consist of up to three (3) members of the *Board of Directors*. The members of the Committee shall remain as members until such time as the President relieves them of their duties. Each year, prior to the last *Board of Directors* meeting of the *Program Year*, the Committee shall review, as necessary, the Memorandum of Coverage and recommend changes, where appropriate, for the next *Program Year*. The Committee shall consider the desires of the *Members* for coverage as well as the financial impact such coverage may have on the PEPLP. The *Board of Directors* shall evaluate and, if appropriate, approve the recommendations of the Committee and adopt the Memorandum of Coverage for the next *Program Year* prior to or at the last regular or special meeting of the expiring *Program Year*.
- 2. The *Board of Directors* shall evaluate and, if appropriate, approve the recommendations of the Committee and adopt the Memorandum of Coverage for the next *Program Year* prior to or at the last regular or special meeting of the expiring *Program Year*.
- 3. Notwithstanding Section B.1., above, the *Board of Directors* may, from time to time, amend the coverage provided in the Memorandum of Coverage, purchase excess insurance or reinsurance, or participate in other pooling arrangements authorized by the Government Code, based on the needs of the PEPLP and the *Members*, costs, funding, available insurance, and other relevant factors.

C. DISTRIBUTION

A copy of this MPD and the current Memorandum of Coverage shall be provided to each *Member* in each year that changes are adopted. All endorsements or other changes to the PEPLP shall be distributed to the *Members as made*. All documents shall be deemed to be provided to the *Member* if the representative for the *Member* personally receives a copy of such document, if the document has been duly mailed in the U.S. Postal system, or if the document is posted to the official ERMA website and notice thereof has been mailed in the U.S. Postal system or sent via email to the *Member*.

ARTICLE III - PREMIUMS, RATES AND ASSESSMENTS

A. ADMINISTRATIVE EXPENSES, TRAINING EXPENSES AND DEPOSIT PREMIUM CALCULATIONS

1. DEPOSIT PREMIUMS

- (a) The Administrator, in conjunction with an actuary, shall annually establish rates and *Deposit Premiums*, subject to *Board* approval, adequate to fund the actuarially determined losses in the pooled layer of the PEPLP, including defense costs and other claims-related expenses, the cost of excess coverage, and the projected administrative costs and training costs, including retirement of debt, if any, of the PEPLP.
- (b) The annual *Deposit Premium* for each *Member* shall be calculated utilizing (1) the actuarially determined expected losses for the PEPLP, (2) a capital contribution during the first five years of participation equal to or exceeding 15% of the amount needed to cover defense and indemnity (if applicable – required in ERMA’s early years, but not currently applied), (3) a charge for excess insurance or reinsurance, if any, (4) a charge for the *Administrative Expense* of the PEPLP, and (5) a charge for the Training Expense of the PEPLP as determined by the Administrator.
- (c) The *Administrative Expense* charged to each *Member* is calculated by allocating the total *Administrative Expenses* required for the upcoming *Program Year* among the *Members* based on the payroll for each *Member*. This expense may be modified by experience at the discretion of the *Board of Directors*.
- (d) The training expense charged to each *Member* is calculated by allocating the total training expenses required for the upcoming *Program Year* among the *Members* based on the payroll for each *Member*. This expense may be

modified by experience at the discretion of the *Board of Directors*.

- (e) Payroll as of December 31st of the year preceding the commencement date of a new *Program Year*, inflated by no more than 5%, will be utilized in determining the *Deposit Premium* calculation. Payroll shall be submitted for the four calendar year quarters using reported payroll on DE-9C payroll reports by February 15th of the new program year.

2. EXPERIENCE MODIFICATION

- (a) Each Member may be evaluated each year for an experience modification credit or debit based on no more than the past six years of experience. At the discretion of the Board of Directors, all or a portion of the six years of experience may be used in the calculation of the experience modification factor.
- (b) The calculation of the credit or debit shall include the actual loss experience of each individual *Member* as it relates to the average loss experience of the group as a whole. The criteria which shall be used is the relationship of actual average loss experience over the period being rated as it relates to the average payroll for the same period.
- (c) The Board has the discretion to apply a credibility factor and to establish upper and lower limitations on the maximum and minimum experience modifications.

3. PROGRAM ADMINISTRATIVE BUDGET

Each *Program Year* shall have its own administrative budget to cover the costs of operating and maintaining the administrative functions of the PEPLP for that year. This budget shall include, but not be limited to, the following expenses:

- (a) Financial and claims auditing;
- (b) Program management services;
- (c) Legal services;
- (d) Claims adjusting for *Claims* which exceed the *Retained Limits*;
- (e) Actuarial services;
- (f) Insurance expense;
- (g) Investment and banking fees;
- (h) The cost of administrative materials; and

- (i) A provision for other minor miscellaneous costs.

4. PROGRAM TRAINING BUDGET

Each *Program Year* shall have its own training budget which shall cover the costs of operating and maintaining the training and loss control functions of the PEPLP for that year. This budget shall include, but not be limited to, the following expenses:

- (a) Costs for training workshops and loss prevention programs;
- (b) Costs for employment related legal assistance; and
- (c) Costs for compliance auditing for (a) and (b) above, if deemed necessary.

B. UNDERWRITING CREDITS/DEBITS

The *Board of Directors*, at its discretion, may impose credits or debits where warranted because of some inequity that would otherwise be encountered.

C. ADJUSTMENTS TO ACCOUNT BALANCES

1. ESTABLISHMENT OF THE LEVEL OF FUNDING

- (a) The confidence level used for determining the funding requirements of the PEPLP and the *Program Year Deposit Premiums* will be determined by the Administrator and approved by the *Board of Directors*; however, the confidence level shall not be lower than 70 percent or the amount needed to cover expected losses.
- (b) Interest rates for the type of investments utilized by the PEPLP may be used to determine the amount of funds necessary to meet the selected confidence level for the PEPLP, but, such interest rate shall not exceed seven percent.
- (c) Reserves for each *Program Year* shall be actuarially determined and shall be sufficient to maintain the overall funding to meet the approved confidence level.

2. ASSESSMENTS

- (a) When a *Program Year* is actuarially unsound, the Administrator, with the assistance of an actuary, will determine to what extent, if any, the PEPLP as a whole is not *actuarially sound*.
- (b) The PEPLP is not *actuarially sound* when the available reasonably estimable

reserves are less than the amount of reserves required at the expected confidence level, including expected interest earnings. Reserves are reasonably estimable on a *Program Year* when it is at least three years old.

- (c) If the PEPLP is not *actuarially sound*, the *Board of Directors* may, at its discretion, impose an *Assessment* against all *Members* participating in the deficient *Program Year(s)*. Each *Member's Assessment* shall be determined by the proportion which that *Member's Deposit Premium* for that year relates to the total *Deposit Premium* paid by all *Members* for that year.
- (d) If the PEPLP as a whole is *actuarially sound*, the *Board of Directors* may, at its sole discretion, assess the *Members* who participated in any *Program Year* that is not *actuarially sound*.
- (e) A program year or years that are not *actuarially sound* will be adjusted annually with the Retrospective Adjustment Process discussed in the next section.

3. RETROSPECTIVE ADJUSTMENTS

The Retrospective Adjustment Process defines the methodology by which program years that are a full five years old are adjusted annually. The Retrospective Adjustment Process is defined in ERMA's Financial Stability Plan, as approved by the *Board of Directors*, and appears in its entirety in Appendix A.

D. CLOSED PROGRAM YEARS

- 1. The *Board of Directors* may close a *Program Year* as described in Article I, B.
- 2. Upon closure of a *Program Year*, a final calculation of account balances shall be made as described in ERMA's Financial Stability Plan, specifically the Retrospective Adjustment Process, and found in Appendix A. The account balances shall be returned to the *Members* at the discretion of the *Board of Directors* based on the percentage of *Deposit Premium* paid by each *Member* for that *Program Year*.
- 3. The *Board of Directors* retains the right to assess *Members* which participated in a closed *Program Year* if such *Program Year* incurs additional expenses after closure.

ARTICLE IV - ADMINISTRATION

A. ORGANIZATION AND RESPONSIBILITIES

1. RELATION TO ERMA STRUCTURE

- (a) This MPD supplements the Bylaws. In the event of a conflict between the Bylaws and this MPD, the Bylaws control. From time to time, resolutions of the Executive Committee or *Board of Directors* may be adopted which may take precedence over this MPD for a limited period of time; however, any change thus enacted by resolution that is intended to last beyond six months shall be expressly incorporated into and amend this MPD.
- (b) The Administrator shall be the Program Administrator for the PEPLP and shall report to the Executive Committee or *Board of Directors* of *ERMA*.
- (c) A Litigation Manager shall be selected by the Program Administrator and approved by the *Board of Directors* to supervise the handling of *Claims* and report to the Program Administrator and the *Board of Directors*, as requested by the *Board*.

2. *BOARD OF DIRECTORS'* RESPONSIBILITIES

- (a) The *Board of Directors* shall meet at least one (1) time per year to review the developments and performance of this PEPLP as part of a general or special *Board of Directors* meeting.
- (b) The *Board of Directors* may delegate to the Executive Committee any of its responsibilities not otherwise reserved to the Board in the Joint Exercise of Powers Agreement or Bylaws.
- (c) The *Board of Directors* shall review and have authority to override all decisions made by the Executive Committee.

3. EXECUTIVE COMMITTEE RESPONSIBILITIES

An Executive Committee may be established and, if so, shall have the following duties with respect to the PEPLP:

- (a) Direct proposals for outside service contracts including, but not limited to, program administration, claims adjusting, actuarial services, and financial and claims audit services.
- (b) Supervise the management of claims including, but not limited to, the review of loss reserves and claims expenses.
- (c) Provide policy and guidance to the Litigation Manager with regard to management of specific claims where the Litigation Manager requests such direction or where he or she lacks authority to establish such policy.
- (d) Settle any claim equal to or less than the limit of coverage for *ERMA*.

However, such authority shall only apply to those claims for which the Ultimate Net Loss is in excess of the settlement authority given to the Litigation Manager and above the *Retained Limit* of the *Member*.

- (e) Hear all disputes regarding the selection of defense counsel on a particular case brought to it by the *Member* for which such defense counsel was chosen.

4. ADMINISTRATOR'S DUTIES AND RESPONSIBILITIES

(a) GENERAL

- (i) The Program Administrator shall use his or her best efforts to administer the PEPLP so as to achieve the objectives and goals of the PEPLP and *ERMA*.
- (ii) The Program Administrator shall administer the PEPLP in a manner that will provide claim and cost accountability for each *Program Year*, separate and apart from all other *Program Years*, and from other programs of *ERMA*.

(b) CLAIMS ADMINISTRATION

The Program Administrator shall:

- (i) Resolve disputes between a *Member* and the Litigation Manager, Claims Adjustor or Investigator;
- (ii) Prepare an annual report showing claims activity, paid claims, case reserves, *obligated reserves*, and status of pooled funds of each *Program Year* for each *Member*;
- (iii) Obtain the services of a claims auditor and present the findings to the Executive Committee or *Board of Directors*, if the cost of these services is within the approved annual budget; and
- (iv) Coordinate with the Litigation Manager, whose duties are outlined in Section 5, Litigation Manager.

(c) FINANCIAL DUTIES

The Program Administrator shall:

- (i) Prepare a budget for each *Program Year* for approval by the *Board of Directors* before the beginning of the *Program Year*;
- (ii) Prepare an annual report comparing each *Program Year's* budgeted to actual expenditures;

- (iii) Ensure that *Retrospective Adjustments* for previous *Program Years* and rates and *Deposit Premiums* for each new *Program Year* are calculated in the manner described in Article III;
 - (iv) Obtain actuarial services and present the findings to the Executive Committee or *Board of Directors*, provided the cost of such services is within the approved annual budget;
 - (v) Evaluate and present to the Executive Committee or *Board of Directors* the recommendations of the actuarial studies with recommended actions where *Program Years* are, or are likely to be, actuarially unsound in the near future;
 - (vi) Engage the services of an independent financial auditor selected by the Executive Committee or *Board of Directors* and present the findings to the Executive Committee or *Board of Directors*, provided the cost of these services is within the approved annual budget; and
 - (vii) Present financial audits to the Executive Committee or *Board of Directors*.
- (d) ACCOUNTING RESPONSIBILITIES

The Program Administrator shall:

- (i) Invoice *Member Entities* for *Deposit Premiums* and other amounts due;
- (ii) Report to the Executive Committee or *Board of Directors* any invoices not paid and outstanding for more than thirty (30) days;
- (iii) Prepare vouchers, invoices, or other demands for payment for approval by the President and, upon approval, submit the demands to the Treasurer for payment;
- (iv) Maintain detailed financial records of all income, expenses, cash deposits, and withdrawals;
- (v) Maintain financial records according to generally accepted accounting principles; and
- (vi) Present timely quarterly and annual financial statements to the Executive Committee or *Board of Directors*.

(e) LOSS CONTROL SERVICES/TRAINING/COMPLIANCE AUDIT

The Program Administrator shall:

- (i) Assist the *Members* in the evaluation of their employment related policies, practices and procedures regarding exposures that may result in claims, and report the evaluations to the Executive Committee or *Board of Directors*;
- (ii) Recommend to the Executive Committee or *Board of Directors* loss control and training programs for adoption;
- (iii) Assist the *Members* in establishing loss control programs and training programs;
- (iv) Evaluate the efficiency of the loss control and training programs and report such findings to the Executive Committee or *Board of Directors*; and
- (v) Establish compliance auditing standards to ensure participation in the established loss control and training programs adopted by the *Board of Directors* or Executive Committee.

5. LITIGATION MANAGER

The Litigation Manager shall:

- (a) Oversee, generally, all liability claims administration and management, supervise the daily operations of handling *claims* for the PEPLP, and report to the Program Administrator on such operations.
- (b) Have the authority to settle any claim with an Ultimate Net Loss, as defined in the Memorandum of Coverage applicable to that claim, equal to or less than one hundred thousand dollars (\$100,000), per claimant, in excess of the *Retained Limit* of the *Member* involved.
- (c) Assist the Program Administrator in the selection of an approved defense counsel, claims adjusting, loss prevention and investigation services, if those services are required, including evaluation of quality and price of services in the defense, claims handling, investigation and reporting services;
- (d) Oversee performance of the approved defense counsel, claims adjustor, and loss prevention and investigation services, with special emphasis on the handling of open claims, including:
 - (i) review all open claims valued in excess of 50 percent of the

individual *Member's Retained Limit* and, if necessary, recommend action on such claims;

- (ii) Review all open claims in which an outside investigator has been retained by the *Member* or *ERMA*, and
 - (iii) Review monthly claims reports and relate to the Executive Committee or *Board of Directors* any significant trends that may be developing.
- (e) Assist the Program Administrator in presenting claims audits to the Executive Committee or *Board of Directors*, with recommendations of changes in claims procedures where appropriate.
 - (f) Perform a quarterly review of claims files including new claims likely to exceed 50 percent of the *Member's Retained Limit*, claims in which an outside investigator has been retained by the *Member* or *ERMA*, and those claims for which a *Member*, the Executive Committee, or the *Board of Directors* has requested a specific review;
 - (g) Review, at least quarterly, all open claims in excess of the involved *Member's Retained Limit* and, if necessary, recommend action on such claims;
 - (h) Report to the Executive Committee or *Board of Directors* at each meeting, summarizing the active claims of general interest to the *Members* and claims for which a *Member*, the Executive Committee, or the *Board of Directors* has specifically requested a review;
 - (i) Assist the *Members* in training their personnel in the correct procedures for response to employees and reporting of incidents or claims
 - (j) Advise, where needed, on the setting and changing of reserves for claims;
 - (k) Report to any excess insurance or reinsurance obtained by *ERMA* all claims that meet the reporting requirements of such excess insurance or reinsurance;
 - (l) For those *Members* with excess insurance or reinsurance other than that obtained by *ERMA*, provide notice to the *Member* in the acknowledgement of the claim that the claim may need to be reported to the *Member's excess* insurance or reinsurance, and suggest the *Member* check the reporting requirements of any such excess carrier or reinsurance; and provide notice to the *Member* and its pool administrator, if any, when the claim has reached 50 percent of the *ERMA* layer.

- (m) Ensure that the *Member* is advised of ERMA's coverage position on a claim as soon as practicable.
- (n) Monitor and evaluate the effectiveness of the defense firms:
- (o) Advise the Board on recommendations for settlement of claims in excess of \$100,000.00;
- (p) Answer inquiries from *Members* regarding claims or procedures;
- (q) Establish a list of attorneys who have demonstrated proficiency in defending employment actions against public agencies;
- (r) After consultation with the *Member* as set forth in Article VI F, select defense counsel, if needed, for each claim where the Ultimate Net Loss, as defined in the Memorandum of Coverage, is at least 50 percent of the involved *Member's Retained Limit*;
- (s) Review the performance of the claims adjuster or investigator's personnel assigned to *ERMA's* account with special emphasis in the handling of open claims;
- (t) Advise and assist the Program Administrator in the selection of claims adjusting and investigation providers/companies;
- ~~(u) Determine, consistent with the requirements of the Memorandum of Coverage and using reasonable discretion and based on the particular facts and circumstances, whether a claim has been timely reported to *ERMA* as a condition precedent to coverage under the Memorandum of Coverage; provided, however, the Litigation Manager shall have no discretion to accept as timely any of the following claims reported after 30 days: notice from the~~
- ~~(u) U.S. Equal Employment Opportunity Commission, the California Department of Fair Employment and Housing or any other state or federal Government agency to which an Employee has made a Claim; a Government claim; or a civil lawsuit. The Litigation Manager's decision may be appealed to the Board of Directors;~~
- (v) Annually provide to the Executive Committee or *Board of Directors* a review and evaluation of all panel defense counsel, including performance and costs; and
- (w) Provide other services as may reasonably be requested by the *Member*, Executive Committee or the *Board of Directors*.

B. REPORTS AND SCHEDULES

1. FINANCIAL REPORTS

- (a) Unaudited, annual financial statements shall be presented to the Executive Committee or *Board of Directors* within 150 days after the end of the fiscal year. These reports will include:
 - (i) A balance sheet,
 - (ii) An income statement, and
 - (iii) A statement of account balances for each *Program Year* by *Member*.
- (b) Unaudited, quarterly financial statements shall be presented to the Executive Committee or *Board of Directors* within 60 days after the end of the quarter. These reports will include a balance sheet and income statement.
- (c) A signed audited financial statement for the *Program Year* shall be presented to the Executive Committee or *Board of Directors* within 150 days after the end of the *Program Year*.

2. CLAIMS REPORTS

- (a) Quarterly claims reports shall be presented to the *Members* within 30 days after the end of the quarter. These reports will include:
 - (i) Status of each claim by *Program Year* including case reserves, allocated claims reserves, amounts paid for indemnity, and allocated claims expense; and
 - (ii) Summary of number of claims, total claims reserves, and total paid expenses by *Program Year* for each *Member*.
- (b) Special reports shall be prepared when reasonably requested by the Executive Committee or *Board of Directors*.
- (c) A claims audit report shall be obtained at least every other year, including a statement of adequacy of claims procedures and accuracy of the claims data.

3. ACTUARIAL STUDIES

- (a) An actuarial report shall be obtained as determined by the Executive Committee or *Board of Directors*, which shall evaluate the adequacy of reserves for each open *Program Year*.

- (b) The actuarial report shall also include loss projections for future *Program Years* based on the experience of the PEPLP.

C. LOSS CONTROL SERVICES/TRAINING/COMPLIANCE AUDITING

ERMA will provide loss control services, training, and compliance auditing to the *Members*, as needed, to minimize claims expenses and reduce loss exposures for the PEPLP.

ARTICLE V - PARTICIPATION

A. ELIGIBILITY AND APPLICATION

1. ELIGIBILITY

- (a) Only *Members* of ERMA may participate in the PEPLP.
- (b) Each *Member* must initially commit to at least three full *Program Years* of participation in the PEPLP.
- (c) Each prospective *Member* of ERMA must submit an application along with a non-refundable application fee of \$2,500 (prospective *Member* JPA) or \$1,000 (prospective direct *Member*) and provide a completed and signed resolution obligating the prospective *Member* to participate for the required three years and accepting the rules and policies set forth in the PEPLP governing documents. The resolution shall also state the *Retained Limit* desired by the prospective *Member*. The prospective *Member* shall, if practicable, submit five years of wrongful employment practices loss experience, complete an Underwriting Information Sheet, complete an Exposure Analysis Questionnaire, and provide copies of the last four quarterly DE-9C, Federal 941 or J200 payroll reports, if required, or, upon approval of the Executive Committee or *Board of Directors*, the current number of full-time equivalent employees.

For the initial *Program Year* or for latter years at the discretion of the *Board of Directors*, the underwriting and submission of data requirements listed above may be waived.

- (d) The prospective *Member* shall provide the application and applicable fee, resolution form, the experience and underwriting information, and the DE-9C, Federal 941 or J200 payroll information at least 60 days prior to the inception of the *Program Year* in which its participation will commence, or on which it desires coverage to commence.

- (e) Those *Members* affiliated with a primary JPA shall be provided extended coverage under the Memorandum of Coverage for their primary JPA's Board of Directors and JPA employees, provided at least 50%, by payroll, of that primary JPA's members participate in *ERMA* and/or 50% of the primary JPA's total members participate in *ERMA*. This coverage shall be added by endorsement to the Memorandum of Coverage.

2. APPROVAL OF APPLICATION

- (a) An Underwriting Committee, appointed by the President, shall review the membership application and other underwriting and experience criteria of the prospective *Member*. The Underwriting Committee shall make a recommendation to the Executive Committee or *Board of Directors* regarding approval of the prospective *Member*.
- (b) The Executive Committee or *Board of Directors* shall, from a review of the membership application, other underwriting and experience criteria, and the advice of the Underwriting Committee and Program Administrator, determine the acceptability of the exposures presented by the prospective *Member*.
- (c) The Administrator shall advise the prospective *Member*, in writing, of the decision of the Executive Committee or *Board of Directors* within 15 business days after the decision.

3. DATE OF MEMBERSHIP

It is preferable that a new *Member* enter the PEPLP at the commencement of a *Program Year*. If the new *Member* enters at any other time, the *Deposit Premium* may be prorated for the remainder of the *Program Year*, and covered losses of the new *Member* which occur on or after the date of membership will be paid; however, the new *Member* shall be required to share losses for the pool for the entire year, just as if it had begun its membership at the commencement of the *Program Year*.

4. APPLICATION FEE CREDIT

Following completion of the first *Program Year*, the *Member* will receive a credit in an amount equal to the fee remitted upon application for membership. This will be issued in the form of a premium credit, applicable to the *Members'* second year *Deposit Premium*.

B. MEMBERS' DUTIES

1. PROVIDE UNDERWRITING INFORMATION

- (a) Each *Member* shall provide payroll information based on the State DE-9C, Federal 941, or J200 payroll reports, and if practicable provide copies of the DE-9C, Federal 941, or J200 payroll reports quarterly within fifteen days after filing with the State or Federal Government; or upon approval of the Executive Committee or *Board of Directors*, provide the full-time equivalent number of employees for the *Member* on an annual basis.
- (b) Each *Member* shall cooperate with *ERMA* in the claims management, loss control, training, underwriting, and actuarial activities of *ERMA*.

2. PAYMENT OF PREMIUMS AND OTHER CHARGES

- (a) Each year, no later than July 1st, *ERMA* shall bill each *Member* its *Deposit Premium* for the next *Program Year*. The annual billing shall be due and payable on July 15th, and shall be delinquent if not paid on or before the last working day in July.
- (b) A *Member* may be billed an additional amount because of *Assessments* to bring a *Program Year* into a state of actuarial soundness, or amounts due for other items. This billing is due and payable upon receipt, and delinquent if not paid on or before thirty (30) calendar days after receipt. The date of receipt shall be determined as the date the billing was presented in person to a representative of the *Member*, or posting the billing in the U.S. Mail, or the date sent via electronic mail.
- (c) Any *Member* which has formerly participated in the PEPLP, but has withdrawn as a *Member*, shall be required to pay all applicable billings for the *Program Years* in which it participated. Delinquent billings shall be treated in the same manner as set forth above, as if the withdrawn *Member* were still a *Member*.
- (d) The penalties and interest described below will be strictly enforced. *Members* may only use those payment methods specifically approved by the Executive Committee or *Board of Directors*.
- (e) Interest on Delinquent Amounts Due and Payable - Interest shall accrue on all delinquent amounts due and payable to *ERMA* at the rate as prescribed in the Bylaws.
- (f) Failure to Pay Billings, Penalties, or Interest - Failure to pay billings, penalties, or the accrued interest shall be considered grounds for removal of

the *Member* from the PEPLP and may result in the expulsion of the *Member* from *ERMA* according to the *ERMA* Agreement.

- (g) Failure to Pay Defense and Related Costs - Failure to pay defense and related costs including but not limited to attorneys' fees, investigation costs, expert costs, vendor costs and any other related costs incurred within the *Retained Limit* shall be considered grounds for removal of the *Member* from the PEPLP and may result in the expulsion of the *Member* from *ERMA* according to the *ERMA* Agreement
- (h) Penalties for Non-Payment by Former Members - Failure to pay billings, penalties, or accrued interest thereon shall constitute a breach of the agreement between the former *Member* and *ERMA*. The former *Member* shall be liable for the billings, penalties, accrued interest, and all costs incurred by *ERMA* in the enforcement of all provisions set forth in this MPD, the Bylaws, and the Joint Exercise of Powers Agreement.

C. DUTY TO REPORT CLAIMS

Timely reporting of claims is essential to efficient claims and litigation management. Failure to timely report any claim, as defined in the Memorandum of Coverage, to *ERMA* may result in denial of that claim or other penalties, as set forth in the Memorandum of Coverage.

D. TERMINATION OF PARTICIPATION

1. A *Member* in one *Program Year* shall participate in the next *Program Year* unless, at least six months before the commencement of the next *Program Year*:
 - (a) a written request to terminate participation is received from the *Member*, or
 - (b) a written termination notice from the Executive Committee or *Board of Directors* has been sent to the *Member*.
2. Termination of participation in future *Program Years* does not relieve the terminated *Member* of any benefits or obligations of those *Program Years* in which the *Member* participated. These obligations include payment of *Assessments*, *Retrospective Adjustments*, wrap up costs, or any other amounts due and payable.
3. The Executive Committee or *Board of Directors* may terminate future participation by a *Member* for the following reasons:
 - (a) Termination as a *Member* of *ERMA*;
 - (b) Declination to cover the *Member* by the organization, if any, providing excess insurance or reinsurance or pooled excess coverage;

- (c) Nonpayment of past billings, *Assessments*, *Retrospective Adjustments*, or other charges;
- (d) Habitual late payment of billings, *Assessments*, *Retrospective Adjustments*, and/or other charges, or habitual late response in submitting data required by *ERMA*;
- (e) Nonpayment or habitual late payment of defense and related costs, including but not limited to attorneys' fees, investigation costs, expert costs, vendor costs and any other related costs that are incurred within the *Retained Limit*;
- (e) Failure to provide underwriting information as defined herein;
- (f) Development of an extraordinarily poor loss history;
- (g) A substantial change in exposures which are not acceptable in the PEPLP;
- (h) Financial impairment, including bankruptcy, which may jeopardize the PEPLP's ability to collect amounts due in the future;
- (i) Failure to comply with loss control services, training, or compliance auditing programs adopted by *ERMA*;
- (j) Conduct detrimental to *ERMA*; and/or
- (k) Termination of the *Member* by its primary joint powers authority.

ARTICLE VI - CLAIMS ADMINISTRATION

A. SELECTION OF ADJUSTOR OR INVESTIGATION FIRM

The *Board of Directors* or Executive Committee shall review proposals for claims adjusting and investigation services, if those services are deemed necessary. The Executive Committee will make recommendations if necessary to the *Board of Directors* regarding the qualifications of the proposals. The adjusting and investigation company shall have the capacity and shall report claims activities in such a manner that the segregated accounting requirement of the PEPLP can be easily administered.

B. CLAIMS AUDIT

1. At least once every two years, the adequacy of claims adjusting shall be examined by an independent auditor who specializes in claims auditing.

2. The Administrator shall obtain the services of a claims auditor and present the findings to the Executive Committee or *Board of Directors*, if the cost of these services is within the approved annual budget.
3. The claims audit report shall address the issues of adequacy of claims procedures and accuracy of claims data.

C. AUTHORITY'S RIGHT AND DUTY TO DEFEND

The Authority's right and duty to defend a claim shall be defined in the Memorandum of Coverage.

D. SETTLEMENT AUTHORITY

1. Each *Member* shall have input with regard to settlement authority for its claims that do not exceed its *Retained Limit*; however, when a claim's incurred costs reach one-half of the *Member's Retained Limit*, or when a *Member* retains an outside investigator to investigate a claim, all information concerning the claim shall be provided to the Litigation Manager. The Litigation Manager shall continue to keep the *Member* fully informed on the progress of the claim, and shall consult with the *Member* regarding any settlement within or above the *Member's Retained Limit*. The *Member* shall fully cooperate in all matters pertaining to the claim.
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.
2. The Litigation Manager shall have the authority to settle any claim with an Ultimate Net Loss, as defined in the Memorandum of Coverage applicable to that claim, equal to or less than one hundred thousand dollars (\$100,000) in excess of the *Member's Retained Limit*.
3. The Executive Committee or *Board of Directors* shall have the authority to settle any claim in an amount equal to or less than the limit of coverage of *ERMA*. However, such authority shall only apply to those claims whose Ultimate Net Loss is in excess of the settlement authority given to the Litigation Manager and above the *Member's Retained Limit*.

E. DISPUTES REGARDING MANAGEMENT OF A CLAIM

1. Any dispute between a *Member* and the Litigation Manager, claims adjuster or investigator shall be brought to the attention of the Program Administrator who shall attempt to resolve the dispute and/or refer it to the Executive Committee or *Board of Directors*. Any decision by the Program Administrator may be appealed to the

Executive Committee or *Board of Directors*, however, such appeal shall be in writing and shall be made within 30 calendar days of the Program Administrator's decision.

2. Any settlement decision or other decision made by the Litigation Manager may be appealed; however, such appeal shall be in writing to the Executive Committee or *Board of Directors* within 30 calendar days of the date of the Litigation Manager's decision.
3. When an appeal has been filed, the Executive Committee or *Board of Directors* shall hear the appeal within 60 calendar days, or at the next scheduled Executive Committee or *Board of Directors* meeting, whichever is later.

F. SELECTION OF DEFENSE COUNSEL

1. A panel of approved defense attorneys shall be proposed by the Litigation Manager, with input from the Members, and approved by the *Board of Directors*. The Executive Committee or *Board of Directors*, at its discretion, may periodically review the panel of defense attorneys and remove or add attorneys to that panel.
2. Nothing in this section shall be construed to limit the right of a *Member* to retain its own defense counsel to represent the *Member* in any litigation. If, however, a *Member* retains counsel other than the counsel assigned by the Litigation Manager, or, in the case of an appeal of the Litigation Manager's decision, a decision by the Board, the *Member* shall be solely responsible for that counsel's attorney's fees and costs, and the *Member* shall be deemed to have waived any rights to defense and indemnity coverage from *ERMA* for that particular litigation.
3. Assignment to defense counsel shall be made from the approved defense panel by the Litigation Manager after consultation with the *Member*. In the event the Litigation Manager assigns the case to a firm or individual other than the one expressly preferred by the *Member*, the Litigation Manager shall advise the *Member* in writing of the reasons for the change, and the *Member* shall have the right to appeal the decision to the *Board of Directors*. The decision of the *Board of Directors* shall be binding and final, with no further right of appeal.
4. Regardless of the selection process, the *Member* shall bear the financial responsibility of all defense expenses, including fees, until such time as its *Retained Limit* is exhausted.

ARTICLE VII - DEFINITIONS

1. **Actuarially Sound** means that the *Program Year* has sufficient funds to pay the *Administrative Expenses* and the expected cost of *Claims* at a sixty (60) percent confidence level as determined by a certified actuary for the *Program Year*.
2. **Administrative Expenses** means those expenses incurred by the PEPLP that are not incurred due to any specific *Claim* and does not constitute a reserve for future expected changes in the size of existing *Claims* or discovery of previously unknown *Claims*. Administrative Expenses shall include expenses of ERMA that are allocated to the PEPLP.
3. **Assessments** means charges to *Members* in excess of their deposit premiums, which are not part of a *Retrospective Adjustment*, for the purpose of raising sufficient funds to reach an *Actuarially Sound* condition.
4. **Claim** means, if not otherwise defined within the context of the Memorandum of Coverage, to be all demands for compensation by third party claimants against a covered party arising out of one occurrence.
5. **Retrospective Adjustment** means the allocation of funds and liabilities to the accounts of each *Member* for each *Program Year* and the process of returning excess funds, or charging deficiencies of funds, in the accounts of each *Member*.
6. **Limits of Coverage** means the maximum amount of financial protection afforded any *Member* as the result of a single occurrence.
7. **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.
8. **Obligated Reserves** means reserves for expected claims expenses, determined by an actuarial study, not attributable to any known *Claim*. This is sometimes called IBNR.
9. **Program Year** means the period of coverage provided by the Memorandum of Coverage, usually a 12-month period. However, any renewals, by endorsement, for a new term shall constitute a new Program Year.
10. **Open Program Year** means a *Program Year* for which the *Executive Committee or Board of Directors*, due to *Claims* within the *Program Year* that are not finalized and/or the possibility of new *Claims* arising, has not authorized the final *retrospective adjustment*.
11. **Closed Program Year** means a *Program Year* that the *Executive Committee or Board of Directors* has declared closed and for which it has authorized final *retrospective adjustments*.

12. **End of Program Year** means that time when the coverage period of the Memorandum of Coverage lapses.
13. **Retained Limit** means the amount of all *Claims* arising out of one *Occurrence* which will be paid directly by the *Member*.

APPENDIX A

RETROSPECTIVE ADJUSTMENTS

ERMA's Financial Stability Plan, Section II, defines the Retrospective Adjustment Process as follows:

As each program year is independent from the others, it is possible to assess each program's year's deficit, or surplus, independently on an annual basis as each program year reaches a certain maturity threshold.

The Retrospective Adjustment Process was approved unanimously at ERMA's February 22, 2008, Board of Directors meeting. This process calls for the retrospective adjustment (assessment for a deficit year or dividend release for a surplus year) for each program year that is a full five years old according to the following methodology:

- Each year at its May Board of Directors' meeting, the ERMA Board would formally retrospectively adjust a program year's retained earnings balance five full years after the inception of that program year and each year thereafter until the program year is closed (all claims have been settled, and no case or IBNR reserves remain).
- A deficit (in whole or part at the Board's discretion) would be assessed to increase the equity in each eligible program year to the expected confidence level.
- Alternatively, if an open program year is in a surplus position, the Board would consider issuing dividends (in whole or part at the Board's discretion) for any equity amount that exceeds the 90% confidence level to allow for continuing claims development in future years.
- If a current program year not yet eligible to receive a retrospective adjustment is in a deficit position at any confidence level, the negative equity at that confidence level will be subtracted from the "Total Distribution Available" at that confidence level.
- If no IBNR remains in a year in which all claims are closed, the Board would consider issuing dividends or levying an assessment to officially close out that year.

Additional considerations:

- It is possible for program years to re-open, in which case a later assessment is possible.
- In the event of an overall program surplus, an individual program year or multiple program years would not be adjusted via a dividend, unless the ERMA program as a whole remained funded at the 90% confidence level after the issuance of the dividend.
- The current year March 31 financial statements will be utilized to determine each program year's retained earnings balance, and net assessments/net dividends (due to the possibility of several program years being adjusted) will be invoiced/released on or before June 30.

APPENDIX B

EMPLOYMENT PRACTICES LIABILITY COVERAGE

A. GENERAL DESCRIPTION

1. COVERAGE PROVIDED

The Memorandum of Coverage will provide defense and indemnity for *Wrongful Employment Practices*.

2. LIMITS OF LIABILITY

The Limits of Liability of the coverage will be Combined Single Limits of at least \$1,000,000 less the amount of the individual *Member's Retained Limit* for each *Occurrence*. The Executive Committee or *Board of Directors* may authorize choices of limits other than \$1,000,000 to the Members, and excess insurance or reinsurance may be provided to provide protection in layers above \$1,000,000.

3. RETAINED LIMITS

The *Retained Limits* available to the *Members* will be \$25,000, \$50,000, \$75,000 \$100,000, \$250,000, and \$500,000.

4. RATES

The premium rates will be based on an actuarial report and adopted by the Executive Committee or *Board of Directors*.

5. CONCLUSION

It is important that each *Member* understand the coverage provided under the Memorandum of Coverage, and any exclusions thereto, as each *Member* is individually responsible or must make other arrangements for any *Claim* not covered by the Memorandum.

ADMINISTRATIVE MATTERS

SUBJECT: Draft Resolution No. 2020-3, Establishing a Litigation Management Program

BACKGROUND AND STATUS:

ERMA Draft Resolution No. 2020-3, Establishing a Litigation Management Program (LMP), accompanies the assignment letter issued by the Litigation Manager when a claim is assigned to panel counsel.

The LMP has not been revised since 2018, and staff determined the guidelines contained within the document, though generally sufficient, should be updated. The updated LMP will more clearly inform panel counsel of 1) ERMA requirements and 2) information required by the Litigation Manager in order to more effectively manage claims. The following proposed substantive changes/updates included in Draft Resolution No. 2020-3 are as follows:

RESOLUTION NO. 2020-3	CHANGE/UPDATE
Page 2	A new guideline that defense counsel must certify upon claim assignment that the law firm has not previously provided advice and counsel to the member regarding the facts and circumstances of the particular claim.
Page 5	A new guideline that defense counsel must inform claimants' attorneys that provision of W9 forms completed by claimant and the attorney is a settlement term requirement.
Page 5	A new guideline that a joint defense agreement between defendants must first be approved by the Litigation Manager.
Page 6	A "reminder" guideline that defense counsel may not bill for non-ERMA covered services, such as the administrative disciplinary process related to claimants or subjects of investigations.
Page 6	A revision of the threshold monetary trigger for the Litigation Manager to conduct an "exit analysis" with the covered member and defense counsel.

Kathy Maylin, Litigation Manager, will review the proposed changes and answer any questions from the Board.

RECOMMENDATION:

Staff recommends the Board of Directors approve Draft Resolution No. 2020-3, Establishing a Litigation Management Program.

REFERENCE MATERIALS ATTACHED:

- Draft Resolution No. 2020-3, Establishing a Litigation Management Program, with proposed updates in highlighted text.

Agenda Item 6.C.

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
EMPLOYMENT RISK MANAGEMENT AUTHORITY
ESTABLISHING A LITIGATION MANAGEMENT PROGRAM

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” program, and

WHEREAS, it is in the best interest of all members to ensure the professional, competent, and cost-effective handling of defense litigation of cases that come within the parameters of this program, and

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

A. Panel

ERMA has approved a defense panel of attorney firms. Additions to the defense panel will be made pursuant to the Resolution Establishing Criteria for Adding Defense Counsel to the Panel of Approved Attorney Firms, or its successor.

The Board of Directors shall have the responsibility of approving the panel of defense firms, as well as the authority to add or delete individual counsel or firms from time to time pursuant to recommendations from the Litigation Manager.

Assignment to defense counsel for each case belonging to a defendant entity for Wrongful Employment Practices shall be made by the Litigation Manager after consultation with the entity. Counsel selected must agree to abide by these policies and procedures.

The defendant entity shall bear the financial responsibility of the defense expenses, including fees, until such time as its retained limit is exhausted.

In the event the defendant entity prefers a particular defense firm or counsel from the defense panel, other than the one designated or selected by the Litigation Manager, this preference shall be made known to the Litigation Manager. In the event the Litigation Manager should determine to designate counsel or assign a case for defense to a firm or individual counsel on the defense panel other than the one expressly preferred by the defendant entity, the entity shall have the right to appeal the decision to the Board of Directors, whose decision shall be binding and final.

Defense counsel may not assign an attorney to any ERMA case or claim who has less than five (5) years’ experience practicing public sector employment law in California. Any deviation from this mandate must be requested of and approved by the Litigation Manager prior to the attorney billing any time on the case or claim.

B. Acknowledgement of Assignment

The defense counsel assigned shall send an acknowledgement of assignment letter to the Litigation Manager within seven (7) calendar days of receiving the case assignment. Defense counsel shall also

acknowledge within seven (7) calendar days of receiving the case assignment that appropriate evidence preservation protocols have been discussed with and initiated by the member.

C. Conflicts

The defense counsel selected and the law firm to which he/she belongs must certify that they have no ethical or legal conflicts which would in general disqualify them from representing any of the member entity defendants. The defense counsel must also certify that neither he/she nor any other attorney within the law firm has previously provided specific advice and counsel services to the member regarding the facts and circumstances of the particular claim. In addition, defense counsel and the law firm will refrain from initiating any legal action against any of the member entities of this organization either by way of complaint or cross-complaint during the time they are included on the defense panel and accepting defense work from this organization.

Finally, they shall agree to disclose within two (2) business days any special facts which would or could potentially disqualify them from representation of a particular member entity, commensurate with or shortly after the case assignment, or immediately upon discovery.

D. Initial Claim Assignment Reporting

Within sixty (60) days of retention in a litigated claim (or when an existing assigned claim becomes a litigated claim), selected defense counsel shall complete and return an Initial Case Analysis ("ICA") to the Litigation Manager. The ICA form is attached to this policy and incorporated herein as though fully set forth.

In congruence with the ICA form, defense counsel shall provide a comprehensive plan and evaluation including:

1. Evaluation of factual and legal issues key to the claim and action needed on each;
2. Evaluation of assigned judge, venue, and plaintiff's counsel;
3. Preparation of a litigation budget including estimated cost of fact investigation and preparation of motions, discovery, ADR, and trial;
4. Elicitation of a settlement demand and evaluate case for early settlement negotiations, mediation, or settlement conference; and
5. Evaluation of liability and suggested plan of immediate action (ADR, motion work, further investigation).

To assist defense counsel in projecting anticipated legal costs, a litigation budget must be completed (see attached form which is incorporated herein as though fully set forth) and submitted with the ICA form. The form is used to set ERMA's defense, indemnity, and other cost reserves.

Unanticipated litigation activity may give rise to an under-reserved litigation budget. As soon as it is reasonably foreseeable that the file is under budgeted, an updated litigation budget should be completed with defense counsel's recommendation for a budget increase. The Litigation Manager will closely monitor the basis for budget increases. If the litigation budget has been exceeded, no further payments of fees will be made until a revised litigation budget is submitted. Significant deviations from the budget will be considered when evaluating defense counsel's performance.

The initial 60-day reporting requirement also applies to all assigned claims that are pre-litigation, but the initial report may be less formal and provided via email. The attached Initial Pre-Litigation Claim Analysis form is encouraged to be utilized, but at a minimum the information provided in the initial report for pre-litigation claims must include an evaluation of factual and potential legal issues key to the claim, an evaluation of potential exposure to liability, and a proposed plan of immediate action (including whether an outside investigation is required or recommended).

E. Communication, Correspondence, and Pleadings

Copies of all substantive correspondence and all pleadings shall be provided to the member entity and to the Litigation Manager.

After a case has been reported to an excess coverage provider, defense counsel shall ensure that additional copies of all correspondence and pleadings are forwarded to such excess coverage provider.

Defense counsel will promptly respond to all letters or phone calls from the Litigation Manager and keep him/her fully advised as to the progress of each case. Defense counsel will cooperate with the Litigation Manager in all other aspects of the Litigation Management Program.

F. Depositions, Motions, Hearings, Mediations, and Trials

Prompt notice of depositions, motions, court hearings, mediations, settlement conferences, and trial shall be sent to all parties specified above who are to receive copies of correspondence.

Defense counsel shall not file a dispositive motion, either via demurrer, motion to dismiss, or motion for summary judgment, without the pre-authorization of the Litigation Manager.

G. Mandatory Status and Other Reporting

Status Reports

Status reports are mandatory on all cases and claims every sixty (60) days. Defense counsel shall report only on new developments since the last report. It is not necessary to repeat the case facts or repeat information previously reported. Requests for extensions shall be made in advance to the Litigation Manager. Requests for extensions shall be sparingly made as delays in reporting negatively impacts the Litigation Manager's ability to appropriately manage claims and keep ERMA's Board of Directors informed.

The Initial Case Analysis, Litigation Budget and revisions thereto, and Mandatory Status Reports are critical to ERMA's ability to accurately reserve and assess each case and control costs. Failure to timely submit these reports will be considered by ERMA's Board of Directors when evaluating defense counsel's performance. Defense Counsel's bills for legal fees and costs may not be approved unless status reports are provided on a timely basis.

The defense attorney handling the case should prepare the status reports. Status reports shall include the following:

1. The ongoing strategy for defense or resolution of the case, including factual and legal analysis of issues related to liability and damages;
2. A description of planned discovery with a timetable for completion;
3. A brief synopsis of the discovery completed since the last report;
4. Court dates including, but not necessarily limited to, mandatory settlement conferences, trial setting conferences, arbitration, mediations, trial dates, hearings on discovery, etc.; and
5. Settlement demands and negotiations.

Other Reports

After a deposition is taken, the defense attorney will provide the Litigation Manager with a two to three paragraph summary of the deposition. This report should summarize:

1. The deponent's key testimony;
2. Whether the testimony calls for additional discovery or investigation;
3. Whether the testimony changes the case assessment in any material way; and,
4. An assessment of the deponent's presentation and credibility as a potential witness at trial

The report shall be prepared by the attorney who took the deposition transmitted via email to the Litigation Manager. The report must be provided within seven (7) calendar days of the deposition.

No later than one hundred and twenty (120) days prior to trial, the defense trial attorney will provide a pre-trial report, which shall include:

1. An assessment of defendant entity's liability;
2. An assessment of plaintiff's damages;
3. An assessment of legal defenses and probability of prevailing;
4. As assessment of chances of prevailing at trial;
5. The verdict value assuming liability;
6. An appraisal of settlement value, considering verdict value and chances of prevailing;
7. An assessment of the trial judge, jury pool, and plaintiff's counsel;
8. The status of settlement discussions; and
9. The defense fees and costs to date, along with the estimated fees and costs through trial.

It is expected that cases will proceed to trial as expeditiously as possible. Defense counsel shall obtain the Litigation Manager's approval prior to continuing the trial date set by the court.

The same type of report shall be provided by the defense trial attorney within two weeks of a mediation or MSC being calendared, except the report shall also include discussions on the viability of a motion for summary judgment should the case not settle, and recommendations on ADR strategy.

H. Further Evaluations

Upon request by the Litigation Manager, or any excess coverage provider, and whenever any significant developments occur, defense counsel shall furnish supplemental written or oral evaluations of the case. These evaluations shall disclose any weaknesses or strengths of the case that have been discovered, any increase or decrease in anticipated costs, and, if pertinent, settlement recommendations.

I. Settlements

Defense counsel shall not settle any litigation by way of any monetary offering without the prior approval of the entity and the Litigation Manager. Defense counsel shall prepare a long-form settlement agreement prior to any mediation or settlement conference, and shall be prepared to finalize the agreement at the time of the proceeding. Defense counsel shall make known to plaintiff's counsel as soon as any settlement discussions take place that ERMA mandates that all monetary settlements are reported by IRS Form 1099 and that **W9 forms are required from both claimant and claimant's attorney.**

J. Fees and Billings

All bills for legal services and related costs shall be submitted through ERMA on a monthly basis. All bills submitted shall describe the services and costs provided during the previous billing period. Bills shall include the following information to which such services or costs pertain:

1. The name of the matter;
2. A brief description of services performed;
3. The date the services were performed;
4. The number of hours, or fraction thereof, spent and by whom;
5. The hourly or project rate for the services; and
6. A brief description of any costs incurred.

The following expenses are to be approved by the Litigation Manager before being incurred:

1. Experts - whether investigative (consulting) or testimonial;
2. Independent medical examinations (IMEs);
3. Background investigations;
4. Outside investigators;
5. More than one attorney at meetings, interviews, depositions, hearings, appearances or other like engagements;
6. Travel out-of-town or outside designated area for investigation - e.g., for depositions, meetings with expert witnesses, etc.;
7. Filing of cross-complaints/counterclaims;
8. Legal research projects expected to exceed two (2) hours;
9. Voluntary settlement conferences, mediations, or any ADR method;
10. Co-defendant **joint defense** or cost-sharing agreements;
11. Research in preparation of and the filing of all motions;
12. Expenses expected to exceed \$500.00, including copying expenses; and

13. Appeals.

Defense counsel shall not bill for services provided to the member that are outside the scope of ERMA coverage, such as the administrative disciplinary process either related to a claimant or the subject of an investigation. Defense also shall not bill for internal conferences or duplicate services performed by more than one person unless specifically authorized by the Litigation Manager. There will be no block billing accepted for payment. Defense counsel shall not bill for administrative time. Defense counsel shall not submit more than one (1) monthly invoice per case or claim (i.e., separate billing for different phases of the claim or litigation is not allowed).

All charges for expenses shall be based on actual costs. No blanket charge for office expenses, administrative charges, or the like shall be accepted for payment. ERMA will not pay Westlaw or LexisNexis charges unless approved ahead of time by the Litigation Manager.

Defense counsel submitting the bill is responsible for the content of the bill and will work directly with the Litigation Manager in resolving any problems or answering any questions related to such billing. Defense counsel shall not bill for time incurred regarding billing issues or disputes.

Rates per hour or per project will not be increased without at least ninety (90) days advanced written notice to the Litigation Manager and ERMA and only after receiving permission for such rate change by ERMA.

K. Performance Evaluation and Exit Analysis

Within thirty (30) days of the conclusion of a case, defense counsel will complete and return a Self-Performance Evaluation, attached and incorporated herein as though fully set forth, assessing his or her performance and accuracy or inaccuracy as to the initial prognosis of the issues of the case (i.e., the investigation needed, the experts anticipated, the cost projections, and compliance with these policies and procedures).

At the Litigation Manager's discretion, and in all cases in which settlement of the claim exceeds \$100,000, within sixty (60) days of receipt of defense counsel's Self-Performance Evaluation, the Litigation Manager will confer with defense counsel and representatives from the member entity to conduct an exit analysis of the claim. The exit analysis shall include a review of the facts giving rise to the claim, the law firm's strategy and handling of the claim, and a discussion of what subsequent remedial measures, if any, could be taken to prevent similar claims from arising in the future. Participation in this process is required by both defense counsel and the member entity.

The Litigation Manager shall periodically review the Self-Performance Evaluations, the Initial Case Analysis/Budget and other information regarding defense counsel's performance, and if necessary, make periodic recommendations to the ERMA Board of Directors concerning the removal of a particular defense counsel or firm from the defense panel.

L. Audit of Defense Firms

At least annually, the Litigation Manager shall conduct a meeting with all active law firms on the ERMA Panel of Approved Attorneys. The purpose of the meeting will be to review the performance

of the law firm in handling ERMA matters, to audit a sampling of the files they are handling for ERMA, to review the requirements set forth herein with the firms, and to otherwise solidify the law firm/ERMA relationship.

This resolution hereby replaces Resolution 2018-1.

This Resolution was adopted by the Board of Directors at a regular meeting of the Board held on June 9, 2020, via Webex, by the following vote:

AYES	_____
NOES	_____
ABSTAIN	_____
ABSENT	_____

PRESIDENT

ATTEST:

BOARD SECRETARY

COVERAGE MATTERS

SUBJECT: Discussion and Action Regarding Excess Coverage for the 2020/21 Program Year

BACKGROUND AND STATUS:

ERMA has obtained excess coverage through RSUI since the 2010/11 Program Year. Effective July 1, 2019, ERMA increased policy limits from \$1M to \$2M excess of \$1M for each member per claim, a \$4M per member aggregate, and \$10M policy aggregate.

Pursuant to the Board's direction at the February 2020 meeting, Seth Cole, Alliant, worked to negotiate renewal terms with RSUI for the upcoming program year. At the April 28 Board meeting, Mr. Cole advised RSUI had committed to a renewal at the expiring rate under the same terms, subject to any adverse claim development or material changes to the underlying terms. He further advised a formal renewal proposal would be presented at the June 9 Board meeting.

Attached is a renewal proposal for the 2020/21 Program Year. The proposed renewal premium, at expiring limits, is \$328,093, a 5.3% increase over the expiring premium of \$311,540. It should be noted, that pending the addition of three new ERMA members, the final premium cost will vary slightly.

Due to a scheduling conflict, Mr. Cole is unavailable to participate in the Board meeting. Mike Simmons, Alliant, will present the proposal and answer questions from the Board.

RECOMMENDATION:

Staff recommends the Board of Directors authorize binding excess coverage through RSUI for the 2020/21 Program Year, as presented.

REFERENCE MATERIALS ATTACHED:

- Alliant Renewal Proposal, dated May 22, 2020

May 22, 2020

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

Employment Risk Management Authority (ERMA) Renewal Proposal: July 1, 2020-2021

Dear Jennifer:

We are pleased to present our renewal proposal for ERMA's optional Excess Employment Practices Liability program effective July 1, 2020. RSUI currently provides \$2,000,000 in limits Each Claim per Member (with a \$4,000,000 Per Member Aggregate and \$10,000,000 Policy Aggregate) excess of ERMA's Retained Limit of \$1,000,000.

RSUI has affirmed their renewal pricing that we had shared with the Board in April. A newly reported claim appears to have potential to eclipse the \$1mm underlying and hit RSUI's layer, but at this point, they are monitoring and are not amending the renewal. This is good news and demonstrates RSUI's commitment to ERMA.

The renewal premium is \$328,093; a 5.3% increase over the expiring premium. This is because the payroll for members of this optional coverage is up \$41,383,331(5.3%).

We are in the midst of a very challenging insurance market overall and to achieve a flat rate renewal is a remarkable result; this is best quote we've seen so far this year. This further demonstrates the success of creating ERMA as a standalone pool.

We look forward to reviewing with you and the Board on June 9th.

Sincerely,



Seth Cole, ARM
Senior Vice President
scole@alliant.com

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

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 10/30/19
STANDARD & POOR'S RATING:	A+ (Strong) pulled as of 5/21/20
STATE COVERED STATUS:	Admitted
POLICY/COVERAGE TERM:	July 1, 2020 – July 1, 2021
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:	
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
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

Excess Employment Practices Liability Coverage – Continued

Endorsement & Exclusions (including but not limited to):

- Additional Named Insured Endorsement
- Amendatory Endorsement-Claims Made and Reported and Limit of Liability
- Amended Declarations-\$2MM per claim per member city/\$4MM aggregate per member/\$10MM policy aggregate
- Cap on Losses From Certified Acts of Terrorism
- 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 Year @ 100% of annual premium; Two Years @ 150% of annual premium; Three Years @ 175% of annual premium.

Premium:

Annual Premium - **\$328,093** Flat
Rate per \$100 of payroll is .04
Based on annual payroll of \$820,233,190

Quote Valid Until:

July 1, 2020

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.

Other Disclosures / Disclaimers = Continued

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.

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.

Other Disclosures / Disclaimers = Continued

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 20-21 ERMA MOC	July 1, 2020

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	<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.*

MEMBERSHIP MATTERS

SUBJECT: Review of Prospective New Member Applications – Pooled Liability Assurances Network (PLAN) and Underlying Member Entities

BACKGROUND AND STATUS:

The Pooled Liability Assurances Network (PLAN) has applied as a participating JPA in ERMA. PLAN has twenty-eight member entities, three of whom have applied for participation in ERMA effective July 1, 2020, at varying self-insured retentions (SIR) as presented below.

The ERMA Underwriting Committee meeting met on May 21, 2020, to review the applications, along with all supporting documentation, from PLAN, the City of American Canyon and the Towns of Atherton and Woodside.

City of American Canyon

The City of American Canyon (City) is applying for participation in ERMA as an underlying member of PLAN and has requested a \$50,000 SIR. The City reports payroll of \$7.2M for the 2019 calendar year and has seventy-one (71) full-time and fifteen (15) part-time employees. The City reports three losses within the previous seven fiscal years, all of which are closed.

The City has written personnel policies and procedures in place and is currently conducting a comprehensive review and update of these policies with plans for Legal Counsel review upon completion.

The City participates in Liebert Cassidy Whitmore's (LCW) Consortium and actively engages LCW to assist in the defense of claims and state-mandated training. The City also utilizes Target Solutions for its online training needs.

The Town of Atherton

The Town of Atherton (Town) is applying for participation in ERMA as an underlying member of PLAN and has requested a \$100,000 SIR. The Town reports payroll of \$4.8M for the 2019 calendar year has thirty-five (35) full-time and ten (10) part-time employees.

The Town has written personnel policies and procedures in place that have been updated in the most recent five years and are regularly reviewed by Legal Counsel. The Town is compliant with all state-mandated training.

Town of Woodside

The Town of Woodside (Town) is applying for participation in ERMA as an underlying member of PLAN and has requested a \$50,000 SIR. The Town reports payroll of \$2.2M for the 2019 calendar year and has nineteen (19) full-time and twenty-four (24) part-time employees. The Town reports no incurred losses within the previous seven fiscal years and has issued a Statement of No Known Losses.

The Town has written personnel policies and procedures in place and is in the process of updating their policies as it has been a number of years since a thorough review was conducted. Upon completion of the updates to the policies and procedures, a thorough review will be conducted by Legal Counsel. The Town is compliant with state-mandated training requirements and stated it frequently coordinate training efforts with neighboring PLAN agencies.

RECOMMENDATION:

The Underwriting Committee recommends the Board of Directors approve the Pooled Liability Assurances Network and underlying members – City of American Canyon at a \$50,000 SIR, Town of Atherton at a \$100,000 SIR and Town of Woodside at a \$50,000 SIR, effective July 1, 2020.

REFERENCE MATERIALS ATTACHED:

- Pooled Liability Assurances Network (PLAN) Completed Potential New Member Application
- City of American Canyon Completed Potential New Member Application
- City of American Canyon Premium Indication
- Town of Atherton Completed Potential New Member Application
- Town of Atherton Premium Indication
- Town of Woodside Completed Potential New Member Application
- Town of Woodside 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: _____		Date: _____	
EMPLOYMENT PRACTICES INFORMATION			
A. Policies and Procedures			
1.	Does the Entity have written personnel policies and procedures?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
2.	Does the Entity distribute the manual/rules to all employees?	<input type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4.	Are the following policies or procedures included in the manual? Check all that apply:		
	<input type="checkbox"/> Hiring	<input type="checkbox"/> Termination	<input type="checkbox"/> Suspension
	<input type="checkbox"/> Medical Leave	<input type="checkbox"/> Unpaid Leave	<input type="checkbox"/> Grievance Procedures
	<input type="checkbox"/> Drug & Alcohol Testing	<input type="checkbox"/> Discipline	<input type="checkbox"/> Attendance
	<input type="checkbox"/> Family Medical Leave Act	<input type="checkbox"/> Anti-Harassment Policies	
	<input type="checkbox"/> Written Job Description for all Positions	<input type="checkbox"/> Workplace Violence Policies	
	<input type="checkbox"/> Annual Written Performance Evaluations for all Employees		
	<input type="checkbox"/> Employee Hotline/Complaint Procedure		
5.	Do the policies/rules include all protected categories under the Fair Employment and Housing Act (FEHA), Ca. Gov't. Code section 12940)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6.	Does the Entity have legal counsel regularly review the manual/rules?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
7.	Have the above-referenced policies been updated within the past five years?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	If no, when was the manual or rules last reviewed?		
8.	Were the above-referenced policies formally approved and adopted by council/governing board?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
9.	Does the Entity have legal counsel to provide advice regarding disciplinary matters?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
10.	Does the entity have an orientation program for all employees that addresses workplace conduct, EPL policies and practices, and grievance procedures?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	<i>If you answered no to any of the above, please use this space to provide more information:</i>		

B. Employee Information					
1.	Number of Full Time Employees:				
2.	Number of Part time Employees:				
3.	For each of the past five years, what has been your annual percentage turnover rate of employees?				
	20__ %	20__ %	20__ %	20__ %	20__ %
4.	How many involuntary employment terminations have occurred in the past three years?				
	20__	20__			

		<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 %	Should = 100%
	6.	Percentage of Employees with salaries greater than \$100,000 %	

C. Employment Practices Claims Handling			
	1.	Who in the Entity has been designated to handle claims?	
	2.	(a) With respect to oral or written claims, do you have a written procedure for obtaining information and conducting required follow up on the claim?	<input type="checkbox"/> Yes <input type="checkbox"/> No
		(b) Do you require written claims for EEO-related complaints?	<input type="checkbox"/> Yes <input type="checkbox"/> No
		If yes to 2(a), describe the policy and procedure for receiving, reviewing, and responding to claims:	
	3.	Does the Employment Claims handler coordinate with the Workers' Compensation Administrator on all claims involving actual or potential industrial injuries? <input type="checkbox"/> Yes <input type="checkbox"/> No	
	4.	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 other protected legal status;	<input type="checkbox"/> Yes <input type="checkbox"/> No
		(b) Allegations of retaliation relating to an Employee engaging in protected activity involving any EEO-related complaint, protected leave status, worker's compensation claim, or any other protected activity or status;	<input type="checkbox"/> Yes <input type="checkbox"/> No
		(c) Actual or alleged 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;	<input type="checkbox"/> Yes <input type="checkbox"/> No
		(d) 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 <input type="checkbox"/> No
		(e) Allegations of misrepresentation or defamation made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote, demote or discipline;	<input type="checkbox"/> Yes <input type="checkbox"/> No
		(f) 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, demote or discipline;	<input type="checkbox"/> Yes <input type="checkbox"/> No
		(g) Allegations of false imprisonment, detention, or malicious prosecution made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote, demote or discipline;	<input type="checkbox"/> Yes <input type="checkbox"/> No

	(h) 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, demote or discipline; and	<input type="checkbox"/> Yes <input type="checkbox"/> No
	(i) Other personal injury allegations made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote, demote or discipline.	<input type="checkbox"/> Yes <input type="checkbox"/> 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?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If no, please describe handling of this function:	
2.	Do you have any established set of grievance or complaint procedures as an effective means of resolving disputes prior to litigation?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3.	Do you anticipate any "layoffs" during the next 24 months?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If yes, please provide details.	
4.	Have you had any "layoffs" in the past 36 months?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If yes, please provide details.	
5.	Is your entity in full compliance with the training requirements set forth in AB 1825, SB 1343 and SB 778?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If no, please explain.	
6.	Briefly describe the procedure for maintaining AB 1825 training records:	
7.	Does your entity provide AB 1825 training for non-supervisory employees (i.e., "top to bottom" training)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
8.	Are elected officials trained on the entity's policy regarding harassment, discrimination, and retaliation?	<input type="checkbox"/> Yes <input type="checkbox"/> No

E. DESIRED SELF-INSURED RETENTION	
<input type="checkbox"/> \$25K	<input type="checkbox"/> \$50K <input type="checkbox"/> \$75K <input type="checkbox"/> \$100K <input type="checkbox"/> \$250K <input type="checkbox"/> \$500K
<p>Please attach the following:</p> <ul style="list-style-type: none"> • <i>Member application fee of \$2,500 for prospective JPAs. (Upon approval and completion of the first year of membership, a credit in the amount equal to the fee remitted upon application will be issued in the form of a premium credit.)</i> • <i>EPL individual loss information (including Date of Loss and total incurred) for the previous 7 completed fiscal years, including the partial current fiscal year;</i> • <i>Payroll information for the previous 7 completed calendar years;</i> • <i>Completed resolution authorizing participation in ERMA;</i> • <i>Completed intent to participate; and</i> • <i>Most Recent Financial Audit.</i> 	

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.

Agency or Entity Name

Applicant's Name (please print)

Title

Applicant's Signature

Date

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: <u>City of American Canyon</u>		Date: <u>March 14, 2020</u>
EMPLOYMENT PRACTICES INFORMATION		
A. Policies and Procedures		
1.	Does the Entity have written personnel policies and procedures?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2.	Does the Entity distribute the manual/rules to all employees?	<input checked="" type="checkbox"/> 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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4.	Are the following policies or procedures included in the manual? Check all that apply:	
	<input checked="" type="checkbox"/> Hiring	<input checked="" type="checkbox"/> Termination <input checked="" type="checkbox"/> Suspension
	<input checked="" type="checkbox"/> Medical Leave	<input checked="" type="checkbox"/> Unpaid Leave <input checked="" type="checkbox"/> Grievance Procedures
	<input checked="" type="checkbox"/> Drug & Alcohol Testing	<input checked="" type="checkbox"/> Discipline <input checked="" type="checkbox"/> Attendance
	<input checked="" type="checkbox"/> Family Medical Leave Act	<input checked="" type="checkbox"/> Anti-Harassment Policies
	<input checked="" type="checkbox"/> Written Job Description for all Positions	<input checked="" type="checkbox"/> Workplace Violence Policies
	<input checked="" type="checkbox"/> Annual Written Performance Evaluations for all Employees	
	<input checked="" type="checkbox"/> Employee Hotline/Complaint Procedure	
5.	Do the policies/rules include all protected categories under the Fair Employment and Housing Act (FEHA), Ca. Gov't. Code section 12940)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
6.	Does the Entity have legal counsel regularly review the manual/rules?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
7.	Have the above-referenced policies been updated within the past five years?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	If no, when was the manual or rules last reviewed?	
8.	Were the above-referenced policies formally approved and adopted by council/governing board?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
9.	Does the Entity have legal counsel to provide advice regarding disciplinary matters?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
10.	Does the entity have an orientation program for all employees that addresses workplace conduct, EPL policies and practices, and grievance procedures?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p><i>If you answered no to any of the above, please use this space to provide more information:</i></p> <p><u>The City of American Canyon does not currently have EPL.</u></p>		

B. Employee Information						
1.	Number of Full Time Employees:	<u>71</u>				
2.	Number of Part time Employees:	<u>15</u>				
3.	For each of the past five years, what has been your annual percentage turnover rate of employees?					
	2015	9%	2016	9%	2017	10%
	2018	13%	2019	6%		
4.	How many involuntary employment terminations have occurred in the past three years?					
	2017	1	2018	2	2019	0

		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.
5.	Percentage of Employees with salaries less than \$100,000 80 %	Should = 100%
6.	Percentage of Employees with salaries greater than \$100,000 20 %	

C. Employment Practices Claims Handling	
1.	Who in the Entity has been designated to handle claims? <i>The City Contracts of Health</i>
2.	(a) With respect to oral or written claims, do you have a written procedure for obtaining information and conducting required follow up on the claim? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (b) Do you require written claims for EEO-related complaints? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	If yes to 2(a), describe the policy and procedure for receiving, reviewing, and responding to claims:
3.	Does the Employment Claims handler coordinate with the Workers' Compensation Administrator on all claims involving actual or potential industrial injuries? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4.	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 other protected legal status; <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>See attached sheet</i>
	(b) Allegations of retaliation relating to an Employee engaging in protected activity involving any EEO-related complaint, protected leave status, worker's compensation claim, or any other protected activity or status; <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(c) Actual or alleged 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; <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>See attached sheet</i>
	(d) Allegations of negligent or wrongful evaluation, wrongful demotion, wrongful discipline, failure to promote, failure to grant tenure, or wrongful deprivation of career opportunity; <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>See attached sheet</i>
	(e) Allegations of misrepresentation or defamation made by an Employee which arise from an employment decision to hire, fire, promote, demote or discipline; <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(f) 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, demote or discipline; <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>See attached sheet</i>
	(g) Allegations of false imprisonment, detention, or malicious prosecution made by an Employee which arise from an employment decision to hire, fire, promote, demote or discipline; <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

	(h) 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, demote or discipline; and	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(i) Other personal injury allegations made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote, demote or discipline.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	If no, please describe handling of this function:	
2.	Do you have any established set of grievance or complaint procedures as an effective means of resolving disputes prior to litigation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3.	Do you anticipate any "layoffs" during the next 24 months?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	If yes, please provide details. <i>See attached sheet</i>	
4.	Have you had any "layoffs" in the past 36 months?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If yes, please provide details.	
5.	Is your entity in full compliance with the training requirements set forth in AB 1825, SB 1343 and SB 778?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	If no, please explain.	
6.	Briefly describe the procedure for maintaining AB 1825 and SB 1343 training records: <i>Training logs, reports and/or certificates</i>	
7.	Does your entity provide SB 1343 training?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8.	Are elected officials trained on the entity's policy regarding harassment, discrimination, and retaliation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

E. DESIRED SELF-INSURED RETENTION							
<input type="checkbox"/> \$25K	<input checked="" type="checkbox"/> \$50K	<input type="checkbox"/> \$75K	<input type="checkbox"/> \$100K	<input type="checkbox"/> \$250K	<input type="checkbox"/> \$500K		
Please attach the following:							
<ul style="list-style-type: none"> • Member application fee of \$1,000 for individual, direct members. (Upon approval and completion of the first year of membership, a credit in the amount equal to the fee remitted upon application will be issued in the form of a premium credit.) • EPL 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. 							

EMPLOYMENT RISK MANAGEMENT AUTHORITY CONTRIBUTION INDICATION

Pooled Liability Assurance Network Joint Powers Authority (PLAN JPA)

Name of Entity	City of American Canyon
2019 Calendar Payroll	\$7,193,051
Coverage Period	July 1, 2020 to June 30, 2021

CALCULATION

Retained Limit Options		\$50,000	\$75,000	\$100,000
Retained Limit Factor		1.00	0.90	0.82
Retained Limit Rate		0.567	0.510	0.465
Defense & Indemnity: Pooled Funding		\$40,785	\$36,706	\$33,443
Administration	0.0530	3,811	3,811	3,811
Loss Prevention & Training	0.0086	618	618	618
Subtotal		\$45,213	\$41,135	\$37,872
JPA Participation Credit	0.34%	(\$152)	(\$139)	(\$128)
Individual Experience Mod Factor *		1.000		
Off-Balance Factor		1.001		
Excess Insurance \$2 million x \$1 million	0.0400	\$2,877	\$2,877	\$2,877
ERMA CONTRIBUTION **		\$47,976	\$43,908	\$40,653

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

** Contribution calculated using rates and factors per the 2020/21 proposed budget.

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: <u>Town of Atherton</u>		Date: <u>5/14/2020</u>
EMPLOYMENT PRACTICES INFORMATION		
A. Policies and Procedures Human Resources Policies and Procedures Manual		
1.	Does the Entity have written personnel policies and procedures?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2.	Does the Entity distribute the manual/rules to all employees?	<input checked="" type="checkbox"/> 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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4.	Are the following policies or procedures included in the manual? Check all that apply:	
	<input checked="" type="checkbox"/> Hiring	<input checked="" type="checkbox"/> Termination <input checked="" type="checkbox"/> Suspension
	<input checked="" type="checkbox"/> Medical Leave	<input checked="" type="checkbox"/> Unpaid Leave <input checked="" type="checkbox"/> Grievance Procedures
	<input checked="" type="checkbox"/> Drug & Alcohol Testing	<input checked="" type="checkbox"/> Discipline <input checked="" type="checkbox"/> Attendance
	<input checked="" type="checkbox"/> Family Medical Leave Act	<input checked="" type="checkbox"/> Anti-Harassment Policies
	<input checked="" type="checkbox"/> Written Job Description for all Positions	<input checked="" type="checkbox"/> Workplace Violence Policies
Y	<input checked="" type="checkbox"/> Annual Written Performance Evaluations for all Employees	
	<input checked="" type="checkbox"/> Employee Hotline/Complaint Procedure	
5.	Do the policies/rules include all protected categories under the Fair Employment and Housing Act (FEHA), Ca. Gov't. Code section 12940)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
6.	Does the Entity have legal counsel regularly review the manual/rules?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
7.	Have the above-referenced policies been updated within the past five years?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	If no, when was the manual or rules last reviewed?	
8.	Were the above-referenced policies formally approved and adopted by council/governing board?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
9.	Does the Entity have legal counsel to provide advice regarding disciplinary matters?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
10.	Does the entity have an orientation program for all employees that addresses workplace conduct, EPL policies and practices, and grievance procedures?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p><i>If you answered no to any of the above, please use this space to provide more information:</i></p> <p>We have an on-boarding for New-Hires that reviews workplace conduct, but EPL policies and practices are not currently covered, grievance procedures are reviewed as a part of the HR Manual</p>		

B. Employee Information					
1.	Number of Full Time Employees: 35				
2.	Number of Part time Employees: 10 (Per Diem Dispatchers and 5 Reserve Officers)				
3.	For each of the past five years, what has been your annual percentage turnover rate of employees?				
	20 ¹⁹	20 ¹⁸	20 ¹⁷	20 ¹⁶	20 ¹⁵
	10 %	4.1 %	18.2%	10.5 %	8.4 %
4.	How many involuntary employment terminations have occurred in the past three years?				
	20 ¹⁹	20 ¹⁸	20 ¹⁷		
	1	0	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 %	Should = 100% 85.7%
6.	Percentage of Employees with salaries greater than \$100,000 %	

C. Employment Practices Claims Handling		
1.	Who in the Entity has been designated to handle claims? RSUI - <u>Anthony Suber</u>	
2.	(a) With respect to oral or written claims, do you have a written procedure for obtaining information and conducting required follow up on the claim? (b) Do you require written claims for EEO-related complaints?	<input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No yes NO <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If yes to 2(a), describe the policy and procedure for receiving, reviewing, and responding to claims:	
3.	Does the Employment Claims handler coordinate with the Workers' Compensation Administrator on all claims involving actual or potential industrial injuries? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
4.	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 other protected legal status;	<input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(b) Allegations of retaliation relating to an Employee engaging in protected activity involving any EEO-related complaint, protected leave status, worker's compensation claim, or any other protected activity or status;	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	(c) Actual or alleged 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;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(d) 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 <input type="checkbox"/> No
	(e) Allegations of misrepresentation or defamation made by an Employee which arise from an employment decision to hire, fire, promote, demote or discipline;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(f) 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, demote or discipline;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(g) Allegations of false imprisonment, detention, or malicious prosecution made by an Employee which arise from an employment decision to hire, fire, promote, demote or discipline;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

	(h) 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, demote or discipline; and	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(i) Other personal injury allegations made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote, demote or discipline.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	If no, please describe handling of this function:	
2.	Do you have any established set of grievance or complaint procedures as an effective means of resolving disputes prior to litigation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3.	Do you anticipate any "layoffs" during the next 24 months?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If yes, please provide details.	
4.	Have you had any "layoffs" in the past 36 months?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If yes, please provide details.	
5.	Is your entity in full compliance with the training requirements set forth in AB 1825, SB 1343 and SB 778?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	If no, please explain.	
6.	Briefly describe the procedure for maintaining AB 1825 and SB 1343 training records: We manage training in employee HR files with an excel document indicated dates of completion and dates needed for renewal	
7.	Does your entity provide SB 1343 training? via a Third-Party Vendor	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8.	Are elected officials trained on the entity's policy regarding harassment, discrimination, and retaliation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

E. DESIRED SELF-INSURED RETENTION						
<input type="checkbox"/> \$25K	<input type="checkbox"/> \$50K	<input type="checkbox"/> \$75K	<input checked="" type="checkbox"/> \$100K	<input type="checkbox"/> \$250K	<input type="checkbox"/> \$500K	
<p>Please attach the following:</p> <ul style="list-style-type: none"> • <i>Member application fee of \$1,000 for individual, direct members. (Upon approval and completion of the first year of membership, a credit in the amount equal to the fee remitted upon application will be issued in the form of a premium credit.)</i> • <i>EPL individual loss information (including Date of Loss and total incurred) for the previous 7 completed fiscal years, including the partial current fiscal year;</i> • <i>Payroll information for the previous 7 completed calendar years;</i> • <i>Completed resolution authorizing participation in ERMA;</i> • <i>Completed intent to participate; and</i> • <i>Most Recent Financial Audit.</i> 						

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.

Town of Athrton

Agency or Entity Name

George Rodericks

Applicant's Name (please print)

City Manager

Title

Applicant's Signature

Date

5/18/2020

EMPLOYMENT RISK MANAGEMENT AUTHORITY CONTRIBUTION INDICATION

Pooled Liability Assurance Network Joint Powers Authority (PLAN JPA)

Name of Entity	Town of Atherton
2019 Calendar Payroll	\$4,799,844
Coverage Period	July 1, 2020 to June 30, 2021

CALCULATION

Retained Limit Options		\$50,000	\$75,000	\$100,000
Retained Limit Factor		1.00	0.90	0.82
Retained Limit Rate		0.567	0.510	0.465
Defense & Indemnity: Pooled Funding		\$27,215	\$24,494	\$22,316
Administration	0.0530	2,543	2,543	2,543
Loss Prevention & Training	0.0086	412	412	412
Subtotal		\$30,170	\$27,449	\$25,271
JPA Participation Credit	0.34%	(\$102)	(\$92)	(\$85)
Individual Experience Mod Factor *		1.000		
Off-Balance Factor		1.001		
Excess Insurance \$2 million x \$1 million	0.0400	\$1,920	\$1,920	\$1,920
ERMA CONTRIBUTION **		\$32,014	\$29,299	\$27,128

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

** Contribution calculated using rates and factors per the 2020/21 proposed budget.

SIR Recommended by the Underwriting Committee

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: <u>Town of Woodside</u>		Date: <u>4-30-2020</u>	
EMPLOYMENT PRACTICES INFORMATION			
A. Policies and Procedures			
1.	Does the Entity have written personnel policies and procedures?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
2.	Does the Entity distribute the manual/rules to all employees?	<input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
4.	Are the following policies or procedures included in the manual? Check all that apply:		
	<input checked="" type="checkbox"/> Hiring	<input checked="" type="checkbox"/> Termination	<input checked="" type="checkbox"/> Suspension
	<input checked="" type="checkbox"/> Medical Leave	<input checked="" type="checkbox"/> Unpaid Leave	<input checked="" type="checkbox"/> Grievance Procedures
	<input type="checkbox"/> Drug & Alcohol Testing	<input checked="" type="checkbox"/> Discipline	<input checked="" type="checkbox"/> Attendance
	<input checked="" type="checkbox"/> Family Medical Leave Act	<input checked="" type="checkbox"/> Anti-Harassment Policies	
	<input checked="" type="checkbox"/> Written Job Description for all Positions	<input type="checkbox"/> Workplace Violence Policies	
y e s	<input checked="" type="checkbox"/> Annual Written Performance Evaluations for all Employees		
	<input checked="" type="checkbox"/> Employee Hotline/Complaint Procedure		
5.	Do the policies/rules include all protected categories under the Fair Employment and Housing Act (FEHA), Ca. Gov't. Code section 12940)?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
6.	Does the Entity have legal counsel regularly review the manual/rules?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
7.	Have the above-referenced policies been updated within the past five years?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	If no, when was the manual or rules last reviewed? <small>Original dated 1991, last update 2015. The Town is working on a new manual.</small>		
8.	Were the above-referenced policies formally approved and adopted by council/governing board?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
9.	Does the Entity have legal counsel to provide advice regarding disciplinary matters?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
10.	Does the entity have an orientation program for all employees that addresses workplace conduct, EPL policies and practices, and grievance procedures?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<p><i>If you answered no to any of the above, please use this space to provide more information:</i></p> <p>The Town is working on a new personnel manual. This will be reviewed by legal counsel before being considered for Town Council adoption. The Town has 20 employees and an informal orientation is provided to new employees by supervisors.</p>			

B. Employee Information <small>For Question 3 not counting interns/fellows who work set time (summer). 10%, 15%, 30%, 5%, 15%</small>					
1.	Number of Full Time Employees: 19				
2.	Number of Part time Employees: 4				
3.	For each of the past five years, what has been your annual percentage turnover rate of employees?				
	20 ¹⁹	%	20 ¹⁸	%	20 ¹⁷
	20 ¹⁶	%	20 ¹⁵	%	
4.	How many involuntary employment terminations have occurred in the past three years?				
	20 ²⁰	- 1 person	20 ¹⁹	- 1 person (Intern)	20 ¹⁸
				- 0	

		<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 %	Should = 100% 61% less than, 39% more than
6.	Percentage of Employees with salaries greater than \$100,000 %	

C. Employment Practices Claims Handling		
1.	Who in the Entity has been designated to handle claims? No specific entity designated	
2.	(a) With respect to oral or written claims, do you have a written procedure for obtaining information and conducting required follow up on the claim?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(b) Do you require written claims for EEO-related complaints?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If yes to 2(a), describe the policy and procedure for receiving, reviewing, and responding to claims:	
3.	Does the Employment Claims handler coordinate with the Workers' Compensation Administrator on all claims involving actual or potential industrial injuries? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
4.	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 other protected legal status;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(b) Allegations of retaliation relating to an Employee engaging in protected activity involving any EEO-related complaint, protected leave status, worker's compensation claim, or any other protected activity or status;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(c) Actual or alleged 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;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(d) 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 <input checked="" type="checkbox"/> No
	(e) Allegations of misrepresentation or defamation made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote, demote or discipline;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(f) 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, demote or discipline;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(g) Allegations of false imprisonment, detention, or malicious prosecution made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote, demote or discipline;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

	(h) 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, demote or discipline; and	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(i) Other personal injury allegations made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote, demote or discipline.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If no, please describe handling of this function: Town of Woodside handles HR and Personnel through the Administration Department.	
2.	Do you have any established set of grievance or complaint procedures as an effective means of resolving disputes prior to litigation?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
3.	Do you anticipate any "layoffs" during the next 24 months?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If yes, please provide details.	
4.	Have you had any "layoffs" in the past 36 months?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If yes, please provide details.	
5.	Is your entity in full compliance with the training requirements set forth in AB 1825, SB 1343 and SB 778?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	If no, please explain.	
6.	Briefly describe the procedure for maintaining AB 1825 and SB 1343 training records: All training records are kept in a separate file, including sign in sheets, speaker, and materials.	
7.	Does your entity provide SB 1343 training? We contract for this training.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8.	Are elected officials trained on the entity's policy regarding harassment, discrimination, and retaliation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

E. DESIRED SELF-INSURED RETENTION						
<input type="checkbox"/> \$25K	<input checked="" type="checkbox"/> \$50K	<input type="checkbox"/> \$75K	<input type="checkbox"/> \$100K	<input type="checkbox"/> \$250K	<input type="checkbox"/> \$500K	
Please attach the following: <ul style="list-style-type: none"> • Member application fee of \$1,000 for individual, direct members. (Upon approval and completion of the first year of membership, a credit in the amount equal to the fee remitted upon application will be issued in the form of a premium credit.) • EPL 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.

Town of Woodside

Agency or Entity Name

Kevin Bryant

Applicant's Name (please print)


Applicant's Signature

4/30/20
Date

Town Manager

Title

EMPLOYMENT RISK MANAGEMENT AUTHORITY CONTRIBUTION INDICATION

Pooled Liability Assurance Network Joint Powers Authority (PLAN JPA)

Name of Entity	Town of Woodside
2019 Calendar Payroll	\$2,202,980
Coverage Period	July 1, 2020 to June 30, 2021

CALCULATION

Retained Limit Options		\$50,000	\$75,000	\$100,000
Retained Limit Factor		1.00	0.90	0.82
Retained Limit Rate		0.567	0.510	0.465
Defense & Indemnity: Pooled Funding		\$12,491	\$11,242	\$10,243
Administration	0.0530	1,167	1,167	1,167
Loss Prevention & Training	0.0086	189	189	189
Subtotal		\$13,847	\$12,598	\$11,599
JPA Participation Credit	0.34%	(\$47)	(\$42)	(\$39)
Individual Experience Mod Factor *		1.000		
Off-Balance Factor		1.001		
Excess Insurance \$2 million x \$1 million	0.0400	\$881	\$881	\$881
ERMA CONTRIBUTION **		\$14,693	\$13,447	\$12,451

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

** Contribution calculated using rates and factors per the 2020/21 proposed budget.

SIR Recommended by the Underwriting Committee

MEMBERSHIP MATTERS

SUBJECT: Review of Prospective New Member Application – City of Beaumont (ERMAC)

BACKGROUND AND STATUS:

The City of Beaumont (City) is applying for membership in ERMA as an underlying member of ERMAC and has requested a \$500,000 self-insured retention (SIR). The City reports payroll of \$13.8M for the 2019 calendar year and has one hundred sixty-three (163) full-time and fourteen (14) part-time employees. The City reports two losses in the previous seven fiscal years, both of which are closed.

The City has comprehensive written personnel policies and procedures in place that were reviewed in 2019 by the City Attorney and is compliant with state-mandated training requirements.

The City previously applied for participation in ERMA for the 2016/17 Program Year and were denied based upon the Committee's concerns of the City's future sustainability following then-pending legal judgements, as well as the potential for future EPL exposures. The City provided a statement to staff advising that significant changes have occurred within the executive management team and assures ERMA both the City's culture and employment practices have greatly improved and are consistent with the stated employment policies and procedures.

The Underwriting Committee (Committee) met on May 21, 2020 to review the City's application along with the attached reference materials. To ensure the City's participation in ERMA proves a viable risk, the Committee requested the City provide additional underwriting information and agree to the following conditions for participation:

- 2013-2019 Calendar Year Payroll;
- Written procedure regarding City's claims handling;
- Information regarding anticipated layoffs; and
- Letter of agreement issued by City Manager and City Attorney agreeing to use of an approved member of ERMA's defense panel for on-going advice and counsel on all employment matters. Letter shall note the specific attorney and the associated firm and should provide for ERMA Litigation Manager discretion, direction and guidance on a case-by-case basis.

The Committee is scheduled to reconvene on June 3 to consider the City's responses to the above requests for additional information and participation condition, and will develop a recommendation for the Board's consideration. In the event additional time is required to complete the underwriting process, the Committee recommends the Board of Directors delegate authority of final approval of the City's participation in ERMA.

RECOMMENDATION:

The Underwriting Committee recommends the Board of Directors approve: A) The City of Beaumont (ERMAC) at a \$500,000 SIR, effective July 1, 2020, with the express conditions that: 1) All employment matters are to be managed by a pre-identified member of ERMA's defense panel; and 2) Any EPL claims are to be defended by an approved member of ERMA's defense panel. Failure to comply with these conditions will constitute grounds for immediate expulsion. Or, B) Delegate final review and approval of the City of Beaumont's application for participation to the Committee under the same conditions as presented in Option A.

REFERENCE MATERIAL ATTACHED:

- City of Beaumont Completed Potential New Member Application
- City of Beaumont 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 Beaumont

Date: 4/27/20

EMPLOYMENT PRACTICES INFORMATION

A. Policies and Procedures

1.	Does the Entity have written personnel policies and procedures?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2.	Does the Entity distribute the manual/rules to all employees?	<input checked="" type="checkbox"/> 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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4.	Are the following policies or procedures included in the manual? Check all that apply:	
	<input checked="" type="checkbox"/> Hiring	<input checked="" type="checkbox"/> Termination
	<input checked="" type="checkbox"/> Medical Leave	<input checked="" type="checkbox"/> Unpaid Leave
	<input checked="" type="checkbox"/> Drug & Alcohol Testing	<input checked="" type="checkbox"/> Discipline
	<input checked="" type="checkbox"/> Family Medical Leave Act	<input checked="" type="checkbox"/> Attendance
	<input checked="" type="checkbox"/> Written Job Description for all Positions	<input checked="" type="checkbox"/> Anti-Harassment Policies
	<input checked="" type="checkbox"/> Annual Written Performance Evaluations for all Employees	<input checked="" type="checkbox"/> Workplace Violence Policies
	<input checked="" type="checkbox"/> Employee Hotline/Complaint Procedure	
5.	Do the policies/rules include all protected categories under the Fair Employment and Housing Act (FEHA), Ca. Gov't. Code section 12940)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
6.	Does the Entity have legal counsel regularly review the manual/rules?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
7.	Have the above-referenced policies been updated within the past five years?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	If no, when was the manual or rules last reviewed? <u>2019</u>	
8.	Were the above-referenced policies formally approved and adopted by council/governing board?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
9.	Does the Entity have legal counsel to provide advice regarding disciplinary matters?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
10.	Does the entity have an orientation program for all employees that addresses workplace conduct, EPL policies and practices, and grievance procedures?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

If you answered no to any of the above, please use this space to provide more information:

B. Employee Information

1.	Number of Full Time Employees: <u>163</u>										
2.	Number of Part time Employees: <u>14</u>										
3.	For each of the past five years, what has been your annual percentage turnover rate of employees?										
	<table style="width: 100%; text-align: center;"> <tr> <td>20 16</td> <td>15.4%</td> <td>20 17</td> <td>13.6 %</td> <td>20 18</td> <td>22.4%</td> <td>20 19</td> <td>22.5 %</td> <td>20 20</td> <td>5 %</td> </tr> </table>	20 16	15.4%	20 17	13.6 %	20 18	22.4%	20 19	22.5 %	20 20	5 %
20 16	15.4%	20 17	13.6 %	20 18	22.4%	20 19	22.5 %	20 20	5 %		
4.	How many involuntary employment terminations have occurred in the past three years?										
	<table style="width: 100%; text-align: center;"> <tr> <td>20 17</td> <td>2</td> <td>20 18</td> <td>1</td> <td>20 19</td> <td>3</td> </tr> </table>	20 17	2	20 18	1	20 19	3				
20 17	2	20 18	1	20 19	3						

		<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 % 78	Should = 100%
6.	Percentage of Employees with salaries greater than \$100,000 % 22	

C. Employment Practices Claims Handling		
1.	Who in the Entity has been designated to handle claims?	Administrative Services Director
2.	(a) With respect to oral or written claims, do you have a written procedure for obtaining information and conducting required follow up on the claim?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(b) Do you require written claims for EEO-related complaints?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If yes to 2(a), describe the policy and procedure for receiving, reviewing, and responding to claims: All claims are received and forwarded directly to the City Attorneys office for handling.	
3.	Does the Employment Claims handler coordinate with the Workers' Compensation Administrator on all claims involving actual or potential industrial injuries?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4.	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 other protected legal status;	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	(b) Allegations of retaliation relating to an Employee engaging in protected activity involving any EEO-related complaint, protected leave status, worker's compensation claim, or any other protected activity or status;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(c) Actual or alleged 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;	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	(d) 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 <input checked="" type="checkbox"/> No
	(e) Allegations of misrepresentation or defamation made by an Employee which arise from an employment decision to hire, fire, promote, demote or discipline;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(f) 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, demote or discipline;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(g) Allegations of false imprisonment, detention, or malicious prosecution made by an Employee which arise from an employment decision to hire, fire, promote, demote or discipline;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

	(h) 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, demote or discipline; and	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(i) Other personal injury allegations made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote, demote or discipline.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.		See attached.

D. Employment Practices Risk Management		
1.	Does the applicant have a Human Resources or Personnel Department?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	If no, please describe handling of this function:	
2.	Do you have any established set of grievance or complaint procedures as an effective means of resolving disputes prior to litigation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3.	Do you anticipate any "layoffs" during the next 24 months?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	If yes, please provide details. Part time employees are currently furloughed due to Covid-19. Depending on the length of this crisis, these furloughs could become permanent.	
4.	Have you had any "layoffs" in the past 36 months?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If yes, please provide details.	
5.	Is your entity in full compliance with the training requirements set forth in AB 1825, SB 1343 and SB 778?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	If no, please explain.	
6.	Briefly describe the procedure for maintaining AB 1825 and SB 1343 training records: Annual training for all employees is mandatory. Certificates are issued and maintained in personnel files.	
7.	Does your entity provide SB 1343 training?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8.	Are elected officials trained on the entity's policy regarding harassment, discrimination, and retaliation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

E. DESIRED SELF-INSURED RETENTION						
<input type="checkbox"/> \$25K	<input type="checkbox"/> \$50K	<input type="checkbox"/> \$75K	<input type="checkbox"/> \$100K	<input type="checkbox"/> \$250K	<input checked="" type="checkbox"/> \$500K	
Please attach the following:						
<ul style="list-style-type: none"> • Member application fee of \$1,000 for individual, direct members. (Upon approval and completion of the first year of membership, a credit in the amount equal to the fee remitted upon application will be issued in the form of a premium credit.) • EPL 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. 						

EMPLOYMENT RISK MANAGEMENT AUTHORITY CONTRIBUTION INDICATION

Exclusive Risk Management Authority of California (ERMAC)

Name of Entity	City of Beaumont
2019 Calendar Payroll	\$13,846,362
Coverage Period	July 1, 2020 to June 30, 2021

CALCULATION

Retained Limit Options		\$100,000	\$250,000	\$500,000
Retained Limit Factor		0.82	0.49	0.19
Retained Limit Rate		0.465	0.278	0.108
Defense & Indemnity: Pooled Funding		\$64,377	\$38,469	\$14,917
Administration	0.0530	7,335	7,335	7,335
Loss Prevention & Training	0.0086	1,189	1,189	1,189
Subtotal		\$72,902	\$46,994	\$23,441
JPA Participation Credit	10.00%	(\$7,290)	(\$4,699)	(\$2,344)
Individual Experience Mod Factor *		1.000		
Off-Balance Factor		1.092		

ERMA CONTRIBUTION **	\$71,638	\$46,179	\$23,035
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* New members are assigned an experience modification factor of 1.000 their first year in ERMA.

** Contribution calculated using rates and factors per the 2020/21 proposed budget.

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.

Claim	Page Number
Borja/Moore/Cordero v. City of Adelanto	p. 95

RECOMMENDATION:

None

REFERENCE MATERIALS ATTACHED:

- Confidential Litigation Manager's Report (distributed under separate cover)