



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

**Tuesday, January 14, 2025
11:00 a.m.**

Zoom

Zoom Link: <https://us06web.zoom.us/j/5229477796?omn=88985323003>

Dial-in Number: (669) 900-6833

Meeting ID: 522 947 7796

No Passcode Required

All portions of this meeting will be conducted via teleconference in accordance with Government Code Section 54953. The teleconference locations are as follows: *City of Rancho Cucamonga, 10500 Civic Center Drive, Rancho Cucamonga, CA 91730; City of Oakdale, 280 N. 3rd Ave., Oakdale, CA 95361; Coachella Valley MVCD, 43-420 Trader Place, Indio, CA 92201.*

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

In compliance with the Americans with Disabilities Act, if you need a disability-related modification or accommodation to participate in this meeting, please contact Yvette Flama (yvette.flama@sedgwick.com or (916.730.2667) as early as possible, and preferably at least one full business day before the start of the meeting.

Documents and materials relating to an open session agenda item provided to the Committee will be available for public inspection. Please contact Ms. Flama via phone or [email](#).

Page

1. CALL TO ORDER; ROLL CALL

2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

3. PUBLIC COMMENTS - The Public may submit any questions by contacting Yvette Flama at yvette.flama@sedgwick.com. This time is reserved for members of the public to address the Committee relative to matters of ERMA not on the agenda. No action may be taken on non-agenda items unless authorized by law.

4. MEMBERSHIP MATTERS

- *A. Review of Prospective Member Application, City of Parlier (CSJVRMA JPA)

Recommendation: Staff recommends the Underwriting Committee unconditionally approve the City of Parlier (CSJVRMA) at a \$100,000 SIR, effective January 1, 2025. Please note, the City has requested a \$50,000 SIR and if the Committee wishes to approve them at that level, then some participation requirements could be considered.

5. CLOSING COMMENTS

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

- A. Committee
- B. Staff

6. ADJOURNMENT

MEMBERSHIP MATTERS

SUBJECT: Review of Prospective Member Application, City of Parlier (CSJVRMA JPA)

RECOMMENDATION: *Staff recommends the Underwriting Committee unconditionally approve the City of Parlier (CSJVRMA) at a \$100,000 SIR, effective January 1, 2025. Please note, the City has requested a \$50,000 SIR and if the Committee wishes to approve them at that level, then some participation requirements could be considered.*

BACKGROUND AND STATUS:

The City of Parlier, an underlying member of the Central San Joaquin Valley Risk management Authority (CSJVRMA) JPA, provided an application and supporting documentation for participation in ERMA effective January 1, 2025, at a \$50,000 self-insured retention (SIR). The application materials have been reviewed by staff and are summarized as follows:

- The City reports a payroll of approximately \$4,089,762.50.00 for the 2023 calendar year and has 58 full-time employees and 7 part-time employees.
- The City fairly recently had its written personnel policies and procedures reviewed with a few noted exceptions.
- The City noted they do not have a procedure for obtaining information and following up on oral or written claims.
- The City is compliant with AB 1825, SB 1343, and SB 778 training requirements.
- The City is a previous member of ERMA. They withdrew as a member in 2019. When they were a member, they were at a \$50,000 SIR.

REFERENCE MATERIALS ATTACHED:

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

Name of Entity	City of Parlier
2023 Calendar Year Payroll	\$4,089,763
Coverage Period	July 1, 2024 to June 30, 2025

CALCULATION

Self-Insured Retention Option		\$50,000	\$75,000	\$100,000
Funding Rate		0.552	0.500	0.455
Funding for Losses		\$22,575	\$20,431	\$18,625
Loss Prevention & Training	0.0091	372	372	372
Administration	0.0542	2,215	2,215	2,215
Deposit Contribution		\$25,162	\$23,018	\$21,212
JPA Participation Credit	7.35%	(1,848)	(1,691)	(1,558)
Net Contribution		\$23,314	\$21,327	\$19,653
JPA Experience Mod Factor		1.005		
JPA Off-Balance Factor ⁽¹⁾		0.998		
Contribution Adj. for Off-Bal. Factor		\$23,373	\$21,381	\$19,703
Individual Experience Mod Factor ⁽²⁾		1.000		
Individual Off-Balance Factor ⁽¹⁾		1.075		
Contribution Adj. for Off-Bal. Factor		\$25,071	\$22,935	\$21,135
Excess Insurance \$3M x \$1M	0.0575	\$2,352	\$2,352	\$2,352
ERMA CONTRIBUTION ⁽³⁾		\$27,423	\$25,286	\$23,487
CSJVRMA Administration Fee *		\$1,371	\$1,264	\$1,174
TOTAL CONTRIBUTION		\$28,794	\$26,550	\$24,661

Notes:

(1) Off-Balance Factor: To ensure that ERMA collects the required total contribution from a member, which is determined by ERMA's consulting actuary, an off-balance factor is applied to the net contribution after the experience modification factor is applied to the net contribution. All underlying members within the same primary JPA receive the same off-balance factor.

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

(3) Contribution calculated using rates per the 2024/25 approved budget.

* Administration fee of 5% charged by the CSJVRMA.

**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: 2024/25

ENTITY NAME: <u>City of Parlier</u>	Date: <u>12/9/2024</u>	
EMPLOYMENT PRACTICES INFORMATION		
A. Policies and Procedures		
1.	Does the Entity have written personnel policies and procedures?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2.	Does the Entity distribute the manual/rules to all employees?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3.	Does the Entity have employees sign an acknowledgement form indicating they have read and understood the above-referenced policies?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4.	Are the following policies or procedures included in the manual? Check all that apply:	
	<input checked="" type="checkbox"/> Hiring	<input checked="" type="checkbox"/> Termination <input type="checkbox"/> Suspension
	<input checked="" type="checkbox"/> Medical Leave	<input checked="" type="checkbox"/> Unpaid Leave <input type="checkbox"/> Grievance Procedures
	<input checked="" type="checkbox"/> Drug & Alcohol Testing	<input checked="" type="checkbox"/> Discipline <input checked="" type="checkbox"/> Attendance
	<input checked="" type="checkbox"/> Family Medical Leave Act	<input checked="" type="checkbox"/> Harassment, Discrimination, & Retaliation
	<input checked="" type="checkbox"/> Written Job Description for all Positions	<input checked="" type="checkbox"/> Workplace Violence Policies
	<input checked="" type="checkbox"/> Annual Written Performance Evaluations for all Employees	
	<input type="checkbox"/> Employee Hotline/Complaint Procedure	
5.	Do the policies/rules include all protected categories under the Fair Employment and Housing Act (FEHA), Ca. Gov't. Code section 12940)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
6.	Does the Entity have legal counsel regularly review the manual/rules?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
7.	Have the above-referenced policies been updated within the past five years?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	If no, when was the manual or rules last reviewed?	
8.	Were the above-referenced policies formally approved and adopted by council/governing board?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
9.	Does the Entity have legal counsel to provide advice regarding disciplinary matters?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
10.	Does the entity have an orientation program for all employees that addresses workplace conduct, EPL policies and practices, and grievance procedures?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<i>If you answered no to any of the above, please use this space to provide more information:</i>		
A review and update of the policies and procedures will be requested in 2025.		

B. Employee Information					
1.	Number of Full Time Employees: <u>58</u>				
2.	Number of Part time Employees: <u>7</u>				
3.	For each of the past five years, what has been your annual percentage turnover rate of employees?				
	2024 6.9 %	2023 25.17 %	2022 15.4 %	2021 13.75 %	2020 14.6 %
4.	How many involuntary employment terminations have occurred in the past three years?				
	2024 Terminations: 1	20__ Terminations: 2	20__ Terminations: 2		

	<i>Involuntary employment termination with respect to this questionnaire means notification to an employee that such employee will no longer be employed whether such notification is effective immediately or in the future. Involuntary employment termination shall also include actual or alleged constructive discharge.</i>	
5.	Percentage of Employees with salaries less than \$100,000 % 93	Should = 100%
6.	Percentage of Employees with salaries greater than \$100,000 % 7	

C. Employment Practices Claims Handling		
1.	Who in the Entity has been designated to handle claims?	
2.	(a) With respect to oral or written claims, do you have a written procedure for obtaining information and conducting required follow up on the claim? (b) Do you require written claims for EEO-related complaints?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	If yes to 2(a), describe the policy and procedure for receiving, reviewing, and responding to claims:	
3.	Does the Employment Claims handler coordinate with the Workers' Compensation Administrator on all claims involving actual or potential industrial injuries? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
4.	Has your entity received any claim in the previous 7 completed fiscal years, including the partial current fiscal year, (including but not limited to Tort Claim, any and all claims filed with the DFEH, EEOC, Department of Labor or Federal Department of Justice, any civil lawsuit or other written claim) alleging the following?	
	(a) Allegations of discrimination or harassment under FEHA, Title VII or any other federal or state law relating to discrimination based on race, sex, religion, disability, national origin, marital status, age, sexual orientation, retaliation or any other protected legal status;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(b) Allegations of retaliation relating to an Employee engaging in protected activity involving any EEO-related complaint, protected leave status, worker's compensation claim, or any other protected activity or status;	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	(c) Actual or alleged constructive termination of an employment relationship in a manner which is alleged to have been against the law or wrongful, or in breach of an implied employment contract or breach of the covenant of good faith and fair dealing in the employment contract;	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	(d) Allegations of negligent or wrongful evaluation, wrongful demotion, wrongful discipline, failure to promote, failure to grant tenure, or wrongful deprivation of career opportunity;	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	(e) Allegations of misrepresentation or defamation made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote, demote or discipline;	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	(f) Allegations of infliction of emotional distress, mental injury, mental anguish, shock, sickness, disease or disability made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote, demote or discipline;	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	(g) Allegations of false imprisonment, detention, or malicious prosecution made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote, demote or discipline;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

	(h) Allegations of libel, slander, defamation of character, invasion of privacy made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote, demote or discipline; and	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	(i) Other personal injury allegations made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote, demote or discipline.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If the answer is yes to any of the above, please attach a listing of the loss(es) showing a full description of each claim, including the date filed, the substance of the allegations, the disposition of the claim, and any monetary amounts paid in connection with the claim.		

D. Employment Practices Risk Management		
1.	Does the applicant have a Human Resources or Personnel Department? If no, please describe handling of this function:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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? If yes, please provide details.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
4.	Have you had any "layoffs" in the past 36 months? If yes, please provide details.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
5.	Is your entity in full compliance with the training requirements set forth in AB 1825, SB 1343 and SB 778? If no, please explain.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
6.	Briefly describe the procedure for maintaining AB 1825 and SB 1343 training records:	
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 checked="" type="checkbox"/> \$50K	<input type="checkbox"/> \$75K	<input type="checkbox"/> \$100K	<input type="checkbox"/> \$250K	<input type="checkbox"/> \$350K	<input type="checkbox"/> \$500K	
<i>Please attach the following:</i>							
<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 Parlier

Agency or Entity Name

David Cerda

Applicant's Name (please print)

Acting City Manager

Applicant's Title



Applicant's Signature

12/12/2024

Date