



**California JPIA
El Capitan Room
8081 Moody Street
La Palma, California 90623**

*****GOVERNOR'S EXECUTIVE ORDER N-29-20***
RE CORONAVIRUS COVID-19**

**THIS MEETING WILL BE CONDUCTED PURSUANT TO THE PROVISIONS OF THE
GOVERNOR'S EXECUTIVE ORDER WHICH SUSPENDS CERTAIN
REQUIREMENTS OF THE RALPH M. BROWN ACT.**

AGENDA

MANAGERS COMMITTEE

**REGULAR MEETING
THIS MEETING WILL BE VIA TELECONFERENCE ONLY**

May 11, 2020

12:00 P.M.

CALL TO ORDER

Thaddeus McCormack, Chairman, Managers Committee

ORAL COMMUNICATIONS

Any persons present desiring to address the Manager Committee on any proper matter may do so at this time.

CONSENT CALENDAR

All items under Consent Calendar may be enacted by one motion. Any item may be removed from the Consent Calendar and acted upon separately by the Managers Committee.

1. APPROVAL

Combined Managers Committee and Finance Officers Committee Minutes for the meeting of November 18, 2019

REPORTS AND RECOMMENDATIONS

2. CONSIDERATION

Authority COVID-19 Resources Update

ADJOURNMENT

To a regular Managers Committee meeting on August 10, 2020 at 12:00 p.m. in the El Capitan Room of the California JPIA 8081 Moody Street, La Palma, CA 90623.

In compliance with Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Agency Clerk at (562) 467-8736. Notification 48 hours before meeting will enable the Authority to make reasonable arrangements to ensure accessibility. (28 CFR 35.102.35.104 ADA Title II)

TELECONFERENCE PARTICIPATION

Pursuant to the Governor's Executive Order N-29-20 Executive Committee Members may participate via teleconference.

Public Participation:

In accordance with Executive Order N-29-20 and guidance from the California Department of Public Health on gatherings, remote public participation is allowed in the following ways:

Public comment will be accepted by email to vruij@cjpia.org during the meeting, prior to the close of public comment on an item, and read into the record during public comment.

At the announced time of the meeting, teleconference participants (unless otherwise instructed) should call the California JPIA’s teleconference number at (669) 900-9128, enter Meeting ID: 964 8702 5226 and Password: 899827, and identify themselves for the record. To access the video conferencing and view the meeting online, go to [Join Zoom Meeting](#).

Dated: May 8, 2020
Posted: May 8, 2020

s/Veronica Ruiz
Veronica Ruiz, CMC
Agency Clerk

AFFIDAVIT OF POSTING

I, Veronica Ruiz, declare as follows: That I am the duly designated Agency Clerk for the California Joint Powers Insurance Authority, and that I caused to be posted the foregoing agenda in accordance with the Brown Act. Dated this 8th day of May, 2020.

By: Veronica Ruiz, CMC, Agency Clerk

CALIFORNIA JPIA

MINUTES

MANAGERS AND FINANCE OFFICERS COMMITTEE

REGULAR MEETING

November 18, 2019

12:00 P.M.

CALL TO ORDER

Chairman McCormack called to order the combined meeting of the Managers and Finance Officers Committee of the California Joint Powers Insurance Authority at 12:19 p.m. in the El Capitan Room of the California JPIA, 8081 Moody Street, La Palma, CA 90623.

ATTENDANCE

A quorum was established by those present.

PRESENT:

Managers Committee Chairman Thaddeus McCormack, Lakewood
Finance Officers Committee Chairman Jose Gomez, Lakewood
Vikki Beatley, Seal Beach
Cheryl Dyas, Mission Viejo
Amy Haug, Diamond Bar
Ernie Hernandez, Hawaiian Gardens
Travis Hickey, Santa Fe Springs
Will Kaholokula, Bell Gardens
Ryan McLean, Diamond Bar
Laurie Murray, La Palma
Andrea Pham, Mission Viejo
Terry Shea, Rolling Hills
Ryan Smoot, Lomita
Jana Stuard, Norwalk
Michael Killebrew, Dana Point – Teleconference
Glynis Litvak, Lake Forest – Teleconference
Mary Reeves, Big Bear CSD – Teleconference
Doug Robertson, Apple Valley – Teleconference
Marlaine Sanders, Paso Robles – Teleconference

ATTENDEES:

Richard Babbe, PFM Asset Management
Sarah Meacham, PFM Asset Management

Mike DeMattei, Milliman
Mike Egan, Tripepi Smith
Tim McClarney, True North Research

STAFF: Jon Shull, Chief Executive Officer
Grazyna Buchowiecki, Senior Accountant
Maria Galvan, Risk Manager
Norm Lefmann, Assistant Executive Director
Veronica Ruiz, Agency Clerk
Lilian Salcedo, Office Assistant
Carl Sandstrom, Business Projects Manager
Alex Smith, Chief Financial Officer
Jim Thyden, Insurance Programs Manager

**ORAL
COMMUNICATIONS**

There were no comments from the audience.

CONSENT CALENDAR

Chairman McCormack presented the items appearing on the Consent Calendar.

The Consent Calendar included:

- Managers Committee Minutes for the meeting of February 4, 2019
- Managers Committee Information Only Minutes for the meeting of May 13, 2019
- Finance Officers Committee Minutes for the meeting of August 22, 2019
- Treasurer's Monthly Compliance Reports for August, September and October 2019
- Local Agency Investment Fund Quarterly Report as of September 30, 2019
- Los Angeles County Pooled Investment Fund Report as of September 30, 2019
- 2020 Committee Meeting Dates

It was moved by Murray, that the Consent Calendar items #1 – 7 be approved in one action, which was seconded by Dyas, with no members present opposed.

RECEIVE AND FILE
Actuarial Study as of June 30,
2019

Chairman McCormack presented the Actuarial Study as of June 30, 2019 item.

Alex Smith, Chief Financial Officer (CFO) introduced Mike DeMattei, Principal and Consulting Actuary with Milliman.

DeMattei presented the results of the actuarial study of claim reserves for period ending June 30, 2019.

There being no objection, Chairman McCormack received and filed the Actuarial Study as of June 30, 2019.

RECEIVE AND FILE

Investment Performance
Review for the Quarter Ended
September 30, 2019

Chairman McCormack presented the Investment Performance Review for the Quarter Ended September 30, 2019 item.

Alex Smith, Chief Financial Officer (CFO) introduced Richard Babbe and Sarah Meacham of PFM Asset Management. Babbe and Meacham presented a market update and review of the Authority's investment portfolio for the quarter ended September 30, 2019.

There being no objection, Chairman McCormack received and filed the Investment Performance Review for the Quarter Ended September 30, 2019 item.

RECEIVE AND FILE

California JPIA Member
Satisfaction Survey Results

Chairman McCormack presented the California JPIA Member Satisfaction Survey Results item.

Norm Lefmann, Assistant Executive Officer, introduced Tim McClarney, of True North Research. McClarney shared that True North Research designed the research model and conducted the study for this year's Member Satisfaction survey. He shared that the data collection period began in May and concluded in September of 2019 and a total of 293 member employees participated.

McClarney shared the key areas of the study which included: measuring overall satisfaction with the Authority; gauge awareness of existing services; identify importance of and satisfaction with services; evaluate communication efforts; profile perceptions of the Authority; and track findings from the past surveys beginning in 2004 for comparison.

He highlighted the most significant areas that included a 94.4% or higher satisfaction rating across all programs and services. McClarney shared that the percentage who rated the Authority's overall performance as excellent hit an all-time high in 2019. He further stated that all statistically significant changes between 2016 and 2019 were in the positive direction. He stated that the Authority continues to do an excellent job meeting members' needs and provided suggested areas for future focus.

There being no objection, Chairman McCormack received and filed the California JPIA Member Satisfaction Survey Results item.

PRESENTATION
Risk Management Academy

Chairman McCormack presented the Risk Management Academy item.

Norm Lefmann, Assistant Executive Officer, recommended that all city managers and finance officers encourage their risk management staff to apply to attend the Risk Managers Academy scheduled for January 21-23, 2020.

There being no objection, Chairman McCormack received and filed the Risk Management Academy item.

CONSIDERATION
Election of Vice Chair of the Managers Committee

Chairman McCormack presented the Election of Vice Chair of the Managers Committee item.

Jonathan Shull, Chief Executive Officer, reported that a call for nominations email was sent to the Managers Committee on October 30, 2019. He stated that the following Managers expressed interest in serving as vice chair: Ernie Hernandez, City of Hawaiian Gardens; Doug Robertson, Town of Apple Valley; Ray Cruz, City of Santa Fe Springs; and Gloria Molleda, City of Rosemead.

The number of ballots cast in the election were as follows:

Doug Robertson	6
Ernie Hernandez	5
Ray Cruz	2
Gloria Molleda	0

It was so ordered that Doug Robertson serve as vice chair of the Managers Committee.

APPOINTMENT
Formula Review Ad Hoc Committee

Chairman McCormack presented the Formula Review Ad Hoc Committee item.

Jonathan Shull, Chief Executive Officer, asked if any members were interested in serving on the Formula Review Ad Hoc Committee.

The following members expressed interest:

Ernie Hernandez
Travis Hickey
Terry Shea

ADJOURNMENT

The meeting adjourned at 1:35 p.m. to a regular Managers Committee meeting on February 10, 2020 and Finance Officers Committee meeting on February 13, 2020 at 12:00 p.m. in the El Capitan Room of the California JPIA 8081 Moody Street, La Palma, CA 90623.

Respectfully submitted,

Jose Gomez, Chairman of the Finance Officers Committee

Thaddeus McCormack, Chairman of the Managers Committee

CALIFORNIA JPIA

AGENDA REPORT

To: MANAGERS COMMITTEE

From: Jonathan Shull, Chief Executive Officer

Date: May 11, 2020

Subject: Authority COVID-19 Resources Update

Like all organizations, the Authority has been affected by COVID-19. Our first actions took place in late February when we determined to cancel a scheduled trip to visit with insurance underwriters in London during the week of March 16. As an early adopter of social distancing protocols, the Authority's staff began working remotely beginning with the close of business on March 12.

Resources

Immediately upon closure, a communication was sent to all members as to how staff could be contacted and how services would be delivered. Further, staff implemented new pages on the Authority's website to provide COVID-19 resources and a Frequently Asked Questions page that is continuously updated with new developments. A copy of the FAQ page is attached to this report. The Authority has identified and developed several training videos useful for member employees, and we have conducted webinars to provide up-to-the-minute guidance. In addition, the Authority is reposting other credible information and external resources that are of value to members during this time.

Training Transition

With the implementation of the social distancing protocols, staff determined that all in-person training and academies should be postponed or cancelled. Members have been directed to our on-line training resources, and we continue to develop more opportunities for remote participation. Furthermore, staff will soon be offering virtual instructor-led classroom training that will, in part, replace our long-standing tradition of providing this training at member sites and locations. Because of the nature of virtual learning, this new training will be shorter in length and more adaptable for member employees and staff.

Reopening Local Government

Over the last two weeks, staff is hearing more from members regarding issues, challenges, and questions regarding how to prudently reopen services to the public and ensure safety in the employee workplace. The Authority is continuing to prepare resources that will help members during this long and gradual transition. In addition, staff is planning a webcast featuring city managers to discuss the impact on their cities and responses they are undertaking. This will be a panel format presentation, with opportunity to hear questions from the membership.

Authority Staff

Our staff is dedicated to serving our members, and they are managing to do it very effectively from their homes. We have also encouraged the use of our employee assistance program for those employees and their families that are in need of services. To address the economic impact on the Authority's employees, we have worked with our human resources consulting attorney to ensure that we are in compliance with new laws and regulations issued at the state and federal level.

Claims and Coverage

Many issues are still in flux, and the rules are changing as well. Coverage issues will become challenging over the next several months in each of the three major programs. Property claims have already been filed claiming business interruption and tax revenue interruption coverage. We also expect to see property claims filed pertaining to sanitization of public facilities. There have been reports of several member employees that have become sick from the virus, and these may be from work-related exposures. Further, there has been workers' compensation legislation introduced and some signed to provide presumptions to certain classes of employees that become infected with the virus. Liability claims will surely follow, as some plaintiff attorneys will allege that our members were somehow responsible for damages caused by the virus.

Risk Management Educational Forum Transformation

As the situation continues to evolve, staff is evaluating issues that arise and acting accordingly. The 25th Annual Risk Management Educational Forum is currently scheduled for October 14-16 in Santa Barbara. Based upon the current and likely future social distancing protocols, the fiscal impact the virus is having on the members, and the expectation that members will be unable or unwilling to congregate with 300-400 other risk managers at that time, staff is developing plans to transform the Forum into an unsurpassed virtual event. We plan to capitalize on new and developing technologies to deliver content and programming that will exceed the expectations of the members. Although plans are still being developed, the format and length will likely be shortened, again to consider burnout experienced when engaging by video.

Finances

The Authority is fortunate to have a healthy net position. As members face the realities of reduced revenues and long waits for state and federal assistance, Authority staff considered how to assist members while maintaining our own prudent financial practices. At its meeting on April 22, the Executive Committee approved a recommended plan for the partial deferral of payments for contributions to the liability and workers' compensation programs. As the chart on the following page demonstrates, by splitting the annual contribution payments into two installments, members will be better able to manage their cashflow, and it will not have a significant impact upon the Authority's investment performance. The Annual Contribution Invoices sent to members on April 27 reflect the two-installment payment alternative.

**Partial Deferral of
Annual Contributions 2020-21
Liability and Workers' Compensation Programs**
Purpose: To assist members with cash flow issues related to COVID-19

	Liability Contribution	WC Contribution	Total
Primary Liability	\$ 50,851,000		\$ 50,851,000
Primary WC		38,104,000	38,104,000
Excess Liability	5,538,569		5,538,569
Excess WC		1,743,077	1,743,077
Subtotal	\$ 56,389,569	\$ 39,847,077	\$ 96,236,646
Hemet	\$ 954,900	\$ 1,997,900	\$ 2,952,800
Lemon Grove	139,900	138,200	278,100
Pacific Grove	214,800	264,600	479,400
Rossmoor CSD	26,687	17,623	44,310
Stanton	129,400	45,100	174,500
Vista	443,500		443,500
West Covina	1,072,900	347,500	1,420,400
Subtotal	\$ 2,982,087	\$ 2,810,923	\$ 5,793,010
Consolidated	\$ 59,371,656	\$ 42,658,000	\$ 102,029,656

1/2 Due July 15th	\$ 51,014,828
1/2 Due Jan 1st	\$ 51,014,828
Current Portfolio Yield	2.28%
About 5 months of Foregone Investment Income	\$ 484,641
Consolidated Net Position 6/30/19	\$ 118,445,042
Foregone Investment Income as a % of Net Position	0.41%

Recommended Action

Receive and file.

COVID-19 FAQ

Last Updated: 5/7/2020

Employee Matters

– I suspect an employee may have been exposed to COVID-19. Can I ask them about it?

Yes, you can have open dialogue with the employee about it. If they have traveled, you can also ask if there was any known exposure. If it was on a cruise ship, ask for the name of the ship so you can research the vessel.

– How should I handle pay for an employee that has been mandated to be quarantined?

The safest course of action is to put the employee on paid administrative leave during the period of forced quarantine.

– When can a quarantined employee return to work?

It depends on whether the employee is quarantined for potential exposure or for showing signs of illness. For potential exposure, the CDC requires a 14-day period. If the employee is merely showing signs, you can require the employee to go 24 hours without any signs and without medication. The 24-hour period can also be added at the end of the 14-day period if the employee was quarantined for potential exposure. It is not recommended employers mandate a doctor's note to return except in rare cases where a doctor has put an employee off work.

– My agency is considering keeping impacted employees at work until things return to normal by providing daycare for employees' children due to school closures. What is our exposure if we decide to provide childcare?

Providing childcare services for children of employees is not recommended. The Centers for Disease Control and Prevention advises that children and teens be discouraged from gathering in other public places while school is dismissed to help protect children and slow the spread of COVID-19 in the community.

– Can we take the temperature of employees who return to work after being ill or take the temperature of members of the public entering our facilities and/or public meetings?

Generally, measuring an employee's body temperature is a medical examination. Because the CDC and state/local health authorities have acknowledged community spread of COVID-19 and issued attendant precautions, employers may measure employees' body temperature. However, employers should be aware that some people with COVID-19 do not have a fever. Regarding a member of the public, asking them to submit to temperature checks can be considered a medical examination or inquiry in violation of the Americans with Disabilities Act.

- **How should we handle an employee who claims that they have had the coronavirus transmitted to him or her while at work?**

Any claim for illness at work should be handled as any other workers' compensation claim. A claim should be completed and submitted directly to the Authority's third-party administrator. Claims can be filed through the California JPIA's website at the following link:

<https://5020.yorkrsg.com/clients/login.aspx>

Federal Assistance and Resources

- **What assistance can the Federal Emergency Management Agency (FEMA) provide to local governments regarding COVID-19?**

For questions regarding FEMA assistance, access our information sheet on [Government Assistance for Local Government Regarding COVID-19](#).

- **How can I learn more about the Families First Coronavirus Response Act (FFCRA)?**

In an effort to provide guidance through the intricacies of the FFCRA, we suggest visiting the U.S. Department of Labor's (DOL) website regarding [COVID-19 and the American Workplace](#).

- **What should public agencies know about CARES Act?**

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) provides financial relief to businesses, public sector employers, and individuals who have been impacted by the coronavirus pandemic. Information relevant to public agency employers can be found in this [ICMA fact sheet on the CARES Act](#).

Health and Safety

- **Our agency canceled all recreation programs and special events, and closed all agency buildings to the public; limited to appointments only for essential business functions. We are looking ahead to when stay-at-home orders are lifted and business resumes to normal. What is our liability should a member of the public allege that they contracted COVID-19 at our facility? (NEW: 5/7/2020)**

Unless the agency permits someone it knows has COVID-19 to enter and conduct business, exposure should be limited. Proving that an agency allowed someone infected with COVID-19 to enter would be difficult, and individuals visit public spaces at their own risk. This is no different than going to a concert, baseball game, or restaurant. Should your agency receive a claim, forward it to Carl Warren & Company for handling.

Given the ongoing pandemic, a recommendation would be to have the agency post a notice at entrances reminding the public about COVID-19 and that entering the building is at their own risk. Although not required, such signage can help during these circumstances. Once programs and events resume, the agency could also send such a notice to known attendees. The agency can photograph the posted signs for documentation purposes. For a sample notice, click [here](#). Consult with your agency's legal counsel if you are considering posting signs.

- **What guidance can you provide agencies when developing a written social distancing protocol, which is now required in certain California counties?**

The Authority has prepared a [document to help members develop and implement written social distancing protocols](#) and answer questions regarding this requirement.

- **During these challenging times, we are concerned about the stress levels and mental health of our employees. Does the Authority offer any services in this area?**

The Authority encourages members to remind their employees of existing Employee Assistance Program (EAP) resources. In addition to EAP, check with your local County Department of Mental Health, Office of Emergency Services, and the county offices where your employees reside for available resources. The CDC also has [Daily Life and Coping](#) and [Stress and Coping](#) resources available.

- **We operate various recreational and senior services. What steps should we take to care for the health and safety of participants?**

Because of the close proximity of participants to others, members are considering altering or cancelling recreation events and excursions. Seniors present a unique risk to the coronavirus exposure, and are particularly vulnerable to contracting the disease.

Insurance and Coverage

- **We will be canceling a community event because of the coronavirus outbreak. Can we rely on force majeure to release us from any financial obligations?**

This will be a case by case analysis, depending on situational factors and contractual language. Please consult with your legal counsel.

- **Is there event cancellation insurance available to members through the Authority?**

No. Event cancellation insurance does not cover COVID-19 or other epidemics.

- **Does the California JPIA Property Program provide coverage for tax/revenue interruption due to COVID-19?**

The Property Program may provide coverage for tax/revenue interruption experienced by members if COVID-19 is detected at a scheduled member or third-party location. Property claims can be filed through the California JPIA website at the following link: <https://cjpia.org/report-a-claim/report-a-property-program-claim/>

Legal Matters

- **Should we update our agency's participant waiver to reference COVID-19?**

The California JPIA's **Waiver, Release, Hold Harmless, and Agreement not to Sue** has been updated to include communicable diseases, illnesses, and viruses, as understood and assumed risks. This language is broad and is meant to address concerns related to the current COVID-19 pandemic and any future communicable diseases, illnesses, and viruses.

- **How has compliance with the Brown Act changed in response to the COVID-19 pandemic?**

For information on complying with the Brown Act during this period, refer to our March 2020 newsletter article, "[Navigating the Brown Act During a Period of Local Emergency Due to COVID-19.](#)"

Miscellaneous

– **Will the Authority's risk managers be available to answer questions related to COVID-19?**

The Authority has compiled a list of resources below that help provide guidance on an issue that is quickly evolving. We encourage you to utilize these resources for the latest in information pertaining to the health and safety of your employees and the public with which you interact. Please contact the Authority's risk managers should you require additional assistance.

– **Should my staff and employees be concerned with the rise in emails asking for donations or offering medical supplies that can be used to prevent contraction of the virus?**

Yes. Criminals are looking to exploit people through carefully planned phishing scams and social engineering. Please instruct your employees to be on guard against anything that remotely resembles malicious content.