

## EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)

### MINUTES OF THE COVERAGE COMMITTEE MEETING OF APRIL 6, 2022

An ERMA Coverage Committee Meeting was held on April 6, 2022. All portions of this meeting were conducted via Zoom in accordance with Government Code Section 54953.

**COMMITTEE MEMBERS PRESENT:** John Gillison, President, CIRA  
Stuart Schillinger, Vice President, BCJPIA  
Brett Miller, Treasurer, MBASIA

**COMMITTEE MEMBERS ABSENT:** None

**OTHERS PRESENT:** Jennifer Jobe, Executive Director, ERMA  
Doug Alliston, Board Counsel, ERMA  
Stacey Sullivan, Litigation Manager, ERMA

#### 1. CALL TO ORDER/ROLL CALL

The April 6, 2022, ERMA Coverage Committee Meeting was called to order at 11:02 a.m., by President John Gillison. A roll call was taken, and it was determined a quorum was present.

#### 2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

**Brett Miller moved, seconded by Stuart Schillinger, to approve the agenda as posted. A roll call vote was taken. The motion passed unanimously.**

#### 3. PUBLIC COMMENTS

None

#### 4. CONSENT CALENDAR

**John Gillison moved, seconded by Brett Miller to approve the Consent Calendar. A roll call vote was taken. The motion passed unanimously.**

#### 5. COVERAGE MATTERS

A. Review of Memorandum of Coverage for the 2022/23 Program Year, effective July 1, 2022.

Jennifer Jobe, Executive Director, stated that in response to the increasing number in claims related to elected officials, staff worked with Doug Alliston, Board Counsel, to review and consider the exclusion of elected and appointed officials in the definition of "Employee" from the Memorandum of Coverage (MOC) for the 2022/23 Program Year.

Mr. Alliston directed the Committee to Section II, 8, of the MOC, related to the proposed exclusion of elected and appointed officials.

Stacey Sullivan, Litigation Manager, stated that while the government code requires agencies to indemnify elected officials, this indemnification does not mitigate the risk for ERMA as its impact is realized only *after* litigation has initiated.

Discussion ensued among Committee Members and staff regarding: the extent to which the exclusion would apply to underlying members (e.g., excluding volunteer officials, but not employees); the difficulty involved with enforcing mandatory training for members to whom coverage is not extended; and alternative options including imposition of a penalty system for cities whose elected and appointed officials are involved in employment practices-related matters.

Ms. Jobe summarized the discussion, noting staff will continue to work to identify drawbacks surrounding the proposed exclusion, particularly as it relates to coverage. A subsequent Coverage Committee meeting will be scheduled for further discussion prior to the June 6, 2022, Board meeting.

Mr. Alliston then reminded the Committee of the issue raised by Byrne Conley, Gibbons & Conley, at the February 10, 2022, meeting regarding the City of Scotts Valley (City) Appeal of Denial of Coverage. In a statement to the Board, Mr. Conley maintained the City did not fail in its obligation to timely report, pursuant to the definition of *Claim* contained in ERMA's 2019/20 MOC. Mr. Alliston noted the definition of *Claim* within the 2019/20 MOC was less broad and inclusive than that of the current definition, leading to complexity in determining whether the City's obligation was met. Mr. Alliston opined he did not believe the reporting untimeliness had resulted in any significant prejudice to ERMA.

**No action was taken on this item.**

A. Board of Directors

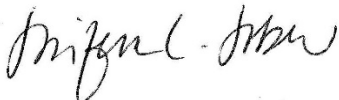
None

B. Staff

None

6. ADJOURNMENT

The April 6, 2022, ERMA Coverage Committee meeting adjourned at 11:39 a.m. by general consent.



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Jennifer Jobe, Executive Director