



**EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)  
UNDERWRITING COMMITTEE MEETING  
AGENDA**

**Thursday, October 20, 2022  
11:00 a.m.**

**Zoom**

**Dial-in Number: (669) 900-6833  
Meeting ID: 827 0702 8443  
Passcode: 665641  
Meeting [Link](#)**

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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; City of Rancho Cucamonga, 10500 Civic Center Drive, Rancho Cucamonga, CA 91730; City of Brisbane, 50 Park Place, Brisbane, CA 94005.*

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 ([danielle.davis3@sedgwick.com](mailto:danielle.davis3@sedgwick.com) or 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 via phone or [email](#).

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**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](mailto: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**

**3            \*A.    Minutes of the May 12, 2022, Underwriting Committee Meeting**  
*Recommendation: Approval of the Consent Calendar.*

**5. MEMBERSHIP MATTERS**

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- \*A. Review of Prospective Member Application, San Joaquin Regional Transit District (CalTIP)

*Recommendation: Staff recommends the Underwriting Committee approve the San Joaquin Regional Transit District (CalTIP) at a \$75,000 SIR, effective January 1, 2023, with the following considerations: 1) the district is accepted as a participating member of CalTIP, effective January 1, 2023; and 2) with the condition the district's personnel policies and procedures are updated, reviewed by legal counsel with expertise in public sector employment law, and approved by the district's governing body, no later than July 1, 2024.*

**6. CLOSING COMMENTS**

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

- A. Committee
- B. Staff

**7. ADJOURNMENT**

**CONSENT CALENDAR**

**SUBJECT: Consent Calendar**

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**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:**

- A. Minutes of the May 12, 2022, Underwriting Committee Meeting

## **EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)**

### **MINUTES OF THE UNDERWRITING COMMITTEE MEETING OF MAY 12, 2022**

An ERMA Underwriting Committee Meeting was held on May 12, 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  
Danielle Davis, Board Secretary

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

The May 12, 2022, ERMA Underwriting Committee Meeting was called to order at 3:03 p.m. 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**

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

#### **5. ADMINISTRATIVE MATTERS**

Jennifer Jobe, Executive Director, reminded the Committee the last formal review of ERMA's Underwriting Guidelines took place in February 2014. Since then, ERMA has made multiple updates to the program, including updates to minimum payroll and retrospective claims history, additional documentation denoting intent to participate and desired self-insured retention (SIR), guidelines for designating conditional acceptance, and the addition of a \$350,000 SIR. Ms. Jobe stated the proposed revisions address the numerous changes adopted over recent years to accurately reflect ERMA's underwriting procedures.

**Brett Miller moved, seconded by Stuart Schillinger, to approve the proposed updates to the ERMA Underwriting Guidelines, effective June 6, 2022. A roll call vote was taken. The motion passed unanimously.**

6. MEMBERSHIP MATTERS

A. Review of Prospective Member Application – City of Tracy (CSJVRMA)

Ms. Jobe reported staff received an application from the City of Tracy, an underlying member of the Central San Joaquin Valley Risk Management Authority (CSJVRMA), for participation in ERMA at a \$100,000 SIR, effective July 1, 2022. Ms. Jobe provided a summary of the application, as follows:

The City of Tracy reported payroll of \$41M for the 2021 calendar year, 408 full-time employees, and 77 part-time employees. The city has written personnel policies and procedures in place that were last reviewed in 2019/20 but have not yet been adopted by City Council. The city is compliant with AB 1825 and SB 1343 training requirements and, as a member of the Consortium, utilizes the services of Liebert Cassidy Whitmore for training.

Ms. Jobe noted staff's additional recommendation that the Committee extend approval of the city's participation in ERMA, with the condition the city's personnel policies and procedures are updated and reviewed by legal counsel with public sector employment law expertise and formally approved by City Council no later than July 1, 2024.

**Stuart Schillinger moved, seconded by John Gillison, to recommend the Board approve the City of Tracy (CSJVRMA) at a \$100,000 SIR, effective July 1, 2022, with the condition the city's personnel policies and procedures are updated and reviewed by legal counsel with public sector employment law expertise and formally approved by the City Council no later than July 1, 2024. A roll call vote was taken. The motion passed unanimously.**

B. Review of Prospective Member Application – City of Colton (PERMA)

Ms. Jobe stated staff has been working with Public Entity Risk Management Authority (PERMA) staff to review an application from the City of Colton, who is considering participation in PERMA and, by extension, ERMA. She further noted the city is requesting a \$500,000 SIR for participation effective July 1, 2022, and summarized details of the application as follows:

The City of Colton reported payroll of \$29M for the 2021 calendar year, 315 full-time employees, and 107 part-time employees. The city is in the process of updating their personnel policies and procedures, for which legal counsel with expertise in employment matters has been obtained. The city projects an anticipated completion date of March 2023. The city is compliant with AB 1825 and SB 1343 training requirements and utilizes a third-party provider, CORE 360, to conduct online training.

**Stuart Schillinger moved, seconded by Brett Miller, to recommend the Board approve the City of Colton (PERMA) at a \$500,000 SIR, effective July 1, 2022, with the condition the city's personnel policies and procedures are updated, reviewed, legal counsel with expertise in public sector employment law, and approved by the City Council no later than July 1, 2024. A roll call vote was taken. The motion passed unanimously.**

7. CLOSING COMMENTS

A. Committee Members

None

B. Staff

None

8. ADJOURNMENT

The May 12, 2022, ERMA Underwriting Committee meeting adjourned at 3:25 p.m. by general consent.

A handwritten signature in black ink that reads "Danielle Davis". The signature is written in a cursive style with a horizontal line underneath the name.

Danielle Davis, Board Secretary

**MEMBERSHIP MATTERS**

**SUBJECT: Review of Prospective Member Application, San Joaquin Regional Transit District (CalTIP)**

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**BACKGROUND AND STATUS:**

The San Joaquin Regional Transit District, a prospective underlying member of the California Transit Indemnity Pool (CalTIP), provided an application and supporting documentation for participation in ERMA at a \$75,000 self-insured retention (SIR).

The district's application materials have been reviewed by staff, as follows:

- The district reports payroll of \$10.7M for the 2021 calendar year and has 255 full-time employees and 6 part-time employees.
- The district has written personnel policies and procedures in place that are regularly reviewed by legal counsel and have been adopted by City Council. The district is in the process of revising these policies, which were last updated in 2014.
- The district is compliant with AB 1825 and SB 1343 training requirements and utilizes Zywave, a third-party provider, to conduct online training.

**RECOMMENDATION:**

*Staff recommends the Underwriting Committee approve the San Joaquin Regional Transit District (CalTIP) at a \$75,000 SIR, effective January 1, 2023, with the following considerations: 1) the district is accepted as a participating member of CalTIP, effective January 1, 2023; and 2) with the condition the district's personnel policies and procedures are updated, reviewed by legal counsel with expertise in public sector employment law, and approved by the district's governing body, no later than July 1, 2024.*

**REFERENCE MATERIALS ATTACHED:**

- San Joaquin Regional Transit District Premium Indication
- San Joaquin Regional Transit District Completed Potential New Member Application

# EMPLOYMENT RISK MANAGEMENT AUTHORITY CONTRIBUTION INDICATION

## CalTIP

Name of Entity	San Joaquin Regional Transit District
2021 Calendar Payroll	\$10,701,781
Coverage Period	July 1, 2022 to June 30, 2023

## CALCULATION

Retained Limit Options		\$50,000	\$75,000	\$100,000
Retained Limit Factor		1.00	0.90	0.82
Retained Limit Rate		0.602	0.542	0.494
Funding for Losses		\$64,425	\$57,982	\$52,828
Administration	0.0533	5,699	5,699	5,699
Loss Prevention & Training	0.0082	880	880	880
Subtotal		\$71,004	\$64,561	\$59,407
JPA Participation Credit	1.63%	(\$1,160)	(\$1,055)	(\$971)
Individual Experience Mod Factor *		1.000		
Off-Balance Factor		1.285		
Excess Insurance: \$3M x \$1M ~ \$5M / \$15M Aggregate		6,153	6,153	6,153
<b>ERMA CONTRIBUTION **</b>		<b>\$95,917</b>	<b>\$87,772</b>	<b>\$81,256</b>

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

\*\* Contribution will be prorated based on date of inception of coverage.



**EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)  
LIABILITY COVERAGE APPLICATION FOR PROSPECTIVE MEMBERS  
OF A PARTICIPATING JOINT POWERS AUTHORITY**

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

**PROGRAM YEAR: 2022/23**

ENTITY NAME:	San Joaquin Regional Transit District (RTD)	Date:	10/14/2022
<b>EMPLOYMENT PRACTICES INFORMATION</b>			
<b>A. Policies and Procedures</b>			
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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If no, when was the manual or rules last reviewed? 2014 (Currently under revision)		
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	
	<b><i>If you answered no to any of the above, please use this space to provide more information:</i></b>		
	#7. RTD's employee manual last updated in November of 2014, but is currently under revision.		

<b>B. Employee Information</b>										
1.	Number of Full Time Employees: 255									
2.	Number of Part time Employees: 6									
3.	For each of the past five years, what has been your annual percentage turnover rate of employees?									
	2017	17 %	2018	20 %	2019	19 %	2020	32 %	2021	17 %
4.	How many involuntary employment terminations have occurred in the past three years?									
	2020	Terminations: 21	2021	Terminations: 10	2022	Terminations: 26				

		<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 % 93	Should = 100%
6.	Percentage of Employees with salaries greater than \$100,000 % 7	

<b>C. Employment Practices Claims Handling</b>	
1.	Who in the Entity has been designated to handle claims? HUMAN RESOURCES
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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	<b>If yes to 2(a), describe the policy and procedure for receiving, reviewing, and responding to claims:</b>
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 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 checked="" 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 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 checked="" 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 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 checked="" 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.		

<b>D. Employment Practices Risk Management</b>		
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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	If yes, please provide details. <b>Layoffs due to COVID-19</b>	
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: training records are maintained in employee files and updated as training occurs	
7.	Does your entity provide SB 1343 training?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8.	Are elected or appointed officials trained on the entity's policy regarding harassment, discrimination, and retaliation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

<b>E. DESIRED SELF-INSURED RETENTION</b>							
<input type="checkbox"/> \$25K	<input type="checkbox"/> \$50K	<input checked="" type="checkbox"/> \$75K	<input type="checkbox"/> \$100K	<input type="checkbox"/> \$250K	<input type="checkbox"/> \$350K	<input type="checkbox"/> \$500K	
Please attach the following: <ul style="list-style-type: none"> <li>• <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></li> <li>• <i>Payroll information for the previous 7 completed calendar years;</i></li> <li>• <i>Completed resolution authorizing participation in ERMA;</i></li> <li>• <i>Completed intent to participate; and</i></li> <li>• <i>Most Recent Financial Audit.</i></li> </ul>							

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.

San Joaquin Regional Transit District (RTD)

Agency or Entity Name

Thomas Mlady

Applicant's Name (please print)

Safety and Security Manager

Title

Applicant's Signature

10/14/2022

Date