



414 W. Napa St. • P.O. Box 885 • Sonoma, CA 95476 • 707.938.2388 • Fax 707.938.0374
Members: Arcata Cloverdale Cotati Eureka Fort Bragg Fortina Healdsburg Lakeport
Robnett Park St. Helena Sebastopol Sonoma Ukiah Willits Windsor

AGENDA REMIF BOARD OF DIRECTORS' MEETING

Thursday, June 20, 2019 – 10:30 a.m.
Ukiah Valley Conference Center – Phone: 707-463-6701
200 South School Street, Ukiah, CA 95482

CALL TO ORDER ROLL CALL

PUBLIC COMMENT

TIME RESERVED FOR THE PUBLIC TO OFFER COMMENTS REGARDING CONSENT CALENDAR OR BOARD BUSINESS NOT LISTED ON THE AGENDA. THE PUBLIC COMMENT PERIOD IS LIMITED TO FIVE MINUTES PER SPEAKER UNLESS ADDITIONAL TIME HAS BEEN ALLOWED BY THE CHAIRPERSON. STATE LAW PROHIBITS ACTION BY THE BOARD ON NON-AGENDA ITEMS.

COMMUNICATIONS - None PRESENTATIONS – None

CONSENT CALENDAR (I) Information Item (A) Action Item

1. Approval of Minutes of the REMIF Board Meeting on April 25, 2019 (A)
2. Minutes from the REMIF Executive Committee Meetings on Nov. 26, 2018 and Feb. 19, 2019 (I)
3. Minutes from the REMIF Self-Insured Health Committee Meetings on Feb. 28th, March 14th, April 11th, and May 9, 2019 (I)
4. Approval of REMIF check register (April-May 2019) (A)
5. Approval of REMIF Treasurer's Quarterly report (as of March 31, 2019) (A)
6. Report out of closed session (I)
7. General Manager's Activities (I)

ACTION (A) AND INFORMATION (I) CALENDAR

8. Self-Insured Health Plan (A)
9. Renewal & Contributions for WC & Liability Program FY 19-20 (A)
10. Renewal & Contributions for Property Program FY 19-20 (A)
11. Renewal & Contributions for Auto Property Damage (APD) Program FY 19-20 (A)
12. Renewal for Flood Deductible Buy Down and DIC (earthquake) coverage (A)
13. Offer of new coverage: Deadly Weapon Protection Insurance (A)
14. REMIF Annual Budget FY 19-20 (A)
15. REMIF Salary Schedule FY 19-20 (A)
16. Selection of Financial Auditor (A)
17. Nominations & Election of President and Vice President (A)
18. Resolution to Authorize Investment of Monies in Local Agency Investment Fund (LAIF) (A)
19. REMIF Safety Program (I)
20. Workers' Compensation Plan Update (A)
21. Changes to Property MOC (A)
22. New REMIF Board Policy: IT Policy (I)

Per Government Code section 54954.2, persons requesting disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, are requested to contact REMIF at (707) 938-2388 ext 100, 24 hours in advance of this meeting.

PUBLIC COMMENT

TIME RESERVED FOR THE PUBLIC TO OFFER COMMENTS REGARDING CLOSED SESSION ITEMS. THE PUBLIC COMMENT PERIOD IS LIMITED TO FIVE MINUTES PER SPEAKER UNLESS ADDITIONAL TIME HAS BEEN ALLOWED BY THE CHAIRPERSON. STATE LAW PROHIBITS ACTION BY THE BOARD ON NON-AGENDA ITEMS.

ADJOURN INTO CLOSED SESSION – No Closed Session Items

ADJOURNMENT OF REGULAR MEETING

I, Anna Santos, Administrative Assistant for REMIF, certify that this agenda has been posted at the REMIF office at 414 W. Napa Street, Sonoma, CA 95476, according to the California Government Code.

/s/ Anna Santos

Anna Santos, Administrative Assistant

All meetings listed below are tentatively scheduled and subject to change; please review the REMIF website for possible changes to Board meetings.

Future REMIF Board Meeting Dates:

September 26, 2019	10:30 a.m.	Ukiah
January 30/31, 2020	TBD	St. Helena
April 23, 2020	10:30 a.m.	Ukiah
June 18, 2020	10:30 a.m.	Ukiah

Per Government Code section 54954.2, persons requesting disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, are requested to contact REMIF at (707) 938-2388 ext 100, 24 hours in advance of this meeting.



ITEM 1.0

MINUTES
REMIF BOARD OF DIRECTORS'
April 25, 2019 – 10:30 a.m.
200 South School Street, Ukiah, CA 95482

CALL TO ORDER

President McLaughlin called the meeting to order at 10:30 a.m.

ROLL CALL

PRESENT

1. Danette Demello, *Arcata*
2. Susie Holmes, *Cloverdale*
3. Damien O'Bid *Cotati*
4. Pam Powell, *Eureka*
5. Tabatha Miller, *Fort Bragg*
6. Siana Emmons, *Fortuna*
7. Kelly Buendia, *Lakeport*
8. Darrin Jenkins, *Rohnert Park*
9. Larry McLaughlin, *Sebastopol*
10. Sheri Mannion, *Ukiah*
11. Stephanie Garrabrant-Sierra, *Willits*

ABSENT –

Heather Ippoliti, *Healdsburg*
Sue Casey, *Sonoma*;
Kathy Robinson, *St. Helena*
James Leon, *Windsor*

OTHERS PRESENT

12. Anna Santos, *REMIF*
13. Amy Northam, *REMIF*
14. Heather McGroarty, *REMIF*
15. Ritesh Sharma, *REMIF Finance Director*
16. Doug Alliston, *REMIF General Counsel*
17. Royann Franchini, *RealCare*
18. Pat O'Brien, *RealCare*
19. Geoff Seibel, *AVP Actuarial Services*
20. Cameron Dewey, *George Hills*
21. Dana Calkins, *George Hills*
22. Delores Pedersen, *Willits*
23. Karen Stevenson, *Willits*
24. David Kelley, *Cloverdale*
25. Elizabeth Garcia, *Healdsburg*
26. Victoria Perrault, *Rohnert park*

PUBLIC COMMENT

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Stephanie Garrabrant-Sierra, the City Manager and Board Director from Willits, expressed her concerns regarding the quality of health care she has received from the REMIF Health Plan. She feels there is a gap in the service and her health care coverage is not that great. She asked the Board how we can make it better.

Stephanie also introduced two of her employees, Delores Pedersen and Karen Stevenson, from Willits and asked if they'd like to share their recent experiences with the health plan. Karen declined to speak; however, Delores, talked about the issues she had experienced and the frustration.

Stephanie asked the Board to consider the quality of care and not just the cost of the REMIF health plan. GM Amy Northam will ask the Self-Insured Health Committee, along with RealCare, REMIF's Benefits Broker, to review and investigate the issues brought forth.

COMMUNICATIONS - None

PRESENTATIONS - None

CONSENT CALENDAR (I) Information Item (A) Action Item

1. Approval of Minutes of the REMIF Board Meeting on March 28, 2019 (A)
2. Minutes from the REMIF Self-Insured Health Committee Meetings on Jan 10th & Feb 7th, 2019 (I)
3. Approval of REMIF check register (A)
4. Approval of REMIF Treasurer's report (A)
5. Report out of closed session (I)
6. General Manager's Activities (I)

Director Demello asked for consent item #5, Report out of Closed Session, be removed from Consent. She was asking for clarification regarding the date indicated on item #5 which stated, approval by the Board of Directors was given at the February 19, 2019 for the cases listed in item #5. Director Northam acknowledged that was a typo and it was the Executive Committee, not the full Board, that granted approval on February 19, 2019 for the Stover and Ruiz cases.

GM Northam will make the correction on consent item #5.

- A motion was made by Director Powell, seconded by Director Mannion to approve Consent Calendar items except item #5 which will be corrected by GM Northam.
The motion carried by the following voice vote:
- Aye: Directors: Demello, Holmes, Powell, Emmons, Miller, Jenkins, McLaughlin, Mannion, Garrabrant-Sierra; and Alternate Directors: O'Bid and Buendia
- No: None
- Absent: Directors: Ippoliti, Casey, and Robinson; and Alternate Director Leon

STAFF REPORTS (I) Information Item (A) Action Item

7. Self-Insured Health Plan (I) and (A)

GM Northam reviewed the 3 items that require approval:

- a. **Envision Rx** – continue the contract with Envision Rx and direct the GM to enter into any agreement necessary to complete such.
- b. **Renew the Self-Insured Health plan** as follows:
 - A retiree surcharge of 29.7%;
 - Increase of 1.15% (a -0.07% decrease in rates with a 1.50% margin for adverse deviation)
 - Adopt whole dollar rates (final rates will be “rounded up” to whole dollars); and
 - direct the GM to enter into any agreement necessary to complete such
- c. **Audit - Drop ineligible dependents from coverage** for those who didn’t reply to the BMI Audi

There were several comments/questions for each item needing approval:

Ineligible Dependents

The dependents will have till May 15th to reply to the BMI Audit. Director Kelley, asked if members will receive any kind of refund if they have any dropped dependents etc. Pat O’Brien from Real Care said yes. Refunds will be credited back to member only if the coverage level changes, sometimes a dependent is dropped from coverage, however it doesn’t necessarily change the premium coverage level.

If a dependent is dropped, they can re-enroll during open enrollment with proper documentation to support their eligibility.

Director Demello reminded the Board that the plan participants have been notified 3 differ times to submit the required documents.

Director Jenkins asked GM Northam to read off the list of “no replies” for each member.

Envision Rx:

Director Garrabrant-Sierra asked if any enhancements can be made to the Rx plan. Director Northam indicated that is a possibility, however, the self-insured health committee still needs to discuss it and this item before the Board is just a straight renewal. Enhancements can be made at any time.

Health Plan Renewal:

Director Garrabrant-Sierra asked for the plan to be rated by quality of coverage and on the quality of care.

Director Jenkins agreed it would be a good idea to get feedback on the current health plans and see if there are other employees that have similar issues that were brought up during public comment. Director Garrabrant-Sierra stated they have good doctors in Willits; however, the “approval process” by the health insurance provider needed much improvement. Director McLaughlin would like the health committee to also look at the timeliness of the providers obtaining approvals and authorizations.

Pat O’Brien, RealCare, provided a brief summary of how medical networks work; they have a set of medical services and those services have to go thru pre-authorizations. The standard of guidelines for pre-authorization of services are the same for self-insured plans and fully-insured plans.

The health committee can review the concerns and recommendations discussed at this meeting and offer some recommendations to the Board.

Director O’Bid asked for clarification on the retiree surcharge of 29.7%. The Actuary confirmed it is a surcharge on the active employee rates. The Board decided on a surcharge back in the 2017/2018 plan year in order to better align the retiree rates with the active employee rates.

The Board took the following action:

Renew Envision Rx plan (pharmacy)

- A motion was made by Alternate Director Buendia, seconded by Director Holmes to continue the contract with Envision Rx plan and direct the GM to enter into an agreement necessary to complete such. The motion carried by the following voice vote:
- Aye: Directors: Demello, Holmes, Powell, Emmons, Miller, Jenkins, McLaughlin, Mannion, Garrabrant-Sierra; and Alternate Directors: O’Bid and Buendia
- No: None
- Absent: Directors: Ippoliti, Casey, and Robinson; and Alternate Director Leon

Renew Self-Insured Health plan

- A motion was made by Director Holmes, seconded by Director Powell to renew the self-funded medical plan as follows: a retiree surcharge of 29.7%, increase of 1.15% (a -0.07% decrease in rates with a 1.50% margin for adverse deviation), adopt whole dollar rates (the final rates will be “rounded up” to whole dollars); and direct the GM to enter into an agreements necessary to complete such. The motion carried by the following voice vote:
- Aye: Directors: Demello, Holmes, Powell, Emmons, Miller, Jenkins, McLaughlin, Mannion, Garrabrant-Sierra; and Alternate Directors: O’Bid and Buendia
- No: None
- Absent: Directors: Ippoliti, Casey, and Robinson; and Alternate Director Leon

Audit – drop ineligible dependents from coverage

- A motion was made by Director Jenkins, seconded by Director Demello to drop ineligible dependents from coverage. For those employees/dependents that are incomplete and/or have provided no response, it is recommended that the member cities reach out to the employees one last time and if a response is not received from the employee by May 15, 2019, the dependent will be dropped from coverage effective retroactively to May 1, 2019. The motion carried by the following voice vote:
- Aye: Directors: Demello, Holmes, Powell, Emmons, Miller, Jenkins, McLaughlin, Mannion, Garrabrant-Sierra; and Alternate Directors: O’Bid and Buendia
- No: None
- Absent: Directors: Ippoliti, Casey, and Robinson; and Alternate Director Leon

8. New REMIF Board Policy: Target Equity (A)

GM Northam reviewed the new draft Target Equity policy and stated there will be no recommendation today for approval on the policy, since a few members asked her to revise certain parts of the policy.

The purpose of this policy is to set some guidelines that will help the Board in making annual funding, dividend and assessment decisions for the REMIF programs, which include the self-funded portions of Workers’ Compensation, Liability, Property, Auto Physical Damage (APD), Medical, Dental and Vision programs.

The policy will assist REMIF Staff and offer guidelines to see at what levels reserves should be set.

There was a brief discussion amongst the Board on setting reserves, how do we move forward and build reserves and rate stabilization funds. GM Northam will incorporate the suggestions made by the Board and bring the policy back at a future board meeting.

9. Preliminary Estimated Contributions (Premiums) FY 19-20 (I)/ Acceptance of Actuarial Report & Methodology of Funding Model (A)

GM Northam presented the data regarding the estimated contributions and the proposal to use 12/31/18 data versus 6/30/18 data. By using the more current data, it will help ensure that more recent data is used to reflect any changes in the losses/claims, thus helping to eliminate the risk of underfunding the program; it's also considered by many as an industry practice; and it's the preferred methodology by CAJPA and their Accreditation Committee.

The Board was also asked to approve the actuarial reports using 12/31/18 data and fund at the 75% confidence level.

- A motion was made by Director Miller, seconded by Director Mannion to change the methodology of the funding model and use data as of 12/31/18, using the actuarial recommendations for funding (based on 12/31/18 data). The motion carried by the following voice vote:
 - Aye: Directors: Demello, Holmes, Powell, Emmons, Miller, Jenkins, McLaughlin, Mannion, Garrabrant-Sierra; and Alternate Directors: O'Bid and Buendia
 - No: None
 - Absent: Directors: Ippoliti, Casey, and Robinson; and Alternate Director Leon

- A motion was made by Director Jenkins, seconded by Director Demello to accept the actuarial report using the 12/31/18 data and fund at 75% confidence level. The motion carried by the following voice vote:
 - Aye: Directors: Demello, Holmes, Powell, Emmons, Miller, Jenkins, McLaughlin, Mannion, Garrabrant-Sierra; and Alternate Directors: O'Bid and Buendia
 - No: None
 - Absent: Directors: Ippoliti, Casey, and Robinson; and Alternate Director Leon

10. Preliminary/Draft Budget for FY 2019-2020 (I)

GM Northam and Finance Director Ritesh Sharma presented the draft REMIF Budget for FY 19-20. The changes to the budget include:

- a) Total revenues are projected to increase by 10.38% from the FY 18-19 budget and much of the increase is related to contributions.
- b) Total operating expenses are projected to increase by 9.14% due to projected increases from claims expenses and excess insurance rates. The remaining categories in operating expenses will have minor increases.
- c) G&A expenses are projected to increase by 27.93% due to an increase in benefits (22%) since benefits were under budgeted in FY 18-19 and an increase in pension expenses (payments to PERS for the Unfunded Accrued Liability). Administrative expenses are budgeted to decrease by 9.63% from the FY 18-19 budget.

This was informational only, recommendation to approve the budget will occur at the June 2019 Board meeting.

11. Liability/Excess Liability Auto Report (I)

GM Northam presented a recent CJPRMA audit report. REMIF carries excess liability coverage through a Joint Powers Authority called CJPRMA. CJPRMA conducts routine audits of the liability claims and the findings were given to the Board. Overall, the report showed favorable results for REMIF claims handling and improvement in better management of the claims.

12. Strategic Partnership Between REMIF and the Public Agency Risk Sharing Authority of California (PARSAC) (A)

GM Northam discussed a potential partnership between REMIF and PARSAC. PARSAC is comprised of 36 small to medium sized cities/towns and was formed in 1986 with a mission to provide liability coverage in response to the insurance crisis that eliminated commercial coverage for cities.

Like REMIF, PARSAC provides a self-funded liability program for general liability, public officials' errors and omissions, auto liability, and employment practices liability coverage. They have additional coverage programs including self-funded workers' compensation, group purchase property, special events, fidelity bonds, cyber liability and ancillary benefits, as does REMIF.

PARSAC has approached REMIF with the concept of a strategic partnership between the two agencies. The intent of the partnership would simply be long term sustainability and a partnership that would result in a win-win for both agencies.

The recommendation before the Board is to direct the GM to work with the Executive Committee (or other subcommittee) on exploring a partnership with PARSAC and enter into an exploratory partnership agreement so that we can explore the feasibility and practicability of such a partnership.

- A motion was made by Assistant Director O'Bid, seconded by Director Miller to direct the GM to work with the Executive Committee on exploring a partnership with PARSAC and enter into an exploratory partnership agreement. The motion carried by the following voice vote:
- Aye: Directors: Demello, Holmes, Powell, Emmons, Miller, Jenkins, McLaughlin, Mannion, Garrabrant-Sierra; and Alternate Directors: O'Bid and Buendia
- No: None
- Absent: Directors: Ippoliti, Casey, and Robinson; and Alternate Director Leon

13. Reminder: Nominations Needed for Exec. Committee (I)

GM Northam reminded the members that nominations for the President and Vice-President for the Executive Committee will be needed at the June meeting. Incumbents can be nominated. No action is needed at this time.

14. Changes to existing REMIF Board Policy: Defense Attorney Panel (A)

GM Northam presented an update/change to Policy #12 – REMIF's Defense Attorneys. Two additional firms were added: Gibbons & Conley and Angelo, Kilday & Kilduff.

- A motion was made by Director Demello, seconded by Director Mannion to accept the update/change to the defense attorney panel policy #12 for REMIF's Defense Attorneys list. The motion carried by the following voice vote:
- Aye: Directors: Demello, Holmes, Powell, Emmons, Miller, Jenkins, McLaughlin, Mannion, Garrabrant-Sierra; and Alternate Directors: O'Bid and Buendia
- No: None
- Absent: Directors: Ippoliti, Casey, and Robinson; and Alternate Director Leon

15. Future Board Meeting Dates/Locations (A)

The Board reviewed the following proposed dates/locations for future meetings in FY 19-20:

- September 26, 2019 at 10:30 in Ukiah (Board of Directors' meeting)
- January 23 and January 24, 2020 in St. Helena (times TBD, Annual meeting)
- April 23, 2020 at 10:30 in Ukiah (Board of Directors' meeting)
- June 18, 2020 at 10:30 in Ukiah (Board of Directors' meeting)

After a brief discussion, the Board recommended a change in the January 2020 annual meeting dates and move them to January 30 and 31st, due to other conferences that will be held around the same time as the original proposed date of January 23rd and 24th. GM Northam will notify St. Helena of the change.

- A motion was made by Director Garrabrant-Sierra, seconded by Director Demello to accept the FY 19-20 future board meeting dates and to move the January annual meeting dates to January 30 and 31, 2020 in St. Helena. The motion carried by the following voice vote:
- Aye: Directors: Demello, Holmes, Powell, Emmons, Miller, Jenkins, McLaughlin, Mannion, Garrabrant-Sierra; and Alternate Directors: O'Bid and Buendia
- No: None
- Absent: Directors: Ippoliti, Casey, and Robinson; and Alternate Director Leon

PUBLIC COMMENT

TIME RESERVED FOR THE PUBLIC TO OFFER COMMENTS REGARDING CLOSED SESSION ITEMS THE PUBLIC COMMENT PERIOD IS LIMITED TO FIVE MINUTES PER SPEAKER UNLESS ADDITIONAL TIME HAS BEEN ALLOWED BY THE CHAIRPERSON. STATE LAW PROHIBITS ACTION BY THE BOARD ON NON-AGENDA ITEMS. **NONE**

ADJOURN INTO CLOSED SESSION

Government Code Section 54956.95 – Conference regarding a claim for the payment of tort liability losses, public liability losses, or workers' compensation liability incurred by the joint powers' agency or a local agency member of the joint powers' agency.

Claimant: Wroth

Agency claimed against: City of Rohnert Park

Government Code Section 54956.9 - Conference regarding pending litigation

Government Code Section 54957(b) – Conference with REMIF General Manager, Amy Northam and REMIF Board of Directors - Evaluation of Performance of General Manager

REPORT OUT OF CLOSED SESSION

Board went into Closed Session at 1:10 p.m.

Board returned from Closed Session at 1:28 p.m.

Manager (GM) Northam reported that Staff will follow the direction of the Board.

ADJOURNMENT

The Board meeting adjourned at: 1:30 p.m.

Respectfully Submitted by:

/s/ Anna Santos

Anna Santos, REMIF Administrative Assistant



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Members: Arcata Cloverdale Cotati Eureka Fort Bragg Fortuna Healdsburg Lakeport
Rohnert Park St. Helena Sebastopol Sonoma Ukiah Willits Windsor

MINUTES
REMIF EXECUTIVE COMMITTEE MEETING
November 26, 2018 – 2:00 P.M. (Telephonic Meeting)
REMIF, 414 W. Napa Street, Sonoma, CA 95476

ITEM 2.0

CALL TO ORDER

President McLaughlin called the meeting to order at 2:01 p.m.

ROLL CALL

PRESENT:

1. Larry McLaughlin, Sebastopol
2. Darrin Jenkins, Rohnert Park
3. Pam Powell, Eureka
4. Margaret Silveira, Lakeport

ABSENT: Camille Kazarian, Windsor

OTHERS PRESENT: Amy Northam, REMIF General Manager; Ann Jensen, Claims Adjuster for Athens Administrators

PUBLIC COMMENT

There were no public comments.

CONSENT CALENDAR (I) Information Item (A) Action Item

1. (A) Approval of Minutes from REMIF Executive Committee Meetings on November 8, 2018

A motion was made by Director Powell and seconded by Director Jenkins to approve the consent calendar item 1 (approval of the minutes from the Executive Committee Meeting on November 8, 2018). The motion carried by the following voice vote:

Aye: Directors McLaughlin, Jenkins, Powell and Silveira

Absent: Director Kazarian

STAFF REPORTS (I) Information item (A) Action item

2. (I) Update on Realtor/Lease Agreement

The General Manager updated the Executive Committee on the search for a new tenant, the existing tenant and the lease agreement.

PUBLIC COMMENT

There was no public comment.

ADJOURN INTO CLOSED SESSION (at 2:11 p.m.)

Government Code Section 54956.95 – Conference regarding a claim for the payment of tort liability losses, public liability losses, or workers' compensation liability incurred by the joint powers' agency or a local agency member of the joint powers' agency.

Claimant: J. Garcia

Agency claimed against: Healdsburg

REPORT OUT OF CLOSED SESSION

Staff will proceed as directed.

ADJOURNMENT

The meeting was adjourned at 2:15 p.m.



REMIF Self-Insurance Committee Minutes

Item 3.0

Date: February 28, 2019

Time: 2:00 p.m.

Telephonic Committee Meeting

Dial In: (646) 664-4400/ Conference ID: 17171#

AGENDA

- I. ROLL CALL – Call to order 2:05 p.m.
 - A. Present:
 - i. Amy Northam, REMIF
 - ii. Danette DeMello, Arcata
 - iii. Kelly Buendia, Lakeport
 - iv. Stephanie Garabrant-Sierra, Willits
 - B. Also in attendance:
 - i. Pat O’Brien, RealCare
 - ii. Royann Franchini, RealCare
 - C. Absent:
 - i. James Leon, Town of Windsor
 - ii. Sheri Mannion, Ukiah
- II. APPROVAL OF MINUTES
 - A. Meeting of January 10, 2019 and February 7, 2019. Willits motioned to approve the minutes; Lakeport seconded and the motion passed unanimously.
- III. ITEMS FOR DISCUSSION
 - A. **RFP for TPA – Action Item**
 - a. As a matter of normal business practice, we went out for an RFP for our TPA services.
 - b. The RFP Committee recommended that HealthComp be continued as the TPA services
 - c. The Health committee recommends a 3 year contract. If HealthComp fails to perform, we would shorten the contract period with the proper notice to HealthComp.

Willits motioned to recommend to the Board that HealthComp TPA services be extended for a 3 year period commencing 7-1-19. Arcata seconded and the motion passed unanimously.
 - B. **EnvisionRx – Coordination of Benefits - Action Item**
 - a. Currently, there is no Coordination of Benefits on the EnvisionRx plan. That means that the person with the double coverage can choose which medical plan under which to file. If we institute COB, then the primary medical plan would be required to pay first.

- i. With costs of specialty drugs rising (53% of total spend is on specialty as of 3rd quarter or \$288,000), we don't want the REMIF plan to pay first if the person has other primary coverage?
- b. As of the January 2019 census data pull, we have identified 199 members with having other insurance. This data does not reflect primary or secondary status of members with other insurance.
- c. Health Committee recommends we institute COB on the Rx plan.
- d. RealCare to check to see if during the implementation, there was any discussion on COB for Rx

Arcata motioned to recommend to the Board that we add Coordination of Benefits to the EnvisionRx plan at the 7-1-19 renewal. Lakeport seconded and the motion passed unanimously.

C. VSP Renewal – Action Item

- a. Renewal offer is for a rate pass for 3 years for the Administrative Services Only (ASO) fees.
- b. Health Committee recommends we accept VSP renewal
- c. VSP will be adding full coverage for Standard Progressive lenses. Premium and Custom lenses would still have an allowance.
- d. Amy Northam reports that the reserves are starting to go down for the claims funding. NFP Actuaries are looking to see if adjustments need to be made. The findings will be presented at a future meeting.

Willits motioned to recommend to the Board that the VSP ASO renewal be accepted with the 3 year rate guarantee. Arcata seconded and the motion passed unanimously.

D. Lincoln Financial renewal – Action Item

- a. RFP's were sent to 16 companies. 15 declined to quote. The 1 company that did quote was 45% higher than current. This response reflects similar results when previously going out to the market place.
- b. Lincoln Financial offered a 3 year rate guarantee. There is a rate pass for all but one entity. That entity will see an increase to their life insurance rate and is due to the high percentage of retirees covered. That increase would be guaranteed for 3 years.

Lakeport motioned to recommend to the Board that the Lincoln Financial Life, AD&D, Voluntary Life, STD and LTD plans be accepted effective 7-1-19 with a term of 3 years. Willits seconded and the motion passed unanimously.

E. Anthem/Sutter negotiations update – Informational

- a. Negotiations continue between Anthem and Sutter. Negotiations are contentious. Although the contract has officially terminated, claims will continue to be paid at the in-network level until June 1, 2019.
- b. Blue Shield sent an unsolicited quote for network services.
 - i. Wants to be the network if Sutter doesn't renew with Anthem. They are the closest network to what we have with Anthem. But there are pockets of concern in the network, particularly in Lake, Mendocino and Humboldt Counties. In addition, Blue Shield's Sutter contract is up on 12-1-19. Because provider discounts are not as

deep with Blue Shield, it would be more expensive for the plan to have the Blue Shield network.

- c. Start letter writing campaign
 - i. If negotiations appear to have stalled, RealCare recommends we can start a letter writing campaign to include Employers and Employees.

We should have more information at the next Committee meeting. The potential change in network for 2019/20 plan year would be voted on at the April Board meeting.

F. Transamerica/ESI – Open Enrollment – Discussion

- a. Hartford never allowed for Open Enrollment unless the member moved out of a service area.
- b. Transamerica/ESI will allow anyone to change at Open Enrollment.
- c. This would only affect cities who offer Kaiser.
- d. For cities that offer Kaiser and pay all or a portion of the premium, costs would go up if the Kaiser member changed to the Transamerica/ESI plan.
- e. After much discussion, there was no clear consensus.
There was no motion to make a change. We will keep the policy as it was with the Hartford. No Open Enrollment unless the member moves out of the service area.

G. Clarification on Domestic Partner Coverage – Discussion

- a. The language on the Domestic Partner Comparison chart reads in part: “only legally registered same sex couples when both partners are age 18 or more, and opposite sex couples, when one partner is age 62 or more.” Due to a discrepancy in the language, it is recommended this language be changed to: “**only legally registered domestic partners, as defined in Family Code 297.**” The employee/subscriber must verify the status of the domestic partnership by providing a copy of a valid Declaration of Domestic Partnership filed with the Secretary of State pursuant to Section 298 of the Family Code. This does not expand coverage.
- b. Change definition to “legally registered domestic partners as defined in Family Code 297”.

Arcata motioned to recommend to the Board that the definition criteria will be based upon “legally registered domestic partners as defined in Family Code 297”. Willits seconded and the motion passed unanimously.

H. EPO can now be offered out of state – Discussion only

- a. Do we want to eliminate the Blue Card plan and force those members to the EPO 250 plan?
- b. RealCare to check with HC to see if they can administer.
- c. ID cards would have to indicate to file with the home plan if out of state.
- d. NFP Actuary looking at cost implications, if any.

The Committee discussed the following concerns:

- We need more information related to the cost implications
- Continue to explore option
- Would MOUs need to be changed?
- How much are we paying for out of network plan claims?

No recommendation at this time to move Blue Card people to the EPO.

- I. **SUMMARY PLAN DESCRIPTION (SPD) for PLAN YEAR 7-1-19/20 – Informational only**
 - a. Changes have been drafted for a change to the 2018/19 SPD.
 - i. Another Eligible Class definition will be added to the SPD Eligibility Section effective 3-1-19. “Any person deemed eligible based on a court order or legal settlement entered into by a participating agency if such coverage or equivalent coverage is available at the time of the court order or agreement.
 - b. A list of proposed changes for the 2019/20 SPD, if any, will be given and discussed at a future meeting.

- J. **MHN update – Update on transitioning back to Aetna – Informational only**
 - a. Once the AETNA contracts are received, RealCare will go out with an email blast to all cities to announce the 4-1-19 change.
 - b. RealCare is gathering electronic informational flyers, wallet cards, etc., so that they can be pushed out to the entities prior to 4-1-19.
 - c. MHN refusing to honor any remaining authorized visits beyond the 4-1-19 termination date.

- K. **Income and Expense Report update**

Next Meeting: March 14, 2019; 2:00 p.m.

Meeting adjourned: 3:35 p.m.

Health Insurance Committee Members:

Danette DeMello – City of Arcata – 736 F Street, Arcata, CA 95521; 707-825-2120; ddemello@cityofarcata.org

James Leon – Town of Windsor – 9291 Old Redwood Highway, Windsor, CA 95492; 707-838-5379; jleon@townofwindsor.com

Kelly Buendia – City of Lakeport – 255 Park Street, Lakeport, CA 95453; 707-263-5613 x30; kbuendia@cityoflakeport.com

Sheri Mannion – City of Ukiah – 300 Seminary Drive, Ukiah, CA 95482; 707-463-6244; smannion@cityofukiah.com

Stephanie Garrabrant-Sierra – City of Willits – 111 E. Commercial, Willits, CA 95490; 707-459-4601; -sgsierra@cityofwillits.org



REMIF Self-Insurance Committee Minutes

Item 3.1

Date: March 14, 2019

Time: 2:00 p.m.

Telephonic Committee Meeting

Dial In: (646) 664-4400/ Conference ID: 17171#

AGENDA

I. ROLL CALL – Meeting called to order 2:06 pm

A. Present:

- i. Amy Northam, REMIF
- ii. Danette DeMello, Arcata
- iii. Kelly Buendia, Lakeport
- iv. Sheri Mannion, Ukiah
- v. Stephanie

B. Also in attendance:

- i. Pat O'Brien, RealCare
- ii. Royann Franchini, RealCare

C. Absent:

- i. James Leon, Town of Windsor
- ii. Stephanie Garrabrant-Sierra, Willits

II. APPROVAL OF MINUTES

- A. Meeting of February 28, 2019. Approval of the minutes was not voted upon. Carried forward to April 11, 2019 meeting.

III. ITEMS FOR DISCUSSION

A. **SUMMARY PLAN DESCRIPTION (SPD) for PLAN YEAR 7-1-19/20 – Action Item – Summary Attachment - Move to April meeting**

- a. Review of methods for adding changes to the SPD, and a request for guidance from the Committee on which method to use for 2019/20.

Due to time constraints, this issue will be carried forward to the April 11, 2019 meeting.

B. **VOYA Renewal – Informational only – Summary and Attachment**

a. Review preliminary renewal

- i. Actuaries are evaluating the Stop Loss renewal and level and will recommend whether to increase the Stop Loss specific deductible.

1. VOYA is also known as ReliaStar
2. RealCare works with AmWINS – General Agency who shops our Stop Loss coverage

3. We received a firm renewal offer from VOYA that matches the preliminary renewal. Voya reviewed claims through February 28th 2019 to provide the firm renewal. The renewal must be accepted by April 1st 2019 or it will be reevaluated with new claims data.
4. Voya offered quotes with \$175,000 Individual Stop Loss deductible and a \$200,000 Stop Loss deductible. The higher deductible would lower the rate for the Individual deductible but would increase the rate for the aggregate deductible and could increase overall risk, if the Plan had a year with many stop loss claims. At this time, the conservative approach is to keep the \$175,000 deductible.

Lakeport motioned to recommend to the Board that we renew with VOYA at the \$175,000 Stop Loss deductible level. Seconded by Ukiah and the motion passed unanimously.

C. Medical Renewal – Informational only – Summary and Attachment

- a.** The Committee reviewed the renewal analysis for the medical plan submitted by the NFP Actuaries. The preliminary report recommended a 7.58% increase, however that report needed a few corrections to the fees and surcharges. An updated report, provided just before the Committee meeting, recommended a 4.47% increase overall. The latest data with claims data through 2/28/19 is being reviewed and an updated renewal will be released soon to the Committee.
- b.** Dental and Vision renewal
 - i. The NFP actuaries reviewed the dental and vision plan information and provided a preliminary renewal for each, recommending:
 1. Vision – recommended: -6.02%
 2. Dental – recommended: +9.31%
 - ii. Since the reserves on both the dental and vision are starting to decline, the Committee supports the 9.31% increase on dental but supports a rate pass on the vision versus decreasing that rate.

Arcata motioned to recommend that the Board:

1. Accept the medical renewal as long as the final version doesn't exceed 5%;
2. Accept the dental increase of 9.31%;
3. Propose a rate pass on vision.

The motion was seconded by Lakeport and the motion passed unanimously.

D. HealthComp Renewal – Informational only - Attachment

- a.** Renewal letter review
 - i. Received corrected version with the dates going to 6-30-22.
 - ii. Reviewed costs indicated on the renewal sheet

E. Anthem/Sutter negotiations update – Informational only – No attachment

- a.** Negotiations continue between Anthem and Sutter. While all indicates are that the two sides will reach an agreement, the timing of the agreement is unknown. Although the contract has officially terminated, claims will continue to be paid at the in-network level until June 1, 2019. If by the end of March negotiations appear to have stalled, RealCare and Amy Northam will draft a letter for REMIF agencies and members to use to voice the importance of having the two sides come to agreement as soon as possible. RealCare will continue to track the progress of negotiations and report at the next Committee meeting.



REMIF Self-Insurance Committee Minutes

Item 3.2

Date: April 11, 2019

Time: 2:00 p.m.

Telephonic Committee Meeting

Dial In: (646) 664-4400/ Conference ID: 17171#

AGENDA

I. ROLL CALL – Call to order 2:05 p.m.

A. Present:

- i. Amy Northam, REMIF
- ii. Kelly Buendia, Lakeport
- iii. Danette Demello, Arcata

B. Also in attendance:

- i. Pat O'Brien, RealCare
- ii. Royann Franchini, RealCare
- iii. Court Edwards, EnvisionRx

C. Absent:

- i. James Leon, Town of Windsor
- ii. Sheri Mannion, Ukiah
- iii. Stephanie Garrabrant-Sierra

II. APPROVAL OF MINUTES

A. Meeting of February 28, 2019 and March 14, 2019

Move forward to next meeting. No quorum

III. ITEMS FOR DISCUSSION

A. **EnvisionRx Renewal and Potential Plan Changes for FY 19/20 – Action Item – Attachment**

a. Renewal

- i. Envision was able to lower rates and increase guarantees. Envision was purchased by RiteAid; RiteAid has refocused efforts and resources back into EnvisionRx. Better contracts with manufacturers enabling Envision to lower renewal rates
- ii. EnvisionRx has had a pass through contract since the inception of the EnvisionRx contract in 2015.. EnvisionRx has always had transparency which is one reason they were originally selected. They continue operate with transparency.

There was no quorum, so the renewal will be discussed and voted upon at the April 25th Board meeting.

b. Benefit Modification Options

Discussions of any benefit modifications will be moved to the next Committee meeting on May 9, 2019 and then recommendations, if any, can be made to the Board at the June Board meeting.

Representatives from EnvisionRx will again be on the call in May.

Select Formulary

- Drugs with more effective outcomes
- Plan can grandfather the 48 members who would be affected
- If the select formulary drug doesn't work, can be appealed to get the brand drug.
- Diabetics would be steered to OneTouch test strips
 - o Can be appealed
 - o Patients have had trouble with One Touch; want to stay with their current brand
 - o Can grandfather people with current problems
- Continue to watch but not leaning toward changing.

Non-essential drugs

Drugs with same therapeutic equivalent
\$26K savings – 12 members utilizing drugs; can be grandfathered;
Quality of care should be primary concern vs. cost savings to plan
Expand Retail Rx to include 90 days for maintenance
Limited network?
Lots of options
Envision researching and will report back with options

Plan is doing well. No urgent need to make changes. Kelly leaning toward grandfathering.

B. SUMMARY PLAN DESCRIPTION (SPD) for PLAN YEAR 7-1-19/20 – Action Item – Attachment –

- a.** Review of methods for adding changes to the SPD, and a request for guidance from the Committee on which method to use for 2019/20.
- b.** Clarify eligibility for members returning from military service
- c.** Electronic Consultations while confined in hospital – Action Item – **Attachment**

Due to no quorum, move to next meeting

C. HealthComp Renewal Letter Correction – Informational only - Attachment

D. SELF-FUNDED PLAN – QUALITY OF CARE ISSUES – Discussion

- a.** A member city has expressed quality of care issues in the plan. Discussion on concerns and how to respond to concerns.

Will move to May 9th meeting so that more Committee members can participate in the discussion.

E. Audit – Discussion Only

Will move to May 9th meeting so that more Committee members can participate in the discussion.

F. Policies and Procedures project – Informational only - Update

- a.** MOC put together by Amy. Will share with committee

G. Dependent Eligibility Audit – Informational Only – Update

- a.** BMI will issue final report by April 30, 2019.

Next Meeting: May 9th

Meeting adjourned: 3:19 pm

Self-Insurance Committee Minutes – April 11, 2019

Health Insurance Committee Members:

Danette DeMello – City of Arcata – 736 F Street, Arcata, CA 95521; 707-825-2120; ddemelloi@cityofarcata.org

James Leon – Town of Windsor – 9291 Old Redwood Highway, Windsor, CA 95492; 707-838-5379; jleon@townofwindsor.com

Kelly Buendia – City of Lakeport – 255 Park Street, Lakeport, CA 95453; 707-263-5613 x30; kbuendia@cityoflakeport.com

Sheri Mannion—City of Ukiah –300 Seminary Drive, Ukiah, CA 95482; 707-463-6244; smannion@cityofukiah.com

Stephanie Garrabrant-Sierra – City of Willits—111 E. Commercial, Willits, CA 95490; 707-459-4601; sgsierra@cityofwillits.org



REMIF Self-Insurance Committee Minutes

Item 3.3

Date: May 9, 2019

Time: 2:00 p.m.

Telephonic Committee Meeting

Dial In: (646) 664-4400/ Conference ID: 17171#

AGENDA

- I. ROLL CALL – call to order 2:09 pm
 - A. Present:
 - i. Amy Northam, REMIF
 - ii. Danette Demello, Arcata
 - iii. Kelly Buendia, Lakeport
 - iv. Stephanie Garrabrant-Sierra, Willits
 - v. Royann Franchini, RealCare
 - B. Also in attendance:
 - i. Court Edwards, EnvisionRx
 - ii. Sheldon Campbell, EnvisionRx
 - C. Absent:
 - i. James Leon, Windsor
 - ii. Sheri Mannion, Ukiah
 - iii. Pat O’Brien, RealCare
- II. APPROVAL OF MINUTES
 - A. Meeting of February 28, 2019, March 14, 2019 and April 11, 2019
Minutes were not approved due to lack of quorum (will move to next meeting)
- III. ITEMS FOR DISCUSSION
 - A. EnvisionRx Potential Plan Changes for FY 19/20 – **Action**– Attachment
 - i. Benefit Modification Options
 - 1. Change Formulary from Standard to Select.**
 - a. The Committee heard from EnvisionRX on the formulary change.
 - b. We have the option of changing formularies. Currently, REMIF is on the Standard formulary. Changing to EnvisionRx’s Select Formulary would save a little over \$56,000 per year. The Select Formulary has more excluded medications. There would be 48 members affected by moving to the Select Formulary.
 - c. 70% of EnvisionRx’s clients use the Standard Formulary

- d. EnvisionRx recommended that there be no change to the Formulary this year and that we take another look for 7-1-20.

The HealthCare Committee has no interest in changing Formularies at this time.

2. Non-Essential Drug Program

- a. The Committee heard from EnvisionRx on the non-essential drug program.
- b. At the direction of EnvisionRx, a third party looks at clinically appropriate alternatives to drugs every quarter. The vendor does not use cost as a criteria. They only look at the clinical effectiveness.
- c. Often drug manufacturers come out with new versions of a drug (extended release, for instance) and price them much higher than the original versions. These drugs do not work any better than the original versions.
- d. If the Non-Essential Drug Program is implemented, there are 6 drugs and 12 people who would be affected.
- e. Could grandfather the 12 people.
- f. EnvisionRx would send letters to affected members stating their drug would no longer be covered. The letter provides information for the member to consult with their doctor to see what is appropriate.
- g. Appeals process is also stated in the letter.
- h. EnvisionRx will provide a copy of the sample letters to the Committee.
- i. EnvisionRX will see if communication can be sent to the providers (and will report back).

Motion to recommend that the Board approve the Non-Essential Drug Program with no grandfathering. Program would go into effect 8-1-19. Communications will go out to the utilizers. Kelly Buendia (Lakeport) motions; Stephanie Garrabrant-Sierra (Willits) seconds. Motion carries.

3. 90 day maintenance drug refill at Retail Pharmacies

- a. The Committee heard from EnvisionRx.
- b. Members would be able to go to their retail pharmacies and get a 90 day supply of their maintenance drugs with a copay equal to 1.5 times the normal copay for the appropriate tier.
- c. EnvisionRx confirmed that this change would not affect the renewal rates.
- d. Envision would send letters to all covered members advising them of this change.

Motion to recommend that the Board approve the 90 day drug refill at retail pharmacies. Program would go into effect 8-1-19. Danette Demello (Arcata) motioned; Stephanie Garrabrant-Sierra seconds. Motion carries.

Due to time constraints, the following items will carry over to the May 23, 2019 meeting.

- B. SUMMARY PLAN DESCRIPTION (SPD) for PLAN YEAR 7-1-19/20 – Action Item – Attachment –
 - i. Clarify eligibility for members returning from military service
 - ii. Electronic Consultations while confined in hospital
- C. SELF-FUNDED PLAN – QUALITY OF CARE ISSUES – Discussion
 - i. A member city has expressed quality of care issues in the plan. Discussion on concerns and how to respond to concerns.
- D. Audit – Discussion Only
- E. Policies and Procedures project – Informational only - Update
- F. Dependent Eligibility Audit – Update Informational Only

Next Meeting: May 23, 2019; 2 pm

Meeting adjourned: 3:12 pm

Health Insurance Committee Members:

Danette Demello – City of Arcata – 736 F Street, Arcata, CA 95521; 707-825-2120; ddemello@cityofarcata.org

James Leon – Town of Windsor – 9291 Old Redwood Highway, Windsor, CA 95492; 707-838-5379; jleon@townofwindsor.com

Kelly Buendia – City of Lakeport – 255 Park Street, Lakeport, CA 95453; 707-263-5613 x30; kbuendia@cityoflakeport.com

Sheri Mannion—City of Ukiah—300 Seminary Drive, Ukiah, CA 95482; 707-463-6244; smannion@cityofukiah.com

Stephanie Garrabrant-Sierra – City of Willits—111 E. Commercial, Willits, CA 95490; 707-459-4601; sgsierra@cityofwillits.org

Redwood Empire Municipal Insurance Fund Check Register
From April 1, 2019 to May 31, 2019

ITEM 4.0

Date	Vendor	Document No	Amount
0157 - Bank of America			
4/2/2019	VEN-181--Health Comp-Admin Fee	EFT	166,094.21
4/3/2019	VEN-109--Delta Dental of California	EFT	18,879.65
4/3/2019	VEN-187--CalPERS	EFT	15,147.20
4/5/2019	VEN-107--Athens Insurance Services, Inc.	17267	49,050.00
4/5/2019	VEN-169--Adrian Martinez AIA	17266	2,426.34
4/5/2019	VEN-138--Acceptable Risk	17265	4,097.40
4/5/2019	VEN-107--Athens Insurance Services, Inc.	Voided - 17247	-49,050.00
4/5/2019	VEN-169--Adrian Martinez AIA	Voided - 17246	-2,426.34
4/5/2019	VEN-138--Acceptable Risk	Voided - 17245	-4,097.40
4/5/2019	VEN-112--Office Information Systems	17259	231.25
4/5/2019	VEN-118--Comcast	17255	298.57
4/5/2019	VEN-121--Sonoma Garbage Collectors, Inc	17260	201.64
4/5/2019	VEN-131--Vista Landscape	17264	330.00
4/5/2019	VEN-107--Athens Insurance Services, Inc.	17247	49,050.00
4/5/2019	VEN-115--Bickmore	17248	7,500.00
4/5/2019	VEN-169--Adrian Martinez AIA	17246	2,426.34
4/5/2019	VEN-120--City of Rohnert Park	17252	36,209.66
4/5/2019	VEN-101--The Office Spot	17263	91.23
4/5/2019	VEN-202--Kathy Robinson	17257	83.21
4/5/2019	VEN-138--Acceptable Risk	17245	4,097.40
4/5/2019	VEN-205--Erica Smithies	17256	301.59
4/5/2019	VEN-204--Carlos Uribe	17249	817.12
4/5/2019	VEN-203--City of St. Helena	17253	2,956.64
4/5/2019	VEN-201--Susie Holmes	17262	85.69
4/5/2019	VEN-184--City of Cloverdale	17250	1,020.78
4/5/2019	VEN-159--City of Lakeport	17251	1,369.06
4/5/2019	VEN-158--City of Willits	17254	1,500.71
4/5/2019	VEN-192--MSDSonline	17258	60.00
4/5/2019	VEN-206--Sonoma Valley Pest Control, Inc	17261	75.00
4/10/2019	VEN-109--Delta Dental of California	EFT	28,893.35
4/17/2019	VEN-109--Delta Dental of California	EFT	19,451.20
4/18/2019	VEN-119--AT&T	17271	19.95
4/18/2019	VEN-126--AmWINS	17269	6,739.98
4/18/2019	VEN-112--Office Information Systems	17284	1,138.34
4/18/2019	VEN-103--City of Sonoma-Water	17279	33.50
4/18/2019	VEN-108--Alhambra	17268	30.42
4/18/2019	VEN-141--Murphy, Campbell, Alliston & Quinn	17283	135.00
4/18/2019	VEN-128--Business Card	17274	14,891.98
4/18/2019	VEN-142--AT&T Mobility	17272	53.22
4/18/2019	VEN-102--Shred-It USA	17285	50.18
4/18/2019	VEN-151--Amy Northam	17270	6,082.86
4/18/2019	VEN-203--City of St. Helena	17280	120.00
4/18/2019	VEN-206--Sonoma Valley Pest Control, Inc	17286	75.00
4/18/2019	VEN-208--Health and Human Resource Center, Inc.	17282	4,506.53
4/18/2019	VEN-137--AT&T Teleconference Services	17273	221.06
4/18/2019	VEN-123--WM Cleaning of Sonoma	17289	225.00
4/18/2019	VEN-209--CheckRite Backflow Services, Inc.	17275	40.00
4/18/2019	VEN-146--George Hills	17281	10,291.67
4/18/2019	VEN-178--City of Arcata	17276	1,885.88
4/18/2019	VEN-117--Vision Service Plan	17288	17,213.82
4/18/2019	VEN-210--City of Fortuna	17278	3,509.42
4/18/2019	VEN-184--City of Cloverdale	17277	1,552.90
4/18/2019	VEN-201--Susie Holmes	17287	90.56
4/23/2019	VEN-181--Health Comp-Admin Fee	EFT	155,783.23
4/24/2019	VEN-109--Delta Dental of California	EFT	21,456.40
5/1/2019	VEN-211--Nicholas Jensen	17298	52.50
5/1/2019	VEN-115--Bickmore	17290	7,500.00
5/1/2019	VEN-102--Shred-It USA	17302	53.93
5/1/2019	VEN-124--Comcast Business	17294	327.60
5/1/2019	VEN-154--Pitney Bowes Global	17301	243.59
5/1/2019	VEN-203--City of St. Helena	17293	30.00
5/1/2019	VEN-170--Carmela Beckman-Spector	17291	340.12
5/1/2019	VEN-110--NFP-National Account Services	17297	459.83
5/1/2019	VEN-132--Ukiah Valley Conference Center	17304	385.00

Date	Vendor	Document No	Amount
5/1/2019	VEN-101--The Office Spot	17303	209.60
5/1/2019	VEN-153--Pacific Gas & Electric	17300	375.88
5/1/2019	VEN-112--Office Information Systems	17299	588.00
5/1/2019	VEN-117--Vision Service Plan	17305	2,661.12
5/1/2019	VEN-177--City of Eureka	17292	7,027.67
5/1/2019	VEN-127--DKF Solutions Group, LLC	17296	4,900.00
5/1/2019	VEN-106--Comprehensive Drug Testing, Inc	17295	807.00
5/2/2019	VEN-187--CalPERS	EFT	15,147.20
5/3/2019	VEN-109--Delta Dental of California	EFT	17,219.35
5/8/2019	VEN-109--Delta Dental of California	EFT	19,089.10
5/9/2019	VEN-112--Office Information Systems	17315	200.00
5/9/2019	VEN-108--Alhambra	17307	51.50
5/9/2019	VEN-128--Business Card	17310	2,668.77
5/9/2019	VEN-142--AT&T Mobility	17308	53.10
5/9/2019	VEN-118--Comcast	17312	298.46
5/9/2019	VEN-131--Vista Landscape	17318	330.00
5/9/2019	VEN-121--Sonoma Garbage Collectors, Inc	17316	201.64
5/9/2019	VEN-208--Health and Human Resource Center, Inc.	17314	4,522.49
5/9/2019	VEN-107--Athens Insurance Services, Inc.	17309	55,766.75
5/9/2019	VEN-117--Vision Service Plan	17317	18,154.68
5/9/2019	VEN-138--Acceptable Risk	17306	1,929.60
5/9/2019	VEN-212--Dusty Duley	17313	185.60
5/9/2019	VEN-158--City of Willits	17311	3,276.63
5/15/2019	VEN-109--Delta Dental of California	EFT	19,210.05
5/17/2019	VEN-145--Network Office Systems	17328	138.30
5/17/2019	VEN-119--AT&T	17320	19.95
5/17/2019	VEN-126--AmWINS	17319	6,739.98
5/17/2019	VEN-103--City of Sonoma-Water	17323	74.96
5/17/2019	VEN-141--Murphy, Campbell, Alliston & Quinn	17327	2,833.64
5/17/2019	VEN-101--The Office Spot	17330	61.79
5/17/2019	VEN-120--City of Rohnert Park	17322	36,632.66
5/17/2019	VEN-198--Keegan & Coppin Company, INC.	17325	19,393.24
5/17/2019	VEN-111--Marsh USA, Inc.	17326	36,812.00
5/17/2019	VEN-146--George Hills	17324	10,291.67
5/17/2019	VEN-137--AT&T Teleconference Services	17321	357.47
5/17/2019	VEN-199--Robert J Marshburn	17329	4,500.00
5/20/2019	VEN-213--Bank of America-Safe Dep Box Rental	EFT	128.00
5/22/2019	VEN-109--Delta Dental of California	EFT	25,257.00
5/23/2019	VEN-109--Delta Dental of California	Voided - 17334	0.00
5/23/2019	VEN-124--Comcast Business	17332	327.60
5/23/2019	VEN-143--BMI Audit Services	17331	4,000.00
5/23/2019	VEN-148--Downey's Mini Storage	17336	15.33
5/23/2019	VEN-153--Pacific Gas & Electric	17337	325.51
5/23/2019	VEN-106--Comprehensive Drug Testing, Inc	17333	1,391.00
5/23/2019	VEN-117--Vision Service Plan	17338	2,711.52
5/23/2019	VEN-127--DKF Solutions Group, LLC	17335	4,900.00
5/29/2019	VEN-109--Delta Dental of California	EFT	24,702.65
5/29/2019	VEN-181--Health Comp-Admin Fee	EFT	152,952.45
5/31/2019	VEN-127--DKF Solutions Group, LLC	17343	4,900.00
5/31/2019	VEN-214--CivicPlus	17341	4,500.01
5/31/2019	VEN-102--Shred-It USA	17346	54.17
5/31/2019	VEN-118--Comcast	17342	298.53
5/31/2019	VEN-110--NFP-National Account Services	17344	459.83
5/31/2019	VEN-134--Anna Santos	17339	109.34
5/31/2019	VEN-132--Ukiah Valley Conference Center	17348	877.50
5/31/2019	VEN-101--The Office Spot	17347	60.88
5/31/2019	VEN-154--Pitney Bowes Global	17345	32.00
5/31/2019	VEN-139--Armanino LLP	17340	236.25
			<u>\$1,133,680.39</u>

REDWOOD EMPIRE MUNICIPAL INSURANCE FUND ITEM 5.0
Treasurer's Report
As of March 31, 2019

<u>INSTITUTION</u>	<u>COST VALUE</u>	<u>MARKET VALUE</u>	<u>% of Total</u>	<u>Effective Yield</u>
Local Agency Investment Fund (LAIF)	\$ 414,170	\$ 414,231	1.68%	2.44%
Sonoma County Trust Fund	236,563	236,563	0.96%	2.22%
Chandler Asset Management - REMIF Account	11,876,895	11,914,875	48.27%	2.42%
Chandler Asset Management - OPEB Trust	<u>2,385,325</u>	<u>3,035,234</u>	12.30%	2.45%
Total Investments	14,912,954	15,600,903		
Total Cash with Banks*	9,082,878	9,082,878	36.80%	
Petty Cash	<u>500</u>	<u>500</u>	0.00%	
TOTAL INVESTMENT & CASH EQUIVALENTS	<u>\$ 23,996,332</u>	<u>\$ 24,684,282</u>	100.00%	

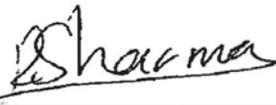
Attached are the Chandler Asset Management, LAIF and Sonoma County Trust Fund statement detailing all investment transactions and balances.

*Cash with Bank is shown based upon reconciled book balance.

This report accurately reflects all cash and investments and is in conformity with California Government Code Section 53646 and REMIF's investment policy. The investment program show herein is sufficient to meet REMIF's expenditure requirement over the next six months.

Respectfully submitted,

Accepted,



Ritesh Sharma
Finance Director



Heather Ippoliti
Treasurer



BETTY T. YEE

California State Controller

LOCAL AGENCY INVESTMENT FUND
REMITTANCE ADVICE

Agency Name	REDWOOD EMPIRE INSURANCE FUND
Account Number	35-49-001

As of 04/15/2019, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 03/31/2019.

Earnings Ratio		.00006976322349099
Interest Rate		2.55%
Dollar Day Total	\$	37,240,504.46
Quarter End Principal Balance	\$	414,170.36
Quarterly Interest Earned	\$	2,598.02

FUND SUMMARY

03/01/19 THROUGH 03/31/19

FUND NUMBER	FUND NAME	BEGINNING BALANCE	TOTAL DEBITS	TOTAL CREDITS	ENDING BALANCE
082175 80070200	Subdivision Tax Trust	332,062.10	160,200.00	.00	492,262.10
082180 80070300	1911 Clearing Trust	57,302.41	.00	.00	57,302.41
082185 80070400	Collection Officers TR	23,559.71	.00	.00	23,559.71
082190 80070500	Redemption Officers TR	5,273,910.04	994,886.12	.00	6,268,796.16
082195 80070600	Transitional Tax Coll TR	1,558,417.42	336,286.90	.00	1,894,704.32
082200 80070700	Spec Assess Inv Earn TR	17,513.06	.00	.00	17,513.06
082205 80080100	Treasurer Holding Trust	17,005.24	.00	.00	17,005.24
082210 80090100	Agricultural Comm Trust	66,943.71	25,742.66	.00	92,686.37
082215 80100100	Domestic Violence Trust	12,676.48	9,792.00	.00	22,468.48
082225 80110100	County Counsel I/B Dep	10,003.96	.00	.00	10,003.96
082230 80110200	ERAF Litigation Trust	.00	.00	.00	.00
082235 80120100	DA Donation Trust	11,518.75	-38.96	.00	11,479.79
082240 80120200	Victim Assistance Trust	49,707.93	-214.17	.00	49,493.76
082245 80120300	JP Revolving Fund	53,188.88	.00	.00	53,188.88
082250 80130100	State Disaster Assistanc	.00	.00	.00	.00
082255 80140100	Public Health Restricted	4,169.85	.00	.00	4,169.85
082260 80140200	Mental Health Restricted	2.32	.00	.00	2.32
082265 80140300	Mental Hlth Crisis Resp	6,116.67	.00	.00	6,116.67
082270 80160100	Welfare Restrictions TR	16,022.94	-32.84	.00	15,990.10
082275 80160200	PA/PG/PC Trust	1,881,787.98	.00	.00	1,881,787.98
082285 80270100	NBCLS Equip. Replacemnt	.00	.00	.00	.00
082290 80270200	NBCLS Employee Benefits	.00	.00	.00	.00
082295 80270300	NBCLS Member Libraries	.00	.00	.00	.00
082300 80270400	Office of Communication	164.48	.00	.00	164.48
082305 80270500	Rohnert Park CDA	.00	.00	.00	.00
082310 80270600	Rohnert Park Investment	33,467,305.03	.00	.00	33,467,305.03
082320 80270800	Cloverdale Investment	204,652.30	.00	.00	204,652.30
082325 80270900	REMIF-Cities Ins Invest	236,563.21	.00	.00	236,563.21
082330 80271000	Cotati Investment Trust	406,888.79	.00	.00	406,888.79
082335 80271100	Healdsburg Investment	.00	.00	.00	.00
082340 80271200	Vly Of The Moon Wtr Inv	3,966,030.54	.00	.00	3,966,030.54
082345 80271300	Forestville Wtr Invest	714,050.44	.00	.00	714,050.44
082350 80271400	FVL WD SSZ Conn Fee Inv	190,141.72	.00	.00	190,141.72
082355 80271500	Day of Caring Trust	4,529.00	.00	.00	4,529.00
082360 80271600	ABAG/Cities Trust	2,016.52	.00	.00	2,016.52
082365 80271700	Cloverdale ST DWR Reserv	160,967.93	.00	.00	160,967.93
082370 80271800	Roseland 2003 COP-Const	.00	.00	.00	.00
082375 80271900	Roseland 2003 COP - Res	.00	.00	.00	.00
082380 80170100	Permitting Trust	1,192,409.47	-107,653.21	.00	1,084,756.26
082385 80170200	Strong Motion Instr Clr	45,648.55	2,571.36	.00	48,219.91
082390 80170300	State Bldg Standard Admn	10,997.68	913.00	.00	11,910.68
082400 80180200	Probation Officer Trust	237,200.62	-1,015.96	.00	236,184.66
082405 80180300	Probation Restitution TR	321,050.64	108,910.56	.00	429,961.20
082410 80200100	Regional Parks Foundati	2,104,546.02	28,205.35	.00	2,132,751.37



Redwood Empire Municipal Insurance Fund (REMIF) - Account #10140

MONTHLY ACCOUNT STATEMENT

MARCH 1, 2019 THROUGH MARCH 31, 2019

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact operations@chandlerasset.com

Custodian

US Bank
Christopher Isles
(503) 464-3685

CHANDLER ASSET MANAGEMENT
chandlerasset.com

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures.



PORTFOLIO CHARACTERISTICS

Average Modified Duration	2.31
Average Coupon	1.96%
Average Purchase YTM	2.07%
Average Market YTM	2.42%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.44 yrs
Average Life	2.43 yrs

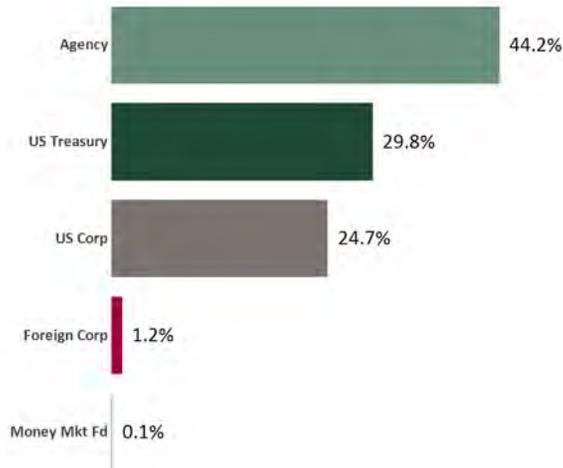
ACCOUNT SUMMARY

	Beg. Values as of 2/28/19	End Values as of 3/31/19
Market Value	11,770,812	11,864,926
Accrued Interest	56,567	49,949
Total Market Value	11,827,379	11,914,875
Income Earned	18,431	18,968
Cont/WD		-1,182
Par	11,920,828	11,931,888
Book Value	11,850,266	11,876,895
Cost Value	11,850,266	11,876,895

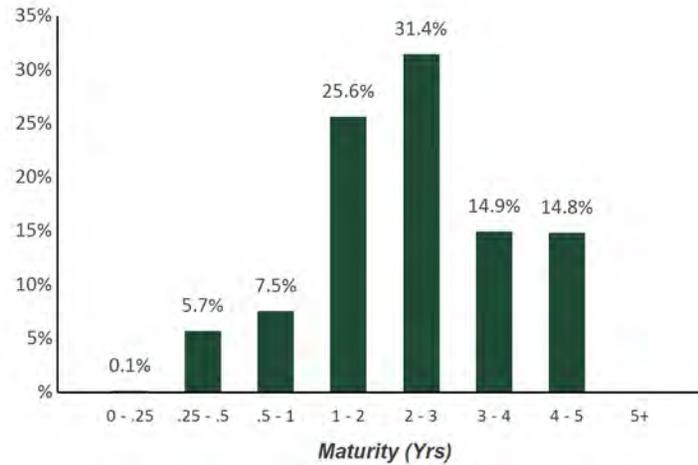
TOP ISSUERS

Government of United States	29.8%
Federal National Mortgage Assoc	22.0%
Federal Home Loan Mortgage Corp	12.1%
Federal Home Loan Bank	10.1%
Wells Fargo Corp	1.4%
Bank of New York	1.4%
Microsoft	1.4%
Honda Motor Corporation	1.4%
Total	79.5%

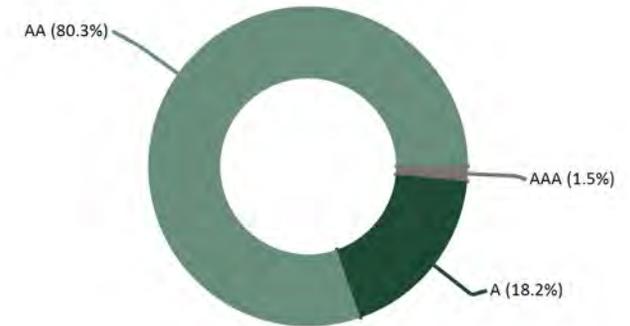
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	Annualized									
	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	12/31/2010	
Redwood Empire Municipal Insurance Fund (REMIF)	0.75%	1.36%	1.36%	3.29%	1.69%	1.19%	1.46%	N/A	1.63%	
ICE BAML 1-5 Yr US Treasury/Agency Index	0.85%	1.21%	1.21%	3.14%	1.52%	0.98%	1.29%	N/A	1.30%	

Statement of Compliance

As of March 31, 2019



Redwood Empire Municipal Insurance Fund - REMIF

Assets managed by Chandler Asset Management are in full compliance with state law and with the investment policy.

Category	Standard	Comment
Treasury Issues	No Limitation	<i>Complies</i>
Agency Issues	No Limitation	<i>Complies</i>
Local Agency Bonds	California local agencies and national state obligations	<i>Complies</i>
Banker's Acceptances	40% maximum; <180 days maturity	<i>Complies</i>
Time Deposits	5 years maximum maturity	<i>Complies</i>
Negotiable Certificates of Deposit	30% maximum; 5 years maximum maturity	<i>Complies</i>
Commercial Paper	25% maximum; <270 days maturity; A-1/P-1/F-1, minimum of two ratings	<i>Complies</i>
Medium Term Notes	30% maximum; 5 years maximum maturity; A-rated or better by 2 NRSROs	<i>Complies</i>
Money Market Mutual Funds	20% maximum; "AAA" rated or SEC-registered with \$500M in assets	<i>Complies</i>
Sonoma County Pool	Currently not used by investment adviser	<i>Complies</i>
Local Agency Investment Fund - L.A.I.F.	Currently not used by investment adviser	<i>Complies</i>
Prohibited Securities	Inverse floaters; Ranges notes, Interest-only strips from mortgaged backed securities; Zero interest accrual securities	<i>Complies</i>
Callable Securities	15% maximum	<i>Complies</i>
Maximum maturity	5 years	<i>Complies</i>

Reconciliation Summary

As of March 31, 2019



BOOK VALUE RECONCILIATION		
BEGINNING BOOK VALUE		\$11,850,265.79
Acquisition		
+ Security Purchases	\$501,512.20	
+ Money Market Fund Purchases	\$170,078.04	
+ Money Market Contributions	\$0.00	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$671,590.24
Dispositions		
- Security Sales	\$318,168.16	
- Money Market Fund Sales	\$182,836.76	
- MMF Withdrawals	\$1,182.04	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$60,000.00	
- Calls	\$85,000.00	
- Principal Paydowns	\$0.00	
Total Dispositions		\$647,186.96
Amortization/Accretion		
+/- Net Accretion	\$0.00	
		\$0.00
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$2,225.61	
		\$2,225.61
ENDING BOOK VALUE		\$11,876,894.68

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$25,828.46
Acquisition		
Contributions	\$0.00	
Security Sale Proceeds	\$318,168.16	
Accrued Interest Received	\$1,151.88	
Interest Received	\$24,279.77	
Dividend Received	\$19.10	
Principal on Maturities	\$60,000.00	
Interest on Maturities	\$0.00	
Calls/Redemption (Principal)	\$85,000.00	
Interest from Calls/Redemption	\$779.17	
Principal Paydown	\$0.00	
Total Acquisitions	\$489,398.08	
Dispositions		
Withdrawals	\$1,182.04	
Security Purchase	\$501,512.20	
Accrued Interest Paid	\$644.60	
Total Dispositions	\$503,338.84	
ENDING BOOK VALUE		\$11,887.70

Holdings Report

As of March 31, 2019



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
3137EADK2	FHLMC Note 1.25% Due 8/1/2019	265,000.00	09/04/2014 1.83%	257,770.80 257,770.80	99.60 2.46%	263,934.70 552.08	2.22% 6,163.90	Aaa / AA+ AAA	0.34 0.33
3135G0ZG1	FNMA Note 1.75% Due 9/12/2019	250,000.00	12/28/2017 1.91%	249,350.00 249,350.00	99.68 2.47%	249,197.50 230.90	2.09% (152.50)	Aaa / AA+ AAA	0.45 0.44
3137EADM8	FHLMC Note 1.25% Due 10/2/2019	240,000.00	11/24/2014 1.78%	234,127.20 234,127.20	99.39 2.47%	238,543.20 1,491.67	2.01% 4,416.00	Aaa / AA+ AAA	0.51 0.49
3137EAEE5	FHLMC Note 1.5% Due 1/17/2020	250,000.00	03/28/2017 1.57%	249,512.50 249,512.50	99.25 2.46%	248,121.75 770.83	2.09% (1,390.75)	Aaa / AA+ AAA	0.80 0.78
3135G0D75	FNMA Note 1.5% Due 6/22/2020	230,000.00	09/29/2015 1.49%	230,124.20 230,124.20	98.92 2.40%	227,524.74 948.75	1.92% (2,599.46)	Aaa / AA+ AAA	1.23 1.20
3137EAEK1	FHLMC Note 1.875% Due 11/17/2020	250,000.00	11/21/2017 1.96%	249,352.21 249,352.21	99.24 2.35%	248,095.50 1,744.79	2.10% (1,256.71)	Aaa / AA+ AAA	1.64 1.58
3135G0F73	FNMA Note 1.5% Due 11/30/2020	230,000.00	12/16/2015 1.90%	225,653.00 225,653.00	98.57 2.38%	226,722.27 1,159.58	1.91% 1,069.27	Aaa / AA+ AAA	1.67 1.62
3130A7CV5	FHLB Note 1.375% Due 2/18/2021	245,000.00	Various 1.39%	244,764.70 244,764.70	98.25 2.33%	240,704.42 402.38	2.02% (4,060.28)	Aaa / AA+ AAA	1.89 1.84
3135G0J20	FNMA Note 1.375% Due 2/26/2021	230,000.00	03/30/2016 1.43%	229,374.86 229,374.86	98.24 2.33%	225,941.42 307.47	1.90% (3,433.44)	Aaa / AA+ AAA	1.91 1.86
3135G0K69	FNMA Note 1.25% Due 5/6/2021	255,000.00	06/29/2016 1.18%	255,867.00 255,867.00	97.84 2.31%	249,495.32 1,283.85	2.10% (6,371.68)	Aaa / AA+ AAA	2.10 2.04
313379RB7	FHLB Note 1.875% Due 6/11/2021	70,000.00	10/17/2017 1.88%	69,993.00 69,993.00	98.96 2.36%	69,273.75 401.04	0.58% (719.25)	Aaa / AA+ AAA	2.20 2.12
3135G0U35	FNMA Note 2.75% Due 6/22/2021	160,000.00	06/28/2018 2.70%	160,236.80 160,236.80	100.95 2.31%	161,520.16 1,210.00	1.37% 1,283.36	Aaa / AA+ AAA	2.23 2.13
3130A8QS5	FHLB Note 1.125% Due 7/14/2021	230,000.00	10/04/2016 1.33%	227,874.80 227,874.80	97.37 2.31%	223,942.26 553.44	1.88% (3,932.54)	Aaa / AA+ AAA	2.29 2.23
3137EAEC9	FHLMC Note 1.125% Due 8/12/2021	215,000.00	Various 1.29%	213,356.40 213,356.40	97.28 2.31%	209,157.38 329.22	1.76% (4,199.02)	Aaa / AA+ AAA	2.37 2.31
3135G0N82	FNMA Note 1.25% Due 8/17/2021	190,000.00	10/04/2016 1.37%	188,972.67 188,972.67	97.55 2.31%	185,353.36 290.28	1.56% (3,619.31)	Aaa / AA+ AAA	2.38 2.32
3135G0Q89	FNMA Note 1.375% Due 10/7/2021	60,000.00	10/27/2016 1.50%	59,634.60 59,634.60	97.79 2.28%	58,674.18 398.75	0.50% (960.42)	Aaa / AA+ AAA	2.52 2.44

Holdings Report

As of March 31, 2019



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
3135G0S38	FNMA Note 2% Due 1/5/2022	225,000.00	Various 1.96%	225,389.25 225,389.25	99.22 2.29%	223,254.68 1,075.00	1.88% (2,134.57)	Aaa / AA+ AAA	2.77 2.66
3135G0T45	FNMA Note 1.875% Due 4/5/2022	235,000.00	06/19/2017 1.88%	234,964.52 234,964.52	98.90 2.25%	232,418.76 2,154.17	1.97% (2,545.76)	Aaa / AA+ AAA	3.02 2.88
3135G0T78	FNMA Note 2% Due 10/5/2022	235,000.00	10/17/2017 2.04%	234,530.00 234,530.00	99.06 2.28%	232,783.95 2,297.78	1.97% (1,746.05)	Aaa / AA+ AAA	3.52 3.34
3135G0T94	FNMA Note 2.375% Due 1/19/2023	100,000.00	04/11/2018 2.71%	98,526.00 98,526.00	100.27 2.30%	100,269.30 475.00	0.85% 1,743.30	Aaa / AA+ AAA	3.81 3.60
3137EAEN5	FHLMC Note 2.75% Due 6/19/2023	225,000.00	07/20/2018 2.86%	223,870.50 223,870.50	101.74 2.31%	228,924.68 1,753.13	1.94% 5,054.18	Aaa / AA+ AAA	4.22 3.94
313383YJ4	FHLB Note 3.375% Due 9/8/2023	215,000.00	10/29/2018 3.08%	217,822.95 217,822.95	104.61 2.28%	224,900.97 463.59	1.89% 7,078.02	Aaa / AA+ NR	4.44 4.11
3135G0U43	FNMA Note 2.875% Due 9/12/2023	230,000.00	09/12/2018 2.96%	229,057.00 229,057.00	102.34 2.32%	235,382.69 348.99	1.98% 6,325.69	Aaa / AA+ AAA	4.45 4.16
3130A0F70	FHLB Note 3.375% Due 12/8/2023	225,000.00	Various 2.75%	231,460.50 231,460.50	104.55 2.34%	235,233.68 2,383.59	1.99% 3,773.18	Aaa / AA+ AAA	4.69 4.29
3130A0XE5	FHLB Note 3.25% Due 3/8/2024	200,000.00	03/28/2019 2.27%	209,082.00 209,082.00	104.24 2.34%	208,473.60 415.28	1.75% (608.40)	Aaa / AA+ NR	4.94 4.55
Total Agency		5,260,000.00	1.94%	5,250,667.46	2.35%	5,247,844.22 23,441.56	44.24% (2,823.24)	Aaa / AA+ AAA	2.44 2.31
FOREIGN CORPORATE									
89114QCB2	Toronto Dominion Bank Note 3.25% Due 3/11/2024	145,000.00	03/26/2019 2.97%	146,835.70 146,835.70	101.19 2.99%	146,720.14 261.81	1.23% (115.56)	Aa3 / A AA-	4.95 4.53
Total Foreign Corporate		145,000.00	2.97%	146,835.70	2.99%	146,720.14 261.81	1.23% (115.56)	Aa3 / A AA-	4.95 4.53



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
MONEY MARKET FUND FI									
31846V203	First American Govt Obligation Fund Class Y	11,887.70	Various 2.05%	11,887.70 11,887.70	1.00 2.05%	11,887.70 0.00	0.10% 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund FI		11,887.70	2.05%	11,887.70	2.05%	11,887.70 0.00	0.10% 0.00	Aaa / AAA AAA	0.00 0.00
US CORPORATE									
06406HCW7	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 9/11/2019	165,000.00	Various 2.29%	165,063.80 165,063.80	99.85 2.64%	164,752.83 210.84	1.38% (310.97)	A1 / A AA-	0.45 0.44
94974BGF1	Wells Fargo Corp Note 2.15% Due 1/30/2020	170,000.00	01/26/2015 2.17%	169,816.40 169,816.40	99.53 2.72%	169,209.00 619.32	1.43% (607.40)	A2 / A- A+	0.84 0.82
22160KAG0	Costco Wholesale Corp Note 1.75% Due 2/15/2020	105,000.00	02/05/2015 1.77%	104,889.75 104,889.75	99.22 2.66%	104,184.26 234.79	0.88% (705.49)	Aa3 / A+ A+	0.88 0.86
747525AD5	Qualcomm Inc Note 2.25% Due 5/20/2020	150,000.00	06/11/2015 2.49%	148,338.75 148,338.75	99.58 2.63%	149,367.60 1,228.12	1.26% 1,028.85	A2 / A- NR	1.14 1.10
594918BG8	Microsoft Callable Note Cont. 10/03/20 2% Due 11/3/2020	60,000.00	10/29/2015 2.02%	59,952.00 59,952.00	99.33 2.43%	59,600.88 493.33	0.50% (351.12)	Aaa / AAA AA+	1.60 1.54
78012KKU0	Royal Bank of Canada Note 2.5% Due 1/19/2021	150,000.00	12/11/2017 2.37%	150,568.50 150,568.50	99.98 2.51%	149,968.05 750.00	1.26% (600.45)	Aa2 / AA- AA	1.81 1.74
30231GAV4	Exxon Mobil Corp Callable Note Cont 2/1/2021 2.222% Due 3/1/2021	150,000.00	05/16/2016 1.84%	152,629.50 152,629.50	99.55 2.47%	149,319.00 277.75	1.26% (3,310.50)	Aaa / AA+ NR	1.92 1.86
369550BE7	General Dynamics Corp Note 3% Due 5/11/2021	150,000.00	Various 3.25%	148,947.10 148,947.10	100.90 2.56%	151,354.80 1,750.00	1.28% 2,407.70	A2 / A+ NR	2.12 2.01
857477AV5	State Street Bank Note 1.95% Due 5/19/2021	80,000.00	05/16/2016 1.96%	79,958.40 79,958.40	98.68 2.59%	78,940.56 572.00	0.67% (1,017.84)	A1 / A AA-	2.14 2.06
594918BP8	Microsoft Callable Note Cont 7/8/21 1.55% Due 8/8/2021	105,000.00	Various 1.57%	104,875.35 104,875.35	97.61 2.60%	102,491.87 239.61	0.86% (2,383.48)	Aaa / AAA AA+	2.36 2.28
69371RN44	Paccar Financial Corp Note 1.65% Due 8/11/2021	145,000.00	05/23/2018 3.15%	138,421.35 138,421.35	97.42 2.79%	141,254.36 332.29	1.19% 2,833.01	A1 / A+ NR	2.37 2.29

Holdings Report

As of March 31, 2019



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US CORPORATE									
68389XBK0	Oracle Corp Callable Note Cont 8/01/21 1.9% Due 9/15/2021	145,000.00	11/29/2016 2.40%	141,753.45 141,753.45	98.36 2.59%	142,615.48 122.44	1.20% 862.03	A1 / AA- A	2.46 2.38
24422ETL3	John Deere Capital Corp Note 2.65% Due 1/6/2022	160,000.00	01/03/2017 2.66%	159,955.20 159,955.20	99.96 2.67%	159,931.04 1,001.11	1.35% (24.16)	A2 / A A	2.77 2.63
89236TDP7	Toyota Motor Credit Corp Note 2.6% Due 1/11/2022	145,000.00	03/14/2018 3.04%	142,711.98 142,711.98	100.05 2.58%	145,072.21 837.78	1.22% 2,360.23	Aa3 / AA- A+	2.79 2.65
91159HHP8	US Bancorp Callable Cont 12/23/2021 2.625% Due 1/24/2022	70,000.00	01/19/2017 2.66%	69,879.60 69,879.60	100.11 2.58%	70,076.86 341.98	0.59% 197.26	A1 / A+ AA-	2.82 2.61
674599CK9	Occidental Petroleum Callable Note Cont 3/15/2022 2.6% Due 4/15/2022	140,000.00	06/18/2018 3.27%	136,659.60 136,659.60	99.94 2.62%	139,914.04 1,678.44	1.19% 3,254.44	A3 / A A	3.04 2.87
44932HAC7	IBM Credit Corp Note 2.2% Due 9/8/2022	150,000.00	11/29/2017 2.58%	147,462.00 147,462.00	98.06 2.80%	147,090.60 210.83	1.24% (371.40)	A1 / A A	3.44 3.28
48128BAB7	JP Morgan Chase & Co Callable Note 1X 1/15/2022 2.972% Due 1/15/2023	125,000.00	02/09/2018 3.19%	123,793.75 123,793.75	99.96 2.98%	124,947.75 784.28	1.06% 1,154.00	A2 / A- AA-	3.80 3.09
084670BR8	Berkshire Hathaway Callable Note Cont 1/15/2023 2.75% Due 3/15/2023	100,000.00	11/26/2018 3.51%	97,009.00 97,009.00	100.60 2.58%	100,596.80 122.22	0.85% 3,587.80	Aa2 / AA A+	3.96 3.58
037833AK6	Apple Inc Note 2.4% Due 5/3/2023	60,000.00	11/28/2018 3.54%	57,227.40 57,227.40	99.03 2.65%	59,420.88 592.00	0.50% 2,193.48	Aa1 / AA+ NR	4.09 3.83
097023BQ7	Boeing Co Callable Note Cont 4/15/2023 1.875% Due 6/15/2023	110,000.00	02/13/2019 2.98%	105,112.70 105,112.70	96.11 2.86%	105,721.77 607.29	0.89% 609.07	A2 / A A	4.21 3.98
02665WCJ8	American Honda Finance Note 3.45% Due 7/14/2023	45,000.00	07/11/2018 3.49%	44,922.15 44,922.15	102.76 2.76%	46,241.19 332.06	0.39% 1,319.04	A2 / A NR	4.29 3.94
02665WCQ2	American Honda Finance Note 3.625% Due 10/10/2023	110,000.00	10/03/2018 3.64%	109,909.80 109,909.80	103.55 2.79%	113,901.70 1,894.06	0.97% 3,991.90	A2 / A NR	4.53 4.09
06051GHF9	Bank of America Corp Callable Note 1X 3/5/2023 3.55% Due 3/5/2024	145,000.00	03/06/2019 3.46%	145,594.50 145,594.50	101.55 3.12%	147,249.53 371.76	1.24% 1,655.03	A2 / A- A+	4.93 3.64
Total US Corporate		2,935,000.00	2.69%	2,905,452.03 2,905,452.03	2.68%	2,923,223.06 15,604.30	24.67% 17,771.03	A1 / A+ A+	2.58 2.37

Holdings Report

As of March 31, 2019



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US TREASURY									
912828UB4	US Treasury Note 1% Due 11/30/2019	130,000.00	12/18/2014 1.67%	125,882.07 125,882.07	99.06 2.42%	128,781.25 435.71	1.08% 2,899.18	Aaa / AA+ AAA	0.67 0.66
912828J84	US Treasury Note 1.375% Due 3/31/2020	230,000.00	10/23/2015 1.35%	230,225.38 230,225.38	98.98 2.41%	227,655.15 8.64	1.91% (2,570.23)	Aaa / AA+ AAA	1.00 0.98
912828VF4	US Treasury Note 1.375% Due 5/31/2020	230,000.00	Various 1.62%	227,359.76 227,359.76	98.82 2.40%	227,295.66 1,059.96	1.92% (64.10)	Aaa / AA+ AAA	1.17 1.14
912828L32	US Treasury Note 1.375% Due 8/31/2020	230,000.00	09/29/2015 1.37%	230,072.65 230,072.65	98.59 2.39%	226,765.74 275.00	1.91% (3,306.91)	Aaa / AA+ AAA	1.42 1.39
912828L99	US Treasury Note 1.375% Due 10/31/2020	230,000.00	11/23/2015 1.71%	226,398.04 226,398.04	98.49 2.35%	226,523.09 1,327.90	1.91% 125.05	Aaa / AA+ AAA	1.59 1.54
912828N89	US Treasury Note 1.375% Due 1/31/2021	230,000.00	03/09/2016 1.40%	229,776.16 229,776.16	98.31 2.32%	226,118.75 524.17	1.90% (3,657.41)	Aaa / AA+ AAA	1.84 1.80
912828B90	US Treasury Note 2% Due 2/28/2021	230,000.00	04/26/2016 1.40%	236,460.54 236,460.54	99.43 2.31%	228,688.31 400.00	1.92% (7,772.23)	Aaa / AA+ AAA	1.92 1.86
912828Q37	US Treasury Note 1.25% Due 3/31/2021	240,000.00	Various 1.57%	236,789.86 236,789.86	98.02 2.27%	235,256.16 8.20	1.97% (1,533.70)	Aaa / AA+ AAA	2.00 1.96
912828S27	US Treasury Note 1.125% Due 6/30/2021	165,000.00	12/13/2016 1.87%	159,676.72 159,676.72	97.57 2.24%	160,984.56 466.63	1.36% 1,307.84	Aaa / AA+ AAA	2.25 2.20
912828T34	US Treasury Note 1.125% Due 9/30/2021	235,000.00	11/09/2016 1.48%	231,025.99 231,025.99	97.32 2.23%	228,702.71 7.22	1.92% (2,323.28)	Aaa / AA+ AAA	2.50 2.44
912828F96	US Treasury Note 2% Due 10/31/2021	245,000.00	08/15/2017 1.73%	247,642.23 247,642.23	99.36 2.26%	243,430.53 2,057.46	2.06% (4,211.70)	Aaa / AA+ AAA	2.59 2.48
912828G87	US Treasury Note 2.125% Due 12/31/2021	245,000.00	08/15/2017 1.75%	248,809.81 248,809.81	99.67 2.25%	244,196.16 1,308.75	2.06% (4,613.65)	Aaa / AA+ AAA	2.76 2.64
912828J43	US Treasury Note 1.75% Due 2/28/2022	245,000.00	03/13/2017 2.14%	240,569.77 240,569.77	98.62 2.24%	241,612.14 372.83	2.03% 1,042.37	Aaa / AA+ AAA	2.92 2.82
912828XG0	US Treasury Note 2.125% Due 6/30/2022	210,000.00	07/31/2017 1.84%	212,789.77 212,789.77	99.66 2.23%	209,286.42 1,121.79	1.77% (3,503.35)	Aaa / AA+ AAA	3.25 3.11
912828L57	US Treasury Note 1.75% Due 9/30/2022	250,000.00	10/17/2017 1.99%	247,226.56 247,226.56	98.37 2.24%	245,918.00 11.95	2.06% (1,308.56)	Aaa / AA+ AAA	3.50 3.37

Holdings Report

As of March 31, 2019



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US TREASURY									
912828N30	US Treasury Note 2.125% Due 12/31/2022	235,000.00	01/25/2018 2.46%	231,346.48 231,346.48	99.59 2.24%	234,036.03 1,255.33	1.97% 2,689.55	Aaa / AA+ AAA	3.76 3.57
Total US Treasury		3,580,000.00	1.71%	3,562,051.79	2.30%	3,535,250.66 10,641.54	29.76% (26,801.13)	Aaa / AA+ AAA	2.25 2.17
TOTAL PORTFOLIO		11,931,887.70	2.07%	11,876,894.68	2.42%	11,864,925.78 49,949.21	100.00% (11,968.90)	Aa1 / AA AAA	2.44 2.31
TOTAL MARKET VALUE PLUS ACCRUED						11,914,874.99			

Transaction Ledger

As of March 31, 2019



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	03/01/2019	31846V203	60,000.00	First American Govt Obligation Fund Class Y	1.000	2.01%	60,000.00	0.00	60,000.00	0.00
Purchase	03/01/2019	31846V203	2,304.00	First American Govt Obligation Fund Class Y	1.000	2.01%	2,304.00	0.00	2,304.00	0.00
Purchase	03/01/2019	31846V203	19.10	First American Govt Obligation Fund Class Y	1.000	2.01%	19.10	0.00	19.10	0.00
Purchase	03/08/2019	06051GHF9	145,000.00	Bank of America Corp Callable Note 1X 3/5/2023 3.55% Due 3/5/2024	100.410	3.46%	145,594.50	42.90	145,637.40	0.00
Purchase	03/08/2019	31846V203	5,278.13	First American Govt Obligation Fund Class Y	1.000	2.01%	5,278.13	0.00	5,278.13	0.00
Purchase	03/11/2019	31846V203	1,897.50	First American Govt Obligation Fund Class Y	1.000	2.01%	1,897.50	0.00	1,897.50	0.00
Purchase	03/12/2019	31846V203	5,457.01	First American Govt Obligation Fund Class Y	1.000	2.01%	5,457.01	0.00	5,457.01	0.00
Purchase	03/15/2019	31846V203	2,752.50	First American Govt Obligation Fund Class Y	1.000	2.01%	2,752.50	0.00	2,752.50	0.00
Purchase	03/25/2019	31846V203	85,779.17	First American Govt Obligation Fund Class Y	1.000	2.01%	85,779.17	0.00	85,779.17	0.00
Purchase	03/28/2019	89114QCB2	145,000.00	Toronto Dominion Bank Note 3.25% Due 3/11/2024	101.266	2.97%	146,835.70	222.53	147,058.23	0.00
Purchase	03/29/2019	3130A0XE5	200,000.00	FHLB Note 3.25% Due 3/8/2024	104.541	2.27%	209,082.00	379.17	209,461.17	0.00
Purchase	03/31/2019	31846V203	6,590.63	First American Govt Obligation Fund Class Y	1.000	2.05%	6,590.63	0.00	6,590.63	0.00
Subtotal			660,078.04				671,590.24	644.60	672,234.84	0.00
TOTAL ACQUISITIONS			660,078.04				671,590.24	644.60	672,234.84	0.00
DISPOSITIONS										
Sale	03/08/2019	31846V203	75,105.56	First American Govt Obligation Fund Class Y	1.000	2.01%	75,105.56	0.00	75,105.56	0.00

Transaction Ledger

As of March 31, 2019



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
Sale	03/08/2019	91159HHH6	70,000.00	US Bancorp Callable Note Cont 3/25/2019 2.2% Due 4/25/2019	99.947	2.59%	69,962.90	568.94	70,531.84	84.00
Sale	03/28/2019	084664CK5	70,000.00	Berkshire Hathaway Note 1.3% Due 8/15/2019	99.517	2.58%	69,661.90	108.69	69,770.59	-270.20
Sale	03/28/2019	31846V203	77,287.64	First American Govt Obligation Fund Class Y	1.000	2.01%	77,287.64	0.00	77,287.64	0.00
Sale	03/29/2019	31846V203	30,443.56	First American Govt Obligation Fund Class Y	1.000	2.01%	30,443.56	0.00	30,443.56	0.00
Sale	03/29/2019	9128282T6	50,000.00	US Treasury Note 1.25% Due 8/31/2019	99.504	2.44%	49,751.95	49.25	49,801.20	115.23
Sale	03/29/2019	912828UB4	130,000.00	US Treasury Note 1% Due 11/30/2019	99.070	2.40%	128,791.41	425.00	129,216.41	2,909.33
Subtotal			502,836.76				501,004.92	1,151.88	502,156.80	2,838.36
Call	03/25/2019	91159HHH6	85,000.00	US Bancorp Callable Note Cont 3/25/2019 2.2% Due 4/25/2019	100.000	2.20%	85,000.00	779.17	85,779.17	-584.55
Subtotal			85,000.00				85,000.00	779.17	85,779.17	-584.55
Maturity	03/01/2019	17275RAR3	60,000.00	Cisco Systems Note 2.125% Due 3/1/2019	100.000		60,000.00	0.00	60,000.00	-28.20
Subtotal			60,000.00				60,000.00	0.00	60,000.00	-28.20
Security Withdrawal	03/05/2019	31846V203	1,182.04	First American Govt Obligation Fund Class Y	1.000		1,182.04	0.00	1,182.04	0.00
Subtotal			1,182.04				1,182.04	0.00	1,182.04	0.00
TOTAL DISPOSITIONS			649,018.80				647,186.96	1,931.05	649,118.01	2,225.61
OTHER TRANSACTIONS										
Interest	03/01/2019	17275RAR3	60,000.00	Cisco Systems Note 2.125% Due 3/1/2019	0.000		637.50	0.00	637.50	0.00

Transaction Ledger

As of March 31, 2019



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
OTHER TRANSACTIONS										
Interest	03/01/2019	30231GAV4	150,000.00	Exxon Mobil Corp Callable Note Cont 2/1/2021 2.222% Due 3/1/2021	0.000		1,666.50	0.00	1,666.50	0.00
Interest	03/08/2019	313383YJ4	215,000.00	FHLB Note 3.375% Due 9/8/2023	0.000		3,628.13	0.00	3,628.13	0.00
Interest	03/08/2019	44932HAC7	150,000.00	IBM Credit Corp Note 2.2% Due 9/8/2022	0.000		1,650.00	0.00	1,650.00	0.00
Interest	03/11/2019	06406HCW7	165,000.00	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 9/11/2019	0.000		1,897.50	0.00	1,897.50	0.00
Interest	03/12/2019	3135G0U43	230,000.00	FNMA Note 2.875% Due 9/12/2023	0.000		3,269.51	0.00	3,269.51	0.00
Interest	03/12/2019	3135G0ZG1	250,000.00	FNMA Note 1.75% Due 9/12/2019	0.000		2,187.50	0.00	2,187.50	0.00
Interest	03/15/2019	084670BR8	100,000.00	Berkshire Hathaway Callable Note Cont 1/15/2023 2.75% Due 3/15/2023	0.000		1,375.00	0.00	1,375.00	0.00
Interest	03/15/2019	68389XBK0	145,000.00	Oracle Corp Callable Note Cont 8/01/21 1.9% Due 9/15/2021	0.000		1,377.50	0.00	1,377.50	0.00
Interest	03/31/2019	912828J84	230,000.00	US Treasury Note 1.375% Due 3/31/2020	0.000		1,581.25	0.00	1,581.25	0.00
Interest	03/31/2019	912828L57	250,000.00	US Treasury Note 1.75% Due 9/30/2022	0.000		2,187.50	0.00	2,187.50	0.00
Interest	03/31/2019	912828Q37	240,000.00	US Treasury Note 1.25% Due 3/31/2021	0.000		1,500.00	0.00	1,500.00	0.00
Interest	03/31/2019	912828T34	235,000.00	US Treasury Note 1.125% Due 9/30/2021	0.000		1,321.88	0.00	1,321.88	0.00
Subtotal			2,420,000.00				24,279.77	0.00	24,279.77	0.00

Transaction Ledger

As of March 31, 2019



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
OTHER TRANSACTIONS										
Dividend	03/01/2019	31846V203	88,132.46	First American Govt Obligation Fund Class Y	0.000		19.10	0.00	19.10	0.00
Subtotal			88,132.46				19.10	0.00	19.10	0.00
TOTAL OTHER TRANSACTIONS			2,508,132.46				24,298.87	0.00	24,298.87	0.00

Income Earned

As of March 31, 2019



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
FIXED INCOME						
02665WCJ8	American Honda Finance Note 3.45% Due 07/14/2023	07/11/2018 07/16/2018 45,000.00	44,922.15 0.00 0.00 44,922.15	202.69 0.00 332.06 129.37	0.00 0.00 0.00 129.37	129.37
02665WCQ2	American Honda Finance Note 3.625% Due 10/10/2023	10/03/2018 10/10/2018 110,000.00	109,909.80 0.00 0.00 109,909.80	1,561.77 0.00 1,894.06 332.29	0.00 0.00 0.00 332.29	332.29
037833AK6	Apple Inc Note 2.4% Due 05/03/2023	11/28/2018 11/30/2018 60,000.00	57,227.40 0.00 0.00 57,227.40	472.00 0.00 592.00 120.00	0.00 0.00 0.00 120.00	120.00
06051GHF9	Bank of America Corp Callable Note 1X 3/5/2023 3.55% Due 03/05/2024	03/06/2019 03/08/2019 145,000.00	0.00 145,594.50 0.00 145,594.50	0.00 (42.90) 371.76 328.86	0.00 0.00 0.00 328.86	328.86
06406HCW7	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 09/11/2019	Various 09/11/2014 165,000.00	165,063.80 0.00 0.00 165,063.80	1,792.08 1,897.50 210.84 316.26	0.00 0.00 0.00 316.26	316.26
084664CK5	Berkshire Hathaway Note Due 08/15/2019	08/08/2016 08/15/2016 0.00	69,932.10 0.00 69,932.10 0.00	40.44 108.69 0.00 68.25	0.00 0.00 0.00 68.25	68.25
084670BR8	Berkshire Hathaway Callable Note Cont 1/15/2023 2.75% Due 03/15/2023	11/26/2018 11/28/2018 100,000.00	97,009.00 0.00 0.00 97,009.00	1,268.06 1,375.00 122.22 229.16	0.00 0.00 0.00 229.16	229.16
097023BQ7	Boeing Co Callable Note Cont 4/15/2023 1.875% Due 06/15/2023	02/13/2019 02/15/2019 110,000.00	105,112.70 0.00 0.00 105,112.70	435.42 0.00 607.29 171.87	0.00 0.00 0.00 171.87	171.87
17275RAR3	Cisco Systems Note Due 03/01/2019	Various Various 0.00	60,028.20 0.00 60,028.20 0.00	637.50 637.50 0.00 0.00	0.00 0.00 0.00 0.00	0.00

Income Earned

As of March 31, 2019



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
22160KAG0	Costco Wholesale Corp Note 1.75% Due 02/15/2020	02/05/2015 02/17/2015 105,000.00	104,889.75 0.00 0.00 104,889.75	81.67 0.00 234.79 153.12	0.00 0.00 0.00 153.12	153.12
24422ETL3	John Deere Capital Corp Note 2.65% Due 01/06/2022	01/03/2017 01/06/2017 160,000.00	159,955.20 0.00 0.00 159,955.20	647.78 0.00 1,001.11 353.33	0.00 0.00 0.00 353.33	353.33
30231GAV4	Exxon Mobil Corp Callable Note Cont 2/1/2021 2.222% Due 03/01/2021	05/16/2016 05/19/2016 150,000.00	152,629.50 0.00 0.00 152,629.50	1,666.50 1,666.50 277.75 277.75	0.00 0.00 0.00 277.75	277.75
3130A0F70	FHLB Note 3.375% Due 12/08/2023	Various Various 225,000.00	231,460.50 0.00 0.00 231,460.50	1,750.78 0.00 2,383.59 632.81	0.00 0.00 0.00 632.81	632.81
3130A0XE5	FHLB Note 3.25% Due 03/08/2024	03/28/2019 03/29/2019 200,000.00	0.00 209,082.00 0.00 209,082.00	0.00 (379.17) 415.28 36.11	0.00 0.00 0.00 36.11	36.11
3130A7CV5	FHLB Note 1.375% Due 02/18/2021	Various Various 245,000.00	244,764.70 0.00 0.00 244,764.70	121.65 0.00 402.38 280.73	0.00 0.00 0.00 280.73	280.73
3130A8QS5	FHLB Note 1.125% Due 07/14/2021	10/04/2016 10/06/2016 230,000.00	227,874.80 0.00 0.00 227,874.80	337.81 0.00 553.44 215.63	0.00 0.00 0.00 215.63	215.63
313379RB7	FHLB Note 1.875% Due 06/11/2021	10/17/2017 10/18/2017 70,000.00	69,993.00 0.00 0.00 69,993.00	291.67 0.00 401.04 109.37	0.00 0.00 0.00 109.37	109.37
313383YJ4	FHLB Note 3.375% Due 09/08/2023	10/29/2018 10/31/2018 215,000.00	217,822.95 0.00 0.00 217,822.95	3,487.03 3,628.13 463.59 604.69	0.00 0.00 0.00 604.69	604.69

Income Earned

As of March 31, 2019



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
3135G0D75	FNMA Note 1.5% Due 06/22/2020	09/29/2015 09/30/2015 230,000.00	230,124.20 0.00 0.00 230,124.20	661.25 0.00 948.75 287.50	0.00 0.00 0.00 287.50	287.50
3135G0F73	FNMA Note 1.5% Due 11/30/2020	12/16/2015 12/17/2015 230,000.00	225,653.00 0.00 0.00 225,653.00	872.08 0.00 1,159.58 287.50	0.00 0.00 0.00 287.50	287.50
3135G0J20	FNMA Note 1.375% Due 02/26/2021	03/30/2016 03/31/2016 230,000.00	229,374.86 0.00 0.00 229,374.86	43.92 0.00 307.47 263.55	0.00 0.00 0.00 263.55	263.55
3135G0K69	FNMA Note 1.25% Due 05/06/2021	06/29/2016 06/30/2016 255,000.00	255,867.00 0.00 0.00 255,867.00	1,018.23 0.00 1,283.85 265.62	0.00 0.00 0.00 265.62	265.62
3135G0N82	FNMA Note 1.25% Due 08/17/2021	10/04/2016 10/06/2016 190,000.00	188,972.67 0.00 0.00 188,972.67	92.36 0.00 290.28 197.92	0.00 0.00 0.00 197.92	197.92
3135G0Q89	FNMA Note 1.375% Due 10/07/2021	10/27/2016 10/28/2016 60,000.00	59,634.60 0.00 0.00 59,634.60	330.00 0.00 398.75 68.75	0.00 0.00 0.00 68.75	68.75
3135G0S38	FNMA Note 2% Due 01/05/2022	Various Various 225,000.00	225,389.25 0.00 0.00 225,389.25	700.00 0.00 1,075.00 375.00	0.00 0.00 0.00 375.00	375.00
3135G0T45	FNMA Note 1.875% Due 04/05/2022	06/19/2017 06/20/2017 235,000.00	234,964.52 0.00 0.00 234,964.52	1,786.98 0.00 2,154.17 367.19	0.00 0.00 0.00 367.19	367.19
3135G0T78	FNMA Note 2% Due 10/05/2022	10/17/2017 10/18/2017 235,000.00	234,530.00 0.00 0.00 234,530.00	1,906.11 0.00 2,297.78 391.67	0.00 0.00 0.00 391.67	391.67

Income Earned

As of March 31, 2019



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
3135G0T94	FNMA Note 2.375% Due 01/19/2023	04/11/2018 04/12/2018 100,000.00	98,526.00 0.00 0.00 98,526.00	277.08 0.00 475.00 197.92	0.00 0.00 0.00 197.92	197.92
3135G0U35	FNMA Note 2.75% Due 06/22/2021	06/28/2018 06/29/2018 160,000.00	160,236.80 0.00 0.00 160,236.80	843.33 0.00 1,210.00 366.67	0.00 0.00 0.00 366.67	366.67
3135G0U43	FNMA Note 2.875% Due 09/12/2023	09/12/2018 09/14/2018 230,000.00	229,057.00 0.00 0.00 229,057.00	3,067.47 3,269.51 348.99 551.03	0.00 0.00 0.00 551.03	551.03
3135G0ZG1	FNMA Note 1.75% Due 09/12/2019	12/28/2017 12/29/2017 250,000.00	249,350.00 0.00 0.00 249,350.00	2,053.82 2,187.50 230.90 364.58	0.00 0.00 0.00 364.58	364.58
3137EADK2	FHLMC Note 1.25% Due 08/01/2019	09/04/2014 09/08/2014 265,000.00	257,770.80 0.00 0.00 257,770.80	276.04 0.00 552.08 276.04	0.00 0.00 0.00 276.04	276.04
3137EADM8	FHLMC Note 1.25% Due 10/02/2019	11/24/2014 11/25/2014 240,000.00	234,127.20 0.00 0.00 234,127.20	1,241.67 0.00 1,491.67 250.00	0.00 0.00 0.00 250.00	250.00
3137EAEC9	FHLMC Note 1.125% Due 08/12/2021	Various Various 215,000.00	213,356.40 0.00 0.00 213,356.40	127.66 0.00 329.22 201.56	0.00 0.00 0.00 201.56	201.56
3137EAEE5	FHLMC Note 1.5% Due 01/17/2020	03/28/2017 03/29/2017 250,000.00	249,512.50 0.00 0.00 249,512.50	458.33 0.00 770.83 312.50	0.00 0.00 0.00 312.50	312.50
3137EAEK1	FHLMC Note 1.875% Due 11/17/2020	11/21/2017 11/22/2017 250,000.00	249,352.21 0.00 0.00 249,352.21	1,354.17 0.00 1,744.79 390.62	0.00 0.00 0.00 390.62	390.62

Income Earned

As of March 31, 2019



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
3137EAEN5	FHLMC Note 2.75% Due 06/19/2023	07/20/2018 07/23/2018 225,000.00	223,870.50 0.00 0.00 223,870.50	1,237.50 0.00 1,753.13 515.63	0.00 0.00 0.00 515.63	515.63
369550BE7	General Dynamics Corp Note 3% Due 05/11/2021	Various Various 150,000.00	148,947.10 0.00 0.00 148,947.10	1,375.00 0.00 1,750.00 375.00	0.00 0.00 0.00 375.00	375.00
44932HAC7	IBM Credit Corp Note 2.2% Due 09/08/2022	11/29/2017 12/01/2017 150,000.00	147,462.00 0.00 0.00 147,462.00	1,585.83 1,650.00 210.83 275.00	0.00 0.00 0.00 275.00	275.00
48128BAB7	JP Morgan Chase & Co Callable Note 1X 1/15/2022 2.972% Due 01/15/2023	02/09/2018 02/13/2018 125,000.00	123,793.75 0.00 0.00 123,793.75	474.69 0.00 784.28 309.59	0.00 0.00 0.00 309.59	309.59
594918BG8	Microsoft Callable Note Cont. 10/03/20 2% Due 11/03/2020	10/29/2015 11/03/2015 60,000.00	59,952.00 0.00 0.00 59,952.00	393.33 0.00 493.33 100.00	0.00 0.00 0.00 100.00	100.00
594918BP8	Microsoft Callable Note Cont 7/8/21 1.55% Due 08/08/2021	Various 08/08/2016 105,000.00	104,875.35 0.00 0.00 104,875.35	103.98 0.00 239.61 135.63	0.00 0.00 0.00 135.63	135.63
674599CK9	Occidental Petroleum Callable Note Cont 3/15/2022 2.6% Due 04/15/2022	06/18/2018 06/20/2018 140,000.00	136,659.60 0.00 0.00 136,659.60	1,375.11 0.00 1,678.44 303.33	0.00 0.00 0.00 303.33	303.33
68389XBK0	Oracle Corp Callable Note Cont 8/01/21 1.9% Due 09/15/2021	11/29/2016 12/02/2016 145,000.00	141,753.45 0.00 0.00 141,753.45	1,270.36 1,377.50 122.44 229.58	0.00 0.00 0.00 229.58	229.58
69371RN44	Paccar Financial Corp Note 1.65% Due 08/11/2021	05/23/2018 05/25/2018 145,000.00	138,421.35 0.00 0.00 138,421.35	132.92 0.00 332.29 199.37	0.00 0.00 0.00 199.37	199.37

Income Earned

As of March 31, 2019



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
747525AD5	Qualcomm Inc Note 2.25% Due 05/20/2020	06/11/2015 06/16/2015 150,000.00	148,338.75 0.00 0.00 148,338.75	946.88 0.00 1,228.12 281.24	0.00 0.00 0.00 281.24	281.24
78012KKU0	Royal Bank of Canada Note 2.5% Due 01/19/2021	12/11/2017 12/13/2017 150,000.00	150,568.50 0.00 0.00 150,568.50	437.50 0.00 750.00 312.50	0.00 0.00 0.00 312.50	312.50
857477AV5	State Street Bank Note 1.95% Due 05/19/2021	05/16/2016 05/19/2016 80,000.00	79,958.40 0.00 0.00 79,958.40	442.00 0.00 572.00 130.00	0.00 0.00 0.00 130.00	130.00
89114QCB2	Toronto Dominion Bank Note 3.25% Due 03/11/2024	03/26/2019 03/28/2019 145,000.00	0.00 146,835.70 0.00 146,835.70	0.00 (222.53) 261.81 39.28	0.00 0.00 0.00 39.28	39.28
89236TDP7	Toyota Motor Credit Corp Note 2.6% Due 01/11/2022	03/14/2018 03/16/2018 145,000.00	142,711.98 0.00 0.00 142,711.98	523.61 0.00 837.78 314.17	0.00 0.00 0.00 314.17	314.17
91159HHH6	US Bancorp Callable Note Cont 3/25/2019 Due 04/25/2019	Various Various 0.00	155,463.45 0.00 155,463.45 0.00	1,193.50 1,348.11 0.00 154.61	0.00 0.00 0.00 154.61	154.61
91159HHP8	US Bancorp Callable Cont 12/23/2021 2.625% Due 01/24/2022	01/19/2017 01/24/2017 70,000.00	69,879.60 0.00 0.00 69,879.60	188.85 0.00 341.98 153.13	0.00 0.00 0.00 153.13	153.13
912828T6	US Treasury Note Due 08/31/2019	01/31/2019 01/31/2019 0.00	49,636.72 0.00 49,636.72 0.00	1.70 49.25 0.00 47.55	0.00 0.00 0.00 47.55	47.55
912828B90	US Treasury Note 2% Due 02/28/2021	04/26/2016 04/28/2016 230,000.00	236,460.54 0.00 0.00 236,460.54	12.50 0.00 400.00 387.50	0.00 0.00 0.00 387.50	387.50

Income Earned

As of March 31, 2019



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
912828F96	US Treasury Note 2% Due 10/31/2021	08/15/2017 08/16/2017 245,000.00	247,642.23 0.00 0.00 247,642.23	1,637.85 0.00 2,057.46 419.61	0.00 0.00 0.00 419.61	419.61
912828G87	US Treasury Note 2.125% Due 12/31/2021	08/15/2017 08/16/2017 245,000.00	248,809.81 0.00 0.00 248,809.81	862.91 0.00 1,308.75 445.84	0.00 0.00 0.00 445.84	445.84
912828J43	US Treasury Note 1.75% Due 02/28/2022	03/13/2017 03/15/2017 245,000.00	240,569.77 0.00 0.00 240,569.77	11.65 0.00 372.83 361.18	0.00 0.00 0.00 361.18	361.18
912828J84	US Treasury Note 1.375% Due 03/31/2020	10/23/2015 10/26/2015 230,000.00	230,225.38 0.00 0.00 230,225.38	1,320.60 1,581.25 8.64 269.29	0.00 0.00 0.00 269.29	269.29
912828L32	US Treasury Note 1.375% Due 08/31/2020	09/29/2015 09/30/2015 230,000.00	230,072.65 0.00 0.00 230,072.65	8.59 0.00 275.00 266.41	0.00 0.00 0.00 266.41	266.41
912828L57	US Treasury Note 1.75% Due 09/30/2022	10/17/2017 10/18/2017 250,000.00	247,226.56 0.00 0.00 247,226.56	1,826.92 2,187.50 11.95 372.53	0.00 0.00 0.00 372.53	372.53
912828L99	US Treasury Note 1.375% Due 10/31/2020	11/23/2015 11/24/2015 230,000.00	226,398.04 0.00 0.00 226,398.04	1,057.08 0.00 1,327.90 270.82	0.00 0.00 0.00 270.82	270.82
912828N30	US Treasury Note 2.125% Due 12/31/2022	01/25/2018 01/26/2018 235,000.00	231,346.48 0.00 0.00 231,346.48	827.69 0.00 1,255.33 427.64	0.00 0.00 0.00 427.64	427.64
912828N89	US Treasury Note 1.375% Due 01/31/2021	03/09/2016 03/11/2016 230,000.00	229,776.16 0.00 0.00 229,776.16	253.35 0.00 524.17 270.82	0.00 0.00 0.00 270.82	270.82

Income Earned

As of March 31, 2019



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
912828Q37	US Treasury Note 1.25% Due 03/31/2021	Various Various 240,000.00	236,789.86 0.00 0.00 236,789.86	1,252.74 1,500.00 8.20 255.46	0.00 0.00 0.00 255.46	255.46
912828S27	US Treasury Note 1.125% Due 06/30/2021	12/13/2016 12/14/2016 165,000.00	159,676.72 0.00 0.00 159,676.72	307.67 0.00 466.63 158.96	0.00 0.00 0.00 158.96	158.96
912828T34	US Treasury Note 1.125% Due 09/30/2021	11/09/2016 11/10/2016 235,000.00	231,025.99 0.00 0.00 231,025.99	1,103.98 1,321.88 7.22 225.12	0.00 0.00 0.00 225.12	225.12
912828UB4	US Treasury Note 1% Due 11/30/2019	12/18/2014 12/19/2014 130,000.00	251,764.15 0.00 125,882.08 125,882.07	650.00 425.00 435.71 210.71	0.00 0.00 0.00 210.71	210.71
912828VF4	US Treasury Note 1.375% Due 05/31/2020	Various Various 230,000.00	227,359.76 0.00 0.00 227,359.76	790.63 0.00 1,059.96 269.33	0.00 0.00 0.00 269.33	269.33
912828XG0	US Treasury Note 2.125% Due 06/30/2022	07/31/2017 07/31/2017 210,000.00	212,789.77 0.00 0.00 212,789.77	739.64 0.00 1,121.79 382.15	0.00 0.00 0.00 382.15	382.15
94974BGF1	Wells Fargo Corp Note 2.15% Due 01/30/2020	01/26/2015 02/02/2015 170,000.00	169,816.40 0.00 0.00 169,816.40	314.74 0.00 619.32 304.58	0.00 0.00 0.00 304.58	304.58
			11,824,437.33	56,566.65	0.00	
			501,512.20	25,566.22	0.00	
			460,942.55	49,949.21	0.00	
Total Fixed Income		11,920,000.00	11,865,006.98	18,948.78	18,948.78	18,948.78

Income Earned

As of March 31, 2019



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
CASH & EQUIVALENT						
31846V203	First American	Various	25,828.46	0.00	0.00	19.10
	Govt Obligation Fund Class Y	Various	170,078.04	19.10	0.00	
		11,887.70	184,018.80	0.00	0.00	
			11,887.70	19.10	19.10	
			25,828.46	0.00	0.00	
			170,078.04	19.10	0.00	
			184,018.80	0.00	0.00	
Total Cash & Equivalent		11,887.70	11,887.70	19.10	19.10	19.10
			11,850,265.79	56,566.65	0.00	
			671,590.24	25,585.32	0.00	
			644,961.35	49,949.21	0.00	
TOTAL PORTFOLIO		11,931,887.70	11,876,894.68	18,967.88	18,967.88	18,967.88

Cash Flow Report

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
04/02/2019	Interest	3137EADM8	240,000.00	FHLMC Note 1.25% Due 10/2/2019	0.00	1,500.00	1,500.00
04/05/2019	Interest	3135G0T45	235,000.00	FNMA Note 1.875% Due 4/5/2022	0.00	2,203.13	2,203.13
04/05/2019	Interest	3135G0T78	235,000.00	FNMA Note 2% Due 10/5/2022	0.00	2,350.00	2,350.00
04/07/2019	Interest	3135G0Q89	60,000.00	FNMA Note 1.375% Due 10/7/2021	0.00	412.50	412.50
04/10/2019	Interest	02665WCQ2	110,000.00	American Honda Finance Note 3.625% Due 10/10/2023	0.00	1,993.75	1,993.75
04/15/2019	Interest	674599CK9	140,000.00	Occidental Petroleum Callable Note Cont 3/15/2022 2.6% Due 4/15/2022	0.00	1,820.00	1,820.00
04/30/2019	Interest	912828F96	245,000.00	US Treasury Note 2% Due 10/31/2021	0.00	2,450.00	2,450.00
04/30/2019	Interest	912828L99	230,000.00	US Treasury Note 1.375% Due 10/31/2020	0.00	1,581.25	1,581.25
APR 2019					0.00	14,310.63	14,310.63
05/03/2019	Interest	037833AK6	60,000.00	Apple Inc Note 2.4% Due 5/3/2023	0.00	720.00	720.00
05/03/2019	Interest	594918BG8	60,000.00	Microsoft Callable Note Cont. 10/03/20 2% Due 11/3/2020	0.00	600.00	600.00
05/06/2019	Interest	3135G0K69	255,000.00	FNMA Note 1.25% Due 5/6/2021	0.00	1,593.75	1,593.75
05/11/2019	Interest	369550BE7	150,000.00	General Dynamics Corp Note 3% Due 5/11/2021	0.00	2,250.00	2,250.00
05/17/2019	Interest	3137EAEK1	250,000.00	FHLMC Note 1.875% Due 11/17/2020	0.00	2,343.75	2,343.75
05/19/2019	Interest	857477AV5	80,000.00	State Street Bank Note 1.95% Due 5/19/2021	0.00	780.00	780.00
05/20/2019	Interest	747525AD5	150,000.00	Qualcomm Inc Note 2.25% Due 5/20/2020	0.00	1,687.50	1,687.50
05/30/2019	Interest	3135G0F73	230,000.00	FNMA Note 1.5% Due 11/30/2020	0.00	1,725.00	1,725.00

Cash Flow Report

As of March 31, 2019



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
05/31/2019	Interest	912828UB4	130,000.00	US Treasury Note 1% Due 11/30/2019	0.00	650.00	650.00
05/31/2019	Interest	912828VF4	230,000.00	US Treasury Note 1.375% Due 5/31/2020	0.00	1,581.25	1,581.25
MAY 2019					0.00	13,931.25	13,931.25
06/08/2019	Interest	3130A0F70	225,000.00	FHLB Note 3.375% Due 12/8/2023	0.00	3,796.88	3,796.88
06/11/2019	Interest	313379RB7	70,000.00	FHLB Note 1.875% Due 6/11/2021	0.00	656.25	656.25
06/15/2019	Interest	097023BQ7	110,000.00	Boeing Co Callable Note Cont 4/15/2023 1.875% Due 6/15/2023	0.00	1,031.25	1,031.25
06/19/2019	Interest	3137EAEN5	225,000.00	FHLMC Note 2.75% Due 6/19/2023	0.00	3,093.75	3,093.75
06/22/2019	Interest	3135G0D75	230,000.00	FNMA Note 1.5% Due 6/22/2020	0.00	1,725.00	1,725.00
06/22/2019	Interest	3135G0U35	160,000.00	FNMA Note 2.75% Due 6/22/2021	0.00	2,200.00	2,200.00
06/30/2019	Interest	912828G87	245,000.00	US Treasury Note 2.125% Due 12/31/2021	0.00	2,603.13	2,603.13
06/30/2019	Interest	912828S27	165,000.00	US Treasury Note 1.125% Due 6/30/2021	0.00	928.13	928.13
06/30/2019	Interest	912828N30	235,000.00	US Treasury Note 2.125% Due 12/31/2022	0.00	2,496.88	2,496.88
06/30/2019	Interest	912828XG0	210,000.00	US Treasury Note 2.125% Due 6/30/2022	0.00	2,231.25	2,231.25
JUN 2019					0.00	20,762.52	20,762.52
07/05/2019	Interest	3135G0S38	225,000.00	FNMA Note 2% Due 1/5/2022	0.00	2,250.00	2,250.00
07/06/2019	Interest	24422ETL3	160,000.00	John Deere Capital Corp Note 2.65% Due 1/6/2022	0.00	2,120.00	2,120.00
07/11/2019	Interest	89236TDP7	145,000.00	Toyota Motor Credit Corp Note 2.6% Due 1/11/2022	0.00	1,885.00	1,885.00
07/14/2019	Interest	02665WCJ8	45,000.00	American Honda Finance Note 3.45% Due 7/14/2023	0.00	776.25	776.25

Cash Flow Report

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
07/14/2019	Interest	3130A8QS5	230,000.00	FHLB Note 1.125% Due 7/14/2021	0.00	1,293.75	1,293.75
07/15/2019	Interest	48128BAB7	125,000.00	JP Morgan Chase & Co Callable Note 1X 1/15/2022 2.972% Due 1/15/2023	0.00	1,857.50	1,857.50
07/17/2019	Interest	3137EAEE5	250,000.00	FHLMC Note 1.5% Due 1/17/2020	0.00	1,875.00	1,875.00
07/19/2019	Interest	3135G0T94	100,000.00	FNMA Note 2.375% Due 1/19/2023	0.00	1,187.50	1,187.50
07/19/2019	Interest	78012KKU0	150,000.00	Royal Bank of Canada Note 2.5% Due 1/19/2021	0.00	1,875.00	1,875.00
07/24/2019	Interest	91159HHP8	70,000.00	US Bancorp Callable Cont 12/23/2021 2.625% Due 1/24/2022	0.00	918.75	918.75
07/30/2019	Interest	94974BGF1	170,000.00	Wells Fargo Corp Note 2.15% Due 1/30/2020	0.00	1,827.50	1,827.50
07/31/2019	Interest	912828N89	230,000.00	US Treasury Note 1.375% Due 1/31/2021	0.00	1,581.25	1,581.25
JUL 2019					0.00	19,447.50	19,447.50
08/01/2019	Maturity	3137EADK2	265,000.00	FHLMC Note 1.25% Due 8/1/2019	265,000.00	1,656.25	266,656.25
08/08/2019	Interest	594918BP8	105,000.00	Microsoft Callable Note Cont 7/8/21 1.55% Due 8/8/2021	0.00	813.75	813.75
08/11/2019	Interest	69371RN44	145,000.00	Paccar Financial Corp Note 1.65% Due 8/11/2021	0.00	1,196.25	1,196.25
08/12/2019	Interest	3137EAEC9	215,000.00	FHLMC Note 1.125% Due 8/12/2021	0.00	1,209.38	1,209.38
08/15/2019	Interest	22160KAG0	105,000.00	Costco Wholesale Corp Note 1.75% Due 2/15/2020	0.00	918.75	918.75
08/17/2019	Interest	3135G0N82	190,000.00	FNMA Note 1.25% Due 8/17/2021	0.00	1,187.50	1,187.50
08/18/2019	Interest	3130A7CV5	245,000.00	FHLB Note 1.375% Due 2/18/2021	0.00	1,684.38	1,684.38
08/26/2019	Interest	3135G0J20	230,000.00	FNMA Note 1.375% Due 2/26/2021	0.00	1,581.25	1,581.25

Cash Flow Report

As of March 31, 2019



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
08/31/2019	Interest	912828B90	230,000.00	US Treasury Note 2% Due 2/28/2021	0.00	2,300.00	2,300.00
08/31/2019	Interest	912828L32	230,000.00	US Treasury Note 1.375% Due 8/31/2020	0.00	1,581.25	1,581.25
08/31/2019	Interest	912828J43	245,000.00	US Treasury Note 1.75% Due 2/28/2022	0.00	2,143.75	2,143.75
AUG 2019					265,000.00	16,272.51	281,272.51
09/01/2019	Interest	30231GAV4	150,000.00	Exxon Mobil Corp Callable Note Cont 2/1/2021 2.222% Due 3/1/2021	0.00	1,666.50	1,666.50
09/05/2019	Interest	06051GHF9	145,000.00	Bank of America Corp Callable Note 1X 3/5/2023 3.55% Due 3/5/2024	0.00	2,573.75	2,573.75
09/08/2019	Interest	3130A0XE5	200,000.00	FHLB Note 3.25% Due 3/8/2024	0.00	3,250.00	3,250.00
09/08/2019	Interest	44932HAC7	150,000.00	IBM Credit Corp Note 2.2% Due 9/8/2022	0.00	1,650.00	1,650.00
09/08/2019	Interest	313383YJ4	215,000.00	FHLB Note 3.375% Due 9/8/2023	0.00	3,628.13	3,628.13
09/11/2019	Interest	89114QCB2	145,000.00	Toronto Dominion Bank Note 3.25% Due 3/11/2024	0.00	2,356.25	2,356.25
09/11/2019	Maturity	06406HCW7	165,000.00	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 9/11/2019	165,000.00	1,897.50	166,897.50
09/12/2019	Interest	3135G0U43	230,000.00	FNMA Note 2.875% Due 9/12/2023	0.00	3,306.25	3,306.25
09/12/2019	Maturity	3135G0ZG1	250,000.00	FNMA Note 1.75% Due 9/12/2019	250,000.00	2,187.50	252,187.50
09/15/2019	Interest	084670BR8	100,000.00	Berkshire Hathaway Callable Note Cont 1/15/2023 2.75% Due 3/15/2023	0.00	1,375.00	1,375.00
09/15/2019	Interest	68389XBK0	145,000.00	Oracle Corp Callable Note Cont 8/01/21 1.9% Due 9/15/2021	0.00	1,377.50	1,377.50
09/30/2019	Interest	912828Q37	240,000.00	US Treasury Note 1.25% Due 3/31/2021	0.00	1,500.00	1,500.00
09/30/2019	Interest	912828J84	230,000.00	US Treasury Note 1.375% Due 3/31/2020	0.00	1,581.25	1,581.25

Cash Flow Report

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
09/30/2019	Interest	912828T34	235,000.00	US Treasury Note 1.125% Due 9/30/2021	0.00	1,321.88	1,321.88
09/30/2019	Interest	912828L57	250,000.00	US Treasury Note 1.75% Due 9/30/2022	0.00	2,187.50	2,187.50
SEP 2019					415,000.00	31,859.01	446,859.01
10/02/2019	Maturity	3137EADM8	240,000.00	FHLMC Note 1.25% Due 10/2/2019	240,000.00	1,500.00	241,500.00
10/05/2019	Interest	3135G0T78	235,000.00	FNMA Note 2% Due 10/5/2022	0.00	2,350.00	2,350.00
10/05/2019	Interest	3135G0T45	235,000.00	FNMA Note 1.875% Due 4/5/2022	0.00	2,203.13	2,203.13
10/07/2019	Interest	3135G0Q89	60,000.00	FNMA Note 1.375% Due 10/7/2021	0.00	412.50	412.50
10/10/2019	Interest	02665WCQ2	110,000.00	American Honda Finance Note 3.625% Due 10/10/2023	0.00	1,993.75	1,993.75
10/15/2019	Interest	674599CK9	140,000.00	Occidental Petroleum Callable Note Cont 3/15/2022 2.6% Due 4/15/2022	0.00	1,820.00	1,820.00
10/31/2019	Interest	912828F96	245,000.00	US Treasury Note 2% Due 10/31/2021	0.00	2,450.00	2,450.00
10/31/2019	Interest	912828L99	230,000.00	US Treasury Note 1.375% Due 10/31/2020	0.00	1,581.25	1,581.25
OCT 2019					240,000.00	14,310.63	254,310.63
11/03/2019	Interest	594918BG8	60,000.00	Microsoft Callable Note Cont. 10/03/20 2% Due 11/3/2020	0.00	600.00	600.00
11/03/2019	Interest	037833AK6	60,000.00	Apple Inc Note 2.4% Due 5/3/2023	0.00	720.00	720.00
11/06/2019	Interest	3135G0K69	255,000.00	FNMA Note 1.25% Due 5/6/2021	0.00	1,593.75	1,593.75
11/11/2019	Interest	369550BE7	150,000.00	General Dynamics Corp Note 3% Due 5/11/2021	0.00	2,250.00	2,250.00
11/17/2019	Interest	3137EAEK1	250,000.00	FHLMC Note 1.875% Due 11/17/2020	0.00	2,343.75	2,343.75
11/19/2019	Interest	857477AV5	80,000.00	State Street Bank Note 1.95% Due 5/19/2021	0.00	780.00	780.00

Cash Flow Report

As of March 31, 2019



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
11/20/2019	Interest	747525AD5	150,000.00	Qualcomm Inc Note 2.25% Due 5/20/2020	0.00	1,687.50	1,687.50
11/30/2019	Interest	3135G0F73	230,000.00	FNMA Note 1.5% Due 11/30/2020	0.00	1,725.00	1,725.00
11/30/2019	Interest	912828VF4	230,000.00	US Treasury Note 1.375% Due 5/31/2020	0.00	1,581.25	1,581.25
11/30/2019	Maturity	912828UB4	130,000.00	US Treasury Note 1% Due 11/30/2019	130,000.00	650.00	130,650.00
NOV 2019					130,000.00	13,931.25	143,931.25
12/08/2019	Interest	3130A0F70	225,000.00	FHLB Note 3.375% Due 12/8/2023	0.00	3,796.88	3,796.88
12/11/2019	Interest	313379RB7	70,000.00	FHLB Note 1.875% Due 6/11/2021	0.00	656.25	656.25
12/15/2019	Interest	097023BQ7	110,000.00	Boeing Co Callable Note Cont 4/15/2023 1.875% Due 6/15/2023	0.00	1,031.25	1,031.25
12/19/2019	Interest	3137EAEN5	225,000.00	FHLMC Note 2.75% Due 6/19/2023	0.00	3,093.75	3,093.75
12/22/2019	Interest	3135G0U35	160,000.00	FNMA Note 2.75% Due 6/22/2021	0.00	2,200.00	2,200.00
12/22/2019	Interest	3135G0D75	230,000.00	FNMA Note 1.5% Due 6/22/2020	0.00	1,725.00	1,725.00
12/31/2019	Interest	912828N30	235,000.00	US Treasury Note 2.125% Due 12/31/2022	0.00	2,496.88	2,496.88
12/31/2019	Interest	912828XG0	210,000.00	US Treasury Note 2.125% Due 6/30/2022	0.00	2,231.25	2,231.25
12/31/2019	Interest	912828G87	245,000.00	US Treasury Note 2.125% Due 12/31/2021	0.00	2,603.13	2,603.13
12/31/2019	Interest	912828S27	165,000.00	US Treasury Note 1.125% Due 6/30/2021	0.00	928.13	928.13
DEC 2019					0.00	20,762.52	20,762.52
01/05/2020	Interest	3135G0S38	225,000.00	FNMA Note 2% Due 1/5/2022	0.00	2,250.00	2,250.00
01/06/2020	Interest	24422ETL3	160,000.00	John Deere Capital Corp Note 2.65% Due 1/6/2022	0.00	2,120.00	2,120.00

Cash Flow Report

As of March 31, 2019



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
01/11/2020	Interest	89236TDP7	145,000.00	Toyota Motor Credit Corp Note 2.6% Due 1/11/2022	0.00	1,885.00	1,885.00
01/14/2020	Interest	3130A8QS5	230,000.00	FHLB Note 1.125% Due 7/14/2021	0.00	1,293.75	1,293.75
01/14/2020	Interest	02665WCJ8	45,000.00	American Honda Finance Note 3.45% Due 7/14/2023	0.00	776.25	776.25
01/15/2020	Interest	48128BAB7	125,000.00	JP Morgan Chase & Co Callable Note 1X 1/15/2022 2.972% Due 1/15/2023	0.00	1,857.50	1,857.50
01/17/2020	Maturity	3137EAEE5	250,000.00	FHLMC Note 1.5% Due 1/17/2020	250,000.00	1,875.00	251,875.00
01/19/2020	Interest	3135G0T94	100,000.00	FNMA Note 2.375% Due 1/19/2023	0.00	1,187.50	1,187.50
01/19/2020	Interest	78012KKU0	150,000.00	Royal Bank of Canada Note 2.5% Due 1/19/2021	0.00	1,875.00	1,875.00
01/24/2020	Interest	91159HHP8	70,000.00	US Bancorp Callable Cont 12/23/2021 2.625% Due 1/24/2022	0.00	918.75	918.75
01/30/2020	Maturity	94974BGF1	170,000.00	Wells Fargo Corp Note 2.15% Due 1/30/2020	170,000.00	1,827.50	171,827.50
01/31/2020	Interest	912828N89	230,000.00	US Treasury Note 1.375% Due 1/31/2021	0.00	1,581.25	1,581.25
JAN 2020					420,000.00	19,447.50	439,447.50
02/08/2020	Interest	594918BP8	105,000.00	Microsoft Callable Note Cont 7/8/21 1.55% Due 8/8/2021	0.00	813.75	813.75
02/11/2020	Interest	69371RN44	145,000.00	Paccar Financial Corp Note 1.65% Due 8/11/2021	0.00	1,196.25	1,196.25
02/12/2020	Interest	3137EAEC9	215,000.00	FHLMC Note 1.125% Due 8/12/2021	0.00	1,209.38	1,209.38
02/15/2020	Maturity	22160KAG0	105,000.00	Costco Wholesale Corp Note 1.75% Due 2/15/2020	105,000.00	918.75	105,918.75
02/17/2020	Interest	3135G0N82	190,000.00	FNMA Note 1.25% Due 8/17/2021	0.00	1,187.50	1,187.50
02/18/2020	Interest	3130A7CV5	245,000.00	FHLB Note 1.375% Due 2/18/2021	0.00	1,684.38	1,684.38

Cash Flow Report

As of March 31, 2019



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
02/26/2020	Interest	3135G0J20	230,000.00	FNMA Note 1.375% Due 2/26/2021	0.00	1,581.25	1,581.25
02/29/2020	Interest	912828B90	230,000.00	US Treasury Note 2% Due 2/28/2021	0.00	2,300.00	2,300.00
02/29/2020	Interest	912828L32	230,000.00	US Treasury Note 1.375% Due 8/31/2020	0.00	1,581.25	1,581.25
02/29/2020	Interest	912828J43	245,000.00	US Treasury Note 1.75% Due 2/28/2022	0.00	2,143.75	2,143.75
FEB 2020					105,000.00	14,616.26	119,616.26
03/01/2020	Interest	30231GAV4	150,000.00	Exxon Mobil Corp Callable Note Cont 2/1/2021 2.222% Due 3/1/2021	0.00	1,666.50	1,666.50
03/05/2020	Interest	06051GHF9	145,000.00	Bank of America Corp Callable Note 1X 3/5/2023 3.55% Due 3/5/2024	0.00	2,573.75	2,573.75
03/08/2020	Interest	3130A0XE5	200,000.00	FHLB Note 3.25% Due 3/8/2024	0.00	3,250.00	3,250.00
03/08/2020	Interest	313383YJ4	215,000.00	FHLB Note 3.375% Due 9/8/2023	0.00	3,628.13	3,628.13
03/08/2020	Interest	44932HAC7	150,000.00	IBM Credit Corp Note 2.2% Due 9/8/2022	0.00	1,650.00	1,650.00
03/11/2020	Interest	89114QCB2	145,000.00	Toronto Dominion Bank Note 3.25% Due 3/11/2024	0.00	2,356.25	2,356.25
03/12/2020	Interest	3135G0U43	230,000.00	FNMA Note 2.875% Due 9/12/2023	0.00	3,306.25	3,306.25
03/15/2020	Interest	68389XBK0	145,000.00	Oracle Corp Callable Note Cont 8/01/21 1.9% Due 9/15/2021	0.00	1,377.50	1,377.50
03/15/2020	Interest	084670BR8	100,000.00	Berkshire Hathaway Callable Note Cont 1/15/2023 2.75% Due 3/15/2023	0.00	1,375.00	1,375.00
MAR 2020					0.00	21,183.38	21,183.38
TOTAL					1,575,000.00	220,834.96	1,795,834.96



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Valuation: Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance: Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

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Ratings: Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.



Benchmark Index	Disclosure
ICE BAML 1-5 Yr US Treasury/Agency Index	The ICE BAML 1-5 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies. (Index: GVA0. Please visit www.mlindex.ml.com for more information)



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	01/02/2019	31846V203	107.81	First American Govt Obligation Fund Class Y	1.000	2.05%	107.81	0.00	107.81	0.00
Purchase	01/05/2019	31846V203	2,250.00	First American Govt Obligation Fund Class Y	1.000	2.05%	2,250.00	0.00	2,250.00	0.00
Purchase	01/06/2019	31846V203	2,120.00	First American Govt Obligation Fund Class Y	1.000	2.05%	2,120.00	0.00	2,120.00	0.00
Purchase	01/11/2019	31846V203	1,885.00	First American Govt Obligation Fund Class Y	1.000	2.05%	1,885.00	0.00	1,885.00	0.00
Purchase	01/14/2019	31846V203	3,958.88	First American Govt Obligation Fund Class Y	1.000	2.05%	3,958.88	0.00	3,958.88	0.00
Purchase	01/14/2019	31846V203	165,000.00	First American Govt Obligation Fund Class Y	1.000	2.05%	165,000.00	0.00	165,000.00	0.00
Purchase	01/15/2019	31846V203	1,857.50	First American Govt Obligation Fund Class Y	1.000	2.05%	1,857.50	0.00	1,857.50	0.00
Purchase	01/17/2019	3130A0F70	150,000.00	FHLB Note 3.375% Due 12/8/2023	102.919	2.73%	154,378.50	548.44	154,926.94	0.00
Purchase	01/17/2019	31846V203	1,875.00	First American Govt Obligation Fund Class Y	1.000	2.05%	1,875.00	0.00	1,875.00	0.00
Purchase	01/19/2019	31846V203	3,062.50	First American Govt Obligation Fund Class Y	1.000	2.05%	3,062.50	0.00	3,062.50	0.00
Purchase	01/24/2019	31846V203	918.75	First American Govt Obligation Fund Class Y	1.000	2.05%	918.75	0.00	918.75	0.00
Purchase	01/30/2019	31846V203	1,827.50	First American Govt Obligation Fund Class Y	1.000	2.05%	1,827.50	0.00	1,827.50	0.00
Purchase	01/31/2019	31846V203	1,581.25	First American Govt Obligation Fund Class Y	1.000	2.01%	1,581.25	0.00	1,581.25	0.00
Purchase	01/31/2019	9128282T6	50,000.00	US Treasury Note 1.25% Due 8/31/2019	99.273	2.52%	49,636.72	264.16	49,900.88	0.00
Subtotal			386,444.19				390,459.41	812.60	391,272.01	0.00
TOTAL ACQUISITIONS			386,444.19				390,459.41	812.60	391,272.01	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
Sale	01/17/2019	31846V203	154,926.94	First American Govt Obligation Fund Class Y	1.000	2.05%	154,926.94	0.00	154,926.94	0.00
Sale	01/31/2019	31846V203	49,900.88	First American Govt Obligation Fund Class Y	1.000	2.01%	49,900.88	0.00	49,900.88	0.00
Subtotal			204,827.82				204,827.82	0.00	204,827.82	0.00
Maturity	01/14/2019	36962G7G3	165,000.00	General Electric Capital Corp Note 2.3% Due 1/14/2019	100.000		165,000.00	0.00	165,000.00	159.00
Subtotal			165,000.00				165,000.00	0.00	165,000.00	159.00
Security Withdrawal	01/04/2019	31846V203	1,170.38	First American Govt Obligation Fund Class Y	1.000		1,170.38	0.00	1,170.38	0.00
Subtotal			1,170.38				1,170.38	0.00	1,170.38	0.00
TOTAL DISPOSITIONS			370,998.20				370,998.20	0.00	370,998.20	159.00
OTHER TRANSACTIONS										
Interest	01/05/2019	3135G0S38	225,000.00	FNMA Note 2% Due 1/5/2022	0.000		2,250.00	0.00	2,250.00	0.00
Interest	01/06/2019	24422ETL3	160,000.00	John Deere Capital Corp Note 2.65% Due 1/6/2022	0.000		2,120.00	0.00	2,120.00	0.00
Interest	01/11/2019	89236TDP7	145,000.00	Toyota Motor Credit Corp Note 2.6% Due 1/11/2022	0.000		1,885.00	0.00	1,885.00	0.00
Interest	01/14/2019	02665WCJ8	45,000.00	American Honda Finance Note 3.45% Due 7/14/2023	0.000		767.63	0.00	767.63	0.00
Interest	01/14/2019	3130A8QS5	230,000.00	FHLB Note 1.125% Due 7/14/2021	0.000		1,293.75	0.00	1,293.75	0.00
Interest	01/14/2019	36962G7G3	165,000.00	General Electric Capital Corp Note 2.3% Due 1/14/2019	0.000		1,897.50	0.00	1,897.50	0.00
Interest	01/15/2019	48128BAB7	125,000.00	JP Morgan Chase & Co Callable Note 1X 1/15/2022 2.972% Due 1/15/2023	0.000		1,857.50	0.00	1,857.50	0.00
Interest	01/17/2019	3137EAE5	250,000.00	FHLMC Note 1.5% Due 1/17/2020	0.000		1,875.00	0.00	1,875.00	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
OTHER TRANSACTIONS										
Interest	01/19/2019	3135G0T94	100,000.00	FNMA Note 2.375% Due 1/19/2023	0.000		1,187.50	0.00	1,187.50	0.00
Interest	01/19/2019	78012KKU0	150,000.00	Royal Bank of Canada Note 2.5% Due 1/19/2021	0.000		1,875.00	0.00	1,875.00	0.00
Interest	01/24/2019	91159HHP8	70,000.00	US Bancorp Callable Cont 12/23/2021 2.625% Due 1/24/2022	0.000		918.75	0.00	918.75	0.00
Interest	01/30/2019	94974BGF1	170,000.00	Wells Fargo Corp Note 2.15% Due 1/30/2020	0.000		1,827.50	0.00	1,827.50	0.00
Interest	01/31/2019	912828N89	230,000.00	US Treasury Note 1.375% Due 1/31/2021	0.000		1,581.25	0.00	1,581.25	0.00
Subtotal			2,065,000.00				21,336.38	0.00	21,336.38	0.00
Dividend	01/02/2019	31846V203	24,201.58	First American Govt Obligation Fund Class Y	0.000		107.81	0.00	107.81	0.00
Subtotal			24,201.58				107.81	0.00	107.81	0.00
TOTAL OTHER TRANSACTIONS			2,089,201.58				21,444.19	0.00	21,444.19	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	02/01/2019	31846V203	1,656.25	First American Govt Obligation Fund Class Y	1.000	2.01%	1,656.25	0.00	1,656.25	0.00
Purchase	02/01/2019	31846V203	90.48	First American Govt Obligation Fund Class Y	1.000	2.01%	90.48	0.00	90.48	0.00
Purchase	02/08/2019	31846V203	813.75	First American Govt Obligation Fund Class Y	1.000	2.01%	813.75	0.00	813.75	0.00
Purchase	02/11/2019	31846V203	1,196.25	First American Govt Obligation Fund Class Y	1.000	2.01%	1,196.25	0.00	1,196.25	0.00
Purchase	02/12/2019	31846V203	1,209.38	First American Govt Obligation Fund Class Y	1.000	2.01%	1,209.38	0.00	1,209.38	0.00
Purchase	02/15/2019	097023BQ7	110,000.00	Boeing Co Callable Note Cont 4/15/2023 1.875% Due 6/15/2023	95.557	2.98%	105,112.70	343.75	105,456.45	0.00
Purchase	02/15/2019	31846V203	5,604.01	First American Govt Obligation Fund Class Y	1.000	2.01%	5,604.01	0.00	5,604.01	0.00
Purchase	02/15/2019	31846V203	1,373.75	First American Govt Obligation Fund Class Y	1.000	2.01%	1,373.75	0.00	1,373.75	0.00
Purchase	02/17/2019	31846V203	1,187.50	First American Govt Obligation Fund Class Y	1.000	2.01%	1,187.50	0.00	1,187.50	0.00
Purchase	02/18/2019	31846V203	1,684.38	First American Govt Obligation Fund Class Y	1.000	2.01%	1,684.38	0.00	1,684.38	0.00
Purchase	02/26/2019	31846V203	1,581.25	First American Govt Obligation Fund Class Y	1.000	2.01%	1,581.25	0.00	1,581.25	0.00
Purchase	02/28/2019	31846V203	6,337.50	First American Govt Obligation Fund Class Y	1.000	2.01%	6,337.50	0.00	6,337.50	0.00
Subtotal			132,734.50				127,847.20	343.75	128,190.95	0.00
TOTAL ACQUISITIONS			132,734.50				127,847.20	343.75	128,190.95	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
Sale	02/15/2019	17275RAR3	110,000.00	Cisco Systems Note 2.125% Due 3/1/2019	99.996	2.19%	109,995.60	1,064.86	111,060.46	-655.90
Subtotal			110,000.00				109,995.60	1,064.86	111,060.46	-655.90
Security Withdrawal	02/05/2019	31846V203	1,178.61	First American Govt Obligation Fund Class Y	1.000		1,178.61	0.00	1,178.61	0.00
Security Withdrawal	02/25/2019	31846V203	375.00	First American Govt Obligation Fund Class Y	1.000		375.00	0.00	375.00	0.00
Subtotal			1,553.61				1,553.61	0.00	1,553.61	0.00
TOTAL DISPOSITIONS			111,553.61				111,549.21	1,064.86	112,614.07	-655.90

OTHER TRANSACTIONS										
Interest	02/01/2019	3137EADK2	265,000.00	FHLMC Note 1.25% Due 8/1/2019	0.000		1,656.25	0.00	1,656.25	0.00
Interest	02/08/2019	594918BP8	105,000.00	Microsoft Callable Note Cont 7/8/21 1.55% Due 8/8/2021	0.000		813.75	0.00	813.75	0.00
Interest	02/11/2019	69371RN44	145,000.00	Paccar Financial Corp Note 1.65% Due 8/11/2021	0.000		1,196.25	0.00	1,196.25	0.00
Interest	02/12/2019	3137EAEC9	215,000.00	FHLMC Note 1.125% Due 8/12/2021	0.000		1,209.38	0.00	1,209.38	0.00
Interest	02/15/2019	084664CK5	70,000.00	Berkshire Hathaway Note 1.3% Due 8/15/2019	0.000		455.00	0.00	455.00	0.00
Interest	02/15/2019	22160KAG0	105,000.00	Costco Wholesale Corp Note 1.75% Due 2/15/2020	0.000		918.75	0.00	918.75	0.00
Interest	02/17/2019	3135G0N82	190,000.00	FNMA Note 1.25% Due 8/17/2021	0.000		1,187.50	0.00	1,187.50	0.00
Interest	02/18/2019	3130A7CV5	245,000.00	FHLB Note 1.375% Due 2/18/2021	0.000		1,684.38	0.00	1,684.38	0.00
Interest	02/26/2019	3135G0J20	230,000.00	FNMA Note 1.375% Due 2/26/2021	0.000		1,581.25	0.00	1,581.25	0.00

Transaction Ledger

As of February 28, 2019



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
OTHER TRANSACTIONS										
Interest	02/28/2019	9128282T6	50,000.00	US Treasury Note 1.25% Due 8/31/2019	0.000		312.50	0.00	312.50	0.00
Interest	02/28/2019	912828B90	230,000.00	US Treasury Note 2% Due 2/28/2021	0.000		2,300.00	0.00	2,300.00	0.00
Interest	02/28/2019	912828J43	245,000.00	US Treasury Note 1.75% Due 2/28/2022	0.000		2,143.75	0.00	2,143.75	0.00
Interest	02/28/2019	912828L32	230,000.00	US Treasury Note 1.375% Due 8/31/2020	0.000		1,581.25	0.00	1,581.25	0.00
Subtotal			2,325,000.00				17,040.01	0.00	17,040.01	0.00
Dividend	02/01/2019	31846V203	6,303.82	First American Govt Obligation Fund Class Y	0.000		90.48	0.00	90.48	0.00
Subtotal			6,303.82				90.48	0.00	90.48	0.00
TOTAL OTHER TRANSACTIONS			2,331,303.82				17,130.49	0.00	17,130.49	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	01/02/2019	31846V203	48.86	First American Govt Obligation Fund Class Y	1.000	2.05%	48.86	0.00	48.86	0.00
Purchase	01/04/2019	31846V203	412.53	First American Govt Obligation Fund Class Y	1.000	2.05%	412.53	0.00	412.53	0.00
Purchase	01/30/2019	78464A417	100.00	Barclays Capital High Yield Bond ETF	35.050	5.66%	3,505.00	0.00	3,505.00	0.00
Purchase	01/30/2019	921943858	500.00	Vanguard ETF FTSE Developed Mkts ETF	39.310	3.16%	19,655.00	0.00	19,655.00	0.00
Subtotal			1,061.39				23,621.39	0.00	23,621.39	0.00
TOTAL ACQUISITIONS			1,061.39				23,621.39	0.00	23,621.39	0.00
DISPOSITIONS										
Sale	01/30/2019	31846V203	23,160.00	First American Govt Obligation Fund Class Y	1.000	2.05%	23,160.00	0.00	23,160.00	0.00
Subtotal			23,160.00				23,160.00	0.00	23,160.00	0.00
Security Withdrawal	01/04/2019	31846V203	472.41	First American Govt Obligation Fund Class Y	1.000		472.41	0.00	472.41	0.00
Subtotal			472.41				472.41	0.00	472.41	0.00
TOTAL DISPOSITIONS			23,632.41				23,632.41	0.00	23,632.41	0.00
OTHER TRANSACTIONS										
Dividend	01/02/2019	31846V203	42,761.29	First American Govt Obligation Fund Class Y	0.000		48.86	0.00	48.86	0.00
Dividend	01/04/2019	464287200	1,280.00	ISHARES S&P 500 Index ETF	0.000		412.53	0.00	412.53	0.00
Subtotal			44,041.29				461.39	0.00	461.39	0.00
TOTAL OTHER TRANSACTIONS			44,041.29				461.39	0.00	461.39	0.00

Transaction Ledger

As of February 28, 2019



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	02/01/2019	31846V203	70.92	First American Govt Obligation Fund Class Y	1.000	2.01%	70.92	0.00	70.92	0.00
Purchase	02/06/2019	31846V203	1,782.50	First American Govt Obligation Fund Class Y	1.000	2.01%	1,782.50	0.00	1,782.50	0.00
Purchase	02/07/2019	31846V203	710.65	First American Govt Obligation Fund Class Y	1.000	2.01%	710.65	0.00	710.65	0.00
Subtotal			2,564.07				2,564.07	0.00	2,564.07	0.00
TOTAL ACQUISITIONS			2,564.07				2,564.07	0.00	2,564.07	0.00
DISPOSITIONS										
Security Withdrawal	02/05/2019	31846V203	474.71	First American Govt Obligation Fund Class Y	1.000		474.71	0.00	474.71	0.00
Security Withdrawal	02/25/2019	31846V203	375.00	First American Govt Obligation Fund Class Y	1.000		375.00	0.00	375.00	0.00
Subtotal			849.71				849.71	0.00	849.71	0.00
TOTAL DISPOSITIONS			849.71				849.71	0.00	849.71	0.00
OTHER TRANSACTIONS										
Dividend	02/01/2019	31846V203	19,590.27	First American Govt Obligation Fund Class Y	0.000		70.92	0.00	70.92	0.00
Dividend	02/06/2019	921937835	8,620.00	Vanguard ETF Total Bond Index	0.000		1,709.73	0.00	1,709.73	0.00
Dividend	02/06/2019	92203J407	1,350.00	Vanguard Total Intl Bond ETF	0.000		72.77	0.00	72.77	0.00
Dividend	02/07/2019	78464A417	4,300.00	Barclays Capital High Yield Bond ETF	0.000		710.65	0.00	710.65	0.00
Subtotal			33,860.27				2,564.07	0.00	2,564.07	0.00
TOTAL OTHER TRANSACTIONS			33,860.27				2,564.07	0.00	2,564.07	0.00



Redwood Empire Municipal Insurance Fund OPEB Trust - Account #10141

MONTHLY ACCOUNT STATEMENT

MARCH 1, 2019 THROUGH MARCH 31, 2019

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact operations@chandlerasset.com

Custodian

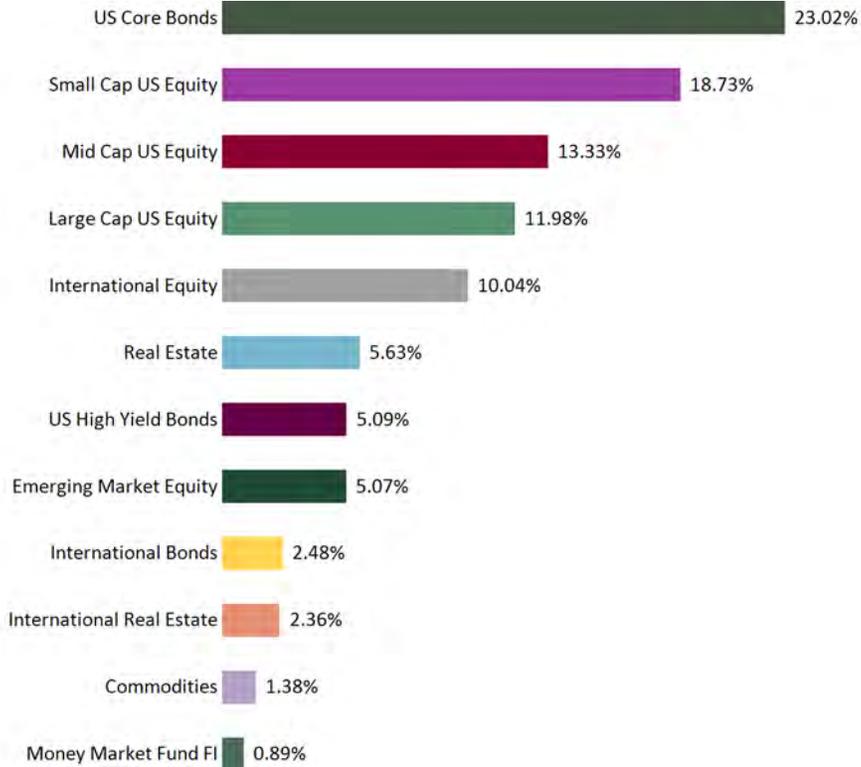
US Bank
Christopher Isles
(503) 464-3685

CHANDLER ASSET MANAGEMENT
chandlerasset.com

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures.



ASSET ALLOCATION



ACCOUNT SUMMARY

	Beg. Values as of 2/28/19	End Values as of 3/31/19
Market Value	3,008,351	3,035,234
Accrued Interest	0	4,276
Total Market Value	3,008,351	3,039,510
Income Earned	2,564	10,461
Cont/WD		-496
Par	60,545	66,234
Book Value	2,379,635	2,385,325
Cost Value	2,379,635	2,385,325

TOP ISSUERS

Vanguard Total Bond Market	23.0%
Vanguard Small-Cap Market	18.7%
iShare S&P 400 Midcap Market	13.3%
iShares S&P 500 Index Fund	12.0%
Vanguard Europe Pacific Market	10.0%
Vanguard REIT	5.6%
SPDR Barclays Capital High Yield	5.1%
Vanguard Emerging Markets	5.1%
Total	92.9%

PERFORMANCE REVIEW

TOTAL RATE OF RETURN	1M	3M	YTD	1YR	Annualized				
					2YRS	3YRS	5YRS	10YRS	12/31/2010
Redwood Empire Municipal Insurance Fund OPEB Trust	1.05%	10.54%	10.54%	4.16%	6.52%	8.18%	5.41%	N/A	6.71%
Global Asset Allocation Index*	1.63%	8.44%	8.44%	4.40%	6.69%	7.44%	5.66%	N/A	6.96%

*35% Standard & Poors' 500, 25% MSCI EAFE (Europe, Australasia, Israel and the Far East), 40% ICE BAML US Corporate, Govt, Mortgage Index

Reconciliation Summary

As of March 31, 2019



BOOK VALUE RECONCILIATION	
BEGINNING BOOK VALUE	\$2,379,635.47
Acquisition	
+ Security Purchases	\$0.00
+ Money Market Fund Purchases	\$6,185.46
+ Money Market Contributions	\$0.00
+ Security Contributions	\$0.00
+ Security Transfers	\$0.00
Total Acquisitions	\$6,185.46
Dispositions	
- Security Sales	\$0.00
- Money Market Fund Sales	\$0.00
- MMF Withdrawals	\$496.12
- Security Withdrawals	\$0.00
- Security Transfers	\$0.00
- Other Dispositions	\$0.00
- Maturities	\$0.00
- Calls	\$0.00
- Principal Paydowns	\$0.00
Total Dispositions	\$496.12
Amortization/Accretion	
+/- Net Accretion	\$0.00
	\$0.00
Gain/Loss on Dispositions	
+/- Realized Gain/Loss	\$0.00
	\$0.00
ENDING BOOK VALUE	\$2,385,324.81

CASH TRANSACTION SUMMARY	
BEGINNING BALANCE	\$21,304.63
Acquisition	
Contributions	\$0.00
Security Sale Proceeds	\$0.00
Accrued Interest Received	\$0.00
Interest Received	\$0.00
Dividend Received	\$6,185.46
Principal on Maturities	\$0.00
Interest on Maturities	\$0.00
Calls/Redemption (Principal)	\$0.00
Interest from Calls/Redemption	\$0.00
Principal Paydown	\$0.00
Total Acquisitions	\$6,185.46
Dispositions	
Withdrawals	\$496.12
Security Purchase	\$0.00
Accrued Interest Paid	\$0.00
Total Dispositions	\$496.12
ENDING BOOK VALUE	\$26,993.97



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
COMMODITIES									
46428R107	IShares S&P GSCI Commodity-Indexed Due 3/31/2019	1,225.00	Various 0.00%	40,798.95 40,798.95	15.95 0.00%	19,538.75 0.00	0.64% (21,260.20)	NR / NR NR	0.00 0.00
97718W108	WisdomTree Investments Continuous Commodity Index Due 3/31/2019	1,240.00	01/01/2016 0.00%	37,056.41 37,056.41	18.01 0.00%	22,332.40 0.00	0.73% (14,724.01)	NR / NR NR	0.00 0.00
Total Commodities		2,465.00	N/A	77,855.36 77,855.36	0.00%	41,871.15 0.00	1.38% (35,984.21)	NR / NR NR	0.00 0.00
EMERGING MARKET EQUITY									
922042858	Vanguard FTSE Emerging Markets ETF Due 3/31/2019	3,625.00	Various 0.61%	155,190.43 155,190.43	42.50 0.00%	154,062.50 0.00	5.07% (1,127.93)	NR / NR NR	0.00 0.00
Total Emerging Market Equity		3,625.00	0.61%	155,190.43 155,190.43	0.00%	154,062.50 0.00	5.07% (1,127.93)	NR / NR NR	0.00 0.00
INTERNATIONAL BONDS									
92203J407	Vanguard Total Intl Bond ETF Due 3/31/2019	1,350.00	03/27/2018 2.23%	73,816.79 73,816.79	55.77 0.00%	75,289.50 0.00	2.48% 1,472.71	NR / NR NR	0.00 0.00
Total International Bonds		1,350.00	2.23%	73,816.79 73,816.79	0.00%	75,289.50 0.00	2.48% 1,472.71	NR / NR NR	0.00 0.00
INTERNATIONAL EQUITY									
921943858	Vanguard ETF FTSE Developed Mkts ETF Due 3/31/2019	7,435.00	Various 0.75%	270,354.80 270,354.80	40.87 0.00%	303,868.45 1,301.13	10.04% 33,513.65	NR / NR NR	0.00 0.00
Total International Equity		7,435.00	0.75%	270,354.80 270,354.80	0.00%	303,868.45 1,301.13	10.04% 33,513.65	NR / NR NR	0.00 0.00

Holdings Report

As of March 31, 2019



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
INTERNATIONAL REAL ESTATE									
464288489	ISHARES Intl Developed Real Estate ETF Due 3/31/2019	2,355.00	Various 0.00%	71,461.27 71,461.27	30.40 0.00%	71,592.00 0.00	2.36% 130.73	NR / NR NR	0.00 0.00
Total International Real Estate		2,355.00	N/A	71,461.27 71,461.27	0.00%	71,592.00 0.00	2.36% 130.73	NR / NR NR	0.00 0.00
LARGE CAP US EQUITY									
464287200	ISHARES S&P 500 Index ETF	1,280.00	Various N/A	175,478.84 175,478.84	284.56 N/A	364,236.80 0.00	11.98% 188,757.96	NR / NR NR	0.00 0.00
Total Large Cap US Equity		1,280.00	N/A	175,478.84 175,478.84	N/A	364,236.80 0.00	11.98% 188,757.96	NR / NR NR	0.00 0.00
MID CAP US EQUITY									
464287507	ISHARES S&P Midcap ETF Due 3/31/2019	2,140.00	Various 0.14%	224,739.48 224,739.48	189.40 0.00%	405,316.00 0.00	13.33% 180,576.52	NR / NR NR	0.00 0.00
Total Mid Cap US Equity		2,140.00	0.14%	224,739.48 224,739.48	0.00%	405,316.00 0.00	13.33% 180,576.52	NR / NR NR	0.00 0.00
MONEY MARKET FUND FI									
31846V203	First American Govt Obligation Fund Class Y	26,993.97	Various 2.05%	26,993.97 26,993.97	1.00 2.05%	26,993.97 0.00	0.89% 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund FI		26,993.97	2.05%	26,993.97 26,993.97	2.05%	26,993.97 0.00	0.89% 0.00	Aaa / AAA AAA	0.00 0.00

Holdings Report

As of March 31, 2019



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
REAL ESTATE									
922908553	Vanguard ETF REIT Due 3/31/2019	1,955.00	Various 1.07%	118,957.18 118,957.18	86.91 0.00%	169,909.05 1,204.08	5.63% 50,951.87	NR / NR NR	0.00 0.00
Total Real Estate		1,955.00	1.07%	118,957.18	0.00%	169,909.05 1,204.08	5.63% 50,951.87	NR / NR NR	0.00 0.00
SMALL CAP US EQUITY									
922908751	Vanguard ETF Small Cap Due 3/31/2019	3,715.00	Various 0.54%	319,146.78 319,146.78	152.80 0.00%	567,652.00 1,770.56	18.73% 248,505.22	NR / NR NR	0.00 0.00
Total Small Cap US Equity		3,715.00	0.54%	319,146.78	0.00%	567,652.00 1,770.56	18.73% 248,505.22	NR / NR NR	0.00 0.00
US CORE BONDS									
921937835	Vanguard ETF Total Bond Index Due 3/31/2019	8,620.00	Various 1.28%	703,317.24 703,317.24	81.18 0.00%	699,771.60 0.00	23.02% (3,545.64)	NR / NR NR	0.00 0.00
Total US Core Bonds		8,620.00	1.28%	703,317.24	0.00%	699,771.60 0.00	23.02% (3,545.64)	NR / NR NR	0.00 0.00
US HIGH YIELD BONDS									
78464A417	Barclays Capital High Yield Bond ETF Due 3/31/2019	4,300.00	Various 1.07%	168,012.67 168,012.67	35.97 0.00%	154,671.00 0.00	5.09% (13,341.67)	NR / NR NR	0.00 0.00
Total US High Yield Bonds		4,300.00	1.07%	168,012.67	0.00%	154,671.00 0.00	5.09% (13,341.67)	NR / NR NR	0.00 0.00
TOTAL PORTFOLIO		66,233.97	0.87%	2,385,324.81 2,385,324.81	0.02%	3,035,234.02 4,275.77	100.00% 649,909.21	Aaa / AAA AAA	0.00 0.00
TOTAL MARKET VALUE PLUS ACCRUED						3,039,509.79			

Transaction Ledger

As of March 31, 2019



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	03/01/2019	31846V203	32.77	First American Govt Obligation Fund Class Y	1.000	2.01%	32.77	0.00	32.77	0.00
Purchase	03/06/2019	31846V203	1,583.20	First American Govt Obligation Fund Class Y	1.000	2.01%	1,583.20	0.00	1,583.20	0.00
Purchase	03/06/2019	31846V203	62.37	First American Govt Obligation Fund Class Y	1.000	2.01%	62.37	0.00	62.37	0.00
Purchase	03/07/2019	31846V203	745.41	First American Govt Obligation Fund Class Y	1.000	2.01%	745.41	0.00	745.41	0.00
Purchase	03/26/2019	31846V203	3,465.91	First American Govt Obligation Fund Class Y	1.000	2.01%	3,465.91	0.00	3,465.91	0.00
Purchase	03/28/2019	31846V203	295.80	First American Govt Obligation Fund Class Y	1.000	2.01%	295.80	0.00	295.80	0.00
Subtotal			6,185.46				6,185.46	0.00	6,185.46	0.00
TOTAL ACQUISITIONS			6,185.46				6,185.46	0.00	6,185.46	0.00
DISPOSITIONS										
Security Withdrawal	03/05/2019	31846V203	496.12	First American Govt Obligation Fund Class Y	1.000		496.12	0.00	496.12	0.00
Subtotal			496.12				496.12	0.00	496.12	0.00
TOTAL DISPOSITIONS			496.12				496.12	0.00	496.12	0.00
OTHER TRANSACTIONS										
Dividend	03/01/2019	31846V203	21,304.63	First American Govt Obligation Fund Class Y	0.000		32.77	0.00	32.77	0.00
Dividend	03/06/2019	921937835	8,620.00	Vanguard ETF Total Bond Index	0.000		1,583.20	0.00	1,583.20	0.00
Dividend	03/06/2019	92203J407	1,350.00	Vanguard Total Intl Bond ETF	0.000		62.37	0.00	62.37	0.00
Dividend	03/07/2019	78464A417	4,300.00	Barclays Capital High Yield Bond ETF	0.000		745.41	0.00	745.41	0.00
Dividend	03/26/2019	464287200	1,280.00	ISHARES S&P 500 Index ETF	0.000		1,445.89	0.00	1,445.89	0.00
Dividend	03/26/2019	464287507	2,140.00	ISHARES S&P Midcap ETF	0.000		1,499.73	0.00	1,499.73	0.00

Transaction Ledger

As of March 31, 2019



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
OTHER TRANSACTIONS										
Dividend	03/26/2019	464288489	2,355.00	ISHARES Intl Developed Real Estate ETF	0.000		520.29	0.00	520.29	0.00
Dividend	03/28/2019	922042858	3,625.00	Vanguard FTSE Emerging Markets ETF	0.000		295.80	0.00	295.80	0.00
Subtotal			44,974.63				6,185.46	0.00	6,185.46	0.00
TOTAL OTHER TRANSACTIONS			44,974.63				6,185.46	0.00	6,185.46	0.00

Income Earned

As of March 31, 2019



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
EQUITY						
464287200	ISHARES S&P 500 Index ETF	Various Various 1,280.00	175,478.84 0.00 0.00 175,478.84	0.00 1,445.89 0.00 1,445.89	0.00 0.00 0.00 1,445.89	1,445.89
464287507	ISHARES S&P Midcap ETF	Various Various 2,140.00	224,739.48 0.00 0.00 224,739.48	0.00 1,499.73 0.00 1,499.73	0.00 0.00 0.00 1,499.73	1,499.73
464288489	ISHARES Intl Developed Real Estate ETF	Various Various 2,355.00	71,461.27 0.00 0.00 71,461.27	0.00 520.29 0.00 520.29	0.00 0.00 0.00 520.29	520.29
46428R107	IShares S&P GSCI Commodity-Indexed	Various Various 1,225.00	40,798.95 0.00 0.00 40,798.95	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00
78464A417	Barclays Capital High Yield Bond ETF	Various Various 4,300.00	168,012.67 0.00 0.00 168,012.67	0.00 745.41 0.00 745.41	0.00 0.00 0.00 745.41	745.41
921937835	Vanguard ETF Total Bond Index	Various Various 8,620.00	703,317.24 0.00 0.00 703,317.24	0.00 1,583.20 0.00 1,583.20	0.00 0.00 0.00 1,583.20	1,583.20
921943858	Vanguard ETF FTSE Developed Mkts ETF	Various Various 7,435.00	270,354.80 0.00 0.00 270,354.80	0.00 0.00 1,301.12 1,301.12	0.00 0.00 0.00 1,301.12	1,301.12
92203J407	Vanguard Total Intl Bond ETF	03/27/2018 03/29/2018 1,350.00	73,816.79 0.00 0.00 73,816.79	0.00 62.37 0.00 62.37	0.00 0.00 0.00 62.37	62.37
922042858	Vanguard FTSE Emerging Markets ETF	Various Various 3,625.00	155,190.43 0.00 0.00 155,190.43	0.00 295.80 0.00 295.80	0.00 0.00 0.00 295.80	295.80

Income Earned
As of March 31, 2019



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
922908553	Vanguard ETF REIT	Various Various 1,955.00	118,957.18 0.00 0.00 118,957.18	0.00 0.00 1,204.08 1,204.08	0.00 0.00 0.00 1,204.08	1,204.08
922908751	Vanguard ETF Small Cap	Various Various 3,715.00	319,146.78 0.00 0.00 319,146.78	0.00 0.00 1,770.56 1,770.56	0.00 0.00 0.00 1,770.56	1,770.56
97718W108	WisdomTree Investments Continuous Commodity Index	01/01/2016 01/01/2016 1,240.00	37,056.41 0.00 0.00 37,056.41	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00
Total Equity			39,240.00	2,358,330.84 0.00 0.00 4,275.76 10,428.45	0.00 0.00 0.00 0.00 10,428.45	10,428.45
CASH & EQUIVALENT						
31846V203	First American Govt Obligation Fund Class Y	Various Various 26,993.97	21,304.63 6,185.46 496.12 26,993.97	0.00 32.77 0.00 32.77	0.00 0.00 0.00 32.77	32.77
Total Cash & Equivalent			26,993.97	21,304.63 6,185.46 496.12 32.77	0.00 0.00 0.00 32.77	32.77
TOTAL PORTFOLIO			66,233.97	2,379,635.47 6,185.46 496.12 4,275.76 10,461.22	0.00 0.00 0.00 0.00 10,461.22	10,461.22

Cash Flow Report
As of March 31, 2019



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
04/02/2019	Dividend	922908751	3,715.00	Vanguard ETF Small Cap	0.00	1,770.56	1,770.56
04/02/2019	Dividend	921943858	7,435.00	Vanguard ETF FTSE Developed Mkts ETF	0.00	1,301.13	1,301.13
04/02/2019	Dividend	922908553	1,955.00	Vanguard ETF REIT	0.00	1,204.08	1,204.08
04/05/2019	Dividend	78464A417	4,300.00	Barclays Capital High Yield Bond ETF	0.00	725.35	725.35
APR 2019					0.00	5,001.12	5,001.12
TOTAL					0.00	5,001.12	5,001.12



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Custody: Your qualified custodian bank maintains control of all assets reflected in this statement and we urge you to compare this statement to the one you receive from your qualified custodian. Chandler does not have any authority to withdraw or deposit funds from/to the custodian account.

Valuation: Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance: Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

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Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

Ratings: Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.



Benchmark Index	Disclosure
Global Asset Allocation Index*	<p>The S&P 500 is a market value weighted index of 500 large capitalization stocks. The 500 companies included in the index capture approximately 80% of available U.S. market capitalization.</p> <p>The MSCI EAFE International Equity Index is a market capitalization weighted index that captures international equity performance of large and mid-cap stocks in the developed stock markets of Europe, Australasia, and the Far East.</p> <p>The ICE BofAML US Corporate, Government & Mortgage Index tracks the performance of US dollar denominated investment grade debt publicly issued in the US domestic market, including US Treasuries, quasi-governments, corporates, covered bonds and residential mortgage pass-throughs. Non-residential mortgage collateralized debt such as commercial mortgage backed securities and asset backed securities are excluded from the Index, as are all collateralized mortgage obligations. With the exception of local currency sovereign debt, qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). In addition, qualifying securities must have at least one year remaining term to final maturity, at least 18 months to final maturity at point of issuance and a fixed coupon schedule. Qualifying US Treasuries must have a minimum amount outstanding of \$1 billion. Qualifying US agencies, foreign governments, supranationals, corporates and covered bonds must have a minimum amount outstanding of \$250 million. Qualifying residential mortgage pass-through securities include fixed rate securities publicly issued by US agencies. 30- year, 20-year and 15-year fixed rate mortgage pools are included in the Index provided they have at least one year remaining term to final maturity and a minimum amount outstanding of at least \$5 billion per generic coupon and \$250 million per production year within each generic coupon. (Index: DOA0. Please visit www.mlindex.ml.com for more information)</p>



ITEM 6.0

AGENDA ITEM SUMMARY

TITLE: REPORT OUT OF CLOSED SESSION

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

Pursuant to the Government Code, this will serve as a report out of closed session items.

BACKGROUND

I.

Pursuant to California Government Code Section 54957.1, approval by the Executive Committee for the Board of Directors was given at the February 19, 2019 meeting to accept a settlement offer signed by the opposing party or a compromise and release in the matters identified below.

The terms of the agreement include that the plaintiff/claimant will dismiss the matter in exchange for payments as listed below.

Government Code Section 54956.95: Conference regarding a claim for the payment of tort liability losses, public liability losses, or workers' compensation liability incurred by the joint powers' agency or a local agency member of the joint powers' agency.

Claimant: A. Ruiz

Agency claimed against: City of Sebastopol

Amount: \$145,000

Claimant: M. Stoever

Agency claimed against: City of Ukiah

Amount: \$60,000

II.

Pursuant to California Government Code Section 54957.1, approval by the Board of Directors was given at the March 29, 2019 meeting to accept a settlement offer signed by the opposing party or a compromise and release in the matters identified below.

The terms of the agreement include that the plaintiff/claimant will dismiss the matter in exchange for payments as listed below.

Claimant: J. Brown

Agency claimed against: City of Willits

Amount: \$156,500

FISCAL IMPACT

Payment of settlement

RECOMMENDED ACTION

None

ATTACHMENTS

None



414 W. Napa St. • P.O. Box 885 • Sonoma, CA 95476 • 707.938.2388 • Fax 707.938.0374
Members: Arcata Cloverdale Cotati Eureka Fort Bragg Fortuna Healdsburg Lakeport
Robnett Park St. Helena Sebastopol Sonoma Ukiah Willits Windsor

ITEM 7.0

AGENDA ITEM SUMMARY

TITLE: GENERAL MANAGER'S ACTIVITIES

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

The General Manager is responsible for the planning and direction of REMIF's day-to-day operations to meet the organization's fiscal and service goals. The General Manager will routinely report on her activities to the Governing Board. No action is required by the Board. This is informational only.

BACKGROUND

Below, please find a brief summary of my activities since the last Board of Directors meeting (April 25, 2019):

1. Future medical file reviews with Athens and REMIF members (workers' compensation);
2. Plan, research, multiple telephone conferences re website capabilities;
3. Prepare for and attendance at CJPRMA board meeting (annual meeting);
4. Meeting with REMIF tenants, contractor and architect regarding tenant timeline;
5. Plan, prepare for and attend Marshburn training (3 days);
6. Multiple telephone calls with Athens regarding workers' compensation claims;
7. Attendance at PARMA meeting;
8. Plan, prepare for and attend partnership meetings with PARSAC;
9. Plan, prepare for and attend Health Care Committee meetings;
10. Plan, prepare for and attend Executive Committee meeting;
11. Plan, prepare for and attend Workers' Compensation Committee meetings;
12. Attendance at mediation for liability matter;
13. Multiple telephone conferences with carriers regarding renewals (all lines);
14. Indemnity file reviews with Athens and REMIF members (workers' compensation);
15. Meetings with City of Sonoma re plans;

FISCAL IMPACT

None

RECOMMENDED ACTION

None

ATTACHMENTS

None



ITEM 8.0

AGENDA ITEM SUMMARY

TITLE: SELF-INSURED HEALTH PLAN

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

Changes to the REMIF health care plan require ratification by the Board of Directors. A Health Care Committee has been appointed to review and discuss issues surrounding the REMIF health care plan and provide recommendations to the Board of Directors for ratification. There are five items that require ratification by the Board of Directors.

BACKGROUND

The Board of Directors has contracted with RealCare/NFP as the broker for health care and other benefits. A Health Care Committee has been appointed to review and discuss issues surrounding the REMIF health care plan and provides recommendations to the Board of Directors for consideration.

REMIF has offered a self-insured health plan since 2015. The plan uses the Anthem network and is administered through Health Comp and we work with our brokers, RealCare/NFP, on the plan.

The Health Care Committee provides recommendations to the Board of Directors for consideration and ratification.

ITEMS THAT REQUIRE RATIFICATION:

1. Changes to Prescription drug plan (administered through Envision RX):
 - a. Implementation of 90-day maintenance drug refill at retail pharmacies
Currently, plan participating employees can obtain a 90-day supply of prescription maintenance medication through mail-order (only). This would broaden coverage to allow plan participating employees to obtain a 90-day supply of prescription maintenance medication at a local retail pharmacy. The mail-order option is still available. The co-pay would be 1.5 times the employee's monthly co-pay for that medication, and, if approved, the additional benefit would begin October 1, 2019 (unless feasible by September 1, 2019).

Attached is a sample letter notifying members of this additional benefit.

Recommendation: The Health Care Committee recommends the Board of Directors expand coverage for the prescription drug plan to allow refills for 90-day prescription maintenance medication at a retail pharmacy, in addition to mail order, with a 1.5 times monthly copay and an effective date of August 1, 2019.

- b. Implementation of the non-essential drug program
Envision Rx identified a list of Non-Essential Drugs that could be excluded from the REMIF benefits due to the availability of less expensive prescription alternatives. Drugs on the Non-Essential Drug list are those that have low effectiveness, high cost, and many alternative medications that could be prescribed instead. Often these drugs are considered “new to the market” but are actually drugs that have been on the market and have just been tweaked slightly, causing the cost to rise dramatically. The “tweaks” made are often not shown to be effective enough to warrant the increased cost. Adoption of the Non-Essential Drug Program would eliminate approximately 268 drugs from the formulary. The list of drugs is determined quarterly by Envision Rx Pharmacists based on the availability of lower cost, more effective alternative drugs. It is estimated that this program would save about \$26,209 for the Plan. Envision Rx identified 12 people who used Non-Essential Drugs during the calendar year 2018. The plan has the option to “grandfather” current utilizers and apply the non-essential drug list to new prescriptions only.

Recommendation: The Health Care Committee’s recommendations will be provided to the Board of Directors at the upcoming Board of Directors meeting.

- c. Move from the standard to the select formulary
Since the plan inception REMIF has used the Standard Formulary. The Select Formulary is a narrower formulary and adoption of a narrower formulary would save on claims costs. The Committee considered the effect on members and potential cost savings and voted to keep the current Standard Formulary for another year and review the option of the Select Formulary for 7/1/20.

Recommendation: The Health Care Committee’s recommendation is to not adopt the select formulary at this time and consider review of this option for a 07/01/20 renewal.

- d. Clarification of reinstatement of coverage date for members returning from active military service

A member who goes on active military service is not eligible for the Plan. When the member is activated for service, he/she is covered by military benefits. When a member returns from military service, he/she must apply for reemployment with the agency. According to the current SPD, his/her benefits will be reinstated effective on the date of reemployment. If a member is discharged from military service on a weekend or holiday, he/she may have a gap in coverage if not reemployed as of the date of discharge.

Recommendation: The Health Care Committee’s recommendations is to amend the SPD to allow for reinstatement as of the date of discharge, if the member immediately returns to work.

- e. Change in language to clarify availability of electronic physician consultation services when a member is confined in a hospital

The language originally written in the SPD (page 58, item (dd) Online Care Services) states that covered services will include “medical consultations using the internet via webcam, chat or voice.” However, the item also lists “Non-Covered Services” to include “Consultations provided by telephone, electronic mail, or facsimile machines.”

This has caused the rejection of some claims for members in rural areas where their hospital uses “telemedicine” consultations when specialists are not available to provide care in person. These claims have been re-processed and paid. To clarify the coverage of these benefits, it is recommended that the SPD language be changed to specifically state that telephonic consultations are covered for members admitted to a hospital.

Recommendation: The Health Care Committee recommends the Board of Directors agree to change the language to specifically state that the telephonic consultations are covered for members admitted to a hospital.

2. Items that the Health Care Committee is reviewing/considering for future action to enhance services (including but not limited to):
 - a. Participant survey;
 - b. Medical claims audit;
 - c. Ombudsman services;
 - d. Updates to plan documents.

FISCAL IMPACT

Possible savings to the plan, exact amount unknown.

RECOMMENDED ACTIONS

The Health Care Committee recommends the Board of Directors vote to:

- a. The Health Care Committee’s recommendation is to expand coverage for the prescription drug plan to allow refills for 90-day prescription maintenance medication at a retail pharmacy, in addition to mail order, with a 1.5 times monthly copay and an effective date of October 1.
- b. The Health Care Committee’s recommendation regarding the implementation of the non-essential drug program will be provided to the Board of Directors at the upcoming Board of Directors meeting,
- c. The Health Care Committee’s recommendation is to not adopt the select formulary at this time and consider review of this option for a 07/01/20 renewal.
- d. The Health Care Committee’s recommendation is to amend the SPD to allow for reinstatement as of the date of discharge, if the member immediately returns to work.
- e. The Health Care Committee’s recommendation is to change the language to specifically state that the telephonic consultations are covered for members admitted to a hospital.

ATTACHMENTS

8.1 Retail 90 Letter - draft

8.2 REMIF Income & Expense Report PY 18’19 through May 2019



REMIF
c/o EnvisionRx
2181 E. Aurora Road
Suite 201
Twinsburg, OH 44087

PERSONAL HEALTH INFORMATION
To be opened only by addressee.

«MemberFName» «MemberLName»
«MemberAddr1»
«MemberAddr2»
«MemberCity» «MemberState» «MemberZip»

«MemberFName», use Mail Order
or Retail 90 program to save
money *and* avoid paying more for
your medication!

«Date»

Dear «MemberFName»,

EnvisionRx manages your prescription drug benefit on behalf of The Redwood Empire Municipal Insurance Fund. We're writing to tell you about **Retail 90, a maintenance drug program being added in addition to your current mail order benefit.** Maintenance drugs are medications used on a regular basis to treat chronic conditions such as high blood pressure, high cholesterol and diabetes, and you can now receive a 90 supply of medication at **either a local retail pharmacy or through the mail.**

With Retail 90 and Envision Mail Order:

- You get 90-day supplies of covered maintenance drugs – at a lower cost!
- You're less likely to run out of the medication you need to stay healthy

Avoid paying more for maintenance drugs!

To avoid paying the full cost of your medication, your prescriptions must be for 90-day supplies (not 30)

Make the change today and start saving more!

Register for online services

It's quick and easy to manage your benefit at envisionrx.com. If you have a question that isn't addressed on our website, please call customer service at 800-361-4542 (TTY 711). Representatives are available 24 hours a day, seven days a week.

Sincerely,

EnvisionRx on behalf of The Redwood Empire Municipal Insurance Fund

Online: envisionrx.com

Phone: 800-361-4542 (TTY 711)

REMIF SELF-FUNDED HEALTH PLAN

ITEM 8.2

Income and Expenses

7-1-18 through 5-31-19

PREMIUM INCOME	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY
Total Medical Premium Collected	\$ 1,130,809	\$ 1,151,550	\$ 1,141,869	\$ 1,138,165	\$ 1,139,580	\$ 1,155,544	\$ 1,122,231	\$ 1,115,664	\$ 1,161,306	\$ 1,144,658	\$ 1,147,225
Premium Collected YTD	\$ 1,130,809	\$ 2,282,358	\$ 3,424,227	\$ 4,562,392	\$ 5,701,972	\$ 6,857,516	\$ 7,979,748	\$ 9,095,412	\$ 10,256,718	\$ 11,401,376	\$ 12,548,602
PLAN ADMINISTRATIVE EXPENSES	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY
Fees & Stop Loss Expenses											
Voya Specific Stop Loss	\$ 107,460	\$ 109,277	\$ 109,205	\$ 107,867	\$ 109,071	\$ 111,213	\$ 108,402	\$ 106,796	\$ 110,410	\$ 108,804	\$ 109,205
Voya Aggregate Stop Loss	\$ 2,202	\$ 2,238	\$ 2,236	\$ 2,208	\$ 2,233	\$ 2,277	\$ 2,219	\$ 2,187	\$ 2,261	\$ 2,228	\$ 2,236
Broker Fees	\$ 16,852	\$ 17,124	\$ 17,103	\$ 16,894	\$ 17,082	\$ 17,418	\$ 16,978	\$ 16,726	\$ 17,292	\$ 17,040	\$ 17,103
TPA Fees	\$ 19,690	\$ 20,096	\$ 19,940	\$ 19,495	\$ 19,911	\$ 20,264	\$ 19,820	\$ 19,522	\$ 20,185	\$ 19,892	\$ 20,016
PPO/UR Fees	\$ 18,069	\$ 18,370	\$ 18,347	\$ 18,122	\$ 18,325	\$ 18,683	\$ 18,212	\$ 17,942	\$ 18,549	\$ 18,279	\$ 18,348
Envision Fees						\$			\$		
REMIF Admin Fee	\$ 11,051	\$ 11,176	\$ 11,273	\$ 11,190	\$ 11,217	\$ 11,356	\$ 11,273	\$ 11,106	\$ 11,301	\$ 11,203	\$ 11,273
Other Fees	\$ -	\$ -	\$ 150								
Total Fees & Stop Loss	\$ 175,322	\$ 178,281	\$ 178,254	\$ 175,775	\$ 177,840	\$ 181,211	\$ 176,903	\$ 174,279	\$ 179,997	\$ 177,446	\$ 178,182
Total Fees YTD	\$ 175,322	\$ 353,603	\$ 531,857	\$ 707,632	\$ 885,472	\$ 1,066,683	\$ 1,243,586	\$ 1,417,865	\$ 1,597,862	\$ 1,775,308	\$ 1,953,490
CLAIMS EXPENSES	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY
Medical	\$ 683,304	\$ 51,885	\$ 601,772	\$ 594,228	\$ 784,284	\$ 382,944	\$ 722,397	\$ 553,443	\$ 719,165	\$ 1,557,282	\$ 1,471,427
Rx	\$ 136,631	\$ 180,794	\$ 131,352	\$ 167,114	\$ 177,384	\$ 135,167	\$ 166,640	\$ 130,073	\$ 160,557	\$ 147,804	\$ 193,953
Total Claims Paid	\$ 819,935	\$ 232,679	\$ 733,124	\$ 761,342	\$ 961,668	\$ 518,111	\$ 889,037	\$ 683,516	\$ 879,722	\$ 1,705,086	\$ 1,665,380
Claims Paid YTD	\$ 819,935	\$ 1,052,614	\$ 1,785,738	\$ 2,547,081	\$ 3,508,748	\$ 4,026,859	\$ 4,915,895	\$ 5,599,412	\$ 6,479,133	\$ 8,184,219	\$ 9,849,600
RESERVE ACCOUNTING	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY
Beginning Reserve Balance	\$ 2,765,455	\$ 3,776,458	\$ 4,591,853	\$ 4,832,101	\$ 5,037,917	\$ 5,062,239	\$ 5,523,797	\$ 5,697,798	\$ 6,023,125	\$ 6,132,877	\$ 5,477,688
INCOME											
Monthly Premium Income	\$ 1,130,809	\$ 1,151,550	\$ 1,141,869	\$ 1,138,165	\$ 1,139,580	\$ 1,155,544	\$ 1,122,231	\$ 1,115,664	\$ 1,161,306	\$ 1,144,658	\$ 1,147,225
Recovered Stop Loss Claims	\$ 875,452	\$ 74,805	\$ 9,757	\$ 4,768	\$ 24,250	\$ 5,335	\$ 117,710	\$ 67,457	\$ 8,165	\$ 82,685	\$ 8,494
Recovered Workers' Comp Claims											
Recovered Subrogation & Refunds											
Interest Income											
Other Income											
Total Income	\$ 2,006,261	\$ 1,226,355	\$ 1,151,626	\$ 1,142,934	\$ 1,163,829	\$ 1,160,879	\$ 1,239,941	\$ 1,183,122	\$ 1,169,471	\$ 1,227,343	\$ 1,155,719
EXPENSES											
Total Fees & Stop Loss	\$ 175,322	\$ 178,281	\$ 178,254	\$ 175,775	\$ 177,840	\$ 181,211	\$ 176,903	\$ 174,279	\$ 179,997	\$ 177,446	\$ 178,182
Total Claims	\$ 819,935	\$ 232,679	\$ 733,124	\$ 761,342	\$ 961,668	\$ 518,111	\$ 889,037	\$ 683,516	\$ 879,722	\$ 1,705,086	\$ 1,665,380
Other Expenses											
Total Expenses Paid	\$ 995,258	\$ 410,960	\$ 911,378	\$ 937,117	\$ 1,139,508	\$ 699,322	\$ 1,065,940	\$ 857,795	\$ 1,059,719	\$ 1,882,532	\$ 1,843,562
ENDING RESERVE BALANCE	\$ 3,776,458	\$ 4,591,853	\$ 4,832,101	\$ 5,037,917	\$ 5,062,239	\$ 5,523,797	\$ 5,697,798	\$ 6,023,125	\$ 6,132,877	\$ 5,477,688	\$ 4,789,845
# of REMIF Plan Members	795	804	811	805	807	817	811	799	813	806	811



ITEM 9.0

AGENDA ITEM SUMMARY

TITLE: RENEWAL AND CONTRIBUTIONS (PREMIUMS) FOR WORKERS' COMPENSATION AND LIABILITY PROGRAMS (REMIF LAYER AND EXCESS LAYER)

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

The renewal and contributions (premiums) for the workers' compensation and liability programs require ratification by the Board of Directors. Both the REMIF layer and the excess layer are being presented.

BACKGROUND

1. REMIF LAYER – WORKERS' COMPENSATION AND LIABILITY

At the September 27, 2018 Board of Directors meeting, the Board approved both the liability and workers' compensation actuarial report that was completed for purposes of determining the outstanding financial liability on the financial statement (outstanding liability as of 06/30/18).

At the April 25, 2019 Board of Directors meeting, the Board approved both the liability and workers' compensation actuarial report that was completed for purposes of determining the funding necessary to fund the program (claims data as of 12/31/18).

Preliminary estimated contributions for the workers' compensation and liability programs based on 12/31/18 data were presented to the Board on April 25, 2018.

Funding for the workers' compensation and liability programs includes the primary self-insured retention layer (\$1,000,000 for workers' compensation and \$500,000 for liability), excess rates (above the REMIF self-insured retention layer), some REMIF services, general and administrative expenses, etc. For the excess coverage, REMIF does not receive renewals for those until late May/early June, so the preliminary estimated contributions for both programs were calculated based on projections for the renewals of the excess layers. The proposed budget for Workers' Compensation did not change from the preliminary estimates presented in April while the Liability proposed budget increased by \$160,000 from the April the estimates. The workers' compensation excess renewal came in lower than initial projections (and with options – see discussion below); the liability excess renewal came in higher than initial projections.

Recommendation: Approve final contributions for the workers' compensation and liability program.

2. EXCESS LAYER – WORKERS’ COMPENSATION COVERAGE

There has been a decrease in the rates related to the excess workers’ compensation coverage. The program is currently layered:

Member deductible: \$5,000 or \$10,000

REMIF layer: Difference between member deductible and \$1,000,000

Commercial insurance layer: Coverage over \$1,000,000

Our excess coverage partner is Safety National, brokered through Marsh. Safety National also provides “add on” services, including access to on-line sexual harassment training.

Currently, our rates are: over the \$1,000,000 REMIF layer, \$0.31678 per \$100 of payroll.

There are four options being presented for the renewal:

Option 1: over the \$1,000,000 REMIF layer, one-year rate commitment, \$0.2851 per \$100 of payroll

Option 2: over the \$1,000,000 REMIF layer, two-year rate commitment, \$0.2581 per \$100 of payroll

Option 3: reduce the \$1,000,000 REMIF layer to: \$1,000,000 for safety; \$750,000 for all others, one-year commitment, \$0.2951 per \$100 of payroll

Option 4: reduce the \$1,000,000 REMIF layer to: \$1,000,000 for safety; \$750,000 for all others, two-year commitment, \$0.2951 per \$100 of payroll

Recommendation: Approve option 4 for excess workers’ compensation renewal

3. EXCESS LAYER - LIABILITY

There has been an increase in the rates related to the excess liability coverage. The program is currently layered:

Member deductible: \$5,000, \$10,000 or \$25,000

REMIF layer: Difference between member deductible and \$500,000

Commercial insurance layer: Coverage over \$500,000

Our excess coverage partner is CJPRMA. CJPRMA is also our partner in a variety of other programs, including APD and property. While final rates have not yet been received, there is approximate increase to \$0.8643 per \$100 of payroll (up from \$0.698).

Recommendation: Approve increase excess liability renewal.

FISCAL IMPACT

Workers' Compensation: \$7,027,599

Liability: \$4,478,612

RECOMMENDED ACTION

Approve contributions for the workers' compensation and liability program.

ATTACHMENTS

9.1 Workers' Compensation program contributions (based on 12/31/18 data)

9.2 Liability program contributions (based on 12/31/18 data)

**REMIF
PROPOSED WORKERS' COMPENSATION CONTRIBUTION 2019-20**

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
	Payroll 2017-18 (a)	% of Total Payroll	Experience Mod	Deductible Discount	Gross Payroll (a) x (c) x (d)	% of Gross Payroll	2019-20 Funding Losses	Expenses	Proposed 2019-20 Premium (g) + (h)	Final 2018-19 Premium	Change From Prior Year	Percent Change (i-j) / (j)
ARCATA	8,786,530	7.80%	91%	80%	6,418,850	7.47%	412,783	112,015	524,798	420,952	103,846	24.67%
CLOVERDALE	3,792,384	3.37%	142%	80%	4,308,150	5.01%	277,048	75,181	352,229	207,016	145,213	70.15%
COTATI	3,070,082	2.73%	72%	80%	1,770,570	2.06%	113,862	30,898	144,760	71,632	73,128	102.09%
EUREKA	14,204,878	12.61%	86%	75%	9,144,880	10.64%	588,088	159,587	747,675	585,310	162,365	27.74%
FORT BRAGG	3,319,872	2.95%	85%	80%	2,244,900	2.61%	144,365	39,176	183,541	186,915	(3,374)	-1.81%
FORTUNA	4,708,031	4.18%	94%	80%	3,528,520	4.11%	226,912	61,576	288,488	200,951	87,537	43.56%
HEALDSBURG	14,269,138	12.67%	79%	80%	8,965,220	10.43%	576,534	156,452	732,986	550,575	182,411	33.13%
LAKEPORT	2,790,659	2.48%	105%	80%	2,333,520	2.71%	150,064	40,722	190,786	148,922	41,864	28.11%
ROHNERT PARK	18,340,011	16.28%	108%	80%	15,864,880	18.46%	1,020,237	276,857	1,297,094	1,064,157	232,937	21.89%
SEBASTOPOL	4,918,983	4.37%	121%	80%	4,772,160	5.55%	306,887	83,279	390,166	255,247	134,919	52.86%
SONOMA	2,899,013	2.57%	75%	80%	1,732,840	2.02%	111,435	30,240	141,675	110,824	30,851	27.84%
ST. HELENA	6,324,343	5.61%	85%	80%	4,287,590	4.99%	275,726	74,823	350,549	309,183	41,366	13.38%
UKIAH	13,837,071	12.28%	127%	75%	13,156,400	15.31%	846,060	229,592	1,075,652	1,001,127	74,525	7.44%
WILLITS	2,761,261	2.45%	128%	80%	2,827,530	3.29%	181,832	49,343	231,175	139,722	91,453	65.45%
WINDSOR	8,626,857	7.66%	71%	75%	4,599,180	5.35%	295,764	80,261	376,025	218,027	157,998	72.47%
TOTAL	<u>112,649,114</u>				<u>85,955,190</u>		<u>5,527,597</u>	<u>1,500,002</u>	<u>7,027,599</u>	<u>5,470,560</u>	<u>1,557,039</u>	<u>28%</u>
PRIOR YEAR TOTALS	<u>105,019,672</u>						<u>4,270,563</u>	<u>1,200,001</u>	<u>5,470,564</u>			
\$ Change	<u>7,629,442</u>						<u>1,257,034</u>	<u>300,001</u>	<u>1,557,035</u>			
% Change	<u>7%</u>						<u>29%</u>	<u>25%</u>	<u>28%</u>			

	Current Year	Prior Year	Change
Estimated Payroll for 19-20	\$116,028,588	\$ 108,170,262	7.26%
18/19 Payroll Rate per Actuary Report	\$3.97	3.29	20.67%
Funding at Expected	\$4,606,330	3,558,802	29.43%
75% confidence factor	1.20	1.20	0.00%
Funding Losses at REMIF Layer (undiscounted)	\$5,527,596	\$ 4,270,562	29.43%

- (a) Actual member payroll from 2017-2018.
- (c) Experience modification factor approved at the January 2019 board meeting.
- (d) Member deductible discount;
 - 80% discount: \$ 5,000 deductible
 - 75% discount: \$10,000 deductible
- (g) Funding losses at REMIF layer allocated by member from column f
- (h) Budgeted Expenses for 19-20 year, allocated by member from column f

**WORKERS' COMPENSATION EXPERIENCE MODIFICATION
FY 2019-20**

(a)	(b)	(c) (b)/(b total)	(d) PERCENT CHANGES IN	(e) TOTAL PAYROLL	(f) (e)/(e total) PERCENT	(g) PERCENT CHANGES IN	(h) (c)/(f) INDICATED DIFFERENTIAL	(i) CREDIBILITY	(j) (h * i) + (i) EX-MOD CAPPED EX-MOD	(k) Revised EX-MOD FY 2019-20	(l) Approved EX-MOD FY 2018-19	(k - l) Change			
	REPORTED LOSSES FY 2014-18	PERCENT	FY 2013-17 LOSSES	FY 2014-18	FY 2014-18	FY 2013-2017 PAYROLL									
ARCATA	\$1,279,060	6.82%	\$1,169,993	9.32%	\$43,072,694	8.26%	\$42,537,280	1.26%	0.8263	0.5	0.91	0.91	91%	94%	-3%
CLOVERDALE	\$1,391,654	7.42%	\$659,875	110.90%	\$17,120,377	3.28%	\$17,003,260	0.69%	2.2620	0.5	1.63	1.63	142%	112%	30%
COTATI	\$197,623	1.05%	\$215,829	-8.44%	\$12,447,436	2.39%	\$11,450,738	8.70%	0.4418	0.5	0.72	0.72	72%	80%	-8%
EUREKA	\$1,920,587	10.24%	\$1,853,285	3.63%	\$74,563,555	14.29%	\$78,065,504	-4.49%	0.7168	0.5	0.86	0.86	86%	88%	-2%
FORT BRAGG	\$428,980	2.29%	\$617,932	-30.58%	\$17,287,684	3.31%	\$17,290,108	-0.01%	0.6905	0.5	0.85	0.85	85%	107%	-22%
FORTUNA	\$665,125	3.55%	\$484,793	37.20%	\$21,184,658	4.06%	\$20,380,216	3.95%	0.8737	0.5	0.94	0.94	94%	88%	6%
HEALDSBURG	\$1,219,830	6.51%	\$1,220,226	-0.03%	\$59,474,333	11.40%	\$55,123,247	7.89%	0.5707	0.5	0.79	0.79	79%	85%	-6%
LAKEPORT	\$524,521	2.80%	\$445,346	17.78%	\$13,384,807	2.57%	\$13,326,242	0.44%	1.0905	0.5	1.05	1.05	105%	103%	2%
ROHNERT PARK	\$3,281,303	17.50%	\$3,385,614	-3.08%	\$78,538,018	15.05%	\$73,128,171	7.40%	1.1626	0.5	1.08	1.08	108%	124%	-16%
SEBASTOPOL	\$1,144,712	6.11%	\$716,663	59.73%	\$22,347,654	4.28%	\$20,942,422	6.71%	1.4254	0.5	1.21	1.21	121%	104%	17%
SONOMA	\$232,037	1.24%	\$217,874	6.50%	\$13,061,769	2.50%	\$12,480,622	4.66%	0.4943	0.5	0.75	0.75	75%	78%	-3%
ST. HELENA	\$665,675	3.55%	\$433,809	53.45%	\$26,657,664	5.11%	\$24,763,448	7.65%	0.6949	0.5	0.85	0.85	85%	102%	-17%
UKIAH	\$3,878,131	20.69%	\$3,606,584	7.53%	\$70,281,633	13.47%	\$68,189,722	3.07%	1.5355	0.5	1.27	1.27	127%	134%	-7%
WILLITS	\$1,339,415	7.14%	\$426,423	214.11%	\$14,079,004	2.70%	\$14,155,836	-0.54%	2.6473	0.5	1.82	1.82	128%	98%	30%
WINDSOR	\$578,449	3.09%	\$408,838	41.49%	\$38,173,806	7.32%	\$36,405,667	4.86%	0.4217	0.5	0.71	0.71	71%	70%	1%
TOTAL	<u>\$18,747,102</u>		<u>\$15,863,084</u>		<u>\$521,675,094</u>		<u>\$505,242,483</u>								
PRIOR YEAR TOTAL	<u>\$15,863,084</u>						<u>\$505,242,483</u>								
CHANGE %	<u>18%</u>						<u>3%</u>								

The Ex-Mod cannot vary by more than 30% in any one year, nor go above 200%, nor below 70%

**REMIF
PROPOSED LIABILITY CONTRIBUTIONS 2019-20**

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
	Auto Liability	General Liability	Manual Premium (a)+(b)	Experience Modification	Deductible Discount	Gross Loss Premium (c) x (d) x (e)	% of Loss of Premium (f)/ (f total)	Net Loss Premium	Expenses	PROPOSED 2019-20 Contribution (h) + (i)	Final 2018-19 Contribution	Change from Last Year (j) - (k)	Percent Change
ARCATA	106,294	279,312	385,606	83%	80%	254,893	5.45%	152,410	91,491	243,901	193,691	50,210	25.92%
CLOVERDALE	44,242	134,900	179,142	152%	80%	217,280	4.64%	129,920	77,991	207,911	215,514	(7,603)	-3.53%
COTATI	52,186	105,385	157,571	103%	80%	129,839	2.77%	77,636	46,605	124,241	137,221	(12,980)	-9.46%
EUREKA	235,112	630,501	865,613	116%	67%	671,896	14.36%	401,752	241,171	642,923	496,478	146,445	29.50%
FORT BRAGG	63,838	156,639	220,477	73%	80%	128,638	2.75%	76,918	46,174	123,092	122,868	224	0.18%
FORTUNA	104,871	190,974	295,845	96%	80%	227,209	4.85%	135,857	81,555	217,412	298,053	(80,641)	-27.06%
HEALDSBURG	90,778	601,089	691,867	70%	80%	387,445	8.28%	231,668	139,070	370,738	332,181	38,557	11.61%
LAKEPORT	74,193	105,624	179,817	84%	75%	113,644	2.43%	67,952	40,791	108,743	104,213	4,530	4.35%
ROHNERT PARK	204,395	539,334	743,729	113%	67%	562,188	12.01%	336,154	201,792	537,946	486,260	51,686	10.63%
SEBASTOPOL	80,158	183,002	263,160	164%	80%	345,266	7.38%	206,448	123,930	330,378	215,346	115,032	53.42%
SONOMA	33,613	275,734	309,347	100%	80%	247,478	5.29%	147,977	88,830	236,807	159,382	77,425	48.58%
ST.HELENA	69,583	236,229	305,812	84%	75%	193,041	4.12%	115,427	69,291	184,718	136,495	48,223	35.33%
UKIAH	198,256	785,464	983,720	70%	67%	461,365	9.86%	275,868	165,603	441,471	365,403	76,068	20.82%
WILLITS	78,175	129,155	207,330	182%	80%	301,872	6.45%	180,501	108,354	288,855	207,944	80,911	38.91%
WINDSOR	82,830	529,601	612,431	95%	75%	438,379	9.37%	262,124	157,352	419,476	252,451	167,025	66.16%
TOTAL	<u>\$ 1,518,524</u>	<u>\$ 4,882,943</u>	<u>\$ 6,401,467</u>			<u>\$ 4,680,433</u>		<u>\$ 2,798,612</u>	<u>\$ 1,680,000</u>	<u>\$ 4,478,612</u>	<u>\$ 3,723,500</u>	<u>\$ 755,112</u>	<u>20.28%</u>
PRIOR YEAR	<u>1,597,493</u>	<u>4,710,825</u>	<u>6,308,318</u>			<u>4,375,979</u>		<u>2,323,500</u>	<u>1,400,000</u>	<u>3,723,500</u>			
\$ Change	<u>\$ (78,969)</u>	<u>\$ 172,118</u>	<u>\$ 93,149</u>			<u>\$ 304,454</u>		<u>\$ 475,112</u>	<u>\$ 280,000</u>	<u>\$ 755,112</u>			
% Change	<u>-4.94%</u>	<u>3.65%</u>	<u>1.48%</u>			<u>6.96%</u>		<u>20.45%</u>	<u>20.00%</u>	<u>20.28%</u>			

	Current Year	Prior Year	Change
Estimated payroll for 19-20	\$ 116,028,588	\$ 108,170,262	7.26%
Expected funding Rate for 19-20	2.01	1.79	12.29%
Funding at Expected	2,332,175	1,936,248	20.45%
Funding at 75% Confidence Level	1.20	1.20	0.00%
Funding for REMIF Layer (Undiscounted)	\$ 2,798,610	\$ 2,323,497	20.45%

- a) Auto Liability - Vehicle count from each member multiple by insurance rate.
- b) General Liability - Budgeted expenditures by member
- d) Experience Modification by member
- e) Deductible Discount
 - 80% discount: \$5,000 deductible
 - 75% discount: \$10,000 deductible
 - 67% discount: \$25,000 deductible
- g) Percentage of Gross Loss Premium to the overall Gross Loss Premium by member
- i) Expenses are projected based upon 19-20 budget.

LIABILITY EXPERIENCE MODIFICATION

FY 2019-20

(a)	(b) REPORTED LOSSES FY 2014-18	(c) PERCENT <u>(b)/(b Total)</u>	(d) FY 2013-17 LOSSES	(d) PERCENT CHANGE IN LOSSES	(e) TOTAL PAYROLL FY 2014-18	(f) PERCENT <u>(e)/(e Total)</u>	(g) FY 2013-2017 Payroll	(g) PERCENT CHANGE IN PAYROLL	(h) INDICATED DIFFERENTIAL <u>(c)/(f)</u>	(i) CREDIBILITY	(j) EX-MOD FACTOR <u>(h * i) + (i)</u>	(j) CAPPED EX-MOD	(k) Revised EX-MOD FY 2019-20	(l) Approved EX-MOD FY 2018-19	(k - l) Change
ARCATA	\$675,627	5.30%	\$322,746	109.34%	\$42,343,427	8.13%	\$41,846,554	1.19%	0.6525	0.5	0.83	0.83	83%	77%	6%
CLOVERDALE	\$850,733	6.68%	\$691,538	23.02%	\$17,120,377	3.29%	\$17,003,260	0.69%	2.0322	0.5	1.52	1.52	152%	160%	-8%
COTATI	\$197,532	1.55%	\$267,688	-26.21%	\$12,447,436	2.39%	\$11,450,738	8.70%	0.6490	0.5	0.82	0.82	103%	133%	-30%
EUREKA	\$2,401,223	18.85%	\$1,074,334	123.51%	\$74,563,555	14.31%	\$78,065,504	-4.49%	1.3170	0.5	1.16	1.16	116%	99%	17%
FORT BRAGG	\$193,871	1.52%	\$200,909	-3.50%	\$17,287,684	3.32%	\$17,290,108	-0.01%	0.4586	0.5	0.73	0.73	73%	95%	-22%
FORTUNA	\$83,665	0.66%	\$107,323	-22.04%	\$21,184,658	4.07%	\$20,380,216	3.95%	0.1615	0.5	0.58	0.70	96%	126%	-30%
HEALDSBURG	\$544,863	4.28%	\$349,911	55.71%	\$59,474,333	11.42%	\$55,123,247	7.89%	0.3747	0.5	0.69	0.70	70%	73%	-3%
LAKEPORT	\$224,296	1.76%	\$87,226	157.14%	\$13,384,807	2.57%	\$13,326,242	0.44%	0.6853	0.5	0.84	0.84	84%	73%	11%
ROHNERT PARK	\$2,412,826	18.94%	\$1,645,289	46.65%	\$78,538,018	15.08%	\$73,128,171	7.40%	1.2564	0.5	1.13	1.13	113%	117%	-4%
SEBASTOPOL	\$1,245,876	9.78%	\$515,436	141.71%	\$22,347,654	4.29%	\$20,942,422	6.71%	2.2800	0.5	1.64	1.64	164%	138%	26%
SONOMA	\$416,001	3.27%	\$49,895	733.75%	\$13,061,769	2.51%	\$12,480,622	4.66%	1.3025	0.5	1.15	1.15	100%	70%	30%
ST. HELENA	\$445,395	3.50%	\$44,947	890.93%	\$26,657,664	5.12%	\$24,763,448	7.65%	0.6833	0.5	0.84	0.84	84%	70%	14%
UKIAH	\$562,072	4.41%	\$254,958	120.46%	\$70,281,633	13.49%	\$68,189,722	3.07%	0.3271	0.5	0.66	0.70	70%	70%	0%
WILLITS	\$1,635,690	12.84%	\$1,280,975	27.69%	\$14,079,004	2.70%	\$14,155,836	-0.54%	4.7514	0.5	2.88	2.00	182%	152%	30%
WINDSOR	\$848,288	6.66%	\$187,980	351.27%	\$38,173,806	7.33%	\$36,405,667	4.86%	0.9088	0.5	0.95	0.95	95%	70%	25%
TOTAL	<u>\$12,737,958</u>		<u>\$7,081,155</u>		<u>\$520,945,827</u>		<u>\$504,551,757</u>								
PRIOR YEAR TOTAL	\$7,081,155				\$504,551,757										
% Change	<u>79.9%</u>				<u>3.2%</u>										

The Ex-Mod cannot vary by more than 30% in any one year, nor go above 200%, nor below 70%



REMIF
REDWOOD
EMPIRE
MUNICIPAL
INSURANCE
FUND

414 W. Napa St. • P.O. Box 885 • Sonoma, CA 95476 • 707.938.2388 • Fax 707.938.0374
 Members: Arcata Cloverdale Cotati Eureka Fort Bragg Fortina Healdsburg Lakeport
 Robnert Park St. Helena Sebastopol Sonoma Ukiah Willits Windsor

ITEM 10.0

AGENDA ITEM SUMMARY

TITLE: RENEWAL OF THE PROPERTY PROGRAM

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

The premiums for our excess coverage for the property program have increased. Changes to the property program require ratification by the Board.

BACKGROUND

The insurance market for property has become a very hard market. Between the devastating wildfires in Redding and Paradise, and throughout the state, and the recent flooding in our area, getting coverage at all, let alone affordable coverage, is becoming a serious challenge. Homeowners, commercial buildings owners and public agencies are experiencing carriers dropping them from coverage, as many insurers are leaving the state, with an “ABC” approach – anywhere but California. The wildfire losses that once were considered one-off losses are now considered routine and almost expected. Where once we could negotiate property rates, the carriers have a “take it or leave it” approach, while some don’t even offer coverage at all anymore. Unlike increases in workers’ compensation and in liability, where increases generally reflect the experience of the pool, the increases in the property rates aren’t necessarily reflective of our losses (although that is a part of the increase).

Our property coverage is primarily through Alliant (called their APIP program, obtained through CJPRMA), although REMIF does maintain a layer of coverage. REMIF’s deductibles with cities range between \$5,000 and \$10,000, while our deductible with Alliant (through CJRPMA) is currently \$100,000 (was \$25,000 last year). REMIF maintains the layer between the member deductible (\$5,000/\$10,000) and the Alliant (through CJPRMA) deductible (\$100,000). We do participate in CJPRMA’s deductible buy down policy, reducing the \$100,000 deductible to \$50,000 for the first loss. I expect our deductible to increase to \$250,000 next year.

Layers	FY 2017-2018	FY 2018-2019	FY 2019-2020
Member Layer	\$5K or \$10K	\$5k or \$10K	\$5k or \$10k
REMIF Layer	\$25K	\$100K, with a deductible buy down to \$50k	\$100k, with a deductible buy down to \$50k
Excess Layer (Alliant/CJPRMA)	Above \$25K	Above \$100K, with a deductible buy down to \$50k	Above \$100K, with a deductible buy down to \$50k

This year, our property rates are going up by approximately 40% with Alliant. That's more than initial projections. The REMIF self-insured layer continues to take on more risk and needs to be funded to properly reflect the increased risk, unless the members increase their deductible or increase deductibles to meet the excess layer (see options below).

Last year, the Board of Directors discussed funding for the REMIF layer, which included funding the deductible buy down. Due to some losses this year, the reserves in the property program have started to deplete. In addition to the 40% increase with Alliant, funding needs to be provided for the REMIF layer, unless we increase member deductibles.

For Fiscal Year/Program Year 2019-2020, I present three options:

1. Fund the property program (40%) increase with one \$45,000 layer.
2. Fund the property program (40%) increase with one \$115,000 layer.
3. Increase member deductibles to match Alliant/CJPRMA deductible (40% increase).

Administrative fees are included in funding calculations.

If property rates continue to increase or if insurers leave the state, REMIF will need to explore other options, such as a captive (a captive is similar to an insurance company, only that we would insure ourselves). Captives can be a costly option.

Attached is a copy of the draft property schedule for each member city. Final premiums will not be released until July from our carrier.

FISCAL IMPACT

Between \$800,000 to \$915,000 for fiscal year 2019-20 (estimated)

RECOMMENDED ACTION

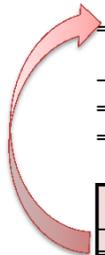
1. Increase the member deductibles to match Alliant/CJRPMA deductible.
2. Approve the property schedule, giving the General Manager authority to make final corrections when final premiums have been received by the carrier.

ATTACHMENTS

10.1 Proposed Property Contributions FY 2019-2020

REMIF
PROPOSED PROPERTY CONTRIBUTIONS 2019-20
Option 1 - REMIF @ 1 Deductible \$45k, Excess Coverage at \$100K

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
	2018-19 VAR	2019-20 VAR	Change from Prior Year (b) - (a)	Manual Premium 0.000760 (b) x .000638	Deductible Discount	Net Premium (d) x (1-(e))	Property Fund Admin Cost \$30,000 (f)/(k) * 30,000	2019-20 Total Premium (f) + (g)	2018-19 Total Premium	Percent Change ((h) - (i)) / (i)
ARCATA	81,972,039	86,324,615	4,352,576	\$ 65,591	25%	49,193	\$ 1,811	51,004	32,543	56.73%
CLOVERDALE	50,722,572	50,722,572	-	38,540	20%	30,832	1,135	31,967	20,137	58.75%
COTATI	27,299,183	28,194,382	895,199	21,423	20%	17,138	631	17,769	10,838	63.95%
EUREKA	214,677,599	214,810,621	133,022	163,216	25%	122,412	4,506	126,918	85,145	49.06%
FORT BRAGG	59,707,474	71,408,944	11,701,470	54,258	25%	40,694	1,498	42,192	23,355	80.66%
FORTUNA	66,089,267	65,646,267	(443,000)	49,879	25%	37,409	1,377	38,786	26,061	48.83%
HEALDSBURG	136,511,081	137,775,265	1,264,184	104,684	25%	78,513	2,890	81,403	54,194	50.21%
LAKEPORT	49,899,555	62,410,982	12,511,427	47,421	25%	35,566	1,309	36,875	19,810	86.14%
ROHNERT PARK	136,915,816	141,308,861	4,393,045	107,369	20%	85,895	3,162	89,057	54,355	63.84%
SEBASTOPOL	38,622,529	44,565,529	5,943,000	33,862	25%	25,397	935	26,332	15,333	71.73%
SONOMA	37,781,589	38,853,991	1,072,402	29,522	25%	22,142	815	22,957	14,999	53.06%
ST. HELENA	86,828,007	86,762,944	(65,063)	65,924	25%	49,443	1,820	51,263	34,470	48.72%
UKIAH	197,884,537	203,128,442	5,243,905	154,340	25%	115,755	4,261	120,016	78,559	52.77%
WILLITS	64,663,152	64,663,152	-	49,132	25%	36,849	1,356	38,205	25,671	48.83%
WINDSOR	113,209,281	116,403,032	3,193,751	88,445	25%	66,334	2,442	68,776	44,944	53.03%
REMIF	1,879,775	1,879,775	-	1,428		1,428	53	1,481	627	136.20%
TOTAL	<u>1,364,663,456</u>	<u>1,414,859,374</u>	<u>50,195,918</u>	<u>\$ 1,075,034</u>		<u>\$ 815,000</u>	<u>\$ 30,000</u>	<u>\$ 845,001</u>	<u>\$ 541,041</u>	<u>56.18%</u>
PRIOR YEAR	<u>1,349,122,681</u>	<u>1,364,663,456</u>		<u>\$721,388</u>		<u>\$541,041</u>	<u>\$0</u>	<u>\$541,041</u>		
\$ Change	<u>15,540,775</u>	<u>50,195,918</u>		<u>\$353,646</u>		<u>\$273,959</u>	<u>\$30,000</u>	<u>\$303,960</u>		
% Change	<u>1.15%</u>	<u>3.68%</u>		<u>49.02%</u>		<u>50.64%</u>	<u>#DIV/0!</u>	<u>56.18%</u>		

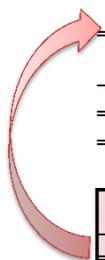


\$ 770,000	Projected Excess Insurance Premium
45,000	One self-funding claim
<u>\$ 815,000</u>	Funding at pool and excess layer

a) 2018-19 VAR - number represents the total value of all property at risk for 18-19, obtained from CJPRMA.
b) 2019-20 VAR - number represents the total value of all property at risk 19-20, obtained from CJPRMA, dated 05/28/19.
d) Manual Premium - based on composite rate.
e) Deductible Discount.
25% deductibles for \$10,000 cities: all except Cloverdale, Cotati and Rohnert Park.
20% deductibles for \$5,000 cities: Cloverdale, Cotati and Rohnert Park.
g) Property Fund Admin Cost - Percentage of Net Premium by member to the overall Net Premium, multiply by Admin Cost.
Admin Cost obtained from Proposed 2019-2020 Budget.
i) 2018-19 Total Premium - Prior Year member premiums.

REMIF
PROPOSED PROPERTY CONTRIBUTIONS 2019-20
Option 2 - REMIF @ 2 Deductible \$115K, Excess Coverage \$100K

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
	2018-19 VAR	2019-20 VAR	Change from Prior Year (b) - (a)	Manual Premium 0.000825 (b) x .000638	Deductible Discount	Net Premium (d) x (1-(e))	Property Fund Admin Cost \$30,000 (f)/(k) * 30,000	2019-20 Total Premium (f) + (g)	2018-19 Total Premium	Percent Change ((h) - (i)) / (i)
ARCATA	81,972,039	86,324,615	4,352,576	\$ 71,224	25%	53,418	\$ 1,811	55,229	32,543	69.71%
CLOVERDALE	50,722,572	50,722,572	-	41,850	20%	33,480	1,135	34,615	20,137	71.90%
COTATI	27,299,183	28,194,382	895,199	23,263	20%	18,610	631	19,241	10,838	77.53%
EUREKA	214,677,599	214,810,621	133,022	177,235	25%	132,926	4,506	137,432	85,145	61.41%
FORT BRAGG	59,707,474	71,408,944	11,701,470	58,918	25%	44,189	1,498	45,687	23,355	95.62%
FORTUNA	66,089,267	65,646,267	(443,000)	54,163	25%	40,622	1,377	41,999	26,061	61.16%
HEALDSBURG	136,511,081	137,775,265	1,264,184	113,675	25%	85,256	2,890	88,146	54,194	62.65%
LAKEPORT	49,899,555	62,410,982	12,511,427	51,494	25%	38,621	1,309	39,930	19,810	101.56%
ROHNERT PARK	136,915,816	141,308,861	4,393,045	116,591	20%	93,273	3,162	96,435	54,355	77.42%
SEBASTOPOL	38,622,529	44,565,529	5,943,000	36,770	25%	27,578	935	28,513	15,333	85.96%
SONOMA	37,781,589	38,853,991	1,072,402	32,058	25%	24,044	815	24,859	14,999	65.74%
ST. HELENA	86,828,007	86,762,944	(65,063)	71,586	25%	53,690	1,820	55,510	34,470	61.04%
UKIAH	197,884,537	203,128,442	5,243,905	167,596	25%	125,697	4,261	129,958	78,559	65.43%
WILLITS	64,663,152	64,663,152	-	53,352	25%	40,014	1,356	41,370	25,671	61.15%
WINDSOR	113,209,281	116,403,032	3,193,751	96,041	25%	72,031	2,442	74,473	44,944	65.70%
REMIF	1,879,775	1,879,775	-	1,551		1,551	53	1,604	627	155.82%
TOTAL	<u>1,364,663,456</u>	<u>1,414,859,374</u>	<u>50,195,918</u>	<u>\$ 1,167,367</u>		<u>\$ 885,000</u>	<u>\$ 30,000</u>	<u>\$ 915,001</u>	<u>\$ 541,041</u>	<u>69.12%</u>
PRIOR YEAR	<u>1,349,122,681</u>	<u>1,364,663,456</u>		<u>\$721,388</u>		<u>\$541,041</u>	<u>\$0</u>	<u>\$541,041</u>		
\$ Change	<u>15,540,775</u>	<u>50,195,918</u>		<u>\$445,979</u>		<u>\$343,959</u>	<u>\$30,000</u>	<u>\$373,960</u>		
% Change	<u>1.15%</u>	<u>3.68%</u>		<u>61.82%</u>		<u>63.57%</u>	<u>#DIV/0!</u>	<u>69.12%</u>		

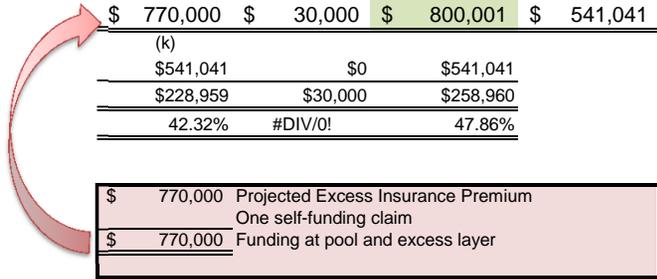


\$ 770,000	Projected Excess Insurance Premium
115,000	One self-funding claim
<u>\$ 885,000</u>	Funding at pool and excess layer

a) 2018-19 VAR - number represents the total value of all property at risk for 18-19, obtained from CJPRMA.
b) 2019-20 VAR - number represents the total value of all property at risk 19-20, obtained from CJPRMA, dated 05/28/19.
d) Manual Premium - based on composite rate.
e) Deductible Discount.
25% deductibles for \$10,000 cities: all except Cloverdale, Cotati and Rohnert Park.
20% deductibles for \$5,000 cities: Cloverdale, Cotati and Rohnert Park.
g) Property Fund Admin Cost - Percentage of Net Premium by member to the overall Net Premium, multiply by Admin Cost.
Admin Cost obtained from Proposed 2019-2020 Budget.
i) 2018-19 Total Premium - Prior Year member premiums.

REMIF
PROPOSED PROPERTY CONTRIBUTIONS 2019-20
Option 3 - Member Deductible to \$100K, Excess Coverage \$100K

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
	2018-19 VAR	2019-20 VAR	Change from Prior Year (b) - (a)	Manual Premium 0.000718 (b) x .000638	Deductible Discount	Net Premium (d) x (1-(e))	Property Fund Admin Cost \$30,000 (f)/(k) * 30,000	2019-20 Total Premium (f) + (g)	2018-19 Total Premium	Percent Change ((h) - (i)) / (i)
ARCATA	81,972,039	86,324,615	4,352,576	\$ 61,969	25%	46,477	\$ 1,811	48,288	32,543	48.38%
CLOVERDALE	50,722,572	50,722,572	-	36,412	20%	29,130	1,135	30,265	20,137	50.30%
COTATI	27,299,183	28,194,382	895,199	20,240	20%	16,192	631	16,823	10,838	55.22%
EUREKA	214,677,599	214,810,621	133,022	154,205	25%	115,654	4,506	120,160	85,145	41.12%
FORT BRAGG	59,707,474	71,408,944	11,701,470	51,262	25%	38,447	1,498	39,945	23,355	71.03%
FORTUNA	66,089,267	65,646,267	(443,000)	47,125	25%	35,344	1,377	36,721	26,061	40.90%
HEALDSBURG	136,511,081	137,775,265	1,264,184	98,904	25%	74,178	2,890	77,068	54,194	42.21%
LAKEPORT	49,899,555	62,410,982	12,511,427	44,803	25%	33,602	1,309	34,911	19,810	76.23%
ROHNERT PARK	136,915,816	141,308,861	4,393,045	101,440	20%	81,152	3,162	84,314	54,355	55.12%
SEBASTOPOL	38,622,529	44,565,529	5,943,000	31,992	25%	23,994	935	24,929	15,333	62.58%
SONOMA	37,781,589	38,853,991	1,072,402	27,892	25%	20,919	815	21,734	14,999	44.90%
ST. HELENA	86,828,007	86,762,944	(65,063)	62,284	25%	46,713	1,820	48,533	34,470	40.80%
UKIAH	197,884,537	203,128,442	5,243,905	145,818	25%	109,364	4,261	113,625	78,559	44.64%
WILLITS	64,663,152	64,663,152	-	46,419	25%	34,814	1,356	36,170	25,671	40.90%
WINDSOR	113,209,281	116,403,032	3,193,751	83,561	25%	62,671	2,442	65,113	44,944	44.88%
REMIF	1,879,775	1,879,775	-	1,349		1,349	53	1,402	627	123.60%
TOTAL	<u>1,364,663,456</u>	<u>1,414,859,374</u>	<u>50,195,918</u>	<u>\$ 1,015,675</u>		<u>\$ 770,000</u>	<u>\$ 30,000</u>	<u>\$ 800,001</u>	<u>\$ 541,041</u>	<u>47.86%</u>
PRIOR YEAR	<u>1,349,122,681</u>	<u>1,364,663,456</u>		<u>\$721,388</u>		<u>\$541,041</u>	<u>\$0</u>	<u>\$541,041</u>		
\$ Change	<u>15,540,775</u>	<u>50,195,918</u>		<u>\$294,287</u>		<u>\$228,959</u>	<u>\$30,000</u>	<u>\$258,960</u>		
% Change	<u>1.15%</u>	<u>3.68%</u>		<u>40.79%</u>		<u>42.32%</u>	<u>#DIV/0!</u>	<u>47.86%</u>		



a) 2018-19 VAR - number represents the total value of all property at risk for 18-19, obtained from CJPRMA.
b) 2019-20 VAR - number represents the total value of all property at risk 19-20, obtained from CJPRMA, dated 05/28/19.
d) Manual Premium - based on composite rate.
e) Deductible Discount.
25% deductibles for \$10,000 cities: all except Cloverdale, Cotati and Rohnert Park.
20% deductibles for \$5,000 cities: Cloverdale, Cotati and Rohnert Park.
g) Property Fund Admin Cost - Percentage of Net Premium by member to the overall Net Premium, multiply by Admin Cost.
Admin Cost obtained from Proposed 2019-2020 Budget.
i) 2018-19 Total Premium - Prior Year member premiums.



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Members: Arcata Cloverdale Cotati Eureka Fort Bragg Fortuna Healdsburg Lakeport
Robnert Park St. Helena Sebastopol Sonoma Ukiah Willits Windsor

ITEM 11.0

AGENDA ITEM SUMMARY

TITLE: AUTO PHYSICAL DAMAGE PROGRAM CONTRIBUTIONS 2019-2020

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

The premiums for our excess coverage for the Auto Physical Damage (APD) program have increased and changes are recommended to offset this increase. Changes to the program require ratification by the Board of Directors.

BACKGROUND

The auto property damage program (or APD) is the coverage for the physical damage to the member’s scheduled vehicles. Unlike most car insurance policies for your personal vehicle, where liability coverage and collision/comprehensive coverage (similar to APD) are under the same policy, the liability coverage and the APD are separate lines of coverage at REMIF.

There has been an increase in the rates to the APD program. These increases are expected, given that our losses have increased.

The APD program has a few “layers” of coverage, and it is my recommendation to make some changes to those layers of coverage. These changes will (or should) result in a savings to the program. However, the change will result in a change to the deductible for four members (further discussion below).

The program is currently layered:

Member deductible: \$5,000 or \$10,000

REMIF layer: Difference between member deductible and \$25,000

Commercial insurance layer: Coverage over \$25,000

My recommendation: We actually have the ability to lower the REMIF layer from \$25,000 to \$10,000. Essentially, we would be eliminating the REMIF layer, and the new layers would look like this:

Member deductible: \$10,000

Commercial insurance layer: Over \$10,000

The elimination of the REMIF layer would (or should) save the members money in the rates, since, frankly, our funding levels are higher than the commercial insurance rates. In addition, the reserves left in the program can be used for a “rate stabilization fund,” to help stabilize the rates in future years.

There are 4 cities that have a \$5,000 deductible (rather than a \$10,000 deductible), and those cities would be directly affected by this recommendation, in that the deductible will be increased from \$5,000 to \$10,000. I reached out to each one of those cities to advise them of my upcoming recommendations and an opportunity to provide objections either to me or the Board of Directors directly.

For fiscal year 2019-2020, I present two options:

1. Continue current program (rates attached), with total contributions at \$363,262, a 22% (\$65,498) increase from 2018-2019 program year.
2. Establish member deductibles to match the commercial insurance carrier (this fiscal year at \$10,000) and eliminate the REMIF self-insured layer between the member deductible and \$25,000. Total contributions at \$215,796, a 27.5% (\$81,968) reduction in rates from 2018-2019 program year.

FISCAL IMPACT

\$215,796 for fiscal year 2019-2020

RECOMMENDED ACTION

Establish member deductibles to match the commercial insurance carrier (this fiscal year at \$10,000) and eliminate the REMIF self-insured layer between the member deductible and \$25,000.

ATTACHMENTS

11.1 Proposed Auto Physical Damage Contributions 2019-2020

REMIF
PROPOSED AUTO PHYSICAL DAMAGE CONTRIBUTIONS for 2019-2020
OPTION 1 - Similar to Prior Year - Member Deductible (\$5K or \$10K), REMIF (MD to \$25K) and CJPRMA (\$25K and above)

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(n)
	Total Number of all Vehicles	Total Value of all Vehicles	Total Number at or in excess of \$25,000	2019-20 Total Value at or in excess of \$25,000	2018-19 Total Value at or in excess of \$25,000	2018-2019 Pool Values At Risk	0.00440 X/S Carrier Premium	Pool Layer	(g) + (h) Calculated Premium	Auto Fund Admin Cost \$30,000	2019-20 Total Contributions (i) + (j)	2018-19 Total Premium	Percentage Increase (Decrease)
ARCATA	101	\$ 5,484,894	68	\$ 4,899,724	\$ 3,755,229	\$ 297,170	\$ 21,559	\$ 297	\$ 21,856	\$ 1,967	\$ 23,823	\$ 18,501	28.77%
CLOVERDALE	45	2,372,918	32	2,226,137	1,908,937	256,481	10,441	385	10,826	975	11,801	9,786	20.59%
COTATI	45	2,456,505	41	2,390,055	2,300,054	261,451	10,809	392	11,201	1,008	12,209	11,561	5.61%
EUREKA	249	7,459,249	107	5,683,957	8,017,213	611,377	32,821	611	33,432	3,010	36,442	39,348	-7.39%
FORT BRAGG	60	2,308,885	43	2,100,357	2,111,119	346,028	10,159	519	10,678	961	11,639	10,755	8.22%
FORTUNA	95	3,451,615	42	2,695,612	2,394,615	296,234	15,187	296	15,483	1,394	16,877	11,872	42.16%
HEALDSBURG	95	6,452,738	51	5,670,951	5,082,866	347,949	28,392	348	28,740	2,587	31,327	24,912	25.75%
LAKEPORT	69	5,228,537	51	4,974,305	5,997,750	81,982	23,006	82	23,088	2,078	25,166	29,171	-13.73%
ROHNERT PARI	154	8,832,410	115	8,290,260	7,820,260	924,150	38,863	1,386	40,249	3,623	43,872	39,212	11.88%
SEBASTOPOL	58	3,626,546	37	3,369,274	3,146,774	106,682	15,957	107	16,064	1,446	17,510	15,294	14.49%
SONOMA	48	1,696,100	27	1,345,822	660,822	153,100	7,463	153	7,616	686	8,302	3,369	146.42%
ST. HELENA	74	4,760,440	39	4,235,204	4,074,323	215,865	20,946	216	21,162	1,905	23,067	19,886	16.00%
UKIAH	197	14,560,211	122	13,396,478	8,664,958	472,422	64,065	472	64,537	5,810	70,347	42,287	66.36%
WILLITS	71	3,013,089	40	2,637,642	1,963,541	216,147	13,258	216	13,474	1,213	14,687	9,807	49.76%
WINDSOR	110	3,304,130	62	2,627,711	2,419,075	318,082	14,538	318	14,856	1,337	16,193	12,003	34.91%
TOTALS	1,471	\$ 75,008,267	877	\$ 66,543,489	\$ 60,317,536	\$ 4,905,120	\$ 327,464	\$ 5,798	\$ 333,262	\$ 30,000	\$ 363,262	\$ 297,764	22.0%
PRIOR YEAR	1,467	69,782,089	803	60,317,536	-	5,340,800	261,492	6,295	267,787	29,977	297,764		
\$ Change	4	\$ 5,226,178	74	\$ 6,225,953	\$ 60,317,536	\$ (435,680)	\$ 65,972	\$ (497)	\$ 65,475	\$ 23	\$ 65,498		
% Change	0.3%	7.5%	9.2%	10.3%	#DIV/0!	-8.2%	25.2%	-7.9%	24.5%	0.1%	22.0%		

- a) Total Number of all Vehicles - updated by Anna Santos on 5/28/19.
- b) Total Value of all Vehicles - updated by Anna Santos on 5/28/19.
- c) Total Number at or in Excess of \$25,000 - updated to CJPRMA's list of 052819
- d) 2019-2020 Total Value at or in Excess of \$25,000 - updated to CJPRMA's list of 052819
- e) 2018-2019 Total Value at or in Excess of \$25,000 - obtained from 2018-2019 contribution schedule.
- f) 2018-2019 Pool Values at Risk - updated by Anna Santos on 5/28/19.
- g) Composite Rate - includes self insured layer and excess carrier rate (\$.20 of VAR Pool Coverage)
- h) Pool Layer - based upon deductible
Deductible - \$5,000 - Cloverdale, Cotati, Fort Bragg & Rohnert Park .15 per \$100 of VAR Pool Coverage
Deductible \$10,000 - All Other Cities .10 per \$100 of VAR Pool Coverage
- i) Calculated premium
- j) Auto Fund Admin Cost - obtained from proposed 2019-2020 budget.
- k) Total Auto Contributions for 2019-2020.

REMIF
PROPOSED AUTO PHYSICAL DAMAGE CONTRIBUTIONS for 2019-2020
OPTION 2 - Member Deductible (\$10K), and CJPRMA (above \$10K)

	(a) Total Number of Vehicles above \$10K	(b) Total Value of Vehicles above \$10K	(c) Total Number at or in excess of \$25,000	(d) 2019-20 Total Value at or in excess of \$25,000	(e) 2018-19 Total Value at or in excess of \$25,000	(f) 2018-2019 Pool Values At Risk	(g) (d) x (.00) 0.00250 X/S Carrier Premium	(h) Pool Layer	(i) (g) + (h) Calculated Premium	(j) Auto Fund Admin Cost \$30,000	(k) (i) + (j) 2019-20 Total Contributions	(l) 2018-19 Total Premium	(n) Percentage Increase (Decrease)
ARCATA	100	\$ 5,481,894	68	\$ 4,899,724	\$ 3,755,229	\$ 297,170	\$ 13,705		\$ 13,705	\$ 2,213	\$ 15,918	\$ 18,501	-13.96%
CLOVERDALE	43	2,368,618	32	2,226,137	1,908,937	256,481	5,922		5,922	956	6,878	9,786	-29.72%
COTATI	45	2,456,505	41	2,390,055	2,300,054	261,451	6,141		6,141	992	7,133	11,561	-38.30%
EUREKA	192	7,100,334	107	5,683,957	8,017,213	611,377	17,751		17,751	2,866	20,617	39,348	-47.60%
FORT BRAGG	53	2,277,487	43	2,100,357	2,111,119	346,028	5,694		5,694	919	6,613	10,755	-38.51%
FORTUNA	91	3,428,696	42	2,695,612	2,394,615	296,234	8,572		8,572	1,384	9,956	11,872	-16.14%
HEALDSBURG	92	6,438,223	51	5,670,951	5,082,866	347,949	16,096		16,096	2,599	18,695	24,912	-24.96%
LAKEPORT	65	5,206,287	51	4,974,305	5,997,750	81,982	13,016		13,016	2,102	15,118	29,171	-48.17%
ROHNERT PARI	152	8,818,710	115	8,290,260	7,820,260	924,150	22,047		22,047	3,560	25,607	39,212	-34.70%
SEBASTOPOL	53	3,605,955	37	3,369,274	3,146,774	106,682	9,015		9,015	1,456	10,471	15,294	-31.54%
SONOMA	43	1,658,922	27	1,345,822	660,822	153,100	4,147		4,147	670	4,817	3,369	42.98%
ST. HELENA	69	4,731,069	39	4,235,204	4,074,323	215,865	11,828		11,828	1,910	13,738	19,886	-30.92%
UKIAH	179	14,438,899	122	13,396,478	8,664,958	472,422	36,097		36,097	5,828	41,925	42,287	-0.86%
WILLITS	70	3,010,589	40	2,637,642	1,963,541	216,147	7,526		7,526	1,215	8,741	9,807	-10.87%
WINDSOR	109	3,295,793	62	2,627,711	2,419,075	318,082	8,239		8,239	1,330	9,569	12,003	-20.28%
TOTALS	1,356	\$ 74,317,981	877	\$ 66,543,489	\$ 60,317,536	\$ 4,905,120	\$ 185,796	\$ -	\$ 185,796	\$ 30,000	\$ 215,796	\$ 297,764	-27.5%
PRIOR YEAR	1,467	69,782,089	803	60,317,536	-	5,340,800	261,492	6,295	267,787	29,977	297,764		
\$ Change	(111)	\$ 4,535,892	74	\$ 6,225,953	\$ 60,317,536	\$ (435,680)	\$ (75,696)	\$ (6,295)	\$ (81,991)	\$ 23	\$ (81,968)		
% Change	-7.6%	6.5%	9.2%	10.3%	#DIV/0!	-8.2%	-28.9%	-100.0%	-30.6%	0.1%	-27.5%		

- a) Total Number of Vehicles above \$10K - updated by Anna Santos on 5/28/19.
- b) Total Value of Vehicles above \$10K - updated by Anna Santos on 5/28/19.
- c) Total Number at or in Excess of \$25,000 - updated to CJPRMA's list of 05/28/19
- d) 2019-2020 Total Value at or in Excess of \$25,000 - updated to CJPRMA's list of 05/28/19
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- k) Total Auto Contributions for 2019-2020.



ITEM 12.0

AGENDA ITEM SUMMARY

TITLE: RENEWAL OF FLOOD DEDUCTIBLE BUY DOWN AND DIFFERENCE IN CONDITION (DIC)/EARTHQUAKE COVERAGE

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

Renewal of the flood deductible buy down and Difference in Condition (DIC) (earthquake) coverage requires ratification by the Board of Directors.

BACKGROUND

There are two issues that need ratification by the Board of Directors:

1. Deductible buy down policy for flood coverage in A&B zones:

Until November of 2017, the REMIF DIC policy covered both flood and earthquake for the REMIF members. In July of 2017, the REMIF property program (through Alliant/CJPRMA) was expanded to include flood coverage (but not earthquake coverage). As such, flood was no longer included in the DIC policy (since it was covered by the property program).

In 2017, a deductible buy down was purchased to cover the REMIF layer for flood zones A&V. The buy down was from a \$250,000 deductible to a \$100,000 deductible at a cost of approximately \$30,000. This year, there is a 23% increase in the rate.

The layers for the flood coverage are as follows:

Member layer: between \$5,000 and \$10,000

REMIF layer for all flood zones (except A&V): between member layer and \$100,000

REMIF layer for flood zones A&V: between member layer and \$250,000, with a deductible buy down to \$100,000.

RENEWAL FOR 2019/2020: \$42,226.00

The deductible buy down coverage is purchased for all REMIF members and this is considered a “pass through” billing, meaning REMIF pays for the coverage and then seeks reimbursement from the members. The costs associated with the flood deductible buy down are allocated to those members in flood zones A&V.

Historically, our renewal period was from November to November, and the Board of Directors aligned the renewal to a July 1 to June 30 timeframe.

2. DIC coverage (earthquake)

The layers for the DIC (earthquake coverage) are as follows:

Member layer: \$100,000 or 5% of the loss

REMIF layer: [none]

The renewal of the DIC coverage is limited to earthquake coverage, since the REMIF property program (through Alliant/CJPRMA) covers flood.

The DIC coverage is purchased for all REMIF members and this is considered a “pass through” billing, meaning REMIF pays for the coverage and then seeks reimbursement from the members.

Property that was considered “in the open” and property less than the deductible amount are not included in the valuation.

The DIC premiums for the past few years have been as follows:

FY Premium

2012 \$1,223,579

2013 \$1,161,000

2014 \$928,800

2015 \$882,360

2016 \$832,000

2017 \$737,000

2018 \$828,000.

RENEWAL FOR 2019/2020: \$905,494.76

Historically, our renewal period was from November to November, and the Board of Directors aligned the renewal to a July 1 to June 30 timeframe.

FISCAL IMPACT

None anticipated to the REMIF budget, since this is a pass-through billing. Costs: \$42,226 for the deductible buy down to the members and \$905,494.76 to the members for the DIC (earthquake) coverage.

RECOMMENDED ACTION

1. Give the authority to the General Manager to bind the flood A&V deductible buy down coverage, in an amount not to exceed \$45,000.00 (renewal 07/01/19-06/30/20).
2. Give authority to General Manager to bind the DIC coverage in an amount not to exceed \$910,000.00.

ATTACHMENTS

- 12.1 Flood deductible buy down proposal
- 12.2 DIC proposal



Redwood Empire Municipal Insurance Fund

2019 – 2020

Flood Insurance Proposal

Presented on June 6, 2019 by:

Robert Lowe
Vice President

Andrea Ferry, ARM
Account Manager Lead

Alliant Insurance Services, Inc.
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Sacramento, CA 95815
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CA License No. 0C36861

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Company Profile

With a history dating back to 1925, Alliant Insurance Services is one of the nation's leading distributors of diversified insurance products and services. Operating through a national network of offices, Alliant offers a comprehensive portfolio of services to clients, including:

- Risk Solutions
- Employee Benefits
 - Strategy
 - Employee Engagement
 - Procurement
 - Analytics
 - Wellness
 - Compliance
 - Benefits Administration
 - Global Workforce
- Industry Solutions
 - Construction
 - Energy and Marine
 - Healthcare
 - Law Firms
 - Public Entity
 - Real Estate
 - Tribal Nations
 - And many other industries
- Co-Brokered Solutions
 - Automotive Specialty
 - Energy Alliance Program
 - Hospital All Risk Property Program
 - Law Firms
 - Parking/Valet
 - Public Entity Property Insurance Program
 - Restaurants/Lodging
 - Tribal Nations
 - Waste Haulers/Recycling
- Business Services
 - Risk Control Consulting
 - Human Resources Consulting
 - Property Valuation

The knowledge that Alliant has gained in its more than eight decades of working with many of the top insurance companies in the world allows us to provide our clients with the guidance and high-quality performance they deserve. Our solution-focused commitment to meeting the unique needs of our clients assures the delivery of the most innovative insurance products, services, and thinking in the industry.

Alliant ranks among the 15 largest insurance brokerage firms in the United States.

Alliant Advantage

	Alliant	Competition
1. Satisfying the insurance needs of business for nearly 90 years	✓	
2. Privately owned and operated.	✓	
3. A full-service insurance agency for all your business, life and health, and personal insurance.	✓	
4. Representing over 40 insurance companies to provide the best and most affordable coverage.	✓	
5. State-licensed support staff.	✓	
6. Dedicated Certificate of Insurance personnel.	✓	
7. Risk management services to help identify hazards and present options.	✓	
8. Workers' compensation insurance claims management at no additional charge.	✓	

Your Service Team

Robert Lowe

Vice President

Robert.Lowe@alliant.com

Phone: 213 270 0145

Andrea Ferry, ARM

Account Manager Lead

aferry@alliant.com

Phone: 415 403 1456

Named Insured / Additional Named Insureds

Named Insured(s)

Redwood Empire Municipal Insurance Fund (REMIF)

Additional Named Insured(s)

None

NAMED INSURED DISCLOSURE

- The first named insured is granted certain rights and responsibilities that do not apply to other policy named insureds and is designated to act on behalf of all insureds for making policy changes, receiving correspondence, distributing claim proceeds, and making premium payments.
- **Are ALL entities listed as named insureds?** Coverage is **not** automatically afforded to all entities unless specifically named. Confirm with your producer and service team that all entities to be protected are on the correct policy. Not all entities may be listed on all policies based on coverage line.
- Additional named insured is (1) A person or organization, other than the first named insured, identified as an insured in the policy declarations or an addendum to the policy declarations. (2) A person or organization added to a policy after the policy is written with the status of named insured. This entity would have the same rights and responsibilities as an entity named as an insured in the policy declarations (other than those rights and responsibilities reserved to the first named insured).
- Applies to Professional Liability, Pollution Liability, Directors & Officers Liability, Employment Practices Liability, Fiduciary Liability policies (this list not all inclusive). Check your Policy language for applicability. These policies provide protection to the Named Insured for claims made against it alleging a covered wrongful act. Coverage is not afforded to any other entities (unless specifically added by endorsement or if qualified as a "Subsidiary" pursuant to the policy wording) affiliated by common individual insured ownership or to which indemnification is otherwise contractually owed. If coverage is desired for affiliated entities or for contractual indemnities owed, please contact your Alliant Service Team with a full list of entities for which coverage is requested. With each request, include complete financials and ownership information for submission to the carrier. It should be noted, that the underwriter's acceptance of any proposed amendments to the policy, including expansion of the scope of "Insureds" under the policy could result in a potential diminution of the applicable limits of liability and/or an additional premium charge.

Flood Coverage - Continued

Endorsement & Exclusions:
(including but not limited to)

- U.S. Terrorism Risk Insurance Act of 2002 as amended Not Purchased Clause
- Service of Suit Clause (USA) as per Condition 12 of the Policy Wording naming Foley & Lardner LLP, 555 California Street, Suite 1700, San Francisco, CA 94104-1520
- Enquiry and Complaints Procedure
- California Surplus Lines Notice

Express Warranties:

None other than may exist in overlying policy stated above

Conditions Precedent:

None other than may exist in overlying policy stated above

Total Cost Excluding TRIA:

\$ 40,850.00 Policy Premium
 \$ 1,290.00 CA Surplus Lines Tax (3%)
 \$ 86.00 CA Stamping Fee (0.2%)
\$ 42,226.00 Total Cost

Total Cost Including TRIA:

Not Applicable

Minim Earned Premium:

100%

Quote Valid Until:

June 30, 2019

Conditions:

- All details, terms and conditions as per Overlying Insurers Policy
- 100% Minimum Earned Premium is deemed earned at inception
- Premium payment at inception of this contract of insurance

Policy Auditable:

At Carrier Discretion

Binding Conditions:

- A written request to bind coverage

Flood Coverage - Continued

- All Surplus Lines Taxes / Fess are Fully Earned
- Signed D1

See Disclaimer Page for Important Notices and Acknowledgement

Premium Summary

Coverage	Carrier	Premium*
Flood	Lloyd's of London	\$43,000.00
Total Annual Premium		\$43,000.00

*Does not include Surplus Lines Taxes and Fees

Payment Terms

- Premium is due within 30 days of policy inception

Disclosures

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal, whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

NY Regulation 194

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

Other Disclosures / Disclaimers

FATCA:

The Foreign Account Tax Compliance Act (FATCA) requires the notification of certain financial accounts to the United States Internal Revenue Service. Alliant does not provide tax advice so please contact your tax consultant for your obligation regarding FATCA.

Claims Reporting:

Your policy will come with specific claim reporting requirements. Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

NRRA:

The Non-Admitted and Reinsurance Reform Act (NRRA) went into effect on July 21, 2011. Accordingly, surplus lines tax rates and regulations are subject to change which could result in an increase or decrease of the total surplus lines taxes and/or fees owed on this placement. If a change is required, we will promptly notify you. Any additional taxes and/or fees must be promptly remitted to Alliant Insurance Services, Inc.

Other Disclosures / Disclaimers - Continued

Changes and Developments

It is important that we be advised of any changes in your operations, which may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

- Changes in any operations such as expansion to another states, new products, or new applications of existing products.
- Travel to any state not previously disclosed.
- Mergers and/or acquisition of new companies and any change in business ownership, including percentages.
- Any newly assumed contractual liability, granting of indemnities or hold harmless agreements.
- Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed or occupied
- Circumstances which may require an increased liability insurance limit.
- Any changes in fire or theft protection such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to the system.
- Immediate notification of any changes to a scheduled of equipment, property, vehicles, electronic data processing, etc.
- Property of yours that is in transit, unless previously discussed and/or currently insured.

Certificates / Evidence of Insurance

A certificate is issued as a matter of information only and confers no rights upon the certificate holder. The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy. Nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or certificate holder.

You may have signed contracts, leases or other agreements requiring you to provide this evidence. In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a certificate of insurance, you may be required to name your client or customer on your policy as an additional insured. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

- Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.
- Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.
- There may be conflicts in defense when your insurer has to defend both you and the additional insured.

See Request to Bind Coverage page for acknowledgment of all disclaimers and disclosures.

Optional Coverages

The following represents a list of insurance coverages that are not included in this proposal, but are optional and may be available with further underwriting information.

Note some of these coverages may be included with limitations or insured elsewhere. This is a partial listing as you may have additional risks not contemplated here or are unique to your organization.

- Crime / Fidelity Insurance
- Directors & Officers Liability
- Earthquake Insurance
- Employed Lawyers
- Employment Practices Liability
- Event Cancellation
- Fiduciary Liability
- Fireworks Liability
- Foreign Insurance
- Garage Keepers Liability
- Kidnap & Ransom
- Law Enforcement Liability
- Media and Publishers Liability
- Medical Malpractice Liability
- Network Security / Privacy Liability and Internet Media Liability
- Pollution Liability
- Owned/Non-Owned Aircraft
- Owned Watercraft
- Special Events Liability
- Student Accident
- Volunteer Accidental Death & Dismemberment (AD&D)
- Workers' Compensation
- Workplace Violence

Glossary of Insurance Terms

Below are a couple of links to assist you in understanding the insurance terms you may find within your insurance coverages:

<http://insurancecommunityuniversity.com/UniversityResources/InsuranceGlossaryFREE.aspx>

<http://www.ambest.com/resource/glossary.html>

<http://www.irmi.com/online/insurance-glossary/default.aspx>

Request to Bind Coverage

Redwood Empire Municipal Insurance Fund

We have reviewed the proposal and agree to the terms and conditions of the coverages presented. We are requesting coverage to be bound as outlined by coverage line below:

Coverage Line	Bind Coverage for:
Flood	<input type="checkbox"/>

This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers and disclosures, including exposures used to develop insurance terms, contained within this proposal.

_____ Signature of Authorized Insurance Representative	_____ Date
_____ Title	
_____ Printed / Typed Name	

This proposal does not constitute a binder of insurance. Binding is subject to final carrier approval. *The actual terms and conditions of the policy will prevail.*



Redwood Empire Municipal Insurance Fund

2019 – 2020

Difference in Conditions Insurance Proposal

Presented on May 29, 2019 by:

Robert Lowe
Vice President

Alliant Insurance Services, Inc.
2180 Harvard Street, Suite 460
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Company Profile

With a history dating back to 1925, Alliant Insurance Services is one of the nation's leading distributors of diversified insurance products and services. Operating through a national network of offices, Alliant offers a comprehensive portfolio of services to clients, including:

Risk Solutions	Co-Brokered Solutions
Employee Benefits	Automotive Specialty
Strategy	Energy Alliance Program
Employee Engagement	Hospital All Risk Property Program
Procurement	Law Firms
Analytics	Parking/Valet
Wellness	Public Entity Property Insurance Program
Compliance	Restaurants/Lodging
Benefits Administration	Tribal Nations
Global Workforce	Waste Haulers/Recycling
Industry Solutions	Business Services
Construction	Risk Control Consulting
Energy and Marine	Human Resources Consulting
Healthcare	Property Valuation
Law Firms	
Public Entity	
Real Estate	
Tribal Nations	
And many other industries	

The knowledge that Alliant has gained in its more than eight decades of working with many of the top insurance companies in the world allows us to provide our clients with the guidance and high-quality performance they deserve. Our solution-focused commitment to meeting the unique needs of our clients assures the delivery of the most innovative insurance products, services, and thinking in the industry.

Alliant ranks among the 15 largest insurance brokerage firms in the United States.

Alliant Advantage

Alliant**Competition**

1. Satisfying the insurance needs of business for nearly 90 years
2. Privately owned and operated.
3. A full-service insurance agency for all your business, life and health, and personal insurance.
4. Representing over 40 insurance companies to provide the best and most affordable coverage.
5. State-licensed support staff.
6. Dedicated Certificate of Insurance personnel.
7. Risk management services to help identify hazards and present options.
8. Workers' compensation insurance claims management at no additional charge.

Your Service Team

Robert Lowe

Vice President

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Andrea Ferry, ARM

Account Manager

aferry@alliant.com

Phone: 415 403 1456

Named Insured / Additional Named Insureds

Named Insured(s)

Redwood Empire Municipal Insurance Fund (REMIF)

Additional Named Insured(s)

None

NAMED INSURED DISCLOSURE

The first named insured is granted certain rights and responsibilities that do not apply to other policy named insureds and is designated to act on behalf of all insureds for making policy changes, receiving correspondence, distributing claim proceeds, and making premium payments.

Are ALL entities listed as named insureds? Coverage is **not** automatically afforded to all entities unless specifically named. Confirm with your producer and service team that all entities to be protected are on the correct policy. Not all entities may be listed on all policies based on coverage line.

Additional named insured is (1) A person or organization, other than the first named insured, identified as an insured in the policy declarations or an addendum to the policy declarations. (2) A person or organization added to a policy after the policy is written with the status of named insured. This entity would have the same rights and responsibilities as an entity named as an insured in the policy declarations (other than those rights and responsibilities reserved to the first named insured).

Applies to Professional Liability, Pollution Liability, Directors & Officers Liability, Employment Practices Liability, Fiduciary Liability policies (this list not all inclusive). Check your Policy language for applicability. These policies provide protection to the Named Insured for claims made against it alleging a covered wrongful act. Coverage is not afforded to any other entities (unless specifically added by endorsement or if qualified as a "Subsidiary" pursuant to the policy wording) affiliated by common individual insured ownership or to which indemnification is otherwise contractually owed. If coverage is desired for affiliated entities or for contractual indemnities owed, please contact your Alliant Service Team with a full list of entities for which coverage is requested. With each request, include complete financials and ownership information for submission to the carrier. It should be noted, that the underwriter's acceptance of any proposed amendments to the policy, including expansion of the scope of "Insureds" under the policy could result in a potential diminution of the applicable limits of liability and/or an additional premium charge.

Schedule of Locations

Loc #	Address
	As per schedule on file

Line of Coverage

Difference in Conditions Coverage – Primary \$5,000,000

INSURANCE COMPANY:	Endurance American Specialty Insurance Company
A.M. BEST RATING:	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of July 20, 2018
STANDARD & POOR'S RATING:	A+ (Strong) as of April 26, 2018
CALIFORNIA STATUS:	Non-Admitted
POLICY/COVERAGE TERM:	July 1, 2019 to July 1, 2020
Coverage Form:	Endurance Primary Difference in Conditions Policy - ECP 0217 0416
Coverage:	Buildings include Foundations and Underground Utilities and Business Personal Property as per Policy Form, Endorsements and Exclusions attached.
Covered Perils:	Difference In Conditions of Direct Physical Loss or Damage including Earthquake excluding Flood and Earth Movement Sprinkler Leakage as per Policy Form, Endorsements and Exclusions attached.
Covered Locations:	As per schedule on file.
Total Insured Value:	\$1,439,721,522
Limits:	\$ 5,000,000 Per Occurrence and Annual Aggregate as respects Earthquake
Sublimit:	\$ 1,000,000 Accounts Receivable \$ 500,000 Fine Arts \$ 1,000,000 Fungus, Mold, Wet or Dry Rot as a Result of Direct Physical Loss or Damage by a Covered Cause of Loss \$ 500,000 Leasehold Interest \$ 100,000 Lock Replacement including Keys \$ 5,000,000 Newly Acquired Locations Automatic Coverage on Newly Acquired Property, Property Damage and Time Element combined (120 Days)

Difference in Conditions Coverage – Primary \$5,000,000 – Continued

Sublimit – Continued:

	Included	Ordinance or Law - Coverage A
\$	20,000,000	Ordinance or Law - Coverage B & C Combined
\$	100,000	Personal Property of Others as respects Employees
\$	500,000	Pollutant Cleanup and Removal (Annual Aggregate)
\$	500,000	Professional Fees
\$	1,000,000	Property in the Course of Construction
\$	500,000	Transit
\$	1,000,000	Valuable Papers and Records
\$	5,000,000	Debris Removal or 25% of Combined Loss
\$	1,000,000	Decontamination and Clean Up Expense
\$	1,000,000	Miscellaneous Unnamed Locations Property Damage and Time Element combined
\$	1,000,000	Asbestos Remediation
<i>Sublimits are part of and do not increase the total Limit of Liability</i>		

Deductible:

	All Other Perils	\$	25,000	per occurrence
	Earth Movement		5%	per Unit of Insurance per occurrence, subject to
		\$	100,000	minimum

Valuation:

Property: Replacement Cost

Endorsement & Exclusions:

(including but not limited to)

- SN – California
- Definition of Occurrence Endorsement
- Flood Exclusion
- Exclusion for Certain Computer Related Losses
- War And Military Action, Terrorism, and Nuclear, Biological Or Chemical Exclusion
- Communicable Disease Exclusion
- Supplemental Deductible Endorsement
- Earthquake Percentage Deductible

Endorsement & Exclusions – Continued:
(including but not limited to)

Sub-Limits of Liability Endorsement
 Accounts Receivable
 Valuable Papers and Records Endorsement
 Limited Mold Coverage
 Ordinance Or Law Coverage Endorsement With
 Time Element Coverage
 Pollution Clean Up Endorsement
 Newly Acquired Property Endorsement
 Amendment of Cancellation Endorsement
 Underlying All Risk Coverage Endorsement
 Loss Adjustment Endorsement
 Change Endorsement - Definition of Unit of
 Insurance
 Change Endorsement - Earthquake Definition
 Cap On Losses From Certified Acts Of Terrorism
 Disclosure Pursuant To The Terrorism Risk
 Insurance Act
 Notice of Loss
 Service Of Suit Endorsement
 Office of Foreign Assets Control ("OFAC")

Total Cost (Includes Primary & Excess)
Excluding TRIA

\$ 882,537.00 Policy Premium
 \$ 100.00 Policy Fee
 \$ 22,857.76 CA Surplus Lines Tax (3.2%)

\$ 905,494.76 Total Cost

Endurance American Specialty Insurance Cost
Excluding TRIA:

\$ 333,198.00 Policy Premium
 \$ 10,662.34 CA Surplus Lines Tax (3.2%)

\$ 343,860.34 Total Cost

Minimum Earned Premium:

25%

Quote Valid Until:

July 1, 2019

Conditions:

Cancellation term is 90 days. Term is 10 days for reasons of nonpayment

Policy Auditable:

At Carrier Discretion

Binding Conditions:

A written request to bind coverage
All Surplus Lines Taxes / Fess are Fully Earned
Signed TRIA Disclosure form

See Disclaimer Page for Important Notices and Acknowledgement

Line of Coverage

Difference in Conditions Coverage – \$5,000,000 part of \$15,000,000 xs \$5,000,000

INSURANCE COMPANY:	Golden Bear Insurance Company
A.M. BEST RATING:	A- (Excellent), Financial Size Category: VII (\$50 Million to \$100 Million) as of September 12, 2018
STANDARD & POOR'S RATING:	Not Rated
CALIFORNIA STATUS:	Admitted
POLICY/COVERAGE TERM:	July 1, 2019 to July 1, 2020
Coverage Form:	Following Form Excess Difference in Conditions
Covered Perils:	Following Form Excess Difference in Conditions Including Earthquake Excluding EQSL & Flood
Covered Locations:	As per schedule on file.
Total Insured Value:	\$1,439,821,522
Limits:	\$ 5,000,000 Part of \$ 15,000,000 excess of \$ 5,000,000 Loss Limit per Occurrence and Annual Aggregate.
Deductible:	Per Primary
Valuation:	Replacement Cost
Endorsement & Exclusions: (including but not limited to)	Common Policy Conditions U.S. Treasury Department OFAC Advisory Notice to Policyholders Claim Reporting Information Statement of Covered Locations and Values Underlying Deductible Warranty Schedule of Primary and Underlying Insurance Cap on Losses from Certified Acts of Terrorism Disclosure Pursuant to Terrorism Risk Insurance Act

Difference in Conditions Coverage – \$5,000,000 part of \$15,000,000 xs \$5,000,000 –
Continued

**Golden Bear Insurance Company Cost
Excluding TRIA:**

\$ 168,232.00	Policy Premium
\$ 100.00	Policy Fee
\$ 168,332.00	Total Cost

Minimum Earned Premium:

25%

Quote Valid Until:

July 1, 2019

Conditions:

Policy fee is fully earned at inception
All risk coverage in place during the policy term

Policy Auditable:

At Carrier Discretion

Binding Conditions:

A written request to bind coverage
All Surplus Lines Taxes / Fess are Fully Earned
Signed and dated TRIA form
Signed SOV within 20 days

See Disclaimer Page for Important Notices and Acknowledgement

Line of Coverage

Difference in Conditions Coverage – \$5,000,000 part of \$15,000,000 xs \$5,000,000

INSURANCE COMPANY:	Landmark American Insurance Company
A.M. BEST RATING:	A+ (Superior), Financial Size Category: XIV (\$1.5 Billion to \$2 Billion) as of September 29, 2017
STANDARD & POOR'S RATING:	A+ (Strong) as of April 18, 2018
CALIFORNIA STATUS:	Non-Admitted
POLICY/COVERAGE TERM:	July 1, 2019 to July 1, 2020
Coverages:	Building Personal Property
Covered Perils:	Difference in Conditions including Earthquake Excluding Earth Movement Sprinkler Leakage
Covered Locations:	As per schedule on file.
Total Insured Value:	\$1,439,721,522
Limits:	\$ 5,000,000 Part of \$ 15,000,000 per occurrence and annual aggregate Earthquake In excess of \$ 5,000,000 per occurrence and annual aggregate Earthquake
Deductible:	Per Primary
Valuation:	Replacement Cost BI Actual Loss
Endorsement & Exclusions: (including but not limited to)	Cyber, Electronic Data and Systems Exclusion Exclusion – Marijuana Exclusion of Pathogenic or Biological or Chemical Material

Difference in Conditions Coverage – \$5,000,000 part of \$15,000,000 xs \$5,000,000 –
Continued

Landmark American Insurance Company Cost	\$ 177,333.00	Policy Premium
Excluding TRIA:	\$ 5,674.66	CA Surplus Lines Tax (3.2%)

\$ 183,007.66 Total Cost

Minimum Earned Premium: 25%

Quote Valid Until: July 1, 2019

Policy Auditable: At Carrier Discretion

Binding Conditions:
A written request to bind coverage
All Surplus Lines Taxes / Fess are Fully Earned
Signed and dated TRIA form

See Disclaimer Page for Important Notices and Acknowledgement

Line of Coverage

Difference in Conditions Coverage – \$2,500,000 part of \$15,000,000 xs \$5,000,000

INSURANCE COMPANY:	Allied World National Assurance Company
A.M. BEST RATING:	A (Excellent), Financial Size Category: XV (\$2 Billion or greater) as of December 20, 2017
STANDARD & POOR'S RATING:	A (Strong) as of July 7, 2017
CALIFORNIA STATUS:	Non-Admitted
POLICY/COVERAGE TERM:	July 1, 2019 to July 1, 2020
Coverages:	Real and Personal Property
Covered Perils:	Difference in Conditions for Direct Physical Loss or Damage Including Earthquake and Terrorism, Excluding Flood and Boiler & Machinery
Territory:	United States of America including the District of Columbia
Covered Locations:	As per schedule on file with this Company
Total Insured Value:	\$1,439,721,522
Limits:	\$ 2,500,000 Part of \$ 15,000,000 per occurrence, Except Annual Aggregate applies, as respects Perils of Earthquake, Excess of \$ 5,000,000 per occurrence and annual aggregate Earthquake
Sub-Limits:	Sub-limits are per the Primary Policy
Deductible:	Following Lead or Primary Policy
Valuation:	Property Damage: Replacement Cost Values; Time Element: Actual Loss Sustained
Coinsurance:	Nil

Difference in Conditions Coverage - \$2,500,000 part of \$15,000,000 xs \$5,000,000 -
Continued

Endorsement & Exclusions:
(including but not limited to)

Standard Conditions
Terrorism Exclusion 0609
TRIA Coverage Legal 0609
Policyholder Disclosure Statement Under the
Terrorism Risk Insurance Act - Blank

Allied World National Assurance Company Cost
Excluding TRIA:

\$ 101,887.00 Policy Premium
\$ 3,260.38 CA Surplus Lines Tax (3.2%)

\$ 105,147.38 Total Cost

Minimum Earned Premium:

25%

Quote Valid Until:

July 1, 2019

Policy Auditable:

At Carrier Discretion

Cancellation:

This policy cannot be cancelled flat. 90 days' notice will be given for reasons other than nonpayment of premium. 10 days' notice will be given for nonpayment of premium.

Binding Conditions:

A written request to bind coverage
All Surplus Lines Taxes / Fess are Fully Earned
If Terrorism Coverage is rejected, Insurer must receive a Policyholder Disclosure Statement signed and dated by the Insured at the time of binding. A total Terrorism Exclusion will be added to the policy.

See Disclaimer Page for Important Notices and Acknowledgement

Line of Coverage

Difference in Conditions Coverage - \$2,500,000 part of \$15,000,000 xs \$5,000,000

INSURANCE COMPANY:

Certain Underwriters at Lloyd's, London
 Syndicate 2987 (50%)
 Crum & Forster Specialty Insurance Company
 (50%)

A.M. BEST RATING:

A (Excellent), Financial Size Category: XV
 (\$2 Billion or greater) as of July 12, 2018
 A (Excellent), Financial Size Category: XIII
 (\$1.25 Billion to \$1.5 Billion) as of February 28,
 2018

STANDARD & POOR'S RATING:

A+ (Strong) as of April 23, 2007
 A- (Strong) as of November 20, 2009

CALIFORNIA STATUS:

Non-Admitted

POLICY/COVERAGE TERM:

July 1, 2019 to July 1, 2020

Coverage:

All Real and Personal Property of the Insured including, and as more fully defined in the Policy Form submitted and Company Endorsements provided herein.

Covered Perils:

Difference in Conditions including Earthquake

Covered Locations:

Per Statement of Values on file with the Company

Total Insured Value:

\$1,439,721,522

Limit:

\$ 2,500,000 (16.67%) part of
 \$ 15,000,000 excess of
 \$ 5,000,000

Program Sublimits:

\$ 20,000,000 Earthquake
The above Sublimits represent the 100% amounts of which the Company's share shall be determined by application of the Company Limit(s) stated above. All Sublimits are per Occurrence and are a part of and not in addition to the Policy Limit. Sublimits indicated as applying in the aggregate are the maximum amount payable during the Policy Term.

Difference in Conditions Coverage - \$2,500,000 part of \$15,000,000 xs \$5,000,000 –
Continued

Deductible:

5% per unit
\$ 100,000 Minimum

Valuation:

Property Damage - Replacement Cost

Endorsement & Exclusions:

(including but not limited to)

Policy Form: Per Draft Policy submitted, subject to terms and conditions of this Proposal and Company Endorsements listed below.

- Notice of Claims
- U.S. Treasury Department's Office of Foreign Assets Control ("OFAC")
- Minimum Earned Premium Clause
- U.S. Terrorism Risk Insurance Act of 2002 as amended Not Purchased Clause
- Several Liability Clause

**Certain Underwriters at Lloyd's, London
Syndicate 2987 (50%)
Crum & Forster Specialty Insurance Company
(50%) Cost Excluding TRIA:**

\$ 101,887.00 Policy Premium
\$ 3,260.38 CA Surplus Lines Tax (3.2%)

\$ 105,147.38.00 Total Cost

Minimum Earned Premium:

25%

Quote Valid Until:

July 1, 2019

Policy Auditable:

At Carrier Discretion

Binding Conditions:

A written request to bind coverage
All Surplus Lines Taxes / Fees are Fully Earned
Elect to accept or reject Terrorism coverage must be made at binding.

See Disclaimer Page for Important Notices and Acknowledgement

Disclosures

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal, whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

NY Regulation 194

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

Other Disclosures / Disclaimers

FATCA:

The Foreign Account Tax Compliance Act (FATCA) requires the notification of certain financial accounts to the United States Internal Revenue Service. Alliant does not provide tax advice so please contact your tax consultant for your obligation regarding FATCA.

Claims Reporting:

Your policy will come with specific claim reporting requirements. Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

NRRA:

The Non-Admitted and Reinsurance Reform Act (NRRA) went into effect on July 21, 2011. Accordingly, surplus lines tax rates and regulations are subject to change which could result in an increase or decrease of the total surplus lines taxes and/or fees owed on this placement. If a change is required, we will promptly notify you. Any additional taxes and/or fees must be promptly remitted to Alliant Insurance Services, Inc.

Other Disclosures / Disclaimers - Continued

Changes and Developments

It is important that we be advised of any changes in your operations, which may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

- Changes in any operations such as expansion to another states, new products, or new applications of existing products.

- Travel to any state not previously disclosed.

- Mergers and/or acquisition of new companies and any change in business ownership, including percentages.

- Any newly assumed contractual liability, granting of indemnities or hold harmless agreements.

- Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed or occupied

- Circumstances which may require an increased liability insurance limit.

- Any changes in fire or theft protection such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to the system.

- Immediate notification of any changes to a scheduled of equipment, property, vehicles, electronic data processing, etc.

- Property of yours that is in transit, unless previously discussed and/or currently insured.

Certificates / Evidence of Insurance

A certificate is issued as a matter of information only and confers no rights upon the certificate holder. The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy. Nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or certificate holder.

You may have signed contracts, leases or other agreements requiring you to provide this evidence. In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a certificate of insurance, you may be required to name your client or customer on your policy as an additional insured. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

- Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.

- Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.

- There may be conflicts in defense when your insurer has to defend both you and the additional insured.

See Request to Bind Coverage page for acknowledgment of all disclaimers and disclosures.

Optional Coverages

The following represents a list of insurance coverages that are not included in this proposal, but are optional and may be available with further underwriting information.

Note some of these coverages may be included with limitations or insured elsewhere. This is a partial listing as you may have additional risks not contemplated here or are unique to your organization.

- | | |
|--------------------------------|--|
| Crime / Fidelity Insurance | Medical Malpractice Liability |
| Directors & Officers Liability | Network Security / Privacy Liability and |
| Employed Lawyers | Internet Media Liability |
| Employment Practices Liability | Pollution Liability |
| Event Cancellation | Owned/Non-Owned Aircraft |
| Fiduciary Liability | Owned Watercraft |
| Fireworks Liability | Special Events Liability |
| Flood Insurance | Student Accident |
| Foreign Insurance | Volunteer Accidental Death & |
| Garage Keepers Liability | Dismemberment (AD&D) |
| Kidnap & Ransom | Workers' Compensation |
| Law Enforcement Liability | Workplace Violence |
| Media and Publishers Liability | |

Glossary of Insurance Terms

Below are a couple of links to assist you in understanding the insurance terms you may find within your insurance coverages:

<http://insurancecommunityuniversity.com/UniversityResources/InsuranceGlossaryFREE.aspx>
<http://www.ambest.com/resource/glossary.html> <http://www.irmi.com/online/insurance-glossary/default.aspx>

Request to Bind Coverage

Redwood Empire Municipal Insurance Fund

We have reviewed the proposal and agree to the terms and conditions of the coverages presented. We are requesting coverage to be bound as outlined by coverage line below:

Coverage Line	Bind Coverage for:
Difference in Conditions up to \$20M excluding TRIA for total cost of: <u>\$905,494.76</u>	<input type="checkbox"/>

This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers and disclosures, including exposures used to develop insurance terms, contained within this proposal.

_____ Signature of Authorized Insurance Representative	_____ Date
_____ Title	
_____ Printed / Typed Name	

This proposal does not constitute a binder of insurance. Binding is subject to final carrier approval. *The actual terms and conditions of the policy will prevail.*

California

NOTICE

1. THE INSURANCE POLICY THAT YOU HAVE PURCHASED IS BEING ISSUED BY AN INSURER THAT IS NOT LICENSED BY THE STATE OF CALIFORNIA. THESE COMPANIES ARE CALLED “NONADMITTED” OR “SURPLUS LINE” INSURERS.

2. THE INSURER IS NOT SUBJECT TO THE FINANCIAL SOLVENCY REGULATION AND ENFORCEMENT THAT APPLY TO CALIFORNIA LICENSED INSURERS.

3. THE INSURER DOES NOT PARTICIPATE IN ANY OF THE INSURANCE GUARANTEE FUNDS CREATED BY CALIFORNIA LAW. THEREFORE, THESE FUNDS WILL NOT PAY YOUR CLAIMS OR PROTECT YOUR ASSETS IF THE INSURER BECOMES INSOLVENT AND IS UNABLE TO MAKE PAYMENTS AS PROMISED.

4. THE INSURER SHOULD BE LICENSED EITHER AS A FOREIGN INSURER IN ANOTHER STATE IN THE UNITED STATES OR AS A NON- UNITED STATES (ALIEN) INSURER. YOU SHOULD ASK QUESTIONS OF YOUR INSURANCE AGENT, BROKER, OR “SURPLUS LINE” BROKER OR CONTACT THE CALIFORNIA DEPARTMENT OF INSURANCE AT THE FOLLOWING TOLL-FREE TELEPHONE NUMBER: 1-800-927-4357 OR INTERNET WEB SITE WWW.INSURANCE.CA.GOV. ASK WHETHER OR NOT THE INSURER IS LICENSED AS A FOREIGN OR NON-UNITED STATES (ALIEN) INSURER AND FOR ADDITIONAL INFORMATION ABOUT THE INSURER. YOU MAY ALSO CONTACT THE NAIC’S INTERNET WEB SITE AT WWW.NAIC.ORG.

5. FOREIGN INSURERS SHOULD BE LICENSED BY A STATE IN THE UNITED STATES AND YOU MAY CONTACT THAT STATE’S DEPARTMENT OF INSURANCE TO OBTAIN MORE INFORMATION ABOUT THAT INSURER.

6. FOR NON-UNITED STATES (ALIEN) INSURERS, THE INSURER SHOULD BE LICENSED BY A COUNTRY OUTSIDE OF THE UNITED STATES AND SHOULD BE ON THE NAIC'S INTERNATIONAL INSURERS DEPARTMENT (IID) LISTING OF APPROVED NONADMITTED NON-UNITED STATES INSURERS. ASK YOUR AGENT, BROKER, OR "SURPLUS LINE" BROKER TO OBTAIN MORE INFORMATION ABOUT THAT INSURER.

7. CALIFORNIA MAINTAINS A LIST OF APPROVED SURPLUS LINE INSURERS. ASK YOUR AGENT OR BROKER IF THE INSURER IS ON THAT LIST, OR VIEW THAT LIST AT THE INTERNET WEB SITE OF THE CALIFORNIA DEPARTMENT OF INSURANCE: WWW.INSURANCE.CA.GOV.

8. IF YOU, AS THE APPLICANT, REQUIRED THAT THE INSURANCE POLICY YOU HAVE PURCHASED BE BOUND IMMEDIATELY, EITHER BECAUSE EXISTING COVERAGE WAS GOING TO LAPSE WITHIN TWO BUSINESS DAYS OR BECAUSE YOU WERE REQUIRED TO HAVE COVERAGE WITHIN TWO BUSINESS DAYS, AND YOU DID NOT RECEIVE THIS DISCLOSURE FORM AND A REQUEST FOR YOUR SIGNATURE UNTIL AFTER COVERAGE BECAME EFFECTIVE, YOU HAVE THE RIGHT TO CANCEL THIS POLICY WITHIN FIVE DAYS OF RECEIVING THIS DISCLOSURE. IF YOU CANCEL COVERAGE, THE PREMIUM WILL BE PRORATED AND ANY BROKER'S FEE CHARGED FOR THIS INSURANCE WILL BE RETURNED TO YOU.

Date: _____

Insured: _____

D-2 (Effective January 1, 2017)



414 W. Napa St. • P.O. Box 885 • Sonoma, CA 95476 • 707.938.2388 • Fax 707.938.0374
Members: Arcata Cloverdale Cotati Eureka Fort Bragg Fortina Healdsburg Lakeport
Robnett Park St. Helena Sebastopol Sonoma Ukiah Willits Windsor

ITEM 13.0

AGENDA ITEM SUMMARY

TITLE: DEADLY WEAPON PROTECTION INSURANCE

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

New/additional lines of coverage require ratification by the Board of Directors. An offer for “Deadly Weapon Protection Insurance” has been presented to REMIF for coverage.

BACKGROUND

At the May of 2019 CJPRMA Board of Directors Annual meeting, a new line of coverage, offered by Alliant/Beazley, was offered to CJPRMA members (including REMIF) participating in the property program. Many of the other CJPRMA property program participants have elected this coverage. The coverage is “Deadly Weapon Protection Insurance” and will be at a cost of approximately \$3,000 for all REMIF members. If coverage is elected, the premium will be added to the property program and distributed proportionately by the property values to the REMIF members.

What is a deadly weapon event?

There are several definitions for a deadly weapon event. The FBI defines a deadly weapon event as: actively engaged in killing or attempting to kill people in a populated area with 3 or more fatalities. The media uses a similar definition, but with 4 or more fatalities. Beazley, the company offering this coverage defines it as: any event involving an Assailant(s) and the Named Insured where a Weapon has been used or brandished on any Location(s) of the Named Insured.

Who commits these acts?

Customers, Clients, Patients, other 3rd parties, Employees or Supervisors, Domestic Partners or Relatives of Employees; Typically, males between the age of 18 and 25 who are often victims of being bullied.

Where do these typically happen?

62% are commerce and education; some are government, houses of worship or health care facilities.

What does the coverage include (includes but not limited to)?

Third Party Liability & Defense Costs: indemnification of monetary judgments awarded following legal liability imposed by a court of law due to the negligence of the Original Insured following a DWP event. Inclusive of costs to defend all suits brought against the Original Insured.

Physical damage, including business interruption: physical damage to insured's location including demolition, clearance and memorialization costs.

Crisis management services (pre and post event): crisis response investigation, crisis management support, public relations, media management, site security, counseling services and funeral expenses.

FISCAL IMPACT

Approximately \$3,000 in additional property fees

RECOMMENDED ACTION

Add Deadly Weapon Protection insurance to coverage.

ATTACHMENTS

13.1 Deadly Weapon Protection



Deadly Weapon Protection Insurance

Discussion and Coverage Offering





Presenter

- **Harry Rhulen** – CEO & Founder,
CrisisRisk



Presentation Contents

- Deadly Weapon Protection
 - What is a deadly weapon event?
 - Risk landscape
 - Examples
 - Current Response
 - Stand Alone Insurance
 - Crisis Management Services
 - Crisis Management Services Claims Examples
 - UC Deadly Weapon Protection Program 18/19
 - Key Benefits Summary
 - Questions

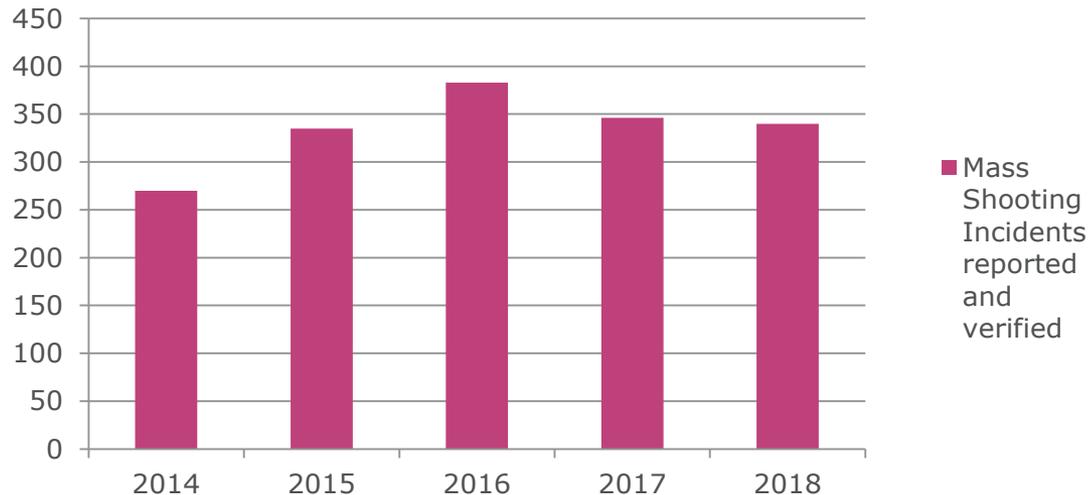
What is a Deadly Weapon Event?

- FBI Definition
 - Actively engaged in killing or attempting to kill people in a populated area
 - 3 or more fatalities
- Media Definition
 - 4 or more fatalities
- Beazley Policy Definition
 - Deadly Weapon Event means any event involving an Assailant(s) and the Named Insured where a Weapon has been used or brandished on any Location(s) of the Named Insured.
- Who commits these acts?
 - Customers, Clients, Patients, other 3rd parties
 - Employees or Supervisors
 - Domestic Partners or Relatives of Employees
 - Typically males between the age of 18 and 25 who are often victims of being bullied
- Location
 - 62% are commerce and education
 - Some government, houses of worship, health care facilities

Risk Landscape

- **Mass Shooting:** FOUR or more shot and/or killed in a single event [incident], at the same general time and location not including the shooter.
- **2018** – Total number of incidents: 57,250
 - Total number of mass shootings: 340
- **Average** of 28 mass shootings per month

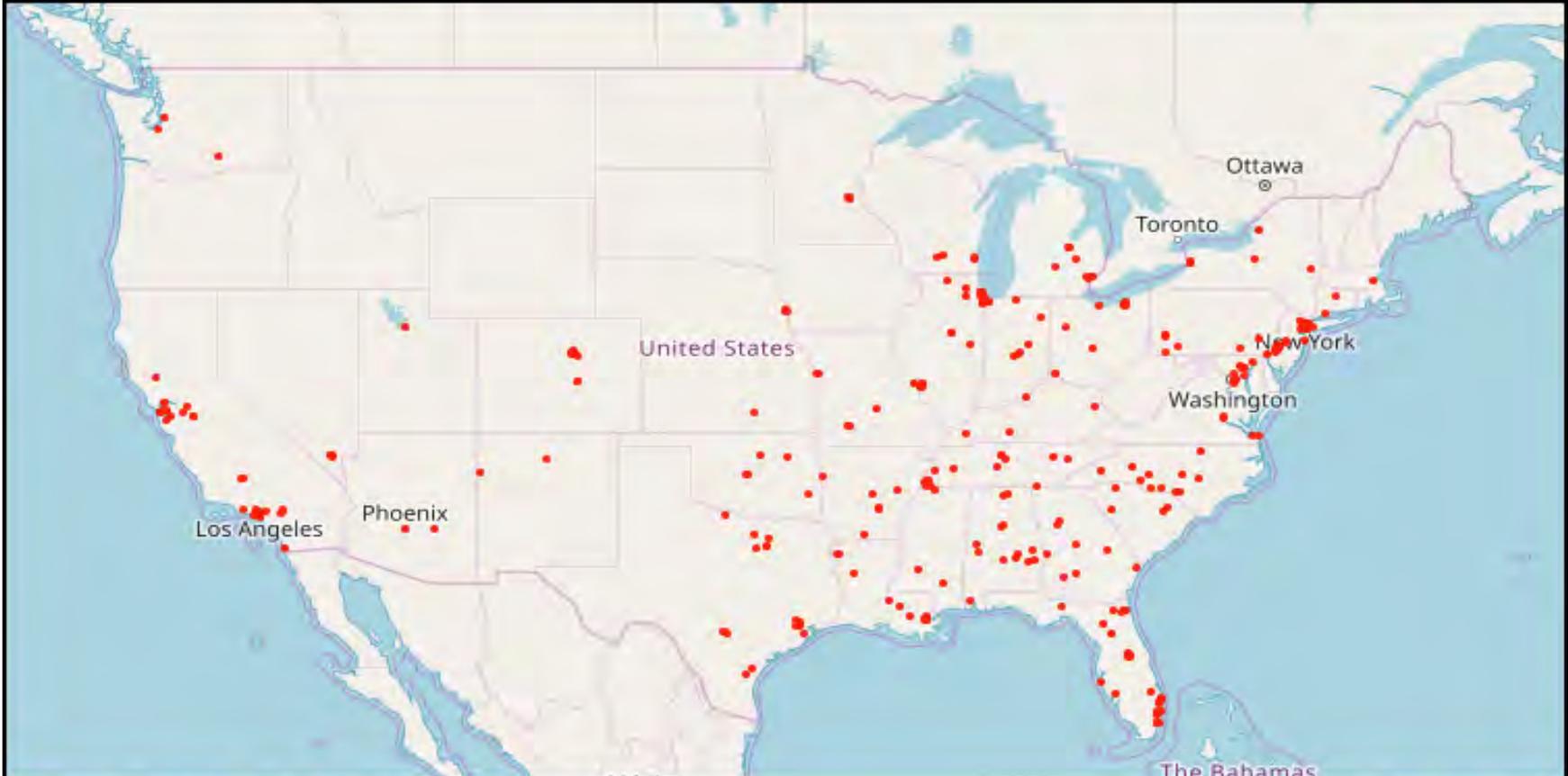
Mass Shooting Incidents Reported and Verified



Risk Landscape

GUN VIOLENCE Archive

MASS SHOOTINGS IN 2018

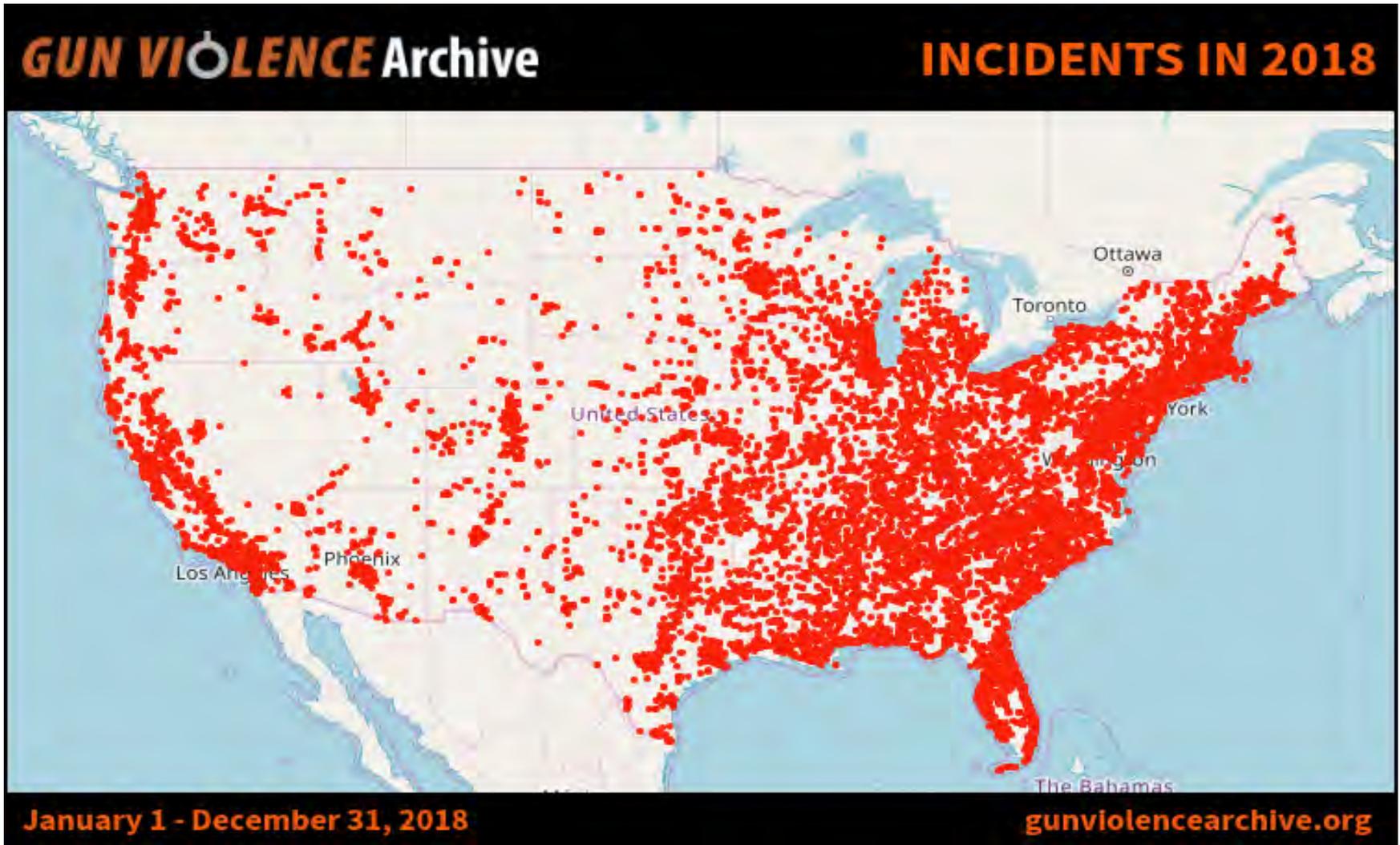


January 1 - December 31, 2018

gunviolencearchive.org

beazley

Risk Landscape



Examples

Year	Date	Incident	Location	Dead	Injured	Shooter
2018	7th November	Thousand Oaks, Borderline Bar & Grill	California	13	18	Ian David Long
2018	27th October	The Tree of Life Synagogue	Pittsburgh	11	7	Robert Bowers
2018	26th August	GLHF Game Bar, Jacksonville Landing	Florida	3	9	David Katz
2018	18th May	Santa Fe High School	Texas	10	13	Dimitrios Pagourtzis
2018	14th February	Marjory Stoneman Douglas High School	Florida	17	17	Nikolas Cruz
2017	5th November	Sutherland Springs	Texas	27	20	Delvin Patrick Kelley
2017	1st October	Las Vegas Mandalay Bay Hotel	Nevada	59	441	Stephen Paddock
2016	12th June	Pulse Nightclub Orlando	Florida	50	53	Omar Mateen
2015	2nd December	San Bernardino	California	14	22	Syed Rizwan and Tashfeen Malik
2012	20th July	Cinemark Theatre	Colorado	12	58	James Eagan Holmes
2012	14th December	Sandy Hook	Connecticut	27	2	Adam Lanza
2009	5th November	Fort Hood	Texas	13	32	Nidal Hasan
2007	16th April	Virgina Tech	Virginia	32	17	Seung-Hui Cho
1999	20th April	Columbine High School	Colorado	13	21	Eric Harris & Dylan Klebold

Current Response

General Liability

- GL may not respond unless the insured is deemed “liable” for the event
- Excludes events that are deemed “reasonably foreseeable”
- Debate over whether personal attacks against customers or other third parties are covered
- Excludes employees
- Excludes damage to property or subsequent business interruption
- High SIR

Workers Compensation

- Varies by state
- Excludes property damage
- Excludes injuries to any third party

Current Response

Property

- Requires physical damage to property

Stand Alone Terrorism

- Terrorism defined as a Political, Religious or Ideological Act
- Requires a property physical damage trigger
- Third party cover purchased as a separate add on at clients request

US Terrorism Scheme - TRIPRA

- USD 5m Trigger threshold for property and casualty combined
- Cover for “Certified” acts of terrorism only

Beazley Stand Alone Cover – Three Fold Product

○ **Third Party Liability & Defense Costs**

- Indemnification of monetary judgments awarded following legal liability imposed by a court of law due to the negligence of the Original Insured following a DWP event. Inclusive of costs to defend all suits brought against the Original Insured

○ **Physical Damage including Business Interruption**

- Physical Damage to Insured location including demolition, clearance and memorialisation costs
- Gross Earnings (including loss of tuition fees)
- Ingress/Egress & Prevention of Access by Civil/Military Authorities
- Extra Expense to resume operations

○ **Crisis management services (pre and post event)**

- CrisisRisk Crisis Management Services including but not limited to: crisis response investigation, crisis management support, public relations, media management and site security.
- Counselling Services
- Funeral expenses

Beazley Stand Alone Cover – Key Definitions

- Assailant(s)
 - Individual or group of individuals actively engaged in, or assisting in, killing or attempting to kill a person or persons using weapon.
- Event
 - Deadly Weapon Event means any event involving an Assailant(s) and the Named Insured where a Weapon has been used or brandished on any Location(s) of the Named Insured.
- Weapon
 - Any portable handheld device, instrument or substance which is used by the Assailant(s) in a manner to deliberately cause death or bodily injury.

And/or

 - Any road vehicle that is occupied and used by the Assailant(s) to deliberately cause death or bodily injury.

Crisis Management Services

At inception

- Within 45 days the responder provides a telephonic post underwriting review
- Within 45 days clients are invited to join a responder hosted education webinar

Following an event

- Crisis Management services – accessed via a direct call from the Insured
- Public relations and media management
- Additional site security if required
- Crisis coaching for decision making support
- Counselling services (1st and 3rd parties)
- Funeral expenses (1st and 3rd parties)
- Monitoring of social media to identify claimants
- Post event investigation

Crisis Management Services

Typical Response Process

CrisisRisk Notification

- CrisisRisk are contacted through the Response Line
- CrisisRisk team integrates and communicates with the designated person or team

Event Assessment

- CrisisRisk liaisons with any designated legal counsel
- CrisisRisk begins media monitoring
- CrisisRisk assesses the crisis level using proprietary metrics

Critical Incident Decisions

- CrisisRisk works with Insured to obtain resources step-by-step, i.e.
 - Additional security
 - Investigations
 - Counseling

Crisis Communications

- CrisisRisk provides decision making support for how, when, why to communicate
- Coaching for spokespeople
- Development of message maps

Mitigation & Recovery

- CrisisRisk assists in planning:
 - Remediation Plans
 - Re-Entry Plans
 - Counseling Plans
 - Funeral Plans
 - Memorial Plans

Crisis Management Services



Claims Example

- Party- Bar
- Gunshots
- Evacuation/Stampede

- Fatality
- Injuries
- Zone of Danger

- Trauma Counseling
- Investigation challenges
- Employee Turnover

Crisis Management Services

Claims Example

High School Football Game. Gunshots. Screaming. Stampede. Panic.
2 adults shot. Active Shooter?



Beazley/Alliant Active Shooter Program Offering 2019

SUM INSURED:

- JPA/Pool Insureds:

USD500,000 per claim with USD2,500,000 aggregate shared amongst all pool members

DEDUCTIBLE:

- USD10,000 per claim

SUB-LIMITS:

- Crisis Management – Up to policy limit
- Crisis Services Provided by CrisisRisk
- Funeral Expenses - USD250,000 per event
- Counseling Services - USD250,000 per event
- 1st Party Property Damage/Business Interruption - USD250,000
- Rebuilding of Buildings / Creation of Memorial - USD250,000
- Extra Expense – USD 250,000 per event

The above sublimits erode the overall Sum Insured Limit

Key Benefits Summary

- Triggered by the brandishing of a weapon
 - No requirement for property damage or bodily injury
 - No minimum requirement on number of people injured
 - No exclusions around who the perpetrator is
 - No vehicle exclusion
- Proactive pre-incident post underwriting review and webinar.
- In the event of a DWP event, invaluable crisis management assistance through CrisisRisk.
- Primary insurance.
- Broad business interruption coverage.
- Protects 'other insurance' from catastrophic and/or attritional losses that are silent.
- Low retentions, policy can be used as a deductible buy back.



Questions



ITEM 14.0

AGENDA ITEM SUMMARY

TITLE: REMIF ANNUAL BUDGET FOR 2019-2020

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

The adoption of the annual budget (fiscal year 2019-2020) requires ratification by the Board of Directors.

BACKGROUND

Article VII of the bylaws require that an annual budget be presented by the General Manager to the Board of Directors before and be adopted no later than June 30 of each year. At the discretion of the Board, a multi-year budget may be adopted, thereby eliminating the requirements of annual presentation and adoption during the term of such multi-year budget. At this time, a multi-year budget is not being presented. The budget must separately show general and administrative expenses and a revenue section.

A preliminary budget was provided to the Board of Directors at the April 25, 2019 meeting, in a format that is intended to achieve the following:

- 1) Simplicity of the figures
- 2) Transparency of the numbers
- 3) Adequate funding
- 4) Conservative approach in compilation of the budget
- 5) Usage of cost allocation plan approved by the board
- 6) Ensuring the budget design is matching your financial statements

As presented to the Board of Directors at the April 25, 2019 meeting, the changes to the budget worksheet are:

- 1) Total revenues for 19-20 year are projected to increase by 10.38% from the 18-19 budget. The majority of the increase is related to contributions, including the funding the Workers Compensation (WC) and Liability programs at 75% confidence level, undiscounted. The member cities' payroll has increased by 7%, WC rates increased 21%, Liability rates increased 12%; and pass-through coverages are projected to increase by 5%.
- 2) Total Operating Expenses for the 19-20 year are projected to increase by 9.14% from the 18-19 budget. Claims expenses and excess insurance are expected to increase. The remaining categories in operating expenses are projected to have minor increases.

3) G&A Expenses for the 19-20 year are projected to increase by 27.93% from the 18-19 budget. The primary reasons for the increase are that the benefits are expected to have a 22% increase (benefits were under budgeted in 18-19) and there is an increase in the pension expenses (payments to PERS for the Unfunded Accrued Liability). Administrative expenses are budgeted to decrease by 9.63% from 18-19 budget.

Further explanation regarding the changes in the budget is explained in each tab on the attached spreadsheet by category.

FISCAL IMPACT

Adoption of fiscal year 2019-2020 budget

RECOMMENDED ACTION

Approve the fiscal year 2019-2020 budget

ATTACHMENTS

14.1 REMIF FY 2019-2020 budget

**REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
FY 2019-20 PROPOSED BUDGET**

	APPROVED FY 2018-19 BUDGET	PROJECTED FY 2018-19	PROPOSED FY 2019-20 BUDGET	\$ VARIANCE	% VARIANCE
<u>REVENUES</u>					
40110 CONTRIBUTIONS	\$ 26,309,804	\$ 25,766,900	\$ 29,161,948	\$ 2,852,144	10.84%
40210 FEES EARNED	491,300	491,300	491,300	-	0.00%
40310 RENTAL INCOME	31,200	17,730	62,720	31,520	101.03%
40410 INTEREST EARNED	100,000	100,000	100,000	-	0.00%
40420 INVESTMENT EXPENSES	(25,000)	(25,000)	(25,000)	-	0.00%
TOTAL REVENUES	26,907,304	26,350,930	29,790,968	2,883,664	10.72%
<u>OPERATING EXPENSES</u>					
CLAIMS EXPENSES	17,910,050	16,700,050	19,617,805	1,707,755	9.54%
50310 EXCESS INSURANCE	2,667,206	2,504,353	3,133,026	465,820	17.46%
50510 CLAIMS ADMINISTRATION	3,012,600	2,776,744	3,078,720	66,120	2.19%
PROFESSIONAL SERVICES	181,500	189,315	197,750	16,250	8.95%
SAFETY TRAINING	223,083	214,133	234,237	11,154	5.00%
TOTAL OPERATING EXPENSES	23,994,439	22,384,595	26,261,538	2,267,100	9.45%
<u>G & A EXPENSES</u>					
51010 SALARIES, WAGES & BENEFITS	556,992	654,894	682,165	125,173	22.47%
ADMINISTRATIVE	311,000	214,200	281,050	(29,950)	-9.63%
60000 PENSION EXPENSES	35,000	166,813	192,000	157,000	448.57%
TOTAL G & A EXPENSES	902,992	1,035,906	1,155,215	252,223	27.93%
TOTAL EXPENSES	24,897,431	23,420,502	27,416,753	2,519,322	10.12%
BUDGETED NET INCOME (LOSS)	\$ 2,009,873	\$ 2,930,428	\$ 2,374,215	\$ 364,342	18%
Net Position as of 06/30/18 (Audited)			\$ 621,464		
Projected Net Income (loss) 18-19			2,009,874		
Net Position as of 06/30/19 (Unaudited)			2,631,338		
Budgeted Net Income (Loss) 19-20			2,374,215		
Projected Net Position 06/30/20			\$ 5,005,553		

REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
FY 2019-20 PROPOSED BUDGET
BY PROGRAM

	<u>WORK COMP</u>	<u>LIABILITY</u>	<u>PROPERTY</u>	<u>AUTO</u>	<u>MEDICAL</u>	<u>DENTAL</u>	<u>VISION</u>	<u>BUDGET</u>
REVENUES								
40110 CONTRIBUTIONS	\$ 7,027,600	\$ 4,552,032	\$ 1,483,550	\$ 226,686	\$ 14,270,430	\$ 1,339,000	\$ 262,650	\$ 29,161,948
40210 FEES EARNED	301,000	5,500	-	-	159,600	13,200	12,000	491,300
40310 RENTAL INCOME	62,720	-	-	-	-	-	-	62,720
40410 INTEREST EARNED	47,000	23,000	4,000	3,000	7,800	7,600	7,600	100,000
40420 INVESTMENT EXPENSE	(11,750)	(5,750)	(1,000)	(750)	(1,950)	(1,900)	(1,900)	(25,000)
TOTAL REVENUES	7,426,570	4,574,782	1,486,550	228,936	14,435,880	1,357,900	280,350	29,790,968
OPERATING EXPENSES								
CLAIMS EXPENSE	4,606,330	2,332,175	-	-	11,245,540	1,273,080	160,680	19,617,805
50310 EXCESS INSURANCE	350,000	1,078,420	1,453,550	196,686	54,370	-	-	3,133,026
50510 CLAIMS ADMINISTRATION FEES	613,000	123,500	-	-	2,121,800	175,100	45,320	3,078,720
PROFESSIONAL SERVICES	128,082	39,097	3,498	3,498	18,858	2,358	2,358	197,750
51150 SAFETY TRAINING	5,460	228,777	-	-	-	-	-	234,237
TOTAL OPERATING EXPENSES	5,702,872	3,801,969	1,457,048	200,184	13,440,568	1,450,538	208,358	26,261,538
G & A EXPENSES								
51010 SALARIES, WAGES & BENEFITS	493,698	127,033	15,272	15,272	10,297	10,297	10,297	682,165
ADMINISTRATIVE	203,402	52,337	6,292	6,292	4,242	4,242	4,242	281,050
60000 PENSION EXPENSE	138,955	35,754	4,298	4,298	2,898	2,898	2,898	192,000
TOTAL G & A EXPENSES	836,055	215,125	25,862	25,862	17,437	17,437	17,437	1,155,215
TOTAL EXPENSES	6,538,927	4,017,094	1,482,910	226,046	13,458,006	1,467,976	225,796	27,416,753
BUDGETED NET INCOME (LOSS)	\$ 887,643	\$ 557,688	\$ 3,640	\$ 2,890	\$ 977,874	\$ (110,076)	\$ 54,554	\$ 2,374,215
Net Position as of 06/30/18 (Audited)	\$ (1,673,010)	\$ (597,979)	\$ 583,913	\$ 707,010	\$ 1,045,506	\$ 451,019	\$ 105,005	\$ 621,464
Projected Net Income (loss) 18-19	528,894	456,956	3,000	94,403	973,307	(103,243)	56,557	2,009,874
Net Position as of 06/30/19 (Unaudited)	(1,144,116)	(141,023)	586,913	801,413	2,018,813	347,776	161,562	2,631,338
Budgeted Net Income (Loss) 19-20	887,643	557,688	3,640	2,890	977,874	(110,076)	54,554	2,374,215
Projected Net Position 06/30/20	\$ (256,473)	\$ 416,665	\$ 590,553	\$ 804,303	\$ 2,996,687	\$ 237,700	\$ 216,116	\$ 5,005,553

CONTRIBUTIONS REVENUES

Overall Explanation on Change:

Overall, we expect the contributions to increase by 11%. The WC contributions are estimated to increase by 28% while Liability is expected to increase by 20%. Property is expected to have a 48% increase due to rising cost. Auto is expected to have a 26% as REMIF is considering fully funded Auto program. Health contributions are budgeted for 3% increase. Pass-through coverages are expected to have 5% increase.

<u>Contribution</u>	<u>Approved Budget 2018-19</u>	<u>Projected Year End 2018-19</u>	<u>Proposed Budget 2019-20</u>	<u>\$ Variance Increase (Decrease)</u>	<u>% Change</u>	
Workers' Compensation	5,470,560	5,470,560	7,027,600	1,557,040	28%	
Liability	3,723,500	3,723,500	4,478,612	755,112	20%	
Property	683,943	541,041	800,000	116,057	48%	
Auto	291,731	291,731	215,796	(75,935)	-26%	
Medical	13,802,000	13,568,778	14,216,060	414,060	3%	
Dental	1,300,000	1,264,800	1,339,000	39,000	3%	
Vision	255,000	223,200	262,650	7,650	3%	
Total Health	<u>15,357,000</u>	<u>15,056,778</u>	<u>15,817,710</u>	<u>460,710</u>	<u>3%</u>	
Pass-through Coverages						
Liability	Group Legal	9,100	9,100	9,560	460	5%
Liability	Safety/MSDS	60,820	60,820	63,860	3,040	5%
Property	DIC (Earthquake)	651,000	555,000	683,550	32,550	5%
Auto	DOT	10,370	10,370	10,890	520	5%
Health	EAP	51,780	48,000	54,370	2,590	5%
Total Pass-through coverages		<u>783,070</u>	<u>683,290</u>	<u>822,230</u>	<u>39,160</u>	<u>5%</u>
Total Contributions						
		<u>\$ 26,309,804</u>	<u>\$ 25,766,900</u>	<u>\$ 29,161,948</u>	<u>\$ 2,852,144</u>	<u>11%</u>

<u>REMIF</u>	<u>Direct Expense</u>	<u>Percent</u>	<u>Indirect</u>	<u>Total Allocated</u>	
WC	7,027,600	72.4%	-	7,027,600	24%
LIAB	4,552,032	18.6%	-	4,552,032	16%
PROP	1,483,550	2.2%	-	1,483,550	5%
AUTO	226,686	2.2%	-	226,686	1%
MEDICAL	14,270,430	1.5%	-	14,270,430	49%
DENTAL	1,339,000	1.5%	-	1,339,000	5%
VISION	262,650	1.5%	-	262,650	1%
Total	<u>29,161,948</u>	<u>100.0%</u>	<u>-</u>	<u>29,161,948</u>	

Allocation Percentages Based on Staff Time per Cost Allocation Plan (CAP)

FEES EARNED

Overall Explanation on Change:

We are projecting no changes to Earned Fees.

<u>Contribution</u>	<u>Cost</u>	<u>Months</u>	<u>Claim Count</u>	<u>Approved Budget 2018-19</u>	<u>Projected Year End 2018-19</u>	<u>Proposed Budget 2019-20</u>	<u>\$ Variance Increase (Decrease)</u>	<u>% Change</u>
Workers' Compensation	1,000		301	301,000	301,000	301,000	-	0%
Liability	110		50	5,500	5,500	5,500	-	0%
Property								
Auto								
Medical	13,300	12		159,600	159,600	159,600	-	0%
Dental	1,100	12		13,200	13,200	13,200	-	0%
Vision	1,000	12		12,000	12,000	12,000	-	0%
Total Health				184,800	184,800	184,800	-	0%

Total Contributions

\$	491,300	\$	491,300	\$	491,300	\$	-	0%
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<u>REMIF</u>	<u>Direct Expense</u>	<u>Percent</u>	<u>Indirect</u>	<u>Total Allocated</u>
WC	301,000	72.4%	-	301,000
LIAB	5,500	18.6%	-	5,500
PROP	-	2.2%	-	-
AUTO	-	2.2%	-	-
MEDICAL	159,600	1.5%	-	159,600
DENTAL	13,200	1.5%	-	13,200
VISION	12,000	1.5%	-	12,000
Total	491,300	100.0%	-	491,300

Allocation Percentages Based on Staff Time per Cost Allocation Plan (CAP)

RENTAL INCOME

Overall Explanation on Change:

We are projecting a significant increase in rental income due to leasing out properties during 19-20

<u>Revenues</u>	<u>Months</u>	<u>Rate per Month</u>	<u>Approved Budget 2018-19</u>	<u>Projected Year End 2018-19</u>	<u>Proposed Budget 2019-20</u>	<u>\$ Variance Increase (Decrease)</u>	
Soloquest	12	1,275	31,200	17,730	15,300	(15,900)	-14%
Sonoma Properties	12	1,917			23,000	23,000	
Additional lease	6	4,070			24,420	24,420	

Total Contributions

\$ 31,200 \$ 17,730 \$ 62,720 \$ 31,520 **101%**

<u>REMIF</u>	<u>Direct Expense</u>	<u>Percent</u>	<u>Indirect</u>	<u>Total Allocated</u>
WC	62,720	72.4%	-	62,720
LIAB	-	18.6%	-	-
PROP	-	2.2%	-	-
AUTO	-	2.2%	-	-
MEDICAL	-	1.5%	-	-
DENTAL	-	1.5%	-	-
VISION	-	1.5%	-	-
Total	62,720	100.0%	-	62,720

Allocation Percentages Based on Staff Time per Cost Allocation Plan (CAP)

EXCESS INSURANCE

Overall Explanation on Change:

Overall, we are expecting an 17% increase from 18-19 budget. WC is estimated to decrease by 3%. Liability is projected to see an increase of 27%. Property is expected to see an increase of 26%. APD will have an increase of 54%. Pass-through coverages are budgeted to go up 5% from prior year.

<u>Excess Insurance</u>	<u>Vendor</u>	<u>Approved Budget 2018-19</u>	<u>Projected Year End 2018-19</u>	<u>Proposed Budget 2019-20</u>	<u>\$ Variance Increase (Decrease)</u>	<u>% Change</u>			
WC	Marsh	362,501	340,794	350,000	(12,501)	-3%			
Liability	CJPRMA	791,000	787,318	1,005,000	214,000	27%			
Property	CJPRMA	610,000	541,041	770,000	160,000	26%			
Auto	CJPRMA	120,635	126,034	185,796	65,161	54%			
Pass-through Coverages					-				
Liability	Group Legal	9,100	9,100	9,560	460	5%			
Liability	Safety/MSDS	60,820	60,820	63,860	3,040	5%			
Property	DIC (Earthc Alliant	651,000	553,164	683,550	32,550	5%			
Auto	DOT Comprehensive Drug testing	10,370	6,941	10,890	520	5%			
Health	EAP MHN/Aetna eff 4/1/19	51,780	34,720	54,370	2,590	5%			
	AirMedCare		44,421		-	#DIV/0!			
Total Pass-through coverages		783,070	709,166	822,230	39,160	5%			
Total Expenses					\$ 2,667,206	\$ 2,504,353	\$ 3,133,026	\$ 465,820	17%

REMIF	Direct Expense	Percent	Indirect	Total Allocated
WC	350,000	72.4%	-	350,000
LIAB	1,078,420	18.6%	-	1,078,420
PROP	1,453,550	2.2%	-	1,453,550
AUTO	196,686	2.2%	-	196,686
MEDICAL	54,370	1.5%	-	54,370
DENTAL	-	1.5%	-	-
VISION	-	1.5%	-	-
Total	<u>3,133,026</u>	100.0%	<u>-</u>	<u>3,133,026</u>

Allocation Percentages Based on Staff Time per Cost Allocation Plan (CAP)

PROFESSIONAL SERVICES

Overall Explanation on Change:

Overall, we expect the budgeted cost to increase by 9% from prior year. Due to the audit RFP, we expect the cost to go down. The remaining cost are expected to be ranging from 3% to 10%.

<u>Professional</u>	<u>Vendor</u>	<u>Approved Budget 2018-19</u>	<u>Projected Year End 2018-19</u>	<u>Proposed Budget 2019-20</u>	<u>\$ Variance Increase (Decrease)</u>	<u>% Change</u>
51020	Legal	20,000	20,000	25,000	5,000	25%
51030	Auditor	30,000	31,715	28,000	(2,000)	-7%
51210	Computer Programming	5,000	5,000	5,150	150	3%
50610	Claims Auditor	15,000	16,000	16,500	1,500	10%
	WC & Liab Audit			25,000	25,000	
51160	Consultants					
	AON - Actuary	20,000	20,000	20,600	600	3%
	Bickmore - Finance Manager	90,000	90,000	94,500	4,500	5%
	OPEB Actuarial Evaluation	1,500	6,600	3,000	1,500	100%
	Website	-		5,000	5,000	#DIV/0!
	Total Consultants	111,500	116,600	123,100	11,600	10%
	Total Expenses	\$ 181,500	\$ 189,315	\$ 197,750	\$ 16,250	9%

<u>REMIF</u>	<u>Direct Expense</u>	<u>Percent</u>	<u>Indirect</u>	<u>Total Allocated</u>
WC	15,000	72.4%	113,082	128,082
LIAB	10,000	18.6%	29,097	39,097
PROP	-	2.2%	3,498	3,498
AUTO	-	2.2%	3,498	3,498
MEDICAL	16,500	1.5%	2,358	18,858
DENTAL	-	1.5%	2,358	2,358
VISION	-	1.5%	2,358	2,358
Total	41,500	100.0%	156,250	197,750

Allocation Percentages Based on Staff Time per Cost Allocation Plan (CAP)

SAFETY TRAINING

Overall Explanation on Change:

We are budgeting a 5% increase in Safety Training expenses.

<u>Risk Management</u>	<u>Vendor</u>	<u>Approved Budget 2018-19</u>	<u>Projected Year End 2018-19</u>	<u>Proposed Budget 2019-20</u>	<u>\$ Variance Increase (Decrease)</u>	<u>% Change</u>
51150	Safety Training - Liability	217,883	60,000	228,777	10,894	5%
	Lexipol		Police Training			
	DKF Solutions		Safety Tracking	50,000		
	Acceptable Risk		Safety Consultant/MSDS	15,000		
	LCW		Employment Relations	60,000		
	Marine Memorial		Police Chief Training	0		
	MSDSonline			23,933		
	Safety Training - WC	5,200	5,200	5,460	260	5%

Total Expenses

\$ 223,083 \$ 214,133 \$ 234,237 \$ 11,154 5%

<u>REMIF</u>	<u>Direct Expense</u>	<u>Percent</u>	<u>Indirect</u>	<u>Total Allocated</u>
WC	5,460	72.4%	-	5,460
LIAB	228,777	18.6%	-	228,777
PROP	-	2.2%	-	-
AUTO	-	2.2%	-	-
MEDICAL	-	1.5%	-	-
DENTAL	-	1.5%	-	-
VISION	-	1.5%	-	-
Total	234,237	100.0%	-	234,237

Allocation Percentages Based on Staff Time per Cost Allocation Plan (CAP)

SALARIES, WAGES & BENEFITS

Overall Explanation on Change:

Overall Salaries Wages & Benefits is projected to increase by 22% from prior year. For 19-20, we are projecting a step increase as well as a 3% increase in staff salaries. We are projecting a 21% increase in benefits cost (Health cost were under budgeted in prior year). For Retirees- a 28% increase in cost, which should be paid out of the OPEB account.

		Approved Budget 2018-19	Projected Year End 2018-19	Proposed Budget 2019-20	Variance Increase (Decrease)	% Change
SALARIES, WAGES & BENEFITS						
	Accounting Specialist I	53,050	53,050	60,236	7,186	14%
	Accounting Specialist II	61,434	61,434	66,441	5,007	8%
	Administrative Assistant	68,108	68,108	70,151	2,044	3%
	General Manager	160,000	160,000	160,000	0	0%
51010	Salaries - Active Employees	342,592	342,592	356,829	14,237	4%
BENEFITS						
	PERS - 12.919%, 0%, Survivor & Medicare 1.45%	49,200	58,800	59,000	9,800	20%
	Vision \$110/mo. and Dental Insurance - \$50/mo.	0	1,920	2,016	2,016	
	Employee Assistance Plan - \$10/mo.	0	200	210	210	
	Life Insurance	850	3,000	3,150	2,300	271%
	Long Term Disability .567%	1,900	1,900	2,000	100	5%
	Alternate Health Benefits	5,000	0	0	(5,000)	-100%
	Health Insurance	13,200	80,400	84,420	71,220	540%
	Total Active Benefits	70,150	146,220	150,796	80,646	115%
	Unemployment Insurance	23,000	20,000	23,000	0	0%
	Payroll Services - 5% to Rohnert Park	17,000	18,000	18,540	1,540	9%
51011	Total Salaries and Benefits - Actives	452,742	526,812	549,165	96,423	21%
Benefits - Retirees						
	Vision and Dental Insurance	11,500	16,276	17,000	5,500	48%
	Life Insurance	650	1,982	2,000	1,350	208%
	Health Insurance - Ha HC & AmWins	90,100	106,224	110,000	19,900	22%
	Miscellaneous Expenses-EDD	2,000	3,600	4,000	2,000	100%
51012	Total Retiree Benefits	104,250	128,082	133,000	28,750	28%
Total Salaries and Benefits (pre Post Retirement Benefits)		556,992	654,894	682,165	125,173	22%

REMIF	Direct Exp	Percent	Indirect	Total Allocated
WC	-	72.4%	493,698	493,698
LIAB	-	18.6%	127,033	127,033
PROP	-	2.2%	15,272	15,272
AUTO	-	2.2%	15,272	15,272
MEDICAL	-	1.5%	10,297	10,297
DENTAL	-	1.5%	10,297	10,297
VISION	-	1.5%	10,297	10,297
Total	-	100.0%	\$ 682,165	\$ 682,165

Allocation Percentages Based on Staff Time per Cost Allocation Plan (CAP)

ADMINISTRATIVE EXPENSES

Overall Explanation on Change:

Overall, we are projecting the admin expenses to go down by 10%; Staff is taking a conservative approach when budgeting for administrative expenses.

<u>Administrative Expenses</u>		<u>Vendor</u>	<u>Approved Budget 2018-19</u>	<u>Projected Year End 2018-20</u>	<u>Proposed Budget 2019-20</u>	\$ <u>Variance Increase (Decrease)</u>	<u>% Change</u>
51040	Office Expense		16,000	12,000	13,000	(3,000)	-19%
51060	Telephone	AT&T, Comcast	7,500	10,000	10,100	2,600	35%
51070	Travel, Seminars & Conferences		10,000	8,000	10,000	-	0%
51080	Rent - Equipment & Space	Pitney Bowes, Downey's Mini Storage	58,500	10,000	12,000	(46,500)	-79%
51090	Utilities	Sonoma Garbage Collectors, PG&E	10,000	10,000	10,500	500	5%
51100	Depreciation		0		-	-	#DIV/0!
51110	Insurance		5,000	2,000	5,000	-	0%
51120	Postage		3,000	1,000	1,200	(1,800)	-60%
51130	Dues and Subscriptions		3,000	1,000	2,000	(1,000)	-33%
51140	Miscellaneous	City of RP-CalPers & EDD	6,500	1,000	6,500	-	0%
51180	Taxes	US Treasury-PCORI; Sonoma County	3,500	7,200	7,500	4,000	114%
51240	Board Expense	Crown Trophy	20,000	10,000	20,600	600	3%
51241	Board-Conference Expense	J. Palla	80,000	75,000	81,000	1,000	1%
51250	Building Maintenance & Repair		30,000	30,000	41,500	11,500	38%
51190	Computer Supplies	office Information Systems	5,000	5,000	5,150	150	3%
51200	Computer Service & Maint.		50,000	30,000	50,000	-	0%
51230	Copier Service & Maint.	Network Office Systems	3,000	2,000	3,000	-	0%
50880	Bank Fees				2,000	2,000	#DIV/0!
Total Expenses			\$ 311,000	\$ 214,200	\$ 281,050	\$ (29,950)	-10%

<u>REMIF</u>	<u>Direct Expense</u>	<u>Percent</u>	<u>Indirect</u>	<u>Total Allocated</u>
WC	-	72.4%	203,402	203,402
LIAB	-	18.6%	52,337	52,337
PROP	-	2.2%	6,292	6,292
AUTO	-	2.2%	6,292	6,292
MEDICAL	-	1.5%	4,242	4,242
DENTAL	-	1.5%	4,242	4,242
VISION	-	1.5%	4,242	4,242
Total	-	100.0%	281,050	281,050

Allocation Percentages Based on Staff Time per Cost Allocation Plan (CAP)

PENSION EXPENSE

Overall Explanation on Change:

Pension expense is increasing due to monthly payment made to calpers.

<u>Pension Expense</u>	<u>Vendor</u>			<u>Approved Budget 2018-19</u>	<u>Projected Year End 2018-19</u>	<u>Proposed Budget 2019-20</u>	<u>\$ Variance Increase (Decrease)</u>	<u>% Change</u>
6000	Pension	Calpers	\$16K per month	35,000	166,813	192,000	157,000	449%

Total Expenses

\$ 35,000 \$ 166,813 \$ 192,000 \$ 157,000 449%

<u>REMIF</u>	<u>Direct Expense</u>	<u>Percent</u>	<u>Indirect</u>	<u>Total Allocated</u>
WC	-	72.4%	138,955	138,955
LIAB	-	18.6%	35,754	35,754
PROP	-	2.2%	4,298	4,298
AUTO	-	2.2%	4,298	4,298
MEDICAL	-	1.5%	2,898	2,898
DENTAL	-	1.5%	2,898	2,898
VISION	-	1.5%	2,898	2,898
Total	-	100.0%	192,000	192,000

Allocation Percentages Based on Staff Time per Cost Allocation Plan (CAP)

Per MGT Consulting Group
Final Cost Allocation Plan & Indirect Cost Rate
Report Dated: August 7, 2017

Service & Supplies Allocation
Per pg 6 of the report

WC	\$ 367,274	72%
LIAB	94,503	19%
PROP	11,361	2%
AUTO	11,361	2%
MEDICAL*	7,660	1.5%
DENTAL*	7,660	1.5%
VISION*	7,660	1.5%
Total	<u>\$ 507,479</u>	

* These programs were grouped as Healthcare on the CAP report.
Cost have been allocated evenly among the three programs.



REMIF
REDWOOD
EMPIRE
MUNICIPAL
INSURANCE
FUND

414 W. Napa St. • P.O. Box 885 • Sonoma, CA 95476 • 707.938.2388 • Fax 707.938.0374
Members: Arcata Cloverdale Cotati Eureka Fort Bragg Fortina Healdsburg Lakeport
Robnett Park St. Helena Sebastopol Sonoma Ukiah Willits Windsor

ITEM 15.0

AGENDA ITEM SUMMARY

TITLE: REMIF SALARY SCHEDULE FY 19-20

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

Changes to the REMIF salary schedule require ratification by the Board of Directors.

BACKGROUND

The salary schedule for the REMIF staff was last approved by the Board of Directors in September of 2018. Since that time, a 3% COLA increase was included in the budget for COLA adjustments to the REMIF staff and preliminarily approved by the Board of Directors in April of 2019. The 3% COLA was applied to the salary schedule, all ranges. The salary for the General Manager has not been adjusted, since that position is contractual.

The current salary schedule only reflects positions that are currently open at REMIF.

FISCAL IMPACT

None

RECOMMENDED ACTION

Approve attached salary schedule which includes a 3% COLA increase across all ranges (with the exception of the General Manager).

ATTACHMENTS

15.1 REMIF Salary Schedule FY 19-20

**Redwood Empire Municipal Insurance Fund
(REMIF)
Salary Schedule - FY 2019-2020
Effective July 1, 2019 - June 30, 2020**

POSITION NAME (CONTRACTUAL POSITION)													Hourly	Monthly	Annual
General Manager (by employment contract): salary range \$150,000 to \$185,000; Current placement: \$160,000													\$ 76.92	\$ 13,333.33	\$ 160,000.00
POSITION NAME	Step A	Monthly	Annual	Step B	Monthly	Annual	Step C	Monthly	Annual	Step D	Monthly	Annual	Step E	Monthly	Annual
Administrative Assistant	\$ 27.74	\$ 4,809.06	\$ 57,712.96	\$ 29.13	\$ 5,049.88	\$ 60,599.67	\$ 30.59	\$ 5,302.38	\$ 63,629.60	\$ 32.12	\$ 5,567.60	\$ 66,810.18	\$ 33.73	\$ 5,845.56	\$ 70,150.95
Accounting Specialist I	\$ 26.27	\$ 4,553.38	\$ 54,636.35	\$ 27.58	\$ 4,780.42	\$ 57,368.17	\$ 28.96	\$ 5,020.18	\$ 60,236.84	\$ 30.41	\$ 5,270.55	\$ 63,248.74	\$ 31.93	\$ 5,534.72	\$ 66,411.28
Accounting Specialist II	\$ 28.97	\$ 5,022.30	\$ 60,264.42	\$ 30.43	\$ 5,272.67	\$ 63,277.38	\$ 31.94	\$ 5,536.84	\$ 66,440.98	\$ 33.54	\$ 5,813.73	\$ 69,763.72	\$ 35.22	\$ 6,104.42	\$ 73,251.96



ITEM 16.0

AGENDA ITEM SUMMARY

TITLE: SELECTION OF FINANCIAL AUDITOR

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

Appointment of a new financial auditor requires ratification by the Board of Directors.

BACKGROUND

California Government Code section 12410.6 (b) states in part: “a local agency shall not employ a public accounting firm to provide audit services to a local agency if the lead audit partner or coordinating audit partner having primary responsibility for the audit, or the audit partner responsible for reviewing the audit, has performed audit services for that local agency for six consecutive fiscal years.”

REMIF has employed Amy Meyer with Maze and Associates as our financial auditor for six years. Given the requirements of the Government Code, REMIF is required to seek a new financial auditor. As such, REMIF prepared and published a request for proposal (RFP) for auditing services, having first had the Finance Committee review the draft RFP.

In response to the RFP, REMIF received two responsive bids, one from the accounting firm of Crowe LLP and one from James Marta and Company (attached hereto). The costs for their services are as follows:

Crowe - \$30,100 year 1, \$30,100 year 2 and \$30,100 year 3

Marta - \$25,960 year 1, \$26,600 year 2, and \$27,300 year 3

In addition to costs, the responsive bids were reviewed by me and Ritesh Sharma, our Finance Director. Our recommendations were presented to the Finance Committee for consideration. The recommendation is that we employ James Marta and Company for REMIF’s financial auditor.

FISCAL IMPACT

None (amount included in budget)

RECOMMENDED ACTION

Direct the General Manager to enter into a services agreement with James Marta and Company for financial auditing services.

ATTACHMENTS

16.1 James Marta and Co. Audit Proposal



James Marta & Company LLP

Certified Public Accountants

Accounting, Auditing, Consulting and Tax

Redwood Empire Municipal Insurance Fund
Independent Financial Audit Services
Due 5:00 PM, April 26, 2019

Redwood Empire Municipal Insurance Fund
Attn: Amy Northam
REMIF General Manager
anortham@remif.com

James Marta & Company LLP
Contact: Jesse Deol, CPA
Email: JDeol@JPMCPA.com
701 Howe Avenue, Suite E3
Sacramento, CA 95825

(916) 993-9494
Fax (916) 993-9489

www.JPMCPA.com



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James Marta & Company LLP

Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

April 19, 2019

Redwood Empire Municipal Insurance Fund

Attn: Amy Northam

REMIF General Manager

anortham@remif.com

RE: Proposal for Independent Financial Audit Services

We are pleased to respond to the Redwood Empire Municipal Insurance Fund (REMIF) RFP for Independent Financial Audit Services for the fiscal years ending June 30, 2019, 2020, and 2021.

James Marta & Company LLP is a Certified Public Accountant that has specialized in auditing Joint Powers Authorities, Special Districts, and Local Government Agencies since 1988. We are licensed, qualified, trained and experienced in conducting financial audits of JPAs with complex fund structures, federal grants, PERS contributions and GASB requirements. Here's how James Marta & Company makes a difference:

- **Partner Engagement:** You'll gain partner-level insight at every step of the project – all year round.
- **JPA Specialists:** We apply deep experience providing audit, consulting and accounting services to JPAs that provide risk management, self-insurance, workers compensation and more.
- **No Surprises:** You stay up to speed with updates and a project portal that shows real-time status.
- **We Value your Time:** We've honed our approach to minimize disruptions while meeting deadlines.
- **We Help You Apply Your Audit to Improve:** Your audit can help you better understand operational risks and improve controls. We help you apply your audit for continual improvement.
- **Ongoing Support:** We're your year-round resource for independent perspectives and practical advice on closings, financial statements, and compliance.

If we are selected for this engagement, we will commit the resources necessary for the successful and timely completion of the work. We have a long record of on-time delivery. We will do that for you as well.

Please contact me or David Becker, CPA (DBecker@JPMCPA.com) if we can provide more information.

Sincerely,

Jesse Deol, CPA

Partner

James Marta & Company LLP

JDeol@JPMCPA.com

(916) 993-9494 x37



1. ORGANIZATION

CONTACT

Jesse Deol, CPA, Partner

JDeol@JPMCPA.com

(916) 993-9494 x37

STRUCTURE AND SIZE

James Marta & Company LLP is a Partnership. We have three partners and a team of 11 Staff, Seniors and Supervisors. All members of our staff perform governmental audits.

LOCATION OF OFFICE WHERE WORK WILL BE PERFORMED

Footprint: James Marta & Company is a regional firm that serves clients in California, Oregon, Washington, Alaska, Utah, and Vermont.

Address: 701 Howe Avenue, Suite E3, Sacramento, CA 95825

Telephone: 916-993-9494

Staff: Three Partners; One Supervisor; 11 Staff

LICENSED TO PRACTICE IN CALIFORNIA

James Marta & Company LLP is licensed as a Certified Public Accountant in the State of California. We have maintained our certification since 1988.

We will assign a California-Licensed CPA as the auditor in charge.

ISSUANCE DATE
SEPTEMBER 5, 2014
EXPIRATION DATE
SEPTEMBER 30, 2020
CURRENT DATE / TIME
FEBRUARY 12, 2019 8:35:26 AM



KEY DIFFERENTIATORS

James Marta & Company LLP is a regional partnership serving clients in California, Oregon, Washington, Utah, Alaska, and Vermont. We are uniquely qualified to help you conduct your audit. Here's why:

Our Partners Are Your Partners: At James Marta & Company, the term Partner is more than a title. We're here to help you work through your toughest challenges. Have a question? Our Partners routinely pick up the phone. Need help beyond your audit? We provide insight on strategy, performance, Board training and more — year-round.

JPA Specialists: For over 30 years, we have met the audit, accounting and consulting needs of JPAs that serve the risk management, self-insurance, and workers compensation needs of cities, counties, school districts, credit unions, and industry groups. We understand the issues that insurance pools like REMIF face every day – large and rapidly escalating claims; variability in program funding; evolving risk management structures; and changes in insurance coverages. We apply our experience to guide risk pools through crisis, financial decisions, and pool recovery.

Ongoing Support: As your year-round resource, we provide an independent perspective and practical advice on closings, financial statements, and compliance standards. We not only meet statutory requirements, we also produce practical recommendations tailored to your needs. We don't just identify issues; we're here as a resource to answer your audit and accounting-related questions throughout the year. These services include:

- Evaluate and provide consulting for closing entries;
- Guide in the preparation of Annual Financial Statements;
- Advise and assist in implementing new GASB pronouncements;
- Assist with new federal or state compliance standards;
- Year-round availability for consultation; and
- Advise and assist on a variety of Accounting issues.

We Communicate Throughout the Project: We start by developing a great working relationship. Then, we communicate at every step through conversations and status reports. We also provide a portal that shows real-time progress on every request. At the end of the project there should be no surprises.

We Value Your Time: We've honed our approach to minimize disruptions and meet your deadlines. We start with a plan, define risks, set expectations, and publish due dates. Then we apply field-proven methods and state-of-the-art tools to ensure an effective effort.

- We create checklists that show requests and streamline processes.
- Our secure portal lets you drag and drop hundreds of documents at once. It shows real-time status of every request so you know what's complete, what's due, and what's next.
- We keep you informed with regular communication at every step.
- Where possible we use existing schedules and analyses to eliminate duplicate effort.

How We Make Your Audit Easy

- Checklists show every request and help streamline the process.
- Progress screens show real-time status.
- You can easily and securely upload hundreds of documents.
- We minimize the time working in your space.
- Regular project communication keeps you up to date.



QUALIFICATIONS

Following is a summary of our qualifications:

- Over 30 years' experience providing audit, accounting and controller/CFO services to Joint Powers Authorities, Special Districts, Municipal Agencies, and State Government.
- Accreditation Manager for California Association of Joint Powers Authorities (CAJPA)
- Board Member Fiscal Oversight, Risk Financing – CSDA/CAJPA
- Experience with debt financing, refinancing, and arbitrage calculations.
- Specialized training in audits of JPAs, Special Districts, and Governmental Entities.
- Extensive experience and training in conducting single audits of federally funded programs in accordance with Uniform Guidance (formerly OMB Circular A-133).
- Experience preparing Comprehensive Annual Financial Reports according to GFOA standards.
- Experience preparing, reviewing and submitting the Financial Transactions Report required by the State Controller's Office.
- Member and presenter for California Special Districts Association at conferences and webinars.
- Experience in calculating Net Pension and Other Post Employment Benefits (OPEB) liability in accordance with GASB standards.
- All staff in the firm are trained, experienced and qualified to audit governmental agencies.
- Frequent presenter and trainer at CAJPA conference on subjects including the Board's Role in Finance and Fiscal Accountability. Compliance, Internal Controls, Fraud Prevention and Detection, Accounting, Auditing and Board Governance Responsibility and Accountability.
- Year-round resource to answer questions and assist in applying your audit for continual improvement.

PEER REVIEW

The firm's quality control program is verified through AICPA's independent peer review program. This review verifies that we uphold the professional standards of quality in our policies, procedures and practices. Our most recent peer review resulted in a rating of Pass – the highest rating available. A copy of our 2018 peer review report is included in [Appendix B](#).

EQUAL OPPORTUNITY EMPLOYER

James Marta & Company LLP is an equal opportunity employer and makes employment decisions on the basis of merit. We want to have the best available persons in every job. Company policy prohibits unlawful discrimination based on race, color, creed, gender, religion, marital status, registered domestic partner status, age, national origin or ancestry, physical or mental disability, medical condition including genetic characteristics, sexual orientation, or any other consideration made unlawful by federal, state, or local laws. It also prohibits unlawful discrimination based on the perception that anyone has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics. All such discrimination is unlawful.

The Company is committed to compliance with all applicable laws providing equal employment opportunities. This commitment applies to all persons involved in Company operations and prohibits unlawful discrimination by any employee of the Company, including supervisors and coworkers.



INSURANCE

James Marta & Company LLP maintains the following insurance coverages at minimum:

- Commercial General Liability: Up to \$2,000,000 per claim and \$4,000,000 aggregate.
- Workers' Compensation: Up to \$1,000,000 per claim.
- Business Auto Coverage: Up to \$2,000,000 per claim.
- Professional Liability insurance: Up to \$1,000,000 per claim and \$2,000,000 aggregate.



SIMILAR ENGAGEMENTS WITH OTHER GOVERNMENT ENTITIES

We apply extensive experience serving a variety of government entities including joint powers authorities and special districts. We also work with nonprofit associations, school districts, community college districts, and county offices of education.

The following list represents organizations for whom we have provided audit and consulting services.

REPRESENTATIVE JPA CLIENTS

- Alaska Municipal League Joint Insurance Assoc.
- Alaska Municipal Pool JIA
- Alpha Fund
- Association of Oregon Counties Insurance Trust
- Bay Area Housing Authority Risk Mgmt. Agency
- Bay Area Schools Insurance Cooperative
- Beverage Distributors of California
- California Assoc. for Park and Recreation Indemnity
- California Housing Worker's Comp. Authority
- California Joint Powers Insurance Authority
- California Sanitation Risk Mgmt. Authority
- California Self Insurance Guarantee Assoc.
- California Transit Systems JPA
- Central Regional Self Insurance Group
- Central Valley Financing Authority
- Central Valley Schools JPA
- Central Valley Schools Risk Management Authority
- City County Insurance Services Trust
- Contra Costa County School Insurance Authority
- Credit Union Health Benefits of America
- Credit Union Self Insurance Group
- CSAC - Excess Insurance Authority
- East Bay Schools Insurance Group
- Golden State Risk Management Authority
- Independent Cities Risk Management Authority
- Local and Regional Gov't Services Authorities
- Municipal Pooling Authority
- Non Profits United
- North Bay Schools Insurance Authority
- North Coast Schools Insurance Group
- North Coast Schools Medical Insurance Group
- North Dakota Workforce Safety & Insurance
- North Valley Schools Insurance Group
- Northern California Cities Self-Insurance Fund
- Northern California Gas Authority
- Oregon Cities Insurance Trust
- Plastics Manufactures Self Insurance Program
- Preferred Auto Dealers Self Insurance Program
- Public Entity Risk Management Authority
- Sacramento Cogeneration Authority
- Sacramento Municipal Utility District Financing Authority
- San Mateo County Schools Insurance Group
- Santa Cruz – San Benito SIG
- Santa Cruz County Schools Health Insurance Gr.
- Schools Excess Liability Fund
- Schools Insurance Authority
- Schools Self Insurance of Contra Costa County
- SIGNAL I
- SIGNAL II
- South Bay Area Schools Insurance Authority
- Special Districts Risk Management Authority
- State of Colorado Risk Management Dept.
- Statewide Educational Wrap Up Program
- Washington Schools Risk Management Pool
- Washington State Risk Manager
- West San Gabriel Liability/Property JPA
- West San Gabriel Workers' Compensation JPA
- Western Independent Banks Self Insurance Program



REFERENCES

We work hard to earn the trust of our clients and strive to develop a partnership to work as a team.

Please call our references to learn how we make a difference for our clients.

Organization	Contact	Work/Dates
Northern California Cities Self Insurance Fund (NCCSIF)	Marcus Beverly Program Manager 916-643-2704 marcus.beverly@alliant.com	Accounting and Consulting 2002 – present
Independent Cities Risk Management Authority (ICRMA)	Jim Elledge Program Accountant 916-244-1124 jelledge@brsrisk.com	Audit 2012 – 2015
Municipal Pooling Authority (MPA)	Frank Williamson Finance Director 925-482-0009 fwilliamson@mpa-nc.com	Audit 2013 – present
California Joint Powers Insurance Authority (CJPIA)	Alex Smith Finance Director 562-467-8727 asmith@cjpia.org	Audit 2011 – present
Public Entity Risk Management Authority (PERMA)	Scott Ellerbrock General Manager 760-360-4966 sellerbrock@perma.dst.ca.us	Audit 1999 – present
City County Insurance Services	Michael Mischkot 503-763-3830 mmischkot@cciservices.com	Audit 2011 – present



2. PERSONNEL QUALIFICATIONS

Your audit team will be comprised of the following individuals:

Name	Certifications	Role	Experience
Jesse Deol	CPA	Engagement Partner	11+ Years
David Becker	CPA	Technical Review Partner	30+ Years
Michael Manduca		Supervisor	11 Years
Drew Sakauye	CPA	Senior	6 Years
Jefferson Gamir		Staff	3 Years

We assign two Partners to every engagement – an Engagement Partner and a Technical-Review Partner. These roles are intentionally divided to serve the client’s needs while maintaining professional standards.

- **Engagement Partner:** Jesse Deol, CPA will provide project oversight throughout the engagement; present the final audit report; and answer questions throughout the year.
- **Technical-Review Partner:** David Becker, CPA will validate the team’s work, providing the independent perspective required for thorough quality control.

Together, these leaders bring more than 60 years of direct experience in conducting financial audits of Special Districts. You’ll benefit from their practical knowledge, lessons learned and proficiency. As a mid-sized firm, our Partners work closely on every engagement, maintaining clear communication about project status, issues and concerns, and opportunities for improvement.

All Partners are licensed by the State of California to practice as Certified Public Accountants.

The Value of Experience

- We’ve refined our approach to make your audit as easy as possible.
- Our practical knowledge helps us identify and test for risks.
- We know how to avoid pitfalls and challenges.
- We help you apply your audit to strengthen operations.

TRAINED AND EXPERIENCED TEAM

Delivering a high-quality audit requires an effective team with appropriate experience. Each of our staff is experienced in auditing Joint Powers Authorities and governmental agencies. We invest in regular professional training to ensure that each team member can carry out his or her responsibilities according to the exacting standards set by our profession. All proposed team members have met their required CPE targets including government specific CPE hours.

RESUMES

Resumes for each member of our proposed audit team are provided in [Appendix A](#).

Each resume includes information on the individual’s license, certifications, government auditing experience, CPE, and professional affiliations.



3. AUDIT METHODOLOGY

PROJECT UNDERSTANDING

We understand that REMIF is seeking the services of a Certified Public Accountant to conduct an Independent Financial Audit for the fiscal years ending June 30, 2019, 2020, and. These services include:

- Conduct Financial Audits for REMIF in accordance with 2021 in accordance with Generally Accepted Accounting Principles (GAAP). The audit includes risk identification, testing procedures, interim and final reports, project communications, and the auditor's opinion (see Scope).
- Prepare and forward the Annual Report of Financial Transactions (pursuant to Government Code Section 53891) to the State Controller's Office.
- Conduct all appropriate project communications including planning, entrance conference, project status updates, interim management letter, exit conference, and presentation to REMIF's Board of Directors.
- Provide year-round consultation regarding the audit report and related financial accounting.

If selected, we will conduct the audit and express an opinion on the fair presentation of the financial statements in accordance with applicable standards and laws including:

- The AICPA Audit Guide, Audits of State and Local Government Units, generally accepted auditing standards;
- The California State Controller's Minimum Audit Requirements and Reporting Guidelines for California Special Districts; and
- The United States General Accounting Office (GAO) Government Auditing Standards, Office of Management and Budget (OMB), Audits of States, Local Governments and Nonprofit Organizations.

"Jim clearly understands not only JPA accounting considerations and challenges but pool management issues as well. If you really want to know the financial condition of your program, especially claims accounting, I highly recommend James Marta."

Peggy Kech, North Bay Schools Insurance Authority



AUDIT SCOPE AND SCHEDULE

The following table provides a visual reference for the primary tasks that occur in each audit section.

AUDIT PLANNING	FIELD WORK AND COMPLETION
<ul style="list-style-type: none"> • Conduct Entrance Conference and introduce team. • Review prior year’s audit work papers • Obtain an understanding of the entity, its environment, and internal/external factors. • Review/evaluate the design and implementation of internal controls, policies and procedures. • Review transaction cycles. • Assess the risks of material misstatement. • Determine audit plan and extent of substantive procedures. Establish materiality; perform preliminary analytical procedures; plan audit procedures. 	<ul style="list-style-type: none"> • Test operating effectiveness of controls. • Test transactions from significant transaction cycles and systems. • Review financial statements and enter into system. • Complete State Compliance requirements. • Perform substantive testing and analytical procedures. • Evaluate audit evidence. • Evaluate opportunities to improve operations. • Prepare reports and presentations. • Conduct Exit Conference. • If requested: Present report to board/audit committee.
<p>DRAFT AND FINAL DELIVERABLES:</p> <ul style="list-style-type: none"> • <u>Audit Plan and Schedule</u> • <u>List of Requested Items</u> 	<p>DRAFT AND FINAL DELIVERABLES:</p> <ul style="list-style-type: none"> • <u>Audit Status Reports</u> • <u>Management Letter (if necessary)</u> • <u>Independent Auditor’s Report and Financial Statements</u> • <u>Report on Internal Control and Compliance</u> • <u>Annual Report of Financial Transactions to the State Controller’s Office</u>



WORK PLAN

Once appointed the auditor of your organization, we will promptly agree on the dates of the interim and year-end fieldwork and the corresponding deliverables and answer questions concerning your industry, your organization’s business activities, operations and accounting, and the preparation of the financial statements. The following are the key phases of our audit process:

SPECIFIC PROCEDURES	STAFF	SCHEDULE
PHASE I – AUDIT PLANNING		
Introduction of Staff		
<ul style="list-style-type: none"> Meet with representatives to discuss: <ul style="list-style-type: none"> Approach to the audit Client assistance checklist Timelines 	Partner Manager	July
Risk Assessment Procedures		
<ul style="list-style-type: none"> Obtain an understanding of the external and internal factors affecting the organization Review and evaluate the design of internal controls including policy and procedure manuals. Review of the significant transaction cycles Assess the risk of material misstatements 	Partner Manager Senior	July
Audit Planning		
<ul style="list-style-type: none"> Develop the individual plan for the audit (based on the internal control review, risks identified, our understanding of the client and the industry) Establish materiality Perform preliminary analytical procedures Plan audit procedures in response to assessed risks 	Partner Manager Senior	July

PHASE II – FIELD WORK AND AUDIT COMPLETION		
Internal Controls Testing		
<ul style="list-style-type: none"> Test of controls. Tests performed on transactions from significant transaction cycles and systems. 	Senior Senior Staff	August
Substantive Testing and Analytical Procedures		
<ul style="list-style-type: none"> Obtain financial statements and enter them into financial statement program Perform analytical procedures as necessary Verify account balances for the relevant financial statement Perform substantive testing Evaluation of evidence obtained 	Senior Staff Partner Manager Senior Staff	August
Operations		
<ul style="list-style-type: none"> Evaluate opportunities for improvements 	Partner	August



SPECIFIC PROCEDURES	STAFF	SCHEDULE
Draft Audit Report <ul style="list-style-type: none"> • Prepare audit report based on audit work and evidence obtained • Prepare all related disclosures 	Manager Senior	September
Exit Conference <ul style="list-style-type: none"> • Management comments are drafted into a letter and issued to management. • Meet with management/audit committee to discuss results • Review draft audit report 	Manager	September
Final Audit Report <ul style="list-style-type: none"> • Quality Control Review • Prepare and Issue reports including: <ul style="list-style-type: none"> • Independent Auditor’s Report and Financial Statements • Report on Internal Control and Compliance and Other Matters • Annual Report of Financial Transactions to the State Controller’s Office 	Partner Manager Senior Staff	October
Governing Board Meeting <ul style="list-style-type: none"> • Presentation of report to the board 	Partner	October

PRELIMINARY SCHEDULE

We have proposed a preliminary schedule that can be accomplished without putting undue burden on your team. Once selected, we will refine this preliminary schedule in collaboration with you.





PROJECT APPROACH

Our audit methodology puts a strong emphasis on planning. This helps us understand your organization, the environment, financial operations, internal controls, and risks. This foundation, together with our industry expertise, helps us focus testing on the areas of highest potential risk. Advance planning results in an effective, cost-efficient and timely audit which will ultimately benefit you. Our approach involves:

- **Risk Assessment.** We identify and assess the risk of material misstatements through interviews with management, analytical procedures, observations, and inspection. Based on our assessment, we will plan and perform procedures that are responsive to risks identified. This will cover the following areas:
 - Financial reporting framework;
 - Business and industry;
 - Accounting policies and practices;
 - Financial performance; and
 - Internal controls.
- **Process of Review.** We review all work performed, management letters, and reports to ensure that all appropriate professional and technical standards are maintained. With this process, we also assess new standards and their potential impact on the audit process and its resulting report.
- **Use of Advanced Audit Tools.** We use state-of-the-art software designed to conduct paperless audits and expedite routine activities. These computer-assisted auditing techniques helps us analyze large amounts of data and more efficiently select risky items.
- **Open Communication.** Throughout the audit, we explain our procedures. We keep you apprised of our work status from the preliminary audit work through the delivery of the report and other required audit communications. An audit status report highlights the following:
 - Summary of the audit report;
 - Financial position and results of operations; and
 - Current issues and significant trends.

When you receive your draft report, there shouldn't be any surprises.

- **We Make the Audit as Easy as Possible:** We make every effort to use schedules and analyses you have prepared for internal purposes to eliminate duplicate effort. Because we're experienced working with Joint Powers Authorities, we have prepared customized forms and procedural checklists to streamline the process. You will receive an advance list of items and tasks, such as:
 - Completion of transaction testing schedules (supplied by the auditor);
 - Questionnaires (provided in electronic form);
 - Account schedules and analyses;
 - Bank statement reconciliations and confirmation letters; and
 - Other information to support notes to the financial statements.

Completing these schedules before starting fieldwork helps produce a smooth engagement and minimize interruptions. This helps keeping your audit costs low and ensures timely completion.



SYSTEMATIC QUALITY CONTROL

James Marta & Company's quality control policies and procedures align with the elements of quality control established by the AICPA's professional standards for Certified Public Accountants. All employees of the firm are trained in our quality control policies and procedures and are responsible for understanding, implementing, and adhering to them. Our Quality Control program aligns with the AICPA's six elements of quality control. These are:

- Leadership (e.g. ethical tone; independence; quality supersedes commercial considerations; documented procedures).
- Ethical requirements (e.g. objectivity and independence; integrity; confidentiality).
- Acceptance and continuance of client relationships and specific engagements (e.g. conflicts of interest).
- Human resources (e.g. adequate personnel; equal opportunity employment; training and CPE; performance evaluation).
- Engagement performance (e.g. planning and supervision; documentation and records retention; separate partners for engagement and technical review).
- Monitoring (Every engagement is reviewed by the in-charge, supervisor, and partner to ensure completeness and accuracy. Annual internal inspection and review of the QC program; updates to reflect new standards; professional development; and independent peer review).

Our procedures are verified through an independent peer review. This AICPA program verifies that we are upholding the professional standards of quality in all respects. Our most recent peer review resulted in a rating of Pass – the highest rating available. Our most recent peer review letter is provided in [Appendix B](#).

LEVEL AND NATURE OF SUPPORT

The Executive Director and/or Accounting Supervisor will ensure that all audit requests are provided in a timely manner. This will be discussed during the entrance conference. He/she will:

- Participate in determining REMIF Staff availability to support field work on the agreed dates.
- Be available for audit inquiries, entrance and exit conferences.
- Oversee REMIF Staff and ensure timely provision of requested documentation as agreed.

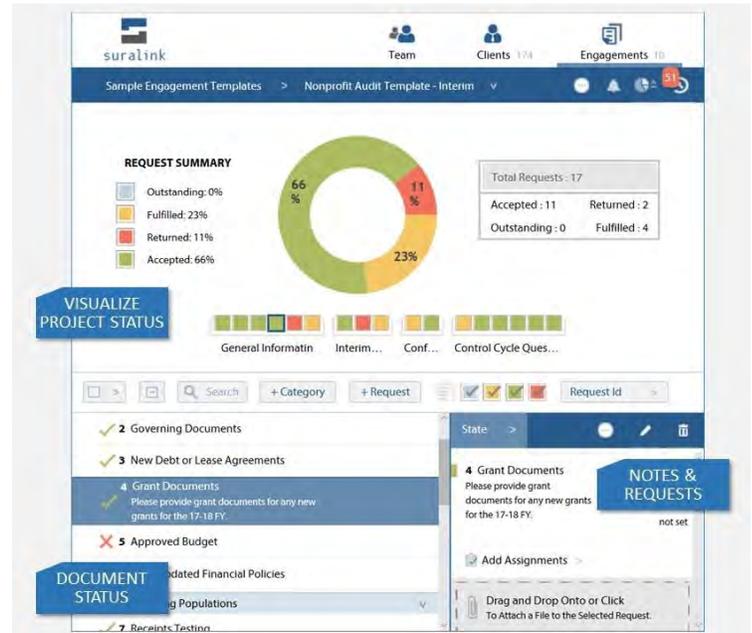


SOFTWARE THAT HELPS US PERFORM EFFICIENTLY AND EFFECTIVELY

We leverage two, state-of-the-art systems to help us improve effectiveness in audit efficiency, communication, document management, records retention, and workflow.

SURALINK'S INTUITIVE INTERFACE SIMPLIFIES PROJECT TRACKING

During the audit, you have access to Suralink – software that enables secure document transfer, processing, and a status tracking. You'll have unlimited storage and accessibility to the prior year's documentation for future reference. To increase accountability, notifications are sent to both parties. Requests can be assigned to an individual or a department along with questions and comments. As shown in the example, Suralink's real-time snapshot provides a visual status for all requests. Users can drill down to specific documents and requests for details.



Suralink provides:

- Clear visual status of the review in aggregate as well as individual documents;
- Secure and easy transfer for high volumes of documents;
- Auditors access and review documents within the system and track status as they go;
- Access restriction to support confidentiality;
- Store documents as a reference for future audits and to meet records retention requirements;
- Transparency of status and requests throughout the process;
- Accountability for assignments; and
- Expedites routine actions saving time throughout the project.

PROSYSTEM FX FACILITATES PAPERLESS AUDIT WORKFLOW

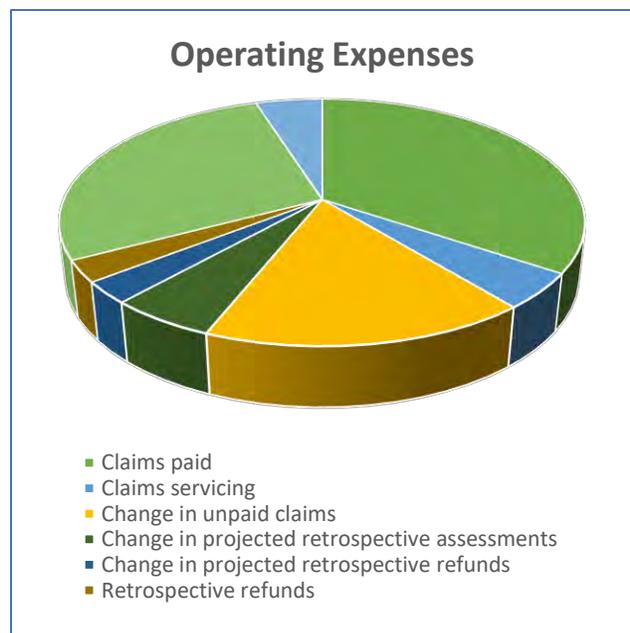
ProSystem fx Engagement is a digital file management system that provides versatile workflow management of workpapers, trial balances, and other documents. This paperless system helps us:

- Streamline every step securely from setup to sign off.
- Automate dissemination of data to ensure accuracy.
- Monitor and control engagements from start to finish.
- Automate trial balance reporting.
- Ensure consistent file integrity with secure document management and storage.
- Manage document and workpapers with digital binders.
- Expedite projects by allowing multiple staff to collaborate from any location with versatile access.

BENEFITS OF OUR PROCESS

Ultimately, an audit should not just check that reported numbers agree to backup documentation. Rather, we aim to help you use the audit to better understand your organization’s operations and improve controls. We bring our considerable experience into your process to broaden the support of your business and operations. We help you:

- *Analyze your operations* including relationships between funding, expenditures, and service levels. This provides the information you need to:
 - Ensure that you are receiving the funding which you are entitled to receive;
 - Focus on programs from a management perspective (i.e. programs that encroach on general fund);
 - Diagnose areas that need elevated focus for improved management controls;
 - Identify training needs for personnel;
 - Anticipate growing costs and their potential effect on future budgets; and
 - Recognize opportunities to improve procedures and training.
- *Visualize your position.* Our graphical summary helps us clearly communicate your position and historical trends of your organization.
- *Be better prepared to face common pressures.* We give management practical advice on what role a board should play in overseeing their association. We have helped our clients develop accounting systems that ensure accountability and full utilization of their resources.





4. INDEPENDENCE/CONFLICT OF INTEREST

James Marta & Company LLP is independent of REMIF as defined by generally accepted auditing standards and the U.S. General Accounting Office's Government Auditing Standards.

We know of no professional relationships between James Marta & Company LLP or any of the firm's employees and the Redwood Empire Municipal Insurance Fund that would pose a conflict of interest in performing an audit.

James Marta & Company LLP's quality control program aligns with the AICPA's Quality Control Standards, ethical mandates and code of professional conduct – including those related to professional independence and conflicts of interest addressed by the GAO Standards for Audit of Governmental Organizations Programs Activities and Functions. We have firm policies related to leadership, independence, objectivity, conflict of interest, client relationships, engagement supervision and review, documentation, and more.

REMIF MEMBER CITIES

None of the 15 REMIF member cities are current or former clients of James Marta & Company.



5. COST

Classification	Total Hours	Hourly Rate	Total Amount
Partner	16	\$ 275	\$ 4,400
Supervisor	24	\$ 165	\$ 3,960
Senior	80	\$ 135	\$ 10,800
Staff	80	\$ 110	\$ 8,800
Sub-total	200		\$ 27,960
Professional Discount (multi-year)			\$ (2,000)
Proposed Fees			
For the Year Ended June 30, 2019			\$ 25,960
For the Year Ended June 30, 2020			\$ 26,600
For the Year Ended June 30, 2021			\$ 27,300

NOTES, EXCLUSIONS AND ADDITIONS

Payment by Credit Card is subject to a 5% processing fee.

The fees quoted are based upon several assumptions about the adequacy of the accounting records, the degree of assistance to be provided by your personnel, and current auditing and accounting standards.

Our fees do not include services such as closing year-end accounts or account reconciliations. If extraordinary matters come to our attention (i.e. significant changes in your operations, material weakness in your internal controls, etc.) that require an extension of our services, we will consult with you concerning additional work to be done by you and/or an adjustment to our fees.

We will submit monthly progress billings during the audit process.

In the event that the GASB, FASB, AICPA, GAO, or the State issues additional standards or audit procedures that require additional work during the audit period, we will discuss these requirements with you. Before proceeding, we will prepare an estimate (if necessary) for performing the additional work.



APPENDIX A: RESUMES



JESSE DEOL, CPA ENGAGEMENT PARTNER

Jesse is a firm Partner with more than 11 years of experience in audit, consulting and accounting for Joint Powers Authorities, LEAs, special districts, employee benefit plans, local government agencies and nonprofits.

TEACHING & INDUSTRY LEADERSHIP

- Single Audit training per the Uniform Guidance (internal and external);
- State Compliance for LEAs (internal and external);
- Associated Student Body for various school districts;
- Updates to State Compliance requirements for local education agencies, year-end closing process, and impact of new GASB implementation for various COEs and School Districts.

PROFESSIONAL AFFILIATIONS

- American Institute of Certified Public Accountants (AICPA)
- California Society of Certified Public Accountants (CSCPA)

SELECT CLIENTS

Joint Powers Agencies

Bay Areas Schools Insurance Cooperative
 Calif. Housing Worker's Compensation
 California Transit Systems JPA
 Central Valley Financing Authority
 Northern California Gas Authority
 North Coast Schools Insurance Group
 North Coast Schools Medical Insurance
 Sacramento Cogeneration Authority
 Sacramento Municipal Utility District Financing Authority
 Sacramento Power Authority
 West San Gabriel Workers' Compensation
 West San Gabriel Liability/Property JPA

Nonprofit Organizations

Women's Health Specialists
 Yolo Hospice
 Charis Youth Center
 California Special Districts Association
 California Hotel and Lodging Association
 California Transit Association
 Paradise Oaks Youth Services
 State Association of County Retirement Systems

Special Districts

Mid-Peninsula Water District
 NorthStar Community Services District
 Truckee Donner Recreation and Park District
 Southgate Recreation and Park District
 Sacramento Metropolitan Air Quality Management District
 Sacramento LAFCO
 Solano LAFCO

Local Education Agencies (LEAs)

Acalanes Union High School District
 Benicia Unified School District
 Butte County Office of Education
 Brentwood Unified School District
 Colusa Unified School District
 Colusa County Office of Education
 Elk Grove Unified School District
 Eureka City Unified School District
 Fairfield Suisun Unified School District
 Fresno Unified School District
 Gilroy Unified School District
 Humboldt County Office of Education
 John Muir Charter School
 Kirkwood Elementary School District
 Maxwell Unified School District
 Nevada County Superintendent of Schools
 Northern Humboldt UHSD
 Pierce Joint Unified School District
 Placer County Office of Education
 Placer Union High School District
 Roseville Joint Union High School District
 Rocklin Academy Family of Schools
 Sacramento County Office of Education
 Sierra Community College District
 Vacaville Unified School District
 Washington Unified School District
 Winters Joint Unified School District
 Woodland Joint Unified School District

ROLE & RESPONSIBILITIES

- Audit risk assessment, audit design, planning, controlling, reviewing and evaluating fieldwork.
- GAAP Conformance
- Communication with executive team and Board.
- Manages audit team, tasks, progress, and schedule.
- Available for questions.

EDUCATION

- California State University, Sacramento B.S. Accounting

CERTIFICATIONS

- CPA
- Intermediate Single Audit
- Cybersecurity Fundamentals for Finance and Accounting Professionals

SPECIALIZATION

- Joint powers authorities, special districts, LEA, employee benefit plans, local government and nonprofits.
- Single Audits using the Uniform Guidance (formerly OMB Circular A-133).

CPE

221 CPE hours in 2018, 2017, and 2016 (166 in government accounting, Single Audits and Federal Compliance). Jesse met the *Government Auditing Standard* requirement for CPE.





DAVID T. BECKER, CPA TECHNICAL REVIEW PARTNER

David has over 30 years of experience in audit, consulting, and accounting for Joint Powers Authorities, school districts, special districts, local government agencies and non-profits. Prior to joining James Marta & Company LLP he spent 13 years as a partner with Perry-Smith LLP.

ROLE & RESPONSIBILITIES

- Provides oversight for audit and other services.
- Available throughout the year for issues, questions, and additional services.

EDUCATION

- California State University, Sacramento B.S. Accounting

CERTIFICATIONS

- CPA

SPECIALIZATION

- Accounting system design and needs analysis,
- Implementation of accounting and internal control recommendations,
- Budget forecasts and projections,
- Client training seminars,
- Federal and state compliance, and
- Development of internal reporting

CPE

233 CPE hours in 2018, 2017, and 2016 of which 141 were in governmental accounting and auditing (Single Audits and Federal Compliance).

David met the *Government Auditing Standard* requirement for governmental CPE.

TEACHING & INDUSTRY LEADERSHIP

- Internal Controls and Emerging Technology – CAJPA
- Board’s Role in Finance and Fiscal Accountability - California Special Districts Association
- Other Post Employment Benefits – California Association of School Business Officials
- Management and Finance – Insurance Education Association
- Fraud and Fraud Prevention—California Special Districts Association

PROFESSIONAL AFFILIATIONS

- American Institute of Certified Public Accountants (AICPA)
- California Society of Certified Public Accountants (CSCPA)
- California Association of School Business Officials (CASBO)
- California Association of Joint Power Authorities (CAJPA)
- Member of CAJPA’s finance and technology committee and CSDA’s expert feedback team.
- California Special Districts Association (CSDA) – Member of CSDA’s expert feedback team.
- California Society of Association Executives (CalSAE)

SELECT CLIENTS

Joint Powers Agencies

CSAC - Excess Insurance Authority
 California Sanitation Risk Management Authority
 Special Districts Risk Management Authority
 North Valley Schools Insurance Group
 Santa Cruz –San Benito SIG
 California Joint Powers Insurance Authority
 California Transit Systems JPA
 Contra Costa County Schools Insurance Group
 Central Region School Insurance Group
 City County Insurance Services Trust Pool
 Non Profits United
 North Coast Schools Insurance Group
 Public Entity Risk Management Authority
 San Mateo County Schools Insurance Group

Special Districts

California Enterprise Development Authority
 Sacramento Metropolitan Air Quality Management District
 Truckee Tahoe Airport District
 Mid-Peninsula Water District
 McKinney Water District
 Southgate Recreation & Park District
 Truckee-Donner Recreation & Park District
 Livermore Area Recreation & Park District

Lathrop-Manteca Fire Protection District
 Northstar Community Services District

Local & Regional Government Services Authority

Purissima Hills Water District
 Keyes Community Services District
 Truckee Fire Protection District

Local Education Agencies

Benicia Unified School District
 Brentwood Unified School District
 Colusa Unified School District
 Colusa County Office of Education
 Contra Costa Community College District
 Eureka City Unified School District
 Humboldt County Office of Education

Trusts

Elk Grove Benefit Employee Retirement Trust
 City County Insurance Services Trust
 State Associate of County Retirement Systems
 Property + Casualty Coverage for Education Trust
 CCCCDC Futuris Public Entity Investment Trust



MICHAEL MANDUCA SUPERVISOR

Michael has over 11 years of experience in audit, consulting, and accounting for Joint Powers Authorities, special districts, local government agencies and nonprofits. His primary focus has been on audits – including single audits, full-cycle accounting for nonprofit insurance cooperatives, and attestation work for government agencies.

TEACHING & INDUSTRY LEADERSHIP

Audit risk assessment (internal)
Federal compliance testing (internal)

ROLE & RESPONSIBILITIES

- Supports the engagement manager during audit risk assessment, design of the audit, and planning.
- Performs audit fieldwork, testing of internal controls and compliance.
- Prepares financial statements according to GAAP.
- Executes audit activities and tasks, monitors progress, and ensures schedule compliance.
- Supervises staff accountants.
- Available for issues, questions and additional services.

EDUCATION

- California State University, Sacramento, B.S. Business Administration, Concentration in Accounting

SPECIALIZATION

- Audits and single audits
- Full-cycle accounting for nonprofit insurance cooperatives
- Attestation work for government agencies.

CPE

153 CPE hours in 2018, 2017, and 2016 (106 in government accounting and audit). Michael met the *Government Auditing Standard* requirement for governmental CPE.

SELECT CLIENTS

Joint Powers Agencies

Alaska Municipal League Joint Insurance Assoc.
Bay Area Housing Authority Risk Mgmt Agency
California Assoc for Park and Recreation Indemnity
California Joint Powers Insurance Authority
California Sanitation Risk Management Authority
Central Valley Schools Risk Management Authority
Contra Costa County Schools Insurance Group
CSAC Excess Insurance Authority
East Bay Schools Insurance Group
Local and Regional Gov't Services Authorities
Municipal Pooling Authority
North Bay Schools Insurance Authority
Public Entity Risk Management Authority

Special Districts

Auburn Area Recreation and Park District
California Enterprise Development Authority
California Mental Health Services Authority
Mid-Peninsula Water District
Northstar Community Services District
Sacramento Municipal Utility District
Sacramento Transportation Authority
Southgate Recreation and Park District
Truckee Tahoe Airport District

Nonprofit Organizations

California Special Districts Association
CHARIS Youth Center
Credit Union Self-Insured Group of California
Crossroads Treatment Centers, Inc.
Elk Grove Benefits Employee Retirement Trust
Health Officers Association of California
Lighthouse Youth Centers, Inc.
Martins' Achievement Place
Mental Health America of California
NonProfits' United Workers' Compensation Group
Preferred Automobile Dealers Self-Insurance Program
Shelter, Inc.
Sierra Sacramento Valley Medical Society
Western Independent Bankers Association Self Insurance Program
Women's Health Specialists
Woodland Youth Services

Local Education Agencies

Acalanes Union High School District
Benicia Unified School District
Brentwood Unified School District
Colusa County Office of Education
Esparto Unified School District
Maria Montessori Charter Academy
Sacramento County Office of Education
Vacaville Unified School District
Washington Unified School District



DREW SAKAUE, CPA

SENIOR AUDITOR

Drew applies six years of experience to deliver audit, consulting and accounting services to community colleges, school districts, special districts, municipalities, transportation authorities, nonprofits, publicly-traded companies, manufacturing, distribution and employee benefit plans.

He has served clients with multi-state locations, international operations, multiple subsidiaries and complex financial statements with revenues ranging from \$20 M to \$600 M.

Prior to joining James Marta & Company, Drew spent five years with Crowe, LLP where he led and managed audit teams.

ROLE & RESPONSIBILITIES

- Design and plan audit
- Supervise audit teams' progress/schedule. Review fieldwork and work papers, prepare financials, test complex areas.
- Communicate with executive team and Board.
- Available for questions.

EDUCATION

- California State University, Sacramento, B.S. Business Administration, Accountancy

CERTIFICATIONS

- Certified Public Accountant

SPECIALIZATION

- Community Colleges, School Districts (LEAs), government, no-profits.
- GAAP conformance, GASB 35 conversion, FASB
- California Community College Chancellor's Office Contracted District Audit Manual
- Single Audits using Uniform Guidance (formerly OMB Circular A-133).

CPE

238.5 CPE hours in 2018, 2017, and 2016 (111 in government Accounting, Single Audits and Federal Compliance). Drew met the *Government Auditing Standard* requirement for CPE.

TEACHING & INDUSTRY LEADERSHIP

Drew provides internal training and instruction on subjects including alternative audit approaches and risk assessment, Federal compliance for student financial aid, state compliance for Community College districts.

PROFESSIONAL AFFILIATIONS

American Institute of Certified Public Accountants (AICPA)
California Society of Certified Public Accountants (CSCPA)

SELECT CLIENTS

Transportation

Alameda Contra Costa Transit Authority
Reno-Tahoe Airport Authority
Sacramento Regional Transit District
Sacramento Transportation Authority

Community Colleges

Contra Costa Community College District
Feather River Community College District
Hartnell Community College District
San Joaquin Delta Community College
San Mateo Community College District
Sierra Joint Community College District
State Center Community College District
Yosemite Community College District

K-12 Local Education Agencies

Antioch Unified
Auburn Union School District
Central Unified
Chicago Park School District
Colfax Elementary School District
Davis Joint Unified
Dry Creek Joint Elementary
Elverta Elementary School District
Eureka Union School District
Fairfield-Suisun Unified
Folsom Cordova Unified
Loomis Union
Marysville Joint Unified School District
Menlo Park City School District
Placer Union HS District

Riverbank Unified
Sacramento City Unified
Salida Union School District
San Juan Unified School District
Sutter Union High School District
Union Hill Elementary School District
Vacaville Unified
Visalia Unified
Washington Unified
Woodland Joint Unified

Nonprofit Organizations

California Dental Association Foundation
California Waterfowl Association
College of Marin Foundation
Feather River Com. College Foundation
Hartnell Com. College District Foundation
James Irvine Foundation
Sacramento Region Com. Foundation
San Joaquin Delta Community College Foundation
The McConnell Foundation

Joint Powers Authorities

Yolo County Public Agency

Municipalities

City of West Sacramento
San Bernardino Associated Government



JEFF GAMIR

STAFF ACCOUNTANT

Jeff's primary focus is on performing audits. He has over two years of experience in audit for local education agencies, joint powers authorities, special districts, and non-profit organizations.

Jeff compiles data; prepares and reviews financial statements; performs test of details and analytical reviews; audits all areas of section work; files government requirements; and performs Single Audits using the Uniform Guidance (formerly OMB Circular A-133).

He works closely with supervisors, seniors and managers to ensure the firm policies, procedures, and documentation meet professional standards.

Prior to joining James Marta & Company, he finished his undergraduate studies and took the CPA exam in the Philippines.

ROLE & RESPONSIBILITIES

- Prepares financial statements in conformance with GAAP and GFOA requirements and codes.
- Performs audit procedures including controls testing, cutoff testing, and audits of accounts
- Conducts Audit administrative functions including drafting, preparing and reviewing reports.
- Available throughout the year for issues, questions, and additional services

EDUCATION

- University of the East (Philippines), B.S. Accountancy

CERTIFICATIONS

- CPA (Philippines)

SPECIALIZATION

- Joint powers authorities, special districts, LEA, employee benefit plans, local government and non-profits.

CPE

97 CPE hours in 2018 and 2017 (80 in government accounting and audit (Single Audits and Federal Compliance)).

SELECT CLIENTS

Joint Powers Agencies

Schools Self Insurance of Contra Costa County
Contra Costa and Solano Counties Special Districts Risk Management Authority
California Housing Workers' Compensation Authority
Schools Insurance Group, Northern Alliance II
Municipal Pooling Authority
North Valley Schools Insurance Group
Central Region School Insurance Group
Credit Union Schools Insurance Group
Golden State Risk Management Authority
West San Gabriel Workers' Compensation JPA
West San Gabriel Liability and Property JPA

Special Districts

Sacramento Metropolitan Air Quality Management District
Sacramento LAFCO
Sacramento Municipal Utility District
Truckee-Donner Recreation and Park District
Livermore Area Recreation and Park District
Keyes Community Services District

Nonprofit Organizations

Crossroads Treatment Centers, Inc.
Yolo Hospice, Inc.
Paradise Oaks Youth Services
Better Life Children's Services

Local Education Agencies

Ackerman Elementary School District
Brentwood Unified School District
Colusa Unified School District
Dixon Unified School District
Gilroy Unified School District
Kirkwood Elementary School District
Maria Montessori Charter Academy
Maxwell Unified School District
Pierce Joint Unified School District
Rocklin Academy
Sacramento County Office of Education
Thermalito Union Elementary School District
Vacaville Unified School District
Winters Joint Unified School District



APPENDIX B: PEER REVIEW

The peer review letter is provided in the following pages.



www.CoughlanNapaCPACo.com
Company@CoughlanNapaCPACo.com

Report on the Firm's System of Quality Control

September 27, 2018

To James Marta & Company, LLP and the
Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of James Marta & Company, LLP (the firm) in effect for the year ended May 31, 2018. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included an engagement performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of James Marta & Company, LLP in effect for the year ended May 31, 2018, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. James Marta & Company, LLP has received a peer review rating of *pass*.

Coughlan Napa CPA Company, Inc.

Coughlan Napa CPA Company, Inc.

AGENDA ITEM SUMMARY

**TITLE: NOMINATIONS AND ELECTIONS FOR PRESIDENT/
VICE-PRESIDENT**

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

Article III of the bylaws require nomination of candidates and election for the Officers and the Executive Committee at the June meeting (even years for representatives, odd years for President/Vice President). This year, nominations and elections are needed for President and Vice President. Approval of the President and Vice President requires ratification by the Board of Directors.

BACKGROUND

The Executive Committee is made up of five member cities (a president, vice president and three representatives) and me. While I am on the committee, I do not vote. The president/vice president are elected in odd number years and serve for two years. The three representatives are elected in even number years and serve for two years. We will need nominations and elections for the President and Vice President, who will serve July 1, 2019 until June 30, 2021.

The representatives represent the following three regions:

South Region includes: Cotati, Sebastopol, Rohnert Park, Sonoma, and Windsor
Central Region includes: Cloverdale, Healdsburg, Lakeport, St. Helena, and Ukiah
North Region includes: Arcata, Eureka, Fort Bragg, Fortuna, and Willits

The Executive Committee meets on as needed basis and usually telephonically. The primary functions of the Executive Committee are to approve settlement amounts (between \$40,000 and \$150,000), to approve service contracts in excess of \$50,000 (that have already been budgeted), to amend the budget up to \$50,000 and other authority as directed by the Board.

Currently, our President is Lawrence McLaughlin and our Vice President is Darrin Jenkins. Both have agreed to serve again if nominated.

FISCAL IMPACT

None

RECOMMENDED ACTION

Nominations and elections of representatives for the President/Vice President.

ATTACHMENTS

None



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ITEM 18.0

AGENDA ITEM SUMMARY

TITLE: RESOLUTION TO AUTHORIZE INVESTMENT OF MONIES IN LAIF (AND AUTHORIZED CONTACTS)

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

A resolution to authorize investment of monies in the Local Agency Investment Fund requires ratification by the Board.

BACKGROUND

The California Government Code allows local agencies to use the California State Treasurer's Local Agency Investment Fund (LAIF) in the State Treasury for the deposit of money of a local agency for investment purposes. REMIF does maintain an investment fund with LAIF. However, the contacts at LAIF need to be updated.

The attached resolution (as required by LAIF) authorizes the deposit and withdrawal of REMIF monies in the Local Agency Investment Fund in the State Treasury in accordance with the provisions the Government Code for the purpose of investment.

Those that shall be authorized to deposit or withdrawal monies in the Local Agency Investment Fund:

1. President
2. Vice President
3. Treasurer
4. General Manager
5. Finance Director

FISCAL IMPACT

None

RECOMMENDED ACTION

Approve the attached Resolution to authorize investment of monies in LAIF, which includes approval of the authorized list of those that can deposit or withdraw monies.

ATTACHMENTS

18.1 Resolution of the Governing Board of the Redwood Empire Municipal Insurance Fund Authorizing Investment of Monies in The Local Agency Investment Fund

18.2 LAIF Authorization for Transfer of Funds

RESOLUTION NO. _____

**RESOLUTION OF THE GOVERNING BOARD OF THE
REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
AUTHORIZING INVESTMENT OF MONIES IN
THE LOCAL AGENCY INVESTMENT FUND**

WHEREAS, Pursuant to Chapter 730 of the statutes of 1976 Section 16429.1 was added to the California Government Code to create a Local Agency Investment Fund in the State Treasury for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, the Governing Board Of Director (Board) does hereby find that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein as in the best interests of the Redwood Empire Municipal Insurance Fund (REMIF)

NOW THEREFORE, BE IT RESOLVED, that the Board does hereby authorize the deposit and withdrawal of REMIF monies in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein, and verification by the State Treasurer’s Office of all banking information provided in that regard.

BE IT FURTHER RESOLVED that the following REMIF officers or their successors in office shall be authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund:

- 1. President
- 2. Vice President
- 3. Treasurer
- 4. General Manager
- 5. Finance Director

PASSED AND ADOPTED by the Board of the Redwood Empire Municipal Insurance Fund, County of Sonoma, State of California, on June 20, 2019, by the following vote:

AYES _____
 NOES _____
 ABSENT _____
 ABSTAIN _____

APPROVED:

ATTEST:



**California State Treasurer's Office
Local Agency Investment Fund (LAIF)
Authorization for Transfer of Funds**

Effective Date _____

Agency Name _____

LAIF Account # _____

Agency's LAIF Resolution # _____ or Resolution Date _____

ONLY the following individuals whose names appear in the table below are hereby authorized to order the deposit or withdrawal of funds in LAIF. ***This authorization REPLACES AND SUPERSEDES all prior authorizations on file with LAIF for the transfer of funds.***

Name	Title

Two authorized signatures required. Each of the undersigned certifies that he/she is authorized to execute this form under the agency's resolution, and that the information contained herein is true and correct.

Signature

Print Name

Title

Telephone

Signature

Print Name

Title

Telephone

Please provide email address to receive LAIF notifications.

Name	Email

**Mail completed form to: State Treasurer's Office
Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001**



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ITEM 19.0

AGENDA ITEM SUMMARY

TITLE: REMIF SAFETY PROGRAM

PRESENTED BY: MARK HEMMENDINGER, SAFETY CONSULTANT

ISSUE/BACKGROUND

Mark Hemmendinger with Acceptable Risk provides the following services for REMIF and the REMIF members:

- 1) Assessments of city occupational injury and illness exposures and recommendations mitigating exposures through changes to facilities, equipment, or practices.
- 2) Assistance to cities by the drafting and implementation of new or revised safety policy and procedure that address Cal/OSHA requirements and injury prevention.
- 3) Provide safety training for members as appropriate.
- 4) Coordinate outside safety training or consulting services as required.
- 5) Fulfill the role of REMIF safety manager for both REMIF and its members.
- 6) Respond to member requests for safety consulting, training, problem solving, emergency response, Cal/OSHA defense, accident prevention, or ergonomic interventions as needed.
- 7) Any other safety and health services and consulting as needed and consistent with experience and knowledge of Consultant.

At the annual Board of Directors meeting (January of 2019), the Board of Directors heard a presentation from Mr. Hemmendinger on the safety program. At that time, it was asked that Mr. Hemmendinger provide a list of programs that he's drafted/completed for other members. Attached please find a copy of that list.

Mr. Hemmendinger will be present and available for any questions.

FISCAL IMPACT

None

RECOMMENDED ACTION

None

ATTACHMENT

19.1 Safety Program Status Report

Required Program	Arcata	Cloverdale	Cotati	Eureka	Fortuna	Ft Bragg	Healdsburg	Lakeport	Rohnert Park	Sebastopol	Sonoma	St Helena	Ukiah	Willits	Windsor
Injury & Illness Prevention Program	C	O	C	C	D	C		O	C	O	D	C	D	C	
Emergency Action Plan	C	D	C		D			C		O		O		C	O
Asbestos Containing Materials	D	D	C	D	D			D	D	O	D			C	D
Aerosol Transmissible Diseases											N/A				
Bloodborne Pathogens	D			D		C		C		O					
Chemical Hygiene Labs Only			N/A												
Confined Space - Permit	O	C	D	O	O	C		C		O	D	O		C	C
Equipment Lockout			C			D		O		O				C	
Excavation Procedures	C		C	D		D		O	D	O			D	C	D
Fall Protection	D		C	ZOO - C		C		O		O			D	C	D
Fire Prevention Plan								D		O					
Forklifts										O					
Hazard Communication	C	D	C			D		O		O				C	
Hazardous Waste								O							
Hazwoper															
Heat Illness	C		D			C		C	D	O		C	D	O	O
Hearing Conservation								D		O					

Required Program	Arcata	Cloverdale	Cotati	Eureka	Fortuna	Ft Bragg	Healdsburg	Lakeport	Rohnert Park	Sebastopol	Sonoma	St Helena	Ukiah	Willits	Windsor	
Personal Protective Equipment	D	D	D			D		C		O				D		
Process Safety Procedures	O	C	N/A	O	O	N/A		O		N/A						
Respiratory Protection			N/A		O	O		O		O						
Traffic Control													D			
Tree-Work Maintenance	D	D	D	D	D	D		D	D	D	D	D	D	D	D	
Zoonotics				O												
Key to Status: C = Complete; D= Draft, O = Completed by Others, N/A = No Exposure, not applicable, Blank = Unkown Status																

ITEM 20.0

AGENDA ITEM SUMMARY

TITLE: UPDATE ON WORKERS' COMPENSATION PROGRAM

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

The General Manager is responsible for providing reports on REMIF's workers' compensation program to the Governing Board.

BACKGROUND

At the January 26, 2018 Board of Directors meeting, the Board voted to move the workers' compensation administration to a third-party administrator, Athens Administrators. On May 1, 2018, the transition occurred to Athens Administration.

1. Creation of the workers' compensation committee (ad hoc)

There are some components to the administration of the workers' compensation program, aside from the administration of the claim. These services can be "bundled" (meaning the third-party administrator, like Athens, provides those services) or "unbundled" (meaning the client selects the provider separately). There are pros and cons to having services bundled and unbundled, including costs and checks and balances.

Some of the pieces of these services include:

- Bill review (where each medical bill is reviewed and may be adjusted to properly reflect charges allowed pursuant to a fee schedule)
- Utilization review or UR (where a critical evaluation is made by a physician or nurse of health-care services provided to injured workers. This evaluation is made for the purposes of controlling costs and monitoring the quality of care an injured worker receives.)
- Pharmacy benefit manager or PBM (a third-party administrator for prescription drug programs. They are used in commercial health plans, self-insured health plans, and can be used in a self-insured workers compensation program. PBMs are primarily responsible for following the workers' compensation approved formulary, contracting with pharmacies, negotiating discounts and/or rebates with drug manufacturers, and processing and paying prescription drug claims.

PBMs reduce drug costs by offering delivery of medications to the injured worker's home, creating a select network of more affordable pharmacies, encouraging the use of generics and more affordable brand medications, negotiating rebates from drug manufacturers and discounts from drugstores and managing high-cost specialty medications. One key piece of consideration for using a PBM is the adherence of the PBM to the UR approved medications. If UR approves a medication for 14 days, it is critical a 14-day supply be issued by the pharmacy. A PBM that follows UR will help with that.)

- Medical Provide Network or MPN (a group of health care providers set up a self-insured employer and approved by the Division of Workers' Compensation (DWC) to treat workers injured on the job. Under state regulations, each MPN must include a mix of doctors specializing in work-related injuries and doctors with expertise in general areas of medicine. MPNs are required to meet access to care standards for common occupational injuries and work-related illnesses. The regulations also require MPNs to follow all medical treatment guidelines established by the DWC and allow employees a choice of a provider in the network to see, after their first visit. Additionally, MPNs must offer an opportunity for second and third opinions if the injured worker disagrees with the diagnosis or treatment offered by the treating physician. If a disagreement still exists after the second and third opinion, an injured worker in the MPN may request an independent medical review (IMR).
- Alternative Dispute Resolution or ADR (a program that allows employers who have signed specific collective bargaining agreements, also called "carve-out" agreements, with their employees' union to utilize ADR to provide medical benefits and adjust and settle claims for workplace injuries. The carve-out agreement(s) negotiated by a union with a group of employers will have customized procedures for resolving disputes that vary from the statutory procedures for settling claims for injured workers that are set forth in the CA Labor Code. ADR is an alternative to the traditional approach to resolving workers' compensation claims.)

A workers' compensation committee (ad hoc) was created and the workers' compensation committee has reviewed:

Pharmacy Benefit Program
 Medical Provider Network
 Telehealth options

At this time, there are no recommendations to provide to the Board of Directors.

2. Closed file numbers

Athens Administrators began administering the REMIF claims on 05/01/18. On 05/01/18, there were 548 claims. As of 8/31/18, the total inventory had decreased to 377 claims. As of 12/31/18, the total inventory had decreased to 341 claims. As of 3/31/19 the total inventory was at 339 and that count has stabilized. As of 03/31/19, the breakdown was: Medical Only – 35, Future Medical – 216, Active Indemnity – 88.

3. Staffing

Given the reduction in claims numbers, both Athens and REMIF are examining staffing levels (the staffing at Athens to administer the REMIF claims). Given there is a reduction in claims, we should explore a reduction in staffing.

FISCAL IMPACT

Unknown at this time. Expected reduction in contract costs.

RECOMMENDED ACTION

Direct the General Manager to work with Athens on appropriate staffing and negotiate rates to reflect changes in staffing. Direct the General Manager to enter into an amendment with Athens to reflect such changes.

ATTACHMENTS

None



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ITEM 21.0

AGENDA ITEM SUMMARY

TITLE: CHANGES TO MEMORANDUM OF COVERAGE FOR PROPERTY

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

Changes to the Memorandums of Coverage (MOC) for the Property program require ratification by the Board.

BACKGROUND

At the October 31, 2017 Board of Directors' Meeting, the Board directed the General Manager to create a MOC for the Property program. In response, the Property MOC was created, which essentially was considered a "short form" document. In essence, the short form MOC spells out the REMIF layer of coverage and references the CJPRMA Property MOC. This short form Property MOC was reviewed by counsel and presented and approved at the April 26, 2018 REMIF Board of Directors meeting.

Recently, the CJPRMA Property MOC was eliminated, and CJPRMA now utilizes the insurance policy documents directly. This necessitated updates to the short form REMIF Property MOC. Generally speaking, the changes to the short form MOC include the removal of the exclusions and a clarification on the limits.

FISCAL IMPACT

None

RECOMMENDED ACTION

Direct the General Manager to make changes (as indicated) to the Memorandum of Coverage for the Property program.

ATTACHMENTS

21.1 Changes to the MOC for Property



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PROGRAM YEAR

20198-202019

MEMORANDUM OF COVERAGE

PROPERTY (SHORT FORM)

**REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
MEMORANDUM OF COVERAGE FOR PROPERTY PROGRAM (SHORT FORM)
PROGRAM YEAR: 20198 - 202049**

PROPERTY COVERAGE

Property coverage is provided when a city/town has property damage due to all perils except earthquake or those exclusions listed in the excess coverage/policy flood. The property must be owned by the member agency or the member agency must have a lease-holder interest in the property and have that lease holder interest declared with the insurance company.

DEDUCTIBLES SELECTED AND COVERAGE AMOUNTS

REMIF	0	Lakeport	\$10,000
Arcata	\$10,000	Rohnert Park	\$ 5,000
Cloverdale	\$ 5,000	Sebastopol	\$10,000
Cotati	\$ 5,000	Sonoma	\$10,000
Eureka	\$10,000	St. Helena	\$10,000
Fort Bragg	\$10,000	Ukiah	\$10,000
Fortuna	\$10,000	Willits	\$10,000
Healdsburg	\$10,000	Windsor	\$10,000

REMIF SELF-INSURED FUND - Difference between entity selected deductible and excess coverage deductible.

EXCESS INSURANCE - Replacement value in excess of excess coverage deductible unless settlement is resolved by agreed upon stated values.

NEW PROJECT/PURCHASE NOTIFICATION

Any construction project, purchase of building or equipment exceeding \$1,000,000 must be reported to REMIF within thirty (30) days of the signing of the construction agreement or assumption of control of the new property or equipment.

CENTRAL POOL PROPERTY COVERAGE PROGRAM

COVERAGE AGREEMENT

Effective July 1 of each year unless otherwise indicated, coverage is provided against all risk of physical loss except those exclusions to the coverage that are stated in this agreement or in the excess policy that is in place at the time of the loss. The loss can occur to covered entity owned, leased, or rented real and personal property that is under the care, custody and control of the covered entity and may include such additional expenses as loss of revenue or rent, as long as these expenses are incurred as a result of the covered direct physical loss. In the case of rented or

leased property, the entity must submit to REMIF a request naming the property owner as a Loss Payee, as required by the leasing or renting contract, prior to any loss, before coverage can be extended to the property owner. Coverage is provided on a replacement cost basis as defined by the excess policy in effect at the time of the loss. In unusual circumstances, coverage may be on a stated value basis.

Generally, replacement cost means that reimbursement will be made by replacing the lost property or equipment with equivalent property or equipment or if replacement is not desired, payment of an amount agreed upon, based on the stated value of the property or equipment.

All reasonable costs incurred to adjust and resolve the covered loss shall be included in any settlement. This cost may include, but it is not necessarily limited to, outside adjusting company fees and expenses.

Except as otherwise indicated, terms and conditions appearing in the excess property insurance policy in effect at the time of the occurrence will apply to this coverage.

The protection afforded by the Authority is self insurance, and under no circumstances shall be construed as any form of insurance.

EXCLUSIONS

~~In general, the exclusions listed below result in no coverage being afforded. The specific exclusions, which include the ones stated below, are contained in the Coverage Agreement and/or in the excess property policy in effect at the time of the loss/occurrence. Exclusions not listed below, but contained in the excess policy also apply to the property coverage program.~~

I. Perils

~~Coverage is not provided against loss by:~~

- ~~• earthquake, landslide and other earth movement;~~
- ~~• flood, surface water, and tidal wave;~~
- ~~• wear and tear, deterioration, wet and dry rot, mechanical breakdown and contamination;~~
- ~~• mysterious disappearance, unexplained loss, or dishonest and fraudulent acts committed by the entity or its employees.~~

II. Property

~~Coverage is not provided for loss to:~~

- ~~• aircraft or water craft; or licensed motor vehicles that are not physically on the insured's premises;~~
- ~~• land and non-improved physical locations;~~
- ~~• money and securities.~~

C. MEMBERS COVERED

Coverage shall apply to those entities identified above under “Deductibles Selected and Coverage Amounts.

D. LIMITS

The Authority shall pay all covered losses up to excess deductible amounts per occurrence that are in excess of each participating entity’s deductible or retention. Losses in excess of the deductible will be paid by the excess insurance policy up to the replacement value on all covered property, except where specific limits are stated in the excess policy in effect at the time of the occurrence. The total that will be paid on any occurrence is the limit of the excess coverage \$400,000,000 on a CJPRMA wide basis. Above the excess coverage, \$400,000,000, the entity is responsible for payment of those losses. Business interruption and extra expense coverage is part of the policy. Coverage for employee’s personal property is included if the entity has a policy statement that allows it to pay for the employee’s personal losses.

E. COURSE OF CONSTRUCTION

If a building project requires the entity to provide course of construction insurance, the Authority must be notified of such prior to the beginning of the contract so the proper endorsement can be obtained to ensure that coverage is in place. It is recommended that the contractor be required to provide the course of construction coverage to protect the memberentity.

F. POLICY

A copy of the excess general property insurance policy is kept at the REMIF office. One will be furnished to any participating entity upon written request.

LOSS AND CLAIMS REPORTING

PROPERTY LOSSES

Property losses which exceed the entity’s deductible will require loss adjusting services to be provided by REMIF or by the excess carrier’s designated adjustment company. If the loss does not exceed REMIF’s retention level, REMIF will choose the adjuster and/or law firm in the matter. If the lawsuit exceeds REMIF’s retention level, the excess carrier must be notified immediately and has the right to assign an adjusting firm and/or law firm of their choice. All property losses in excess of the member entity’s deductible should be reported immediately to REMIF’s General Manager. If the loss is a significant one (i.e., property loss in excess of \$25,000) REMIF and the third party liability claims administrator should be notified immediately to come out and take pictures, statements or to preserve the site for the excess carrier’s adjusting firm. It is imperative that specific details of the loss, including lists and values of contents or

description of equipment and/or building loss, be sent to the General Manager within seven (7) working days of the loss. In order to protect any coverage offered by the excess insurance carrier, the risk manager must report these losses to the broker and carrier immediately. If the loss occurs during off hours or on weekends, and exceeds the \$25,000 threshold, the third party liability claims administrator should be immediately contacted. This should be followed with a telephone call or an e-mail to the REMIF office with a message being left for the General Manager or with staff that might be at the office.

As a reminder, it is imperative that major losses be reported as soon as possible so that coverage by REMIF's excess carrier will not be jeopardized and the adjusting of the loss can begin immediately to help expedite a return to normal at the loss site.

VALUE REPORTING

Each entity should designate a staff person who can work with the REMIF staff in keeping REMIF notified of property value changes, additions, and deletions. REMIF needs to be notified within ten (10) days of any acquisition or disposal of any properties and/or equipment that are in excess of \$1,000,000. In turn, REMIF must report within a thirty (30) day period of time to the excess carrier those changes in excess of \$1,000,000. All other changes should be reported, to REMIF, within thirty (30) days if they exceed \$100,000.

The property coverage obtained by REMIF is based on a stated replacement value. Therefore, to assure proper coverage and reimbursement in case of a loss, current property valuation is important to the success of the property coverage program for the following reasons:

- to assess loss potentials and achieve limits of coverage adequate for the largest possible loss;
- to use as a factor of the property coverage rate to calculate each participating entity's contribution for the property coverage;
- to use as a basis by the excess carrier for a loss adjustment;
- to avoid disputes with the excess carrier due to undervalue reporting.

For the reasons stated above, it is important that the values be reported to the Authority staff and that this be done on a consistent yearly basis so that there is consistency among all participating entities.

Once a year, REMIF will submit to the entity's designee, a property list. This list should be reviewed and revised to reflect new properties, equipment and accurate values for current properties and equipment, in order to be sure that adequate coverage will be available in case of a loss. The list should also be reduced to reflect property that no longer belongs to the city or that the city does not want to insure. Rental and leased properties and equipment should also be on the property list, whether they are leased, rented by the entity or owned by the entity and leased/rented to a third party. The value of the property/equipment that is rented or leased by the entity will only be covered if the contractor requires the entity to provide property coverage.

[~~Attachments: Property MOC with CJPRMA; Alliant declaration page, i~~ Incorporated herein by reference: excess property coverage policy]

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ITEM 22.0

AGENDA ITEM SUMMARY

TITLE: NEW REMIF BOARD POLICY – IT POLICY

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

The Board of Directors has requested that necessary and relevant Board Policies be drafted, reviewed and adopted as REMIF Board policies. Board Policy requires ratification by the Board of Directors.

This item is being presented for review/comment only.

BACKGROUND

It is important to organizations to have up to date, relevant and applicable policies that are followed. Policies clarify roles and responsibilities, which promote positive working relationships among the Board, the General Manager, and staff.

Policies foster more consistent decisions, thus improving understanding and morale. Policies also save the Board time, money, and effort by settling questions that might otherwise repeatedly surface, improve relations because expectations are clarified, reduce pressure on the Board and curtail criticism when decisions are based on established policy. They also give the Board, the General Manager and staff a sense of direction based upon a solid policy foundation, promote continuity of action, which is especially important when members from the Board of Directors and staff change, help ensure a better-informed Board, General Manager and staff, and assist in the orientation of newcomers.

Below please find a listing of a new recommended Board Policy to be adopted (the **new policy is highlighted in yellow**). A copy of the DRAFT policy is attached.

POLICY #	NAME OF POLICY	DATE ORIGINAL POLICY WAS BOARD APPROVED and DATE BOARD CONFIRMED POLICY	RECOMMENDATIONS	NEEDED FOR CAJPA ACCREDITATION?
1	REMIF Records Retention	01/28/94; 09/27/18	n/a	Yes
2	Legal Fees to Obtain Coverage Opinions	04/06/94; 09/27/18	n/a	No
3	Automobile Purchase	Repealed on 09/27/18	n/a	No
4	Pre-Employment Physical	01/31/97; 09/27/18	n/a	No
5	Flood and/or Earthquake Insurance Funds Allocation	10/02/97; 09/27/18	n/a	No
6	Mileage Reimbursement Rate	06/29/98; 09/27/18	n/a	No

POLICY #	NAME OF POLICY	DATE ORIGINAL POLICY WAS BOARD APPROVED and DATE BOARD CONFIRMED POLICY	RECOMMENDATIONS	NEEDED FOR CAJPA ACCREDITATION?
7	Refund Policy for the Workers' Compensation and General/Auto Liability Coverage Programs	06/29/98; 09/27/18	n/a	Yes
8	Handling of Late Claims by City Attorneys	06/29/98; 09/27/18	n/a	No
9	Use of Vehicles for City Business/Use of City-Owned Vehicles	09/27/18	n/a	No
10	Assignment of Defense Attorneys to REMIF Covered Claims/Lawsuits Filed Against the Covered Member Entities	10/27/05; 09/27/18	n/a	No
11	Training Seminar Participation	06/24/14; 09/27/18	n/a	No
12	REMIF's Defense Attorneys	08/16; 09/27/18	n/a	No
13	REMIF Investment	09/29/16; 09/27/18	n/a	Yes
14	OPEB Investment	10/31/17; 09/27/18	n/a	Yes
15	Conflict of Interest	09/27/18; 09/27/18	n/a	Yes
16	Frequency of Actuarial Studies and Claims Audits	09/27/18; 09/27/18	n/a	Yes
17	Sexual Harassment	09/27/18	n/a	No
18	Non-Discrimination	09/27/18	n/a	No
19	Qualifications of REMIF Board Treasurer	09/27/18	n/a	Yes
20	Written Documentation of Investment Controls	01/25/19	n/a	Yes
21	Target Equity	n/a	Draft policy is being reviewed	Yes
22	IT Policy	DRAFT provided to Board of Directors on 06/20/19	Board of Directors review	Yes
*	Underwriting Policy (if completed)		Adopt policy at future meeting	Yes
*	Loss Control		Adopt policy at future meeting	Yes
*	Coverage and Claims Dispute		Adopt policy at future meeting	Yes
Bylaws	Settlement Authority	In REMIF bylaws	Keep in place as currently worded	Yes

FISCAL IMPACT

None

RECOMMENDED ACTION

Provided for review/comment only. Final policy will be brought forward at future meeting.

ATTACHMENTS

22.1 Policy # 22 – IT Policy

Policy #22.0
REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
INFORMATION TECHNOLOGY POLICIES AND PROCEDURES

Introduction

Welcome to the Information Technology Policies and Procedures document for REMIF. Proper use of Information Technology is vital to our ability to provide high quality and high value services to our members.

These policies and procedures have been developed to standardize the approach to the use of Information Technology. More specifically, they are designed to protect such resources as we would other core assets and to maximize the value and usefulness of these assets.

Purpose

This technology services policies and procedures manual exists to communicate accepted methods dealing with the use of technology in our organization in a clear and organized manner.

Scope

Unless otherwise stated, these policies apply to all employees, management, contractors, vendors, business partners and any other parties who have access to the technology tools in use at REMIF.

Non-compliance

Any employee found to have violated these policies may be subject to disciplinary action, up to and including termination of employment. Deliberate violation could include civil and/or criminal prosecution.

Acceptable Use

Purpose

The purpose of Acceptable Use policies and procedures is to inform employees of REMIF of the rules and procedures that exist for appropriate use of the various technological tools and applications within the organization.

In general, all technological resources owned, leased, licensed or otherwise in use at REMIF are to be used for business purposes and in a safe and professional manner. Specific lists of acceptable and unacceptable uses exist in individual policies when appropriate.

Ownership and Privacy

All data, messages, files and other content created or stored on our organization's technology resources are the property of REMIF. Users of our resources cannot expect privacy rights to extend to information stored on or traveling through our systems.

REMIF reserves the right to inspect all data on any system as a normal course of business.

Outside Parties

Contractors, vendors, business partners and any other parties who have access to the technology tools in use at REMIF are required to review and acknowledge these policies prior to being provided access to our resources.

Security/Privacy

Data Classification and Disclosure

Public/Unclassified: Information that is generally available to anyone within or outside of the company. Access to this data is unrestricted, may already be available and can be distributed as needed. Examples of Public/Unclassified data are promotional materials, financial audits, agendas, minutes, newsletters and handouts. Employees may send or communicate a public/unclassified piece of data with anyone inside or outside of the organization.

Private: This is defined as information that is to be kept within the organization. Access to this data may be limited to specific departments and cannot be distributed outside of the workplace. Examples of Private data are claims data and communications related to specific claims. Employees may not disclose private data to anyone who is not a current employee of the company.

Confidential: This is defined as personal or organization information that may be considered potentially damaging if released and is only accessible to specific groups (HR, WC claims department, etc.). Examples of Confidential data are social security numbers, contact information, communications and other specific claims related data. Employees may only share confidential data within the department or named distribution list.

Data Protection Compliance

HIPAA: The Health Insurance Portability and Accountability Act of 1996 (HIPAA) sets requirements for employers and health service providers in the handling of personal and medical related information. Workers' compensation carriers, including self-insured employers and administrative agencies, are not covered entities under HIPAA. Health-related information being exchanged in conjunction with a workers' compensation claim or appeal is exempted from HIPAA.

SB 1386 & AB 1298: The California Information Practice Act (SB 1386) requires companies that own or have access to personal information of California residents to notify them if their data has (or may have) been accessed illegally. Personal information is defined as an

individual's first name or initial and last name in combination with one or more of the following: a social security number, driver's license number (or CA ID number), financial account number and/or credit or debit card information including numbers and passwords, PINs and access codes. AB 1298 expands the definition of personal information to include medical information and health insurance information such as policy number or subscriber identification number or any information in an individual's application and claims history. The General Manager will as the sensitive data security and incident coordinator as it relates to this Act. The coordinator should ensure adequate training in the organization as to the extent of the coverage of the Act and what might constitute a breach. The coordinator will oversee the identification of databases and documents that contain applicable information and ensure adequate controls and security measures are in place. Suspected breaches should be reported to the coordinator who will conduct an assessment. Based on this assessment, the coordinator, with the concurrence of the appropriate law enforcement representatives (so the investigation might not be impeded), will arrange for the communication of the incident to affected individuals, using the communication approach deemed most appropriate. The coordinator should also review arrangements with third parties who store such data to insure they have adopted equivalent policies and procedures.

Anti-Virus: Any device that may be attached to REMIF's network(s) must have effective antivirus protection. This protection must be in working condition and updated with the most current pattern files. All email, incoming and outgoing, will be scanned by the anti-virus application. Any user that suspects that their anti-virus is not working properly or suspects that they may have contracted a virus on their computer should notify the General Manager immediately.

Software: Any software used for REMIF business must be appropriately licensed and installed. Any software, including upgrades and downloads, must be installed under the direction of the General Manager.

Removable Media: Removable media includes portable USB-based memory sticks, also known as flash drives, or thumb drives, jump drives, or key drives, memory cards in SD, CompactFlash, Memory Stick, or any related flashbased supplemental storage media, USB card readers that allow connectivity to a PC, portable MP3 and MPEG-playing music and media player-type devices such as iPods with internal flash or hard drive-based memory that support a data storage function, PDAs, cell phone handsets, and smartphones with internal flash or hard drive-based memory that support a data storage function, digital cameras with internal or external memory supportm removable memory-based media, such as rewritable DVDs, CDs, and floppy disks, any hardware that provides connectivity to USB devices through means such as wireless (WiFi, WiMAX, irDA, Bluetooth, among others) or wired network access. The policy applies to any hardware and related software that could be used to access corporate resources, even if said equipment is not corporately sanctioned, owned, or supplied. The overriding goal of this policy is to protect the integrity of the private and confidential data that resides within REMIF's technology infrastructure. This policy intends to prevent this data from being deliberately or inadvertently moved outside the enterprise network and/or the physical premises where it can potentially be accessed by unsanctioned resources. A breach of this type could result in loss of information, damage to critical applications, loss of revenue, and damage to our organization's public image. Therefore, all users employing removable media and/or USB-based technology to

backup, store, and otherwise access data of any type must adhere to these processes for doing so. Some of the threats that exist from the use removable media are: Loss Devices used to transfer or transport work files could be lost or stolen; Sensitive data is deliberately stolen and sold by an employee; Copyright Software copied onto portable memory device could violate licensing; Spyware Spyware or tracking code enters the network via memory media; Malware Viruses, Trojans, Worms, and other threats could be introduced via external media; Compliance Loss or theft of financial and/or personal and confidential data could expose the enterprise to the risk of non-compliance with various identity theft and privacy laws. Addition of new hardware, software, and/or related components to provide additional USB-related connectivity within corporate facilities will be managed at the sole discretion of the General Manager. Non-sanctioned use of USB-based hardware, software, and/or related components to back up, store, and otherwise access any enterprise-related data is strictly forbidden. It is the responsibility of any employee who is connecting a USB-based memory device to the organizational network to ensure that all security protocols normally used in the management of data on conventional storage infrastructure are also applied here.

Based on this, the following rules must be observed:

Access Control

1. IT reserves the right to refuse, by physical and non-physical means, the ability to connect removable media and USB devices to our network infrastructure. IT will engage in such action if it feels such equipment is being used in such a way that puts systems, data, users, or members at risk.
2. Prior to initial use on the network or related infrastructure, all USB-related hardware and related software must be registered with IT. A list of approved USB devices and related software is available from IT.

Security

3. Employees using removable media and USB-related devices and related software for data storage, back up, transfer, or any other action within REMIF's technology infrastructure will, without exception, use secure data management procedures. Employees agree to never disclose their passwords to anyone, particularly to family members if business work is conducted from home.
4. All USB-based devices that are used for business interests must be preapproved by IT, and must employ reasonable physical security measures. End users are expected to secure all such devices used for this activity whether they are actually in use and/or being carried. This includes, but is not limited to, passwords, encryption, and physical control of such devices whenever they contain enterprise data. Any outside computers used to synchronize with these devices will have installed whatever anti-virus and anti-malware software deemed necessary by our IT department. Anti-virus signature files on any additional client machines – such as a home PC – on which this media will be used must be updated in accordance with existing company policy.
5. All removable media will be subject to quarantine upon return to the office before they can be fully utilized on enterprise infrastructure.

6. Passwords and other confidential data as defined by our IT department are not to be stored on portable storage devices.

7. Any USB-based memory device that is being used to store our data must adhere to the authentication requirements of our IT department. In addition, all hardware security configurations (personal or company-owned) must be pre-approved by our IT department before any data-carrying memory can be connected to it.

8. Employees, contractors, and temporary staff will follow all enterprise sanctioned data removal procedures to permanently erase company-specific data from such devices once their use is no longer required.

9. Employees, contractors, and temporary staff will make no modifications of any kind to company-owned and installed hardware or software without the express approval of our IT department. This includes, but is not limited to, reconfiguration of USB ports.

10. IT may restrict the use of Universal Plug and Play on any client PCs that it deems to be particularly sensitive. IT also reserves the right to disable this feature on PCs used by employees in specific roles.

11. IT reserves the right to summarily ban the use of these devices at any time. IT need not provide a reason for doing so, as protection of confidential data is the highest and only priority.

12. IT reserves the right to physically disable USB ports to limit physical and virtual access.

13. IT reserves the right, through policy enforcement and any other means it deems necessary, to limit the ability of end users to transfer data to and from specific resources on the network.

14. Users agrees to immediately report to his/her manager and our IT department any incident or suspected incidents of unauthorized data access, data loss, and/or disclosure of company resources, databases, networks, etc.

Hardware Disposal

To protect software license agreements and the confidentiality of personal information, REMIF has a policy of pre-disposal hardware sanitation. This applies to all hardware that will be transferred externally including that which is:

- Transferred to the private ownership of employees
- Donated to charitable organizations
- Returned to vendor for servicing or maintenance
- Released to an external agency for disposal

This applies to all hardware that is being retired or disposed including servers, workstations, PDA's and cell phones and removable storage media.

For Servers, PCs and notebooks, hard drives must be “wiped” using a process meeting U.S. Department of Defense specifications or destroyed. For computers where operating systems or applications will be donated or transferred with the system, the hard drive must still be wiped. The applications may be re-installed after wiping and reformatting.

Other devices such as PDA and cell phones must be wiped of data and reset to factory settings. They may also be destroyed prior to disposal.

Removable storage such as flash memory devices, CD and DVD media, tape or other storage media should be destroyed prior to disposal.

Physical

Physical security is an important facet of any system security plan. Physical access must be regulated and an acceptable environment must be maintained as follows:

Server, Router and Wiring Closet

1. Servers, routers and the wiring closet will be located in a secure location in which access can be limited to those employees approved by the IT Manager or the Executive Director.
2. Non-employees that have been approved by the IT Manager or the Executive Director (e.g. technicians) will be accompanied by an approved IT employee while they have access to the servers.
3. Power backup systems should be in place and adequate for 10 minutes of operation during a power loss. Servers should be configured for auto shutdown if power loss is longer than 5 minutes.
4. A fire extinguisher designed for use with electronics (e.g. a carbon dioxidebased unit) will be present and visible in these locations.
5. All equipment will be either solidly on the floor, installed in secured racks or secured to a wall.
6. All units will be stored in an area of adequate environmental controls including temperature not greater than 78 degrees F. Adequate ventilation and/or fans will be provided to help dissipate heat around units including power supplies.

Workstations and Printers

All workstations will be connected to power through an uninterruptible power supply – preferably to one that provides power conditioning or, at the least, power surge protection.

Printers and Copiers

All printers and copiers will be connected to power through a surge protector.

Print and copy jobs should be picked up immediately upon completion. Printed and copied jobs containing non-public information should be observed and removed by the appropriate employee.

Passwords

Passwords are an important component of our security systems. Passwords are used to authenticate any user which can then dictate what systems and information they are authorized to access.

Therefore, passwords must be created, used and protected appropriately to insure that our security requirements are being met.

Password Construction and Modification

1. Passwords must be a minimum of 8 characters in length and use at least 3 of 4 character types (lower case letters, uppercase letters, numbers and special characters.)
2. For general applications such as workstation login, passwords must be changed annually.
3. For confidential or private data or applications vulnerable to fraud (such as the claims processing program or the accounting system), passwords must be changed quarterly.

Password Protection

4. Passwords are to be treated as confidential information. Under no circumstances is an employee to give, tell, or hint at their password to another person, including IT staff, administrators, superiors, other coworkers, friends, and family members.
5. Under no circumstances will any member of the organization request a password without the request coming from both a representative of the IT department and the user's direct manager. Should a request be made that does not conform to this standard, immediately inform both the IT department and your direct manager.
6. Passwords are not to be transmitted electronically over the unprotected Internet, such as via e-mail. However, passwords may be used to gain remote access to company resources via the company's Virtual Private Network or SSL-protected Web site.
7. No employee is to keep an unsecured written record of his or her passwords, either on paper or in an electronic file. If it proves necessary to keep a record of a password, then it must be kept in a controlled access safe if in hardcopy form or in an encrypted file if in electronic form.
8. Do not use the "Remember Password" feature of applications.

9. Passwords used to gain access to company systems are not to be used as passwords to access non-company accounts or information. Similarly, passwords used to access personal, non-work related accounts are not to be used to access company accounts.

10. Each application, system and data point should be protected by a different password where possible. The use of the same password to protect all access is strongly discouraged.

11. If an employee either knows or suspects that his/her password has been compromised, it must be reported to the IT Department and the password changed immediately. If the minimum aging requirement has not been met for the password, the IT department will reset the minimum aging for the account allowing the user to create a new password.

12. The IT Department may attempt to crack or guess users' passwords as part of its ongoing security vulnerability auditing process. If a password is cracked or guessed during one of these audits, the user will be required to change his or her password immediately.

Backup and Recovery

This section focuses on the day-to-day operational need for backup and recovery.

Data Backup and Recovery

Local Systems Backup

The local systems backup policy governs how and when data residing at REMIF's facility will be backed up and stored for the purpose of providing restoration capability. In addition, it addresses methods for requesting that backed up data be restored.

What Is Backed Up

Some programs and all data that reside on REMIF's servers are backed up. Data that resides on individual PCs, workstations or notebooks are not backed up. Data should not be stored on these devices except temporarily or as required due to circumstances. End users are strongly encouraged to save their data to the appropriate server so that their data is backed up regularly in accordance with this policy.

In addition, files that are left open at the time the backup procedure is initiated may not be backed up. End users should save and close all files, as well as all related applications, prior to the backup procedure window.

It is the responsibility of server administrators to ensure that all new servers be added to the backup routine. Prior to deploying a new server, a full backup must be performed and the ability to perform a full restoration from that backup confirmed.

Prior to retiring a server, a full backup must be performed and placed in permanent storage.

Backups are conducted automatically and routinely.

The ultimate goal of any backup process is to ensure that a restorable copy of data exists. If the data cannot be restored, then the process is useless. As a result, it's essential to regularly test one's ability to restore data from its storage media.

Much of REMIF's most critical data is stored remotely as part of hosted applications. Though these applications and related data is maintained by a third party, the data belongs to REMIF and it is our responsibility to make sure the data is protected.

The following must be considered as they relate to data stored off-site:

Third party hosts of REMIF data must be held to documented standards based on the importance of the specific system and data as follows.

Claims Application

Annually: Vendor must show proof of a comprehensive security approach. Mirrored co-location is a requirement. A documented Disaster Recovery Plan must be available for viewing by our representative. Adequate system and support including hacking and virus prevention must be demonstrated.

Web site (static)

The static and public portion of REMIF's Website should be hosted on service with demonstrated down time prevention processes including anti-hacking and anti-virus.

Systems

A system for the purposes of this section refers to individual or combined hardware or components that make up the whole of organizational technology. This can include individual workstations, servers, routers, switches, printers, battery backup systems, etc.

All systems used in REMIF should have a readily identifiable source for repair or replacement.

The General Manager is responsible for maintaining an inventory of systems and availability required of each system. The General Manager must have a process by which each system can be repaired or replaced within the parameters of the availability requirements.

Email and Messaging

Email is critical for business communication at REMIF. Messaging, including texting and Instant Messaging, may also be valuable for some communication scenarios.

Therefore, email and texting should be used in a manner consistent with other essential business communication methods.

General Expectations

Employees are expected to check their email in a consistent and timely manner. If they are not available to do so, they should set up an auto-reply so that those attempting to communicate with them in this manner will know when they should expect a reply or how they should proceed if the item is more pressing.

Users are responsible for mailbox management including organization and cleaning. They are also responsible for managing those emails marked as spam by any one of our spam filters.

Users are expected to remember that any electronic communication sent from REMIF reflects on our organization and even our members. All such communication should comply with normal standards of professional and personal courtesy and conduct.

Appropriate Use

Individuals are encouraged to use e-mail and messaging to further the goals and objectives of our organization. The types of activities that are encouraged include:

1. Communicating with fellow employees, business partners of REMIF, and clients within the context of an individual's assigned responsibilities.
2. Acquiring or sharing information necessary or related to the performance of an individual's assigned responsibilities.
3. Participating in educational or professional development activities.

Inappropriate Use

Our e-mail systems and services are not to be used for purposes that could be reasonably expected to strain storage or bandwidth (e.g. e-mailing large attachments instead of pointing to a location on a shared drive). Individual e-mail use will not interfere with others' use of our e-mail system and services.

E-mail use must comply with all applicable laws and all organizational policies.

The following activities are deemed inappropriate uses of our email and messaging systems and services and are prohibited:

1. Use of e-mail for illegal or unlawful purposes, including copyright infringement, obscenity, libel, slander, fraud, defamation, plagiarism, harassment, intimidation, forgery, impersonation, soliciting for illegal pyramid schemes, and computer tampering (e.g. spreading of computer viruses).
2. Use of e-mail in any way that violates REMIF's policies, rules, or administrative orders.

3. Viewing, copying, altering, or deletion of e-mail accounts or files belonging to our organization or another individual without authorized permission.
4. Sending of unreasonably large e-mail attachments.
5. Opening e-mail attachments from unknown or unsigned sources. Attachments are the primary source of computer viruses and should be treated with utmost caution.
6. Sharing e-mail account passwords with another person or attempting to obtain another person's e-mail account password. E-mail accounts are only to be used by the registered user.
7. Excessive personal use of REMIF's e-mail resources. REMIF allows limited personal use for communication with family and friends, independent learning, and community service so long as it does not interfere with staff productivity, pre-empt any business activity, or consume more than a trivial amount of resources. REMIF prohibits personal use of its e-mail systems and services for unsolicited mass mailings, commercial activity, political campaigning, dissemination of chain letters, and use by non-employees.

Monitoring and Confidentiality

The e-mail systems and services used at REMIF are owned by the organization, and are, therefore, its property. This gives REMIF the right to monitor any and all e-mail traffic passing through its e-mail system. This monitoring may include, but is not limited to, inadvertent reading by IT staff during the normal course of managing the e-mail system, review by the legal team during the e-mail discovery phase of litigation, observation by management in cases of suspected abuse or to monitor employee efficiency.

In addition, archival and backup copies of e-mail messages may exist, despite end user deletion, in compliance with our records retention policy. The goals of these backup and archiving procedures are to ensure system reliability, prevent business data loss, meet regulatory and litigation needs, and to provide business intelligence. Backup copies exist primarily to restore service in case of failure. Archival copies are designed for quick and accurate access for a variety of management and legal needs.

Both backups and archives are governed by our document retention policies.

If REMIF discovers or has good reason to suspect activities that do not comply with applicable laws or this policy, e-mail records may be retrieved and used to document the activity in accordance with due process. All reasonable efforts will be made to notify an employee if his or her e-mail records are to be reviewed. Notification may not be possible, however, if the employee cannot be contacted, as in the case of employee absence due to vacation.

Employees are directed to: Use extreme caution when communicating confidential or sensitive information via email. Keep in mind that all e-mail messages sent outside of our organization become the property of the receiver. A good rule is to not communicate anything that you wouldn't feel comfortable being made public. Demonstrate particular care when using the

“Reply” command during e-mail correspondence to ensure the resulting message is not delivered to unintended recipients.

Remote Computing

Remote Access

Purpose and Scope

Any and all work performed for REMIF on said computers by any and all employees, through a remote access connection of any kind is covered by the following policy. Work can include but is not limited to email, Web browsing, intranet resources and any other company application used over a remote connection.

Remote access is defined as any connection to REMIF’s network and/or other company sponsored applications from off-site locations such as employee homes, hotel rooms, airports, café’s, satellite offices, wireless devices, etc.

All remote access will be centrally managed by REMIF’s IT department and will utilize encryption and strong authentication measures. External devices used must meet a minimum requirement for performance, security and safety as decided by the IT department. Those who do not meet these requirements may be denied remote access privileges.

Employees, contractors or other agents requiring the use of remote access for business purposes must be approved by the IT department and Executive Management. The reason for the need for remote access including the extent of system access and level of service should be submitted in writing and approved by

Executive Management prior to the IT department providing such access.

Appropriate Use

It is the responsibility of any employee of REMIF with remote access privileges to ensure that their remote access connection remains as secure as his or her network access within the office. It is imperative that any remote access connection used to conduct REMIF business be utilized appropriately, responsibly, and ethically. Therefore, the following rules must be observed:

1. Employees will use secure remote access procedures. This will be enforced through public/private key encrypted strong passwords in accordance with REMIF’s password policy. Employees agree to never disclose their passwords to anyone, particularly to family members if business work is conducted from home.
2. All remote computer equipment and devices used for business interests, whether personal- or company-owned, must display reasonable physical security measures. Computers will have installed whatever antivirus software deemed necessary by REMIF’s IT department.

3. Remote users using public hotspots for wireless Internet access must employ for their devices a company-approved personal firewall, VPN, and any other security measure deemed necessary by the IT department. VPNs supplied by the wireless service provider should also be used, but only in conjunction with REMIF's additional security measures.
4. Hotspot and remote users must disconnect wireless cards when not in use in order to mitigate attacks by hackers, eavesdroppers and other outsiders.
5. All hardware security configurations (personal or company-owned) must be approved by REMIF's IT department.
6. Employees, contractors, and temporary staff will make no modifications of any kind to the remote access connection without the express approval of REMIF's IT department. This includes, but is not limited to, split tunneling, and any non-standard hardware or security configurations, etc.
7. Employees, contractors, and temporary staff with remote access privileges must ensure that their computers are not connected to any other network while connected to REMIF's network via remote access, with the exception of Internet connectivity.
8. In order to avoid confusing official company business with personal communications, employees, contractors, and temporary staff with remote access privileges must never use non-company e-mail accounts (eg. Hotmail, Yahoo, etc.) to conduct REMIF's business.
9. No employee is to use Internet access through company networks via remote connection for the purpose of illegal transactions, harassment, competitor interests, or obscene behavior, in accordance with other existing employee policies.
10. All remote access connections must include a "time-out" system. In accordance with REMIF's security policies, remote access sessions will time out after a set time of inactivity. Time-outs will require the user to reconnect and re-authenticate in order to re-enter company networks.
11. If a personally- or company-owned computer or related equipment used for remote access is damaged, lost, or stolen, the authorized user will be responsible for notifying their manager and REMIF's IT department immediately.
12. The remote access user also agrees to immediately report to their manager and REMIF's IT department any incident or suspected incidents of unauthorized access and/or disclosure of company resources, databases, networks, etc.
13. The remote access user also agrees to and accepts that his or her access and/or connection to REMIF's networks may be monitored to record dates, times, duration of access, etc., in order to identify unusual usage patterns or other suspicious activity. As with in-house computers, this is done in order to identify accounts/computers that may have been compromised by external parties.

Mobile Computing

Mobile devices are important to the efficiency and productivity of REMIF. However, since they are most often used outside of the local office environment, they represent a significant risk both in data security and risk of damage and theft.

Email, voicemail and phone messages

Telephones and Cellular devices

Telephone communication is an essential part of the day-to-day operations of REMIF. Telephone and voicemail services are provided to employees to facilitate performance of REMIF's work.

Basic Policy

The use of telephones and voicemail should be as cost effectively as possible and in keeping with the best interests of REMIF. All employees must operate within the following basic policy guidelines. Further information on appropriate and inappropriate use follows this section.

1. All telephones, telephony equipment, voicemail boxes, and messages contained within voicemail boxes are the property of REMIF.
2. The number of telephone calls made should be limited in number and duration to that necessary for effective conduct of business.
3. All voicemail boxes will be protected with a PIN (personal identification number). PINs must not be shared with others.
4. Read voicemail messages should be automatically deleted after 30 days.
5. Voicemail is to be used as a backup in the event you are not available to answer a call, and should not be used to "screen" calls. Each user is expected to respond to voicemail messages in a timely manner.
6. If you will be away from the office for more than one business day, you are expected to change your voicemail greeting to reflect this fact and direct callers to alternate contacts if applicable.
7. Use of directory assistance (i.e. 411) should be avoided since a fee is incurred with each use. If you are unsure of a number, please consult print or online telephone directories first.

Unacceptable Use

REMIF telephone and voicemail services may not be used for the following:

1. Transmitting obscene, profane, or offensive messages.
2. Transmitting messages or jokes that violate our harassment policy or create an intimidating or hostile work environment.
3. Using the telephone system or breaking into a voicemail box via unauthorized use of a PIN or other password.
4. Broadcasting unsolicited personal views on social, political, or other nonbusiness related matters.
5. Soliciting to buy or sell goods or services unrelated to REMIF.
6. Calling 1-900 phone numbers.
7. Making personal long-distance phone calls without supervisor permission.

Limited Personal Acceptable Use

In general, personal use of telephone and voicemail services is allowable, but must be limited in number and duration and must not interfere with performance of official business duties. Limited personal acceptable use is allowed under the following circumstances:

1. An employee's work schedule changes without advance notice and the employee must notify a family member or make alternate transportation or childcare arrangements.
2. Brief local calls to a spouse, minor child, or elderly parent, or to those responsible for them (e.g. school, daycare center, nursing home).
3. The employee needs to make a call that can only be made during regular working hours, such as to a doctor or local government agency.
4. The employee needs to make arrangements for emergency repairs to his or her residence or automobile.
5. A call that reasonably could not be made at another time and is of moderate duration.

Monitoring

REMIF reserves the right to monitor telephone and voicemail use, including telephone conversations and the contents of voicemail boxes. Monitoring of telephone and voicemail use will only be done for legitimate reasons, such as to assess customer service quality assurance, retrieve lost messages, recover from system failure, or comply with investigations of wrongful acts.

Internet Usage

Purpose

The goal of this policy are to outline appropriate and inappropriate use of REMIF's Internet resources, including the use of browsers, electronic mail and instant messaging, file uploads and downloads, and voice communications.

Internet access is controlled through individual accounts and passwords. Department managers are responsible for defining appropriate Internet access levels for the people in their department.

Appropriate Use

Individuals are encouraged to use the Internet to further the goals and objectives of REMIF. The types of activities that are encouraged include:

1. Communicating with fellow employees, business partners and members within the context of an individual's assigned responsibilities;
2. Acquiring or sharing information necessary or related to the performance of an individual's assigned responsibilities; and
3. Participating in educational or professional development activities.

Inappropriate Use

Individual Internet use shall not interfere with others' productive use of Internet resources. Users will not violate the network policies of any network accessed through their account. Internet use at REMIF will comply with all Federal and State laws, all organizational policies, and all contracts. This includes, but is not limited to, the following:

1. The Internet may not be used for illegal or unlawful purposes, including, but not limited to, copyright infringement, obscenity, libel, slander, fraud, defamation, plagiarism, harassment, intimidation, forgery, impersonation, illegal gambling, soliciting for illegal pyramid schemes, and computer tampering (e.g. spreading computer viruses).
2. The Internet may not be used in any way that violates our organization's policies, rules, or administrative orders. Use of the Internet in a manner that is not consistent with the mission of REMIF, misrepresents REMIF, or violates any organizational policy is prohibited.
3. Individuals should limit their personal use of the Internet. REMIF allows limited personal use for communication with family and friends, independent learning, and community service. We prohibits use for mass unsolicited mailings, access for non-employees to REMIF's resources or network facilities, uploading and downloading of files for personal use, access to pornographic sites, gaming, un-related commercial activity, and the dissemination of chain letters.

4. Individuals may not establish company computers as participants in any peerto-peer network, unless approved by management.

5. Individuals may not view, copy, alter, or destroy data, software, documentation, or data communications belonging to Our Company or another individual without authorized permission.

6. In the interest of maintaining network performance, users should not send unreasonably large electronic mail attachments or video files not needed for business purposes.

7. Individuals will only use organization-approved services for voice communication over the Internet.

Security

For security purposes, users may not share account or password information with another person. Internet accounts are to be used only by the assigned user of the account for authorized purposes. Attempting to obtain another user's account password is strictly prohibited. A user must contact the IT department to obtain a password reset if they have reason to believe that any unauthorized person has learned their password. Users must take all necessary precautions to prevent unauthorized access to Internet services.

Monitoring and Filtering

REMIF may monitor any Internet activity occurring on its equipment or accounts. We may employ filtering software to limit access to sites on the Internet. If we discover activities which do not comply with applicable law or departmental policy, records retrieved may be used to document the wrongful content in accordance with due process.

Disclaimer

REMIF assumes no liability for any direct or indirect damages arising from the user's connection to the Internet. We are not responsible for the accuracy of information found on the Internet and only facilitate the accessing and dissemination of information through its systems. Users are solely responsible for any material that they access and disseminate through the Internet.