



**EMPLOYMENT RISK MANAGEMENT AUTHORITY
COVERAGE COMMITTEE MEETING
AGENDA**

**Tuesday, May 17, 2022
1:00 PM**

Zoom

Dial-in Number: (669) 900-6833

Meeting ID: 856 1047 7029

Passcode: 067791

[Meeting Link](#)

All portions of this meeting will be conducted via teleconference in accordance with Government Code Section 54953. The teleconference locations are as follows: *Sedgwick, 1750 Creekside Oaks Drive, Suite 200, Sacramento, CA 95833; Murphy, Campbell, Alliston, & Quinn, 8801 Folsom Blvd #230, Sacramento, CA 95826; City of Rancho Cucamonga, 10500 Civic Center Drive, Rancho Cucamonga, CA 91730; City of Brisbane, 50 Park Place, Brisbane, CA 94005; City of Hollister, 375 Fifth Street, Hollister, CA 95023.*

Each location is accessible to the public, and members of the public may address the Committee from any teleconference location.

In compliance with the Americans with Disabilities Act, if you need a disability-related modification or accommodation to participate in this meeting, please contact Danielle Davis by email (danielle.davis3@sedgwick.com) or by phone (916-244-1116) as early as possible, and preferably 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 Committee will be available for public inspection. Please contact Ms. Davis.

-
- Page**
- 1. CALL TO ORDER; ROLL CALL**
 - 2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)**
 - 3. PUBLIC COMMENTS** - The Public may submit any questions by contacting Danielle Davis at danielle.davis3@sedgwick.com. This time is reserved for members of the public to address the Committee relative to matters of ERMA not on the agenda. No action may be taken on non-agenda items unless authorized by law.

4. CONSENT CALENDAR

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

- 4 *A. Minutes of the April 6, 2022, Coverage Committee Meeting
Recommendation: Approval of the Consent Calendar.

5. COVERAGE MATTERS

- 6 A. Review and Discussion Regarding the Memorandum of Coverage for the 2022/23 Program Year, effective July 1, 2022
Recommendation: Staff recommends the Committee provide feedback and direction.

6. CLOSING COMMENTS

- A. Coverage Committee
B. Staff

7. ADJOURNMENT

CONSENT CALENDAR

SUBJECT: Consent Calendar

BACKGROUND AND STATUS:

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

RECOMMENDATION:

Approval of the Consent Calendar.

REFERENCE MATERIAL ATTACHED:

- Minutes of the April 6, 2022, Coverage Committee Meeting

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

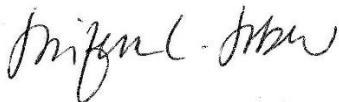
None

B. Staff

None

6. ADJOURNMENT

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



Jennifer Jobe, Executive Director

COVERAGE MATTERS

SUBJECT: Review and Discussion Regarding the Memorandum of Coverage for the 2022/23 Program Year, effective July 1, 2022

BACKGROUND AND STATUS:

Following increases in the overall number of claims related to elected officials, staff worked with Doug Alliston, Board Counsel, to review and consider the exclusion of elected and appointed officials from within the definition of “Employee” under the Memorandum of Coverage (MOC).

The Coverage Committee met with staff on April 6, 2022, to consider and review a potential contraction of coverage, effective July 1, 2022. Discussions focused upon the extent to which such an exclusion would apply; the difficulty involved with enforcing mandatory training for members to whom coverage is not extended; and alternative options, including the application of a penalties for agencies whose elected officials’ actions result in a wrongful employment matter. It was determined additional information was necessary to ensure the Committee’s comprehensive evaluation, and staff was directed to continue to evaluate the proposed exclusions.

Staff will review additional findings and recommendations with the Committee.

RECOMMENDATION:

Staff recommends the Committee provide feedback and direction.