

CRMP

California Residential Mitigation Program A Joint Powers Authority

Date of Notice: Friday, May 5, 2017

PUBLIC NOTICE

A PUBLIC MEETING OF THE GOVERNING BOARD OF THE CALIFORNIA RESIDENTIAL MITIGATION PROGRAM

NOTICE IS HEREBY GIVEN that the Governing Board of the **California Residential Mitigation Program (CRMP)** will meet in Sacramento, California. The Bagley-Keene Open Meeting Act applies generally to meetings of the board, and the meeting is open to the public—public participation, comments, and questions will be welcome for each agenda item. All items are appropriate for action if the governing board wishes to take action. Agenda items may be taken out of order.

LOCATION: **Governor’s Office of Emergency Services
("Cal OES")
3650 Schriever Avenue MPR1
Mather, California, 95655**

DATE: Tuesday, May 16, 2017

TIME: 1:00 p.m.

AGENDA:

1. Call to order and member roll call:

Mitch Ziemer – Chair, Insurance Director, CEA
Christina Curry – Vice Chair, Deputy Director, California Office of Emergency Services
Dan Dyce – Consultant, CEA

Establishment of a quorum

2. Consideration and Acceptance of Notice of Appointment.
3. Consideration and approval of the minutes of the January 17, 2017, CRMP Governing Board meeting.
4. CRMP Executive Director Janiele Maffei will present her executive report.

5. Ms. Maffei will present updates to the CRMP Business Plan for board approval.
6. CRMP Treasurer Tim Richison will present a financial report.
7. Mr. Richison will present an insurance update.
8. CRMP Managing Director Sheri Aguirre will present an update on the Earthquake Brace + Bolt and the Napa Brace + Bolt programs.
9. Ms. Maffei will present for Board approval 2018 EBB ZIP Codes, based on Board-adopted protocols.
10. Ms. Aguirre will present a proposal to adopt a quarterly meeting schedule and a revised 2017 Governing Board Meeting calendar for approval.
11. Public comment on items that do not appear on this agenda and public requests that those matters be placed on a future agenda.
12. Adjournment.

Inquiries/General Information:

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**To view this notice on the CRMP website, please visit
www.CaliforniaResidentialMitigationProgram.com**

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Persons with disabilities may request special accommodations at this or any future CRMP governing board meeting or may request the accommodation necessary to receive agendas or materials prepared for its board meetings.

Please contact Jacqueline Ball by telephone at (916) 661-5607 or by email at jball@calquake.com. We would appreciate hearing from you at least five days before the meeting date to best allow us to meet your needs.

NOTE: You might have received this notice because your name, or that of your organization, appears on a public-notice list maintained by the California Earthquake Authority. If in the future you do not wish to receive public notices pertaining to the California Residential Mitigation Program, please send your request by email to info@californiarresidentialmitigationprogram.com.

CRMP Governing Board Memorandum

May 16, 2017

Agenda Item 2: Consideration and Acceptance of Notice of Appointment

Recommended Action: Acceptance of Notice of Appointment for Board Membership

Background:

Per the Joint Exercise of Powers Agreement, dated August 16, 2011, "... between CALIFORNIA EARTHQUAKE AUTHORITY, a public instrumentality of the State of California ("CEA") and CALIFORNIA GOVERNOR'S OFFICE OF EMERGENCY SERVICES ("CAL OES"), an agency of the State of California, the CRMP is administered by a governing board (the "Board") consisting of two members selected by the CEA and two members selected by Cal OES. The term of office of any member of the Board shall continue for two years."

Board Secretary, Danny Marshall, present to the Board the following:

1. Notice of Cal OES appointment of Grace Koch, Chief Deputy Director, as a member of the CRMP Governing Board (replacing Nancy Ward).

The above individual is presented to the Board for consideration and acceptance as an appointed member to the CRMP Governing Board.

Recommendation:

Accept individual presented in notice of appointments as a member of the CRMP Governing Board.



Draft Meeting Minutes
are not available.

Please see CRMP Governing
Board Meeting
Approved Minutes.

CRMP Governing Board Memorandum

May 16, 2017

Agenda Item 4: Executive Report by Executive Director Janiele Maffei

Recommended Action: No Action Necessary

Background:

Executive Director Janiele Maffei will provide an update on CRMP and CEA mitigation interests and projects.

Recommendation:

No action necessary.

CRMP Governing Board Memorandum

May 16, 2017

Agenda Item 5: CRMP business plan updates

Recommended Action: Approve updated business plan

Background:

Executive Director Janiele Maffei will present updates and amendments to the CRMP Business Plan for Board Approval. The governing board is required by the CRMP Joint Exercise of Powers Agreement to review and update the CRMP business plan annually. The business plan was last updated in December 2015. Attached is a copy of the business plan that has been marked to show proposed updates, together with a clean copy incorporating all of those proposed changes.

Recommendation:

Approve revised business plan.

*adopted 10/4/11
revised 6/11/12
revised 7/30/13
revised 7/15/14
revised 12/1/15
revised 5/16/17*

Business Plan

California Residential Mitigation Program (CRMP)

1. Program Overview

Both the California Office of Emergency Services (Cal OES) and the California Earthquake Authority (CEA) are authorized to assist California dwelling owners who wish to retrofit their dwellings to protect against earthquake damage. The CEA and Cal OES entered into a joint exercise of powers agreement to create the California Residential Mitigation Program (CRMP) to carry out a joint mitigation program.

The purpose of the CRMP program is to accept and disburse funds that will be used to provide grants and other types of assistance and incentives to the owners of single family residential buildings (one to four dwelling units) in California who wish to retrofit their dwellings to protect against earthquake damage.

The program's focus is ~~will be limited to funding paying or reimbursing~~ dwelling-retrofit expenses that:

1. strengthen cripple walls to enable them to function as shear elements, significantly protecting the dwelling from collapsing; and
2. bolt sill plates to the foundation, enabling the dwelling to remain in place, rather than sliding off the foundation during an earthquake.

A. CA Building Code for retrofitting existing residential buildings

The retrofit work funded by CRMP is to conform to California law (Appendix Chapter A3 to California Building Code, Title 24, Part 2). The retrofit work will also be subject to any more restrictive local requirements and to the permitting and building-inspection processes of local jurisdictions.

B. Contractor training and requirements

A~~One of the~~ critical elements-element of the CRMP program is to encourage and support work performed by private-sector contractors who-that have received FEMA-supplied.

specialized residential seismic retrofit training. Accordingly, the program ~~will include~~ includes the following features.

1. Online videos and related tests to illustrate and instruct how to properly perform residential seismic retrofits that meet all applicable residential seismic retrofit building codes.
2. A public list of contractors that have one or more employees, workers, or other associated persons ~~that who~~ have successfully completed the contractor training videos and tests, ~~to be~~ made available online to dwelling owners.
3. A requirement that each listed contractor perform all program retrofit work in accordance with Chapter A3 and ensure that an employee, worker, or other associated person who has taken and successfully completed the contractor training videos and tests oversees and approves all program retrofit work performed by the contractor.
4. A requirement that each listed contractor confirm that it is a licensed contractor in the State of California in good standing and that it will make available to CRMP, on request, evidence that it:
 - a. has in force a current California contractor's license in a field reasonably related to residential seismic retrofit work on single-family dwellings in California;
 - b. has in force a current construction bond that meets or exceeds the statutory requirement for such bonds;
 - c. retains evidence of current workers' compensation insurance for all employees of the contractor; and
 - d. demonstrates a commitment to work within the local jurisdiction's building-construction permitting and inspection processes.
5. Removal of a contractor from the CRMP list of contractors, at the sole discretion of CRMP, in the event CRMP determines that the contractor has failed to meet the requirements listed in (3) or (4) above or is using CRMP's trademark or anything similar to it or the phrase "Brace + Bolt" in a manner that implies to homeowners or the public that the contractor is affiliated with CRMP beyond being a CRMP-registered contractor.

C. Management team

CRMP is a legally separate entity from its members. It has a governing board consisting of two members appointed by ~~the~~ CEA and two members appointed by Cal OES.

Overall responsibility for operations has been delegated by the governing board to the Executive Director in a governing board resolution authorizing the Executive Director to take all necessary and appropriate actions to implement the business plan adopted by the governing board as updated from time to time, with the following limitations:

1. obtain prior approval of the governing board for contracts that either (a) involve a cost or obligation to CRMP greater than \$100,000 annually (or if the contract is not for a set amount, where the obligation is likely to exceed \$100,000 annually); or (b) have a duration or likely duration greater than 12 months;

2. obtain prior approval of the governing board before commencing litigation or arbitration proceedings; and
3. obtain prior approval of the governing board for the annual budget of CRMP.

The Executive Director is authorized to operate CRMP within the framework established by law and the joint exercise of powers agreement that formed CRMP and in accordance with rules and policies adopted by the governing board, including the CRMP Procurement Guidelines and Contracting Manual and the CRMP Expenditures Procedures Manual.

The Executive Director is expected to:

1. endeavor continually to identify emerging legal, economic, political, social, technological, and marketplace trends that are likely to affect CRMP's fulfillment of its mission, its operations, solvency, and management and bring to the attention of the governing board all matters that are sensitive in nature or that have a significant policy impact;
2. advise the governing board on all matters pertaining to CRMP;
3. cooperate with and act as liaison between and among the governing board, the CRMP staff, the members of CRMP and their staffs, departments and agencies of the State of California, the Legislature, the Governor, the [State](#) Treasurer, the Insurance Commissioner, and other [state](#) officers;
4. present to the governing board (with recommendations [for](#)) policies, rules, and proposed actions to carry out the provisions of laws that apply to CRMP programs;
5. submit to the governing board reports, resolutions, and procedures, and make recommendations for legislative action on changes in CRMP's programs and efforts in connection with the laws that govern the administration of CRMP;
6. maintain membership in and participate in the proceedings of state, national and other organizations in the field of earthquake loss mitigation for the purpose of keeping abreast of developments in that field and any and all related fields or endeavors—membership and participation includes traveling to and attending meetings of those organizations, as appropriate, and the Executive Director may designate any staff members (or, as appropriate, a contracted CRMP vendor or consultant) to carry out these delegated duties;
7. [in](#) consultation with the governing board as needed, act as the primary spokesperson for CRMP [to](#) the public and appear before and offer testimony to Legislative committees and address other groups to inform them of the operations, programs, and policies of CRMP as well as positions taken by the governing board (if any) on proposed laws and other issues;

8. prepare proposed updates to the CRMP business plan no less frequently than annually and submit the updates to the governing board for consideration and approval;
9. oversee, direct, and monitor the performance of services from all CRMP contractors, vendors, consultants, and advisors;
10. accept service of summons and any other legal service of process for and on behalf of the governing board and CRMP; and
11. execute all documents and authorize ~~authorizing~~ the issuance of instructions to accomplish the Executive Director's authorized responsibilities and duties.

Under its overall authority and responsibility to administer CRMP, the governing board will retain the following powers:

1. deliberate on and adopt basic policy and policy initiatives of CRMP;
2. review and adopt the annual budget of CRMP and CRMP's cash-flow plan and approve significant budget and cash-flow plan changes;
3. review and adopt the CRMP business plan, approve significant deviations from or actions not in the plan, and review and update the business plan no less frequently than annually;
4. approve the ZIP ~~codes~~ Codes in which dwelling owners will be invited to submit applications ~~forms~~ to participate in the CRMP program;
5. approve marketing plans for the CRMP program;
6. evaluate CRMP program results from time to time and make changes in the program that the governing board decides are appropriate;
7. approve contracts that fall outside the scope of authority delegated to the Executive Director;
8. conduct, or delegate responsibility for, annual performance reviews of key staff; and
9. review and approve litigation and arbitration proceedings.

CRMP may employ or contract for staff and consultants as required to administer the program and may contract with private-sector and other organizations ~~for to provide goods and services~~. Management oversight of the program will be provided by the governing board of CRMP through the chief mitigation officer of the CEA, serving as CRMP Executive Director. Cal OES, through its seats on the governing board, will have input into the direction taken by CRMP. No staffing will be provided by Cal OES.

Under California law, the debts, liabilities, and obligations of CRMP will not be debts, liabilities, or obligations of either of its members. CRMP will purchase insurance, including tort liability insurance and errors and omissions insurance for CRMP, its members, its officers and employees, and the officers and employees of the CEA who provide services to CRMP. The CEA and Cal OES will be named in the tort liability insurance policy as additional insureds. The terms and cost of such insurance must be acceptable to the CEA and to Cal OES.

2. Program Funding

Funding for CRMP will be provided by voluntary advances, contributions, or grants. Funds from each funding source will be identified and tracked in a manner that permits CRMP to separately account for funds from each funding source. CRMP's program rules will be modified as necessary to reflect restrictions and requirements relating to new funding sources.

A. CEA contributions

The CEA plans to continue to contribute funds to CRMP in support of the CRMP program from the CEA's Earthquake Loss Mitigation Fund. The CEA has also contributed to CRMP the use of personnel, equipment and property. The amount and timing of CEA contributions is within the sole discretion of the CEA. Funding provided by the CEA may be used for CRMP administrative and operating expenses in addition to direct program expenses. The CEA contributions will be used for the program described at www.earthquakebracebolt.com.

B. Multi-Hazard Mitigation Plan and FEMA grants

Cal OES will maintain the State of California Multi-Hazard Mitigation Plan, which is required by federal law in order for the State to receive federal funds for mitigation, disaster recovery, and fire suppression. Cal OES shall not contribute to the CRMP funds appropriated to Cal OES in the state budget. Cal OES, the CEA, and CRMP plan to seek federal funding under FEMA's earthquake hazard mitigation grant program and other FEMA funding sources.

C. Other third-party funding

Funds for the CRMP program will be sought from state and other sources and will be accepted if the funding source and any accompanying restrictions and requirements are approved by the governing board of CRMP with the prior written consent of the CEA and Cal OES.

3. Other Programs

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[65242.00001\29694353.2](#)

| The CRMP program will not preclude Cal OES or ~~the~~ CEA from establishing and operating other mitigation projects or programs.

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4. A requirement that each listed contractor confirm that it is a licensed contractor in the State of California in good standing and that it will make available to CRMP, on request, evidence that it:
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C. Other third-party funding

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3. Other Programs

The CRMP program will not preclude Cal OES or CEA from establishing and operating other mitigation projects or programs.

Governing Board Memorandum

May 16, 2017

Agenda Item #6: Treasurer's Financial Update

Recommended Action: No Action Necessary

Background:

CRMP Treasurer, Tim Richison, will review the CRMP financial statements as of December 31, 2016 and March 31, 2017.

Recommendation:

No action is necessary.

California Residential Mitigation Program
(CRMP)

FINANCIAL
REPORT

BOARD MEETING
Tuesday, May 16, 2017

**California Residential Mitigation Program
Budgeted Expenditures and Actual Expenditures
2016 Budget Year**

	<u>Approved 2016 Budget 1/1/2016</u>	<u>Adjustments ^A thru 12/31/2016</u>	<u>Augmentations thru 12/31/2016</u>	<u>2016 Budget after Augmentations and Adjustments</u>	<u>Used Budget as of 12/31/2016</u>	<u>Augmented & Adjusted Approved 2016 Budget Remaining as of 12/31/16</u>	<u>Percentage used of Augmented & Adjusted Approved 2016 Budget</u>
Revenue							
Contribution from Members	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000	\$ (1,000,000)	>100%
FEMA	300,000			300,000	155,142	144,858	51.71%
Department of Insurance	3,000,000			3,000,000	3,000,000	-	100.00%
Total Revenue	3,300,000	-	-	3,300,000	4,155,142	(855,142)	125.91%
CRMP Administration Expenses							
Human Resources							
Travel	26,500			26,500	12,097	14,403	45.65%
Other	-			-	800	(800)	>100%
Total Human Resources	26,500	-	-	26,500	12,897	13,603	48.67%
General Office							
Board Services	3,900			3,900	1,767	2,133	45.31%
Administration & Office	17,000			17,000	9,040	7,960	53.18%
Insurance	55,065			55,065	36,482	18,583	66.25%
Financial Audit	50,000			50,000	37,000	13,000	74.00%
Legal Services	200,000			200,000	75,972	124,028	37.99%
Public Relations for CRMP	20,000	(20,000)		-	-	-	0.00%
Total General Office	345,965	(20,000)	-	325,965	160,261	165,704	49.17%
EBB Program Expenses							
Software/Information Technology	23,120			23,120	18,428	4,692	79.71%
Call Center	64,800			64,800	47,654	17,146	73.54%
Program Evaluations - Customer Service Satisfaction	50,000	(50,000)		-	-	-	0.00%
Home Inspection Services	87,300			87,300	70,500	16,800	80.76%
EBB Marketing	300,000	70,000		370,000	372,927	(2,927)	100.79%
EBB Program Education	40,000			40,000	-	40,000	0.00%
Grants to Homeowners (1600 payments at \$3,000)	5,400,000			5,400,000	4,209,663	1,190,337	77.96%
Total EBB Program Expenses	5,965,220	20,000	-	5,985,220	4,719,172	1,266,048	78.85%
Total Administrative and Program Expenses	\$ 6,337,685	\$ -	\$ -	\$ 6,337,685	\$ 4,892,330	\$ 1,445,355	77.19%

^AAdjustment to meet CRMP needs for rest of year.

**California Residential Mitigation Program
Budgeted Expenditures and Actual Expenditures
Main Program
2016 Budget Year**

	Approved 2016 Budget 1/1/2016	Adjustments ^A thru 12/31/2016	Augmentations thru 12/31/2016	2016 Budget after Augmentations and Adjustments	Used Budget as of 12/31/2016	Augmented & Adjusted Approved 2016 Budget Remaining as of 12/31/16	Percentage used of Augmented & Adjusted Approved 2016 Budget
Revenue							
Contribution from Members	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000	\$ (1,000,000)	100%
Total Revenue	-	-	-	-	1,000,000	(1,000,000)	100%
CRMP Administration Expenses							
Human Resources							
Travel	26,500			26,500	12,097	14,403	45.65%
Other	-			-	800	(800)	100%
Total Human Resources	26,500	-	-	26,500	12,897	13,603	48.67%
General Office							
Board Services	3,900			3,900	1,767	2,133	45.31%
Administration & Office	17,000			17,000	9,040	7,960	53.18%
Insurance	55,065			55,065	36,482	18,583	66.25%
Financial Audit	50,000			50,000	37,000	13,000	74.00%
Legal Services	200,000			200,000	64,677	135,323	32.34%
Public Relations for CRMP	20,000	(20,000)		-	-	-	0.00%
Total General Office	345,965	(20,000)	-	325,965	148,966	176,999	45.70%
EBB Program Expenses							
Software/Information Technology	23,120			23,120	18,428	4,692	79.71%
Call Center	64,800			64,800	47,116	17,684	72.71%
Program Evaluations - Customer Service Satisfaction	50,000	(50,000)		-	-	-	0.00%
Home Inspection Services	87,300			87,300	70,500	16,800	80.76%
EBB Marketing	300,000	70,000		370,000	356,290	13,710	96.29%
EBB Program Education	40,000			40,000	-	40,000	0.00%
Grants to Homeowners	2,100,000			2,100,000	1,054,521	1,045,479	50.22%
Total EBB Program Expenses	2,665,220	20,000	-	2,685,220	1,546,855	1,138,365	57.61%
Total Administrative and Program Expenses	\$ 3,037,685	\$ -	\$ -	\$ 3,037,685	\$ 1,708,718	\$ 1,328,967	56.25%

^AAdjustment to meet CRMP needs for rest of year.

**California Residential Mitigation Program
Project Budget Expenditures
Napa EBB
as of December 31, 2016**

	Project Budget	Used Budget Thru 12/31/15	2016 Used Budget	Total Used Budget	Remaining Budget \$	Used of Budget %
Revenue:						
FEMA Reimbursement Grant	\$ 300,000	\$ -	\$ 155,142	\$ 155,142	\$ 144,858	52%
CEA Matching Contribution ¹	100,000	49,364	47,556	96,920	3,080	97%
Total Revenue	\$ 400,000	\$ 49,364	\$ 202,698	\$ 252,062	\$ 147,938	63%
Expenses:						
CEA Matching Expenses:						
Staff Time ¹	\$ 36,500	\$ 1,349	\$ 35,984	\$ 37,333	\$ (833)	102%
Website ¹	3,000	48,015	11,572	59,587	(56,587)	1986%
	39,500	49,364	47,556	\$ 96,920	\$ (57,420)	245%
CRMP Expenses:						
Legal Services	12,500	19,440	11,295	30,735	(18,235)	246%
Call Center	9,000	-	538	538	8,462	6%
Marketing	28,000	9,996	16,287	26,283	1,717	94%
Insurance	1,000	-	-	-	1,000	0%
Photos of each house	10,000	-	-	-	10,000	0%
	60,500	29,436	28,120	57,556	2,944	95%
Homeowner Incentives:						
Grants to homeowners (100 payments at \$3,000)	300,000	-	155,142	155,142	144,858	52%
Total Expenses	\$ 400,000	\$ 78,800	\$ 230,818	\$ 309,618	\$ 90,382	77%

¹ FEMA matching requirements for revenue and expenses are only shown on project budget, they are not part of CRMP overall budget.

**California Residential Mitigation Program
 Project Budget Expenditures
 State of California - Department of Insurance
 as of December 31, 2016**

	<u>Project Budget</u>	<u>Used Budget Thru 12/31/15</u>	<u>2016 Used Budget</u>	<u>Total Used Budget</u>	<u>Remaining Budget \$</u>	<u>Used of Budget %</u>
Revenue:						
Appropriation - 2015/2016 Program	\$ 3,000,000	\$ -	\$ 3,000,000	\$ 3,000,000	\$ -	100%
Total Revenue	\$ 3,000,000	\$ -	\$ 3,000,000	\$ 3,000,000	\$ -	100%
Expenses:						
Grants to homeowners (1,000 payments at \$3,000)	\$ 3,000,000	\$ -	\$ 3,000,000	\$ 3,000,000	\$ -	100%
Total Expenses	\$ 3,000,000	\$ -	\$ 3,000,000	\$ 3,000,000	\$ -	100%

**California Residential Mitigation Program
Budgeted Expenditures and Actual Expenditures
2017 Budget Year**

	Approved 2017 Budget 1/1/2017	Adjustments thru 3/31/2017	Augmentations thru 3/31/2017	2017 Budget after Augmentations and Adjustments	Used Budget as of 3/31/2017	Augmented & Adjusted Approved 2017 Budget Remaining as of 3/31/2017	Percentage used of Augmented & Adjusted Approved 2017 Budget
Revenue							
Contribution from Members	\$ -	\$ -	\$ -	\$ -	\$ 1,350,000	\$ (1,350,000)	100.00%
FEMA	150,000			150,000	-	150,000	0.00%
Department of Insurance	3,000,000			3,000,000	-	3,000,000	0.00%
Total Revenue	3,150,000	-	-	3,150,000	1,350,000	1,800,000	42.86%
CRMP Administration Expenses							
Human Resources							
Travel	37,000			37,000	7,413	29,587	20%
Total Human Resources	37,000	-	-	37,000	7,413	29,587	20.04%
General Office							
Board Services	3,500			3,500	275	3,225	7.86%
Administration & Office	62,150			62,150	392	61,758	0.63%
Insurance	38,000			38,000	-	38,000	0.00%
Financial Audit	50,000			50,000	-	50,000	0.00%
Legal Services	200,000			200,000	5,385	194,615	2.69%
Total General Office	353,650	-	-	353,650	6,052	347,598	1.71%
EBB Program Expenses							
Software/Information Technology	23,650			23,650	2,548	21,102	10.77%
Call Center	110,000			110,000	16,400	93,600	14.91%
Home Inspection Services	95,000			95,000	-	95,000	0.00%
EBB Marketing	325,000			325,000	112,225	212,775	34.53%
EBB Program Education	75,000			75,000	-	75,000	0.00%
Grants to Homeowners (2,505 payments at \$3,000)	7,515,000			7,515,000	585,605	6,929,395	7.79%
Total EBB Program Expenses	8,143,650	-	-	8,143,650	716,778	7,426,872	8.80%
Total Administrative and Program Expenses	\$ 8,534,300	\$ -	\$ -	\$ 8,534,300	\$ 730,243	\$ 7,804,057	8.56%

**California Residential Mitigation Program
Budgeted Expenditures and Actual Expenditures
Main Program
2017 Budget Year**

	Approved 2017 Budget 1/1/2017	Adjustments thru 3/31/2017	Augmentations thru 3/31/2017	2017 Budget after Augmentations and Adjustments	Used Budget as of 3/31/2017	Augmented & Adjusted Approved 2017 Budget Remaining as of 3/31/2017	Percentage used of Augmented & Adjusted Approved 2017 Budget
Revenue							
Contribution from Members	\$ -	\$ -	\$ -	\$ -	\$ 1,350,000	\$ (1,350,000)	100%
Total Revenue	-	-	-	-	1,350,000	(1,350,000)	100%
CRMP Administration Expenses							
Human Resources							
Travel	37,000			37,000	7,413	29,587	20.04%
Total Human Resources	37,000	-	-	37,000	7,413	29,587	20.04%
General Office							
Board Services	3,500			3,500	275	3,225	7.86%
Administration & Office	62,150			62,150	392	61,758	0.63%
Insurance	38,000			38,000	-	38,000	0.00%
Financial Audit	50,000			50,000	-	50,000	0.00%
Legal Services	200,000			200,000	5,385	194,615	2.69%
Total General Office	353,650	-	-	353,650	6,052	347,598	1.71%
EBB Program Expenses							
Software/Information Technology	23,650			23,650	2,548	21,102	10.77%
Call Center	108,500			108,500	16,301	92,199	15.02%
Home Inspection Services	95,000			95,000	-	95,000	0.00%
EBB Marketing	325,000			325,000	110,774	214,226	34.08%
EBB Program Education	75,000			75,000	-	75,000	0.00%
Grants to Homeowners (1,455 payments at \$3,000)	4,365,000			4,365,000	552,605	3,812,395	12.66%
Total EBB Program Expenses	4,992,150	-	-	4,992,150	682,228	4,309,922	13.67%
Total Administrative and Program Expenses	\$ 5,382,800	\$ -	\$ -	\$ 5,382,800	\$ 695,693	\$ 4,687,107	12.92%

**California Residential Mitigation Program
Project Budget Expenditures
Napa EBB
as of March 31, 2017**

	Project Budget	Used Budget Thru 12/31/16	2017 Used Budget	Total Used Budget	Remaining Budget \$	Remaining Budget %
Revenue:						
FEMA Reimbursement Grant	\$ 300,000	\$ 155,142	\$ -	\$ 155,142	\$ 144,858	52%
CEA Matching Contribution ¹	100,000	96,920	1,970	98,890	1,110	99%
Total Revenue	\$ 400,000	\$ 252,062	\$ 1,970	\$ 254,032	\$ 145,968	64%
Expenses:						
CEA Matching Expenses:						
Staff Time ¹	\$ 36,500	\$ 37,333	\$ 1,651	\$ 38,984	\$ (2,484)	107%
Website ¹	3,000	59,587	319	59,906	(56,906)	1997%
	39,500	96,920	1,970	\$ 98,890	\$ (59,390)	250%
CRMP Expenses:						
Legal Services	12,500	30,735	-	30,735	(18,235)	246%
Call Center	9,000	538	99	637	8,363	7%
Marketing	28,000	26,283	1,451	27,734	266	99%
Insurance	1,000	-	-	-	1,000	0%
Photos of each house	10,000	-	-	-	10,000	0%
	60,500	57,556	1,550	59,106	1,394	98%
Homeowner Incentives:						
Grants to homeowners (100 payments at \$3,000)	300,000	155,142	33,000	188,142	111,858	63%
Total Expenses	\$ 400,000	\$ 309,618	\$ 36,520	\$ 346,138	\$ 53,862	87%

¹ FEMA matching requirements for revenue and expenses are only shown on project budget, they are not part of CRMP overall budget.

**California Residential Mitigation Program
 Project Budget Expenditures
 State of California - Department of Insurance
 as of March 31, 2017**

	<u>Project Budget</u>	<u>Used Budget Thru 12/31/16</u>	<u>2017 Used Budget</u>	<u>Total Used Budget</u>	<u>Remaining Budget \$</u>	<u>Used of Budget %</u>
Revenue:						
Appropriation - 2016/2017 Program	\$ 3,000,000	\$ -	\$ -	\$ -	\$ 3,000,000	0%
Total Revenue	\$ 3,000,000	\$ -	\$ -	\$ -	\$ 3,000,000	0%
Expenses:						
Grants to homeowners (1,000 payments at \$3,000)	\$ 3,000,000	\$ -	\$ -	\$ -	\$ 3,000,000	0%
Total Expenses	\$ 3,000,000	\$ -	\$ -	\$ -	\$ 3,000,000	0%

Governing Board Memorandum

May 16, 2017

Agenda Item #7: Insurance Update

Recommended Action: No Action Necessary

Background:

CRMP Treasurer, Tim Richison, will provide a recap of the CRMP insurance policies.

Recommendation:

No action is necessary.

**California Residential Mitigation Program
Summary of Insurance Coverage**

Policy Type	Carrier	Effective Dates	Coverage
General Liability with Umbrella	Foremost	8/15/16-8/15/17	Covers Property, General Liability, Employment Practices and Umbrella policy. Limit of Coverage varies based on type of coverage
Directors & Officers including Employment Practice and Liability	Westchester	8/15/16-8/15/17	D&O aggregate limit of \$2 million, Employment Practices aggregate limit of \$2 million
Excess Directors & Officers	Landmark	8/15/16-8/15/17	Limit of \$3 million, in excess of \$2 million
Cyber ¹	Beazley	1/12/16-1/12/17 (to renew with same company)	Aggregate Limit of \$2 million

¹When we renew the Cyber Insurance at the end of 2017, we plan to try to extend for seven months to align all policy insurance effective dates.

CRMP Governing Board Memorandum

May 16, 2017

Agenda Item 8: Earthquake Brace + Bolt Update

Recommended Action: Information Only

Background:

2016 Earthquake Brace + Bolt Program

The retrofit goal for the 2016 Earthquake Brace + Bolt (EBB) program was 600 retrofits. In addition to those retrofits, 1,000 retrofits were funded by \$3 million provided through an appropriation from the State of California to the California Department of Insurance, which has granted those funds to the CEA for mitigation-grant purposes. As of Nov 3, 2016, CRMP exhausted the \$3 million in state funding.

We are currently closing out the 2016 program with the goal of May 31. The following retrofits are completed and in progress as of May 2:

- Completed retrofits 1525
- Permits 94
- TOTAL 1619**

FEMA Hazard Mitigation Grant Program funding

The goal for the Napa Earthquake Brace + Bolt program, funded by FEMA's Hazard Mitigation Grant Program, is 100 retrofits.

As of May 2, 2017, the following retrofits are in progress:

- Completed retrofits 70
- Permits received 11
- Extensions requested 3
- Accepted 26
- TOTAL 110**

2017 Earthquake Brace + Bolt Program

The overall goal for the 2017 EBB program is 2,000 retrofits. Again this year, the first 1,000 retrofits will be funded by a \$3 million State of California appropriation through the Department of Insurance to CEA.

Homeowner registration was open January 25 through February 27 and 5,760 homeowners registered. On March 16, 4,000 homeowners were accepted into the program and the remaining were placed on the waitlist and notified. Those waitlisted were also informed they would be invited into the program in July.

As of May 2, the following retrofits have been completed and are underway—

- Completed retrofits 103
- Permits received 432
- Extensions requested 73
- Accepted 3162
- TOTAL 3770**

Recommendation:

Information only.

CRMP Governing Board Memorandum

May 16, 2017

Agenda Item 9: 2018 EBB ZIP Codes

Recommended Action: Approve 2018 EBB Zip Codes

Background:

Executive Director Janiele Maffei will present for Board approval 2018 EBB ZIP Codes, based on Board-adopted protocols.

Recommendation:

Approve 2018 EBB ZIP Codes.

CRMP Governing Board Memorandum

May 16, 2017

Agenda Item 10: Adoption of quarterly meeting schedule and revision of 2017 Governing Board Meeting calendar

Recommended Action: Adopt quarterly meeting schedule and revised 2017 Governing Board meeting calendar

Background:

Ms. Aguirre will present a proposal to adopt a quarterly meeting schedule and a revised 2017 Governing Board Meeting calendar for approval.

Recommendation:

Adopt quarterly meeting schedule and approve revised 2017 Governing Board meeting calendar.

CALIFORNIA RESIDENTIAL MITIGATION PROGRAM

PROPOSED GOVERNING BOARD MEETING DATES 2017

MEETING DATE	LOCATION
JANUARY 17 1:00pm	California Earthquake Authority 801 K Street, Suite 1000 Sacramento, CA 95814
CANCELLED MARCH 21 1:00pm	California Earthquake Authority 801 K Street, Suite 1000 Sacramento, CA 95814
MAY 16 1:00pm	Governor's Office of Emergency Services ("Cal OES") 3650 Schriever Avenue MPR1 Mather, California 95655
JULY 11 1:00pm	California Earthquake Authority 801 K Street, Suite 1000 Sacramento, CA 95814
SEPTEMBER 12 1:00pm	Governor's Office of Emergency Services ("Cal OES") 3650 Schriever Avenue MPR1 Mather, California 95655
NOVEMBER 14 1:00pm	California Earthquake Authority 801 K Street, Suite 1000 Sacramento, CA 95814
DECEMBER 13 1:00pm	California Earthquake Authority 801 K Street, Suite 1000 Sacramento, CA 95814
INQUIRIES & GENERAL INFO: Jacqueline Ball 916-661-5607 (Direct) jball@Calquake.com	MEDIA CONTACT: D'Anne Ousley 916-661-5524 (Direct) dousley@calquake.com

Persons with disabilities may request special accommodations at any CRMP governing board meeting or may request the accommodation necessary to receive agendas or materials prepared for its board meetings. Please contact Jacqueline Ball by telephone, toll free, at (877) 232-4300 or by email at Jacqueline_ball@calquake.com. We would appreciate hearing from you at least five (5) days before the meeting date to best allow us to meet your needs.