



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

**Tuesday, April 25, 2023
10:00 a.m.**

**Hilton Garden Inn
20 Advantage Court
Sacramento, CA 95834**

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 at (916) 244-1116 or danielle.davis3@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 at 1750 Creekside Oaks Dr., Suite 200, Sacramento, CA 95833.

<u>Page</u>	1. CALL TO ORDER; INTRODUCTIONS
	2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)
	3. PUBLIC COMMENTS - This time is reserved for members of the public to address the Board relative to matters of ERMA not on the agenda. No action may be taken on non-agenda items unless authorized by law. Comments will be limited to five minutes per person and twenty minutes in total.
	4. CONSENT CALENDAR
	If a Board member would like to discuss any item listed, it may be pulled from the Consent Calendar.
6	*A. Minutes of the March 28, 2023, Special Board of Directors Meeting
9	*B. General Warrants from January 1, 2023, through March 31, 2023
10	*C. Claims Payments from January 1, 2023, through March 31, 2023
12	*D. Notice of Intent to Withdraw – City of Lindsay (CSJVRMA)
13	*E. Notice of Intent to Withdraw – City of Laguna Hills (ERMAL)
14	*F. ERMA Defense Panel – Updated April 2023

- 15 *G. Board Document Review Schedule
 Recommendation: Approval of the Consent Calendar.

5. PRESENTATION

- 23 *A. Draft Resolution 2022-9, Expressing Appreciation for the Honorable Service Provided to ERMA by Roger Carroll, Director of Finance, Town of Loomis (SCORE)
 Recommendation: Staff recommends the Board of Directors approve Resolution 2022-9, Expressing Appreciation for the Honorable Service Provided to ERMA by Roger Carroll, Director of Finance, Town of Loomis (SCORE).

6. FINANCIAL MATTERS

- 25 *A. Actuarial Study and Rates for the 2023/24 Program Year
 Recommendation: Staff recommends the Board of Directors accept and file the actuarial study, as presented.
- 100 *B. Review of Annual Retrospective Adjustment Calculation
 Recommendation: Staff recommends the Board of Directors provide feedback and direction.
- 104 *C. Review of Preliminary Administrative and Operating Budget for the 2023/24 Program Year
 Recommendation: Staff recommends the Board of Directors review the Preliminary Administrative and Operating Budget for the 2023/24 program year and provide direction to staff, as necessary.

7. ADMINISTRATIVE MATTERS

- 132 *A. Sedgwick Agreement for Pool Administration Services
 Recommendation: None.
- 134 *B. Joint Proposal from Liebert Cassidy Whitmore and Jackson Lewis for a Successor Memorandum of Understanding
 Recommendation: Staff recommends the Board of Directors approve the Joint Proposal from Liebert Cassidy Whitmore and Jackson Lewis for a Successor Memorandum of Understanding, effective July 1, 2023.
- 138 *C. Excess Coverage and Marketing Update for the 2023/24 Program Year
 Recommendation: None.
- 141 *D. Discussion Regarding Issuance of Request for Proposal for Financial Audit Services
 Recommendation: Staff recommends the Board of Directors retain Sampson, Sampson & Patterson, LLP, to provide financial audit services through the term of the existing agreement, expiring with the conclusion of the June 30, 2024, audit.
- 147 E. ERMA 24th Annual Workshop
 Recommendation: Staff recommends the Board of Directors provide feedback and direction.

- 148 *F. Draft Resolution 2022-8, Establishing Meeting Dates for the 2023/24 Program Year
Recommendation: Staff recommends the Board of Directors approve Resolution 2022-8, Establishing Meeting Dates for the 2023/24 Fiscal Year.

8. MEMBERSHIP MATTERS

- 150 *A. Review of Prospective Member Application – City of Norco (PERMA)
Recommendation: The Underwriting Committee recommends the Board of Directors approve the City of Norco (PERMA) at a \$100,000 SIR, effective July 1, 2023, with the condition the city's personnel policies and procedures are updated, reviewed by legal counsel with expertise in public sector employment law, and approved by city council no later than July 1, 2025.
- 156 *B. Request for Reduction of Self-Insured Retention - City of San Pablo (MPA)
Recommendation: Staff recommends the Board of Directors approve the request to reduce the City of San Pablo's (MPA) self-insured retention from \$100,000 to \$50,000, effective July 1, 2023.
- 158 C. Update Regarding Members with Participation Conditions
Recommendation: Staff recommends the Board of Directors provide direction, as necessary.

9. TRAINING/LOSS PREVENTION MATTERS

- 160 A. Update Regarding the Training Program for the 2022/23 Program Year
Recommendation: None
- 162 *B. Review of the Training Program for the 2023/24 Program Year
Recommendation: Staff recommends the Board of Directors approve the proposed slate of training workshop topics for the 2023/24 Program Year and provide direction to staff.

10. CLAIMS MATTERS

- 168 A. Closed Session – Pursuant to Government Code Section §54956.95(a), the Board of Directors will recess to Closed Session to discuss the following claims:
- Coronado vs. Atwater (CSJVRMA)
 - Morquecho v. Meniffee (CIRA) (*coverage appeal*)
- 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.

11. 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

* Reference materials enclosed with staff report.

12. ADJOURNMENT

NOTICES:

- The next regular meeting of the Board of Directors will be held on Monday, June 5, 2023, at 10:00 a.m., at the Hilton Garden Inn, 20 Advantage Court, Sacramento, CA.

Agenda Items 4.A.-G.

CONSENT CALENDAR

SUBJECT: Consent Calendar

RECOMMENDATION: *Approval of the 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 of Directors wish to discuss any item listed, it may be pulled from the Consent Calendar.

REFERENCE MATERIALS ATTACHED:

- A. Minutes of the March 28, 2023, Special Board of Directors Meeting
- B. General Warrants from January 1, 2023, through March 31, 2023
- C. Claims Payments from January 1, 2023, through March 31, 2023
- D. Notice of Intent to Withdraw – City of Lindsay (CSJVRMA)
- E. Notice of Intent to Withdraw – City of Laguna Hills (ERMAC)
- F. ERMA Defense Panel – Updated April 2023
- G. Board Document Review Schedule

EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)

**MINUTES OF THE SPECIAL BOARD OF DIRECTORS MEETING
OF MARCH 28, 2023**

A special meeting of the Board of Directors of ERMA was held on March 28, 2023. All portions of this meeting were conducted via Zoom in accordance with Government Code Section 54953.

BOARD MEMBERS PRESENT:

John Gillison, President, CIRA
Bryan Whitemyer, Vice President, CSJVRMA
Heather Rowden, BCJPIA
Rob Thompson, CalTIP
Linda Cox, MPA
Kevin Bryant, PLAN
Roger Carroll, SCORE
Charlene Calica, CCCHA
Jeremy Wittie, VCJPA

BOARD MEMBERS ABSENT:

Beth Lyons, PERMA
Drew Felder, OHA

ALTERNATE MEMBERS PRESENT:

Kin Ong, CIRA
Becky Padron, CSJVRMA
Jon Maginot, BCJPIA
George Fink, CalTIP
Yumi Augustus, PERMA
Jamie Scott, VCJPA
Nataline Jindoian, CCCHA (*joined at 9:06 a.m.*)

ALTERNATE MEMBERS ABSENT:

Steve Adams, MBASIA
Sukari Beshears, MPA
George Rodericks, PLAN
Wendy Howard, SCORE

OTHERS PRESENT:

Jennifer Jobe, Executive Director
Danielle Davis, Board Secretary
Stacey Sullivan, Litigation Manager
Doug Alliston, Board Counsel
Shane Larsen, Jackson Lewis, P.C.
Mike Christian, Jackson Lewis, P.C.

1. CALL TO ORDER; ROLL CALL

The March 28, 2023, Board of Directors Meeting was called to order at 9:01 a.m. by President John Gillison.

2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

Roger Carroll moved, seconded by Kevin Bryant, to approve the agenda as posted. A roll call vote was conducted. The motion passed unanimously with affirmative votes by Brian Whitemyer, Heather Rowden, Rob Thompson, Linda Cox, Kevin Bryant, Roger Carroll, Charlene Calica, Jeremy Wittie, and John Gillison with no nays or abstentions.

3. PUBLIC COMMENTS

None.

4. CONSENT CALENDAR

Linda Cox moved, seconded by Charlene Calica, to approve the following Consent Calendar item: A) Minutes of the February 3, 2023, Board of Directors Meeting. A roll call vote was conducted. The motion passed with affirmative votes by Brian Whitemyer, Heather Rowden, Rob Thompson, Linda Cox, Kevin Bryant, Roger Carroll, Jeremy Wittie, and John Gillison with no nays or abstentions.

5. 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 9:07 a.m. to discuss the following claims:

- Joseph vs. City of Atwater (CSJVRMA)
- Gonzalez vs. City of Pacific Grove (PARSAC)

B. Report from Closed Session

The Board reconvened to Open Session at 9:57 a.m. Doug Alliston, Board Counsel, advised no reportable action was taken in Closed Session.

6. CLOSING COMMENTS

A. Board of Directors

None.

B. Staff

None.

7. ADJOURNMENT

The March 28, 2023, ERMA Board of Directors Meeting adjourned at 9:15 a.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

System: 4/4/2023 3:08:38 PM
User Date: 4/4/2023

Employment Risk Management Aut
VENDOR CHECK REGISTER REPORT
Payables Management

Page: 1
User ID: adurand

Ranges:	From:	To:	From:	To:
Check Number	First	Last	Check Date	1/1/2023
Vendor ID	First	Last	Checkbook ID	CBT GENERAL
Vendor Name	First	Last		CBT GENERAL

Sorted By: Check Number

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
EFT000300	AG105	AGRIp	1/17/2023	CBT GENERAL	PMCHK00000872	\$2,415.45
EFT000301	LI100	Liebert Cassidy Whitmore	1/17/2023	CBT GENERAL	PMCHK00000872	\$4,500.00
EFT000302	YO110	York Risk Services Group, Inc.	1/17/2023	CBT GENERAL	PMCHK00000872	\$224,969.75
EFT000304	BA135	BankCard Center	2/3/2023	CBT GENERAL	PMCHK00000876	\$6,030.00
EFT000306	BA135	BankCard Center	2/28/2023	CBT GENERAL	PMCHK00000881	\$6,440.76
EFT000308	AL130	Alliston Law Office	3/1/2023	CBT GENERAL	PMCHK00000882	\$3,078.50
* EFT000310	AG100	in2vate, LLC	3/23/2023	CBT GENERAL	PMCHK00000885	\$6,972.50
EFT000311	AL130	Alliston Law Office	3/23/2023	CBT GENERAL	PMCHK00000885	\$4,112.50
EFT000312	BA135	BankCard Center	3/23/2023	CBT GENERAL	PMCHK00000885	\$12,997.40
* EFT000313	DR100	Alliant Insurance Services, In	3/23/2023	CBT GENERAL	PMCHK00000885	\$2,823.98
EFT000314	LI100	Liebert Cassidy Whitmore	3/23/2023	CBT GENERAL	PMCHK00000885	\$7,500.00
EFT000315	YO110	York Risk Services Group, Inc.	3/23/2023	CBT GENERAL	PMCHK00000885	\$227,686.25
EFT000317	AG100	in2vate, LLC	3/24/2023	CBT GENERAL	PMCHK00000887	\$6,972.50
EFT000319	DR100	Alliant Insurance Services, In	3/24/2023	CBT GENERAL	PMCHK00000889	\$2,823.98
G 003386	FO100	City of Fowler	1/17/2023	CBT GENERAL	PMCHK00000873	\$150.00
G 003387	SA100	Sampson, Sampson and Patterson	1/17/2023	CBT GENERAL	PMCHK00000873	\$5,025.00
G 003388	SL001	San Luis Obispo Regional Trans	1/17/2023	CBT GENERAL	PMCHK00000873	\$305.00
G 003389	FE105	Drew Felder	2/14/2023	CBT GENERAL	PMCHK00000879	\$250.00
G 003390	FO115	City of Fort Bragg	2/14/2023	CBT GENERAL	PMCHK00000879	\$1,222.00
G 003391	YA100	Yumi Augustus	2/14/2023	CBT GENERAL	PMCHK00000879	\$565.18
G 003392	CA100	CAJPA	3/23/2023	CBT GENERAL	PMCHK00000886	\$5,250.00
G 003393	FO115	City of Fort Bragg	3/23/2023	CBT GENERAL	PMCHK00000886	\$499.00
G 003394	GI105	John Gillison	3/23/2023	CBT GENERAL	PMCHK00000886	\$223.06
G 003395	OA105	City of Oakley	3/23/2023	CBT GENERAL	PMCHK00000886	\$2,500.00
G 003396	SG100	San Gabriel Valley Mosquito an	3/23/2023	CBT GENERAL	PMCHK00000886	\$299.00
G 003397	TT100	Tahoe Transportation District	3/23/2023	CBT GENERAL	PMCHK00000886	\$344.53
G 003398	WH110	Bryan Whitemyer	3/23/2023	CBT GENERAL	PMCHK00000886	\$212.89

Total Checks:	27	Total Amount of Checks:	\$526,372.75
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Ranges:	From:	To:	From:	To:
Check Number	First	Last	Check Date	1/1/2023
Vendor ID	First	Last	Checkbook ID	CBT CLAIMS
Vendor Name	First	Last		CBT CLAIMS

Sorted By: Check Number

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
L 007598	EA100	City of Eastvale	1/17/2023	CBT CLAIMS	PMCHK00000875	\$25,000.00
L 007599	PA100	City of Pacific Grove	1/17/2023	CBT CLAIMS	PMCHK00000875	\$17,614.00
L 007600	PE110	City of Perris	1/17/2023	CBT CLAIMS	PMCHK00000875	\$3,956.00
L 007601	SK001	Skane Mills LLP	1/17/2023	CBT CLAIMS	PMCHK00000875	\$8,532.50
L 007602	SK001	Skane Mills LLP	1/17/2023	CBT CLAIMS	PMCHK00000875	\$9,261.50
L 007603	SC115	Southern California Labor Law	2/14/2023	CBT CLAIMS	PMCHK00000878	\$50,000.00
L 007604	BA115	City of Barstow	2/15/2023	CBT CLAIMS	PMCHK00000880	\$36,236.91
L 007605	LA101	Law Office of Lawrence J. Lenn	2/15/2023	CBT CLAIMS	PMCHK00000880	\$188,420.56
L 007606	PR110	Cindy Prothro	2/15/2023	CBT CLAIMS	PMCHK00000880	\$205,342.53
L 007607	AT125	Town of Atherton	3/22/2023	CBT CLAIMS	PMCHK00000884	\$24,597.15
L 007608	BR105	City of Brentwood	3/22/2023	CBT CLAIMS	PMCHK00000884	\$6,256.35
L 007609	CI100	City of Citrus Heights	3/22/2023	CBT CLAIMS	PMCHK00000884	\$10,019.94
L 007610	EA100	City of Eastvale	3/22/2023	CBT CLAIMS	PMCHK00000884	\$6,198.00
L 007611	MC130	McNicholas & McNicholas, LLP	3/22/2023	CBT CLAIMS	PMCHK00000884	\$40,000.00
L 007612	MI105	City of Mill Valley	3/22/2023	CBT CLAIMS	PMCHK00000884	\$3,601.87
L 007613	NO105	City of Novato	3/22/2023	CBT CLAIMS	PMCHK00000884	\$200,000.00
L 007614	PA140	Palm Springs Aerial Tramway	3/22/2023	CBT CLAIMS	PMCHK00000884	\$4,959.75
L EFT000587	BU125	Buchalter	1/17/2023	CBT CLAIMS	PMCHK00000874	\$13,219.50
L EFT000588	JA100	Jackson Lewis P.C.	1/17/2023	CBT CLAIMS	PMCHK00000874	\$392.00
L EFT000589	JA100	Jackson Lewis P.C.	1/17/2023	CBT CLAIMS	PMCHK00000874	\$2,608.00
L EFT000590	JA100	Jackson Lewis P.C.	1/17/2023	CBT CLAIMS	PMCHK00000874	\$7,487.52
L EFT000591	JA100	Jackson Lewis P.C.	1/17/2023	CBT CLAIMS	PMCHK00000874	\$664.50
L EFT000592	JA100	Jackson Lewis P.C.	1/17/2023	CBT CLAIMS	PMCHK00000874	\$2,911.00
L EFT000593	JA100	Jackson Lewis P.C.	1/17/2023	CBT CLAIMS	PMCHK00000874	\$4,278.50
L EFT000594	JA100	Jackson Lewis P.C.	1/17/2023	CBT CLAIMS	PMCHK00000874	\$552.50
L EFT000595	LI100	Liebert Cassidy Whitmore	1/17/2023	CBT CLAIMS	PMCHK00000874	\$716.50
L EFT000596	LI100	Liebert Cassidy Whitmore	1/17/2023	CBT CLAIMS	PMCHK00000874	\$3,518.15
L EFT000597	LI100	Liebert Cassidy Whitmore	1/17/2023	CBT CLAIMS	PMCHK00000874	\$22,629.90
L EFT000598	LI100	Liebert Cassidy Whitmore	1/17/2023	CBT CLAIMS	PMCHK00000874	\$3,729.00
L EFT000599	LI100	Liebert Cassidy Whitmore	1/17/2023	CBT CLAIMS	PMCHK00000874	\$32.50
L EFT000600	LI100	Liebert Cassidy Whitmore	1/17/2023	CBT CLAIMS	PMCHK00000874	\$736.50
L EFT000601	LI100	Liebert Cassidy Whitmore	1/17/2023	CBT CLAIMS	PMCHK00000874	\$8,059.00
L EFT000602	LI100	Liebert Cassidy Whitmore	1/17/2023	CBT CLAIMS	PMCHK00000874	\$11,007.00
L EFT000603	LO100	Lozano Smith, LLP	1/17/2023	CBT CLAIMS	PMCHK00000874	\$2,235.88
L EFT000604	LO100	Lozano Smith, LLP	1/17/2023	CBT CLAIMS	PMCHK00000874	\$5,871.34
L EFT000605	LO100	Lozano Smith, LLP	1/17/2023	CBT CLAIMS	PMCHK00000874	\$1,182.99
L EFT000606	LO100	Lozano Smith, LLP	1/17/2023	CBT CLAIMS	PMCHK00000874	\$130.00
L EFT000607	LO100	Lozano Smith, LLP	1/17/2023	CBT CLAIMS	PMCHK00000874	\$5,485.67
L EFT000608	LO100	Lozano Smith, LLP	1/17/2023	CBT CLAIMS	PMCHK00000874	\$32.50
L EFT000609	LO100	Lozano Smith, LLP	1/17/2023	CBT CLAIMS	PMCHK00000874	\$1,496.95
L EFT000610	RI105	Richards, Watson & Gershon	1/17/2023	CBT CLAIMS	PMCHK00000874	\$431.64
L EFT000611	RI105	Richards, Watson & Gershon	1/17/2023	CBT CLAIMS	PMCHK00000874	\$13.73
L EFT000612	RI105	Richards, Watson & Gershon	1/17/2023	CBT CLAIMS	PMCHK00000874	\$10,370.01
L EFT000614	BU125	Buchalter	2/14/2023	CBT CLAIMS	PMCHK00000877	\$39,629.50
L EFT000615	JA100	Jackson Lewis P.C.	2/14/2023	CBT CLAIMS	PMCHK00000877	\$11,928.35
L EFT000616	JA100	Jackson Lewis P.C.	2/14/2023	CBT CLAIMS	PMCHK00000877	\$14,442.52
L EFT000617	JA100	Jackson Lewis P.C.	2/14/2023	CBT CLAIMS	PMCHK00000877	\$2,761.50
L EFT000618	JA100	Jackson Lewis P.C.	2/14/2023	CBT CLAIMS	PMCHK00000877	\$833.50
L EFT000619	JA100	Jackson Lewis P.C.	2/14/2023	CBT CLAIMS	PMCHK00000877	\$5,410.50
L EFT000620	JA100	Jackson Lewis P.C.	2/14/2023	CBT CLAIMS	PMCHK00000877	\$1,311.50
L EFT000621	JA100	Jackson Lewis P.C.	2/14/2023	CBT CLAIMS	PMCHK00000877	\$1,764.38
L EFT000622	LI100	Liebert Cassidy Whitmore	2/14/2023	CBT CLAIMS	PMCHK00000877	\$7,926.50
L EFT000623	LI100	Liebert Cassidy Whitmore	2/14/2023	CBT CLAIMS	PMCHK00000877	\$3,041.50
L EFT000624	LI100	Liebert Cassidy Whitmore	2/14/2023	CBT CLAIMS	PMCHK00000877	\$786.50
L EFT000625	LI100	Liebert Cassidy Whitmore	2/14/2023	CBT CLAIMS	PMCHK00000877	\$1,960.75
L EFT000626	LI100	Liebert Cassidy Whitmore	2/14/2023	CBT CLAIMS	PMCHK00000877	\$79.50
L EFT000627	LI100	Liebert Cassidy Whitmore	2/14/2023	CBT CLAIMS	PMCHK00000877	\$11,563.00
L EFT000628	LI100	Liebert Cassidy Whitmore	2/14/2023	CBT CLAIMS	PMCHK00000877	\$177.00
L EFT000629	LI100	Liebert Cassidy Whitmore	2/14/2023	CBT CLAIMS	PMCHK00000877	\$2,222.50

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
L EFT000633	BU125	Buchalter	3/22/2023	CBT CLAIMS	PMCHK00000883	\$1,174.00
L EFT000634	BU125	Buchalter	3/22/2023	CBT CLAIMS	PMCHK00000883	\$2.00
L EFT000635	BU125	Buchalter	3/22/2023	CBT CLAIMS	PMCHK00000883	\$62.00
L EFT000636	BU125	Buchalter	3/22/2023	CBT CLAIMS	PMCHK00000883	\$3,304.96
L EFT000637	JA100	Jackson Lewis P.C.	3/22/2023	CBT CLAIMS	PMCHK00000883	\$5,556.10
* L EFT000638	JA100	Jackson Lewis P.C.	3/22/2023	CBT CLAIMS	PMCHK00000883	\$37,120.81
L EFT000639	JA100	Jackson Lewis P.C.	3/22/2023	CBT CLAIMS	PMCHK00000883	\$437.00
L EFT000640	JA100	Jackson Lewis P.C.	3/22/2023	CBT CLAIMS	PMCHK00000883	\$8,765.96
L EFT000641	JA100	Jackson Lewis P.C.	3/22/2023	CBT CLAIMS	PMCHK00000883	\$1,383.00
L EFT000642	JA100	Jackson Lewis P.C.	3/22/2023	CBT CLAIMS	PMCHK00000883	\$260.00
L EFT000643	LI100	Liebert Cassidy Whitmore	3/22/2023	CBT CLAIMS	PMCHK00000883	\$671.50
L EFT000644	LI100	Liebert Cassidy Whitmore	3/22/2023	CBT CLAIMS	PMCHK00000883	\$482.50
L EFT000645	LI100	Liebert Cassidy Whitmore	3/22/2023	CBT CLAIMS	PMCHK00000883	\$6,766.50
L EFT000646	LI100	Liebert Cassidy Whitmore	3/22/2023	CBT CLAIMS	PMCHK00000883	\$217.00
L EFT000647	LI100	Liebert Cassidy Whitmore	3/22/2023	CBT CLAIMS	PMCHK00000883	\$65.00
L EFT000648	LI100	Liebert Cassidy Whitmore	3/22/2023	CBT CLAIMS	PMCHK00000883	\$537.00
L EFT000649	LI100	Liebert Cassidy Whitmore	3/22/2023	CBT CLAIMS	PMCHK00000883	\$6,890.52
L EFT000650	LI100	Liebert Cassidy Whitmore	3/22/2023	CBT CLAIMS	PMCHK00000883	\$238.50
L EFT000651	LI100	Liebert Cassidy Whitmore	3/22/2023	CBT CLAIMS	PMCHK00000883	\$5,840.00
L EFT000652	LI100	Liebert Cassidy Whitmore	3/22/2023	CBT CLAIMS	PMCHK00000883	\$20,305.54
L EFT000653	LI100	Liebert Cassidy Whitmore	3/22/2023	CBT CLAIMS	PMCHK00000883	\$3,123.13
L EFT000654	LI100	Liebert Cassidy Whitmore	3/22/2023	CBT CLAIMS	PMCHK00000883	\$16,149.75
L EFT000655	LI100	Liebert Cassidy Whitmore	3/22/2023	CBT CLAIMS	PMCHK00000883	\$3,518.25
L EFT000656	LI100	Liebert Cassidy Whitmore	3/22/2023	CBT CLAIMS	PMCHK00000883	\$19,485.24
L EFT000657	LI100	Liebert Cassidy Whitmore	3/22/2023	CBT CLAIMS	PMCHK00000883	\$280.11
L EFT000658	LI100	Liebert Cassidy Whitmore	3/22/2023	CBT CLAIMS	PMCHK00000883	\$3,948.00
L EFT000659	LI100	Liebert Cassidy Whitmore	3/22/2023	CBT CLAIMS	PMCHK00000883	\$6,970.45
L EFT000660	LI100	Liebert Cassidy Whitmore	3/22/2023	CBT CLAIMS	PMCHK00000883	\$5,049.50
L EFT000661	LO100	Lozano Smith, LLP	3/22/2023	CBT CLAIMS	PMCHK00000883	\$1,601.00
L EFT000662	LO100	Lozano Smith, LLP	3/22/2023	CBT CLAIMS	PMCHK00000883	\$3,440.57
L EFT000663	LO100	Lozano Smith, LLP	3/22/2023	CBT CLAIMS	PMCHK00000883	\$65.00
L EFT000664	LO100	Lozano Smith, LLP	3/22/2023	CBT CLAIMS	PMCHK00000883	\$6,533.06
L EFT000665	LO100	Lozano Smith, LLP	3/22/2023	CBT CLAIMS	PMCHK00000883	\$10,281.35
L EFT000666	LO100	Lozano Smith, LLP	3/22/2023	CBT CLAIMS	PMCHK00000883	\$65.00
L EFT000667	LO100	Lozano Smith, LLP	3/22/2023	CBT CLAIMS	PMCHK00000883	\$1,497.00
L EFT000668	RI105	Richards, Watson & Gershon	3/22/2023	CBT CLAIMS	PMCHK00000883	\$28,915.89
L EFT000669	RI105	Richards, Watson & Gershon	3/22/2023	CBT CLAIMS	PMCHK00000883	\$11,446.83
L EFT000670	SK001	Skane Mills LLP	3/22/2023	CBT CLAIMS	PMCHK00000883	\$1,605.50
L EFT000671	SK001	Skane Mills LLP	3/22/2023	CBT CLAIMS	PMCHK00000883	\$11,588.50
L EFT000673	JA100	Jackson Lewis P.C.	3/24/2023	CBT CLAIMS	PMCHK00000888	\$37,120.81

Total Checks: 101

Total Amount of Checks: \$1,298,086.47

=====

From: Workman, Jeanette <Jeanette.Workman@Sedgwick.com>
Sent: Friday, January 20, 2023 9:32 PM
To: Jobe, Jennifer <Jennifer.Jobes@Sedgwick.com>
Cc: Davis, Danielle <Danielle.Davis3@sedgwick.com>; Phillips, Joan <Joan.Phillips@sedgwick.com>
Subject: CSJVRMA - Notice of Withdrawal from City of Lindsay

Hi Jeni,

I am writing to notify you, as the Executive Director for ERMA, the City of Lindsay has submitted notice of the city's intent to withdraw from the CSJVRMA effective June 30, 2023. Per our conversation today, I will notify the city that withdrawal from CSJVRMA will also terminate their membership in ERMA effective upon their withdrawal.

If you have any questions or need any additional information, please let us know.

Jeanette Workman | Director, Program Administration

Sedgwick

Sacramento, CA

DIRECT 916.244.1110 | CELL 916.995.9772

EMAIL jeanette.workman@sedgwick.com

www.sedgwick.com | Caring counts®



CITY OF LAGUNA HILLS

December 19, 2022

Jennifer Jobe, Executive Director
Employment Risk Management Agency
1750 Creekside Oaks Drive, Suite 200
Sacramento, CA 95833

RE: NOTICE OF WITHDRAWAL

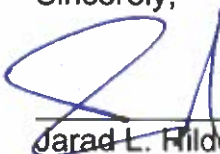
Dear Ms. Jobe:

The City of Laguna Hills (City) has been a member of the Employment Risk Management Authority (ERMA) since July 1, 2016. Recently, the City completed a review of its insurance and risk management programs to ensure that it is getting the best value for the provided services. The City has applied for membership with the California Joint Powers Insurance Authority and is currently in the underwriting process.

Accordingly, pursuant to Article XXI of the ERMA Joint Powers Agreement, I am providing the City of Laguna Hills' notice of withdrawal as a member of ERMA and the Joint Powers Agreement effective June 30, 2023.

Should you have any questions or wish to discuss this matter, please contact me at (949) 707-2615.

Sincerely,


Jarad L. Hildenbrand

ERMA PANEL OF APPROVED DEFENSE COUNSEL

(Effective April 2023)

<p><u>Jackson Lewis, P.C.</u></p> <p>Michael Christian Shane Larsen 400 Capitol Mall, Ste. 1600 Sacramento, CA 95814 (916) 288-3006</p> <p>Gina Roccanova Conor Dale 50 California Street, 9th Floor San Francisco, CA 94111 (415) 796-5417</p> <p>Jared L. Bryan 200 Spectrum Center Dr., Ste. 500 Irvine, CA 92618 (949) 885-1366</p>	<p><u>Liebert Cassidy Whitmore</u></p> <p>Morin I. Jacob 135 Main Street, 7th Floor San Francisco, CA 94105 (415) 512-3000</p> <p>Jesse Maddox Shelline Bennett Michael Youril 5250 N. Palm Avenue, Ste. 310 Fresno, CA 93704 (559) 256-7800; (559) 256-7813</p> <p>Geoffrey Sheldon Elizabeth Arce Jennifer Rosner Mark Meyerhoff 6033 W. Century Blvd, 5th Floor Los Angeles, CA 90045 (310) 981-2069; (310) 981-2000</p>	<p><u>Lozano Smith</u> <i>(Offices statewide)</i></p> <p>Mark Kitabayashi Mark Waterman 515 S. Figueroa St., Ste. 750 Los Angeles, CA 90071 (213) 929-1066</p> <p>Wiley R. Driskill 7404 North Spalding Fresno, CA 93720 (559) 431-5600</p> <p><u>Kreisberg Law Firm</u></p> <p>Edward L. Kreisberg 1900 S Norfolk Street, Ste. 350 San Mateo, CA 94403 (650) 248-2125</p>
<p><u>Carpenter, Rothans & Dumont</u></p> <p>Jill Williams 500 South Grand Ave., 19th Floor Los Angeles, CA 90071 (213) 228-0400</p>	<p><u>Skane Mills LLP</u></p> <p>Felicia Starr 1055 W. 7th Street, Ste. 1700 Los Angeles, CA 90017 (213) 452-1200</p>	<p><u>Richards, Watson & Gershon</u></p> <p>Rebecca Green 350 South Grand Ave., 37th Floor Los Angeles, CA 90071-3101 (213) 626-8484</p>
<p><u>Burke Williams & Sorensen</u></p> <p>Timothy L. Davis Sally T. Nguyen 60 South Market Str., Ste. 1000 San Jose, CA 95113 (408) 606-6317 (<i>Tim</i>) (408) 606-6311 (<i>Sally</i>)</p>	<p><u>Best Best & Krieger LLP</u> <i>(Offices statewide)</i></p> <p>Howard Golds Cynthia Germano 3390 University Avenue, 5th Floor Riverside, CA 92501 (951) 826-8339</p>	<p><u>Leone Alberts & Duus</u></p> <p>Katherine Alberts Brian Duus 1390 Willow Pass Road, Ste. 700 Concord, CA 94520 (925) 974-8600 x105</p>
<p><u>Buchalter P.C.</u></p> <p>Thomas O'Connell Kathryn B. Fox 655 W. Broadway, Ste. 1600 San Diego, CA 92101 (619) 219-6330</p> <p>Jennifer Misetich 1000 Wilshire Blvd., Ste. 1500 Los Angeles, CA 90017 (213) 891-5049</p>	<p><u>Bertrand, Fox, Elliot, Osman & Wenzel</u></p> <p>Tom Bertrand 2749 Hyde Street San Francisco, CA 94109 (415) 353-0999</p> <p>Ethan Lowry 1300 Clay Street, Ste. 58 Oakland, CA 94612 (510) 466-6380</p>	

BOARD DOCUMENT REVIEW SCHEDULE

I. Governing Documents				
Document Name	Origination	Last Review or Amendment	Next Scheduled Review	Description/Comments
1. Joint Powers Authority Agreement	June 1999	July 2020	As Needed	The joint powers agreement by and between member agencies. Any changes need to be signed by all JPA members
2. Bylaws	August 2005	April 2019	As Needed	Establishes the rules for governance
3. Memorandum of Coverage	June 1999	February 2023	June 2023	Provides coverage for pooled risk sharing
4. Master Program Document	June 1999	June 2021	As Needed	Sets forth the manner in which services shall be delivered to the membership
5. Financial Stability Plan	February 2012	February 2016	As Needed	Tool to provide long-term financial viability and sustainability
6. Investment Policy	August 1998	February 2023	February 2024	Applies to activities with regard to investing the Authority's financial assets

BOARD DOCUMENT REVIEW SCHEDULE

II. Resolutions/Policies (cont.)				
Document Name	Origination	Last Review or Amendment	Next Scheduled Review	Description/Comments
1. Resolution No. 1998-1	January 1998			Authorizing the President to Approve a Demand For Payment
2. Resolution No. 1998-3	March 1998			Establishing the Office of Assistant Treasurer
3. Resolution No. 1998-4	April 1998			Establishing an Investment Policy
4. Resolution No. 2001-1	January 2001			Establishing a Policy for Conference Attendance
5. Resolution No. 2004-3	March 2004			Canceling Obsolete Resolutions
6. Resolution No. 2005-4	April 2005			Establishing Guidelines for the Implementation for Risk Assessments of the Underlying ERMA Members
7. Resolution No. 2007-4	April 2007			Authorizing ERMA to Join with Other Public Agencies as a Participant of the CA Asset Management Trust and to Invest in Shares of the Trust and in Individual Portfolios
8. Resolution No. 2007-6	February 2006	June 2007		Establishing Implementation Deadlines for the Employee Practices Protection Program

BOARD DOCUMENT REVIEW SCHEDULE

II. Resolutions/Policies (cont.)				
Document Name	Origination	Last Review or Amendment	Next Scheduled Review	Description/Comments
9. Resolution No. 2010-3	March 2010			Retroactivity of 2010-11 Definition of "Occurrence" in Memorandum of Coverage
10. Resolution No. 2010-4	April 2010			Establishing a Records Retention Policy
11. Resolution No. 2015-1	January 2015			Precluding Existing Members Participating Through an ERMA Affiliated JPA from Applying for Individual Membership
12. Resolution No. 2015-2	February 2015			Appreciation for Services to Judy Hayes (CCHA)
13. Resolution No. 2016-1	January 2016			Appreciation for Services to Craig Downs (VCJPA)
14. Resolution No. 2016-2	November 2016			Appreciation to Debra Stutsman (BCJPIA)
15. Resolution No. 2016-3	November 2016			Appreciation to Florice Lewis (OHA))
16. Resolution No. 2016-8	August 2016			Appreciation for Services to Dan Weakley (BCJPIA)

BOARD DOCUMENT REVIEW SCHEDULE

II. Resolutions/Policies (cont.)				
Document Name	Origination	Last Review or Amendment	Next Scheduled Review	Description/Comments
17. Resolution No. 2017-2	November 2017			Regarding an Underwriting Policy and Related Processes
18. Resolution No. 2017-3	March 2017			Electronic Data Security and Disaster Recovery
19. Resolution No. 2017-4	February 2017			Travel and Expense Policy
20. Resolution No. 2017-5	May 2017			Establishing Guidelines Regarding Members Self-Insured Retentions
21. Resolution No. 2018-4	January 2011	April 2018		Establishing Target Performance Standards and Assistance Program
22. Resolution No. 2018-5	April 2004			Establishing Approval for Payments to Vendors
23. Resolution No. 2020-3	March 2014	June 2020		Establishing a Litigation Management Program
24. Resolution No. 2021-5	May 2005	February 2021		Requiring Members to Provide Proof of Compliance with Training Mandated by State Law

BOARD DOCUMENT REVIEW SCHEDULE

II. Resolutions/Policies (cont.)				
Document Name	Origination	Last Review or Amendment	Next Scheduled Review	Description/Comments
25. Resolution No. 2021-7	November 2021			Establishing Criteria for Approval of Investigators <i>Previous iterations: 3-2007, 1-2014, 4-2014, 3-2018</i>
26. Resolution No. 2022-1	April 2022			Establishing Meeting Dates for the 2022/23 Fiscal Year
27. Resolution No. 2022-2	May 2016	April 2022		Establishing Criteria for Adding and Removing Defense Counsel to the Panel of Approved Attorney Firms <i>Previous iterations: 3-1999, 3-2000, 2-2003, 4-2004, 5-2016</i>
28. Resolution No. 2022-3	April 2022			Requiring Coverage Appeals Involving Discussion of Facts and Legal Opinions Covered by the Attorney-Client and Work Product Privilege to be Held in Closed Session
29. Resolution No. 2022-5	June 1998	June 2022		Establishing All Bank Accounts and Authorized Signatures <i>Previous iterations: 6-1998, 6-1999, 4-2016, 2-2021, 4-2022</i>
30. Resolution No. 2022-6	February 2023			Authorizing Investment of Monies in the Local Agency Investment Fund
31. Resolution No. 2022-7	February 2023			Establishing a Claim Administration Conflict of Interest Policy
32. Resolution No. 2022-8	April 2023			Establishing Meeting Dates for the 2023/24 Fiscal Year

BOARD DOCUMENT REVIEW SCHEDULE

33. Resolution No. 2022-9	April 2023			Appreciation for Services to Roger Carroll (SCORE)
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III. Operational Documents				
Document Name	Origination	Last Review or Amendment	Next Scheduled Review	Description/Comments
1. Underwriting Guidelines	April 2010	June 2022		Document sets the “rules” used to underwrite coverage, including the methodology by which rates will be set

BOARD DOCUMENT REVIEW SCHEDULE

IV. Contracts and Agreements				
Service Provider	Origination	Last Review or Amendment	Next Scheduled Review	Description/Comments
1. Bickmore Actuarial	January 2010	January 2020	April 2023	Actuarial services and annual study <i>Current term: 7/1/2020 – 6/30/2023</i>
2. Alliant	July 2007	April 2021	April 2024	Broker of record relationship for reinsurance and other insurance placed <i>Current term: 7/1/2021 – 6/30/2024</i>
3. Farley Consulting Services	March 2012	July 2017	November 2023	Claims auditing services <i>Current term: 7/1/2018 – 6/30/2023</i>
4. iLearningEngines (f.k.a. <i>in2vate</i>)	June 1999	November 2021	November 2024	Online training platform and reporting protection line for members <i>Current term: 9/1/2021 – 8/31/2024</i>
5. Jackson Lewis & Liebert Cassidy Whitmore	July 1999	April 2020	April 2023	Training, 24/7 hotline, legal updates and litigation services <i>Current term: 7/1/2020 – 6/30/2023</i>
6. Sampson, Sampson & Patterson	June 2007	February 2022	February 2024	Financial audit services <i>Current term: 7/1/2022 – 6/30/2024</i>
7. Sedgwick	May 2002	June 2019	April 2023	Pool administration, finance, accounting, and litigation management services <i>Current term: 7/1/2018-6/30/2023</i>
8. Doug Alliston	July 2022			Board & Coverage Counsel services <i>Current term: 7/1/22 – terminated by mutual agreement</i>

BOARD DOCUMENT REVIEW SCHEDULE

V. Audits and Recognition				
Classification	Origination	Last Review or Amendment	Next Review	Description/Comments
1. Actuarial Study		April 2022	April 2023	Independent actuarial audit and study performed annually.
2. Financial Audit		November 2022	November 2023	Independent financial audits performed annually.
3. California Association of Joint Powers Authority Accreditation		August 2020	August 2023	Ensures quality and professional standards for risk management pools.
4. Claims Audit		April 2021	June 2023	Independent claims audits performed biennially.

Agenda Item 5.A.

PRESENTATION

SUBJECT: **Draft Resolution 2022-9, Expressing Appreciation for the Honorable Service Provided to ERMA by Roger Carroll, Director of Finance, Town of Loomis (SCORE)**
 Presented by John Gillison, ERMA President

RECOMMENDATION: *Staff recommends the Board of Directors approve Resolution 2022-9, Expressing Appreciation for the Honorable Service Provided to ERMA by Roger Carroll, Director of Finance, Town of Loomis (SCORE).*

BACKGROUND AND STATUS:

Roger Carroll, Town of Loomis, has served as a member of the ERMA Board of Directors on behalf of Small Cities Organized Risk Effort (SCORE) since June 22, 2012. Time is reserved for the Board to memorialize a record of appreciation for Mr. Carroll's years of service and valuable contributions to ERMA's continued growth and success.

Sean Rabè, Town Manager for the Town of Loomis, will be in attendance to accept the Resolution honoring Mr. Carroll.

REFERENCE MATERIALS ATTACHED:

- Draft Resolution 2022-9, Expressing Appreciation for the Honorable Service Provided to ERMA by Roger Carroll, Director of Finance, Town of Loomis (SCORE)

DRAFT RESOLUTION NO. 2022-9

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
EMPLOYMENT RISK MANAGEMENT AUTHORITY
EXPRESSING APPRECIATION FOR THE HONORABLE SERVICE PROVIDED TO ERMA BY
MR. ROGER CARROLL, DIRECTOR OF FINANCE, TOWN OF LOOMIS (SCORE)**

WHEREAS, Small Cities Organized Risk Effort serves as one of the earliest members of the Employment Risk Management Authority; and

WHEREAS, Mr. Roger Carroll, Director Finance for the Town of Loomis, has been a valuable contributing member to ERMA and its Board of Directors on behalf of the Small Cities Organized Risk Effort since June 22, 2012.

NOW, THEREFORE, BE IT RESOLVED THAT:

In recognition of Mr. Carroll's exceptional service to ERMA, the Board of Directors makes a permanent record of their sincere appreciation and gratitude for Mr. Carroll's dedication and service, and thanks Mr. Carroll's family and his colleagues for his many contributions to the success of the Authority.

This Resolution was adopted by the Board of Directors at a regular meeting of the Board on April 25, 2023, by the following vote:

AYES _____
NOES _____
ABSTAIN _____

PRESIDENT

ATTEST:

BOARD SECRETARY

FINANCIAL MATTERS

SUBJECT: Actuarial Study and Rates for the 2023/24 Program Year
Presented by Derek Burkhalter, Bickmore Actuarial

RECOMMENDATION: *Staff recommends the Board of Directors accept and file the actuarial study, as presented.*

BACKGROUND AND STATUS:

Enclosed is the draft actuarial study conducted by Bickmore Actuarial, dated April 7, 2023. Derek Burkhalter, Bickmore Actuarial, will present the results of the analysis and answer questions from the Board.

The actuarial analysis consists of two main components. Part one is a review of the estimates of the ultimate liabilities of the program as of June 30, 2023. Part two is the loss forecasting analysis that determines the appropriate contribution rates for the 2023/24 program year.

ULTIMATE LOSS ESTIMATES: ERMA's ultimate loss estimates for all open program years decreased by \$2.1 million. The following chart shows the change in ultimate loss estimates by program year.



Agenda Item 6.A., Page 2

2023/24 FUNDING RATES: The 2023/24 program year funding rates are set at the 80% confidence level (CL) and discounted using a 1.50% interest rate assumption. Staff met with ERMA's investment advisor and consulting actuary on March 9, 2023, to review the current and projected earnings rates and the duration of the program's liabilities to determine whether an adjustment to the discount rate was warranted. It was determined ERMA would maintain the 1.50% discount rate based upon forecasted investment earnings.

The pooling rate required to collect at the 80% CL for the upcoming 2023/24 program year at the \$50,000 retention is \$0.555 (per \$100 of payroll), a decrease of 7.81% from the prior year.

REFERENCE MATERIALS ATTACHED:

- Actuarial Study dated April 7, 2023, prepared by Bickmore Actuarial



Actuarial Review of the Self-Insured Employment Practices Liability Program

*Outstanding Liabilities as of June 30, 2023
Forecast for Program Year 2023-24*

Presented to
Employment Risk Management Authority

April 7, 2023 - DRAFT

SCOPE AND SIGNATURE

Employment Risk Management Authority (“ERMA”) has engaged Bickmore Actuarial to conduct an actuarial review of unpaid loss and loss adjustment expenses for claims that occurred on or before June 30, 2023 for its self-insured employment practices liability program utilizing data valued as of December 31, 2022. ERMA also seeks guidance on the appropriate funding level for claims to be incurred during the upcoming program year.

The specific objectives of the study are:

1. Estimate ERMA’s net liability for outstanding claims as of June 30, 2023. Liabilities net of reinsurance are presented on both an undiscounted basis as well as a discounted basis. The net liabilities are also presented at the expected level (i.e. without a risk margin) and with risk margins, which are quantified via confidence levels. The net liabilities include provisions for loss, allocated loss adjustment expense (ALAE), and unallocated loss adjustment expense (ULAE). ALAE and ULAE are defined in the Glossary section of this report.
2. Project ultimate claims costs for the 2023-24 and program year. Similar to the liability projections, the ultimate program year costs are presented on both undiscounted and discounted bases. Projections with and without risk margins are also included.
3. Provide a statement of compliance with Governmental Accounting Standards Board Statement #10.

We appreciate the opportunity to be of service to ERMA in preparing this report. Please feel free to call Mark Priven at (916) 244-1161 or Derek Burkhalter at (916) 244-1167 with any questions you may have concerning this report.

Mark Priven and Derek Burkhalter meet the Casualty Actuarial Society continuing education requirements and the American Academy of Actuaries’ qualification standards to sign Statements of Actuarial Opinion.

DRAFT

Mark Priven, FCAS, MAAA
Vice President and Principal

DRAFT

Derek Burkhalter, ACAS, MAAA
Senior Actuarial Manager

DRAFT

York Lee
Senior Actuarial Analyst

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EXECUTIVE SUMMARY

Net Claim Liabilities

The following table presents our conclusions regarding ERMA's net claim liabilities.

Loss & LAE Claim Liabilities
As of June 30, 2023, Net of Reinsurance and Member Deductibles

Dollars (\$000s)	Expected ¹	← Confidence Level →				
		70%	75%	80%	85%	90%
Loss & ALAE	\$18,357	\$21,055	\$21,936	\$22,964	\$24,231	\$25,975
Claims Admin. (ULAE)	918	1,053	1,097	1,148	1,212	1,299
Total Loss & LAE	\$19,275	\$22,108	\$23,033	\$24,113	\$25,443	\$27,274
NPV Adjustment ²	(526)	(603)	(628)	(658)	(694)	(744)
Discounted Loss & LAE	\$18,749	\$21,505	\$22,405	\$23,455	\$24,749	\$26,530
Short Term ³	\$6,215	\$7,129	\$7,427	\$7,775	\$8,204	\$8,794
Long Term ³	12,534	14,377	14,978	15,680	16,545	17,736

¹ Expected values represent the "best actuarial" or "central" estimate.

² Net present value is based on an annual discount rate of 1.5%.

³ Short term liabilities are projected to be paid within 12 months of the accounting date. Long term liabilities are projected to be paid after 12 months.

The estimated liability for unpaid loss and LAE in this report assumes a 1.5% discount rate. We provide factors to use for various interest assumptions in the following table. For example, the estimated liability for unpaid loss and ALAE using a 2.0% interest assumption at the expected confidence level as of June 30, 2023 is the discounted loss and LAE amount of \$18,749,000 multiplied by the 0.991 factor.

Interest Rate Assumption	Factor for June 30, 2023 Estimate
1.50%	1.000
1.75%	0.995
2.00%	0.991

The following graph displays the comparison of the program's net claim liabilities and assets as of June 30, 2023 as shown on the prior page.

Loss & LAE Claim Liabilities and Assets
 As of June 30, 2023, Net of Reinsurance and Member Deductibles
 (\$'000s)



We generally recommend that risk pools maintain funding above the 90% confidence level. Proper funding levels vary based on many issues such as the organization's risk tolerance and financial circumstances. All of these items should be considered when determining a surplus target, which may significantly exceed the 90% confidence level. A detailed assessment of an appropriate surplus target is beyond the scope of this study.

Statement of Compliance with GASB #10

The outstanding liabilities presented in this section that include claims administration costs comply with the requirements promulgated by GASB #10.

Funding Projections

The following table presents our estimates of ultimate costs for the upcoming program year.

Projected Ultimate Costs
Fiscal Year 2023-24

Dollars (\$000s) ²	Confidence Level					
	Expected ¹	← 70%	75%	80%	85%	→ 90%
Loss & ALAE	\$7,025	\$8,837	\$9,420	\$10,108	\$10,965	\$12,103
<u>Claims Admin. (ULAE)³</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Loss & LAE	\$7,025	\$8,837	\$9,420	\$10,108	\$10,965	\$12,103
NPV Adjustment ⁴	(312)	(392)	(418)	(449)	(487)	(538)
Discounted Loss & LAE	\$6,713	\$8,445	\$9,002	\$9,660	\$10,478	\$11,566
<hr/>						
<u>Total Funding Rate⁵</u>						
Before JPA Credit	\$0.386	\$0.486	\$0.518	\$0.555	\$0.603	\$0.665
After JPA Credit	0.353	0.444	0.473	0.507	0.550	0.608

¹ Expected values represent the “best actuarial” or “central” estimate.

² Dollar amounts reflect layer of loss between anticipated member deductibles and ERMA retention (\$1,000,000).

³ Not included.

⁴ Net present value is based on an annual discount rate of 1.5%.

⁵ Rate is per \$100 of payroll. Rates reflect layer of loss between baseline member deductible (\$50,000) and ERMA retention (\$1,000,000).

The recommended funding in this report assumes a 1.5% discount rate. In the following table, we provide factors to use for various interest assumptions. For example, the recommended 2023-24 funding using a 2.0% interest assumption at the expected confidence level is the discounted recommended funding rate times the 0.985 factor.

Interest Rate Assumption	Factor for 2023-24 Estimate
1.50%	1.000
1.75%	0.993
2.00%	0.985

BACKGROUND

ERMA began its self-insured employment practices liability program on July 1, 1999. Its current self-insured retention is \$1,000,000, net of a baseline \$50,000 deductible from its members. Alternative member deductible amounts include \$25,000, \$75,000, \$100,000, \$250,000 and \$500,000.

The following table shows a history of ERMA's employment practices liability program.

Coverage Period	Layer Between Retention and \$1,000,000	Coverage Excess of \$1,000,000
7/1/99-6/30/02	Quota Share: 75% ERMA 25% Commercial Coverage	Commercial Coverage \$9,000,000 Excess of \$1,000,000
7/1/02-6/30/04	No Quota Share: 100% ERMA	Commercial Coverage \$4,000,000 Excess of \$1,000,000
7/1/04-6/30/10	No Quota Share: 100% ERMA	No Commercial Coverage
7/1/10-6/30/18	No Quota Share: 100% ERMA	Optional Commercial Coverage \$1,000,000 Excess of \$1,000,000
7/1/18-Current	No Quota Share: 100% ERMA	Optional Commercial Coverage \$2,000,000 Excess of \$1,000,000

With regard to the contribution rates, ERMA offers a credit for members that participate through JPAs. The credit is equal to 0.10 times the percentage of the JPA that participates in ERMA. For example, if 50% of a JPA (as measured by payroll) participates in ERMA, then each member of that JPA would receive a 5% ERMA rate credit ($5\% = 0.10 \times 50\%$). This credit applies to the overall rate that includes loss, loss adjustment expense, safety, administration, and other costs.

Additional background on the program is given in Appendix K.

OBSERVATIONS AND ANALYSIS

In this section, we present a comparison to the prior analysis as well as an overview of claims trends that we have observed. The prior report for ERMA was dated April 4, 2022 and relied on data evaluated as of December 31, 2021. The current analysis relies on data evaluated as of December 31, 2022.

Comparison of Actual versus Expected Activity

The following tables describe how paid and reported losses have emerged between the two points in time referenced above. We also compare how our projected ultimate loss & ALAE amounts have changed between these two points in time.

Actual Versus Expected Incurred Loss & ALAE¹
Prior vs. Current Reports
(\$000s)

Fiscal Year	Expected Emergence	Actual ² Emergence	Actual Minus Expected Emergence
Prior	\$0	\$0	\$0
2002-03	0	0	0
2003-04	0	0	0
2004-05	0	0	0
2005-06	0	0	0
2006-07	0	0	0
2007-08	0	0	0
2008-09	0	0	0
2009-10	0	0	0
2010-11	0	0	0
2011-12	0	0	0
2012-13	0	4	4
2013-14	0	0	0
2014-15	41	146	105
2015-16	0	0	0
2016-17	115	(103)	(218)
2017-18	205	254	49
2018-19	375	943	568
2019-20	2,156	2,497	340
2020-21	2,306	328	(1,978)
2021-22	592	180	(412)
Total	\$5,790	\$4,249	(\$1,541)

¹ Loss & ALAE are limited to ERMA's self-insured retention and net of member deductibles.

² Includes development between 12/31/22 and 4/5/23 on three large claims from 18-19 & 19-20.

Actual Versus Expected Paid Loss & ALAE¹
 Prior vs. Current Reports
 (\$000s)

Fiscal Year	Expected Payments	Actual ² Payments	Actual Minus Expected Payments
Prior	\$0	\$0	\$0
2002-03	0	0	0
2003-04	0	0	0
2004-05	0	0	0
2005-06	0	0	0
2006-07	0	0	0
2007-08	0	0	0
2008-09	0	0	0
2009-10	0	0	0
2010-11	0	0	0
2011-12	0	0	0
2012-13	0	4	4
2013-14	0	0	0
2014-15	67	95	28
2015-16	0	0	0
2016-17	705	581	(124)
2017-18	488	503	14
2018-19	1,527	511	(1,016)
2019-20	1,736	987	(749)
2020-21	981	341	(639)
2021-22	72	86	14
Total	\$5,577	\$3,108	(\$2,469)

¹ Loss & ALAE are limited to ERMA's self-insured retention and net of member deductibles.

² Includes development between 12/31/22 and 4/5/23 on three large claims from 18-19 & 19-20.

Change in Projected Ultimate Loss & ALAE¹
Prior vs. Current Reports
(\$000s)

Fiscal Year	Prior Ultimate	Current Ultimate	Change in Ultimate
Prior	\$5,348	\$5,348	\$0
2002-03	2,993	2,993	0
2003-04	1,973	1,973	0
2004-05	6,417	6,417	0
2005-06	3,616	3,616	0
2006-07	5,811	5,811	0
2007-08	3,528	3,528	0
2008-09	1,212	1,212	0
2009-10	3,282	3,282	0
2010-11	1,826	1,826	0
2011-12	1,917	1,917	0
2012-13	1,878	1,882	4
2013-14	2,211	2,211	0
2014-15	4,149	4,255	106
2015-16	3,217	3,217	0
2016-17	3,245	3,013	(233)
2017-18	4,620	4,641	21
2018-19	4,334	4,513	179
2019-20	4,788	4,799	10
2020-21	6,111	4,367	(1,744)
2021-22	6,563	5,617	(946)
Total	\$79,037	\$76,435	(\$2,602)

¹ Projected ultimate loss & ALAE are limited to ERMA's self-insured retention and net of member deductibles, at expected (no risk margin), and not discounted to reflect net present value.

Comparison of Liabilities: Prior vs. Current Reports

The table below compares our prior report's estimated liability for outstanding claims by component as of June 30, 2022 to our current report's estimated liability for outstanding claims as of June 30, 2023.

Change in Claims Liabilities At Expected (without Risk Margin), Net of Reinsurance and Member Deductibles				
Dollars (\$000s)	Prior Report at 6/30/2022	Current Report at 6/30/2023	Dollar Change	Percent Change
Case Reserves ¹	\$3,948	\$4,928	\$981	24.8%
IBNR ²	14,238	13,429	(809)	-5.7%
Claims Administration	909	918	9	0.9%
Total (Undiscounted)	\$19,095	\$19,275	\$180	0.9%
NPV Adjustment ³	(529)	(526)	3	-0.6%
Total (Discounted)	\$18,566	\$18,749	\$183	1.0%

¹ Established by the claims administrator.

² IBNR: Incurred But Not Reported for development beyond the case reserves.

³ Net present value is based on an annual discount rate of 1.5%.

The table below reconciles our prior report's estimated liability for outstanding claims as of June 30, 2022 to our current report's estimated liability for outstanding claims as of June 30, 2023.

Reconciliation of Claims Liabilities At Expected (without Risk Margin), Net of Reinsurance and Member Deductibles	
	Dollars (\$000s)
(A) Prior 6/30/2022 Discounted Loss & LAE Liabilities	\$18,566
(B) Change in Ultimate Loss & ALAE (AY 2021-22 and Prior)	(2,602)
(C) Current AY 2022-23 Estimated Ultimate Loss & ALAE	6,114
(D) Paid Loss & ALAE in 2022-23	(3,341)
(E) Change in ULAE	9
(F) Change in Net Present Value	3
(G) Current 6/30/2023 Discounted Loss & LAE Liabilities	\$18,749

Comparison of Funding Projections: Prior vs. Current Reports

The following table compares our funding estimate for the 2022-23 year from our prior report to our funding estimate of the 2023-24 year from our current report.

Change in Funding Estimates
At Expected (without Risk Margin), Net of Reinsurance

Dollars (\$000s) ²	Prior Report ¹ 2022-23	Current Report ¹ 2023-24	Dollar Change	Percent Change
Ultimate Loss and ALAE	\$6,918	\$7,025	\$107	1.5%
<u>Claims Administration (ULAE)³</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>n/a</u>
Total Loss & LAE (Undiscounted)	\$6,918	\$7,025	\$107	1.5%
<u>NPV Adjustment⁴</u>	<u>(307)</u>	<u>(312)</u>	<u>(5)</u>	<u>1.5%</u>
Total Loss & LAE (Discounted)	\$6,611	\$6,713	\$102	1.5%
Rate Before JPA Credit ⁵	\$0.418	\$0.386	(\$0.032)	-7.7%
Rate After JPA Credit ⁵	0.383	0.353	(0.030)	-7.8%

¹ The SIR in both the prior and current reports is \$1,000,000.

² Dollar amounts reflect layer of loss between anticipated member deductibles and ERMA retention (\$1,000,000).

³ Not included.

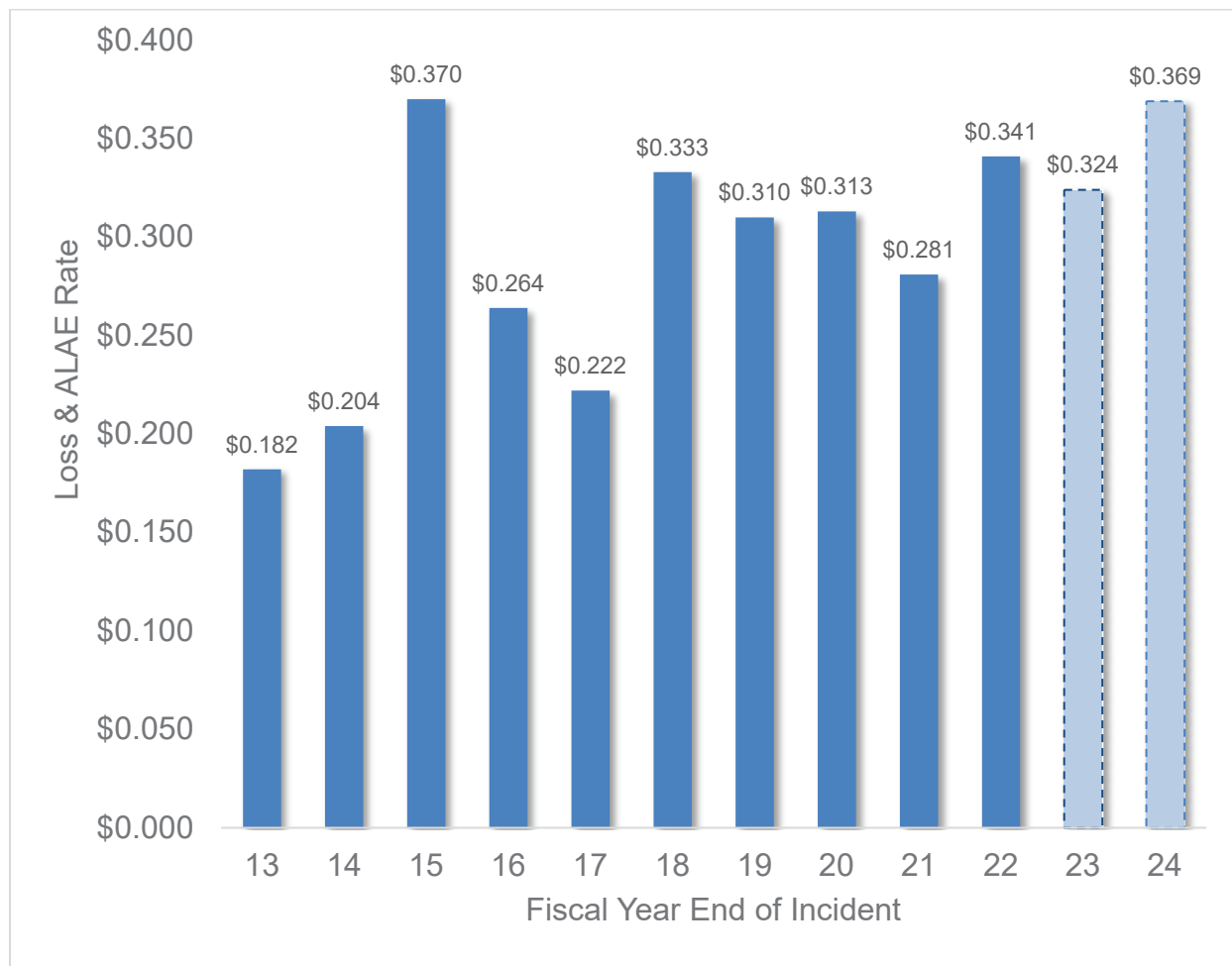
⁴ Net present value is based on an annual discount rate of 1.5%.

⁵ Rate is per \$100 of payroll. Rates reflect layer of loss between baseline member deductible (\$50,000) and ERMA retention (\$1,000,000).

Loss Rate Trend

We have evaluated the trend in ERMA's projected ultimate loss & ALAE rate. This rate equals projected ultimate loss and ALAE (limited to the SIR) divided by payroll in \$100s, as displayed in the following graph.

Loss & ALAE Rate Trend¹
 Ultimate Loss & ALAE / Payroll (\$100s)

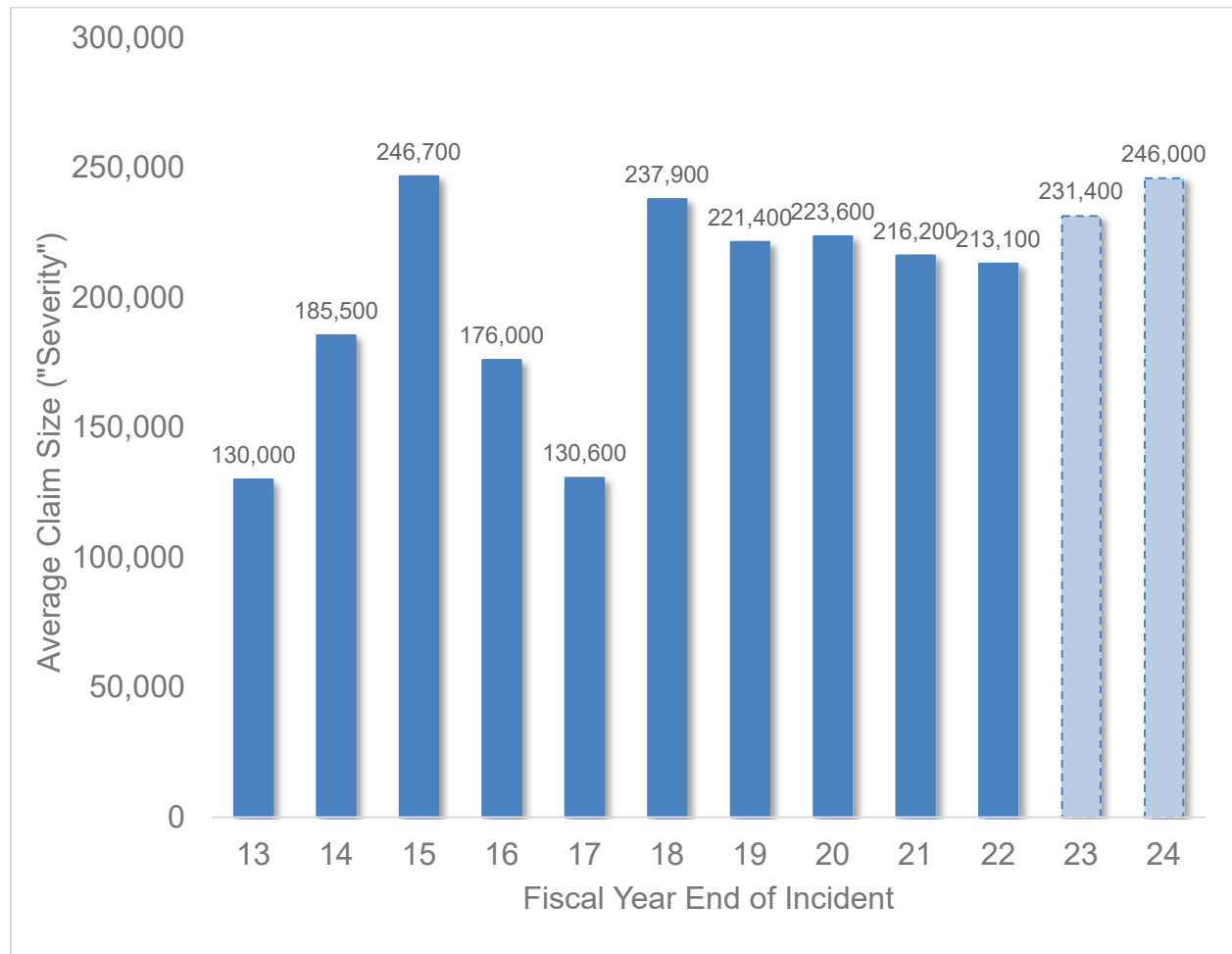


¹ Loss & ALAE are limited to ERMA's self-insured retention and net of member deductibles, at expected (no risk margin) and are not discounted to reflect net present value.

Average Claim Size (Severity) Trend

We have evaluated the trend in ERMA's projected ultimate claim size (or "severity"). The ultimate claim size equals projected ultimate loss & ALAE (limited to the SIR) divided by the projected ultimate number of reported claims, as displayed in the following graph.

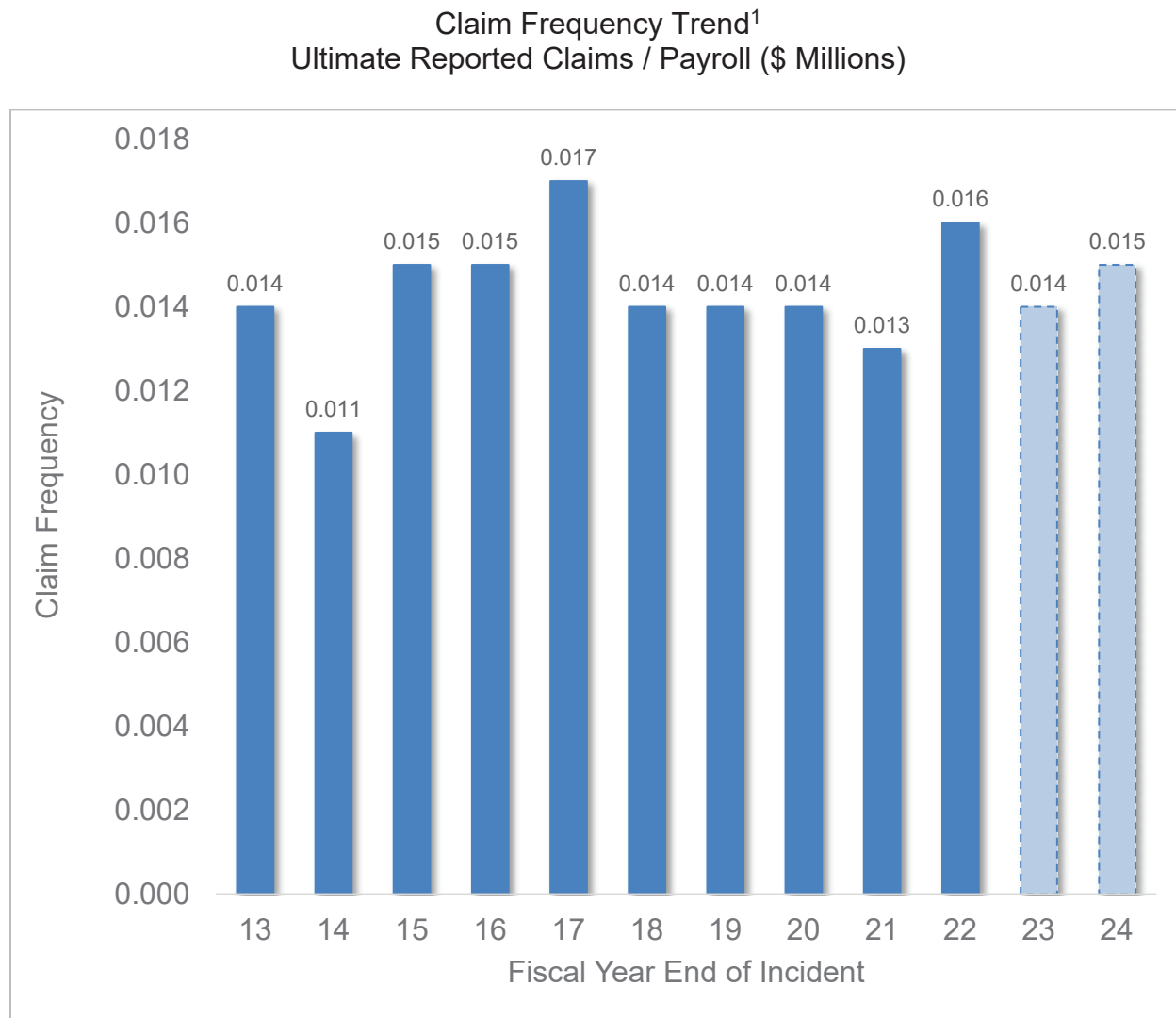
Average Claim Size Trend¹
Ultimate Loss & ALAE / Ultimate Reported Claims



¹ Loss & ALAE are limited to ERMA's self-insured retention and net of member deductibles, at expected (no risk margin) and are not discounted to reflect net present value.

Claim Frequency Trend

We have evaluated the trend in ERMA's claim frequency. The claim frequency equals projected ultimate number of reported claims divided by payroll in \$ millions, as displayed in the following graph.



¹ Number of claims in ERMA layer.

Loss and LAE Liabilities by Category

The following table shows the categories that compose our ultimate loss & LAE liability estimates.

Loss & ALAE Liabilities by Category and Year¹
As of June 30, 2023, Net of Reinsurance and Member Deductibles
(\$000s)

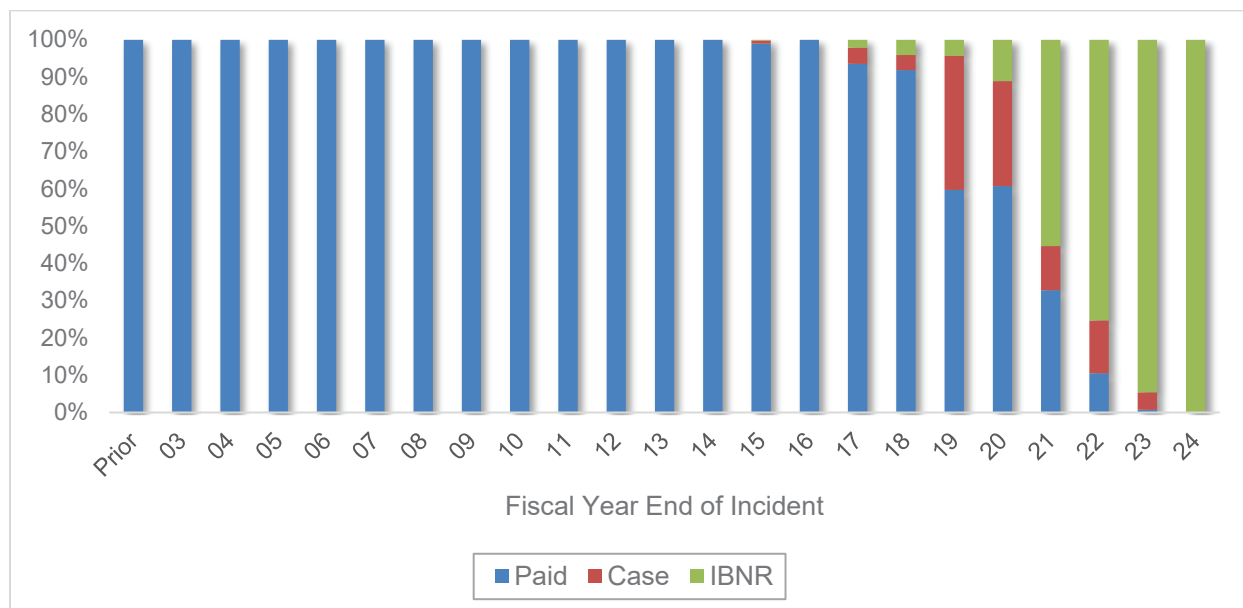
Fiscal Year	Case Reserves	Incurred but Not Reported (IBNR)	Total Liabilities
Prior	\$0	\$0	\$0
2002-03	0	0	0
2003-04	0	0	0
2004-05	0	0	0
2005-06	0	0	0
2006-07	0	0	0
2007-08	0	0	0
2008-09	0	0	0
2009-10	0	0	0
2010-11	0	0	0
2011-12	0	0	0
2012-13	0	0	0
2013-14	0	0	0
2014-15	36	8	45
2015-16	0	0	0
2016-17	130	65	195
2017-18	188	191	379
2018-19	1,621	197	1,819
2019-20	1,350	534	1,884
2020-21	518	2,418	2,936
2021-22	796	4,232	5,027
2022-23	<u>288</u>	<u>5,784</u>	<u>6,072</u>
Total Loss & ALAE	\$4,928	\$13,429	\$18,357
<u>ULAE</u>	<u>n/a</u>	<u>918</u>	<u>918</u>
Total Loss & LAE	\$4,928	\$14,346	\$19,275

¹ Loss & ALAE liabilities are limited to ERMA's self-insured retention and net of member deductibles, at expected (no risk margin), and not discounted to reflect net present value.

Losses by Component

The following graphs illustrate our selected ultimate loss and ALAE amount for each accident year, and segregates each ultimate into its component parts of (1) amounts already paid, (2) amounts already reserved for individual claims, and (3) IBNR reserves to cover both unreported claims as well as any adverse development on known claims.

Ultimate Loss & ALAE by Component
Net of Reinsurance and Member Deductibles
As of June 30, 2023¹



¹ Projected 2023-24 year is informational and displayed for comparison purposes.

METHODOLOGY

The methodology that we have used to estimate ultimate Loss & LAE liabilities is in accordance with standard actuarial principles. The 6-step process described below outlines the methods used to calculate the liabilities.

1. Estimate Ultimate Loss & ALAE: The ultimate value of losses associated with a given policy year is usually not known until many years after the policy year has expired. One estimate of future payments for a given policy year is the case reserve. However, to accurately project future payments for a given policy year, we also calculate indicated IBNR reserves that consider the following three factors:

- The amount that case reserves are redundant or deficient.
- Losses that occurred during the policy period but have not yet been reported. This is called “Pure IBNR”.
- Future payments on claims which are closed but will reopen in the future.

Ultimate loss & ALAE projections are developed for costs limited to the retention. Loss development factors are primarily based on ERMA’s own historical experience supplemented with industry data. The following methods are used to estimate ultimate loss & ALAE:

- Reported Loss Development: Includes paid losses and case reserves.
- Paid Loss Development: Based on payments only.
- Reported Exposure Method: This calculates IBNR based on expected ultimate loss times an IBNR factor. For the first layer of losses, the expected ultimate loss is based on exposure times initial loss rates. These loss rates are based on historical losses in that layer developed to ultimate using loss development factors. The loss rates in the higher layer incorporate increased limits factors based on ERMA’s historical losses and industry data. Where appropriate, historical data is adjusted for both claims and exposure trend, to reflect issues such as inflation, benefit level changes, and legal changes.
- Paid Exposure Method: This calculates unpaid costs based on expected ultimate loss times an unpaid factor. The loss rates are identical to those utilized in the reported exposure method.
- Frequency x Severity: This calculates ultimate costs based on expected ultimate severity and expected ultimate frequency derived from historical experience.

2. Select Ultimate Loss & ALAE: Based on the indicated ultimate loss and ALAE from the various methods described previously, the ultimate losses by year are selected.
3. Calculate Expected Undiscounted Unpaid Loss & ALAE: Unpaid loss & ALAE equals ultimate Loss & ALAE (calculated in step #2, above) minus payments to date.
4. Discounting/Net Present Value: Since payments associated with claims liabilities will be spread out over several years, they are discounted to reflect anticipated investment income on the assets set aside to pay these costs. The expected Loss & ALAE payout pattern is based on the paid loss development factors previously described.
5. Claims Administration: We have assumed that the liability for unpaid unallocated loss adjustment expenses (ULAE) for claims administration will be 5% of the liability for unpaid loss and allocated loss adjustment expenses (ALAE). No provision for ULAE is included with the projected costs for 2023-24.
6. Confidence Levels: The “expected” estimate of unpaid Loss & ALAE is our best estimate given current information. However, there is uncertainty inherent in the claims settlement process. This uncertainty is quantified via confidence levels. For example, we believe that future payments have a 75% chance of being less than the liabilities at the 75% confidence level and have only a 25% chance of exceeding the 75% confidence level estimates. The confidence levels are based on the Heckman Meyers approach.

CONSIDERATIONS AND KEY ASSUMPTIONS

Several considerations should be taken into account when evaluating property/casualty claim liabilities and funding projections for upcoming years. The following is a list of issues that we have considered in this report, along with some key assumptions that we have made.

Data

Data Quality: Our analysis is based on loss experience, exposure data, and other general and specific information provided to us by or on behalf of ERMA. While we have not independently audited or verified this information, we have reviewed it for reasonability and internal consistency. We have assumed that the data is accurate and complete. Any material inaccuracy or omission could invalidate the conclusions in this report and should be brought to our attention immediately.

Exposure: The exposure base utilized in this study is payroll, which was provided to us by ERMA. For the purposes of our analysis, actual payroll has been adjusted to reflect a retention-weighted equivalent based on the deductible/SIR selected for each member. A list of exposure by year can be found in Appendix L.

Claims: The claims data utilized in this study was provided to us by ERMA.

Other Program Information: Key program information, including historical retentions, claims administration costs, other program costs, and program assets, were provided to us by ERMA. We relied on this information without audit.

Key Dates

Accounting Date: This study presents liabilities as of an accounting date of June 30, 2023.

Valuation Date: The data underlying this study are valued as of December 31, 2022.

Review Date: We have reflected loss development between the valuation date of December 31, 2022 and the review date of April 5, 2023 for three large claims from program years 2018-19 and 2019-20.

Accounting Standard

The accounting standards applicable to this analysis follow the guidance promulgated by the Governmental Accounting Standards Board (GASB).

Other Actuarial Considerations

Discounting to Reflect Net Present Value: Reserves in this report are presented on both undiscounted and discounted bases. At ERMA's instruction, we have assumed that assets held for investment will generate an average annual rate of return of 1.5% over the time during which the loss liabilities are paid out. It should be noted that actual future investment returns may vary significantly from this assumption, depending upon prevailing investment market conditions.

Uncertainty & Risk Margin: There is uncertainty regarding the ultimate cost of the reserves and funding amounts that are estimated in this report. Our estimates are presented both at the expected level (also known as the actuarial central estimate) and at higher confidence levels. The projections at higher confidence levels reflect uncertainty by including a risk margin for the potential of costs coming in higher than at the expected level.

Trending: We have adjusted historical payroll and claims costs to reflect inflation as well as other changes in the claims environment. The payroll, claim frequency, and claim cost trend factors by year are in Appendices L and E, respectively. We have also projected payroll and claim costs to account for future changes in cost levels.

External Influences: This analysis contemplates a continuation of current social, economic, judicial, and legislative trends. Historical changes have been reflected through the use of trend factors.

Homogeneity: The accuracy of loss estimates may be improved by subdividing loss experience into groups exhibiting similar characteristics. In evaluating ERMA's loss experience, we considered all of the experience together.

Credibility: Credibility is a measure of the predictive value attached to a body of data. The degree to which consideration is given to homogeneity is related to the consideration of credibility. While making more homogeneous groupings may increase the credibility of the data, partitioning into cells too small to be reliable statistically may also decrease it. As discussed above, further subdivision of data (by individual department, for instance) would reduce the statistical credibility too greatly. This aggregation of data assumes that there has been a relatively stable distribution of exposures among various risk characteristics during the years included in this analysis.

Loss Development: The rate at which costs develop to their ultimate level was included in the calculation of loss development factors. The loss development factors are described in the Methodology section of this report.

Claim Emergence Patterns: The delay between the occurrence of claims and the recording of claims was considered in the estimation of loss development factors.

Claim Settlement Patterns: The rate at which claims are closed and the impact upon incurred losses are considered in the calculation of loss development factors.

Reopened Claim Potential: The effect of reopened claims is included in the calculation of loss development factors.

Claim Frequency and Average Claim Size: The average and potential claim frequency and average claim size have been measured and considered in the liability estimates.

Large Losses & Catastrophes: The impact of large losses and catastrophes have the potential to distort the results of actuarial analyses. We have mitigated this risk by separating loss development and loss rates into the lower layer (limited to \$100,000 per occurrence) and the excess layer. In addition, our net liability and funding estimates limit loss & ALAE to the appropriate SIR. Lastly, we have utilized industry size of loss curves and increased limits factors where we feel that ERMA's experience is not fully credible.

Loss Limitations: Our projections of claim costs are limited to ERMA's SIR. We have assumed that all relevant reinsurance purchased by ERMA for costs above the SIR is collectible. The retentions used in the study are displayed by year in the Background section of this report.

Recoveries: The data underlying this report are net of salvage, subrogation and other recoveries.

Portfolio Transfers, Commutations, and Structured Settlements: No historical loss portfolio transfers or commutations have been reflected in this analysis. To the extent there are structured settlements, they have been reflected in the claims data utilized in this analysis.

Operational Changes: This analysis has not made special adjustment for any specific operational changes at ERMA.

Reasonableness: We have established the reasonability of our results by utilizing standard actuarial techniques and reasonable assumptions.

Claims Administration Costs (Unallocated Loss Adjustment Expense or ULAE): ULAE costs have been

- included in our estimate of outstanding liabilities, and
- excluded from our estimate of funding amounts for future program years.

Other Program Costs: Our estimate of the funding amounts for future program years:

- excludes contributions for excess insurance to cover claims or portions of claims that fall outside the program, and
- excludes costs for loss control, overhead, and other expenses associated with the program.

CONDITIONS AND LIMITATIONS

It is important to recognize that the projections in this report are estimates at one point in time and are subject to future changes. Since the emergence and settlement of claims are subject to uncertainty, actual developments likely will vary, perhaps significantly, from the amounts carried in this report. No warranty is expressed or implied that such variance will not occur. The accuracy of the conclusions in this report depends on many factors, including the following:

Loss Activity since the Evaluation Date: The losses in this study were valued as of December 31, 2022. It is possible that there has been significant loss activity that has occurred since that date which would change the findings of this report. However, we have reflected loss development between the valuation date of December 31, 2022 and the review date of April 5, 2023 for three large claims from program years 2018-19 and 2019-20.

Data Accuracy: This report relies on unaudited loss and exposure information provided by ERMA. The accuracy of our projections relies on the accuracy of this data.

Loss Development: The appropriateness of ERMA's historical and industry loss development patterns in projecting future loss development.

Trend Changes: The appropriateness of the trend indices used to adjust historical losses.

Discounting/Net Present Value: Our estimates that are discounted to reflect net present value assume a certain investment return on assets. This adjustment to reflect net present value is inaccurate to the extent that actual investment returns deviate from the assumed returns.

Insurance: Our estimates assume that all excess insurance is valid and collectible. Further, our funding recommendations do not include a provision for losses greater than ERMA's excess coverage.

Future Law Changes: We cannot predict, nor have we attempted to predict, the impact of future law changes and court rulings on claims costs.

New Classes of Claims: Our projections make no provision for the extraordinary future emergence of new classes of loss or types of loss not sufficiently represented in ERMA's historical data, or which are not yet quantifiable.

DISTRIBUTION AND USE

This report was prepared for the sole use of Employment Risk Management Authority and its auditors. This report is neither intended nor necessarily suitable for any other use. It may be forwarded to regulatory authorities as required by law. Any other distribution of this report requires the express written consent of Bickmore Actuarial. If such consent is granted, the report should be forwarded in its entirety, including all exhibits and appendices. It should also be understood that Bickmore Actuarial would be available to answer any questions regarding this report and its conclusions.

GLOSSARY OF ACTUARIAL TERMS

Accident Year – Year during which the accidents that generate a group of claims occurs, regardless of when the claims are reported, payments are made, or reserves are established.

Allocated Loss Adjustment Expenses (ALAE) – Expense incurred in settling claims that can be directly attributed to specific individual claims (e.g., legal fees, investigative fees, court charges, utilization review, bill review, etc.)

Case Reserve – The amount left to be paid on an open claim, as estimated by the claims administrator.

Claim Count Development Factor – A factor that is applied to the number of claims reported in a particular accident period in order to estimate the number of claims that will ultimately be reported.

Claim Frequency – Number of claims per \$1 million of payroll.

Confidence Level – An estimated probability that a given level of funding will be adequate to pay actual claims costs. For example, the 85% confidence level refers to an estimate for which there is an 85% chance that the amount will be sufficient to pay loss costs.

Discount Factor – A factor to adjust estimated loss costs to reflect net present value.

Expected Losses – The best estimate of the full, ultimate value of losses.

Exposure Base – An objective and easily measurable quantity that is correlated with loss. Commonly used exposure bases include payroll, population, revenue, number of employees (FTE), average daily attendance (ADA), number of vehicles and total insured value (TIV).

Incurred but not Reported (IBNR) Losses – This is the ultimate value of losses less any amount that has been paid to date or set up as a case reserve by the claims adjuster. It includes amounts for claims incurred but not yet received by the administrator as well as loss development on already reported claims.

Loss Adjustment Expense – The sum of Allocated Loss Adjustment Expense (ALAE) and Unallocated Loss Adjustment Expense (ULAE).

Loss Development Factor – A factor applied to losses for a particular accident period to reflect the fact that reported and paid losses do not reflect final values until all claims are settled. See the Methodology section.

Loss Rate – Ultimate losses per \$100 of payroll.

Non-Claims Related Expenses – Program expenses not directly associated with claims settlement and administration, such as excess insurance, safety program expenses, and general overhead. These exclude expenses associated with loss settlements (Indemnity/Medical, BI/PD), legal expenses associated with individual claims (ALAE), and claims administration (ULAE).

Outstanding Losses – Losses that have been incurred but not paid. This is the ultimate value of losses less any amount that has been paid.

Paid Losses – Losses actually paid on all reported claims.

Program Losses – Losses, including ALAE, limited to the SIR for each occurrence.

Reported Losses – The total expected value of losses as estimated by the claims administrator. This is the sum of paid losses and case reserves.

Self-Insured Retention (SIR) – The level at which an excess insurance policy is triggered to begin payments on a claim. Financially, this is similar to an insurance deductible.

Severity – Average claim cost.

Ultimate Losses – The value of claim costs at the time when all claims have been settled. This amount must be estimated until all claims are actually settled.

Unallocated Loss Adjustment Expenses (ULAE) – Claim settlement expenses that cannot be directly attributed to individual claims (e.g., claims administration expenses, taxes, etc.)

EXHIBITS AND APPENDICES

ERMA

*Employment Practices Liability***Liabilities @ June 30, 2023**

	Includes Quota Share Losses		Excludes Quota Share Losses	
	Undiscounted	NPV @1.50%	Undiscounted	NPV @1.50%
Expected Liabilities				
(1) Case Reserves	4,928,000		4,928,000	
(2) Actuarial Reserve	13,429,000		13,429,000	
(3) Claims Handling Expense	918,000		918,000	
(4) Subtotal	19,275,000	18,749,000	19,275,000	18,749,000
(5) Confidence Levels				
Expected	19,275,000	18,749,000	19,275,000	18,749,000
60%	20,566,000	20,005,000	20,566,000	20,005,000
70%	22,108,000	21,505,000	22,108,000	21,505,000
75%	23,033,000	22,405,000	23,033,000	22,405,000
80%	24,113,000	23,455,000	24,113,000	23,455,000
85%	25,443,000	24,749,000	25,443,000	24,749,000
90%	27,274,000	26,530,000	27,274,000	26,530,000

Funding Rates for Fiscal Year 2023-2024

	Layer: \$50,000 to \$250,000		Layer: \$50,000 to \$350,000		Layer: \$50,000 to \$500,000	
	Undiscounted	NPV @1.50%	Undiscounted	NPV @1.50%	Undiscounted	NPV @1.50%
Expected Rates						
(6) Ultimate Loss & ALAE	0.183	0.175	0.234	0.224	0.293	0.280
(7) Expected JPA Participation Credit	0.016	0.016	0.021	0.021	0.026	0.026
(8) ULAE	-	-	-	-	-	-
(9) Subtotal	0.199	0.191	0.255	0.245	0.319	0.306
(10) Confidence Levels						
Expected	0.199	0.191	0.255	0.245	0.319	0.306
60%	0.222	0.214	0.285	0.274	0.357	0.342
70%	0.250	0.240	0.321	0.308	0.401	0.385
75%	0.267	0.256	0.342	0.329	0.428	0.410
80%	0.286	0.275	0.367	0.353	0.459	0.440
85%	0.311	0.298	0.398	0.382	0.498	0.478
90%	0.343	0.329	0.439	0.422	0.550	0.527

	Layer: \$50,000 to \$750,000		Layer: \$50,000 to \$1,000,000		Layer: \$50,000 to \$1,250,000	
	Undiscounted	NPV @1.50%	Undiscounted	NPV @1.50%	Undiscounted	NPV @1.50%
Expected Rates						
(6) Ultimate Loss & ALAE	0.341	0.326	0.369	0.353	0.396	0.378
(7) Expected JPA Participation Credit	0.030	0.030	0.033	0.033	0.035	0.035
(8) ULAE	-	-	-	-	-	-
(9) Subtotal	0.371	0.356	0.402	0.386	0.431	0.413
(10) Confidence Levels						
Expected	0.371	0.356	0.402	0.386	0.431	0.413
60%	0.415	0.398	0.449	0.432	0.482	0.462
70%	0.467	0.448	0.506	0.486	0.542	0.520
75%	0.498	0.477	0.539	0.518	0.578	0.554
80%	0.534	0.512	0.578	0.555	0.620	0.594
85%	0.579	0.556	0.628	0.603	0.673	0.645
90%	0.639	0.613	0.693	0.665	0.743	0.712

	Layer: \$50,000 to \$1,500,000		Layer: \$50,000 to \$1,750,000		Layer: \$50,000 to \$2,000,000	
	Undiscounted	NPV @1.50%	Undiscounted	NPV @1.50%	Undiscounted	NPV @1.50%
Expected Rates						
(6) Ultimate Loss & ALAE	0.415	0.397	0.429	0.410	0.439	0.420
(7) Expected JPA Participation Credit	0.037	0.037	0.038	0.038	0.039	0.039
(8) ULAE	-	-	-	-	-	-
(9) Subtotal	0.452	0.434	0.467	0.448	0.478	0.459
(10) Confidence Levels						
Expected	0.452	0.434	0.467	0.448	0.478	0.459
60%	0.505	0.485	0.522	0.501	0.534	0.513
70%	0.569	0.546	0.587	0.564	0.601	0.577
75%	0.606	0.582	0.626	0.601	0.641	0.616
80%	0.650	0.625	0.672	0.645	0.688	0.661
85%	0.706	0.677	0.729	0.699	0.746	0.716
90%	0.779	0.748	0.805	0.772	0.824	0.791

ERMA - Employment Practices Liability

Funding Guidelines for Outstanding Liabilities at
December 31, 2022

(A) Estimated Ultimate Losses Incurred through 12/31/22: (From Appendix F)	\$79,493,000
(B) Estimated Paid Losses through 12/31/22: (From Appendix F)	61,177,000
(C) Estimated Liability for Claims Outstanding at 12/31/22: (From Appendix F)	<u>\$18,315,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 12/31/22: (Based on 5.0% of (C))	916,000
(E) Total Outstanding Liability for Claims at 12/31/22: ((C) + (D))	<u>\$19,231,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 1.50%): (Appendix H, Page 1, (G))	0.972
(G) Discounted Outstanding Liability for Claims at 12/31/22: ((E) x (F))	<u>\$18,691,000</u>

Confidence Level of Adequacy:	<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>85%</u>	<u>Minimum 90%</u>
(H) Confidence Level Factor: (From Appendix I)	1.147	1.195	1.251	1.320	1.415
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	2,748,000	3,645,000	4,691,000	5,981,000	7,757,000
(J) Total Required Assets at 12/31/22: ((G) + (I))	<u>\$21,438,000</u>	<u>\$22,335,000</u>	<u>\$23,382,000</u>	<u>\$24,672,000</u>	<u>\$26,447,000</u>

ERMA - Employment Practices Liability

Funding Guidelines for Outstanding Liabilities at
June 30, 2023

(A) Estimated Ultimate Losses Incurred through 6/30/23: (From Appendix F)	\$82,550,000
(B) Estimated Paid Losses through 6/30/23: (From Appendix F)	64,193,000
(C) Estimated Liability for Claims Outstanding at 6/30/23: (From Appendix F)	<u>\$18,357,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 6/30/23: (Based on 5.0% of (C))	918,000
(E) Total Outstanding Liability for Claims at 6/30/23: ((C) + (D))	<u>\$19,275,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 1.50%): (Appendix H, Page 1, (H))	0.973
(G) Discounted Outstanding Liability for Claims at 6/30/23: ((E) x (F))	<u>\$18,749,000</u>

Confidence Level of Adequacy:	<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>85%</u>	<u>Minimum 90%</u>
(H) Confidence Level Factor: (From Appendix I)	1.147	1.195	1.251	1.320	1.415
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	2,756,000	3,656,000	4,706,000	6,000,000	7,781,000
(J) Total Required Assets at 6/30/23: ((G) + (I))	<u>\$21,505,000</u>	<u>\$22,405,000</u>	<u>\$23,455,000</u>	<u>\$24,749,000</u>	<u>\$26,530,000</u>
(K) Estimated Total Assets at 6/30/23: (Provided by the Authority)	36,469,000	36,469,000	36,469,000	36,469,000	36,469,000
(L) Indicated Funding Redundancy/ (Deficiency): ((K) - (J))	<u>\$14,964,000</u>	<u>\$14,064,000</u>	<u>\$13,014,000</u>	<u>\$11,720,000</u>	<u>\$9,939,000</u>

ERMA - Employment Practices Liability

Funding Options for Program Year 2022-2023 (SIR = \$1,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2022-2023: (From Appendix F)	\$6,114,000	\$0.324			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2022-2023: (From Exhibit 5, Page 1, (L))	0	0.000			
(C) Total Claims Costs Incurred in Accident Year 2022-2023: ((A) + (B))	\$6,114,000	\$0.324			
(D) Loss Discount Factor (Based on a Discount Rate of 1.50%): (Appendix H, Page 2, (G))	0.956				
(E) Discounted Total Claims Costs Incurred in Accident Year 2022-2023: ((C) x (D))	\$5,843,000	\$0.310			
	Marginally Acceptable		Recommended		Conservative
	70%	75%	80%	85%	90%
(F) Confidence Level Factor: (From Appendix I)	1.258	1.341	1.439	1.561	1.723
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	1,507,000	1,992,000	2,565,000	3,278,000	4,224,000
(H) Recommended Funding in 2022-2023 for Claims Costs and Other Expenses: ((E) + (G))	\$7,350,000	\$7,835,000	\$8,408,000	\$9,121,000	\$10,067,000
(I) Rate per \$100 of Payroll: ((H) / \$18,848,947)	\$0.390	\$0.416	\$0.446	\$0.484	\$0.534

Payroll rates are per hundred dollars of 2022-2023 payroll of \$1,884,894,700.

ERMA - Employment Practices Liability

Funding Options for Program Year 2023-2024 (SIR = \$1,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2023-2024: (From Appendix F)	\$7,025,000	\$0.369			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2023-2024: (From Exhibit 5, Page 1, (L))	0	0.000			
(C) Total Claims Costs Incurred in Accident Year 2023-2024: ((A) + (B))	\$7,025,000	\$0.369			
(D) Loss Discount Factor (Based on a Discount Rate of 1.50%.): (Appendix H, Page 2, (G))	0.956				
(E) Discounted Total Claims Costs Incurred in Accident Year 2023-2024: ((C) x (D))	\$6,713,000	\$0.353			
	Marginally Acceptable	Recommended	Conservative		
	70%	75%	80%	85%	90%
(F) Confidence Level Factor: (From Appendix I)	1.258	1.341	1.439	1.561	1.723
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	1,732,000	2,289,000	2,947,000	3,766,000	4,853,000
(H) Recommended Funding in 2023-2024 for Claims Costs and Other Expenses: ((E) + (G))	\$8,445,000	\$9,002,000	\$9,660,000	\$10,478,000	\$11,566,000
(I) Rate per \$100 of Payroll: ((H) / \$19,037,000)	\$0.444	\$0.473	\$0.507	\$0.550	\$0.608

Payroll rates are per hundred dollars of 2023-2024 payroll of \$1,903,700,000.

ERMA - Employment Practices Liability

IBNR as of 6/30/23 at Expected Claims Level

Accident Year	Estimated Ultimate (A)	Reported as of 12/31/22 (B)	Estimated IBNR as of 12/31/22 (C)	Estimated Percent of IBNR Reported Between 1/1/23 and 6/30/23 (D)	Estimated IBNR Reported (E)	Estimated IBNR as of 6/30/23 (F)
Prior	\$5,348,000	\$5,348,000	\$0	100.0%	\$0	\$0
2002-2003	2,993,000	2,993,000	0	100.0%	0	0
2003-2004	1,973,000	1,973,000	0	100.0%	0	0
2004-2005	6,417,000	6,417,000	0	100.0%	0	0
2005-2006	3,616,000	3,616,000	0	100.0%	0	0
2006-2007	5,811,000	5,811,000	0	100.0%	0	0
2007-2008	3,528,000	3,528,000	0	100.0%	0	0
2008-2009	1,212,000	1,212,000	0	100.0%	0	0
2009-2010	3,282,000	3,282,000	0	100.0%	0	0
2010-2011	1,826,000	1,826,000	0	100.0%	0	0
2011-2012	1,917,000	1,917,000	0	100.0%	0	0
2012-2013	1,882,000	1,882,000	0	100.0%	0	0
2013-2014	2,211,000	2,211,000	0	100.0%	0	0
2014-2015	4,255,000	4,234,000	21,000	59.9%	13,000	8,000
2015-2016	3,217,000	3,217,000	0	33.0%	0	0
2016-2017	3,013,000	2,925,000	88,000	26.1%	23,000	65,000
2017-2018	4,641,000	4,383,000	258,000	26.0%	67,000	191,000
2018-2019	4,513,000	4,264,000	249,000	20.8%	52,000	197,000
2019-2020	4,799,000	4,142,000	657,000	18.7%	123,000	534,000
2020-2021	4,367,000	731,000	3,636,000	33.5%	1,218,000	2,418,000
2021-2022	5,617,000	240,000	5,377,000	21.3%	1,145,000	4,232,000
2022-2023	6,114,000	20,000	3,037,000	5.1%	311,000	5,784,000
Totals	\$82,550,000	\$66,170,000	\$13,323,000		\$2,951,000	\$13,429,000

Notes:

- (A) From Exhibit 4, Page 1.
- (B) Provided by the Authority. These losses exclude amounts incurred above the Authority's SIR for each year.
- (C) (A) - (B).
- (D) Percentage of incurred but not reported (IBNR) expected to be reported between 1/1/23 and 6/30/23. The percentage is based on the development pattern selected in Appendix A.
- (E) ((A) - (B)) x (D).
- (F) (A) - (B) - (E).

This exhibit shows the calculation of the amount of incurred but not reported losses we expect as of 6/30/23. This amount is dependent on both the strength of the case reserves and the average frequency and severity of the losses incurred.

Estimated Ultimate Program Losses

Notes:

- This exhibit summarizes the results of the actuarial methods we have applied to estimate ultimate losses for each year. It is important to apply a number of estimation methods because each one relies on specific assumptions about the claims process that tend to hold generally true, but that may be violated in specific situations. Thus, the more estimation methods that can be applied, the better.

ERMA - Employment Practices Liability

Estimated Ultimate Limited Losses Capped at \$1,000,000 per Claim

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Ultimate SIR Losses (F)
Prior	\$5,348,000	\$5,348,000	\$0	\$0	\$5,348,000	\$5,348,000
2002-2003	2,993,000	2,993,000	2,993,000	2,993,000	2,993,000	2,993,000
2003-2004	1,973,000	1,973,000	1,973,000	1,973,000	1,973,000	1,973,000
2004-2005	6,417,000	6,417,000	6,417,000	6,417,000	6,417,000	6,417,000
2005-2006	3,616,000	3,616,000	3,616,000	3,616,000	3,616,000	3,616,000
2006-2007	5,811,000	5,811,000	5,811,000	5,811,000	5,811,000	5,811,000
2007-2008	3,528,000	3,528,000	3,528,000	3,528,000	3,528,000	3,528,000
2008-2009	1,212,000	1,212,000	1,212,000	1,212,000	1,212,000	1,212,000
2009-2010	3,282,000	3,282,000	3,282,000	3,282,000	3,282,000	3,282,000
2010-2011	1,826,000	1,826,000	1,826,000	1,826,000	1,826,000	1,826,000
2011-2012	1,917,000	1,917,000	1,917,000	1,917,000	1,917,000	1,917,000
2012-2013	1,882,000	1,882,000	1,882,000	1,882,000	1,882,000	1,882,000
2013-2014	2,211,000	2,211,000	2,211,000	2,211,000	2,211,000	2,211,000
2014-2015	4,255,000	4,163,000	4,255,000	4,164,000	4,255,000	4,255,000
2015-2016	3,265,000	3,265,000	3,265,000	3,265,000	3,217,000	3,217,000
2016-2017	3,013,000	2,838,000	3,010,000	2,841,000	3,013,000	3,013,000
2017-2018	4,672,000	4,560,000	4,610,000	4,463,000	3,695,000	4,641,000
2018-2019	4,771,000	2,720,000	4,686,000	2,959,000	4,035,000	4,513,000
2019-2020	4,983,000	3,810,000	4,882,000	4,051,000	4,400,000	4,799,000
2020-2021	1,496,000	2,641,000	3,105,000	4,258,000	4,367,000	4,367,000
2021-2022	2,206,000	6,022,000	4,810,000	5,143,000	5,625,000	5,617,000
2022-2023	2,761,000	0	6,103,000	6,126,000	6,075,000	6,114,000
Totals						\$82,550,000
			Projected Losses for the Year 2022-2023 (G)			\$6,114,000
			Projected Losses for the Year 2023-2024 (H)			7,025,000

Notes:

- (A) From Appendix A, Page 1, Column (D).
- (B) From Appendix B, Page 1, Column (D).
- (C) Based on results in Appendix C, Page 1.
- (D) Based on results in Appendix C, Page 2.
- (E) Based on results in Appendix D, Page 1.
- (F) Selected averages of (A), (B), (C), (D), and (E).
- (G) From Exhibit 5, Page 1, Line (K) / Line (G).
- (H) From Exhibit 5, Page 1, Line (K) / Line (G).

This exhibit summarizes the results of the actuarial methods we have applied to estimate limited losses for each year. These results are used to select a limited loss rate for future years.

ERMA - Employment Practices Liability

Selection of Projected Limited Loss Rate
and Projection of Program Losses and ULAE

Accident Year	Ultimate SIR Losses (A)	Trend Factor (B)	Trended SIR Losses (C)	Trended Payroll (\$00) (D)	Trended SIR Loss Rate (E)
Prior	\$0	4.142	\$0	\$0	0.000
2002-2003	2,993,000	3.871	11,585,000	13,037,271	0.889
2003-2004	1,973,000	3.618	7,139,000	14,860,480	0.480
2004-2005	6,417,000	3.381	21,695,000	14,381,744	1.509
2005-2006	3,616,000	3.160	11,427,000	14,610,896	0.782
2006-2007	5,811,000	2.953	17,160,000	16,365,414	1.049
2007-2008	3,528,000	2.760	9,738,000	17,885,965	0.544
2008-2009	1,212,000	2.580	3,126,000	17,540,040	0.178
2009-2010	3,282,000	2.411	7,912,000	15,431,316	0.513
2010-2011	1,826,000	2.253	4,113,000	14,266,138	0.288
2011-2012	1,917,000	2.105	4,035,000	13,807,342	0.292
2012-2013	1,882,000	1.967	3,702,000	13,235,086	0.280
2013-2014	2,211,000	1.838	4,063,000	13,542,244	0.300
2014-2015	4,255,000	1.718	7,310,000	14,017,602	0.521
2015-2016	3,217,000	1.606	5,167,000	14,473,446	0.357
2016-2017	3,013,000	1.500	4,519,000	15,749,183	0.287
2017-2018	4,641,000	1.402	6,507,000	15,796,245	0.412
2018-2019	4,513,000	1.311	5,917,000	16,054,143	0.369
2019-2020	4,799,000	1.225	5,878,000	16,519,575	0.356
2020-2021	4,367,000	1.145	5,000,000	16,358,850	0.306
2021-2022	5,617,000	1.070	6,010,000	16,872,729	0.356
2022-2023	6,114,000	1.000	6,114,000	18,848,947	0.324
Totals	\$77,202,000		\$158,118,000	\$323,654,656	\$0.489
16/17-20/21	21,332,000		27,820,000	80,477,996	0.346
19/20-21/22	14,782,000		16,888,000	49,751,000	0.339
(F) Selected SIR Rate:					\$0.345
Prior:					\$0.375
Program Year:	2022-2023	2023-2024			
(G) Factor to SIR:	1.000	1.000			
(H) Trend Factor:	1.000	1.070			
(I) Program Rate:	\$0.324	\$0.369			
(J) Trended Payroll (\$00):	18,848,947	19,037,000			
(K) Projected Program Losses:	6,114,000	7,025,000			
(L) Projected ULAE:	0	0			
(M) Projected Loss and ULAE:	\$6,114,000	\$7,025,000			

Notes appear on the next page.

ERMA - Employment Practices Liability

Selection of Projected Limited Loss Rate
and Projection of Program Losses and ULAE

Notes:

- (A) From Exhibit 4, Page 2, Column (F).
For purposes of projecting future losses, losses are capped at \$1,000,000 per occurrence.
- (B) From Appendix E, Page 1, Column (B).
- (C) (A) x (B).
- (D) Appendix L, Column (C).
- (E) (C) / (D).
- (F) Selected based on (E).
- (G) Based on a Burr distribution, a mathematical model of claims sizes. 2022-2023 is (K) / (A).
- (H) From Appendix E.
- (I) (F) x (G) x (H). 2022-2023 is (K) / (J).
- (J) Appendix L, Column (C).
- (K) (I) x (J). 2022-2023 is from Exhibit 4, Page 1.
- (L) Based on an estimated claim closing pattern and the Authority's historical claims administration expenses.
- (M) (K) + (L).

This exhibit shows the calculation of future loss costs based on the past loss rates. The projections will be accurate only to the extent that what has happened in the past is representative of what will happen in the future.

ERMA - Employment Practices Liability

Reported Loss Development

Accident Year (A)	SIR Reported Losses as of 12/31/22 (B)	Reported Loss Development Factor (C)	Ultimate SIR Losses (D)	Program Reported Losses as of 12/31/22 (E)	Reported Loss Development Factor (F)	Ultimate Program Losses (G)
Prior	\$5,347,654	1.000	\$5,347,654	\$5,347,654	1.000	\$5,347,654
2002-2003	2,992,869	1.000	2,992,869	2,992,869	1.000	2,992,869
2003-2004	1,973,193	1.000	1,973,193	1,973,193	1.000	1,973,193
2004-2005	6,416,832	1.000	6,416,832	6,416,832	1.000	6,416,832
2005-2006	3,616,204	1.000	3,616,204	3,616,204	1.000	3,616,204
2006-2007	5,810,921	1.000	5,810,921	5,810,921	1.000	5,810,921
2007-2008	3,528,296	1.000	3,528,296	3,528,296	1.000	3,528,296
2008-2009	1,211,783	1.000	1,211,783	1,211,783	1.000	1,211,783
2009-2010	3,281,809	1.000	3,281,809	3,281,809	1.000	3,281,809
2010-2011	1,825,609	1.000	1,825,609	1,825,609	1.000	1,825,609
2011-2012	1,916,982	1.000	1,916,982	1,916,982	1.000	1,916,982
2012-2013	1,882,270	1.000	1,882,270	1,882,270	1.000	1,882,270
2013-2014	2,210,525	1.000	2,210,525	2,210,525	1.000	2,210,525
2014-2015	4,233,563	1.005	4,254,731	4,233,563	1.005	4,254,731
2015-2016	3,217,101	1.015	3,265,358	3,217,101	1.015	3,265,358
2016-2017	2,924,815	1.030	3,012,559	2,924,815	1.030	3,012,559
2017-2018	4,382,683	1.066	4,671,940	4,382,683	1.066	4,671,940
2018-2019	4,263,785	1.119	4,771,175	4,263,785	1.119	4,771,175
2019-2020	4,141,858	1.203	4,982,655	4,141,858	1.203	4,982,655
2020-2021	731,355	2.045	1,495,621	731,355	2.045	1,495,621
2021-2022	239,745	9.203	2,206,373	239,745	9.203	2,206,373
2022-2023	20,000	138.045	2,760,900	20,000	138.045	2,760,900
Totals	\$66,169,852		\$73,436,260	\$66,169,852		\$73,436,260

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Authority. These losses exclude amounts over the SIR.
- (C) From Appendix A, Page 2.
- (D) (B) x (C). These estimated losses exclude amounts over the SIR.
- (E) Losses capped at the Authority's SIR. Amounts are provided by the Authority.
- (F) Derived from factors on Appendix A, Page 4.
- (G) (E) x (F).

This method tends to understate ultimate losses for the most recent several years because the large losses for those years generally have not yet emerged at the time of our review.

This exhibit shows the calculation of estimated ultimate losses for each year based on paid losses and case reserves as reported by the claims administrator. These losses tend to "develop" or change from period to period as more information becomes available about the cases. This development tends to follow quantifiable patterns over time.

ERMA - Employment Practices Liability
Reported Loss DevelopmentSIR Losses Reported as of:

Accident Year	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months
2001-2002		70,973	513,610	477,974	608,737	752,636	751,089	751,089	751,089	751,089	751,089
2002-2003		146,315	1,685,197	2,903,639	3,374,495	2,992,869	2,992,869	2,992,869	2,992,869	2,992,869	2,992,869
2003-2004	54,900	350,467	1,192,180	2,303,633	2,201,367	1,973,193	1,973,193	1,973,193	1,973,193	1,973,193	1,973,193
2004-2005		1,369,028	4,603,521	5,319,010	6,146,322	6,396,022	6,293,430	6,345,569	6,427,033	6,416,832	6,416,832
2005-2006		2,218,120	3,245,551	3,308,445	3,717,228	3,672,438	3,666,205	3,616,204	3,616,204	3,666,204	3,616,204
2006-2007	375,000	1,681,609	3,423,179	4,377,828	5,579,104	5,516,959	5,569,281	5,666,968	5,824,962	5,810,921	5,810,921
2007-2008		849,622	2,725,692	3,136,880	3,145,495	3,252,983	3,317,511	3,663,290	3,529,825	3,528,296	3,528,296
2008-2009		555,339	1,293,202	1,383,575	1,205,499	1,211,598	1,211,783	1,211,783	1,211,783	1,211,783	1,211,783
2009-2010	138,707	589,624	1,706,613	2,566,976	2,539,673	3,065,133	3,198,892	3,448,917	3,281,809	3,281,809	3,281,809
2010-2011	50,978	468,924	683,215	1,052,897	1,348,275	1,618,093	1,891,935	1,825,609	1,825,609	1,825,609	1,825,609
2011-2012		40,319	834,141	1,873,169	2,003,952	1,916,982	1,916,982	1,916,982	1,916,982	1,916,982	1,916,982
2012-2013		273,243	1,205,976	1,955,689	1,853,607	1,976,737	1,906,737	1,873,386	1,878,240	1,878,240	1,882,270
2013-2014		31,256	1,896,999	2,258,871	2,322,259	2,216,337	2,208,703	2,210,525	2,210,525	2,210,525	
2014-2015		1,017,660	1,717,773	3,279,690	3,503,582	3,555,273	4,089,861	4,087,591	4,233,563		
2015-2016		729,306	1,810,500	3,280,526	3,062,405	3,212,405	3,217,101	3,217,101			
2016-2017		289,949	1,410,040	2,598,638	2,700,606	3,027,979	2,924,815				
2017-2018		435,405	3,386,073	3,833,856	4,128,295	4,382,683					
2018-2019	45,000	704,379	2,302,969	3,320,821	4,263,785						
2019-2020	30,000	1,056,327	1,645,192	4,141,858							
2020-2021	140,000	402,990	731,355								
2021-2022	60,000	239,745									
2022-2023	20,000										

Reported Loss Development Factors:

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
2001-2002		7.237	0.931	1.274	1.236	0.998	1.000	1.000	1.000	1.000	1.000
2002-2003		11.518	1.723	1.162	0.887	1.000	1.000	1.000	1.000	1.000	1.000
2003-2004	6.384	3.402	1.932	0.956	0.896	1.000	1.000	1.000	1.000	1.000	1.000
2004-2005		3.363	1.155	1.156	1.041	0.984	1.008	1.013	0.998	1.000	1.000
2005-2006		1.463	1.019	1.124	0.988	0.998	0.986	1.000	1.014	0.986	1.000
2006-2007	4.484	2.036	1.279	1.274	0.989	1.009	1.018	1.028	0.998	1.000	1.000
2007-2008		3.208	1.151	1.003	1.034	1.020	1.104	0.964	1.000	1.000	1.000
2008-2009		2.329	1.070	0.871	1.005	1.000	1.000	1.000	1.000	1.000	1.000
2009-2010	4.251	2.894	1.504	0.989	1.207	1.044	1.078	0.952	1.000	1.000	1.000
2010-2011	9.199	1.457	1.541	1.281	1.200	1.169	0.965	1.000	1.000	1.000	1.000
2011-2012		20.689	2.246	1.070	0.957	1.000	1.000	1.000	1.000	1.000	1.000
2012-2013		4.414	1.622	0.948	1.066	0.965	0.983	1.003	1.000	1.002	
2013-2014		60.692	1.191	1.028	0.954	0.997	1.001	1.000	1.000		
2014-2015		1.688	1.909	1.068	1.015	1.150	0.999	1.036			
2015-2016		2.482	1.812	0.934	1.049	1.001	1.000				
2016-2017		4.863	1.843	1.039	1.121	0.966					
2017-2018		7.777	1.132	1.077	1.062						
2018-2019	15.653	3.270	1.442	1.284							
2019-2020	35.211	1.557	2.518								
2020-2021	2.879	1.815									
2021-2022	3.996										
Average	10.257	7.408	1.527	1.085	1.042	1.019	1.009	1.000	1.001	0.999	1.000
Dollar-Weighted Averages	15.114	2.862	1.432	1.091	1.026	1.017	1.013				
3-yr	7.387	2.163	1.540	1.137	1.074	1.045	1.000	1.018	1.000	1.001	1.000
4-yr	8.740	3.103	1.589	1.086	1.058	1.036	0.997	1.015	1.000	1.000	1.000
Comparative Factors	3.155	1.344	1.039	1.006	1.001	1.002	1.003	1.005	1.005	1.003	1.002
Prior	15.000	4.750	1.800	1.075	1.050	1.035	1.015	1.010	1.005	1.000	1.000
Selected	15.000	4.500	1.700	1.075	1.050	1.035	1.015	1.010	1.005	1.000	1.000
Cumulated	138.045	9.203	2.045	1.203	1.119	1.066	1.030	1.015	1.005	1.000	1.000

ERMA - Employment Practices Liability
Reported Loss DevelopmentSIR Losses Reported as of:

Accident Year	138 Months	150 Months	162 Months	174 Months	186 Months	198 Months	210 Months	222 Months	234 Months	246 Months	258 Months
2001-2002	751,089	751,089	751,089	751,089	751,089	751,089	751,089	751,089	751,089	751,089	751,089
2002-2003	2,992,869	2,992,869	2,992,869	2,992,869	2,992,869	2,992,869	2,992,869	2,992,869	2,992,869	2,992,869	2,992,869
2003-2004	1,973,193	1,973,193	1,973,193	1,973,193	1,973,193	1,973,193	1,973,193	1,973,193	1,973,193	1,973,193	
2004-2005	6,416,832	6,416,832	6,416,832	6,416,832	6,416,832	6,416,832	6,416,832	6,416,832	6,416,832		
2005-2006	3,616,204	3,616,204	3,616,204	3,616,204	3,616,204	3,616,204	3,616,204	3,616,204			
2006-2007	5,810,921	5,810,921	5,810,921	5,810,921	5,810,921	5,810,921					
2007-2008	3,528,296	3,528,296	3,528,296	3,528,296	3,528,296						
2008-2009	1,211,783	1,211,783	1,211,783	1,211,783							
2009-2010	3,281,809	3,281,809	3,281,809								
2010-2011	1,825,609	1,825,609									
2011-2012	1,916,982										
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											

Reported Loss Development Factors:

	138-150 Months	150-162 Months	162-174 Months	174-186 Months	186-198 Months	198-210 Months	210-222 Months	222-234 Months	234-246 Months	246-258 Months	258-Ult. Months
2001-2002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2002-2003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2003-2004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
2004-2005	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
2005-2006	1.000	1.000	1.000	1.000	1.000	1.000					
2006-2007	1.000	1.000	1.000	1.000	1.000						
2007-2008	1.000	1.000	1.000	1.000							
2008-2009	1.000	1.000	1.000								
2009-2010	1.000	1.000									
2010-2011	1.000										
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
Average Dollar-Weighted Averages	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
3-yr	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
4-yr	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
Comparative Factors	1.003	1.003	1.002	1.002	1.002	1.002	1.001	1.001	1.001	1.001	1.002
Prior	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

ERMA - Employment Practices Liability

Paid Loss Development

Accident Year (A)	SIR Paid Losses as of 12/31/22 (B)	Paid Loss Development Factor (C)	Ultimate SIR Losses (D)	Program Paid Losses as of 12/31/22 (E)	Paid Loss Development Factor (F)	Ultimate Program Losses (G)
Prior	\$5,347,654	1.000	\$5,347,654	\$5,347,654	1.000	\$5,347,654
2002-2003	2,992,869	1.000	2,992,869	2,992,869	1.000	2,992,869
2003-2004	1,973,193	1.000	1,973,193	1,973,193	1.000	1,973,193
2004-2005	6,416,832	1.000	6,416,832	6,416,832	1.000	6,416,832
2005-2006	3,616,204	1.000	3,616,204	3,616,204	1.000	3,616,204
2006-2007	5,810,921	1.000	5,810,921	5,810,921	1.000	5,810,921
2007-2008	3,528,296	1.000	3,528,296	3,528,296	1.000	3,528,296
2008-2009	1,211,783	1.000	1,211,783	1,211,783	1.000	1,211,783
2009-2010	3,281,809	1.000	3,281,809	3,281,809	1.000	3,281,809
2010-2011	1,825,609	1.000	1,825,609	1,825,609	1.000	1,825,609
2011-2012	1,916,982	1.000	1,916,982	1,916,982	1.000	1,916,982
2012-2013	1,882,270	1.000	1,882,270	1,882,270	1.000	1,882,270
2013-2014	2,210,525	1.000	2,210,525	2,210,525	1.000	2,210,525
2014-2015	4,142,572	1.005	4,163,285	4,142,572	1.005	4,163,285
2015-2016	3,217,101	1.015	3,265,358	3,217,101	1.015	3,265,358
2016-2017	2,741,839	1.035	2,837,803	2,741,839	1.035	2,837,803
2017-2018	4,060,187	1.123	4,559,590	4,060,187	1.123	4,559,590
2018-2019	2,202,076	1.235	2,719,564	2,202,076	1.235	2,719,564
2019-2020	2,203,488	1.729	3,809,831	2,203,488	1.729	3,809,831
2020-2021	509,233	5.187	2,641,392	509,233	5.187	2,641,392
2021-2022	85,995	70.025	6,021,800	85,995	70.025	6,021,800
2022-2023	0	3,501.250	0	0	3,501.250	0
Totals	\$61,177,438		\$72,033,569	\$61,177,438		\$72,033,569

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Authority. These losses exclude amounts over the SIR.
- (C) From Appendix B, Page 2.
- (D) (B) x (C). These estimated losses exclude amounts over the SIR.
- (E) Losses capped at the Authority's SIR. Amounts are provided by the Authority.
- (F) Derived from factors on Appendix B, Page 4.
- (G) (E) x (F).

This method tends to understate ultimate losses for the most recent several years because the large losses for those years generally have not yet emerged at the time of our review.

This exhibit shows the calculation of estimated ultimate losses for each year based on paid losses as reported by the claims administrator. These losses tend to "develop" or change from period to period as more information becomes available about the cases. This development tends to follow quantifiable patterns over time.

ERMA - Employment Practices Liability
Paid Loss Development

Accident Year	SIR Losses Paid as of:										
	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months
2001-2002		18,973	263,686	451,268	576,966	752,636	751,089	751,089	751,089	751,089	751,089
2002-2003			1,433,167	2,381,104	3,149,097	2,992,869	2,992,869	2,992,869	2,992,869	2,992,869	2,992,869
2003-2004		138,865	1,155,894	1,593,147	1,770,076	1,973,193	1,973,193	1,973,193	1,973,193	1,973,193	1,973,193
2004-2005		1,133,995	2,363,751	4,458,655	5,423,096	6,155,120	6,293,430	6,293,630	6,416,743	6,416,832	6,416,832
2005-2006		769,636	2,219,544	2,483,328	3,410,280	3,509,439	3,591,204	3,616,204	3,616,204	3,666,204	3,616,204
2006-2007		474,344	1,426,238	3,925,042	4,259,620	5,516,959	5,569,281	5,589,452	5,809,962	5,810,921	5,810,921
2007-2008		306,572	1,656,030	2,242,071	2,890,035	2,934,188	3,218,867	3,463,290	3,529,825	3,528,296	3,528,296
2008-2009		82,469	606,882	797,011	1,205,499	1,211,598	1,211,783	1,211,783	1,211,783	1,211,783	1,211,783
2009-2010	3,935	10,263	774,363	1,189,791	1,917,061	2,224,582	2,953,332	3,279,951	3,281,809	3,281,809	3,281,809
2010-2011		77,828	297,686	566,584	1,253,035	1,349,213	1,824,935	1,825,609	1,825,609	1,825,609	1,825,609
2011-2012		35,318	224,951	1,391,970	1,788,689	1,916,982	1,916,982	1,916,982	1,916,982	1,916,982	1,916,982
2012-2013		469	417,576	1,326,002	1,766,562	1,829,899	1,849,321	1,873,386	1,878,240	1,878,240	1,882,270
2013-2014			233,903	1,250,117	1,943,037	2,207,951	2,208,703	2,210,525	2,210,525	2,210,525	
2014-2015		75,635	637,301	1,928,300	2,988,416	3,382,117	4,047,266	4,047,591	4,142,572		
2015-2016		37,637	817,393	2,743,234	3,037,405	3,090,585	3,217,101	3,217,101			
2016-2017		12,475	507,081	1,730,492	1,972,985	2,160,608	2,741,839				
2017-2018		10,405	1,216,325	3,270,703	3,557,679	4,060,187					
2018-2019		222,641	974,052	1,690,975	2,202,076						
2019-2020		237,639	1,216,451	2,203,488							
2020-2021		167,897	509,233								
2021-2022		85,995									
2022-2023											

Paid Loss Development Factors:

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
2001-2002		13.898	1.711	1.279	1.304	0.998	1.000	1.000	1.000	1.000	1.000
2002-2003			1.661	1.323	0.950	1.000	1.000	1.000	1.000	1.000	1.000
2003-2004		8.324	1.378	1.111	1.115	1.000	1.000	1.000	1.000	1.000	1.000
2004-2005		2.084	1.886	1.216	1.135	1.022	1.000	1.020	1.000	1.000	1.000
2005-2006		2.884	1.119	1.373	1.029	1.023	1.007	1.000	1.014	0.986	1.000
2006-2007		3.007	2.752	1.085	1.295	1.009	1.004	1.039	1.000	1.000	1.000
2007-2008		5.402	1.354	1.289	1.015	1.097	1.076	1.019	1.000	1.000	1.000
2008-2009		7.359	1.313	1.513	1.005	1.000	1.000	1.000	1.000	1.000	1.000
2009-2010	2.608	75.452	1.536	1.611	1.160	1.328	1.111	1.001	1.000	1.000	1.000
2010-2011		3.825	1.903	2.212	1.077	1.353	1.000	1.000	1.000	1.000	1.000
2011-2012		6.369	6.188	1.285	1.072	1.000	1.000	1.000	1.000	1.000	1.000
2012-2013		890.354	3.175	1.332	1.036	1.011	1.013	1.003	1.000	1.002	
2013-2014			5.345	1.554	1.136	1.000	1.001	1.000	1.000		
2014-2015		8.426	3.026	1.550	1.132	1.197	1.000	1.023			
2015-2016		21.718	3.356	1.107	1.018	1.041	1.000				
2016-2017		40.648	3.413	1.140	1.095	1.269					
2017-2018		116.898	2.689	1.088	1.141						
2018-2019		4.375	1.736	1.302							
2019-2020		5.119	1.811								
2020-2021		3.033									
2021-2022											
Average	2.608	67.732	2.492	1.354	1.101	1.084	1.014	1.008	1.001	0.999	1.000
Dollar-Weighted Averages	990.866	4.970	2.040	1.274	1.102	1.073	1.015				
3-yr		4.298	2.103	1.155	1.087	1.159	1.000	1.012	1.000	1.001	1.000
4-yr		6.132	2.273	1.141	1.098	1.127	1.002	1.010	1.000	1.000	1.000
Comparative Factors	4.760	2.200	1.444	1.145	1.044	1.019	1.015	1.011	1.009	1.008	1.006
Prior	50.000	15.000	3.300	1.425	1.100	1.070	1.020	1.010	1.005	1.000	1.000
Selected	50.000	13.500	3.000	1.400	1.100	1.085	1.020	1.010	1.005	1.000	1.000
Cumulated	3,501.250	70.025	5.187	1.729	1.235	1.123	1.035	1.015	1.005	1.000	1.000

ERMA - Employment Practices Liability
Paid Loss Development

Accident Year	SIR Losses Paid as of:										
	138 Months	150 Months	162 Months	174 Months	186 Months	198 Months	210 Months	222 Months	234 Months	246 Months	258 Months
2001-2002	751,089	751,089	751,089	751,089	751,089	751,089	751,089	751,089	751,089	751,089	751,089
2002-2003	2,992,869	2,992,869	2,992,869	2,992,869	2,992,869	2,992,869	2,992,869	2,992,869	2,992,869	2,992,869	
2003-2004	1,973,193	1,973,193	1,973,193	1,973,193	1,973,193	1,973,193	1,973,193	1,973,193	1,973,193		
2004-2005	6,416,832	6,416,832	6,416,832	6,416,832	6,416,832	6,416,832	6,416,832	6,416,832			
2005-2006	3,616,204	3,616,204	3,616,204	3,616,204	3,616,204	3,616,204	3,616,204				
2006-2007	5,810,921	5,810,921	5,810,921	5,810,921	5,810,921	5,810,921					
2007-2008	3,528,296	3,528,296	3,528,296	3,528,296	3,528,296						
2008-2009	1,211,783	1,211,783	1,211,783								
2009-2010	3,281,809	3,281,809	3,281,809								
2010-2011	1,825,609	1,825,609									
2011-2012	1,916,982										
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											

Paid Loss Development Factors:

	138-150 Months	150-162 Months	162-174 Months	174-186 Months	186-198 Months	198-210 Months	210-222 Months	222-234 Months	234-246 Months	246-258 Months	258-Ult. Months
2001-2002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2002-2003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2003-2004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
2004-2005	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
2005-2006	1.000	1.000	1.000	1.000	1.000	1.000					
2006-2007	1.000	1.000	1.000	1.000	1.000						
2007-2008	1.000	1.000	1.000	1.000							
2008-2009	1.000	1.000	1.000								
2009-2010	1.000	1.000									
2010-2011	1.000										
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
Average	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Dollar-Weighted											
Averages											
3-yr	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
4-yr	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
Comparative											
Factors	1.006	1.004	1.004	1.004	1.002	1.002	1.002	1.002	1.002	1.001	1.002
Prior	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

ERMA - Employment Practices Liability

Exposure and Development Method
Based on Reported Losses

Accident Year	Trended Payroll (\$00) (A)	Reported Losses as of 12/31/22 (B)	Reported Loss Development Factor (C)	Percentage of Losses Yet to Be Reported (D)	Program Rate (E)	Incurred but not Reported (IBNR) (F)	Ultimate Program Losses (G)
Prior	0		1.000	0.000	0.078	0	
2002-2003	13,037,271	2,992,869	1.000	0.000	0.230	0	2,992,869
2003-2004	14,860,480	1,973,193	1.000	0.000	0.133	0	1,973,193
2004-2005	14,381,744	6,416,832	1.000	0.000	0.446	0	6,416,832
2005-2006	14,610,896	3,616,204	1.000	0.000	0.248	0	3,616,204
2006-2007	16,365,414	5,810,921	1.000	0.000	0.355	0	5,810,921
2007-2008	17,885,965	3,528,296	1.000	0.000	0.197	0	3,528,296
2008-2009	17,540,040	1,211,783	1.000	0.000	0.069	0	1,211,783
2009-2010	15,431,316	3,281,809	1.000	0.000	0.213	0	3,281,809
2010-2011	14,266,138	1,825,609	1.000	0.000	0.128	0	1,825,609
2011-2012	13,807,342	1,916,982	1.000	0.000	0.139	0	1,916,982
2012-2013	13,235,086	1,882,270	1.000	0.000	0.142	0	1,882,270
2013-2014	13,542,244	2,210,525	1.000	0.000	0.163	0	2,210,525
2014-2015	14,017,602	4,233,563	1.005	0.005	0.304	21,307	4,254,870
2015-2016	14,473,446	3,217,101	1.015	0.015	0.222	48,197	3,265,298
2016-2017	15,749,183	2,924,815	1.030	0.029	0.186	84,951	3,009,766
2017-2018	15,796,245	4,382,683	1.066	0.062	0.232	227,213	4,609,896
2018-2019	16,054,143	4,263,785	1.119	0.106	0.248	422,031	4,685,816
2019-2020	16,519,575	4,141,858	1.203	0.169	0.265	739,829	4,881,687
2020-2021	16,358,850	731,355	2.045	0.511	0.284	2,374,062	3,105,417
2021-2022	16,872,729	239,745	9.203	0.891	0.304	4,570,215	4,809,960
2022-2023	18,848,947	20,000	138.045	0.993	0.325	6,083,026	6,103,026
Totals	323,654,656	\$60,822,198				\$14,570,831	\$75,393,029

Notes:

- (A) Appendix L, Column (C).
- (B) Provided by the Authority. These losses exclude amounts incurred above the Authority's SIR for each year.
- (C) From Appendix A, Page 1, Column (F).
- (D) $1 - 1 / (C)$.
- (E) From Appendix C, Page 3, Column (H).
- (F) $(A) \times (D) \times (E)$.
- (G) $(B) + (F)$.

This exhibit shows the calculation of ultimate losses based on the assumption that there is an underlying relationship between losses and exposure that changes in regular ways over time. The method relies on the premise that the losses that are currently unreported will cost what this relationship would suggest.

ERMA - Employment Practices Liability

Exposure and Development Method
Based on Paid Losses

Accident Year	Trended Payroll (\$00) (A)	Paid Losses as of 12/31/22 (B)	Paid Loss Development Factor (C)	Percentage of Losses Yet to Be Paid (D)	Program Rate (E)	Incurred but not Paid (F)	Ultimate Program Losses (G)
Prior	0		1.000	0.000	0.078	0	
2002-2003	13,037,271	2,992,869	1.000	0.000	0.230	0	2,992,869
2003-2004	14,860,480	1,973,193	1.000	0.000	0.133	0	1,973,193
2004-2005	14,381,744	6,416,832	1.000	0.000	0.446	0	6,416,832
2005-2006	14,610,896	3,616,204	1.000	0.000	0.248	0	3,616,204
2006-2007	16,365,414	5,810,921	1.000	0.000	0.355	0	5,810,921
2007-2008	17,885,965	3,528,296	1.000	0.000	0.197	0	3,528,296
2008-2009	17,540,040	1,211,783	1.000	0.000	0.069	0	1,211,783
2009-2010	15,431,316	3,281,809	1.000	0.000	0.213	0	3,281,809
2010-2011	14,266,138	1,825,609	1.000	0.000	0.128	0	1,825,609
2011-2012	13,807,342	1,916,982	1.000	0.000	0.139	0	1,916,982
2012-2013	13,235,086	1,882,270	1.000	0.000	0.142	0	1,882,270
2013-2014	13,542,244	2,210,525	1.000	0.000	0.163	0	2,210,525
2014-2015	14,017,602	4,142,572	1.005	0.005	0.304	21,307	4,163,879
2015-2016	14,473,446	3,217,101	1.015	0.015	0.222	48,197	3,265,298
2016-2017	15,749,183	2,741,839	1.035	0.034	0.186	99,598	2,841,437
2017-2018	15,796,245	4,060,187	1.123	0.110	0.232	403,120	4,463,307
2018-2019	16,054,143	2,202,076	1.235	0.190	0.248	756,471	2,958,547
2019-2020	16,519,575	2,203,488	1.729	0.422	0.265	1,847,384	4,050,872
2020-2021	16,358,850	509,233	5.187	0.807	0.284	3,749,252	4,258,485
2021-2022	16,872,729	85,995	70.025	0.986	0.304	5,057,499	5,143,494
2022-2023	18,848,947		3,501.250	1.000	0.325	6,125,908	6,125,908
Totals	323,654,656	\$55,829,784				\$18,108,736	\$73,938,520

Notes:

- (A) Appendix L, Column (C).
- (B) Provided by the Authority. These losses exclude amounts paid above the Authority's SIR for each year.
- (C) From Appendix B, Page 1, Column (F).
- (D) $1 - 1 / (C)$.
- (E) From Appendix C, Page 3, Column (H).
- (F) $(A) \times (D) \times (E)$.
- (G) $(B) + (F)$.

This exhibit shows the calculation of ultimate losses based on the assumption that there is an underlying relationship between losses and exposure that changes in regular ways over time. The method relies on the premise that the losses that are currently unpaid will cost what this relationship would suggest.

ERMA - Employment Practices Liability

Exposure and Development Method

Accident Year	Trended Payroll (\$00) (A)	Ultimate SIR Losses (B)	Trend Factor (C)	Trended SIR Losses (D)	Trended SIR Loss Rate (E)	SIR Loss Rate (F)	Factor to SIR (G)	Program Loss Rate (H)
Prior	0		4.142			0.078	1.000	0.078
2002-2003	13,037,271	2,992,869	3.871	11,585,396	0.889	0.230	1.000	0.230
2003-2004	14,860,480	1,973,193	3.618	7,139,012	0.480	0.133	1.000	0.133
2004-2005	14,381,744	6,416,832	3.381	21,695,309	1.509	0.446	1.000	0.446
2005-2006	14,610,896	3,616,204	3.160	11,427,205	0.782	0.248	1.000	0.248
2006-2007	16,365,414	5,810,921	2.953	17,159,650	1.049	0.355	1.000	0.355
2007-2008	17,885,965	3,528,296	2.760	9,738,097	0.544	0.197	1.000	0.197
2008-2009	17,540,040	1,211,783	2.580	3,126,400	0.178	0.069	1.000	0.069
2009-2010	15,431,316	3,281,809	2.411	7,912,442	0.513	0.213	1.000	0.213
2010-2011	14,266,138	1,825,609	2.253	4,113,097	0.288	0.128	1.000	0.128
2011-2012	13,807,342	1,916,982	2.105	4,035,247	0.292	0.139	1.000	0.139
2012-2013	13,235,086	1,882,270	1.967	3,702,425	0.280	0.142	1.000	0.142
2013-2014	13,542,244	2,210,525	1.838	4,062,945	0.300	0.163	1.000	0.163
2014-2015	14,017,602	4,254,731	1.718	7,309,628	0.521	0.304	1.000	0.304
2015-2016	14,473,446	3,217,101	1.606	5,166,664	0.357	0.222	1.000	0.222
2016-2017	15,749,183	2,925,182	1.500	4,387,773	0.279	0.186	1.000	0.186
2017-2018	15,796,245	4,671,941	1.402	6,550,061	0.415	0.232	1.000	0.232
2018-2019	16,054,143	4,463,434	1.311	5,851,562	0.364	0.248	1.000	0.248
2019-2020	16,519,575	4,806,732	1.225	5,888,247	0.356	0.265	1.000	0.265
2020-2021	16,358,850	2,068,507	1.145	2,368,441	0.145	0.284	1.000	0.284
2021-2022	16,872,729	3,351,002	1.070	3,585,572	0.213	0.304	1.000	0.304
2022-2023	18,848,947	3,321,497	1.000	3,321,497	0.176	0.325	1.000	0.325
Total/Avg	323,654,656	\$69,747,420		\$150,126,669	\$0.464			
15/16-19/20	78,592,592	20,084,390		27,844,307	0.354			
19/20-21/22	49,751,154	10,226,241		11,842,259	0.238			
Selected SIR Rate:					\$0.325			
Prior:					\$0.345			

Notes:

- (A) Appendix L, Column (C).
- (B) Selected average of results from Appendices A and B.
- (C) From Appendix E, Page 1, Column (B).
- (D) (B) x (C).
- (E) (D) / (A).
- (F) Selected SIR Rate / (C). For 2016-2017 and prior (B) / (A).
- (G) Based on a Burr distribution, a mathematical model of claim sizes.
- (H) (F) x (G).

This exhibit shows the calculation of the underlying historical relationship between losses and exposure that is needed to apply the estimation methods shown on pages 1 and 2 of this Appendix.

ERMA - Employment Practices Liability

Frequency and Severity Method

Accident Year	Ultimate Program Severity (A)	Adjusted Ultimate Claims (B)	Ultimate Program Losses (C)
Prior	\$157,284	34	\$5,347,656
2002-2003	149,643	20	2,992,860
2003-2004	151,784	13	1,973,192
2004-2005	305,563	21	6,416,823
2005-2006	200,900	18	3,616,200
2006-2007	242,122	24	5,810,928
2007-2008	126,011	28	3,528,308
2008-2009	100,982	12	1,211,784
2009-2010	156,277	21	3,281,817
2010-2011	152,134	12	1,825,608
2011-2012	212,998	9	1,916,982
2012-2013	134,448	14	1,882,272
2013-2014	184,210	12	2,210,520
2014-2015	250,278	17	4,254,726
2015-2016	178,728	18	3,217,104
2016-2017	130,981	23	3,012,563
2017-2018	184,729	20	3,694,580
2018-2019	192,143	21	4,035,003
2019-2020	200,000	22	4,400,000
2020-2021	207,948	21	4,366,908
2021-2022	216,346	26	5,624,996
2022-2023	225,000	27	6,075,000
Total		433	\$80,695,830

Notes:

- (A) From Appendix D, Page 2, Column (H).
 (B) From Appendix D, Page 2, Column (B).
 (C) (A) x (B).

This exhibit shows the calculation of the estimated ultimate losses for each year based on the observed average frequency and severity of claims.

ERMA - Employment Practices Liability

Frequency and Severity Method

Accident Year	Ultimate SIR Losses (A)	Adjusted Ultimate Claims (B)	Ultimate SIR Severity (C)	Trend Factor (D)	Trended SIR Severity (E)	SIR Severity (F)	Factor to SIR (G)	Program Severity (H)
Prior	\$5,347,654	34	\$157,284	2.281	\$358,765	\$157,284	1.000	\$157,284
2002-2003	2,992,869	20	149,643	2.193	328,167	149,643	1.000	149,643
2003-2004	1,973,193	13	151,784	2.108	319,961	151,784	1.000	151,784
2004-2005	6,416,832	21	305,563	2.028	619,682	305,563	1.000	305,563
2005-2006	3,616,204	18	200,900	1.949	391,554	200,900	1.000	200,900
2006-2007	5,810,921	24	242,122	1.875	453,979	242,122	1.000	242,122
2007-2008	3,528,296	28	126,011	1.803	227,198	126,011	1.000	126,011
2008-2009	1,211,783	12	100,982	1.733	175,002	100,982	1.000	100,982
2009-2010	3,281,809	21	156,277	1.667	260,514	156,277	1.000	156,277
2010-2011	1,825,609	12	152,134	1.603	243,871	152,134	1.000	152,134
2011-2012	1,916,982	9	212,998	1.541	328,230	212,998	1.000	212,998
2012-2013	1,882,270	14	134,448	1.482	199,252	134,448	1.000	134,448
2013-2014	2,210,525	12	184,210	1.425	262,499	184,210	1.000	184,210
2014-2015	4,254,731	17	250,278	1.370	342,881	250,278	1.000	250,278
2015-2016	3,217,101	18	178,728	1.317	235,385	178,728	1.000	178,728
2016-2017	3,012,560	23	130,981	1.267	165,953	130,981	1.000	130,981
2017-2018	4,640,919	20	232,046	1.218	282,632	184,729	1.000	184,729
2018-2019	4,513,090	21	214,909	1.171	251,658	192,143	1.000	192,143
2019-2020	4,798,606	22	218,118	1.125	245,383	200,000	1.000	200,000
2020-2021	3,681,952	21	175,331	1.082	189,708	207,948	1.000	207,948
2021-2022	4,717,935	26	181,459	1.040	188,717	216,346	1.000	216,346
2022-2023	5,443,754	27	201,621	1.000	201,621	225,000	1.000	225,000

Average SIR Severity: \$285,119
Average 16/17-20/21 SIR Severity: 227,067
Average 17/18-21/22 SIR Severity: 231,620

Selected SIR Severity: \$225,000
Prior: \$225,000

Notes:

- (A) Selected average of results from Appendices A, B, and C.
- (B) Appendix D, Page 3, Column (C).
- (C) (A) / (B).
- (D) From Appendix E, Page 1, Column (J).
- (E) (C) x (D).
- (F) Selected Limited Severity / (D).
- (G) Based on a Burr distribution, a mathematical model of claim sizes.
- (H) (F) x (G).

This exhibit shows the calculation of the historical average cost per claim, or severity. The observed average severity is used in the method shown on page 1 of this Appendix.

ERMA - Employment Practices Liability

Frequency and Severity Method
Projection of Ultimate Claims

Accident Year	Reported Claim Development (A)	Closed Claim Development (B)	Selected Ultimate Claims (C)	Trended Payroll (\$000,000) (D)	Claim Frequency (E)	Trend Factor (F)	Trended Claim Frequency (G)
Prior	34	34	34	0.0		1.862	
2002-2003	20	20	20	1,303.7	0.015	1.808	0.027
2003-2004	13	13	13	1,486.0	0.009	1.755	0.016
2004-2005	21	21	21	1,438.2	0.015	1.704	0.026
2005-2006	18	18	18	1,461.1	0.012	1.654	0.020
2006-2007	24	24	24	1,636.5	0.015	1.606	0.024
2007-2008	28	28	28	1,788.6	0.016	1.559	0.025
2008-2009	12	12	12	1,754.0	0.007	1.513	0.011
2009-2010	21	21	21	1,543.1	0.014	1.469	0.021
2010-2011	12	12	12	1,426.6	0.008	1.426	0.011
2011-2012	9	9	9	1,380.7	0.007	1.385	0.010
2012-2013	14	14	14	1,323.5	0.011	1.345	0.015
2013-2014	12	12	12	1,354.2	0.009	1.306	0.012
2014-2015	17	16	17	1,401.8	0.012	1.267	0.015
2015-2016	18	19	18	1,447.3	0.012	1.231	0.015
2016-2017	23	23	23	1,574.9	0.015	1.195	0.018
2017-2018	20	21	20	1,579.6	0.013	1.160	0.015
2018-2019	21	21	21	1,605.4	0.013	1.126	0.015
2019-2020	22	29	22	1,652.0	0.013	1.093	0.014
2020-2021	21	43	21	1,635.9	0.013	1.061	0.014
2021-2022	54	20	26	1,687.3	0.015	1.030	0.015
2022-2023	34	0	27	1,884.9	0.014	1.000	0.014
Total	468	430	433	32,365.5			0.017
16/17-20/21	107	137	107	8,047.8			0.015

(H) Selected Frequency: 0.015
Prior: 0.017

Program Year:	2022-2023	2023-2024
(I) Trend Factor:	1.000	1.030
(J) Selected Frequency:	0.014	0.015
(K) Est. Payroll (\$000,000):	1,884.9	1,903.7
(L) Ultimate Claims:	27	29

Notes:

- (A) Appendix D, Page 4, (C).
 (B) Appendix D, Page 5, (C).
 (C) Selected from (A) and (B).
 (D) Appendix L, Column (C) / 10,000.
 (E) (C) / (D).
 (F) Appendix E, Page 1, Column (F).
 (G) (E) x (F).
 (H) The selected frequency of 0.015 is based on (G).
 (I) Appendix E, Page 1, Column (F).
 (J) (H) x (I). 2022-2023 is (L) / (K).
 (K) Appendix L, Column (C) / 10,000.
 (L) (J) x (K). 2022-2023 is (C).

This exhibit summarizes the estimated numbers of claims and shows the estimated frequencies per \$1,000,000 of trended payroll.

ERMA - Employment Practices Liability

Frequency and Severity Method
Reported Claim Count Development

Accident Year	Claims Reported as of 12/31/2022 (A)	Reported Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
Prior	34	1.000	34	
2002-2003	20	1.000	20	0.028
2003-2004	13	1.000	13	0.015
2004-2005	21	1.000	21	0.025
2005-2006	18	1.000	18	0.020
2006-2007	24	1.000	24	0.024
2007-2008	28	1.000	28	0.024
2008-2009	12	1.000	12	0.010
2009-2010	21	1.000	21	0.020
2010-2011	12	1.000	12	0.012
2011-2012	9	1.000	9	0.009
2012-2013	14	1.000	14	0.014
2013-2014	12	1.000	12	0.012
2014-2015	17	1.000	17	0.015
2015-2016	18	1.000	18	0.015
2016-2017	23	1.000	23	0.017
2017-2018	20	1.005	20	0.015
2018-2019	21	1.015	21	0.015
2019-2020	21	1.061	22	0.015
2020-2021	17	1.220	21	0.014
2021-2022	16	3.355	54	0.033
2022-2023	2	16.775	34	0.018
Total	393		468	0.018

Notes:

- (A) Provided by the Authority.
- (B) From Appendix D, Page 6.
- (C) (A) x (B).
- (D) (C) / [Appendix D, Page 3, (D)] x [Appendix D, Page 3, (F)].

This exhibit shows the calculation of estimated ultimate claims for each year based on reported claims as provided by the Authority. These numbers of claims tend to "develop" or change from period to period as more claims are filed. This development tends to follow quantifiable patterns over time.

ERMA - Employment Practices Liability

Frequency and Severity Method
Closed Claim Count Development

Accident Year	Claims Closed as of 12/31/2022 (A)	Closed Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
Prior	34	1.000	34	
2002-2003	20	1.000	20	0.028
2003-2004	13	1.000	13	0.015
2004-2005	21	1.000	21	0.025
2005-2006	18	1.000	18	0.020
2006-2007	24	1.000	24	0.024
2007-2008	28	1.000	28	0.024
2008-2009	12	1.000	12	0.010
2009-2010	21	1.000	21	0.020
2010-2011	12	1.000	12	0.012
2011-2012	9	1.000	9	0.009
2012-2013	14	1.000	14	0.014
2013-2014	12	1.000	12	0.012
2014-2015	16	1.010	16	0.014
2015-2016	18	1.035	19	0.016
2016-2017	21	1.092	23	0.017
2017-2018	17	1.207	21	0.015
2018-2019	15	1.388	21	0.015
2019-2020	14	2.082	29	0.019
2020-2021	8	5.413	43	0.028
2021-2022	1	20.028	20	0.012
2022-2023	0	400.560	0	
Total	348		430	0.017

Notes:

- (A) Provided by the Authority.
- (B) From Appendix D, Page 7.
- (C) (A) x (B).
- (D) (C) / [Appendix D, Page 3, (D)] x [Appendix D, Page 3, (F)].

This exhibit shows the calculation of estimated ultimate claims for each year based on closed claims as provided by the Authority. These numbers of closed claims tend to "develop" or change from period to period as more claims are closed. This development tends to follow quantifiable patterns over time.

ERMA - Employment Practices Liability
Reported Claim Count Development

Accident Year	Claims Reported as of:													
	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months	138 Months	150 Months	162 Months
2001-2002		3	9	10	12	12	12	12	12	12	12	12	12	12
2002-2003		4	16	19	20	20	20	20	20	20	20	20	20	20
2003-2004	1	5	11	14	13	13	13	13	13	13	13	13	13	13
2004-2005		6	21	20	20	20	20	21	21	21	21	21	21	21
2005-2006		17	18	17	18	18	19	18	18	18	18	18	18	18
2006-2007	1	3	22	23	23	23	23	24	24	24	24	24	24	24
2007-2008		14	24	25	27	27	28	28	28	28	28	28	28	28
2008-2009		8	12	12	12	12	12	12	12	12	12	12	12	12
2009-2010	2	10	20	23	21	21	21	21	21	21	21	21	21	21
2010-2011	1	7	8	11	11	12	12	12	12	12	12	12	12	12
2011-2012		2	9	10	10	9	9	9	9	9	9	9	9	9
2012-2013		4	9	11	13	13	13	13	14	14	14	14	14	14
2013-2014		3	11	12	12	12	12	12	12	12	12	12	12	12
2014-2015		4	12	15	15	15	16	17	17	17	17	17	17	17
2015-2016		10	16	17	18	18	18	18	18	18	18	18	18	18
2016-2017		5	18	25	23	23	23	23	23	23	23	23	23	23
2017-2018		6	19	18	19	20	20	20	20	20	20	20	20	20
2018-2019	2	12	19	22	21	21	21	21	21	21	21	21	21	21
2019-2020	3	13	20	21	21	21	21	21	21	21	21	21	21	21
2020-2021	5	15	17	17	17	17	17	17	17	17	17	17	17	17
2021-2022	6	16	16	16	16	16	16	16	16	16	16	16	16	16
2022-2023	2	2	2	2	2	2	2	2	2	2	2	2	2	2

Reported Claim Count Development Factors:

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months	138-150 Months	150-162 Months	162-174 Months
2001-2002		3.000	1.111	1.200	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002-2003		4.000	1.188	1.053	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003-2004	5.000	2.200	1.273	0.929	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004-2005		3.500	0.952	1.000	1.000	1.000	1.050	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2005-2006		1.059	0.944	1.059	1.000	1.056	0.947	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2006-2007	3.000	7.333	1.045	1.000	1.000	1.000	1.043	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2007-2008		1.714	1.042	1.080	1.000	1.037	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2008-2009		1.500	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2009-2010	5.000	2.000	1.150	0.913	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2010-2011	7.000	1.143	1.375	1.000	1.091	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2011-2012		4.500	1.111	1.000	0.900	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2012-2013		2.250	1.222	1.182	1.000	1.000	1.000	1.077	1.000	1.000	1.000	1.000	1.000	1.000
2013-2014		3.667	1.091	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2014-2015		3.000	1.250	1.000	1.000	1.067	1.063	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2015-2016		1.600	1.063	1.059	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2016-2017		3.600	1.389	0.920	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2017-2018		3.167	0.947	1.056	1.053	1.053	1.053	1.053	1.053	1.053	1.053	1.053	1.053	1.053
2018-2019	6.000	1.583	1.158	0.955	0.955	0.955	0.955	0.955	0.955	0.955	0.955	0.955	0.955	0.955
2019-2020	4.333	1.538	1.050	1.050	1.050	1.050	1.050	1.050	1.050	1.050	1.050	1.050	1.050	1.050
2020-2021	3.000	1.133	1.133	1.133	1.133	1.133	1.133	1.133	1.133	1.133	1.133	1.133	1.133	1.133
2021-2022	2.667	2.667	2.667	2.667	2.667	2.667	2.667	2.667	2.667	2.667	2.667	2.667	2.667	2.667
Average Claim-Weighted Averages	4.500	2.674	1.124	1.023	1.003	1.010	1.007	1.006	1.000	1.000	1.000	1.000	1.000	1.000
3-yr	3.143	1.400	1.052	0.969	1.017	1.018	1.022	1.024	1.000	1.000	1.000	1.000	1.000	1.000
4-yr	3.500	1.630	1.132	0.988	1.013	1.015	1.017	1.020	1.000	1.000	1.000	1.000	1.000	1.000
Comparative Factors	2.653	1.144	1.017	1.010	1.006	1.004	1.005	1.004	1.003	1.003	1.003	1.002	1.003	1.002
Prior	5.000	2.900	1.150	1.045	1.010	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	5.000	2.750	1.150	1.045	1.010	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	16.775	3.355	1.220	1.061	1.015	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

ERMA - Employment Practices Liability
Closed Claim Development

Accident Year	Claims Closed as of:													
	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months	138 Months	150 Months	162 Months
2001-2002		1	3	6	9	12	12	12	12	12	12	12	12	12
2002-2003			7	15	19	20	20	20	20	20	20	20	20	20
2003-2004		2	5	9	9	13	13	13	13	13	13	13	13	13
2004-2005		1	9	14	14	15	20	20	20	21	21	21	21	21
2005-2006		4	12	13	14	17	18	18	18	18	18	18	18	18
2006-2007		1	3	13	19	23	23	23	23	24	24	24	24	24
2007-2008		5	9	19	24	24	27	27	28	28	28	28	28	28
2008-2009		1	7	7	11	12	12	12	12	12	12	12	12	12
2009-2010		2	5	10	15	16	20	20	21	21	21	21	21	21
2010-2011		1	4	6	9	10	11	12	12	12	12	12	12	
2011-2012		1	1	4	8	9	9	9	9	9	9	9		
2012-2013			4	7	11	12	12	13	14	14	14			
2013-2014			3	6	9	11	12	12	12	12				
2014-2015		1	3	7	12	13	15	16	16					
2015-2016			5	10	17	17	18	18						
2016-2017			3	14	18	20	21							
2017-2018		1	4	12	16	17								
2018-2019		1	6	11	15									
2019-2020		4	10	14										
2020-2021		4	8											
2021-2022		1												
2022-2023														

Closed Claim Count Development Factors:

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months	138-150 Months	150-162 Months	162-174 Months
2001-2002		3.000	2.000	1.500	1.333	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002-2003			2.143	1.267	1.053	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003-2004		2.500	1.800	1.000	1.444	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004-2005		9.000	1.556	1.000	1.071	1.333	1.000	1.000	1.050	1.000	1.000	1.000	1.000	1.000
2005-2006		3.000	1.083	1.077	1.214	1.059	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2006-2007		3.000	4.333	1.462	1.211	1.000	1.000	1.000	1.043	1.000	1.000	1.000	1.000	1.000
2007-2008		1.800	2.111	1.263	1.000	1.125	1.000	1.037	1.000	1.000	1.000	1.000	1.000	1.000
2008-2009		7.000	1.000	1.571	1.091	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2009-2010		2.500	2.000	1.500	1.067	1.250	1.000	1.050	1.000	1.000	1.000	1.000	1.000	
2010-2011		4.000	1.500	1.500	1.111	1.100	1.091	1.000	1.000	1.000	1.000	1.000		
2011-2012		1.000	4.000	2.000	1.125	1.000	1.000	1.000	1.000	1.000	1.000			
2012-2013			1.750	1.571	1.091	1.000	1.083	1.077	1.000	1.000				
2013-2014			2.000	1.500	1.222	1.091	1.000	1.000	1.000					
2014-2015		3.000	2.333	1.714	1.083	1.154	1.067	1.000						
2015-2016			2.000	1.700	1.000	1.059	1.000							
2016-2017			4.667	1.286	1.111	1.050								
2017-2018		4.000	3.000	1.333	1.063									
2018-2019		6.000	1.833	1.364										
2019-2020		2.500	1.400											
2020-2021		2.000												
2021-2022														
Average Claim-Weighted Averages														
3-yr		2.667	1.850	1.324	1.059	1.080	1.022	1.024	1.000	1.000	1.000	1.000	1.000	1.000
4-yr		2.800	2.217	1.404	1.063	1.082	1.035	1.020	1.000	1.000	1.000	1.000	1.000	1.000
Comparative Factors														
Prior	3.720	1.528	1.096	1.038	1.019	1.011	1.009	1.008	1.008	1.006	1.004	1.005	1.004	1.004
Selected	20.000	3.900	2.750	1.600	1.150	1.115	1.055	1.025	1.010	1.000	1.000	1.000	1.000	1.000
Cumulated	20.000	3.700	2.600	1.500	1.150	1.105	1.055	1.025	1.010	1.000	1.000	1.000	1.000	1.000
Cumulated	400.560	20.028	5.413	2.082	1.388	1.207	1.092	1.035	1.010	1.000	1.000	1.000	1.000	1.000

ERMA - Employment Practices Liability

Loss Trend Factors

Accident Year	Benefit Level Factor (A)	Factor to 2022-2023 Loss Rate Level (B)	Factor to 2023-2024 Loss Rate Level (C)	Factor to 2024-2025 Loss Rate Level (D)	Factor to 2025-2026 Loss Rate Level (E)	Factor to 2022-2023 Frequency Level (F)	Factor to 2023-2024 Frequency Level (G)	Factor to 2024-2025 Frequency Level (H)	Factor to 2025-2026 Frequency Level (I)	Factor to 2022-2023 Severity Level (J)
Prior	1.000	4.142	4.431	4.742	5.074	1.862	1.918	1.976	2.035	2.281
2002-2003	1.000	3.871	4.141	4.432	4.742	1.808	1.862	1.918	1.976	2.193
2003-2004	1.000	3.618	3.871	4.142	4.432	1.755	1.808	1.862	1.918	2.108
2004-2005	1.000	3.381	3.617	3.871	4.142	1.704	1.755	1.808	1.862	2.028
2005-2006	1.000	3.160	3.381	3.618	3.871	1.654	1.704	1.755	1.808	1.949
2006-2007	1.000	2.953	3.160	3.381	3.618	1.606	1.654	1.704	1.755	1.875
2007-2008	1.000	2.760	2.953	3.160	3.381	1.559	1.606	1.654	1.704	1.803
2008-2009	1.000	2.580	2.760	2.953	3.160	1.513	1.559	1.606	1.654	1.733
2009-2010	1.000	2.411	2.579	2.760	2.953	1.469	1.514	1.559	1.606	1.667
2010-2011	1.000	2.253	2.410	2.579	2.760	1.426	1.469	1.514	1.559	1.603
2011-2012	1.000	2.105	2.252	2.410	2.579	1.385	1.427	1.470	1.514	1.541
2012-2013	1.000	1.967	2.105	2.252	2.410	1.345	1.385	1.427	1.470	1.482
2013-2014	1.000	1.838	1.967	2.105	2.252	1.306	1.345	1.385	1.427	1.425
2014-2015	1.000	1.718	1.838	1.967	2.105	1.267	1.305	1.345	1.385	1.370
2015-2016	1.000	1.606	1.718	1.838	1.967	1.231	1.268	1.306	1.345	1.317
2016-2017	1.000	1.500	1.605	1.718	1.838	1.195	1.231	1.268	1.306	1.267
2017-2018	1.000	1.402	1.500	1.606	1.718	1.160	1.195	1.231	1.268	1.218
2018-2019	1.000	1.311	1.403	1.501	1.606	1.126	1.160	1.195	1.231	1.171
2019-2020	1.000	1.225	1.311	1.403	1.501	1.093	1.126	1.160	1.195	1.125
2020-2021	1.000	1.145	1.225	1.311	1.403	1.061	1.093	1.126	1.160	1.082
2021-2022	1.000	1.070	1.145	1.225	1.311	1.030	1.061	1.093	1.126	1.040
2022-2023	1.000	1.000	1.070	1.145	1.225	1.000	1.030	1.061	1.093	1.000
2023-2024	1.000	--	1.000	1.070	1.145	--	1.000	1.030	1.061	--
2024-2025	1.000	--	--	1.000	1.070	--	--	1.000	1.030	--
2025-2026	1.000	--	--	--	1.000	--	--	--	1.000	--

Notes:

- (A) No benefit level adjustment applied.
 (B) - (E) (A) adjusted for a 7.0% annual loss rate trend.
 (F) - (I) (A) adjusted for a 3.0% annual frequency trend.
 (J) (A) adjusted for a 4.0% annual severity trend.

This exhibit shows the calculation of the ways in which we expect claims costs to have changed over the past twenty years due to changes in inflation.

ERMA - Employment Practices Liability

Residual Trend Factors

Accident Year	Initial Estimate of Ultimate Limited Losses (A)	Ultimate Reported Claims (B)	BLF (C)	Adjusted Limited Severity (D)	Trended Payroll (\$00) (E)	Ultimate Frequency (F)
Prior	\$5,347,654	34	1.000	157,284		
2002-2003	2,992,869	20	1.000	149,643	13,037,271	0.015
2003-2004	1,973,193	13	1.000	151,784	14,860,480	0.009
2004-2005	6,416,832	21	1.000	305,563	14,381,744	0.015
2005-2006	3,616,204	18	1.000	200,900	14,610,896	0.012
2006-2007	5,810,921	24	1.000	242,122	16,365,414	0.015
2007-2008	3,528,296	28	1.000	126,011	17,885,965	0.016
2008-2009	1,211,783	12	1.000	100,982	17,540,040	0.007
2009-2010	3,281,809	21	1.000	156,277	15,431,316	0.014
2010-2011	1,825,609	12	1.000	152,134	14,266,138	0.008
2011-2012	1,916,982	9	1.000	212,998	13,807,342	0.007
2012-2013	1,882,270	14	1.000	134,448	13,235,086	0.011
2013-2014	2,210,525	12	1.000	184,210	13,542,244	0.009
2014-2015	4,254,731	17	1.000	250,278	14,017,602	0.012
2015-2016	3,217,101	18	1.000	178,728	14,473,446	0.012
2016-2017	2,925,182	23	1.000	127,182	15,749,183	0.015
2017-2018	4,671,941	20	1.000	233,597	15,796,245	0.013
2018-2019	4,463,434	21	1.000	212,544	16,054,143	0.013
2019-2020	4,806,732	22	1.000	218,488	16,519,575	0.013
2020-2021	2,068,507	21	1.000	98,500	16,358,850	0.013
2021-2022	3,351,002	26	1.000	128,885	16,872,729	0.015

Severity Trend FactorsFrequency Trend Factors

Latest 10 x 2021-2022	0.980	1.062
Mvg 5-Yr Wtd Latest 10 x 2021-2022	1.028	1.045
Latest 5 x 2021-2022	0.944	0.979
Mvg 5-Yr Wtd Latest 5 x 2021-2022	1.006	1.032
Prior	1.040	1.030
Default	1.030	0.975

Selected Residual Trend	1.040	1.030
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Notes:

- (A) Selected average of results from Appendices A and B.
- (B) Appendix D, Page 3, Column (C).
- (C) Appendix E, Page 1, Column (A).
- (D) (A) x (C) / (B).
- (E) Appendix L, Column (C).
- (F) (B) / (E) x 10,000.

ERMA - Employment Practices Liability

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of 12/31/2022</u>	<u>Calendar Period</u>	
		<u>1/1/2023 to 6/30/2023</u>	<u>7/1/2023 to 6/30/2024</u>
Prior			
Ultimate Loss	\$20,346,752	\$20,346,752	\$20,346,752
Paid in Calendar Period	-		
Paid to Date	20,346,752	20,346,752	20,346,752
Outstanding Liability			
2006-2007			
Ultimate Loss	\$5,810,921	\$5,810,921	\$5,810,921
Paid in Calendar Period	-		
Paid to Date	5,810,921	5,810,921	5,810,921
Outstanding Liability			
2007-2008			
Ultimate Loss	\$3,528,296	\$3,528,296	\$3,528,296
Paid in Calendar Period	-		
Paid to Date	3,528,296	3,528,296	3,528,296
Outstanding Liability			
2008-2009			
Ultimate Loss	\$1,211,783	\$1,211,783	\$1,211,783
Paid in Calendar Period	-		
Paid to Date	1,211,783	1,211,783	1,211,783
Outstanding Liability			
2009-2010			
Ultimate Loss	\$3,281,809	\$3,281,809	\$3,281,809
Paid in Calendar Period	-		
Paid to Date	3,281,809	3,281,809	3,281,809
Outstanding Liability			
2010-2011			
Ultimate Loss	\$1,825,609	\$1,825,609	\$1,825,609
Paid in Calendar Period	-		
Paid to Date	1,825,609	1,825,609	1,825,609
Outstanding Liability			
2011-2012			
Ultimate Loss	\$1,916,982	\$1,916,982	\$1,916,982
Paid in Calendar Period	-		
Paid to Date	1,916,982	1,916,982	1,916,982
Outstanding Liability			
2012-2013			
Ultimate Loss	\$1,882,270	\$1,882,270	\$1,882,270
Paid in Calendar Period	-		
Paid to Date	1,882,270	1,882,270	1,882,270
Outstanding Liability			

ERMA - Employment Practices Liability

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of 12/31/2022</u>	<u>Calendar Period</u>	
		<u>1/1/2023 to 6/30/2023</u>	<u>7/1/2023 to 6/30/2024</u>
2013-2014			
Ultimate Loss	\$2,210,525	\$2,210,525	\$2,210,525
Paid in Calendar Period	-		
Paid to Date	2,210,525	2,210,525	2,210,525
Outstanding Liability			
2014-2015			
Ultimate Loss	\$4,254,731	\$4,254,731	\$4,254,731
Paid in Calendar Period	-	67,183	44,976
Paid to Date	4,142,572	4,209,755	4,254,731
Outstanding Liability	112,159	44,976	
2015-2016			
Ultimate Loss	\$3,217,101	\$3,217,101	\$3,217,101
Paid in Calendar Period	-		
Paid to Date	3,217,101	3,217,101	3,217,101
Outstanding Liability			
2016-2017			
Ultimate Loss	\$3,012,560	\$3,012,560	\$3,012,560
Paid in Calendar Period	-	75,531	115,943
Paid to Date	2,741,839	2,817,370	2,933,313
Outstanding Liability	270,721	195,190	79,247
2017-2018			
Ultimate Loss	\$4,640,919	\$4,640,919	\$4,640,919
Paid in Calendar Period	-	201,514	249,905
Paid to Date	4,060,187	4,261,701	4,511,606
Outstanding Liability	580,732	379,218	129,313
2018-2019			
Ultimate Loss	\$4,513,090	\$4,513,090	\$4,513,090
Paid in Calendar Period	-	492,246	949,397
Paid to Date	2,202,076	2,694,322	3,643,719
Outstanding Liability	2,311,014	1,818,768	869,371
2019-2020			
Ultimate Loss	\$4,798,606	\$4,798,606	\$4,798,606
Paid in Calendar Period	-	711,062	962,753
Paid to Date	2,203,488	2,914,550	3,877,303
Outstanding Liability	2,595,118	1,884,056	921,303
2020-2021			
Ultimate Loss	\$4,366,908	\$4,366,908	\$4,366,908
Paid in Calendar Period	-	921,984	1,473,717
Paid to Date	509,233	1,431,217	2,904,934
Outstanding Liability	3,857,675	2,935,691	1,461,974

ERMA - Employment Practices Liability

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of 12/31/2022</u>	<u>Calendar Period</u>	
		<u>1/1/2023 to 6/30/2023</u>	<u>7/1/2023 to 6/30/2024</u>
2021-2022			
Ultimate Loss	\$5,616,527	\$5,616,527	\$5,616,527
Paid in Calendar Period	-	503,278	1,583,585
Paid to Date	85,995	589,273	2,172,858
Outstanding Liability	5,530,532	5,027,254	3,443,669
2022-2023			
Ultimate Loss	\$3,057,234	\$6,114,467	\$6,114,467
Paid in Calendar Period	-	42,801	588,952
Paid to Date	-	42,801	631,753
Outstanding Liability	3,057,234	6,071,666	5,482,714
2023-2024			
Ultimate Loss	-	-	\$7,024,653
Paid in Calendar Period	-	-	49,173
Paid to Date	-	-	49,173
Outstanding Liability	-	-	6,975,480
Totals			
Ultimate Loss	\$79,492,623	\$82,549,856	\$89,574,509
Paid in Calendar Period	-	3,015,599	6,018,401
Paid to Date	61,177,438	64,193,037	70,211,438
Outstanding Liability	18,315,185	18,356,819	19,363,071
Total Outstanding ULAE	915,759	917,841	968,154
Outstanding Liability plus ULAE	19,230,944	19,274,660	20,331,225

Notes appear on the next page.

ERMA - Employment Practices Liability

Payment and Reserve Forecast

Notes to previous page:

- Accident Year is associated with date of loss. Calendar Period is associated with date of transaction. For example, for the losses which occurred during 2020-2021, \$921,984 is expected to be paid between 1/1/23 and 6/30/23, \$1,431,217 will have been paid by 6/30/23, and the reserve for remaining payments on these claims should be \$2,935,691.
- Ultimate Losses for each accident year are from Exhibit 4, Page 1.
- Paid in Calendar Period is a proportion of the Outstanding Liability from the previous calendar period. These proportions are derived from the paid loss development pattern selected in Appendix B. For example, $\$1,473,717 = \$2,935,691 \times 50.2\%$.
- Paid to Date is Paid in Calendar Period plus Paid to Date from previous calendar period. For example, $\$2,904,934 = \$1,473,717 + \$1,431,217$.
- Outstanding Liability is Ultimate Loss minus Paid to Date. For example, $\$2,935,691 = \$4,366,908 - \$1,431,217$.

This exhibit shows the calculation of the liability for outstanding claims as of the date of evaluation, the end of the current fiscal year, and the end of the coming fiscal year. It also shows the expected claims payout during the remainder of the current fiscal year and the coming fiscal year. Refer to the Totals at the end of the exhibit for the balance sheet information. The top parts of the exhibit show information for each program year.

Short- and Long-Term Liabilities

<u>Liabilities as of 12/31/22:</u>		<u>Expected</u>	<u>Discounted</u>
<u>Current (Short Term)</u>	Loss and ALAE:	\$5,831,575	\$5,788,324
	ULAE:	291,579	289,416
	Short-Term Loss and LAE:	<u>\$6,123,154</u>	<u>\$6,077,740</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$12,483,610	\$12,012,257
	ULAE:	624,180	600,613
	Long-Term Loss and LAE:	<u>\$13,107,790</u>	<u>\$12,612,870</u>
<u>Total Liability</u>	Loss and ALAE:	\$18,315,185	\$17,800,581
	ULAE:	915,759	890,029
	Total Loss and LAE:	<u>\$19,230,944</u>	<u>\$18,690,610</u>
<u>Liabilities as of 6/30/23:</u>			
<u>Current (Short Term)</u>	Loss and ALAE:	\$5,969,228	\$5,924,956
	ULAE:	292,242	290,075
	Short-Term Loss and LAE:	<u>\$6,261,470</u>	<u>\$6,215,031</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$12,387,591	\$11,931,328
	ULAE:	625,599	602,739
	Long-Term Loss and LAE:	<u>\$13,013,190</u>	<u>\$12,534,067</u>
<u>Total Liability</u>	Loss and ALAE:	\$18,356,819	\$17,856,284
	ULAE:	917,841	892,814
	Total Loss and LAE:	<u>\$19,274,660</u>	<u>\$18,749,098</u>

		<u>Discounted with a Margin for Contingencies</u>				
		<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>85%</u>	<u>90%</u>
		<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>
<u>Liabilities as of 12/31/22:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$6,639,208	\$6,917,047	\$7,241,193	\$7,640,588	\$8,190,478
	ULAE:	331,960	345,852	362,059	382,029	409,524
	Short-Term Loss and LAE:	<u>\$6,971,168</u>	<u>\$7,262,899</u>	<u>\$7,603,252</u>	<u>\$8,022,617</u>	<u>\$8,600,002</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$13,778,058	\$14,354,647	\$15,027,334	\$15,856,179	\$16,997,344
	ULAE:	688,904	717,733	751,367	792,809	849,867
	Long-Term Loss and LAE:	<u>\$14,466,962</u>	<u>\$15,072,380</u>	<u>\$15,778,701</u>	<u>\$16,648,988</u>	<u>\$17,847,211</u>
<u>Total Liability</u>	Loss and ALAE:	\$20,417,266	\$21,271,694	\$22,268,527	\$23,496,767	\$25,187,822
	ULAE:	1,020,864	1,063,585	1,113,426	1,174,838	1,259,391
	Total Loss and LAE:	<u>\$21,438,130</u>	<u>\$22,335,279</u>	<u>\$23,381,953</u>	<u>\$24,671,605</u>	<u>\$26,447,213</u>
<u>Liabilities as of 6/30/23:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$6,795,925	\$7,080,322	\$7,412,120	\$7,820,942	\$8,383,813
	ULAE:	332,716	346,640	362,884	382,899	410,456
	Short-Term Loss and LAE:	<u>\$7,128,641</u>	<u>\$7,426,962</u>	<u>\$7,775,004</u>	<u>\$8,203,841</u>	<u>\$8,794,269</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$13,685,233	\$14,257,937	\$14,926,091	\$15,749,353	\$16,882,829
	ULAE:	691,341	720,273	754,027	795,615	852,876
	Long-Term Loss and LAE:	<u>\$14,376,574</u>	<u>\$14,978,210</u>	<u>\$15,680,118</u>	<u>\$16,544,968</u>	<u>\$17,735,705</u>
<u>Total Liability</u>	Loss and ALAE:	\$20,481,158	\$21,338,259	\$22,338,211	\$23,570,295	\$25,266,642
	ULAE:	1,024,057	1,066,913	1,116,911	1,178,514	1,263,332
	Total Loss and LAE:	<u>\$21,505,215</u>	<u>\$22,405,172</u>	<u>\$23,455,122</u>	<u>\$24,748,809</u>	<u>\$26,529,974</u>

Note: Current (short term) liabilities are the portion of the total estimated liability shown on Appendix F that is expected to be paid out within the coming year. Totals may vary from Exhibit 1, due to rounding.

ERMA - Employment Practices Liability

Discount Factors to be Applied to Overall Reserves

Accident Year	Full Value of Reserve at 12/31/22 (A)	Discount Factor (B)	Discounted Reserve at 12/31/22 (C)	Full Value of Reserve at 6/30/23 (D)	Discount Factor (E)	Discounted Reserve at 6/30/23 (F)
Prior	\$0	1.000	\$0	\$0	1.000	\$0
2002-2003	0	1.000	0	0	1.000	0
2003-2004	0	1.000	0	0	1.000	0
2004-2005	0	1.000	0	0	1.000	0
2005-2006	0	1.000	0	0	1.000	0
2006-2007	0	1.000	0	0	1.000	0
2007-2008	0	1.000	0	0	1.000	0
2008-2009	0	1.000	0	0	1.000	0
2009-2010	0	1.000	0	0	1.000	0
2010-2011	0	1.000	0	0	1.000	0
2011-2012	0	1.000	0	0	1.000	0
2012-2013	0	1.000	0	0	1.000	0
2013-2014	0	0.996	0	0	1.000	0
2014-2015	112,159	0.991	111,161	44,976	0.993	44,642
2015-2016	0	0.988	0	0	0.990	0
2016-2017	270,721	0.985	266,745	195,190	0.985	192,349
2017-2018	580,732	0.984	571,229	379,218	0.985	373,598
2018-2019	2,311,014	0.981	2,267,621	1,818,768	0.982	1,786,197
2019-2020	2,595,118	0.980	2,542,739	1,884,056	0.980	1,847,044
2020-2021	3,857,675	0.976	3,766,674	2,935,691	0.979	2,874,857
2021-2022	5,530,532	0.968	5,353,387	5,027,254	0.974	4,894,247
2022-2023	3,057,234	0.955	2,921,025	6,071,666	0.962	5,843,350
Totals	\$18,315,185		\$17,800,581	\$18,356,819		\$17,856,284

(G) Discount Factor at 12/31/22 for Overall Reserve: 0.972
 (H) Discount Factor at 6/30/23 for Overall Reserve: 0.973

Notes:

- (A) From Appendix F, Outstanding Liability at 12/31/22.
- (B) Based on Appendix H, Page 2, Column (F).
- (C) (A) x (B).
- (D) From Appendix F, Outstanding Liability at 6/30/23.
- (E) Based on Appendix H, Page 2, Column (F).
- (F) (D) x (E).
- (G) Total of (C) / Total of (A).
- (H) Total of (F) / Total of (D).

This exhibit shows the expected impact of anticipated investment income on the liability for outstanding claims at the date of evaluation and the end of the current fiscal year. For example, if the discount factor in item (G) is 0.972, the discounted liability for outstanding claims is 97.2% of the full value.

ERMA - Employment Practices Liability

Calculation of Discount Factors

Payment Year (A)	Payment Pattern (B)	Return on Investment (C)	Discounted Reserves (D)	Undiscounted Reserves (E)	Discount Factor (F)
22	0.0%	1.50%	0.000	0.000	1.000
21	0.0%	1.50%	0.000	0.000	1.000
20	0.0%	1.50%	0.000	0.000	1.000
19	0.0%	1.50%	0.000	0.000	1.000
18	0.0%	1.50%	0.000	0.000	1.000
17	0.0%	1.50%	0.000	0.000	1.000
16	0.0%	1.50%	0.000	0.000	1.000
15	0.0%	1.50%	0.000	0.000	1.000
14	0.0%	1.50%	0.000	0.000	1.000
13	0.0%	1.50%	0.000	0.000	1.000
12	0.0%	1.50%	0.000	0.000	1.000
11	0.0%	1.50%	0.000	0.000	1.000
10	0.2%	1.50%	0.002	0.002	0.993
9	0.8%	1.50%	0.010	0.010	0.990
8	1.4%	1.50%	0.024	0.024	0.985
7	4.7%	1.50%	0.070	0.071	0.985
6	7.8%	1.50%	0.147	0.150	0.982
5	15.6%	1.50%	0.300	0.306	0.980
4	30.8%	1.50%	0.602	0.614	0.979
3	28.2%	1.50%	0.873	0.896	0.974
2	9.6%	1.50%	0.955	0.993	0.962
1	0.7%	1.50%	0.948	1.000	0.948

(G) Discount Factor for Future Funding:	2022-2023	0.956
	2023-2024	0.956

Notes:

- (A) This is the year of payment relative to the accident year. For example, year 7 refers to payments made in the seventh year after the inception of the accident year. We assume that payments are made at midyear.
- (B) Percent of ultimate loss paid this year. This payment pattern is based on the paid loss development pattern selected in Appendix B, Page 2.
- (C) Assumed Investment Income Rates.
- (D) Discounted Reserves at the beginning of this year is next year's Discounted Reserves discounted one year plus this year's payments discounted six months. For example, in year 2, $95.5\% = [87.3\% / 1.015] + [9.6\% / (1.007)]$.
- (E) Summation of future (B) values. This is the percent of ultimate loss unpaid at the beginning of the year.
- (F) (D) / (E).
- (G) (F) at year 1, with interest accumulated for six months. We assume that the required funding is deposited at the middle of the first year.

This exhibit shows the calculation of the effect of anticipated investment income on future claims costs. Thus, if the discount factor in item (F) is 0.96, on a discounted basis, \$0.96 must be budgeted for every \$1 that will actually be paid on claims that will be incurred in the next fiscal year.

ERMA - Employment Practices Liability

Confidence Level Table

Probability	Projected Losses	Outstanding Losses
95%	1.991	1.575
90%	1.723	1.415
85%	1.561	1.320
80%	1.439	1.251
75%	1.341	1.195
70%	1.258	1.147
65%	1.184	1.106
60%	1.118	1.067
55%	1.059	1.033
50%	1.000	1.000
45%	0.946	0.968
40%	0.893	0.937
35%	0.839	0.906
30%	0.786	0.875
25%	0.731	0.842

To read table: For the above retention, there is a 90% chance that final loss settlements will be less than 1.723 times the average expected amount of losses.

This exhibit shows the loads that must be applied to bring estimated losses at the expected level to the various indicated confidence levels.

Calculated Implied 50% CLF	0.922	0.965
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ERMA - Employment Practices Liability

Program History

Policy Year Start Date	Policy Year End Date	Policy Year	Self-Insured Retention	
			Per Occurrence	Aggregate
7/1/1999	6/30/2002	Prior	\$1,000,000	(none)
7/1/2002	6/30/2003	2002-2003	1,000,000	(none)
7/1/2003	6/30/2004	2003-2004	1,000,000	(none)
7/1/2004	6/30/2005	2004-2005	1,000,000	(none)
7/1/2005	6/30/2006	2005-2006	1,000,000	(none)
7/1/2006	6/30/2007	2006-2007	1,000,000	(none)
7/1/2007	6/30/2008	2007-2008	1,000,000	(none)
7/1/2008	6/30/2009	2008-2009	1,000,000	(none)
7/1/2009	6/30/2010	2009-2010	1,000,000	(none)
7/1/2010	6/30/2011	2010-2011	1,000,000	(none)
7/1/2011	6/30/2012	2011-2012	1,000,000	(none)
7/1/2012	6/30/2013	2012-2013	1,000,000	(none)
7/1/2013	6/30/2014	2013-2014	1,000,000	(none)
7/1/2014	6/30/2015	2014-2015	1,000,000	(none)
7/1/2015	6/30/2016	2015-2016	1,000,000	(none)
7/1/2016	6/30/2017	2016-2017	1,000,000	(none)
7/1/2017	6/30/2018	2017-2018	1,000,000	(none)
7/1/2018	6/30/2019	2018-2019	1,000,000	(none)
7/1/2019	6/30/2020	2019-2020	1,000,000	(none)
7/1/2020	6/30/2021	2020-2021	1,000,000	(none)
7/1/2021	6/30/2022	2021-2022	1,000,000	(none)
7/1/2022	6/30/2023	2022-2023	1,000,000	(none)
7/1/2023	6/30/2024	2023-2024	1,000,000	(none)
Third Party Claims Administrator			Begin Date	End Date
			7/1/1999	Current

This exhibit summarizes some of the key facts about the history of the program.

ERMA - Employment Practices Liability

Incurred Losses as of 12/31/22

Accident Year (A)	Unlimited Incurred (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Incurred (E)	Incurred Over SIR (F)	Incurred Over \$1,000,000 (G)	Incurred Capped at \$1,000,000 (H)	Incurred \$1,000,000 to SIR Layer (I)	Incurred Capped at SIR (J)	Incurred Capped at SIR & Aggregate (K)
Prior	\$5,347,654	\$0	\$0	\$5,347,654	\$0	\$0	\$5,347,654	\$0	\$5,347,654	\$5,347,654
2002-2003	2,992,869	0	0	2,992,869	0	0	2,992,869	0	2,992,869	2,992,869
2003-2004	1,973,193	0	0	1,973,193	0	0	1,973,193	0	1,973,193	1,973,193
2004-2005	6,416,832	0	0	6,416,832	0	0	6,416,832	0	6,416,832	6,416,832
2005-2006	3,616,204	0	0	3,616,204	0	0	3,616,204	0	3,616,204	3,616,204
2006-2007	5,810,921	0	0	5,810,921	0	0	5,810,921	0	5,810,921	5,810,921
2007-2008	3,528,296	0	0	3,528,296	0	0	3,528,296	0	3,528,296	3,528,296
2008-2009	1,211,783	0	0	1,211,783	0	0	1,211,783	0	1,211,783	1,211,783
2009-2010	3,281,809	0	0	3,281,809	0	0	3,281,809	0	3,281,809	3,281,809
2010-2011	1,825,609	0	0	1,825,609	0	0	1,825,609	0	1,825,609	1,825,609
2011-2012	1,916,982	0	0	1,916,982	0	0	1,916,982	0	1,916,982	1,916,982
2012-2013	1,882,270	0	0	1,882,270	0	0	1,882,270	0	1,882,270	1,882,270
2013-2014	2,210,525	0	0	2,210,525	0	0	2,210,525	0	2,210,525	2,210,525
2014-2015	4,233,563	0	0	4,233,563	0	0	4,233,563	0	4,233,563	4,233,563
2015-2016	3,217,101	0	0	3,217,101	0	0	3,217,101	0	3,217,101	3,217,101
2016-2017	2,924,815	0	0	2,924,815	0	0	2,924,815	0	2,924,815	2,924,815
2017-2018	4,382,683	0	0	4,382,683	0	0	4,382,683	0	4,382,683	4,382,683
2018-2019	3,493,993	769,792	0	4,263,785	0	0	4,263,785	0	4,263,785	4,263,785
2019-2020	2,551,146	1,590,713	0	4,141,858	0	0	4,141,858	0	4,141,858	4,141,858
2020-2021	731,355	0	0	731,355	0	0	731,355	0	731,355	731,355
2021-2022	239,745	0	0	239,745	0	0	239,745	0	239,745	239,745
2022-2023	20,000	0	0	20,000	0	0	20,000	0	20,000	20,000
Total	\$63,809,346	\$2,360,504	\$0	\$66,169,851	\$0	\$0	\$66,169,851	\$0	\$66,169,851	\$66,169,851

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Authority.
- (C) Development on three large claims between 12/31/22 and 4/5/23.
- (D)
- (E) (B) + (C) - (D).
- (F) Sum of incurred losses in excess of SIR.
- (G) Sum of incurred losses in excess of \$1,000,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss. See Appendix J.

ERMA - Employment Practices Liability

Paid Losses as of 12/31/22

Accident Year (A)	Unlimited Paid (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Paid (E)	Paid Over SIR (F)	Paid Over \$1,000,000 (G)	Paid Capped at \$1,000,000 (H)	Paid \$1,000,000 to SIR Layer (I)	Paid Capped at SIR (J)	Paid Capped at SIR & Aggregate (K)
Prior	\$5,347,654	\$0	\$0	\$5,347,654	\$0	\$0	\$5,347,654	\$0	\$5,347,654	\$5,347,654
2002-2003	2,992,869	0	0	2,992,869	0	0	2,992,869	0	2,992,869	2,992,869
2003-2004	1,973,193	0	0	1,973,193	0	0	1,973,193	0	1,973,193	1,973,193
2004-2005	6,416,832	0	0	6,416,832	0	0	6,416,832	0	6,416,832	6,416,832
2005-2006	3,616,204	0	0	3,616,204	0	0	3,616,204	0	3,616,204	3,616,204
2006-2007	5,810,921	0	0	5,810,921	0	0	5,810,921	0	5,810,921	5,810,921
2007-2008	3,528,296	0	0	3,528,296	0	0	3,528,296	0	3,528,296	3,528,296
2008-2009	1,211,783	0	0	1,211,783	0	0	1,211,783	0	1,211,783	1,211,783
2009-2010	3,281,809	0	0	3,281,809	0	0	3,281,809	0	3,281,809	3,281,809
2010-2011	1,825,609	0	0	1,825,609	0	0	1,825,609	0	1,825,609	1,825,609
2011-2012	1,916,982	0	0	1,916,982	0	0	1,916,982	0	1,916,982	1,916,982
2012-2013	1,882,270	0	0	1,882,270	0	0	1,882,270	0	1,882,270	1,882,270
2013-2014	2,210,525	0	0	2,210,525	0	0	2,210,525	0	2,210,525	2,210,525
2014-2015	4,142,572	0	0	4,142,572	0	0	4,142,572	0	4,142,572	4,142,572
2015-2016	3,217,101	0	0	3,217,101	0	0	3,217,101	0	3,217,101	3,217,101
2016-2017	2,741,839	0	0	2,741,839	0	0	2,741,839	0	2,741,839	2,741,839
2017-2018	4,060,187	0	0	4,060,187	0	0	4,060,187	0	4,060,187	4,060,187
2018-2019	2,221,486	-19,410	0	2,202,076	0	0	2,202,076	0	2,202,076	2,202,076
2019-2020	1,739,437	464,051	0	2,203,488	0	0	2,203,488	0	2,203,488	2,203,488
2020-2021	509,233	0	0	509,233	0	0	509,233	0	509,233	509,233
2021-2022	85,995	0	0	85,995	0	0	85,995	0	85,995	85,995
2022-2023	0	0	0	0	0	0	0	0	0	0
Total	\$60,732,797	\$444,641	\$0	\$61,177,437	\$0	\$0	\$61,177,437	\$0	\$61,177,437	\$61,177,437

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Authority.
- (C) Development on three large claims between 12/31/22 and 4/5/23.
- (D)
- (E) (B) + (C) - (D).
- (F) Sum of paid losses in excess of SIR.
- (G) Sum of paid losses in excess of \$1,000,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss. See Appendix J.

ERMA - Employment Practices Liability

Case Reserves as of 12/31/22

Accident Year (A)	Unlimited Reserves (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Reserves (E)	Reserves Over SIR (F)	Reserves Over \$1,000,000 (G)	Reserves Capped at \$1,000,000 (H)	Reserves \$1,000,000 to SIR Layer (I)	Reserves Capped at SIR (J)	Reserves Capped at SIR & Aggregate (K)
Prior	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2002-2003	0	0	0	0	0	0	0	0	0	0
2003-2004	0	0	0	0	0	0	0	0	0	0
2004-2005	0	0	0	0	0	0	0	0	0	0
2005-2006	0	0	0	0	0	0	0	0	0	0
2006-2007	0	0	0	0	0	0	0	0	0	0
2007-2008	0	0	0	0	0	0	0	0	0	0
2008-2009	0	0	0	0	0	0	0	0	0	0
2009-2010	0	0	0	0	0	0	0	0	0	0
2010-2011	0	0	0	0	0	0	0	0	0	0
2011-2012	0	0	0	0	0	0	0	0	0	0
2012-2013	0	0	0	0	0	0	0	0	0	0
2013-2014	0	0	0	0	0	0	0	0	0	0
2014-2015	90,991	0	0	90,991	0	0	90,991	0	90,991	90,991
2015-2016	0	0	0	0	0	0	0	0	0	0
2016-2017	182,976	0	0	182,976	0	0	182,976	0	182,976	182,976
2017-2018	322,496	0	0	322,496	0	0	322,496	0	322,496	322,496
2018-2019	1,272,506	789,202	0	2,061,708	0	0	2,061,708	0	2,061,708	2,061,708
2019-2020	811,709	1,126,662	0	1,938,370	0	0	1,938,370	0	1,938,370	1,938,370
2020-2021	222,122	0	0	222,122	0	0	222,122	0	222,122	222,122
2021-2022	153,750	0	0	153,750	0	0	153,750	0	153,750	153,750
2022-2023	20,000	0	0	20,000	0	0	20,000	0	20,000	20,000
Total	\$3,076,550	\$1,915,864	\$0	\$4,992,413	\$0	\$0	\$4,992,413	\$0	\$4,992,413	\$4,992,413

Notes:

- (A) Years are 7/1 to 6/30.
 (B) Appendix K, Page 1, Column (B) - Appendix K, Page 2, Column (B).
 (C) Appendix K, Page 1, Column (C) - Appendix K, Page 2, Column (C).
 (D) Appendix K, Page 1, Column (D) - Appendix K, Page 2, Column (D).
 (E) (B) + (C) - (D).
 (F) Sum of case reserves in excess of SIR.
 (G) Sum of case reserves in excess of \$1,000,000.
 (H) (E) - (G).
 (I) (G) - (F).
 (J) (E) - (F).
 (K) Minimum of (J) and the aggregate stop loss. See Appendix J.

ERMA - Employment Practices Liability

Claim Counts as of 12/31/22

Accident Year (A)	Reported Claims (B)	Additions to Reported Claims (C)	Subtractions from Reported Claims (D)	Adjusted Reported Claims (E)	Closed Claims (F)	Additions to Closed Claims (G)	Subtractions from Closed Claims (H)	Adjusted Closed Claims (I)	Open Claims (J)	Adjusted Open Claims (K)
Prior	34	0	0	34	34	0	0	34	0	0
2002-2003	20	0	0	20	20	0	0	20	0	0
2003-2004	13	0	0	13	13	0	0	13	0	0
2004-2005	21	0	0	21	21	0	0	21	0	0
2005-2006	18	0	0	18	18	0	0	18	0	0
2006-2007	24	0	0	24	24	0	0	24	0	0
2007-2008	28	0	0	28	28	0	0	28	0	0
2008-2009	12	0	0	12	12	0	0	12	0	0
2009-2010	21	0	0	21	21	0	0	21	0	0
2010-2011	12	0	0	12	12	0	0	12	0	0
2011-2012	9	0	0	9	9	0	0	9	0	0
2012-2013	14	0	0	14	14	0	0	14	0	0
2013-2014	12	0	0	12	12	0	0	12	0	0
2014-2015	17	0	0	17	16	0	0	16	1	1
2015-2016	18	0	0	18	18	0	0	18	0	0
2016-2017	23	0	0	23	21	0	0	21	2	2
2017-2018	20	0	0	20	17	0	0	17	3	3
2018-2019	21	0	0	21	15	0	0	15	6	6
2019-2020	21	0	0	21	14	0	0	14	7	7
2020-2021	17	0	0	17	8	0	0	8	9	9
2021-2022	16	0	0	16	1	0	0	1	15	15
2022-2023	2	0	0	2	0	0	0	0	2	2
Total	393	0	0	393	348	0	0	348	45	45

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Authority.
- (C)
- (D)
- (E) (B) + (C) - (D).
- (F) Provided by the Authority.
- (G)
- (H)
- (I) (F) + (G) - (H).
- (J) (B) - (F).
- (K) (E) - (I).

ERMA - Employment Practices Liability

Exposure Measures

Accident Year	Total Payroll (\$00) (A)	Inflation Trend Factor (B)	Trended Payroll (\$00) (C)
Prior	0		0
2002-2003	7,959,262	1.638	13,037,271
2003-2004	9,299,424	1.598	14,860,480
2004-2005	9,224,980	1.559	14,381,744
2005-2006	9,606,112	1.521	14,610,896
2006-2007	11,027,907	1.484	16,365,414
2007-2008	12,352,186	1.448	17,885,965
2008-2009	12,413,333	1.413	17,540,040
2009-2010	11,190,222	1.379	15,431,316
2010-2011	10,606,794	1.345	14,266,138
2011-2012	10,523,889	1.312	13,807,342
2012-2013	10,339,911	1.280	13,235,086
2013-2014	10,842,469	1.249	13,542,244
2014-2015	11,499,263	1.219	14,017,602
2015-2016	12,172,789	1.189	14,473,446
2016-2017	13,576,882	1.160	15,749,183
2017-2018	13,954,280	1.132	15,796,245
2018-2019	14,541,796	1.104	16,054,143
2019-2020	15,338,510	1.077	16,519,575
2020-2021	15,565,033	1.051	16,358,850
2021-2022	16,461,199	1.025	16,872,729
2022-2023	18,848,947	1.000	18,848,947
2023-2024	19,037,000	1.000	19,037,000

Notes:

- (A) Provided by the Authority.
- (B) Based on industry factors.
- (C) (A) x (B).

DRAFT**ERMA****Loss Experience Through 12/31/22**

Appendix M

Page 1

ERMA: Reported Claims and Losses

Year	Excess of Retention						Excess of \$50,000			
	Claim Count =====>			Loss Dollars =====>			Claim Count =====>		Loss Dollars =====>	
	Paid	Incurred	Open	Paid	Incurred		Paid	Incurred	Paid	Incurred
Prior	34	34	-	5,347,654	5,347,654		27	27	5,274,791	5,274,791
2002-2003	20	20	-	2,992,869	2,992,869		20	20	2,817,869	2,817,869
2003-2004	13	13	-	1,973,193	1,973,193		14	14	1,889,282	1,889,282
2004-2005	21	21	-	6,416,832	6,416,832		21	21	6,253,619	6,253,619
2005-2006	18	18	-	3,616,204	3,616,204		14	14	3,441,928	3,441,928
2006-2007	24	24	-	5,810,921	5,810,921		22	22	5,498,902	5,498,902
2007-2008	28	28	-	3,528,296	3,528,296		26	26	3,325,117	3,325,117
2008-2009	12	12	-	1,211,783	1,211,783		9	9	993,225	993,225
2009-2010	21	21	-	3,281,809	3,281,809		20	20	3,646,996	3,646,996
2010-2011	12	12	-	1,825,609	1,825,609		13	13	1,736,947	1,736,947
2011-2012	9	9	-	1,916,982	1,916,982		11	11	1,892,260	1,892,260
2012-2013	14	14	-	1,882,270	1,882,270		14	14	1,935,905	1,935,905
2013-2014	12	12	-	2,210,525	2,210,525		13	13	2,111,260	2,111,260
2014-2015	17	17	1	4,142,572	4,233,563		15	15	4,548,605	4,639,596
2015-2016	18	18	-	3,217,101	3,217,101		20	20	3,641,172	3,641,172
2016-2017	23	23	2	2,741,839	2,924,815		25	25	3,548,824	3,731,800
2017-2018	19	20	3	4,060,187	4,382,683		23	23	4,541,508	4,906,794
2018-2019	19	21	6	2,221,486	3,493,993		20	20	3,170,374	4,988,386
2019-2020	19	21	7	1,739,437	2,551,146		19	24	2,087,104	3,076,508
2020-2021	10	17	9	509,233	731,355		8	11	433,101	645,223
2021-2022	1	16	15	85,995	239,745		4	4	143,014	270,995
2022-2023	-	2	2	-	20,000		-	-	-	-
Total	364	393	45	60,732,797	63,809,346		358	366	62,931,802	66,718,573

Year	First Dollar (to \$1M)				
	Claim Count =====>			Loss Dollars =====>	
	Total	Incurred	Open	Paid	Incurred
Prior	156	98	-	7,512,139	7,512,139
2002-2003	42	26	-	3,915,348	3,915,348
2003-2004	36	26	-	2,792,337	2,792,337
2004-2005	51	39	-	7,532,219	7,532,219
2005-2006	45	29	-	4,437,956	4,437,956
2006-2007	57	37	-	6,828,803	6,828,803
2007-2008	65	48	-	4,885,373	4,885,373
2008-2009	50	30	-	1,840,744	1,840,744
2009-2010	71	49	-	5,010,772	5,010,772
2010-2011	51	27	-	2,540,326	2,540,326
2011-2012	48	31	-	2,727,638	2,727,638
2012-2013	49	29	-	2,798,891	2,798,891
2013-2014	47	32	-	2,994,606	2,994,606
2014-2015	54	40	1	5,656,814	5,747,805
2015-2016	57	45	-	4,933,336	4,933,336
2016-2017	86	78	2	5,416,225	5,599,201
2017-2018	86	78	4	6,265,059	6,630,345
2018-2019	94	80	6	4,876,114	6,694,126
2019-2020	82	76	13	3,875,045	5,066,956
2020-2021	102	101	26	1,784,798	2,620,215
2021-2022	137	129	78	1,237,762	3,171,431
2022-2023	30	27	24	47,728	630,946
Total	1,496	1,155	154	89,910,034	96,911,512

DRAFT**ERMA****Loss Experience Through 12/31/22**

Appendix M

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By Member

Member	Reported Losses First Dollar		Reported Losses ERMA Layer		Reported Claims		
	Paid	Incurred	Paid	Incurred	1st Dollar Total	With Incurred Value>\$500	In ERMA Layer
BCJPIA	6,641,355	6,974,575	3,519,104	3,662,514	129	96	17
CalTIP	170,640	170,640	115,245	115,245	2	2	1
CCCMRMIA/MPA	19,322,533	20,396,106	14,396,369	14,709,843	293	203	62
CHARMA	2,087,103	2,087,103	1,359,259	1,359,259	43	24	10
CIRA	18,022,492	18,864,285	11,471,669	11,521,669	321	240	85
CSJVRMA	16,422,725	17,833,959	12,587,428	13,555,270	273	211	94
ERMAC	972,590	1,023,438	-	-	26	22	-
MBASIA	2,052,429	2,984,879	-	100,000	37	31	1
PERMA	17,153,206	19,237,140	12,716,139	14,167,962	208	175	76
PLAN	93,068	103,286	-	-	2	2	-
SCORE	2,185,323	2,253,883	1,832,193	1,842,193	25	20	12
VCJPA	3,244,620	3,339,982	1,962,346	2,002,346	71	57	26
City of Vacaville	560,209	560,209	402,111	402,111	9	5	3
Oakland Housing Authority	892,787	993,076	370,934	370,934	49	29	6
Contra Costa Housing Authority	88,954	88,954	-	-	8	8	-
Total	89,910,034	96,911,512	60,732,797	63,809,346	1,496	1,125	393

Percent of Total

Member	Reported Losses First Dollar		Reported Losses ERMA Layer		Reported Claims		
	Paid	Incurred	Paid	Incurred	1st Dollar Total	With Incurred Value>\$500	In ERMA Layer
BCJPIA	7%	7%	6%	6%	9%	9%	4%
CalTIP	0%	0%	0%	0%	0%	0%	0%
CCCMRMIA/MPA	21%	21%	24%	23%	20%	18%	16%
CHARMA	2%	2%	2%	2%	3%	2%	3%
CIRA	20%	19%	19%	18%	21%	21%	22%
CSJVRMA	18%	18%	21%	21%	18%	19%	24%
ERMAC	1%	1%	0%	0%	2%	2%	0%
MBASIA	2%	3%	0%	0%	2%	3%	0%
PERMA	19%	20%	21%	22%	14%	16%	19%
PLAN	0%	0%	0%	0%	0%	0%	0%
SCORE	2%	2%	3%	3%	2%	2%	3%
VCJPA	4%	3%	3%	3%	5%	5%	7%
City of Vacaville	1%	1%	1%	1%	1%	0%	1%
Oakland Housing Authority	1%	1%	1%	1%	3%	3%	2%
Contra Costa Housing Authority	0%	0%	0%	0%	1%	1%	0%
Total	100%	100%	100%	100%	100%	100%	100%

DRAFT**ERMA****Loss Experience Through 12/31/22**

Appendix M

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Retention Rate Adjustment Factors**Losses Limited to \$1,000,000 per Occurrence**

Retention	Selected Current	Selected Prior	FYE 2014	2015	2016	2017	2018	2019	2020	2021	2022	All Years
25,000	1.125	1.120	1.116	1.072	1.113	1.140	1.101	1.090	1.179	1.581	2.330	1.115
50,000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
75,000	0.905	0.900	0.905	0.939	0.899	0.886	0.917	0.930	0.860	0.600	0.277	0.908
100,000	0.825	0.820	0.824	0.885	0.817	0.782	0.845	0.860	0.746	0.434	0.206	0.835
250,000	0.505	0.500	0.458	0.622	0.472	0.389	0.488	0.562	0.299	0.025	0.063	0.520
350,000	0.365	0.360	0.304	0.495	0.300	0.233	0.357	0.413	0.210	-	-	0.378
500,000	0.205	0.200	0.177	0.355	0.152	0.125	0.205	0.258	0.111	-	-	0.228
750,000	0.075	0.070	0.069	0.137	0.049	0.045	0.062	0.108	0.051	-	-	0.083

ERMA - New Member 1st Year Claims Made Rate
Coverage for 2022-23 Occurrences Reported in 2023-24
\$1,000,000 ERMA Limit, \$50,000 Member Deductible

Occurrence Year (A)	Selected Severity (B)	Selected Frequency (C)	Estimated % of ERMA-Layer 2022-23 Claims to be Reported in 2023-24 (D)	Expected Loss Rate (E)	75% CL (F)	80% CL (G)	85% CL (H)
2022-23	\$225,000	0.015	40%	\$0.135	\$0.181	\$0.194	\$0.211

Footnotes:

- (A) Occurrence year covered
 (B) From Appendix D, Page 2; Average claim size in ERMA layer
 (C) From Appendix D, Page 3; # of claims per \$1M of payroll
 (D) Selected based on estimated ERMA layer reported claim development patterns
 (E) Expected rate per \$100 of payroll: $(B) \times (C) \times (D) / 10,000$
 (F) 75% Confidence Level rate per \$100 of payroll
 (G) 80% Confidence Level rate per \$100 of payroll
 (H) 85% Confidence Level rate per \$100 of payroll

FINANCIAL MATTERS

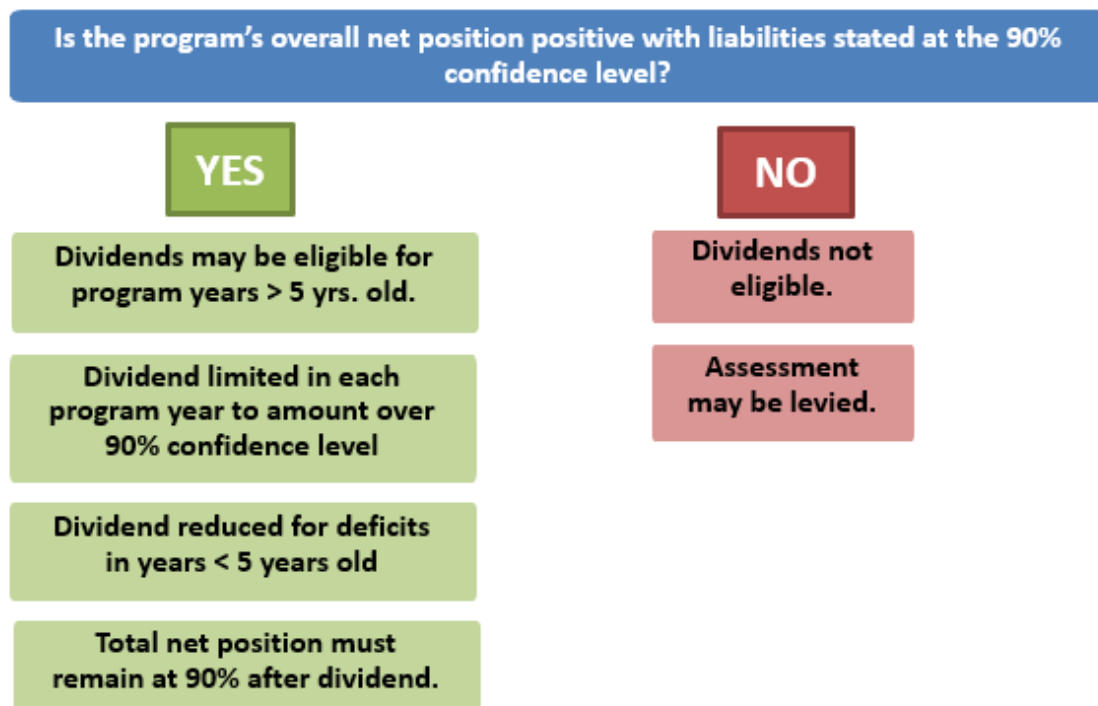
SUBJECT: Review of Annual Retrospective Adjustment Calculation
Presented by Chee Xiong, Finance Manager

RECOMMENDATION: *Staff recommends the Board of Directors
provide feedback and direction.*

BACKGROUND AND STATUS:

In accordance with the Financial Stability Plan (Plan), the retrospective adjustment calculation is reviewed annually by the Board of Directors.

The Plan allows for a Retrospective Adjustment Process (Process) to occur and dividend to be declared if certain conditions are met. The following depicts the process as set forth in the Plan:



Agenda Item 6.B., Page 2

A preliminary calculation is attached utilizing the financial statements as of December 31, 2022, restated, and based upon the estimated ultimate losses determined via the actuarial study presented under the previous agenda item.

The results of the preliminary calculation indicate a net position available for distribution of \$5.2 million as of December 31, 2022, at the 90% confidence level. The increase in available net position is the result of favorable loss development in prior program years. ERMA's net position improved significantly as a result of the elimination of prior deficits, which increased additional net position in the distribution-eligible program years. Based on the preliminary calculation, a return of a dividend to the members may be warranted. Please note, the retroactive adjustment calculation will be updated with the net position as of March 31, 2023, and will be presented to the Board at the June meeting for consideration and approval.

Chee Xiong, Finance Manager, will review the preliminary calculation with the Board of Directors and answer any questions.

REFERENCE MATERIALS ATTACHED:

- Preliminary Calculation of the Annual Retrospective Adjustment

Employment Risk Management Authority

Program Net Position as of December 31, 2022

Preliminary Retrospective Adjustment

Actuarial Estimates Updated per April 7, 2023 Study

STEP 1>> Determine if Dividends are Eligible

Total Program Net Position at 90% CL	9,713,531
Are Dividends eligible?	Yes

STEP 2>> Identify Program Years Eligible for Dividend Release

Net Position of <u>Eligible</u> Program Years (Program Years at Least 5 Years Old)	Net Position	Dividend Eligible
2012/13 *	(4,029)	Yes
2013/14	576,085	Yes
2014/15	116,298	Yes
2015/16	1,010,815	Yes
2016/17	2,431,792	Yes
2017/18	1,040,176	Yes
Preliminary Dividend Eligible Before Offsets	5,171,137	

* 2012/13 Program year was officially closed by the Board on June 6, 2022.

Two payments were made subsequently on a closed claim resulted in a negative net position for this program year.

STEP 3>> Identify Offsets for Deficits in Ineligible Years

Net Position of <u>Ineligible</u> Program Years	Net Position	Dividend Eligible
2018/19	942,369	No
2019/20	974,657	No
2020/21	1,953,875	No
2021/22	496,250	No
2022/23	175,245	No
Total Deficit Offset	4,542,396	

STEP 4>> Determine Eligible Dividend After Offsets

Preliminary Dividend (from Step 2)	5,171,137
Less: Offset (from Step 3)	0
Preliminary Dividend Eligible to Release	5,171,137

STEP 5>> Ensure Total Net Position Remains at 90% After Dividend

Net Position at 90% After Eligible Dividend (Step 1 less Step 4)	Yes
--	-----

Employment Risk Management Authority

Program Net Position by Member

As of December 31, 2022

Preliminary Calculation of the Annual Retrospective Adjustment

Actuarial Estimates Updated per April 7, 2023 Study

	Retrospective Adjustment Eligible Program Years ~ Fully Five Years Old							Total Distribution Available	Program Years Not Yet Eligible for Adjustment						Total 2012/13 - 2022/23 All Program Years	
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	Member Subtotals		2018/19 Program Year	2019/20 Program Year	2020/21 Program Year	2021/22 Program Year	2022/23 Program Year	Member Subtotals		
BCIPIA	\$ (489)	\$ 93,072	\$ 38,507	\$ 140,094	\$ 304,712	\$ 168,829	\$ 744,726	\$ 5,171,137	\$ 208,976	\$ 228,970	\$ 378,897	\$ 298,541	\$ 159,683	\$ 1,275,067	\$ 2,019,793	
CalTIP						17,785	17,785		23,741	24,905	45,014	36,611	20,670	150,941	168,725	
CIRA **												441,692	262,823	704,515	704,515	
CSJVRMA	(1,021)	90,107	(8,478)	227,927	629,375	270,581	1,208,491		389,238	407,937	702,865	534,305	271,057	2,305,401	3,513,891	
ERMAC					60,908	23,267	84,175		38,644	56,572	92,168	80,142	37,707	305,233	389,408	
MBASIA	(55)	6,380	(528)	13,941	30,815	12,470	63,022		19,631	21,753	38,765	36,468	20,477	137,094	200,116	
MPA	(792)	73,354	(6,580)	203,721	451,158	183,548	904,410		258,214	316,658	574,241	482,998	261,010	1,893,120	2,797,530	
PARSAC	(665)	135,228	53,580	186,092	525,222	254,575	1,154,033		339,118	257,007	510,291			1,106,416	2,260,449	
PERMA	(617)	136,025	56,843	157,584	305,986	177,011	832,831		305,361	302,870	559,726	496,759	295,976	1,960,692	2,793,522	
PLAN JPA											28,729	20,343	11,579	60,651	60,651	
SCORE	(45)	9,262	3,853	14,468	29,715	16,431	73,684		23,002	24,778	51,780	48,073	30,841	178,473	252,158	
VCJPA	(213)	20,551	(1,758)	44,111	119,740	46,253	228,685		74,957	84,940	144,526	96,393	50,647	451,463	680,148	
Oakland HA	(107)	9,635	(839)	19,160	47,863	26,274	101,986		33,634	37,354	64,292	55,224	28,684	219,187	321,173	
Contra Costa County HA	(25)	2,471	(188)	3,716	9,614	4,198	19,784		5,790	6,031	11,418	9,571	4,989	37,799	57,583	
Capital Fund															965,311	
Totals:																
Net Position at Expected C.L.	\$ (4,029)	\$ 576,085	\$ 134,412	\$ 1,010,815	\$ 2,515,109	\$ 1,201,220	\$ 5,433,612		\$ 1,720,305	\$ 1,769,774	\$ 3,202,711	\$ 2,637,119	\$ 1,456,143	\$ 10,786,051	\$ 17,184,974	
Net Position at 90% C.L.	\$ (4,029)	\$ 576,085	\$ 116,298	\$ 1,010,815	\$ 2,431,792	\$ 1,040,176	\$ 5,171,137	\$ 942,369	\$ 974,657	\$ 1,953,875	\$ 496,250	\$ 175,245	\$ 4,542,396	9,713,531		
Additional Information:							Subtotals:								Subtotals:	Totals:
Open claims	0	0	2	0	2	3	7		7	8	9	15	2	41	48	
Confidence Level Funding:	80%	80%	80%	80%	80%	80%			80%	80%	80%	80%	80%			

* 2012/13 Program year was officially closed by the Board on June 6, 2022.

Two payments were made subsequently on a closed claim resulted in a negative net position for this program year.

** Effective 7/1/21, CIRA is a combination of PARSAC and REMIF members

Agenda Item 6.C.

FINANCIAL MATTERS

**SUBJECT: Review of Preliminary Administrative and Operating Budget for the
2023/24 Program Year**
Presented by Chee Xiong, Finance Manager

RECOMMENDATION: *Staff recommends the Board of Directors review the Preliminary Administrative and Operating Budget for the 2023/24 program year and provide direction to staff, as necessary.*

BACKGROUND AND STATUS:

Attached is the preliminary budget for the 2023/24 program year. The budget sets forth the estimated contributions required to fund ERMA's four primary expense categories and excess insurance costs for the participating members, specifically:

1. Funding for losses;
2. Excess insurance costs;
3. Loss prevention and training; and
4. Administrative expenses.

Membership Changes

The following membership changes are reflected in the preliminary budget:

- **Add:** San Joaquin Regional Transit District (CalTIP), effective 1/1/23
- **Add:** Foresthill Fire Protection District (CIRA), effective 11/1/22
- **Add:** Mosquito Fire Protection District (CIRA), effective 1/1/23
- **Add:** Wheatland Fire Authority (CIRA), effective 11/1/22
- **Add:** Norco (PERMA), effective 7/1/23
- **Remove:** City of California City (CIRA), effective 11/1/22
- **Remove:** City of Lindsay (CSJVRMA), effective 6/30/23
- **Remove:** City of Laguna Hills (ERMAL), effective 6/30/23

Other Changes:

- Reduced SIR to \$50K from \$100K for San Pablo (MPA)

Summary

The following table presents the estimated 2023/24 total contributions as compared to the prior year.

Summary Budget

	Contributions	% Change Over Prior Year Budget
2023/2024 Contributions	11,081,149	3.6%
Funding for Losses – SIR to \$1M	8,943,271	0.4%
Excess Insurance	608,538	14.3%
Loss Prevention and Training	168,600	0.0%
Administrative Expenses	1,360,739	24.6%

The Board of Directors may review the changes to individual entity contributions and key cost drivers in the attached budget. Following is an overview of the various budget components and the status of each.

Funding for Losses – SIR to \$1M

The amount of funding required to cover the ultimate cost of claims within the self-insured layer is estimated by ERMA's actuary and based upon historical loss experience, member payroll, and any other factors that may impact the overall cost of claims. The Board selects the confidence level (CL) and discount rate upon which the rates are determined. As shown below, staff recommends the Board continue to set the funding rates at the 80% CL and discount at 1.50%. The funding rate decreased by 7.81%.

Recommended Funding Levels

	2023/24		2022/23	
Self-Insured Layer	Confidence Level	Discount Rate	Confidence Level	Discount Rate
Member SIR to \$1M	80%	1.50%	80%	1.50%
Funding Rate	0.555		0.602	
Funding Contribution	\$8,943,271		\$8,903,605	
Change in Contribution	0.45%			
Change in Rate	-7.81%			
Change in Payroll	8.40%			

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Discount Rate Selection

The funding rates are discounted to net present value, which reduces the rate to reflect investment income expected to be earned on those contributions over time. Effective June 30, 2021, ERMA reduced the rate from 2.00% to 1.50% in response to a continued low interest rate environment, where it has remained each year since. Staff met with the actuary and investment advisor on March 9, 2023, to review the reasonableness of ERMA's current discount rate assumption given the current duration of liabilities and earnings potential. During the discussion, it was noted the current total projected earnings for 2023/24 is 2.20%. Given the anticipated investment earnings and expectation of a gradual increase in the earnings rate, staff elected to continue with an interest rate assumption of 1.50%. Selection of a discount rate that closely matches the anticipated earnings protects against future funding shortfalls.

Experience Modification Factors

Experience modification factors (ex-mods) are applied to the deposit premium before excess insurance costs, and provide debits and credits based on the loss experience of members. The ex-mods are based on incurred losses between \$25,000 and \$500,000 as of December 31, 2022. ERMA's three-tiered ex-mod calculation is as follows:

- Ex-mods are calculated at the JPA-level and applied in determining each member's contribution to ERMA.
- The JPA experience modifier of each individual member is used to determine the member's contribution. The calculation utilizes the "pure" ex-mod rather than the credibility-factored ex-mod utilized in the primary JPA calculation and has a floor of 0.75 and ceiling of 1.50.
- A third calculation limits annual ex-mod changes to .25 for individual members.

Excess Insurance

ERMA members may opt into the program's optional excess coverage of \$2M excess of the \$1M pooled layer through RSUI, followed by an additional \$1M excess of \$3M through Ascot. Staff awaits confirmed excess carrier rates, and as such, has preemptively inflated the rates by 5%.

Loss Prevention, Training, and Administrative Expenses

ERMA's estimated operation costs are \$1.5 million, a 21.3% increase over the 2022/23 program year. The increase is based upon Board-approved contracts and/or estimates of historical and/or planned future activities. The 2023/24 program year costs include estimated program administration fees as well as funding for a capital adequacy study to be conducted by Bickmore Actuarial, pursuant to Board direction.

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Payroll

Actual calendar year 2022 payroll, which is used to determine member contributions, increased 8.4% over the prior year.

REFERENCE MATERIALS ATTACHED:

- 2023/24 Preliminary Operating Budget



2023/2024 Preliminary Operating Budget
80% Confidence Level ~ 1.5% Discount Factor
Excess Insurance \$3 million x \$1 million (aggregate limits apply)

	Prior Year - 2022/2023		2023/2024 Preliminary Budget	Increase/(Dec) Over Prior Year Budget	% Change
	Projected Actual	Approved Budget			
Claims Expense:					
Funding for Pooled Losses (SIR to \$1M)	\$8,903,605	\$8,903,605	\$8,943,271	\$39,667	0.45%
Excess Insurance	532,607	532,607	608,538	75,932	14.26%
Total Claims Costs	\$9,436,211	\$9,436,211	\$9,551,810	\$115,598	1.23%
Loss Prevention and Training:					
Online Training and Reporting (In2Vate)	47,233	51,100	51,100	0	0.00%
Hotline Services - Jackson Lewis & LCW	6,154	6,500	6,500	0	0.00%
Misc. Training Expenses	0	6,000	6,000	0	0.00%
Customized Training / Workshops	31,650	105,000	105,000	0	0.00%
Total Loss Prevention and Training	\$85,037	\$168,600	\$168,600	\$0	0.00%
Administration:					
Program Management (Sedgwick)	\$899,879	\$899,879	\$1,138,439	\$238,560	26.51%
In-House Training (Sedgwick - 25 sessions)	included	included	included		
Risk Assessments	5,000	10,000	10,000	0	0.00%
Claims System	5,000	5,000	5,000	0	0.00%
Legal Services	20,000	50,000	50,000	0	0.00%
Actuarial Study	11,000	11,235	11,350	115	1.02%
Financial Audit	11,025	11,025	11,550	525	4.76%
Claims Audit (<i>budget every other year</i>)	5,900	5,900	0	(5,900)	-100.00%
Board Meetings & Annual Workshop	46,000	45,000	55,000	10,000	22.22%
Memberships and Conferences	7,624	8,800	8,800	0	0.00%
Accreditation	1,417	1,500	1,500	0	0.00%
Fidelity Bonds	2,177	3,000	3,000	0	0.00%
E & O Coverage	3,332	3,300	3,600	300	9.09%
Investment Management Services	26,866	32,000	32,000	0	0.00%
Capital Adequacy Study	0	0	25,000	25,000	100.00%
Other Expenses	5,162	5,500	5,500	0	0.00%
Total Administration	\$1,050,382	\$1,092,139	\$1,360,739	\$268,600	24.59%
Total Deposit Premium	\$10,571,630	\$10,696,951	\$11,081,149	\$384,198	3.59%

2023/2024 member changes from prior year:

- | | |
|---|--|
| ~ Addition of San Joaquin RTD in CalTIP (effective 1/31/23) - \$75k SIR | ~ Reduced SIR to \$50K from \$100K for San Pablo in MPA (effective 7/1/23) |
| ~ Addition of Foresthill Fire PD in CIRA (effective 11/1/22) - 250K SIR | ~ Withdraw of Lindsay in CSJVRMA (effective 6/30/23) |
| ~ Addition of Wheatland FA in CIRA (effective 11/1/22) - 250K SIR | ~ Withdraw of Laguna Hills in ERMAC (effective 6/30/23) |
| ~ Addition of Mosquito Fire PD in CIRA (effective 1/1/23) - 250K SIR | ~ Expulsion of California City in CIRA (effective 11/1/22) |
| ~ Addition of Norco in PERMA (effective 7/1/23) - \$100K SIR | |



2023/2024 Preliminary Operating Budget
Rates
80% Confidence Level ~ 1.5% Discount Factor
Excess Insurance \$3 million x \$1 million (aggregate limits apply)

Pool Funding, Excess Insurance, and Administrative Rates			
Budget Item	Rates	Prior Year Rate	% Change
Funding for Losses - 1.5% Discounted 80% CL	\$0.5550	\$0.6020	-7.81%
Excess Insurance: \$3M x \$1M ~ \$5M / \$15M Aggregate	0.0604	0.0575	5.00%
\$2M x \$1M (\$4M/Member Aggregate - \$10M Policy Aggregate)	0.0420	0.0400	5.00%
\$1M x \$3M (\$1M/Member Aggregate - \$5M Policy Aggregate)	0.0184	0.0175	5.00%
Loss Prevention & Training	0.0076	0.0081	-5.73%
Administration	0.0612	0.0527	16.15%

Member Retained Limit Rates - 80% C.L.			
SIR	Factor	Rates	SCORE ONLY*
\$25,000	1.125	\$0.624	\$0.576
50,000	1.000	0.555	0.512
75,000	0.905	0.502	0.463
100,000	0.825	0.458	0.422
250,000	0.505	0.280	0.259
350,000	0.365	0.203	0.187
500,000	0.205	0.114	0.105
750,000	0.075	0.042	0.038

***Rate credit for SCORE's CJPRMA coverage 0.043**
in the layer from \$750K through \$1M



2023/2024 Preliminary Operating Budget Member Summary

80% Confidence Level ~ 1.5% Discount Factor
Excess Insurance \$3 million x \$1 million (aggregate limits apply)

Member Entities	Actual 2022 Payroll	Funding For Losses *	Loss Prevention & Training	Admin. Costs	Deposit Premium	Experience Modification Factor	Deposit Premium Adjusted for Ex Mod	Off-Balance Factor	Deposit Premium Adjusted for Off-Bal Factor	Excess Insurance \$3M x \$1M	TOTAL Deposit Premium	Prior Year Comparison		
												Deposit Premium	% Change (Premium)	% Change Net of Payroll
BCIPIA	\$250,047,836	\$1,115,479	\$18,976	\$153,149	\$1,287,604	0.750	\$965,703	1.014	\$979,399		\$979,399	\$996,777	-1.7%	-6.2%
CalTIP	41,106,643	211,473	3,120	25,177	239,769	1.002	240,314	1.014	243,722	19,464	263,185	200,176	31.5%	9.4%
CIRA **	421,404,915	1,034,320	31,980	258,102	1,324,402	1.172	1,552,349	1.014	1,574,365		1,574,365	1,610,458	-2.2%	-10.7%
CSJVRMA	375,711,910	1,923,506	28,512	230,116	2,182,135	0.909	1,984,322	1.014	2,012,464	226,836	2,239,300	2,332,689	-4.0%	-11.6%
ERMAC	176,313,230	171,281	13,380	107,988	292,649	0.806	235,809	1.014	239,153		239,153	222,288	7.6%	-0.3%
MBASIA	72,278,593	69,036	5,485	44,269	118,790	1.250	148,488	1.014	150,594	43,638	194,232	177,705	9.3%	0.6%
MPA	395,896,910	1,960,069	30,044	242,479	2,232,592	0.892	1,990,848	1.014	2,019,083	239,023	2,258,106	2,265,072	-0.3%	-7.2%
PERMA	329,492,008	1,593,824	25,005	201,807	1,820,636	1.250	2,275,796	1.014	2,308,072		2,308,072	1,847,544	24.9%	11.4%
PLAN JPA	16,687,243	85,895	1,266	10,221	97,382	0.989	96,271	1.014	97,637	10,075	107,712	100,486	7.2%	0.8%
SCORE	27,627,884	139,015	2,097	16,922	158,033	1.056	166,835	1.014	169,201		169,201	192,514	-12.1%	-20.5%
VCJPA	69,566,910	386,563	5,279	42,608	434,451	0.909	394,951	1.014	400,552	42,001	442,553	439,524	0.7%	-4.9%
Oakland H.A.	38,819,932	215,451	2,946	23,776	242,173	0.969	234,763	1.014	238,093	23,438	261,530	248,919	5.1%	-6.8%
Contra Costa H.A.	6,731,514	37,360	511	4,123	41,994	0.946	39,713	1.014	40,276	4,064	44,341	43,299	2.4%	-6.4%
Total	\$2,221,685,529	\$8,943,271	\$168,600	\$1,360,739	\$10,472,610		\$10,326,161		\$10,472,610	\$608,538	\$11,081,149	\$10,677,451	3.8%	-4.6%

* Includes JPA Participation Credit

** CIRA is a combination of PARSAC and REMIF members effective 7/1/2021.

2023/2024 Preliminary Operating Budget Prior Year Comparison

Member Entities	DEPOSIT PREMIUM CHANGE			CURRENT PAYROLL CHANGE			EX MOD CALCULATION								
	Current Year		Prior Year	Current Year		Prior Year	EX MOD CHANGE			AVERAGE PAYROLL CHANGE			AVERAGE LOSS CHANGE*		
	Total Deposit	Total Deposit	Percentage	Total Deposit	Total Deposit	Percentage	Current Year	Prior Year	Percentage	Current Year	Prior Year	Percentage	Current Year	Prior Year	Percentage
	Premium	Premium	Change	Payroll	Payroll	Change	Ex Mod	Ex Mod	Change	Average Payroll	Average Payroll	Change	Average Losses	Average Losses	Change
BCJPIA	\$979,399	\$996,777	-1.7%	\$250,047,836	\$239,435,800	4.4%	0.750	0.750	0.0%	\$233,557,866	\$226,379,926	3.2%	96,803	\$106,206	-8.9%
CaITIP	263,185	200,176	31.5%	41,106,643	33,663,868	22.1%	1.002	0.978	2.5%	22,215,938	20,948,574	6.0%	35,061	35,030	0.1%
CIRA	1,574,365	1,610,458	-2.2%	421,404,915	388,505,729	8.5%	1.172	1.250	-6.2%	347,799,701	335,560,447	3.6%	752,878	1,138,881	-33.9%
CSJVRMA	2,239,300	2,332,689	-4.0%	375,711,910	349,284,303	7.6%	0.909	0.963	-5.6%	344,237,868	285,033,133	20.8%	419,385	542,767	-22.7%
ERMAL	239,153	222,288	7.6%	176,313,230	163,409,326	7.9%	0.806	0.802	0.4%	146,722,896	143,121,611	2.5%	69,073	93,840	-26.4%
MBASIA	194,232	177,705	9.3%	72,278,593	66,487,863	8.7%	1.250	1.250	0.0%	58,663,369	55,261,279	6.2%	315,323	421,679	-25.2%
MPA	2,258,106	2,265,072	-0.3%	395,896,910	370,400,635	6.9%	0.892	0.908	-1.8%	342,900,113	324,725,301	5.6%	395,650	536,068	-26.2%
PERMA	2,308,072	1,847,544	24.9%	329,492,008	290,339,051	13.5%	1.250	1.057	18.3%	252,120,215	211,315,324	19.3%	670,512	514,588	30.3%
PLAN JPA	107,712	100,486	7.2%	16,687,243	15,688,198	6.4%	0.989	0.919	7.6%	13,978,580	13,696,798	2.1%	18,750	2,500	650.0%
SCORE	169,201	192,514	-12.1%	27,627,884	25,484,151	8.4%	1.056	1.207	-12.6%	22,961,894	21,823,389	5.2%	53,391	130,000	-58.9%
VCJPA	442,553	439,524	0.7%	69,566,910	65,858,133	5.6%	0.909	0.897	1.3%	60,157,813	57,401,288	4.8%	45,716	52,421	-12.8%
Oakland H.A.	261,530	248,919	5.1%	38,819,932	34,697,899	11.9%	0.969	0.970	-0.1%	30,316,265	28,931,432	4.8%	35,570	46,554	-23.6%
Contra Costa H.A.	44,341	43,299	2.4%	6,731,514	6,185,608	8.8%	0.946	0.945	0.1%	5,547,909	5,324,966	4.2%	-	-	0.0%
Total	\$11,081,149	\$10,677,452	3.8%	\$2,221,685,529	\$2,049,440,565	8.4%				\$1,881,180,426	\$1,729,523,466	8.8%	2,908,112	\$3,620,534	-19.7%

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

2023/2024 Preliminary Operating Budget Program Administration Fee Worksheet

Annual Base Contract Price (ABCP)	2023/2024			
				\$1,138,431
	Payroll	Payroll Calc %age	Sedgwick Fees Prorated	Sedgwick Fees Annualized
Baseline as of 6/30/23	1,772,633,169			1,138,431
CIRA <i>Joining 11/1/22</i>				
Foresthill FPD	1,242,974	0.000701	604	604
Wheatland FA	389,991	0.000220	189	189
<i>Joining 1/1/23</i>				
Mosquito FPD	393,234	0.000222	191	191
<i>Expulsion 11/1/22</i>				
California City	(7,768,859)	-0.004383	(3,774)	(3,774)
CalTIP <i>Joining 1/1/23</i>				
San Joaquin RTD	6,057,539	0.003417	2,942	2,942
CSJVRMA <i>Withdrawing 6/30/23</i>				
Lindsay	(3,014,316)	-0.001700	(1,464)	(1,464)
ERMAC <i>Withdrawing 6/30/23</i>				
Laguna Hills	(3,152,135)	-0.001778	(1,531)	(1,531)
PERMA <i>Joining 7/1/23</i>				
Norco	5,870,219	0.003312	2,851	2,851
Totals as of 6/30/24	1,772,651,816			\$1,138,439

2023/2024 Preliminary Operating Budget
BCJPIA

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)							Prior Year Comparison					
									2	3	4	5	6	7	8	Info Only:	9	10	11						
									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 (2022/2023) Experience Modification	Deposit Adjusted for Experience Modification	Off-Balance Factor	Premium Adjusted for Off Balance Factor	Prior Year Deposit Premium	Increase (Decrease)				
Member	Actual 2022 Payroll	SIR Selected	Funding For Losses	Loss Prevention & Training	Admin. Costs	Deposit Premium	JPA Participation Credit	Net Deposit Premium																	
1 Albany/Albany JPA	\$12,750,912	\$50,000	\$70,768	\$968	\$7,810	\$79,545	(\$3,891)	\$75,654	0.750	\$56,741	1.014	\$57,545	0.000	0.750	0.750	0.750	\$56,741	0.959	\$54,425	\$53,420	\$1,005				
2 Brisbane	12,580,449	50,000	69,821	955	7,705	78,481	(3,839)	74,643	0.750	55,982	1.014	56,776	0.000	0.750	0.750	0.750	55,982	0.959	53,697	54,752	(1,055)				
3 CMFA (1/1/19)	6,173,588	100,000	28,267	469	3,781	32,517	(1,590)	30,927	0.750	23,195	1.014	23,524	0.000	0.750	0.750	0.750	23,195	0.959	22,248	23,266	(1,018)				
4 Central Marin PA	5,970,283	100,000	27,336	453	3,657	31,446	(1,538)	29,908	0.750	22,431	1.014	22,749	0.000	0.750	0.750	0.750	22,431	0.959	21,516	22,255	(739)				
5 Corte Madera (7/1/17)	4,110,151	100,000	18,819	312	2,517	21,649	(1,059)	20,590	0.750	15,442	1.014	15,661	0.000	0.750	0.750	0.750	15,442	0.959	14,812	13,795	1,018				
6 Emeryville	5,354,643	50,000	29,718	406	3,280	33,404	(1,634)	31,770	0.750	23,828	1.014	24,166	0.000	0.750	0.750	0.750	23,828	0.959	22,855	23,790	(935)				
7 Emeryville (MESA)	9,624,291	50,000	53,415	730	5,895	60,040	(2,937)	57,103	0.750	42,828	1.014	43,435	0.000	0.750	0.750	0.750	42,828	0.959	41,079	41,898	(818)				
8 Fairfax	3,412,363	50,000	18,939	259	2,090	21,288	(1,041)	20,246	0.750	15,185	1.014	15,400	0.000	0.750	0.750	0.750	15,185	0.959	14,565	14,626	(61)				
9 Larkspur	3,564,363	250,000	9,990	270	2,183	12,444	(609)	11,835	0.750	8,876	1.014	9,002	0.000	0.750	0.750	0.750	8,876	0.959	8,514	8,129	385				
10 Los Altos (07/01/12)	16,981,286	100,000	77,753	1,289	10,401	89,442	(4,375)	85,068	0.750	63,801	1.014	64,706	0.000	0.750	0.750	0.750	63,801	0.959	61,197	57,843	3,354				
11 Menlo Park (07/01/02)	31,790,524	250,000	89,101	2,413	19,471	110,984	(5,428)	105,556	0.750	79,167	1.014	80,290	0.000	0.750	0.750	0.750	79,167	0.959	75,936	74,039	1,897				
12 Mill Valley (07/01/01)	18,231,393	50,000	101,184	1,384	11,166	113,734	(5,563)	108,171	0.750	81,129	1.014	82,279	0.381	0.750	0.750	0.750	81,129	0.959	77,817	74,006	3,812				
13 Novato (09/01/07)	13,680,477	250,000	38,343	1,038	8,379	47,760	(2,336)	45,424	0.750	34,068	1.014	34,551	0.089	0.750	0.750	1.000	34,068	0.959	32,678	56,785	(24,107)				
14 Piedmont	15,493,330	50,000	85,988	1,176	9,489	96,653	(4,727)	91,926	0.750	68,944	1.014	69,922	1.143	1.143	1.156	1.406	106,232	0.959	101,896	121,454	(19,558)				
15 Pleasanton	49,617,784	75,000	249,218	3,765	30,390	283,373	(13,860)	269,513	0.750	202,135	1.014	205,002	0.817	0.817	0.817	0.750	220,219	0.959	211,231	191,873	19,358				
16 San Anselmo	3,589,014	50,000	19,919	272	2,198	22,390	(1,095)	21,295	0.750	15,971	1.014	16,197	0.000	0.750	0.750	0.750	15,971	0.959	15,319	12,923	2,396				
17 Sausalito	3,680,752	50,000	20,428	279	2,254	22,962	(1,123)	21,839	0.750	16,379	1.014	16,611	0.327	0.750	0.750	0.750	16,379	0.959	15,711	22,629	(6,918)				
18 Tiburon (7/1/11)	3,860,641	25,000	24,105	293	2,365	26,762	(1,309)	25,453	0.750	19,090	1.014	19,361	0.000	0.750	0.750	0.750	19,090	0.959	18,311	20,350	(2,039)				
19 Union City	29,581,594	75,000	148,581	2,245	18,118	168,944	(8,263)	160,681	0.750	120,511	1.014	122,220	0.000	0.750	0.750	0.750	120,511	0.959	115,592	108,946	6,646				
Total	\$250,047,836		\$1,181,694	\$18,976	\$153,149	\$1,353,819	(\$66,215)	\$1,287,604		\$965,703		\$979,399					\$1,021,074		\$979,399	\$996,777	(\$17,378)				
			(66,215)	JPA participation credit																					
			\$1,115,479	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									

2023/2024 Preliminary Operating Budget CalTIP

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)									Prior Year Comparison				
Member	Actual 2022 Payroll	SIR Selected	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	Individual Experience Modification Factor	Capped Individual Experience Modification	Capped Ind. Ex Mod Including .25 capped change over prior year	Info Only: Prior Year (2022/2023) Experience Modification	Deposit Adjusted for Experience Modification	Off-Balance Factor	Premium Adjusted for Off Balance Factor	Excess Insurance \$3M x \$1M	TOTAL Deposit Premium	Prior Year Deposit Premium	Increase (Decrease)				
1 El Dorado	\$2,882,468	\$50,000	\$15,998	\$219	\$1,765	\$17,982	(\$450)	\$17,532	1.002	\$17,571	1.014	\$17,821	6.743	1.500	1.250	1.000	\$21,915	1.150	\$25,194		\$25,194	\$22,920	\$2,274				
2 Humboldt	3,121,566	75,000	15,679	237	1,912	17,828	(446)	17,381	1.002	17,421	1.014	17,668	0.000	0.750	0.750	0.750	13,036	1.150	14,987		14,987	16,142	(1,155)				
3 LAVTA	1,716,022	50,000	9,524	130	1,051	10,705	(268)	10,437	1.002	10,461	1.014	10,609	0.000	0.750	0.750	0.750	7,828	1.150	8,999	1,036	10,035	12,789	(2,754)				
4 Mendocino	3,140,732	50,000	17,431	238	1,924	19,593	(491)	19,102	1.002	19,146	1.014	19,417	0.000	0.750	0.750	0.750	14,327	1.150	16,471	1,896	18,367	17,951	416				
5 Morongo	1,898,831	50,000	10,539	144	1,163	11,846	(297)	11,549	1.002	11,575	1.014	11,739	0.000	0.750	0.750	0.750	8,662	1.150	9,958		9,958	11,476	(1,518)				
6 San Joaquin (1/1/23)	16,813,736	75,000	84,451	1,276	10,298	96,025	(2,405)	93,621	1.002	93,833	1.014	95,164			1.000		93,621	1.150	107,630	10,151	117,782	43,298	74,484				
7 SLORTA	6,057,539	50,000	33,619	460	3,710	37,789	(946)	36,843	1.002	36,927	1.014	37,450	0.000	0.750	0.750	0.750	27,632	1.150	31,767	3,657	35,424	41,175	(5,751)				
8 Tahoe	3,253,556	50,000	18,057	247	1,993	20,297	(508)	19,789	1.002	19,834	1.014	20,115	0.000	0.750	0.750	0.750	14,841	1.150	17,062	1,964	19,027	20,765	(1,738)				
9 WCCTA	966,011	50,000	5,361	73	592	6,026	(151)	5,875	1.002	5,889	1.014	5,972	0.000	0.750	0.750	0.750	4,407	1.150	5,066		5,066	7,116	(2,050)				
10 Yolo	1,256,182	50,000	6,972	95	769	7,837	(196)	7,640	1.002	7,658	1.014	7,766	0.000	0.750	0.750	0.750	5,730	1.150	6,588	758	7,346	6,546	800				
Total	\$41,106,643		\$217,631	\$3,120	\$25,177	\$245,928	(\$6,158)	\$239,769		\$240,314		\$243,722					\$211,998		\$243,722	\$19,464	\$263,185	\$200,176	\$63,009				
			(6,158)	JPA participation credit						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												
			\$211,473	Net funding																							



Notes:

CIRA is a combination of PARSAC and REMIF members effective 7/1/2021.

2023/2024 Preliminary Operating Budget ERMAC

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)							Prior Year Comparison				
									2	3	4	5	6	7	8	Info Only:	9	10	11					
Member	Actual 2022 Payroll	SIR Selected	Funding For Losses	Loss Prevention & Training	Admin. Costs	Deposit Premium	Participation Credit	Net Deposit Premium	JPA Experience Modification Factor	Dep Prem Adjusted for Experience Modification	Off-Balance 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 (2022/2023) Experience Modification	Deposit Adjusted for Experience Modification	Off-Balance Off-Balance Factor	Premium Adjusted for Off Balance Factor	Prior Year Deposit Premium	Increase (Decrease)			
1 Hayward (7/1/16)	\$114,825,426	\$500,000	\$130,643	\$8,714	\$70,328	\$209,685	(\$19,095)	\$190,590	0.806	\$153,572	1.014	\$155,750	0.461	0.750	0.750	0.750	\$142,943	1.090	\$155,750	\$145,477	\$10,273			
2 Santa Maria (1/1/19)	61,487,803	500,000	69,958	4,666	37,660	112,284	(10,225)	102,059	0.806	82,236	1.014	83,403	0.000	0.750	0.750	0.750	76,544	1.090	83,403	76,811	6,592			
Total	\$176,313,230		\$200,600	\$13,380	\$107,988	\$321,969	(\$29,320)	\$292,649		\$235,809		\$239,153					\$219,487		\$239,153	\$222,288	\$16,864			
			(29,320)	JPA participation credit					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			
			\$171,281	Net funding																				

2023/2024 Preliminary Operating Budget MPA

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)								Prior Year Comparison		
	2		3		4		5		6		7		8		9		10		11				
	Actual 2022 Payroll	SIR Selected	Funding For Losses	Loss Prevention & Training	Admin. Costs	Deposit Premium	JPA Participation Credit	Net Deposit Premium	Individual 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	Info Only: Prior Year (2022/2023) Experience Modification	Deposit Adjusted for Experience Modification	Off-Balance Factor	Premium Adjusted for Off Balance Factor	Excess Insurance \$3M x \$1M	TOTAL Deposit Premium	Prior Year Deposit Premium	Increase (Decrease)
1 Antioch	\$43,257,130	\$50,000	\$240,077	\$3,283	\$26,494	\$269,854	(\$24,811)	\$245,043	0.892	\$218,510	1.014	\$221,609	1.684	1.500	1.250	1.000	\$306,303	0.900	\$275,635	\$26,116	\$301,752	\$265,463	\$36,289
2 Brentwood	39,973,934	50,000	221,855	3,034	24,483	249,372	(22,928)	226,444	0.892	201,925	1.014	204,789	0.146	0.750	1.250	1.500	283,055	0.900	254,715	24,134	278,849	335,355	(\$56,506)
3 Clayton	2,897,231	50,000	16,080	220	1,774	18,074	(1,662)	16,412	0.892	14,635	1.014	14,843	0.000	0.750	0.750	0.750	12,309	0.900	11,077	1,749	12,826	11,755	1,071
4 Danville	8,820,471	50,000	48,954	669	5,402	55,025	(5,059)	49,966	0.892	44,556	1.014	45,188	0.000	0.750	0.894	1.144	44,693	0.900	40,218	5,325	45,543	58,346	(12,803)
5 El Cerrito	20,822,849	50,000	115,567	1,580	12,754	129,901	(11,943)	117,957	0.892	105,185	1.014	106,677	4.149	1.500	1.500	1.250	176,936	0.900	159,220	12,572	171,792	152,777	19,015
6 Hercules	7,807,133	50,000	43,330	592	4,782	48,704	(4,478)	44,226	0.892	39,437	1.014	39,996	0.000	0.750	0.750	0.750	33,169	0.900	29,848	4,714	34,562	37,675	(3,114)
7 LaFayette	5,246,607	50,000	29,119	398	3,213	32,730	(3,009)	29,721	0.892	26,503	1.014	26,879	0.000	0.750	0.750	0.750	22,291	0.900	20,059	3,168	23,227	23,368	(141)
8 Manteca	52,401,493	50,000	290,828	3,977	32,095	326,900	(30,056)	296,844	0.892	264,702	1.014	268,456	2.028	1.500	1.500	1.500	445,265	0.900	400,684	31,637	432,322	430,202	2,120
9 Martinez	16,688,531	50,000	92,621	1,266	10,221	104,109	(9,572)	94,537	0.892	84,301	1.014	85,496	0.228	0.750	0.750	0.750	70,903	0.900	63,804	10,076	73,880	71,242	2,638
10 Moraga	5,375,626	50,000	29,835	408	3,292	33,535	(3,083)	30,452	0.892	27,155	1.014	27,540	2.382	1.500	1.250	1.000	38,065	0.900	34,254	3,246	37,499	26,377	11,122
11 Oakley (07/01/02)	10,797,877	50,000	59,928	819	6,613	67,361	(6,193)	61,168	0.892	54,545	1.014	55,318	0.000	0.750	0.750	0.750	45,876	0.900	41,283	6,519	47,802	49,425	(1,623)
12 Orinda	4,012,953	50,000	22,272	305	2,458	25,034	(2,302)	22,733	0.892	20,271	1.014	20,559	0.000	0.750	0.750	0.750	17,049	0.900	15,342	2,423	17,765	18,236	(471)
13 Pacifica (03/09/07)	21,058,673	75,000	105,772	1,598	12,898	120,269	(11,058)	109,211	0.892	97,385	1.014	98,767	0.000	0.750	0.750	0.750	81,908	0.900	73,707	12,714	86,421	90,581	(4,159)
14 Pinole	13,600,050	50,000	75,480	1,032	8,330	84,842	(7,801)	77,041	0.892	68,699	1.014	69,674	0.169	0.750	0.750	0.750	57,781	0.900	51,996	8,211	60,207	55,993	4,214
15 Pittsburg	32,071,248	50,000	177,995	2,434	19,643	200,072	(18,395)	181,677	0.892	162,005	1.014	164,303	0.058	0.750	0.750	0.753	136,258	0.900	122,615	19,363	141,978	141,613	365
16 Pleasant Hill	14,544,955	50,000	80,725	1,104	8,909	90,737	(8,343)	82,394	0.892	73,473	1.014	74,515	0.000	0.750	0.750	0.817	61,796	0.900	55,608	8,782	64,390	70,625	(6,235)
17 San Pablo	18,414,857	50,000	102,202	1,397	11,279	114,879	(10,562)	104,316	0.892	93,021	1.014	94,340	0.260	0.750	0.750	0.750	78,237	0.900	70,404	11,118	81,522	71,088	10,434
18 San Ramon	36,358,406	50,000	201,789	2,759	22,269	226,817	(20,854)	205,963	0.892	183,661	1.014	186,266	0.050	0.750	0.750	0.750	154,472	0.900	139,006	21,951	160,957	166,312	(5,354)
19 Walnut Creek	41,746,886	50,000	231,695	3,168	25,569	260,432	(23,945)	236,487	0.892	210,881	1.014	213,872	0.000	0.750	0.750	0.750	177,366	0.900	159,607	25,205	184,812	188,638	(3,826)
Total	\$395,896,910		\$2,186,125	\$30,044	\$242,479	\$2,458,648	(\$226,056)	\$2,232,592		\$1,990,848		\$2,019,083					\$2,243,732		\$2,019,083	\$239,023	\$2,258,106	\$2,265,072	(\$56,966)
			(226,056)	JPA participation credit																			
			\$1,960,069	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																			

2023/2024 Preliminary Operating Budget PERMA

										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)								
1										2	3	4	5	6	7	8	Info Only:	9	10	11	Prior Year Comparison	
Member	Actual 2022 Payroll	SIR Selected	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 (2022/2023) Experience Modification	Deposit Adjusted for Experience Modification	Off-Balance Factor	Premium Adjusted for Off Balance Factor	Prior Year Deposit Premium	Increase (Decrease)	
1 Banning (02/14/02)	\$23,644,349	\$25,000	\$147,629	\$1,794	\$14,482	\$163,905	(\$14,768)	\$149,137	1.250	\$186,421	1.014	\$189,065	5.172	1.500	1.500	1.500	\$223,706	1.229	\$274,965	\$223,324	\$51,641	
2 Barstow (02/04/02)	16,454,945	25,000	102,741	1,249	10,078	114,068	(10,278)	103,790	1.250	129,737	1.014	131,577	6.557	1.500	1.402	1.152	145,513	1.229	178,856	130,254	48,601	
3 Canyon Lake (07/01/11) *	2,100,832	25,000	13,117	159	1,287	14,563	(1,312)	13,251	1.250	16,564	1.014	16,799	0.000	0.750	0.750	0.750	9,938	1.229	12,215	4,795	7,420	
4 Cathedral City (02/14/01)	25,917,968	25,000	161,825	1,967	15,874	179,666	(16,188)	163,478	1.250	204,348	1.014	207,246	0.000	0.750	1.250	1.500	204,348	1.229	251,171	253,131	(1,960)	
5 Coachella (10/01/00)	6,657,724	25,000	41,569	505	4,078	46,152	(4,158)	41,994	1.250	52,492	1.014	53,237	0.000	0.750	0.750	0.750	31,495	1.229	38,712	36,901	1,811	
6 Colton (7/1/22)	32,985,119	500,000	37,529	2,503	20,203	60,235	(5,427)	54,807	1.250	68,509	1.014	69,481	3.754	1.500	1.250	1.000	68,509	1.229	84,207	51,639	32,569	
7 Desert Hot Springs (07/01/01)	10,746,213	25,000	67,097	816	6,582	74,494	(6,712)	67,782	1.250	84,727	1.014	85,929	3.754	1.500	1.250	1.000	84,727	1.229	104,142	64,964	39,178	
8 Eastvale (07/01/15)	4,715,416	25,000	29,442	358	2,888	32,688	(2,945)	29,743	1.250	37,178	1.014	37,705	21.852	1.500	1.500	1.250	44,614	1.229	54,837	31,434	23,403	
9 Hesperia (07/01/10)	13,826,471	50,000	76,737	1,049	8,468	86,255	(7,772)	78,483	1.250	98,104	1.014	99,495	0.000	0.750	0.750	0.750	58,862	1.229	72,350	58,399	13,950	
10 Holtville (07/01/08)	1,628,842	25,000	10,170	124	998	11,291	(1,017)	10,274	1.250	12,842	1.014	13,025	0.000	0.750	0.750	0.750	7,705	1.229	9,471	7,810	1,661	
11 ICTC (07/01/12)	625,818	25,000	3,907	47	383	4,338	(391)	3,947	1.250	4,934	1.014	5,004	0.000	0.750	0.750	0.750	2,961	1.229	3,639	4,167	(528)	
12 Jurupa Valley (11/2/15)	7,291,031	25,000	45,523	553	4,466	50,542	(4,554)	45,988	1.250	57,485	1.014	58,301	1.044	1.044	1.044	0.950	48,014	1.229	59,016	30,489	28,528	
13 La Mesa (07/01/02)	29,177,536	25,000	182,177	2,214	17,871	202,262	(18,224)	184,038	1.250	230,047	1.014	233,310	0.127	0.750	0.750	0.750	138,028	1.229	169,656	151,379	18,277	
14 Murrieta (07/01/01) **	49,396,495	100,000	226,174	3,749	30,254	260,177	(23,443)	236,735	1.250	295,918	1.014	300,115	0.195	0.750	0.750	0.750	177,551	1.229	218,234	182,201	36,034	
15 Norco (7/1/23)	5,870,219	100,000	26,878	445	3,595	30,919	(2,786)	28,133	1.250	35,167	1.014	35,665			1.000		28,133	1.229	34,580			
16 Palm Sps Tram (11/01/05)	5,222,401	25,000	32,607	396	3,199	36,202	(3,262)	32,940	1.250	41,175	1.014	41,759	0.528	0.750	0.750	0.750	24,705	1.229	30,366	19,457	10,909	
17 Perris (09/25/00)	11,430,121	25,000	71,367	867	7,001	79,235	(7,139)	72,096	1.250	90,120	1.014	91,398	0.290	0.750	0.750	0.750	54,072	1.229	66,462	56,358	10,103	
18 Rancho Mirage (12/31/19)	8,189,727	25,000	51,135	622	5,016	56,772	(5,115)	51,657	1.250	64,571	1.014	65,487	10.367	1.500	1.500	1.436	77,485	1.229	95,240	79,211	16,029	
19 San Jacinto (07/01/18)	6,600,273	25,000	41,210	501	4,043	45,754	(4,123)	41,631	1.250	52,039	1.014	52,777	0.000	0.750	0.750	0.750	31,224	1.229	38,378	28,902	9,476	
20 SDRTC (11/04/13)	684,740	25,000	4,275	52	419	4,747	(428)	4,319	1.250	5,399	1.014	5,475	0.000	0.750	0.750	0.750	3,239	1.229	3,981	3,445	536	
21 SunLine (11/04/13)	18,911,966	50,000	104,961	1,435	11,583	117,980	(10,630)	107,350	1.250	134,187	1.014	136,090	3.476	1.500	1.500	1.500	161,024	1.229	197,921	183,731	14,190	
22 Victorville (07/01/01)	45,499,056	25,000	284,085	3,453	27,867	315,405	(28,419)	286,986	1.250	358,733	1.014	363,820	0.836	0.836	0.836	0.820	239,867	1.229	294,829	236,091	58,738	
23 VVTA (7/1/12)	1,914,747	25,000	11,955	145	1,173	13,273	(1,196)	12,077	1.250	15,097	1.014	15,311	1.160	1.160	1.000	0.750	12,077	1.229	14,845	9,463	5,382	
Total	\$329,492,008		\$1,774,112	\$25,005	\$201,807	\$2,000,924	(\$180,288)	\$1,820,636		\$2,275,796		\$2,308,072					\$1,877,800		\$2,308,072	\$1,847,544	\$425,948	

* Includes Canyon Lake Fire Department

** Includes Murrieta Fire Department

2023/2024 Preliminary Operating Budget PLAN JPA

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			Excess Insurance \$3M x \$1M	TOTAL Deposit Premium	
Actual 2022	SIR	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 (2022/2023) Experience Modification	Deposit Adjusted for Experience Modification	Off-Balance Factor	Premium Adjusted for Off Balance Factor			Prior Year Deposit Premium	Increase (Decrease)			
1 American Canyon	\$7,830,910	\$50,000	\$43,462	\$594	\$4,796	\$48,852	(\$181)	\$48,671	0.989	\$48,116	1.014	\$48,798	0.000	0.750	0.750	0.750	\$36,503	1.196	\$43,665	\$4,728	\$48,393	\$50,113 (\$1,720)		
2 Atherton	6,545,300	100,000	29,969	497	4,009	34,475	(128)	34,347	0.989	33,955	1.014	34,437	2.587	1.500	1.000	0.750	34,347	1.196	41,086	3,952	45,037	35,401 9,637		
3 Woodside	2,311,034	50,000	12,826	175	1,415	14,417	(53)	14,364	0.989	14,200	1.014	14,401	0.000	0.750	0.750	0.750	10,773	1.196	12,886	1,395	14,282	14,973 (691)		
Total	\$16,687,243		\$86,257	\$1,266	\$10,221	\$97,744	(\$362)	\$97,382		\$96,271		\$97,637					\$81,623		\$97,637	\$10,075	\$107,712	\$100,486 \$7,225		
				(362)	JPA participation credit				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			
				\$85,895	Net funding																			

2023/2024 Preliminary Operating Budget SCORE

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)							Prior Year Comparison				
Member	Actual 2022 Payroll	SIR Selected	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	Info Only: Prior Year (2022/2023) Experience Modification	Deposit Adjusted for Experience Modification	Off-Balance Factor	Premium Adjusted for Off Balance Factor	Prior Year Deposit Premium	Increase (Decrease)			
1 Biggs (07/01/17)	\$509,433	\$25,000	\$2,934	\$39	\$312	\$3,285	(\$305)	\$2,980	1.056	\$3,146	1.014	\$3,191	0.000	0.750	0.750	0.750	\$2,235	1.207	\$2,698	\$2,958	-\$260			
2 Colfax	774,258	25,000	4,460	59	474	4,993	(463)	4,529	1.056	4,782	1.014	4,850	0.000	0.750	0.750	0.750	3,397	1.207	4,101	4,623	(522)			
3 Dunsmuir (01/01/20)	760,104	50,000	3,892	58	466	4,415	(410)	4,005	1.056	4,228	1.014	4,288	0.000	0.750	0.750	0.750	3,004	1.207	3,627	6,224	(2,597)			
4 Live Oak (07/01/04)	1,827,359	25,000	10,526	139	1,119	11,783	(1,093)	10,690	1.056	11,286	1.014	11,446	0.000	0.750	0.750	0.750	8,018	1.207	9,679	10,239	(560)			
5 Loomis (07/01/12)	1,329,489	25,000	7,658	101	814	8,573	(795)	7,778	1.056	8,211	1.014	8,327	0.000	0.750	0.750	0.750	5,833	1.207	7,042	7,877	(835)			
6 Mt. Shasta (07/01/01)	2,846,205	25,000	16,394	216	1,743	18,353	(1,703)	16,651	1.056	17,578	1.014	17,827	0.000	0.750	1.250	1.500	20,813	1.207	25,127	31,099	(5,972)			
7 Portola	836,296	25,000	4,817	63	512	5,393	(500)	4,892	1.056	5,165	1.014	5,238	0.000	0.750	0.750	0.750	3,669	1.207	4,430	5,794	(1,364)			
8 Rio Dell (07/01/02)	1,545,344	25,000	8,901	117	946	9,965	(925)	9,040	1.056	9,544	1.014	9,679	0.000	0.750	0.750	0.750	6,780	1.207	8,186	8,856	(670)			
9 Shasta Lake	5,038,920	25,000	29,024	382	3,086	32,493	(3,015)	29,478	1.056	31,120	1.014	31,561	0.000	0.750	0.750	0.750	22,109	1.207	26,691	30,490	(3,799)			
10 Susanville (07/01/04)	4,821,728	25,000	27,773	366	2,953	31,092	(2,885)	28,207	1.056	29,778	1.014	30,201	0.000	0.750	0.750	1.000	21,156	1.207	25,540	36,569	(11,028)			
11 Tulelake (07/01/15)	529,703	25,000	3,051	40	324	3,416	(317)	3,099	1.056	3,271	1.014	3,318	0.000	0.750	0.750	0.750	2,324	1.207	2,806	2,865	(60)			
12 Weed (07/01/15)	2,261,104	100,000	9,551	172	1,385	11,107	(1,031)	10,077	1.056	10,638	1.014	10,789	0.000	0.750	0.750	0.750	7,558	1.207	9,124	9,307	(183)			
13 Yreka	4,547,941	25,000	26,196	345	2,786	29,327	(2,721)	26,606	1.056	28,088	1.014	28,486	9.645	1.500	1.250	1.000	33,257	1.207	40,150	35,612	4,538			
Total	\$27,627,884		\$155,177	\$2,097	\$16,922	\$174,195	(\$16,162)	\$158,033		\$166,835		\$169,201					\$140,153		\$169,201	\$192,514	-\$23,313			
				(16,162)																				
				JPA participation credit																				
				\$139,015																				
									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			

2023/2024 Preliminary Operating Budget
VCIPA

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 \$3M x \$1M		TOTAL Deposit Premium		Prior Year Comparison Prior Year Deposit Premium Increase (Decrease)						
	Actual		Funding		Loss		JPA		Net		2		3		4		5		6		7		8		9							10		11		
	2022	SIR	For	SIR	Prevention & Training	Admin. Costs	Deposit Premium	Participation Credit	Deposit Premium	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 (2022/2023) Experience Modification	Adjusted for Experience Modification	Off-Balance Factor	Premium Adjusted for Off Balance Factor																
	Payroll	Selected	Losses	For Losses																																
1 Alameda County	\$2,081,579	\$25,000	\$12,997		\$158	\$1,275	\$14,430	(\$1,430)	\$13,000	0.909	\$11,818	1.014	\$11,985	0.000	0.750	0.750	0.750	\$9,750	1.058	\$10,316	\$1,257	\$11,572	\$10,887	\$685												
2 Burney Basin	66,279	25,000	414		5	41	459	(46)	414	0.909	376	1.014	382	0.000	0.750	0.750	0.750	310	1.058	328	40	368	352	17												
3 Butte County	1,502,412	25,000	9,381		114	920	10,415	(1,032)	9,383	0.909	8,530	1.014	8,651	0.000	0.750	0.750	0.750	7,037	1.058	7,445	907	8,352	8,484	(132)												
4 Coachella Valley (09/14/00)	5,989,694	25,000	37,398		455	3,669	41,521	(4,115)	37,406	0.909	34,005	1.014	34,487	0.000	0.750	0.750	0.750	28,055	1.058	29,683	3,616	33,299	31,534	1,765												
5 Colusa	202,346	25,000	1,263		15	124	1,403	(139)	1,264	0.909	1,149	1.014	1,165	0.000	0.750	0.750	0.750	948	1.058	1,003	122	1,125	1,156	(31)												
6 Compton Creek	144,852	25,000	904		11	89	1,004	(100)	905	0.909	822	1.014	834	0.000	0.750	0.750	0.750	678	1.058	718	87	805	870	(65)												
7 Consolidated	1,703,245	25,000	10,635		129	1,043	11,807	(1,170)	10,637	0.909	9,670	1.014	9,807	3.619	1.500	1.500	1.500	15,955	1.058	16,881	1,028	17,910	16,094	1,816												
8 Contra Costa County	3,598,359	25,000	22,467		273	2,204	24,944	(2,472)	22,472	0.909	20,429	1.014	20,719	3.692	1.500	1.500	1.500	33,708	1.058	35,664	2,173	37,837	37,287	550												
9 Delta VCD (07/01/08)	1,872,998	25,000	11,695		142	1,147	12,984	(1,287)	11,697	0.909	10,634	1.014	10,784	1.393	1.393	1.250	1.000	14,621	1.058	15,470	1,131	16,601	12,469	4,132												
10 Durham (08/26/02)	73,163	25,000	457		6	45	507	(50)	457	0.909	415	1.014	421	0.000	0.750	0.750	0.750	343	1.058	363	44	407	411	(4)												
11 Fresno	883,305	25,000	5,515		67	541	6,123	(607)	5,516	0.909	5,015	1.014	5,086	0.000	0.750	0.750	0.750	4,137	1.058	4,377	533	4,911	4,794	117												
12 Glenn County	116,615	25,000	728		9	71	808	(80)	728	0.909	662	1.014	671	0.000	0.750	0.750	0.750	546	1.058	578	70	648	616	32												
13 Greater Los Angeles	8,529,966	25,000	53,259		647	5,224	59,131	(5,860)	53,270	0.909	48,427	1.014	49,114	0.000	0.750	0.750	0.750	39,953	1.058	42,271	5,150	47,421	45,962	1,459												
14 Kings Mosquito A.D. (07/01/09)	1,079,355	25,000	6,739		82	661	7,482	(742)	6,741	0.909	6,128	1.014	6,215	0.000	0.750	0.750	0.750	5,055	1.058	5,349	652	6,001	6,065	(65)												
15 Lake County VCD (02/01/04)	700,237	25,000	4,372		53	429	4,854	(481)	4,373	0.909	3,975	1.014	4,032	0.000	0.750	0.750	0.750	3,280	1.058	3,470	423	3,893	3,744	149												
16 Los Angeles County West	4,483,686	25,000	27,995		340	2,746	31,081	(3,080)	28,001	0.909	25,455	1.014	25,816	0.000	0.750	1.250	1.500	35,001	1.058	37,032	2,707	39,739	47,993	(8,253)												
17 Marin-Sonoma	4,003,209	25,000	24,995		304	2,452	27,751	(2,750)	25,000	0.909	22,727	1.014	23,050	0.000	0.750	0.750	0.750	18,750	1.058	19,838	2,417	22,255	21,084	1,171												
18 Napa County	962,005	25,000	6,007		73	589	6,669	(661)	6,008	0.909	5,462	1.014	5,539	0.000	0.750	0.750	0.750	4,506	1.058	4,767	581	5,348	4,786	562												
19 Northwest	1,779,603	25,000	11,111		135	1,090	12,336	(1,223)	11,114	0.909	10,103	1.014	10,247	0.000	0.750	0.750	0.750	8,335	1.058	8,819	1,074	9,893	10,493	(599)												
20 Orange County	7,587,785	25,000	47,376		576	4,647	52,599	(5,213)	47,386	0.909	43,078	1.014	43,689	0.000	0.750	0.750	0.750	35,540	1.058	37,602	4,581	42,183	41,769	414												
21 Placer County	1,940,203	25,000	12,114		147	1,188	13,450	(1,333)	12,117	0.909	11,015	1.014	11,171	0.000	0.750	0.750	0.750	9,088	1.058	9,615	1,171	10,786	10,720	67												
22 Sacramento Yolo	5,324,547	25,000	33,245		404	3,261	36,910	(3,658)	33,252	0.909	30,229	1.014	30,658	0.000	0.750	0.750	0.750	24,939	1.058	26,386	3,215	29,601	30,210	(609)												
23 San Gabriel Valley	3,056,348	25,000	19,083		232	1,872	21,187	(2,100)	19,087	0.909	17,352	1.014	17,598	0.000	0.750	0.750	1.000	14,315	1.058	15,146	1,845	16,991	23,078	(6,086)												
24 San Joaquin County	3,019,740	25,000	18,855		229	1,850	20,933	(2,075)	18,859	0.909	17,144	1.014	17,387	0.000	0.750	0.750	0.750	14,144	1.058	14,965	1,823	16,788	15,847	940												
25 San Mateo County	2,785,387	25,000	17,391		211	1,706	19,309	(1,914)	17,395	0.909	15,813	1.014	16,038	0.000	0.750	0.750	0.750	13,046	1.058	13,803	1,682	15,485	14,378	1,107												
26 Santa Barbara County	450,090	25,000	2,810		34	276	3,120	(309)	2,811	0.909	2,555	1.014	2,592	0.000	0.750	0.750	0.750	2,108	1.058	2,230	272	2,502	2,413	89												
27 Shasta	1,316,123	25,000	8,218		100	806	9,124	(904)	8,219	0.909	7,472	1.014	7,578	0.000	0.750	0.750	0.750	6,164	1.058	6,522	795	7,317	7,440	(123)												
28 Sutter-Yuba	1,301,654	25,000	8,127		99	797	9,023	(894)	8,129	0.909	7,390	1.014	7,495	0.000	0.750	0.750	0.750	6,097	1.058	6,451	786	7,236	6,632	605												
29 Tehama County	398,081	25,000	2,486		30	244	2,760	(273)	2,486	0.909	2,260	1.014	2,292	0.000	0.750	0.750	0.750	1,865	1.058	1,973	240	2,213	2,246	(33)												
30 Turlock	892,479	25,000	5,572		68	547	6,187	(613)	5,574	0.909	5,067	1.014	5,139	0.000	0.750	0.750	0.750	4,180	1.058	4,423	539	4,962	5,542	(580)												
31 West Valley	1,721,568	25,000	10,749		131	1,054	11,934	(1,183)	10,751	0.909	9,774	1.014	9,912	6.218	1.500	1.500	1.250	16,127	1.058	17,063	1,039	18,102	14,169	3,933												
Total	\$69,566,910		\$434,358		\$5,279	\$42,608	\$482,246	(\$47,795)	\$434,451		\$394,951		\$400,552					\$378,582		\$400,552	\$42,001	\$442,553	\$439,524	\$3,029												
			(47,795)	JPA participation credit																																
			\$386,563	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																					

2023/2024 Preliminary Operating Budget Oakland Housing Authority

Member	Actual 2022 Payroll	SIR Selected	Funding For Losses	Loss Prevention & Training	Admin. Costs	Deposit Premium	JPA Participation Credit	Net Deposit Premium	Experience Modification Factor	Deposit Premium	Off-Balance Factor	Deposit Premium	Excess Insurance \$3M x \$1M	TOTAL Deposit Premium	Prior Year Comparison	
										Adjusted for Experience Modification		Adjusted for Off Balance Factor			Prior Year Deposit Premium	Increase (Decrease)
Oakland H.A.	\$38,819,932	\$50,000	\$215,451	\$2,946	\$23,776	\$242,173	N/A	\$242,173	0.969	\$234,763	1.014	\$238,093	\$23,438	\$261,530	\$248,919	\$12,611
Total	\$38,819,932		\$215,451	\$2,946	\$23,776	\$242,173	\$0	\$242,173		\$234,763		\$238,093	\$23,438	\$261,530	\$248,919	\$12,611

Participation Credit N/A

2023/2024 Preliminary Operating Budget Contra Costa County Housing Authority

Member	Actual 2022 Payroll	SIR Selected	Funding For Losses	Loss Prevention & Training	Admin. Costs	Deposit Premium	JPA Participation Credit	Net Deposit Premium	Experience Modification Factor	Deposit Premium	Off-Balance Factor	Deposit Premium	Excess Insurance \$3M x \$1M	TOTAL Deposit Premium	Prior Year Comparison	
										Adjusted for Experience Modification		Adjusted for Off Balance Factor			Prior Year Deposit Premium	Increase (Decrease)
Contra Costa H.A.	\$6,731,514	\$50,000	\$37,360	\$511	\$4,123	\$41,994	N/A	\$41,994	0.946	\$39,713	1.014	\$40,276	\$4,064	\$44,341	\$43,299	\$1,041
Total	\$6,731,514		\$37,360	\$511	\$4,123	\$41,994	\$0	\$41,994		\$39,713		\$40,276	\$4,064	\$44,341	\$43,299	\$1,041

Participation Credit N/A

**2023/2024 Preliminary Operating Budget
Experience Modification Calculation**

Calendar Year Payroll					Incurred Losses at 12/31/2022 Individual Losses from \$25k and Capped at \$500k					Experience Modification Calculation										Prior Year
Member	Actual 2017 Payroll	Actual 2018 Payroll	Actual 2019 Payroll	Actual 2020 Payroll	Program Year 2017/2018	Program Year 2018/2019	Program Year 2019/2020	Program Year 2020/2021	Program Year 2021/2022	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
BCIPIA																				
1 Albany/Albany JPA	\$ 10,382,672	\$ 10,821,075	\$ 11,273,329	\$ 11,702,836	\$ 5,952	\$ -	\$ -	\$ -	\$ -	\$ 11,044,978	\$ -	-	\$ 17,074	-	0.077	-0.077	0.923		0.750	
2 Brisbane	9,197,185	9,629,320	10,205,927	11,098,373	-	-	-	-	-	10,032,701	-	-	15,510	-	0.073	-0.073	0.927		0.750	
3 CMFA (1/1/19)	-	6,189,890	4,119,184	5,969,261	-	-	-	-	-	4,069,584	-	-	6,291	-	0.047	-0.047	0.953		0.750	
4 Central Marin PA	4,076,456	5,034,939	5,457,093	5,687,342	-	-	-	-	-	5,063,958	-	-	7,828	-	0.052	-0.052	0.948		0.750	
5 Corte Madera (7/1/17)	6,221,073	3,277,001	3,620,916	3,399,285	-	-	-	-	-	4,129,569	-	-	6,384	-	0.047	-0.047	0.953		0.750	
6 Emeryville (Includes MESA)	14,210,641	14,450,829	15,107,489	14,716,102	-	-	-	-	-	14,621,265	-	-	22,603	-	0.088	-0.088	0.912		0.750	
7 Emeryville MESA Inc.																				
8 Fairfax	2,641,046	2,888,425	3,019,166	3,279,254	-	-	-	-	-	2,956,973	-	-	4,571	-	0.040	-0.040	0.960		0.750	
9 Larkspur	6,151,456	2,670,149	4,437,164	3,425,608	-	-	-	-	-	4,171,094	-	-	6,448	-	0.047	-0.047	0.953		0.750	
10 Los Altos (7/1/12)	13,123,439	14,603,898	13,397,476	14,821,833	-	-	-	-	-	13,986,661	-	-	21,622	-	0.086	-0.086	0.914		0.750	
11 Menlo Park (7/1/02)	27,678,124	29,278,317	31,900,426	30,667,457	-	-	-	-	-	29,881,081	-	-	46,193	-	0.126	-0.126	0.874		0.750	
12 Mill Valley (7/1/01)	16,484,232	16,782,771	17,527,967	16,299,869	-	-	39,517	-	-	16,773,710	9,879	0.059	25,930	0.381	0.094	-0.058	0.942		0.750	
13 Novato (9/1/07)	17,463,450	17,437,788	19,704,268	17,744,124	65,000	-	-	-	10,000	18,087,408	2,500	0.014	27,961	0.089	0.098	-0.089	0.911		0.750	
14 Piedmont	12,293,059	13,485,707	13,938,268	14,222,007	126,306	-	-	95,274	-	13,484,760	23,819	0.177	20,846	1.143	0.085	0.012	1.012		1.143	
15 Pleasanton	42,004,560	43,193,719	50,018,700	46,867,185	-	230,000	-	-	-	45,521,041	57,500	0.126	70,371	0.817	0.156	-0.028	0.972		0.817	
16 San Anselmo +	2,892,949	3,426,853	3,374,056	3,069,317	-	-	-	-	-	3,190,794	-	-	4,933	-	0.041	-0.041	0.959		0.750	
17 Sausalito	6,278,839	6,501,065	6,646,132	5,171,524	-	-	2,419	-	10,000	6,149,390	3,105	0.050	9,506	0.327	0.057	-0.039	0.961		0.750	
18 Tiburon (7/1/11)	3,434,481	3,447,463	3,735,038	3,926,313	-	-	-	-	-	3,635,824	-	-	5,621	-	0.044	-0.044	0.956		0.750	
19 Union City	27,347,240	26,580,737	26,089,444	27,010,881	-	-	-	-	-	26,757,076	-	-	41,364	-	0.119	-0.119	0.881		0.750	
BCIPIA Total	221,880,902	229,699,946	243,572,043	239,078,573	197,257	230,000	41,936	95,274	20,000	233,557,866	96,803	0.041	361,057	0.268	0.352	-0.258	0.742	0.750		0.750
CalTIP (7/1/17)																				
1 El Dorado	3,339,214	3,438,251	3,515,292	3,161,997	-	-	140,245	-	-	3,363,689	35,061	1.042	5,200	6.743	0.042	0.243	1.243		1.500	
2 Humboldt	2,259,983	2,404,118	2,532,761	3,017,735	-	-	-	-	-	2,553,649	-	-	3,948	-	0.037	-0.037	0.963		0.750	
3 LAVTA	1,328,830	1,398,699	1,671,605	1,817,427	-	-	-	-	-	1,554,140	-	-	2,403	-	0.029	-0.029	0.971		0.750	
4 Mendocino	2,603,358	2,583,340	2,972,395	2,772,977	-	-	-	-	-	2,733,017	-	-	4,225	-	0.038	-0.038	0.962		0.750	
5 Morongo	1,292,280	1,493,632	1,711,324	1,834,939	-	-	-	-	-	1,583,044	-	-	2,447	-	0.029	-0.029	0.971		0.750	
6 SLORTA *	4,901,994	5,250,315	5,584,595	5,727,046	-	-	-	-	-	5,365,988	-	-	8,295	-	0.053	-0.053	0.947		0.750	
7 Tahoe	3,051,845	3,200,451	2,914,349	3,296,826	-	-	-	-	-	3,115,868	-	-	4,817	-	0.041	-0.041	0.959		0.750	
8 WCCTA	930,194	933,377	1,059,072	1,098,212	-	-	-	-	-	1,005,214	-	-	1,554	-	0.023	-0.023	0.977		0.750	
9 Yolo	930,905	952,651	964,222	917,541	-	-	-	-	-	941,330	-	-	1,455	-	0.022	-0.022	0.978		0.750	
CalTIP Total	20,638,603	21,654,834	22,925,615	23,644,701	-	-	140,245	-	-	22,215,938	35,061	0.158	34,344	1.021	0.109	0.002	1.002	1.002		0.978

**2023/2024 Preliminary Operating Budget
Experience Modification Calculation**

Calendar Year Payroll					Incurred Losses at 12/31/2022 Individual Losses from \$25k and Capped at \$500k					Experience Modification Calculation										Prior Year
Member	Actual 2017 Payroll	Actual 2018 Payroll	Actual 2019 Payroll	Actual 2020 Payroll	Program Year 2017/2018	Program Year 2018/2019	Program Year 2019/2020	Program Year 2020/2021	Program Year 2021/2022	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	Ind. Capped Ex Mod (No factor applied)	JPA Capped* Factored Experience Modifier
CSJVRMA																				
1 Angels Camp	2,859,842	2,777,974	2,348,605	2,349,846	-	-	77,136	-	-	2,584,067	19,284	0.746	3,995	4.827	0.037	0.142	1.142		1.500	
2 Atwater (7/1/00)	5,476,157	5,310,488	5,192,561	5,921,819	183,214	280,208	-	50,000	-	5,475,256	82,552	1.508	8,464	9.753	0.054	0.472	1.472		1.500	
3 Ceres	14,621,088	14,631,988	15,762,823	16,698,584	-	-	143,374	-	-	15,428,621	35,843	0.232	23,851	1.503	0.091	0.046	1.046		1.500	
4 Chowchilla (7/1/01)	3,853,637	4,156,084	4,489,822	4,740,272	-	-	-	-	-	4,309,954	-	-	6,663	-	0.048	-0.048	0.952		0.750	
5 Corcoran	3,958,828	3,949,019	4,297,812	4,443,287	-	-	-	-	-	4,162,236	-	-	6,434	-	0.047	-0.047	0.953		0.750	
6 Delano	17,855,729	19,088,159	20,346,087	18,751,950	-	-	80,000	-	-	19,010,481	20,000	0.105	29,388	0.681	0.101	-0.032	0.968		0.750	
7 Dinuba (7/1/16)	10,880,247	10,536,727	9,977,747	10,132,327	-	-	-	-	-	10,381,762	-	-	16,049	-	0.074	-0.074	0.926		0.750	
8 Dos Palos (12/1/10)*	1,237,470	1,444,379	1,455,597	1,704,204	-	-	-	-	-	1,460,413	-	-	2,258	-	0.028	-0.028	0.972		0.750	
9 Escalon	1,930,391	2,041,877	2,169,803	2,165,097	-	-	-	-	-	2,076,792	-	-	3,211	-	0.033	-0.033	0.967		0.750	
10 Exeter (7/1/21)	2,786,681	2,667,052	2,648,021	2,674,088	-	-	-	-	-	2,693,961	-	-	4,165	-	0.038	-0.038	0.962		0.750	
11 Farmersville (7/1/16)	2,325,429	2,303,881	2,534,516	2,561,304	-	-	-	-	-	2,431,282	-	-	3,759	-	0.036	-0.036	0.964		0.750	
12 Fowler	1,923,045	1,886,263	2,048,543	2,116,593	214,205	-	-	-	-	1,993,611	-	-	3,082	-	0.033	-0.033	0.967		0.750	
13 Gustine	1,426,840	1,419,177	1,666,735	1,630,763	-	-	-	-	-	1,535,879	-	-	2,374	-	0.029	-0.029	0.971		0.750	
14 Hughson	1,027,149	996,779	986,819	925,137	-	-	-	-	-	983,971	-	-	1,521	-	0.023	-0.023	0.977		0.750	
15 Huron (7/1/10)	1,140,518	1,088,812	1,122,407	1,305,056	-	-	-	-	-	1,164,198	-	-	1,800	-	0.025	-0.025	0.975		0.750	
16 Kerman	3,676,460	3,879,700	4,197,823	4,417,230	-	-	-	20,000	-	4,042,803	5,000	0.124	6,250	0.800	0.046	-0.009	0.991		0.800	
17 Kingsburg (7/1/05)	3,347,411	3,541,538	3,970,486	4,707,709	-	-	-	-	-	3,891,786	-	-	6,016	-	0.045	-0.045	0.955		0.750	
18 Lathrop (10/4/05)	6,345,978	6,540,966	7,346,922	7,931,830	-	-	-	-	-	7,041,424	-	-	10,885	-	0.061	-0.061	0.939		0.750	
19 Lemoore (7/1/13)	6,793,489	7,575,401	7,986,606	7,765,911	-	-	16,398	291	-	7,530,352	4,172	0.055	11,641	0.358	0.063	-0.041	0.959		0.750	
20 Livingston	3,830,666	4,142,846	4,852,236	4,640,642	-	-	-	15,000	30,000	4,366,598	11,250	0.258	6,750	1.667	0.048	0.032	1.032		1.500	
21 Madera	18,152,193	18,767,890	17,546,597	17,292,668	-	-	-	-	10,000	17,939,837	2,500	0.014	27,733	0.090	0.098	-0.089	0.911		0.750	
22 McFarland	2,822,186	2,647,349	2,507,354	2,464,969	-	-	-	-	-	2,610,464	-	-	4,036	-	0.037	-0.037	0.963		0.750	
23 Mendota (7/1/13)	2,229,862	2,303,571	2,427,588	2,431,809	-	-	-	-	-	2,348,207	-	-	3,630	-	0.035	-0.035	0.965		0.750	
24 Merced (7/1/03)	33,627,926	34,926,178	36,186,516	39,205,677	-	275,000	-	-	37,896	35,986,574	78,224	0.217	55,632	1.406	0.138	0.056	1.056		1.406	
25 Newman	2,478,770	2,700,353	2,813,698	2,991,561	-	-	-	-	-	2,746,096	-	-	4,245	-	0.038	-0.038	0.962		0.750	
26 Oakdale (8/1/12)	6,656,911	5,541,135	6,700,086	6,541,692	-	-	-	-	-	6,359,956	-	-	9,832	-	0.058	-0.058	0.942		0.750	
27 Orange Cove (7/7/07)	2,044,488	1,928,958	1,992,845	2,250,697	-	-	-	-	-	2,054,247	-	-	3,176	-	0.033	-0.033	0.967		0.750	
28 Patterson (7/1/13)	8,055,172	8,730,706	9,481,497	9,754,944	-	126,292	-	-	-	9,005,580	31,573	0.351	13,922	2.268	0.069	0.088	1.088		1.500	
29 Porterville	20,077,330	20,834,525	22,223,862	24,426,291	475,000	66,564	220,000	-	-	21,890,502	71,641	0.327	33,840	2.117	0.108	0.120	1.120		1.500	
30 Reedley	7,857,246	8,279,157	8,737,363	8,956,111	-	-	-	-	-	8,457,469	-	-	13,074	-	0.067	-0.067	0.933		0.750	
31 Riverbank (7/1/12)	3,431,467	3,471,922	3,585,662	3,791,774	-	-	-	-	-	3,570,206	-	-	5,519	-	0.044	-0.044	0.956		0.750	
32 Sanger (4/18/16)	8,013,974	8,768,006	9,203,184	9,043,155	49,844	-	110,000	-	10,000	8,757,080	30,000	0.343	13,538	2.216	0.068	0.083	1.083		1.500	
33 San Joaquin (8/8/03)*	657,809	612,314	562,218	640,235	-	-	-	-	-	618,144	-	-	956	-	0.018	-0.018	0.982		0.750	
34 Selma	6,316,007	6,429,071	7,339,842	8,105,554	-	16,972	-	65,000	-	7,047,618	20,493	0.291	10,895	1.881	0.061	0.054	1.054		1.500	
35 Shafter	12,891,212	13,310,231	14,094,940	13,940,524	220,000	-	6,461	-	-	13,559,227	1,615	0.012	20,961	0.077	0.085	-0.078	0.922		0.750	
36 Sonora 7/1/13)	3,243,551	3,162,020	3,274,105	3,254,908	-	-	-	-	-	3,233,646	-	-	4,999	-	0.041	-0.041	0.959		0.750	
37 Taft	8,057,857	7,616,629	7,825,578	8,000,630	-	-	-	-	-	7,875,174	-	-	12,174	-	0.065	-0.065	0.935		0.750	
38 Tehachapi (7/1/13)	4,679,849	4,949,213	5,447,707	5,603,822	-	-	-	-	10,000	5,170,148	2,500	0.048	7,993	0.313	0.052	-0.036	0.964		0.750	
39 Tracy (7/1/22)	46,509,748	50,033,683	54,509,607	56,478,657	-	-	10,949	-	-	51,882,924	2,737	0.005	80,206	0.034	0.166	-0.160	0.840		0.750	
40 Tulare (7/1/12)	23,347,776	24,561,403	24,813,620	26,647,620	-	-	-	-	-	24,842,605	-	-	38,404	-	0.115	-0.115	0.885		0.750	
41 Wasco	3,579,954	3,996,631	3,783,912	4,028,106	-	-	-	-	-	3,847,151	-	-	5,947	-	0.045	-0.045	0.955		0.750	
42 Woodlake (7/1/16)	1,676,074	1,829,444	1,980,470	1,992,280	-	-	-	-	-	1,869,567	-	-	2,890	-	0.032	-0.032	0.968		0.750	
CSJVRMA Total	280,733,203	288,053,622	300,633,302	365,427,333	1,142,262	765,037	664,318	130,291	117,896	344,237,868	419,385	0.122	532,156	0.788	0.428	-0.091	0.909	0.909		0.963

**2023/2024 Preliminary Operating Budget
Experience Modification Calculation**

Calendar Year Payroll					Incurred Losses at 12/31/2022 Individual Losses from \$25k and Capped at \$500k					Experience Modification Calculation										Prior Year
Member	Actual 2017 Payroll	Actual 2018 Payroll	Actual 2019 Payroll	Actual 2020 Payroll	Program Year 2017/2018	Program Year 2018/2019	Program Year 2019/2020	Program Year 2020/2021	Program Year 2021/2022	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)	82,550,154	101,478,933	100,929,988	103,033,584	11,582	218,739	-	57,554	-	96,998,165	69,073	0.071	149,949	0.461	0.227	-0.122	0.878		0.750	
2 Santa Maria (1/1/19)	42,388,293	48,400,587	51,264,592	56,845,455	50,000	-	-	-	-	49,724,732	-	-	76,869	-	0.163	-0.163	0.837		0.750	
ERMAC Total	128,347,716	153,114,547	155,337,304	159,879,039	61,582	218,739	-	57,554	-	146,722,896	69,073	0.047	226,819	0.305	0.279	-0.194	0.806	0.806		0.802
MBASIA (7/1/11)																				
1 Capita	6,015,372	6,065,355	6,421,510	6,194,164	123,690	-	-	-	-	6,174,100	-	-	9,545	-	0.057	-0.057	0.943		0.750	
2 Del Rey Oaks	1,018,757	1,383,297	1,612,490	1,459,024	-	475,000	-	15,000	-	1,368,392	122,500	8.952	2,115	57.909	0.027	1.535	2.535		1.500	
3 Gonzales	3,181,254	3,572,058	4,006,408	4,053,383	-	-	-	-	-	3,703,276	-	-	5,725	-	0.044	-0.044	0.956		0.750	
4 Greenfield	4,546,123	5,262,120	5,959,984	6,779,110	379,576	-	-	-	10,000	5,636,834	2,500	0.044	8,714	0.287	0.055	-0.039	0.961		0.750	
5 Hollister	14,860,294	16,466,251	17,320,133	18,147,545	-	13,160	115,000	115,000	10,000	16,698,556	63,290	0.379	25,814	2.452	0.094	0.137	1.137		1.500	
6 King City	2,855,610	3,009,891	2,986,810	3,188,426	-	-	-	-	-	3,010,184	-	-	4,653	-	0.040	-0.040	0.960		0.750	
7 Marina	8,922,530	9,056,940	9,611,831	10,353,395	-	-	3,229	10,000	10,000	9,486,174	5,807	0.061	14,665	0.396	0.071	-0.043	0.957		0.750	
8 Sand City	2,494,186	2,724,000	2,702,236	2,727,512	-	-	-	-	-	2,661,983	-	-	4,115	-	0.038	-0.038	0.962		0.750	
9 Scotts Valley	5,123,539	5,350,683	5,456,068	5,145,170	-	-	442,060	42,841	-	5,268,865	121,225	2.301	8,145	14.883	0.053	0.735	1.735		1.500	
10 Soledad	4,211,545	4,491,577	4,748,518	5,168,379	-	-	-	-	-	4,655,005	-	-	7,196	-	0.050	-0.050	0.950		0.750	
MBASIA Total	53,229,210	57,382,172	60,825,988	63,216,106	503,266	488,160	560,289	182,841	30,000	58,663,369	315,323	0.538	90,688	3.477	0.177	0.437	1.437	1.250		1.250
MPA																				
1 Antioch	32,424,275	32,077,410	33,598,988	42,345,945	-	300,542	-	25,000	40,000	35,111,655	91,386	0.260	54,279	1.684	0.137	0.093	1.093		1.500	
2 Brentwood	31,074,714	32,742,510	34,674,871	35,460,143	475,000	-	-	20,156	10,000	33,488,060	7,539	0.023	51,769	0.146	0.133	-0.114	0.886		0.750	
3 Clayton	2,186,675	2,271,038	2,419,519	2,445,121	-	-	-	-	-	2,330,588	-	-	3,603	-	0.035	-0.035	0.965		0.750	
4 Danville	8,529,442	8,728,844	8,835,462	8,414,317	81,485	-	-	-	-	8,627,016	-	-	13,336	-	0.068	-0.068	0.932		0.750	
5 El Cerrito	20,005,704	20,838,781	22,060,903	21,779,663	-	475,000	-	-	68,123	21,171,263	135,781	0.641	32,729	4.149	0.106	0.334	1.334		1.500	
6 Hercules	6,906,525	7,245,302	7,660,894	7,780,378	-	-	-	-	-	7,398,275	-	-	11,437	-	0.063	-0.063	0.937		0.750	
7 LaFayette	4,229,892	4,429,383	4,539,389	4,408,933	-	-	-	-	-	4,401,899	-	-	6,805	-	0.048	-0.048	0.952		0.750	
8 Manteca	37,132,165	37,885,634	42,054,691	45,243,136	-	-	380,540	128,237	-	40,578,907	127,194	0.313	62,731	2.028	0.147	0.151	1.151		1.500	
9 Martinez	12,914,506	13,790,322	14,816,049	15,310,499	-	-	10,000	10,000	-	14,207,844	5,000	0.035	21,964	0.228	0.087	-0.067	0.933		0.750	
10 Moraga	3,552,034	3,858,750	4,442,241	4,441,757	-	-	60,000	-	-	4,073,696	15,000	0.368	6,298	2.382	0.047	0.064	1.064		1.500	
11 Oakley (7/1/02)	8,106,705	9,130,868	9,961,975	10,042,060	-	-	-	-	-	9,310,402	-	-	14,393	-	0.070	-0.070	0.930		0.750	
12 Orinda	3,420,186	3,629,613	3,754,713	3,760,432	-	-	-	-	-	3,641,236	-	-	5,629	-	0.044	-0.044	0.956		0.750	
13 Pacifica (3/9/07)	18,291,939	18,018,205	19,060,055	19,303,972	-	-	-	-	-	18,668,543	-	-	28,860	-	0.100	-0.100	0.900		0.750	
14 Pinole	8,275,070	9,109,957	9,682,100	11,143,507	-	-	-	10,000	-	9,552,659	2,500	0.026	14,767	0.169	0.071	-0.059	0.941		0.750	
15 Pittsburg	25,932,604	27,352,663	28,785,660	29,434,181	-	-	-	10,000	-	27,876,277	2,500	0.009	43,094	0.058	0.122	-0.115	0.885		0.750	
16 Pleasant Hill	11,738,410	12,389,614	12,813,263	13,140,989	-	-	-	-	-	12,520,569	-	-	19,356	-	0.082	-0.082	0.918		0.750	
17 San Pablo	13,147,976	15,215,439	16,936,406	16,868,398	-	-	-	25,000	-	15,542,055	6,250	0.040	24,026	0.260	0.091	-0.067	0.933		0.750	
18 San Ramon	29,419,162	32,890,385	32,808,007	34,068,902	-	-	-	10,000	-	32,296,614	2,500	0.008	49,927	0.050	0.131	-0.124	0.876		0.750	
19 Walnut Creek	38,533,782	39,605,592	40,981,431	42,084,206	150,000	-	-	-	-	40,301,253	-	-	62,302	-	0.146	-0.146	0.854		0.750	
20 MPA JPA Staff	1,491,195	1,733,576	1,856,755	2,123,692	-	-	-	-	-	1,801,305	-	-	2,785	-	0.031	-0.031	0.969		0.750	
MPA Total	317,312,961	332,943,886	351,743,372	369,600,231	706,485	775,542	450,540	183,393	173,123	342,900,113	395,650	0.115	530,088	0.746	0.427	-0.108	0.892	0.892		0.908

**2023/2024 Preliminary Operating Budget
Experience Modification Calculation**

Calendar Year Payroll					Incurred Losses at 12/31/2022 Individual Losses from \$25k and Capped at \$500k					Experience Modification Calculation										Prior Year
Member	Actual 2017 Payroll	Actual 2018 Payroll	Actual 2019 Payroll	Actual 2020 Payroll	Program Year 2017/2018	Program Year 2018/2019	Program Year 2019/2020	Program Year 2020/2021	Program Year 2021/2022	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 Experience Modifier	Ind. Capped Ex Mod (No factor applied)	JPA Capped* Factored Experience Modifier
CIRA																				
1 Amador	39,527	40,620	39,420	39,540	-	-	-	-	-	39,777	-	-	61	-	0.005	-0.005	0.995		0.750	
2 Arcata (7/1/21)	8,575,982	9,035,795	9,295,493	9,555,644	-	-	-	22,903	175,000	9,115,728	49,476	0.543	14,092	3.511	0.070	0.175	1.175		1.500	
3 Avalon	6,725,017	6,475,507	6,598,744	5,445,158	-	-	-	-	-	6,311,107	-	-	9,756	-	0.058	-0.058	0.942		0.750	
4 Belvedere (7/1/15)	2,445,983	2,351,741	2,141,612	2,244,081	-	19,379	-	-	-	2,295,854	4,845	0.211	3,549	1.365	0.035	0.013	1.013		1.365	
5 Blue Lake	437,918	450,698	517,148	537,023	-	-	-	-	-	485,697	-	-	751	-	0.016	-0.016	0.984		0.750	
6 Calimesa	798,870	1,411,694	1,919,936	2,176,608	-	-	-	47,636	-	1,576,777	11,909	0.755	2,438	4.886	0.029	0.112	1.112		1.500	
7 Calistoga	5,438,365	5,703,945	6,425,210	6,639,191	-	-	-	-	-	6,051,678	-	-	9,355	-	0.057	-0.057	0.943		0.750	
8 Citrus Heights	18,674,611	18,696,051	19,535,966	18,707,681	75,000	-	75,000	23,799	31,702	18,903,577	32,625	0.173	29,223	1.116	0.100	0.012	1.012		1.116	
9 Clearlake	3,641,534	3,892,585	4,470,339	4,675,251	154,815	-	-	-	-	4,169,927	-	-	6,446	-	0.047	-0.047	0.953		0.750	
10 Cloverdale (7/1/21)	3,690,384	3,881,269	3,865,970	4,508,206	-	-	-	-	-	3,986,457	-	-	6,163	-	0.046	-0.046	0.954		0.750	
11 Coalinga	5,627,226	4,959,828	4,863,578	5,605,176	155,244	-	36,148	-	-	5,263,952	9,037	0.172	8,138	1.111	0.053	0.006	1.006		1.111	
12 Cotati (7/1/21)	2,916,343	3,433,875	3,639,220	4,017,641	-	-	-	-	-	3,501,770	-	-	5,413	-	0.043	-0.043	0.957		0.750	
13 Eureka (7/1/21)	13,942,665	14,625,732	15,498,467	13,633,910	465,803	-	375,000	72,000	-	14,425,194	111,750	0.775	22,300	5.011	0.088	0.351	1.351		1.500	
14 Ferndale	672,082	656,777	695,638	760,266	-	-	-	-	-	696,191	-	-	1,076	-	0.019	-0.019	0.981		0.750	
15 Fort Bragg (7/1/21)	3,478,440	3,511,101	3,770,080	3,482,902	-	-	-	-	-	3,560,631	-	-	5,504	-	0.044	-0.044	0.956		0.750	
16 Fortuna (7/1/21)	4,436,244	4,832,121	4,989,529	5,217,344	-	-	-	-	15,000	4,868,809	3,750	0.077	7,527	0.498	0.051	-0.026	0.974		0.750	
17 Grass Valley	6,527,874	7,227,435	7,815,626	8,649,990	-	-	-	-	-	7,555,231	-	-	11,680	-	0.063	-0.063	0.937		0.750	
18 Healdsburg (7/1/21)	13,211,000	14,693,104	16,570,387	16,615,489	-	-	-	35,755	-	15,272,495	8,939	0.059	23,610	0.379	0.090	-0.056	0.944		0.750	
19 Highland	2,748,438	2,823,158	3,142,495	3,489,735	-	-	-	-	-	3,050,957	-	-	4,716	-	0.040	-0.040	0.960		0.750	
20 Lakeport (7/1/21)	2,722,540	2,961,072	3,333,027	3,437,869	-	-	-	-	-	3,113,627	-	-	4,813	-	0.041	-0.041	0.959		0.750	
21 Menifee (10/1/08)	5,321,763	6,100,132	8,540,141	14,915,995	-	208,094	-	-	-	8,719,508	52,024	0.597	13,479	3.859	0.068	0.195	1.195		1.500	
22 Nevada City	2,512,433	2,554,277	2,675,062	2,729,700	-	-	-	-	-	2,617,868	-	-	4,047	-	0.037	-0.037	0.963		0.750	
23 Placencia	11,580,708	12,175,819	12,908,301	16,488,966	-	129,874	-	15,000	10,000	13,288,448	38,719	0.291	20,543	1.885	0.084	0.074	1.074		1.500	
24 Placerville	6,165,279	6,459,088	6,892,317	6,866,007	-	-	-	-	-	6,595,673	-	-	10,196	-	0.059	-0.059	0.941		0.750	
25 Plymouth	532,043	628,673	614,150	689,651	-	-	-	-	-	616,129	-	-	952	-	0.018	-0.018	0.982		0.750	
26 Point Arena	305,455	364,741	378,120	430,874	-	-	-	-	-	369,798	-	-	572	-	0.014	-0.014	0.986		0.750	
27 Rancho Cucamonga	30,269,435	30,893,097	31,354,233	28,856,863	-	75,440	-	-	-	30,343,407	18,860	0.062	46,908	0.402	0.127	-0.076	0.924		0.750	
28 Rancho Cucamonga FPD (7/1/16)	17,735,581	17,732,745	17,606,332	20,323,453	-	-	-	-	-	18,349,528	-	-	28,366	-	0.099	-0.099	0.901		0.750	
29 Rancho Santa Margarita (1/1/04)	2,649,096	2,649,876	2,779,123	2,816,136	-	-	-	-	-	2,723,558	-	-	4,210	-	0.038	-0.038	0.962		0.750	
30 Rohnert Park (7/1/21)	16,478,425	19,404,634	20,931,655	22,968,906	388,184	-	-	-	-	19,945,905	-	-	30,834	-	0.103	-0.103	0.897		0.750	
31 San Juan Bautista	501,676	588,647	729,841	799,052	-	-	-	-	-	654,804	-	-	1,012	-	0.019	-0.019	0.981		0.750	
32 Sebastopol (7/1/21)	4,787,820	5,138,007	5,517,445	6,161,737	-	-	-	405,391	10,000	5,401,252	103,848	1.923	8,350	12.437	0.054	0.613	1.613		1.500	
33 Sierra Madre (7/1/21)	5,455,360	5,886,465	6,381,759	7,105,732	-	-	-	-	-	6,207,329	-	-	9,596	-	0.057	-0.057	0.943		0.750	
34 Sonoma (7/1/21)	2,833,168	2,898,014	3,047,007	3,264,026	-	-	-	-	-	3,010,554	-	-	4,654	-	0.040	-0.040	0.960		0.750	
35 South Lake Tahoe	17,589,245	18,428,864	19,379,930	20,917,691	10,557	-	-	-	-	19,078,933	-	-	29,494	-	0.101	-0.101	0.899		0.750	
36 St Helena (7/1/21)	6,154,993	6,403,750	7,026,537	7,761,649	-	-	-	-	-	6,836,732	-	-	10,569	-	0.060	-0.060	0.940		0.750	
37 Tehama	31,303	32,330	34,072	49,230	-	-	-	-	-	36,734	-	-	57	-	0.004	-0.004	0.996		0.750	
38 Trinidad	345,108	345,867	373,150	379,001	-	-	-	-	-	360,782	-	-	558	-	0.014	-0.014	0.986		0.750	
39 Truckee	9,318,857	9,592,170	10,297,968	11,054,419	-	-	-	-	-	10,065,854	-	-	15,561	-	0.073	-0.073	0.927		0.750	
40 Twentynine Palms	2,347,892	2,565,482	2,671,257	2,793,715	-	255,608	-	-	-	2,594,586	63,902	2.463	4,011	15.932	0.037	0.555	1.555		1.500	
41 Ukiah (7/1/21)	14,763,435	16,287,319	19,254,375	20,006,990	-	-	-	400,000	-	17,578,030	100,000	0.569	27,174	3.680	0.097	0.259	1.259		1.500	
42 Watsonville	28,597,471	29,831,752	32,235,209	33,956,878	239,454	102,216	175,569	-	10,000	31,155,328	71,946	0.231	48,163	1.494	0.129	0.064	1.064		1.494	
43 Wheatland	1,523,573	1,635,694	1,788,939	1,825,924	-	-	-	-	-	1,693,533	-	-	2,618	-	0.030	-0.030	0.970		0.750	
44 Wildomar (7/1/08)	1,169,492	1,223,142	1,346,748	1,459,862	-	-	-	-	-	1,299,811	-	-	2,009	-	0.026	-0.026	0.974		0.750	
45 Willits (7/1/21)	2,680,123	2,888,729	3,343,277	3,279,667	-	-	-	275,000	-	3,047,949	68,750	2.256	4,712	14.591	0.040	0.547	1.547		1.500	
46 Windsor (7/1/21)	8,377,131	8,782,459	9,335,539	9,265,310	-	-	-	-	-	8,940,110	-	-	13,820	-	0.069	-0.069	0.931		0.750	
47 Yountville	2,635,304	3,363,749	3,675,605	3,710,270	-	-	-	-	-	3,346,232	-	-	5,173	-	0.042	-0.042	0.958		0.750	
48 Yucaipa	4,463,822	4,879,316	5,533,147	4,929,286	-	-	-	-	-	4,951,393	-	-	7,654	-	0.051	-0.051	0.949		0.750	
49 Yucca Valley	2,723,235	2,160,821	2,893,099	3,085,964	-	-	-	-	10,000	2,715,780	2,500	0.092	4,198	0.595	0.038	-0.015	0.985		0.750	
50 CIRA Staff	1,154,571	1,070,384	\$918,164	\$891,768	-	-	-	-	-	1,008,722	-	-	1,559	-	0.023	-0.023	0.977		0.750	
CIRA Total	324,560,685	341,225,562	368,129,277	379,223,425	1,489,058	790,611	661,717	1,297,484	261,702	347,799,701	752,878	0.216	537,663	1.400	0.430	0.172	1.172	1.172		1.250

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Experience Modification Calculation**

Calendar Year Payroll					Incurred Losses at 12/31/2022 Individual Losses from \$25k and Capped at \$500k					Experience Modification Calculation										Prior Year
Member	Actual 2017 Payroll	Actual 2018 Payroll	Actual 2019 Payroll	Actual 2020 Payroll	Program Year 2017/2018	Program Year 2018/2019	Program Year 2019/2020	Program Year 2020/2021	Program Year 2021/2022	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)	15,571,310	16,389,782	17,834,938	19,330,395	-	478,134	-	64,603	10,000	17,281,606	138,184	0.800	26,716	5.172	0.096	0.400	1.400		1.500	
2 Barstow (2/04/02)	15,488,188	15,598,520	14,151,898	15,113,929	32,030	-	551,788	50,000	10,000	15,088,134	152,947	1.014	23,325	6.557	0.090	0.498	1.498		1.500	
3 Canyon Lake (7/1/11)	487,923	494,702	543,956	740,552	-	-	-	-	-	566,783	-	-	876	-	0.017	-0.017	0.983		0.750	
4 Cathedral City (2/14/01)	21,245,925	22,999,326	23,656,831	22,874,716	475,000	-	-	-	-	22,694,199	-	-	35,083	-	0.110	-0.110	0.890		0.750	
5 Coachella (10/01/00)	5,974,186	5,963,822	6,335,648	6,399,918	-	-	-	-	-	6,168,393	-	-	9,536	-	0.057	-0.057	0.943		0.750	
6 Colton (7/1/22)	26,820,582	27,169,372	27,521,965	28,797,153	-	-	-	-	-	27,577,268	-	-	42,632	-	0.121	-0.121	0.879		0.750	
7 Desert Hot Springs	4,601,543	5,517,435	6,820,411	7,901,306	-	-	144,154	-	-	6,210,174	36,038	0.580	9,600	3.754	0.057	0.158	1.158		1.500	
8 Eastvale (7/1/15)	843,838	1,385,475	2,313,936	2,649,838	-	-	156,991	-	85,995	1,798,272	60,746	3.378	2,780	21.852	0.031	0.645	1.645		1.500	
9 Hesperia (7/1/10)	12,030,252	12,301,998	12,657,105	12,054,461	-	-	-	-	-	12,260,954	-	-	18,954	-	0.081	-0.081	0.919		0.750	
10 Holtville (7/1/08)	1,281,145	1,268,229	1,293,076	1,402,246	-	-	-	-	-	1,311,174	-	-	2,027	-	0.026	-0.026	0.974		0.750	
11 ICTC (7/1/12)	559,992	644,765	738,110	705,839	-	-	-	-	-	662,176	-	-	1,024	-	0.019	-0.019	0.981		0.750	
12 Jurupa Valley (11/2/15)	1,282,341	1,471,695	1,657,942	2,342,660	-	-	10,902	-	-	1,688,659	2,726	0.161	2,610	1.044	0.030	0.001	1.001		1.044	
13 La Mesa (7/1/02)	23,262,084	24,012,160	24,949,893	27,441,181	31,646	-	-	19,563	-	24,916,330	4,891	0.020	38,518	0.127	0.115	-0.100	0.900		0.750	
14 Murrieta (7/1/01)	33,566,157	34,999,253	39,596,587	41,335,161	-	-	-	-	45,000	37,374,289	11,250	0.030	57,777	0.195	0.141	-0.114	0.886		0.750	
15 Palm Sps Tram (11/1/05)	4,607,936	4,906,556	4,909,205	3,957,934	-	-	-	15,000	-	4,595,408	3,750	0.082	7,104	0.528	0.049	-0.023	0.977		0.750	
16 Perris (9/25/00)	6,530,512	7,175,027	8,333,606	9,144,474	-	-	-	13,956	-	7,795,905	3,489	0.045	12,052	0.290	0.064	-0.046	0.954		0.750	
17 Rancho Mirage (12/31/19)	6,639,586	7,250,967	8,066,651	7,682,358	-	-	475,000	-	-	7,409,891	118,750	1.603	11,455	10.367	0.063	0.588	1.588		1.500	
18 San Jacinto (7/1/18)	3,358,153	3,824,668	4,385,847	5,193,931	-	-	-	-	-	4,190,658	-	-	6,478	-	0.047	-0.047	0.953		0.750	
19 SDRTC (11/4/13)	683,648	589,513	545,756	559,148	-	-	-	-	-	594,516	-	-	919	-	0.018	-0.018	0.982		0.750	
20 Sunline (11/4/13)	16,861,855	16,474,031	17,408,813	18,629,160	-	-	357,799	-	15,000	17,343,465	93,200	0.537	26,811	3.476	0.096	0.238	1.238		1.500	
21 Victorville (7/1/01)	27,744,606	28,539,240	34,626,579	39,239,427	-	133,164	-	15,000	20,000	32,537,463	42,041	0.129	50,300	0.836	0.132	-0.022	0.978		0.836	
22 VVTA (7/1/12)	1,231,809	1,405,607	1,488,528	1,450,770	-	-	-	10,000	-	1,394,179	2,500	0.179	2,155	1.160	0.027	0.004	1.004		1.160	
23 PERMA Staff	569,426	628,490	655,581	787,777	-	-	-	-	-	660,319	-	-	1,021	-	0.019	-0.019	0.981		0.750	
PERMA Total	204,422,447	213,841,261	232,970,897	275,734,334	538,676	611,299	1,696,634	188,122	185,995	252,120,215	670,512	0.266	389,752	1.720	0.366	0.264	1.264	1.250		1.057
PLAN JPA																				
1 American Canyon (7/1/20)	7,034,131	7,193,051	7,193,051	7,327,450	-	-	-	-	-	7,186,921	-	-	11,110	-	0.062	-0.062	0.938		0.750	
2 Atherton (7/1/20)	4,327,213	4,799,844	4,799,844	4,824,688	-	-	-	-	75,000	4,687,897	18,750	0.400	7,247	2.587	0.050	0.079	1.079		1.500	
3 Woodside (7/1/20)	1,941,841	2,202,980	2,202,980	2,067,249	-	-	-	-	-	2,103,762	-	-	3,252	-	0.033	-0.033	0.967		0.750	
PLAN JPA Total	13,303,185	14,195,875	14,195,875	14,219,386	-	-	-	-	75,000	13,978,580	18,750	0.134	21,609	0.868	0.086	-0.011	0.989	0.989		0.919
SCORE																				
1 Biggs (7/1/17)	396,932	401,784	409,035	437,782	-	-	-	-	-	411,383	-	-	636	-	0.015	-0.015	0.985		0.750	
2 Colfax	792,003	686,920	791,853	786,691	-	-	-	-	-	764,367	-	-	1,182	-	0.020	-0.020	0.980		0.750	
3 Dunsmuir (01/01/20)	643,157	773,287	842,510	819,256	-	-	-	-	-	769,553	-	-	1,190	-	0.020	-0.020	0.980		0.750	
4 Live Oak (7/1/04)	1,395,034	1,386,600	1,352,814	1,623,377	-	-	-	-	-	1,439,456	-	-	2,225	-	0.028	-0.028	0.972		0.750	
5 Loomis (7/1/12)	857,619	945,312	1,148,076	1,201,962	-	-	-	-	-	1,038,242	-	-	1,605	-	0.023	-0.023	0.977		0.750	
6 Mt. Shasta (7/1/01)	2,082,387	2,187,871	2,434,448	2,472,916	430,000	-	-	-	-	2,294,405	-	-	3,547	-	0.035	-0.035	0.965		0.750	
7 Portola	749,220	690,092	878,576	837,892	-	-	-	-	-	788,945	-	-	1,220	-	0.020	-0.020	0.980		0.750	
8 Rio Dell (7/1/02)	1,020,181	1,017,410	1,181,113	1,190,818	-	-	-	-	-	1,102,380	-	-	1,704	-	0.024	-0.024	0.976		0.750	
9 Shasta Lake	3,910,822	4,059,564	4,174,281	4,657,055	-	-	-	-	-	4,200,430	-	-	6,493	-	0.047	-0.047	0.953		0.750	
10 Susanville (7/1/04)	3,977,057	3,992,735	4,291,749	4,430,033	-	-	-	-	-	4,172,893	-	-	6,451	-	0.047	-0.047	0.953		0.750	
11 Tulelake (7/1/15)	373,352	398,502	411,085	415,345	-	-	-	-	-	399,571	-	-	618	-	0.015	-0.015	0.985		0.750	
12 Weed (7/1/15)	1,800,282	2,123,163	2,203,702	1,870,081	-	-	-	-	-	1,999,307	-	-	3,091	-	0.033	-0.033	0.967		0.750	
13 Yreka	3,202,905	3,490,580	3,710,444	3,919,913	-	-	213,563	-	-	3,580,960	53,391	1.491	5,536	9.645	0.044	0.377	1.377		1.500	
SCORE Total	21,200,951	22,153,820	23,829,686	24,663,120	430,000	-	-	213,563	-	22,961,894	53,391	0.233	35,497	1.504	0.110	0.056	1.056	1.056		1.207

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Experience Modification Calculation**

Member	Calendar Year Payroll				Incurred Losses at 12/31/2022 Individual Losses from \$25k and Capped at \$500k					Experience Modification Calculation										Prior Year
	Actual 2017 Payroll	Actual 2018 Payroll	Actual 2019 Payroll	Actual 2020 Payroll	Program Year 2017/2018	Program Year 2018/2019	Program Year 2019/2020	Program Year 2020/2021	Program Year 2021/2022	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
VCIPA																				
1 Alameda County	1,563,529	1,676,675	1,784,987	1,793,829	-	-	-	-	-	1,704,755	-	-	2,635	-	0.030	-0.030	0.970		0.750	
2 Burney Basin	50,409	55,802	54,731	54,945	-	-	-	-	-	53,972	-	-	83	-	0.005	-0.005	0.995		0.750	
3 Butte County	1,346,734	1,425,928	1,423,406	1,503,986	-	-	-	-	-	1,425,013	-	-	2,203	-	0.028	-0.028	0.972		0.750	
4 Coachella Valley (9/14/00)	4,649,100	4,827,948	5,051,735	5,091,490	-	-	-	-	-	4,905,068	-	-	7,583	-	0.051	-0.051	0.949		0.750	
5 Colusa	200,877	211,902	210,566	208,559	-	-	-	-	-	207,976	-	-	322	-	0.011	-0.011	0.989		0.750	
6 Compton Creek	119,325	127,470	136,784	146,746	-	-	-	-	-	132,581	-	-	205	-	0.008	-0.008	0.992		0.750	
7 Consolidated	1,481,122	1,802,644	1,722,267	1,482,462	-	16,300	-	-	20,000	1,622,124	9,075	0.559	2,508	3.619	0.029	0.077	1.077		1.500	
8 Contra Costa County	3,292,543	3,449,660	3,069,445	3,439,706	-	55,639	-	-	20,000	3,312,838	18,910	0.571	5,121	3.692	0.042	0.113	1.113		1.500	
9 Delta VCD (7/1/08)	1,199,039	1,408,611	1,551,225	1,747,563	-	-	-	12,718	-	1,476,609	3,180	0.215	2,283	1.393	0.028	0.011	1.011		1.393	
10 Durham (8/26/02)	67,783	69,762	68,168	67,904	-	-	-	-	-	68,404	-	-	106	-	0.006	-0.006	0.994		0.750	
11 Fresno	903,600	991,283	812,859	810,434	-	-	-	-	-	879,544	-	-	1,360	-	0.022	-0.022	0.978		0.750	
12 Glenn County	89,964	102,012	102,238	114,272	-	-	-	-	-	102,122	-	-	158	-	0.007	-0.007	0.993		0.750	
13 Greater Los Angeles	5,939,559	6,337,607	7,229,368	7,562,957	-	-	-	-	-	6,767,373	-	-	10,462	-	0.060	-0.060	0.940		0.750	
14 Kings MAD (7/1/09)	983,186	1,119,661	1,075,568	1,130,510	-	-	-	-	-	1,077,231	-	-	1,665	-	0.024	-0.024	0.976		0.750	
15 Lake County (2/1/04)	560,840	568,221	591,444	610,603	-	-	-	-	-	582,777	-	-	901	-	0.018	-0.018	0.982		0.750	
16 Los Angeles County West	3,018,465	3,210,592	3,749,765	4,122,290	46,326	-	-	-	-	3,525,278	-	-	5,450	-	0.043	-0.043	0.957		0.750	
17 Marin-Sonoma	3,226,419	3,370,957	3,301,334	3,540,226	-	-	-	-	-	3,359,734	-	-	5,194	-	0.042	-0.042	0.958		0.750	
18 Napa County	753,978	777,705	831,080	863,836	-	-	-	-	-	806,650	-	-	1,247	-	0.021	-0.021	0.979		0.750	
19 Northwest	1,722,959	1,790,673	1,727,184	1,692,381	-	-	-	-	-	1,733,299	-	-	2,680	-	0.030	-0.030	0.970		0.750	
20 Orange County	6,064,617	6,800,125	7,496,063	7,153,118	-	-	-	-	-	6,878,481	-	-	10,633	-	0.060	-0.060	0.940		0.750	
21 Placer County	1,535,417	1,633,740	1,761,246	1,953,423	-	-	-	-	-	1,720,957	-	-	2,660	-	0.030	-0.030	0.970		0.750	
22 Sacramento Yolo	4,645,228	4,970,259	5,003,924	5,092,143	-	-	-	-	-	4,927,888	-	-	7,618	-	0.051	-0.051	0.949		0.750	
23 San Gabriel Valley	2,312,602	2,475,684	2,423,533	2,743,447	-	-	-	-	-	2,488,817	-	-	3,847	-	0.036	-0.036	0.964		0.750	
24 San Joaquin County	2,461,438	2,506,529	2,591,603	2,682,261	-	-	-	-	-	2,560,458	-	-	3,958	-	0.037	-0.037	0.963		0.750	
25 San Mateo County	2,096,070	2,239,040	2,400,213	2,672,232	-	-	-	-	-	2,351,889	-	-	3,636	-	0.035	-0.035	0.965		0.750	
26 Santa Barbara County	432,883	414,392	414,039	407,395	-	-	-	-	-	417,177	-	-	645	-	0.015	-0.015	0.985		0.750	
27 Shasta	1,048,691	1,121,528	1,168,703	1,247,589	-	-	-	-	-	1,146,628	-	-	1,773	-	0.025	-0.025	0.975		0.750	
28 Sutter-Yuba	1,036,945	1,198,663	1,073,033	1,070,837	-	-	-	-	-	1,094,870	-	-	1,693	-	0.024	-0.024	0.976		0.750	
29 Tehama County	345,687	352,442	362,519	377,235	-	-	-	-	-	359,471	-	-	556	-	0.014	-0.014	0.986		0.750	
30 Turlock	944,491	961,645	922,044	987,396	-	-	-	-	-	953,894	-	-	1,475	-	0.023	-0.023	0.977		0.750	
31 West Valley	1,395,475	1,433,500	1,642,988	1,583,780	-	58,207	-	-	-	1,513,936	14,552	0.961	2,340	6.218	0.028	0.148	1.148		1.500	
VCIPA Total	55,488,975	59,432,660	61,754,062	63,955,555	46,326	130,146	-	12,718	40,000	60,157,813	45,716	0.076	92,998	0.492	0.179	-0.091	0.909	0.909		0.897
Oakland H.A.																				
Oakland H.A.	28,486,957	29,405,018	30,966,730	32,406,354	-	-	122,280	-	20,000	30,316,265	35,570	0.117	46,866	0.759	0.127	-0.031	0.969	0.969		0.970
Contra Costa H.A.																				
Contra Costa H.A.	5,220,093	5,320,183	5,552,285	6,099,076	-	-	-	-	-	5,547,909	-	-	8,576	-	0.054	-0.054	0.946	0.946		0.945
Totals	\$ 1,674,825,888	\$ 1,768,423,386	\$ 1,872,436,436	\$ 2,017,147,231	\$ 5,114,911	\$ 4,009,532	\$ 4,337,959	\$ 2,361,242	\$ 923,716	\$ 1,881,180,426	\$ 2,908,112	0.155	\$ 2,908,112	1.000	1.000	0.000	1.000			

ADMINISTRATIVE MATTERS

SUBJECT: Sedgwick Agreement for Pool Administration Services
Presented by Jon Paulsen, Sedgwick

RECOMMENDATION: *None.*

BACKGROUND AND STATUS:

ERMA has contracted with Bickmore (subsequently assigned to York/Sedgwick) for Pool Administration Services since inception of the program in 1999. Staff manages ERMA's day-to-day operational, general administration, and financial affairs under the current five-year agreement, executed in April 2018 and expiring June 30, 2023.

Jon Paulsen, Senior Vice President at Sedgwick, worked with John Gillison, ERMA President, and Doug Alliston, Board Counsel, to prepare the proposed renewal agreement. The following key updates in the proposed agreement include:

- General Updates
 - Language to reflect electronic communications, data security, data and record storage, confidentiality of information, and updates to the scope of services to reflect the current work that has evolved since the last contract.
 - Services related to member EPL training amended to better reflect current activity and expense responsibility.
- Section 5. Payments
 - Contract amount is proposed at \$1,138,431. This is an increase over the current 2022/23 program year amount of \$899,879 (26.5%)
 - Subsection B. Website activities and maintenance expenses.
 - Subsection C. An annual increase based on an increase of a percentage equal to the change in the 12-month average (the average of the bi-monthly increases from April 2023 through May 2023, etc.) changes in the Consumer Price Index for the Sacramento Urban Wage Earners and Clerical Workers Consumers Price Index provided - increase shall not be less than two percent (2%) nor more than six percent (6%).
- Section 7. Reimbursement of LM Time and Expenses
 - Clarification regarding preparation time and subsequent time and travel expenses.
- Section 8. RMIS
 - RMIS fees changed to the responsibility of Sedgwick.

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- Section 9. Term
 - Five-year term with mutual options for early termination
- Section 22. Equitable Adjustment
 - Sedgwick may request a fee discussion if there are regulatory or statutory changes that require additional service scope for compliance.

Mr. Paulsen will present the proposed services agreement and answer any questions from the Board.

REFERENCE MATERIALS ATTACHED:

- Agreement for Pool Administration Services *(to be distributed under separate cover)*

Agenda Item 7.B.

ADMINISTRATIVE MATTERS

**SUBJECT: Joint Proposal from Liebert Cassidy Whitmore and Jackson Lewis for a Successor Memorandum of Understanding
*Presented by Jennifer Jobe, Executive Director***

RECOMMENDATION: *Staff recommends the Board of Directors approve the Joint Proposal from Liebert Cassidy Whitmore and Jackson Lewis for a Successor Memorandum of Understanding, effective July 1, 2023.*

BACKGROUND AND STATUS:

ERMA's strategic partnership with attorney firms Liebert Cassidy Whitmore (LCW) and Jackson Lewis (JL) has been in place since inception of the program. The current Memorandum of Understanding (MOU) expires June 30, 2023.

Staff solicited a renewal MOU from LCW and JL for the period of July 1, 2023, through June 30, 2026. The attached renewal proposes an increase in ERMA's maximum billable defense panel rates for partners, of-counsel, associates, and paralegals, as follows:

	Expiring	2023/24	2024/25	2025/26
Partner	\$325	\$345	\$355	\$375
Senior Counsel	\$310	\$330	\$340	\$360
Associate	\$265	\$285	\$295	\$310
Paralegal/ESI Specialist	\$115	\$125	\$130	\$135

The proposed changes within the attached MOU include the change in dates to reflect a new three-year term, increases in maximum billable defense rates (as noted), and the addition of a flat rate fee of \$500 applied to all trainings requiring travel in excess of 90 minutes to and from the primary office of the assigned trainer.

REFERENCE MATERIALS ATTACHED:

- Draft Joint Proposal from Liebert Cassidy Whitmore and Jackson Lewis for Successor Memorandum of Understanding

JOINT PROPOSAL FROM LIEBERT CASSIDY WHITMORE AND JACKSON LEWIS FOR
SUCCESSOR MEMORANDUM OF UNDERSTANDING

This memorandum of understanding is entered into on July 1, 2023, by and between the Employment Risk Management Authority (hereinafter "ERMA"), a California Joint Powers Authority established pursuant to Government Code Sections 989 to 990.8 and 6500 to 6515, and the employment law firms of Liebert Cassidy Whitmore and Jackson Lewis (hereinafter "Law Firm(s)"; ERMA and Law Firms are collectively hereinafter referred to as "the Parties").

WHEREAS,

- A. ERMA is a joint powers authority established for the purposes of jointly pooling employment liability claims, reducing the costs of safety, training, risk management, litigation and insurance, and enhancing services and protection for its members; and
- B. The Law Firms have been selected by ERMA, and have agreed to provide preventive labor and employment law training and services, as well as defense of employment related claims.

NOW THEREFORE, in consideration of the mutual promises contained herein, the parties agree as follows:

- 1. Hotline Services - The Law Firms agree to provide "hotline services" to the ERMA members.
 - a. *Definition* — "Hotline services" shall mean establishment and maintenance of a designated telephone number by the Law Firms, the purpose of which is to answer questions and provide professional consultation to upper level management for each ERMA member regarding non-complex labor and employment law related issues.
 - b. *Restrictions* — Hotline questions will be restricted to non-complex questions regarding the same issues and areas of law that could become covered occurrences under the ERMA Memorandum of Coverage. All fees for questions and consultation outside the scope of the ERMA coverage shall be by agreement between the Law Firms and the member. Each ERMA member will have an approximately one (1) hour per month allotment for Hotline usage. When the member reaches this allotment, the Law Firms will inform that member that they are going to exceed their amount and that they will be billed for additional consultation for that month.
 - c. *Compensation* — ERMA will annually pay \$.50 per full-time equivalent employee to the Law Firms for "hotline services." Full-time equivalent employees will be based on the previous year's December 31 payroll as reported on each member's California DE-6, Federal 941 or J200 tax forms. The total payroll will then be divided by \$35,000 to calculate the full-time equivalent number of employees for each member. The Law Firms will be paid based on the number of full-time

equivalent employees for each member they are assigned. Assignments will be made as per paragraph 5 of this agreement. Because of the unknown nature of the volume of Hotline calls and the scope of the ERMA pool, ERMA and the Law Firms agree that the fees provided by ERMA to the Law Firms to cover the costs associated with Hotline calls can be renegotiated with ERMA at the conclusion of the one-year agreement between ERMA and the Law Firms. Any member currently utilizing the "hotline services" of the Law Firms under a separately negotiated arrangement will not be charged for those services through ERMA.

- d. *Identification of Attorneys Assigned to Hotline* — The Law Firms agree to identify and assign specific attorneys to service the Hotline calls received from ERMA members.
2. Training Sessions — The Law Firms agree to provide "employment law training sessions" to the ERMA members.
 - a. *Definition* — "Employment law training sessions" will consist of separate three-hour workshops at designated locations agreed upon by the parties. The topics to be covered will be determined by the Law Firms in conjunction with direction from the ERMA Board of Directors or the ERMA Litigation Manager. Employment law training sessions shall include a one-hour SB 1343-compliant training session.
 - b. *Compensation* — ERMA will pay for the sessions in the amount of two thousand five hundred (\$2,500) per three hour training session. ERMA will pay all expenses associated with obtaining conference room facilities, copying materials and handouts, marketing and publicizing the workshops, and all other related expenses. The cost of the two-hour training shall be \$2,000. The cost of the one- hour training shall be \$1,250. If the travel time to the training location exceeds 90 minutes each way, ERMA will pay Law Firms an additional \$500 flat fee travel cost per one, two or three hour training session.
 3. Legal Updates – The Law Firms agree to occasionally provide written legal updates as agreed upon by the Parties. There will be no compensation to the Law Firms for the drafting of the legal updates.
 4. Litigation\Assigned Claims – The Law Firms agree to provide defense of employment related claims at rates not to exceed the following:

	2023/2024	2024/2025	2025/2026
Partner	345	355	375
Senior Counsel	330	340	360
Associate	285	295	310
Paralegal/ESI Specialist	125	130	135

ERMA and the Law Firms agree that if it becomes necessary, the parties will in good faith discuss and renegotiate the hourly rates set forth above.

For E-Discovery costs and services related to the defense of employment claims, including data collection of electronically stored information (hereinafter "ESI"), processing, consulting, searching, hosting, access fees, production and related professional services, the

Law Firms may select an outside vendor, subject to ERMA Litigation Manager approval, to provide all such services, which shall be billed by the vendor to ERMA. Such vendor invoices shall be reviewed and approved by the Law Firm in advance of any payment request. The Law Firms may bill professional services related to E-Discovery collection and other services necessary to provide ESI to the vendor at the prevailing rate for paralegals. As an alternative to using an E-Discovery vendor, and subject to ERMA Litigation Manager approval, the Law Firms may directly provide E-Discovery services at rates agreed upon by each Law Firm and ERMA.

5. Division of Responsibility – It is the intent of the Parties that each Law Firm be assigned responsibility for providing training, hotline and litigation services to ERMA members in equal proportion.
6. Term – This Agreement shall become effective July 1, 2023, and continue in effect for a three (3) year period.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of July 1, 2023.

EMPLOYMENT RISK MANAGEMENT AUTHORITY

By: _____
John Gillison
President, ERMA

LAW FIRM

By: _____
J. Scott Tiedemann
Liebert Cassidy Whitmore

LAW FIRM

By: _____
Michael J. Christian
Jackson Lewis P.C.

Agenda Item 7.C.

ADMINISTRATIVE MATTERS

SUBJECT: Excess Coverage and Marketing Update for the 2023/24 Program Year
Presented by Seth Cole, Alliant Insurance Services, Inc.

RECOMMENDATION: *None.*

BACKGROUND AND STATUS:

At the February 3, 2023, Board of Directors meeting, Seth Cole, Alliant Insurance Services, Inc. (Alliant), provided a preliminary overview regarding renewal expectations based upon market fluctuations and ERMA claim development in recent years. Mr. Cole was asked to begin renewal negotiations with RSUI, ERMA's Excess Insurance Carrier, for the 2023/24 program year.

Mr. Cole will be in attendance to provide a review of proposed renewal terms and answer any questions from the Board.

REFERENCE MATERIALS ATTACHED:

- ERMA Renewal Memo from Alliant

April 10, 2023

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

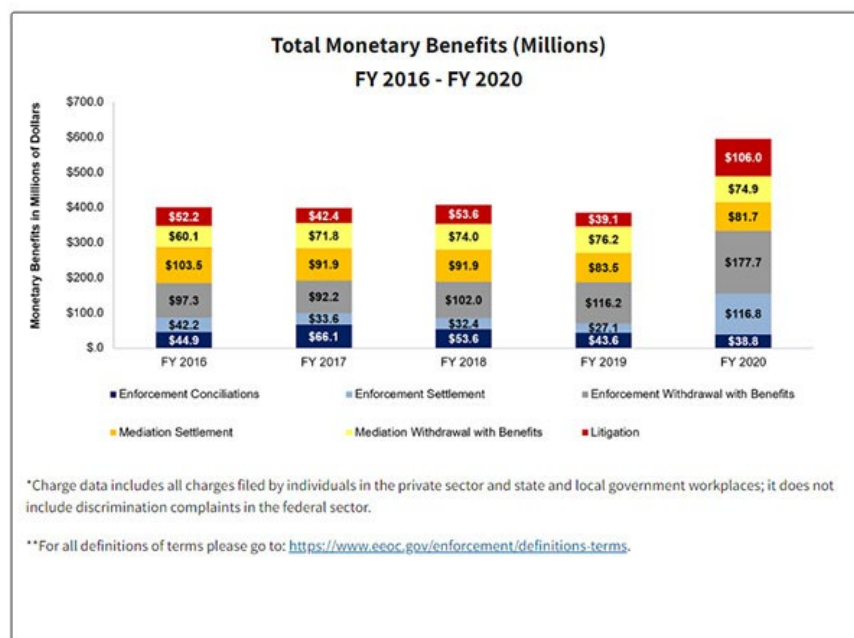
ERMA 2023/24 Renewal Update

Dear Jennifer:

This letter provides Sedgwick staff and the ERMA Board with an update regarding ERMA's 2023/24 optional Excess Insurance renewal. Currently, RSUI 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. Ascot Specialty Insurance Company provides \$1,000,000 in limits per Member per Claim with a \$1,000,000 per Member Aggregate and a \$5,000,000 Policy Aggregate excess of the RSUI policy.

RSUI continues to be a valued partner with ERMA on this program and is in the process of reviewing the renewal submission. Unless there is a material development in the claims, the expectation is that they will offer a renewal consistent with their current approach and rating mechanism. We could see an inflationary adjustment this year as the rate has remained the same since 2018. We expect Ascot would take a similar approach as RSUI. Alliant will present a formal renewal proposal to the Board at the June meeting.

We continue to be in a challenging insurance market where major lines of coverage are seeing significant premium increases. We are pleased that ERMA's long term partnership with RSUI can bring stability to the ERMA members in this environment, especially when we are seeing a rise in the severity of EPL claims. The EEOC has reported the following trends on overall claims:



We look forward to seeing everyone on April 25th and answering any questions that you or the Board may have.

Sincerely,

A handwritten signature in black ink, appearing to read "Seth", with a long horizontal flourish extending to the right.

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

cc: Shadi Jalali, Alliant

Agenda Item 7.D.

ADMINISTRATIVE MATTERS

SUBJECT: Discussion Regarding Issuance of Request for Proposal for Financial Audit Services
Presented by Jennifer Jobe, Executive Director

RECOMMENDATION: *Staff recommends the Board of Directors retain Sampson, Sampson & Patterson, LLP, to provide financial audit services through the term of the existing agreement, expiring with the conclusion of the June 30, 2024, audit.*

BACKGROUND AND STATUS:

ERMA's current three-year agreement with Sampson, Sampson & Patterson, LLP (Sampson) to provide financial audit services will expire with the conclusion of the June 30, 2024, audit. Staff was recently informed that Bill Patterson, ERMA's designated audit partner, resigned from the firm effective January 1st and the 2023 audit will be conducted by audit partner Allison Gregg.

With Mr. Patterson's resignation, staff requests direction from the Board of Directors regarding the desire to 1) continue the existing agreement through the June 30, 2024, audit or 2) issue a Request for Proposal from other financial audit service firms.

REFERENCE MATERIALS ATTACHED:

- Agreement for Financial Audit Services through June 30, 2024

January 26, 2022

Jennifer Jobe, Executive Director and Board of Directors
Employment Risk Management Authority (ERMA)
1750 Creekside Oaks Dr., Suite 200
Sacramento, CA 95833

Dear Ms. Jobe and Board Members:

We are pleased to respond to your request for services to be provided to Employment Risk Management Authority (ERMA) for the years ended June 30, 2022 through June 30, 2024.

Audit Scope and Objectives

We will audit the statement of net position, the statement of revenues, expenses, and changes in net position, and statement of cash flows, and the related notes to the financial statements, which collectively comprise the basic financial statements of ERMA as of and for the years ended June 30, 2022 through June 30, 2024. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement ERMA's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to ERMA's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Claims Development Information

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP and the *State Controller's Minimum Audit Requirements for California Special Districts*. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS, the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *State Controller's Minimum Audit Requirements for California Special Districts*, and will include tests of the accounting records of ERMA and other procedures we consider necessary to enable us to express such an opinion. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to ERMA or to acts by management or employees acting on behalf of ERMA. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about ERMA's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement and they may bill you for responding to this inquiry.

We have identified the following significant risks of material misstatement as part of our audit planning:

- 1) Management override of controls
- 2) Significant estimates used in determining claims liabilities

Audit Procedures – Internal Controls

We will obtain an understanding of ERMA and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of ERMA's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing the financial statements and related notes of ERMA in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objective are met; following laws and regulations, and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and agreements.

You are also responsible for making available to us all financial records and related information and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within ERMA from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting ERMA involving (1) management, 2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting ERMA received in communications from employees, former employees, members, regulators, or others. In addition, you are responsible for identifying and ensuring that ERMA complies with applicable laws, regulations, contracts, and agreements and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, or agreements that we report.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Engagement Administration, Fees, and Other

Bill Patterson is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for the audits of the June 30, 2022 through June 30, 2024 financial statements of ERMA will be \$11,025, 11,550, and \$12,100 respectively, including any out-of-pocket expenses. The fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagements. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

Reporting

We will issue a written report upon completion of our audit of ERMA's financial statements. Our report will be addressed to the Executive Director and the Board of Directors of ERMA. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of ERMA's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering ERMA's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that ERMA is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We appreciate the opportunity to be of service to ERMA and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign below and return it to us.

Very truly yours,

Sampson, Sampson & Patterson, LLP

RESPONSE:

This letter correctly sets forth the understanding of ERMA.

Signature: 

Title: Executive Director

Date: February 16, 2022

ADMINISTRATIVE MATTERS

SUBJECT: ERMA 24th Annual Workshop
Presented by Danielle Davis, Board Secretary

RECOMMENDATION: *Staff recommends the Board of Directors provide feedback and direction.*

BACKGROUND AND STATUS:

Staff requests direction from the Board of Directors regarding the desired venue for ERMA's 24th Annual Workshop. Staff has identified the following possible venues within the Napa Valley, whose pricing is listed below (subject to availability at the time of signing):

[Napa Valley Marriott](#) - \$249/night plus tax; \$6,000 banquet minimum
[Embassy Suites by Hilton Napa Valley](#) - \$219/night plus tax; no minimum banquet
[Harvest Inn](#) - \$359/night plus tax; \$225/person banquet minimum

A summary of room costs for the previous four workshops is as follows:

VENUE	ROOM RATE
Napa Valley Marriott (2023)	\$219/night plus tax
Santa Cruz Dream Inn (2022)	\$289/night plus tax
Santa Cruz Dream Inn (2020)	\$189/night plus tax
Wine & Roses (2019)	\$189/night plus tax

Agenda Item 7.F.

ADMINISTRATIVE MATTERS

**SUBJECT: Draft Resolution 2022-8, Establishing Meeting Dates for the 2023/24
Program Year
Presented by Jennifer Jobe, Executive Director**

RECOMMENDATION: *Staff recommends the Board of Directors
approve Resolution 2022-8, Establishing Meeting Dates for the
2023/24 Fiscal Year.*

BACKGROUND AND STATUS:

Included in the agenda packet is a resolution with proposed meeting dates for the 2023/24 Program Year. The proposed dates are as follows:

- Monday, November 6, 2023
- Thursday & Friday, February 1 & 2, 2024 (Annual Workshop/Board Meeting)
- Tuesday, April 23, 2024
- Monday, June 3, 2024

Staff requests the Board of Directors review the proposed dates for any potential scheduling conflicts.

REFERENCE MATERIALS ATTACHED:

- Draft Resolution 2022-8, Establishing Meeting Dates for the 2023/24 Program Year

DRAFT RESOLUTION NO. 2022-8

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
EMPLOYMENT RISK MANAGEMENT AUTHORITY
ESTABLISHING MEETING DATES FOR THE 2023/24 FISCAL YEAR**

BE IT RESOLVED THAT:

The following meeting dates are hereby established for the 2023/24 fiscal year:

<u>Monday, November 6, 2023</u> Sacramento, CA 10:00 a.m.	<u>Tuesday, April 23, 2024</u> Sacramento, CA 10:00 a.m.
<u>Friday, February 2, 2024</u> TBD 10:00 a.m.	<u>Monday, June 3, 2024</u> Sacramento, CA 10:00 a.m.

ANNUAL WORKSHOP & BOARD MEETING

Thursday, February 1, 2023

TBD

10:00 a.m. – 5 p.m.

Friday, February 2, 2023

TBD

8:30 a.m.

This Resolution was adopted by the Board of Directors at a regular meeting of the Board on April 25, 2023, by the following vote:

AYES _____

NOES _____

ABSTAIN _____

PRESIDENT

ATTEST:

BOARD SECRETARY

Agenda Item 8.A.

MEMBERSHIP MATTERS

SUBJECT: Review of Prospective Member Application – City of Norco (PERMA)
Presented by Jennifer Jobe, Executive Director

RECOMMENDATION: *The Underwriting Committee recommends the Board of Directors approve the City of Norco (PERMA) at a \$100,000 SIR, effective July 1, 2023, with the condition the city's personnel policies and procedures are updated, reviewed by legal counsel with expertise in public sector employment law, and approved by city council, no later than July 1, 2025.*

BACKGROUND AND STATUS:

The City of Norco, an underlying member of the Public Entity Risk Management Authority (PERMA), provided an application and supporting documentation for participation in ERMA at a \$100,000 self-insured retention (SIR). The application materials were reviewed in a meeting of the Underwriting Committee on March 30th and are summarized as follows:

- The city reported payroll of approximately \$5.6M for the 2022 calendar year and has 79 full-time employees and 47 part-time employees.
- The city is in the process of updating written personnel policies and procedures, which were last reviewed by legal counsel and approved by city council in 1991.
- The city is working toward compliance with AB 1825 and SB 1343 training requirements by conducting both in-house training as well as online training via Vector Solutions, a third-party provider.
- The city provided an attestation of no known losses in the most recent seven completed fiscal years.

REFERENCE MATERIALS ATTACHED:

- City of Norco Premium Indication
- City of Norco Application for Participation

EMPLOYMENT RISK MANAGEMENT AUTHORITY CONTRIBUTION INDICATION

PERMA

Name of Entity	City of Norco
2022 Payroll	\$9,111,552
Coverage Period	July 1, 2023 to June 30, 2024

CALCULATION

Retained Limit Options		\$100,000
Retained Limit Factor		0.82
Retained Limit Rate		0.494
Funding for Losses		\$44,978
Loss Prevention & Training	0.0082	749
Administration	0.0533	4,852
Subtotal		\$50,580
JPA Participation Credit	8.88%	(\$4,493)
Individual Experience Mod Factor *		1.000
Off-Balance Factor		1.068

ERMA CONTRIBUTION **	\$49,231
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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 2022/23 approved budget as the 2023/24 rates and factors are not yet available.

**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: City of Norco	Date: 02/02/2023
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 type="checkbox"/> Medical Leave <input type="checkbox"/> Unpaid Leave <input checked="" type="checkbox"/> Grievance Procedures
	<input type="checkbox"/> Drug & Alcohol Testing <input checked="" type="checkbox"/> Discipline <input type="checkbox"/> Attendance
	<input type="checkbox"/> Family Medical Leave Act <input checked="" type="checkbox"/> Anti-Harassment Policies
	<input type="checkbox"/> Written Job Description for all Positions <input type="checkbox"/> Workplace Violence Policies
	<input checked="" 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 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? 1991
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
<p><i>If you answered no to any of the above, please use this space to provide more information:</i></p> <p>City has legal counsel that reviews policies when requested. Some of the policies not included in the current Personnel Manual are separate Administrative Statements. Policy and Compliant Procedure Against Harassment, Discrimination & Retaliation was updated December 19, 2022.</p>	

B. Employee Information											
1.	Number of Full Time Employees: 79										
2.	Number of Part time Employees: 47										
3.	For each of the past five years, what has been your annual percentage turnover rate of employees?										
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 16.6%;">2022</td> <td style="width: 16.6%;">46 %</td> <td style="width: 16.6%;">2021</td> <td style="width: 16.6%;">40 %</td> <td style="width: 16.6%;">2020</td> <td style="width: 16.6%;">32 %</td> <td style="width: 16.6%;">2019</td> <td style="width: 16.6%;">36 %</td> <td style="width: 16.6%;">2018</td> <td style="width: 16.6%;">36 %</td> </tr> </table>	2022	46 %	2021	40 %	2020	32 %	2019	36 %	2018	36 %
2022	46 %	2021	40 %	2020	32 %	2019	36 %	2018	36 %		
4.	How many involuntary employment terminations have occurred in the past three years?										
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33.3%;">2022</td> <td style="width: 33.3%;">Terminations: 11</td> <td style="width: 33.3%;">2021</td> <td style="width: 33.3%;">Terminations: 5</td> <td style="width: 33.3%;">2020</td> <td style="width: 33.3%;">Terminations: 0</td> </tr> </table>	2022	Terminations: 11	2021	Terminations: 5	2020	Terminations: 0				
2022	Terminations: 11	2021	Terminations: 5	2020	Terminations: 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 89 %	Should = 100%
6.	Percentage of Employees with salaries greater than \$100,000 11 %	

C. Employment Practices Claims Handling		
1.	Who in the Entity has been designated to handle claims? Human Resources Manager	
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 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: <small>A covered individual who believes they have been subjected to discrimination, harassment or retaliation may make a complaint, either orally or in writing, to any supervisor, manager, their Department Head or to the City Manager, without regard to any chain of command. Any supervisory or management employee who receives a harassment complaint should immediately notify the City Manager. Upon receiving notification of a complaint regarding discrimination, harassment or retaliation, the City Manager or their designee will complete and/or delegate the following steps listed in policy.</small>	
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 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If no, please explain. Majority of staff has been trained. We are scheduling training for staff that were unable to attend to reach full compliance. Training is scheduled for staff at hire.	
6.	Briefly describe the procedure for maintaining AB 1825 and SB 1343 training records: Certificates of completion in Personnel file. Also an Excel spreadsheet with list of employees and training dates.	
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

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"/> \$350K	<input type="checkbox"/> \$500K	
<p>Please attach the following:</p> <ul style="list-style-type: none"> • <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.

City of Norco

Agency or Entity Name

Lori Sassoon

Applicant's Name (please print)



Applicant's Signature

2/2/23

Date

City Manager

Title

MEMBERSHIP MATTERS

SUBJECT: Request for Reduction of Self-Insured Retention - City of San Pablo (MPA)
Presented by Jennifer Jobe, Executive Director

RECOMMENDATION: *Staff recommends the Board of Directors approve the request to reduce the City of San Pablo's (MPA) self-insured retention from \$100,000 to \$50,000, effective July 1, 2023.*

BACKGROUND AND STATUS:

On January 19, 2023, staff received a request from the City of San Pablo (MPA) to decrease their self-insured retention (SIR) from \$100k to \$50k effective July 1, 2023. Pursuant to Article II, Section 3 (c) of the ERMA Master Program Document (MPD):

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.

The City has incurred six claims since their membership in ERMA effective July 1, 1999.

REFERENCE MATERIALS ATTACHED:

- Memo from the City of San Pablo

From: [Charles Ching](#)
To: [Jobe, Jennifer](#)
Cc: [Davis, Danielle](#); [Linda Cox](#)
Subject: RE: ERMA
Date: Thursday, January 19, 2023 3:02:00 PM
Attachments: [image002.jpg](#)
[image004.jpg](#)
[image005.jpg](#)
[image006.jpg](#)
[image007.jpg](#)
[image001.jpg](#)

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hello Jennifer,

It was nice talking with you and thank you for providing the information. I would like to request a reduction of San Pablo's SIR to \$50k beginning July 1, 2023. Thank you.

Charles

Sincerely,

Charles Ching
Assistant City Manager

City Manager's Office

510.215.3031 | Main 510.215.3000

707.386.8067 | Mobile

510.215.3011 | Fax

1000 Gateway Avenue, San Pablo, CA 94806

Email: charlesc@sanpabloca.gov

Website: www.sanpabloca.gov

City Hall Hours:

Monday thru Thursday – 7:30am to 6:00pm (*closed Fridays)

Please see website <https://www.sanpabloca.gov/> for other department hours.

COVID-19 Alert:

Please check the City's website for the most current information about City operations, department hours and links to resources for staying safe during the pandemic.
<https://www.sanpabloca.gov/2676/CORONAVIRUS-COVID-19-INFORMATION>



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MEMBERSHIP MATTERS

SUBJECT: Update Regarding Members with Participation Conditions
Presented by Danielle Davis, Board Secretary

RECOMMENDATION: *Staff recommends the Board of Directors
provide direction, as necessary.*

BACKGROUND AND STATUS:

Pursuant to ERMA's Underwriting Guidelines, approval for membership is contingent upon a review of required application documents by the Underwriting Committee (Committee). These documents include:

1. Completed ERMA Liability Coverage Application and the entity's most recent audited financial statements;
2. Payroll for the most current seven calendar years;
3. Seven completed fiscal years, and including the partial current fiscal year, of currently valued loss runs for wrongful employment practices coverage, employment practices liability insurance, and self-insured losses including self-insured retentions (SIR) and deductibles;
4. Completed Intent to Participate, including statement of desired SIR; and
5. Signed Resolution acknowledging acceptance of the rules and regulations set forth in the ERMA Governing Documents and the minimum three-year participation period.

Upon receipt of a prospective member's application to participate in ERMA, staff reviews and prepares a report and recommendation to the Committee, who provides a recommendation to the Board of Directors for final approval of participation. At its discretion, the Committee may include recommended conditions of participation such as an abbreviated risk assessment within 60 days of joining ERMA, requirements regarding updates to personnel policies and procedures, and/or a different SIR from that which was requested at the time of application.

To-date, 12 agencies have received approval for participation in ERMA with the condition their personnel policies and procedures are updated, reviewed by legal counsel with public sector employment law expertise, and approved by the agency's governing body within two years of acceptance into ERMA.

Agenda Item 8.C., Page 2

The following six ERMA agencies are to provide confirmation of compliance with the participation requirements set forth by the Board no later than July 1, 2023:

- City of Arcata
- City of Exeter
- City of Lakeport
- City of Rohnert Park
- City of Willits
- Town of Windsor

Compliance reminders and requests for progress reports were issued to the above agencies in July 2022 and presented to the Board at the November 2022 meeting.

A secondary reminder was issued in January 2023. In addition to requests for subsequent progress reports, each agency was asked to submit a Letter of Compliance, signed by an agency representative, containing the following information:

- Acknowledgment confirming the revised policies include all protected categories under the Fair Employment and Housing Act (FEHA), Ca. Gov't. Code section 12940).
- Acknowledgment confirming the revised policies address the following topics (as noted in the 2021/22 Application for Participation): Hiring, Termination, Suspension, Medical Leave, Unpaid Leave, Drug & Alcohol Testing, Discipline, Attendance, Family & Medical Leave Act, Anti-Harassment, Workplace Violence, Written Job Description for all Positions, Annual Written Performance Evaluations for all Employees, Employee Hotline/Complaint Procedure, and Grievance Procedures.
- Legal counsel with expertise in public sector employment law utilized for review.
- The date on which the policies were formally approved and adopted by the agency's governing body.

Staff received updated progress reports confirming each of the six agencies are on track to complete the aforementioned requirements and provide Letters of Compliance by the July 1st due date. Staff will continue to monitor progress and offer assistance as needed.

Agenda Item 9.A.

TRAINING/LOSS PREVENTION MATTERS

SUBJECT: Update Regarding the Training Program for the 2022/23 Program Year
Presented by Danielle Davis, Board Secretary

RECOMMENDATION: *None*

BACKGROUND AND STATUS:

Live & Online Training:

At the April 26, 2022, Board of Directors meeting, the following live training topics were approved for the 2022/23 Program Year:

- First Amendment Issues in a Politically Charged World
- Legally Compliant Strategies to Promote Workforce Diversity
- Best Practices for Supervisors of Public Safety Employees - How to Avoid or Defend Workplace Claims and How to Create and Maintain the Ideal Work Environment
- Understanding and Preventing Implicit Bias and Promoting Diversity and Inclusion in the Workplace
- Implicit Bias in the Public Safety Workplace
- Best Practices for Elected Officials - Workplace Law and Understanding the Role of Elected Officials Related to Individual Employees
- Iron Fists and Kid Gloves: Preventing and Addressing Retaliation in the Workplace
- The Disability Interactive Process: Is Enough Ever Enough?

At present, a total of 24 trainings have been completed or are confirmed for future dates, 22 of which are AB 1825- and SB 1343-compliant trainings. Of the 24 total trainings, 16 were (or are scheduled to be) conducted in-person as opposed to virtual webinar.

Training & Risk Management Program:

Beginning July 1, 2020, ERMA launched the Training & Risk Management Program, wherein members may seek reimbursement of up to \$2,500 annually for eligible employment-related training and loss control expenditures. To-date, 13 member agencies have submitted requests for reimbursement. These reimbursements assist member agencies in offsetting costs associated

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with activities such as mandated training and attendance at various employment-related conferences and other events.

Training Compliance:

In January 2023, a self-certification survey was implemented allowing member agencies to report compliance with mandated training. As of April 14, 2023, 33% of ERMA member agencies have self-certified, with 96% of responding agencies confirming substantial compliance (at least 90% of employees) with training mandates, pursuant to Resolution No. 2021-5, Requiring Members to Provide Proof of Compliance with Training Mandated by State Law.

Staff continues to encourage training compliance via the weekly Training Bulletin and regular website updates.

Agenda Item 9.B.

TRAINING & LOSS PREVENTION MATTERS

SUBJECT: Review of the Training Program for the 2023/24 Program Year
Presented by Jennifer Jobe, Executive Director

RECOMMENDATION: *Staff recommends the Board of Directors approve the proposed slate of training workshop topics for the 2023/24 Program Year and provide direction to staff.*

BACKGROUND AND STATUS:

Annually, ERMA budgets for and conducts 67 live regional and individual trainings throughout the state. Of the 67 allocated trainings, 25 are presented by Sedgwick, and the remaining are conducted by strategic partner firms, Jackson Lewis (JL) and Liebert Cassidy Whitmore (LCW), or another approved vendor.

Following review and discussion between staff, LCW, and JL, the following proposed slate of 2023/24 Program Year training workshop topics are recommended for the Board's review and consideration:

1. **Harassment, Discrimination, and Retaliation Prevention:** These trainings are compliant with SB 1343/AB 1825.
2. **Best Practices for Navigating Public Safety Workplace Complaints:** This training will explore everything from intake of the complaint through retaining the investigator and will cover aspects of the Peace Officer's (POBR) and Firefighter's Bill of Rights (FBOR) that may impact how the investigation is conducted.
3. **Defining the Elected Official's Role with Respect to Individual Employees:** This training discusses several legal reasons why the role of elected officials with regard to individual employees have such substantial limitations and includes practical approaches for dealing with individual employees.
4. **First Amendment Issues in a Politically Charged World:** This training will explore an employee's right of expression, both inside and outside of the workplace including on social media, as well an employer's ability to address and/or restrict such speech.
5. **Successful Management of Disabilities in the Workplace:** This presentation will take a closer look into the process that employers are legally required to follow to evaluate

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common accommodations that are sought by employees such as extended leave, light duty, and telecommuting and flexible work schedules.

6. **Whistle Blown – Practical Considerations for Handling Whistleblower Complaints:** This training will review the anti-retaliation laws a public employer needs to know and the conduct these laws protect and will highlight the challenges employers face when defending against whistleblower claims in litigation, and best practices for managing whistleblower complaints and minimizing liability exposure.
7. **They Posted What?!? Social Media, Employer Liability, and the First Amendment:** This training first analyzes the law in this area from an advisory perspective, to help attendees understand the constitutional boundaries and components of the ability to regulate employee social media usage, and also address the risks in employees' use of their personal devices in conducting official business.
8. **Implementing and Managing Remote Work Employees:** This training will go over basic facts regarding mandatory legal requirements for having employees continue to work remotely, effectively managing and disciplining remote workers, potentially compelling remote workers back into the office, and importantly dealing with potential frustrations from employees who are required to perform full time in person work.

Annually, three goals are taken into consideration in establishing the Training Program. The first goal is to work with our strategic partner attorney firms to ensure a slate of relevant workshops that are of interest to the member agencies is offered. The second is to schedule workshops in locations across the state that assist members in complying with AB 1825/1661 and SB 1343 requirements. The final goal is to meet member needs for targeted, individual trainings, which are scheduled upon request or on an as-needed basis, as determined by staff.

ERMA will continue to provide trainings in-person as well as via webinar, permitting greater accessibility for participants. Following the Board's approval of the proposed 2023/24 slate of training topics, staff will begin working to solicit interest from member agencies wishing to serve as host sites and will distribute a calendar of scheduled training dates to the member agencies by July 1st. To assist in this endeavor, staff has established a deadline of four weeks from the original point-of-contact to a firm commitment to host/schedule. As in previous years, JPA Administrators are asked to aid staff by promoting available trainings to members within their respective JPAs.

Attached is the updated Training Program Frequently Asked Question (FAQ), included in ERMA's biannual letters and the weekly training bulletin.

REFERENCE MATERIALS ATTACHED:

- 2023/24 ERMA Training Program FAQs in redline/strikeout

Training Program FAQs

Updated March 2023

- **Who do we contact regarding training matters?**

- ERMA Training
ermatraining@sedgwick.com
- ERMA Litigation Manager
Stacey Sullivan
stacey.sullivan@sedgwick.com
(916) 244-1125

- **What training topics are available through ERMA?**

- **Live and Webinar-Based Training Sessions - Available by Program Year, July 1 – June 30**
 - AB 1825 & SB 1343 Prevention of Harassment, Discrimination, Retaliation, and Bullying
 - Select topical workshops (please note these trainings vary from year to year) offered by ERMA's attorney partners, Liebert Cassidy Whitmore and Jackson Lewis, and vendor partners. Topics include:
 - Best Practices for Navigating Public Safety Workplace Complaints
 - Defining the Elected Official's Role with Respect to Individual Employees
 - First Amendment Issues in a Politically Charged World
 - Successful Management of Disabilities in the Workplace
 - Whistle Blown – Practical Considerations for Handling Whistleblower Complaints
 - They Posted What?!? Social Media, Employer Liability, and the First Amendment
 - Implementing and Managing Remote Work Employees
- **Online Training (provided through [iLearningEngines](#))**
 - AB 1825 & SB 1343 Prevention of Harassment, Discrimination, and Retaliation
 - Active Bystandership
 - California Ethics AB 1234 Training
 - Interviewing Strategies
 - Personnel Files
 - Sensitivity Basics: Creating Positive Working Relationships
 - Workplace Investigation – Part 1: Understanding and Preparing for an Investigation
 - Workplace Investigation – Part 2: Conducting and Concluding an Investigation
 - Collective Risk Management
 - Employee Protection Line - Employee Awareness

- **Is there a list of scheduled trainings, and are there any close to my agency?**

For a schedule of regional workshops, please visit the ERMA [website](#) under About Us - Services.

- **Does everyone at my agency receive the ERMA training announcements?**

No; each agency has a designated Training Contact responsible for disseminating training information to agency employees. For regional trainings, the date, time, location, and registration link are also available on the ERMA website.

- **Can we use someone other than ERMA to provide AB 1825- or SB 1343-compliant training?**

If you wish to seek reimbursement from ERMA for an AB 1825- or SB 1343-compliant training provided by an outside vendor, the training request must first be approved by [ERMA's Litigation Manager](#) before the training is scheduled. Please note, ERMA will only reimburse up to \$2,500 per Program Year, if approved and training funds are available. If you do not wish to receive reimbursement, you may use any of your preferred vendors.

- **What other training is available?**

Each Program Year, members may access available funds via the [Training & Risk Management Program](#) for reimbursement of up to \$2,500 for eligible expenditures related to employment-related training and loss control activities. Please contact [ERMA Training](#) for more information about this program.

- **Who is responsible for tracking compliance? Are sign-in sheets provided?**

ERMA does not track member compliance and does not provide sign-in sheets. It is each member's responsibility to keep track of who has completed their AB 1825 and/or SB 1343 requirements. Members are encouraged to create and maintain their own sign-in sheets for verification. An annual self-certification process for training compliance is available via the [Training Compliance Survey](#). Member agencies are required to report on the status of state-mandated training for all supervisory staff, non-supervisory staff, and elected officials by June 30 of each Program Year.

- **What if my agency is out of compliance with AB 1825 and/or SB 1343?**

Members should consult with legal counsel regarding any legal consequences of non-compliance with AB 1825 and/or SB 1343. For purposes of ERMA coverage, if a claim is submitted to ERMA and the member is not in substantial compliance with this statute, the member shall be subject to an increase imposed upon its self-insured retention for the submitted claim. Please refer to the ERMA Memorandum of Coverage (MOC) and Resolution 2021-5 for further information. The MOC can be found on the ERMA [website](#) within the member portal. *Please note, a login is required to access this page. If you have not already registered for a username and password, please do so by completing the steps as indicated on the website.*

- **Who do we contact about compliance questions?**

Please contact [Stacey Sullivan](#).

- **Who should attend these trainings? Are local agency officials required to attend?**

[AB 1825](#) requirements state that all supervisory employees are required to participate in two hours of sexual harassment training every two years. Under [SB 1343](#), effective January 1, 2019, all non-supervisory employees, including part-time and seasonal, are required to participate in one hour of sexual harassment training every two years. [SB 778](#) extends the deadline for employers of five or more employees to provide two hours of harassment prevention training to supervisors and one hour of harassment prevention training to all other employees, including temporary and seasonal, from January 1, 2020, to January 1, 2021.

In addition, pursuant to [AB 1661](#), local agency officials must also participate in sexual harassment training every two years. Any training designated for a specific audience will be noted in the ERMA Training Bulletin distributed weekly.

- **What if our agency needs more than one training session?**

ERMA provides numerous regional training sessions and, on occasion, individual, on-site trainings. Fee-based trainings are also available. If you have any questions, please contact [ERMA Training](#).

- **What if we have questions on AB 1825, SB 1343, or other employment liability issues?**

For more information regarding AB 1825 and/or SB 1343 training requirements, including agency-specific questions, please feel free to utilize the ERMA Attorney Hotline for legal consultation. Every month, each member agency has access to a free one-hour consultation with their designated attorney firm. More information about the Attorney Hotline, including a list of assigned firms list for each agency, is available on the ERMA [website](#).

- **What do we need to know if our agency would like to host training?**

Please note that we must have your commitment within four weeks of initial contact.

- **Regional or Individual** – Let us know if you would like to host and allow neighboring ERMA members to attend, or if you prefer this training just for your agency (note that individual trainings may incur a cost).
- **Live or Webinar-based** – Indicate whether your agency prefers a live, in-person session or a virtual, webinar session.
- **Room capacity** – If hosting a regional training at your facility, your agency must be able to accommodate up to 50 attendees. *Agencies are responsible for compliance with all local, state, and federal COVID-19 protocols and mandates.*
- **Training Dates** – Please let us know if you would like the training conducted during a specific time frame, including preferences for morning (9:00 a.m.) or afternoon (1:00 p.m.) sessions.
- **Number of Attendees** – Please provide an estimate of the number of people you expect to attend from your agency, as well as the audience composition (supervisory, non-supervisory, and/or public safety employees). The host agency should commit to registering a minimum

of 15 attendees for the training. If the host agency is unable to meet this requirement, the training may be rescheduled, or the agency may proceed with scheduling and incur the associated costs. Training registration will be managed via [ERMANet](#).

- **Address of training location and mailing address** – Please provide us with the exact address of the training location as well as any parking instructions. This information will be included with registration information and provided to attendees.
- **IT Equipment** – Please provide a laptop, projector, screen, and a microphone and speakers, if requested. Some presenters may bring their own laptop; others may bring their presentation on a flash drive, or it will be emailed to the training contact. Please let us know if your agency has any questions or concerns regarding the availability or use of equipment.
- **Refreshments** – ERMA will assist with the costs of light refreshments such as water, coffee, sodas, and snacks upon submission of a copy of the receipt(s) and confirmation of the total number of attendees (reimbursement of up to \$10/per confirmed attendee, with a maximum of \$500).
 - If the reimbursable amount (based upon the number of confirmed attendees) exceeds \$500, the agency may request reimbursement of the remaining amount via the Training and Risk Management Program, if funds are available. Please contact ERMA Training.

Agenda Item 10.A.

CLAIMS MATTERS

**SUBJECT: Closed Session - Pursuant to Government Code §54956.95(a) to
Discuss Claims
*Presented by Stacey Sullivan, Litigation Manager***

RECOMMENDATION: *None*

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
Coronado vs. Atwater (CSJVRMA)	69
Morquecho v. Meniffee (CIRA)	N/A (coverage appeal)

REFERENCE MATERIALS ATTACHED:

- Confidential Litigation Manager's Report (distributed under separate cover; copies to be deleted following completion of the meeting)