



CALIFORNIA JOINT POWERS RISK MANAGEMENT AUTHORITY

September 14, 15, & 16, 2008

STRATEGIC PLANNING MEETING

ITINERARY

**Embassy Suites Lake Tahoe
4130 Lake Tahoe Blvd.,
South Lake Tahoe, CA 96150**

SUNDAY, SEPTEMBER 14, 2008

5:45 ♦ **Dinner** – *ECHO Restaurant, Embassy Suites Lake Tahoe*

MONDAY, SEPTEMBER 15, 2008

- 7:00 - 10:00 ♦ **Breakfast** – *Embassy Suites Atrium 2 & 3*
(Tickets will be provided to persons not staying at Embassy Suites)
- 8:30 - 5:00 ♦ **Strategic Planning- Orientation Day One**
Embassy Suites Stanford Room
- 8:30 - 8:45 ♦ **Opening Remarks** – *Bill Henderson*
- 8:45 - 9:15 ♦ **Introductions**
- 9:15 - 9:30 ♦ **Ground Rules**
- 9:30 - 10:30 ♦ **Client /Customer Focus Group**
- 10:30 - 10:45 ♦ **Break**
- 10:45 - 12:00 ♦ **Client /Customer Focus Group** – *Continued*
- 12:00 - 1:00 ♦ **Lunch**– *Embassy Suites Atrium 3*
- 1:00 - 1:45 ♦ **History of CJPRMA**
- 1:45 - 2:00 ♦ **Board Members Roles**
- 2:00 - 2:30 ♦ **Mission/Vision**

- 2:30 - 2:45 ♦ **Break**
- 2:45 - 4:45 ♦ **SWOT** – *Exercise*
- 4:45 - 5:00 ♦ **Debriefing** – *Prep for Tuesday*
- 6:30 ♦ **Dinner** – *Cecil's Steak and Chops*
4118 Lake Tahoe Blvd., South Lake Tahoe, CA, 530-542-9000

TUESDAY, SEPTEMBER 16, 2008

- 7:00 - 10:00 ♦ **Breakfast** – *Embassy Suites Atrium 2 & 3*
(Tickets will be provided to persons not staying at Embassy Suites)
- 8:30 - 9:30 ♦ **Closed Session**
Embassy Suites Stanford Room
- 9:30 - 10:15 ♦ **Customer Focus/SWOT** – *Wrap up*
- 10:15 - 10:30 ♦ **Break**
- 10:30 - 11:15 ♦ **Review of Governance Policies**
- 11:15 - 12:00 ♦ **Survival Exercise**
- 12:00 - 1:00 ♦ **Lunch** – *Embassy Suites Atrium 3*
- 1:00 - 2:00 ♦ **Governance Policies** – *Continued*
- 2:00 - 3:00 ♦ **Vision Completion**
- 3:00 - 3:15 ♦ **Break**
- 3:15 - 4:30 ♦ **Finalize Plan** – *Create Performance Objectives*
- 4:30 - 5:00 ♦ **Critique**



CALIFORNIA JOINT POWERS RISK MANAGEMENT AUTHORITY

BOARD OF DIRECTORS MEETING

September 15 & 16, 2008– 8:30 A.M.

**Embassy Suites Lake Tahoe
4130 Lake Tahoe Blvd.,
South Lake Tahoe, CA 96150**

(530) 544-5400

AGENDA

I. CALL TO ORDER: 8:30 a.m.

II. ROLL CALL

III. APPROVAL OF MINUTES

- Minutes of the Board of Director's Meeting held on June 19, 2008

IV. PRESENTATIONS

- None

V. CONSENT CALENDAR

1. Appointment of new Board Members/Alternates

VI. THIS TIME IS RESERVED FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD OF DIRECTORS ON MATTERS OF BOARD BUSINESS

VII. ACTION CALENDER

2. Review of Strategic Plan

3. Proposed Amendment to the by-laws

VIII. CLOSED SESSION

1. **Government Code Section 54956.9 (a)**
Conference with Legal Counsel - Pending Litigation

Name of Case: Barton v. City of Santa Rosa
Court: Sonoma County Superior Court
Case No.: SVC-240994

2. **Government Code Section 54956.9 (a)**
Conference with Legal Counsel - Pending Litigation

Name of Case: Cudal v. City of Livermore
Court: Alameda County Superior Court
Case No.: VG 07339432

3. **Government Code Section 54956.9 (a)**
Conference with Legal Counsel - Pending Litigation

Name of Case: Roberts v. City of Banning
Court: Riverside County Superior Court
Case No.: 487833

4. **Government Code Section 54956.9 (a)**
Conference with Legal Counsel - Pending Litigation

Name of Case: Mangiapane v. City of Folsom
Court: Sacramento County Superior Court
Case Nos.: 06 AS 00618 & 06 AS 01048

5. **Government Code Section 54956.9 (a)**
Conference with Legal Counsel - Pending Litigation

Name of Case: BNSF v. City of Victorville
Court: San Bernardino County Superior Court
Case Nos.: SCVSS 132213

IX. ACTION ON CLOSED SESSION ITEMS

X. ADJOURNMENT



CALIFORNIA JOINT POWERS RISK MANAGEMENT AUTHORITY

Accredited with Excellence from the California Association of Joint Powers Authorities

BOARD OF DIRECTORS MEETING

June 19, 2008 – 9:30 A.M.

**Bishop Ranch Conference Center
Bishop Ranch 3
2623 Camino Ramon, Suite 175
San Ramon, CA 94583**

(925) 543-7700

Minutes

I. CALL TO ORDER:

President Henderson called the meeting to order at 9:32 a.m.

II. ROLL CALL

PRESENT

- | | |
|-------------------------------------|---|
| 1) Darrell Handy, <i>Alameda</i> | 10) Charlie Wilson, <i>Roseville</i> |
| 2) Steve Schwarz, <i>Fremont</i> | 11) Mary Ann Perini, <i>San Leandro</i> |
| 3) Bill Henderson, <i>Livermore</i> | 12) Gus Guinan, <i>San Rafael</i> |
| 4) Janice Magdich, <i>Lodi</i> | 13) Lynne Margolies, <i>Santa Rosa</i> |
| 5) Dixon Coulter, <i>NCCSIF</i> | 14) Roger Carroll, <i>SCORE</i> |
| 6) Ron Blanquie, <i>Petaluma</i> | 15) Kathleen Williams, <i>Stockton</i> |
| 7) Chris Millard, <i>Pomona</i> | 16) Rebecca Moon, <i>Sunnyvale</i> |
| 8) Chris Carmona, <i>Redding</i> | 17) Harry Maurer, <i>Vallejo</i> |
| 9) Jeff Davis, <i>REMIF</i> | 18) Jeff Tonks, <i>YCPARMIA</i> |

ABSENT

Chico, Fairfield, PERMA and Vacaville

OTHERS PRESENT

- | | |
|--------------------------------|---|
| 1) David Clovis, <i>CJPRMA</i> | 6) Marilyn Kelly, <i>Alliant/NCCSIF</i> |
| 2) Bob German, <i>CJPRMA</i> | 7) Sean Conley, <i>Gibbons & Conley</i> |
| 3) Lola Deem, <i>CJPRMA</i> | 8) Mike Galvin, <i>Marsh</i> |
| 4) Anna Swanson, <i>CJPRMA</i> | 9) Brian Cooney, <i>Marsh</i> |
| 5) Kirk Evans, <i>Lodi</i> | 10) Pat Clark, <i>Marsh</i> |

- 11) Jerry Gebhardt, *Petaluma*
- 12) Molly Dillon, *Santa Rosa*
- 13) Susan Adams, *SCORE/Alliant*

14) Shelley Green, *Stockton*

III. APPROVAL OF MINUTES

A motion by Director Wilson, seconded by Director Maurer, to approve the minutes of the Board meeting held on May, 7, 8, and 9, 2008, passed unanimously.

IV. PRESENTATIONS

- None

V. CONSENT CALENDAR

1. Financial Reports of CJPRMA for the periods ending January 31, February 29, and March 31, 2008
2. Additional Covered Party Certificates Approved by the General Manager
3. Notification of New Claims Received
4. Notification of Claims Closed

A motion by Director Carroll, seconded by Director Davis, to approve the consent calendar, passed unanimously.

VI. THIS TIME IS RESERVED FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD OF DIRECTORS ON MATTERS OF BOARD BUSINESS

- No one addressed the Board of Directors

VII. ACTION CALENDAR

5. Proposed Change to Employee Retirement Plan

At its meeting of May 8, 2008, the Board approved changing the Employee Retirement Plan from 2% @ 55 to 2.7% @ 55, subject to the employees contributing 3%.

The CJPRMA staff voted unanimously to adopt the 2.7% @ 55 plan.

The General Manager said that all of the preliminary resolutions and certifications had been submitted to PERS. However, PERS required that a final resolution be

approved at a meeting that was at least 20 days subsequent to the one at which the preliminary resolutions were approved.

A motion by Director Maurer, seconded by President Henderson, to approve the change in the Employee Retirement Plan, passed unanimously.

6. Report from ad hoc Committee

At the Board meeting held on May 7-9, 2008, President Henderson appointed an ad hoc committee to review several issues and provide recommendations to both the Executive Committee and the Board.

The members of the committee were Steve Schwarz, Chair, Janet Hamilton, Jeff Tonks and Darrell Handy.

The issues addressed were the Strategic Plan, Organizational Goals & Objectives, Governance Policies related to the Executive Committee, and the procedure for administering the General Manger's Performance Evaluation.

The Executive Committee agreed with the ad hoc Committee's recommendation that a two day Strategic Planning session be scheduled for the Board immediately preceding the CAJPA Conference in South Lake Tahoe. The planning session would address Strategic Planning, a review of updated and current Board Policies, and establishment of Organizational Goals & Objectives. The Board directed staff to invite Board members and alternates to attend the Strategic Planning session.

A motion by Director Davis, seconded by Director Coulter, to schedule the Strategic Planning session, as recommended, passed by majority. Directors Wilson and Carroll were opposed.

With reference to the Performance Evaluation process for the General Manager, the Executive Committee recommended that the evaluation process for 2007/2008 be closed and that the General Manger be provided with a cost of living adjustment effective July 1, 2008. The COLA would be based on the average COLA provided to all CJPRMA members.

A motion by Director Davis, seconded by Director Magdich, to approve the recommendation to close the General Manager's Performance Process for 2007/2008 and to provide the General Manager with a cost of living adjustment based upon the average COLA for all CJPRMA members for 2007/2008, passed unanimously.

The Executive Committee recommended that the issues related to the elimination of a salary survey and the elimination of a salary range for the General Manager be referred to the strategic planning session and/or the personnel committee.

The Executive Committee recommended that the issues of a performance evaluation form, use of an evaluation survey twice a year, and the completion of the General Manager's evaluation one month prior to next year's strategic planning session, be referred to the current strategic planning session and/or the personnel committee.

The Executive Committee also recommended that it retain authority over the goals and objectives of the General Manager (to be provided one month subsequent to this year's strategic planning session); the approval of the General Manager's goals and objectives; and periodic reviews of the status of the General Manager's goals and objectives at scheduled meetings.

A motion by Director Carroll, seconded by Director Wilson to approve these recommendations, passed unanimously.

With regard to the Executive Committee, it was recommended that the President, Vice President and two at-large members be elected and that the remaining three seats be categorized as primary pool, large city and small city. Representatives in these categories would be seated on a rotational basis from within each category.

A motion by Director Davis, seconded by Director Maurer, to approve this recommendation, utilizing population of 100,000 as the dividing point between the large and small city categories (to be reviewed and updated every two years), and to direct staff to prepare the appropriate amendment to the by-laws, passed unanimously.

Finally, the Executive Committee recommended that the proposed five standing sub-committees be provided with very definitive responsibilities and tasks. President Henderson recommended that the discussion on this issue be tabled until the Strategic Planning session.

7. Report on 2007 Claims Audit

The 2007 claims audit was conducted by Michael Galvin, Jean Reitze and Ginny Wen of Marsh. Mr. Galvin was present to discuss the 226 files they reviewed during the audit.

He explained that there were deficiencies noted related to 1) less than full compliance with reporting requirements; 2) inconsistency in setting reserves on cases; and 3) lack of documentation of financials. In addition, it was noted that there were claims that met excess reporting requirements that had not been reported. Mr. Galvin recommended that more attention be paid to reserving and updating reserve amounts.

Mr. Galvin further stated that their recommendations for improvement focused on:

- 1) reinforcement of the excess reporting guidelines;
- 2) reinforcement of the need to comply with CJPRMA's litigation management guidelines;
- 3) development of a set method or template for capturing and updating financial data;
- 4) establishment of an incremental diary system for updating reserve data; and
- 5) establishment of an incremental diary system in order to ensure that quarterly reports, which include financial data, are filed on schedule.

A motion by Director Handy, seconded by Director Blanquie, to approve the 2007 Claims Audit, passed unanimously.

The General Manager encouraged Board members to send loss runs to CJPRMA on a quarterly basis.

8. Analysis of Members' Claims Data

In order to focus CJPRMA's risk management program on areas where attention was needed, members were asked to provide an extensive amount of claims data which was focused on losses within their retained limits.

Unfortunately, the data was slow in being provided and the vast majority of it did not contain loss coding. As a result, the data has had to be reviewed by hand with loss coding and categorization being assigned by staff.

The Risk Manager presented the claims data analysis which covered a period of 10 years. The data was inputted with cause codes, comparing costs by category utilizing a rate per \$100,000 of payroll. The claims comparison was based on information from 2002/2003 through 2006/2007. The total payroll for the period was \$6,088,094,821. Overall, costs per claim exceeded \$1,000 per \$100,000 of payroll.

After looking at the overall losses, the Risk Manager was asked to create programs that related back to overall exposures and to look at how we should move forward for the 2008-2009 Program Year. For streets, sewers and sidewalks, David Patzer has provided useful training, especially on the sewer side. With regards to Police Liability, Randy Means and Bruce Kilday have provided programs that were excellent. With regard to contractual risk transfer, Bob Marshburn and our own in house program will provide sufficient training. Finally, with regard to Parks & Recreation, CJPRMA will continue looking for good playground and recreation programs.

Director Tonks suggested that Staff find a way to get uniformity out of the material that will be submitted as claims data. Director Handy suggested that there also be training regarding trees and loss avoidance, in addition to employment practices liability.

9. Risk Management Issues

The Risk Manager provided an update on the Property Appraisal Program and informed the Board that the appraisals had been completed. He provided an estimate on what the premiums for the members would be, with the stipulation that some of the numbers could change due to properties being excluded. He went on to explain that Mr. Cooney had gone back to speak with the underwriters and that they had agreed to keep the same rate for the Property and Boiler & Machinery Programs. All property exclusions must be submitted to the CJPRMA office by Tuesday, June 24th in order to get the information to the underwriters within the appropriate time period.

The Risk Manger also explained that we were looking to increase the use of Gales Creek Insurance, the CJPRMA Special Event Insurance Program. The underwriters of this program were concerned about its limited use amongst CJPRMA members. Members were strongly encouraged to increase their use of the program because it could be in jeopardy if its use did not increase.

Finally, the Risk Manager let the Board know that issues with the bulletin board on the CJPRMA website had been resolved.

10. Election of Officers and Executive Committee Members

There was balloted voting for the officer positions, starting with President. Director Henderson, *Livermore*, was elected as President. Director Tonks, *YCPARMIA*, was elected as Vice President. Directors Jessica Henry (Chico) and Chris Carmona (Redding) rotated onto the Executive Committee.

VIII. CLOSED SESSION

- None

IX. ACTION ON CLOSED SESSION ITEMS

- None

X. ADJOURNMENT

A motion by Director Maurer, seconded by Director Moon, to adjourn the meeting at 12:22 p.m. passed unanimously.

**CALIFORNIA JOINT POWERS
RISK MANAGEMENT AUTHORITY**

AGENDA BILL

Item #: 1	<u>Title:</u> APPOINTMENT OF NEW BOARD MEMBERS/ ALTERNATES
Meeting: 9/15-16/2008	
Agenda Bill #: 1014	
General Manager: 	

Recommended Action:

None. This item is being provided for information purposes only.

Item Explanation:

Notifications regarding a change in director/alternate designation that have been received since the last meeting are indicated herein.

- 1) Chico Alternate – Teresa Campbell, Interim Human Resources and Risk Management Director
- 2) Fairfield Director – Barbara Dillon, Director of Human Resources
- 3) Sunnyvale Director – Anthony Giles, Risk Manager
Alternate – Rebecca Moon, Assistant City Attorney

Fiscal Impact:

None.

Exhibits:

- 1) Letter from Chico, Dated 6/25/08
- 2) Letter from Fairfield, Dated 7/10/08
- 3) Letter from Sunnyvale, Dated 7/23/08

Board Action:



OFFICE OF THE
CITY MANAGER

411 Main Street - 3rd Floor (530) 896-7200
P.O. Box 3420 Fax (530) 895-4825
Chico, CA 95927 <http://www.ci.chico.ca.us>

L-AGR-1-14-1-1

June 25, 2008

Robert J. German, General Manager
California Joint Powers Risk Mgmt. Authority
2333 San Ramon Valley Blvd., Suite 250
San Ramon, CA 94583-4456

Re: New Alternate Director for City of Chico

Dear Mr. German:

This letter is to advise you that I have appointed a new Alternate Director to the Board of Directors of the Authority, effective immediately.

Our new Alternate Director is Teresa L. Campbell, Interim Human Resources and Risk Management Director. Her contact information is as follows:

411 Main Street, P.O. Box 3420, Chico, CA 95927-3420
Telephone: (530) 879-7901
Fax: (530) 895-4733
E-mail: tcampbel@ci.chico.ca.us

Thank you for your attention to this change. If you have questions or need additional information, please contact Ms. Campbell.

Sincerely,

David Burkland
City Manager

c: Int.HR&RM Dir.





Home of
Travis Air Force Base

CITY OF FAIRFIELD

Founded 1856

Incorporated December 12, 1903

RECEIVED

July 10, 2008

JUL 16 2008

C.J.P.R.M.A.

COUNCIL

Mayor
Harry T. Price
707.428.7395
Vice-Mayor
John Mraz
707.429.6298
Councilmembers
707.429.6298
Frank Kardos
Chuck Timm
Matt Garcia

Mr. Robert J. German
General Manager
California Joint Powers Risk Management Authority
2333 San Ramon Valley Boulevard, Suite 250
San Ramon, CA 94583


Subject: CJPRMA Board Appointment for the City of Fairfield

Dear Mr. German:

The City of Fairfield appoints Barbara Dillon, Director of Human Resources, as our primary Board Member for the California Joint Powers Risk Management Authority (CJPRMA), as of July 15, 2008. As you know, Robyn Kain, Benefits and Risk Manager, has accepted a new position with the City of Richmond.

If you have any questions, please call me at (707) 428-7400.

Sincerely,


SEAN P. QUINN
City Manager

SPQ:lr

cc: Greg Stepanicich, City Attorney
Barbara Dillon, Director of Human Resources

DEPARTMENTS

Community Services
707.428.7465
Finance
707.428.7496
Fire
707.428.7375
Human Resources
707.428.7394
Community Development
707.428.7461
Police
707.428.7551
Public Works
707.428.7485

CITY OF SUNNYVALE

456 WEST OLIVE AVENUE • SUNNYVALE, CALIFORNIA 94086 • (408) 730-7480

Office of the City Manager

July 23, 2008

RECEIVED

JUL 28 2008

C.J.P.R.M.A.

RECEIVED

JUL 28 2008

C.J.P.R.M.A.

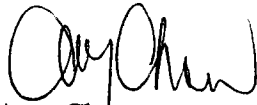
Robert German
CJPRMA
2333 San Ramon Valley Blvd., Suite 250
San Ramon, CA 94538

Re: CJPRMA

Dear Mr. German:

This is to advise you that as of July 23, 2008, the City of Sunnyvale's representative on the CJPRMA Board of Directors will be Anthony Giles, Risk Manager. Rebecca Moon, Assistant City Attorney, will be the alternate.

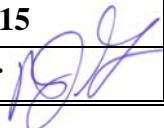
Sincerely,



Amy Chan
City Manager

**CALIFORNIA JOINT POWERS
RISK MANAGEMENT AUTHORITY**

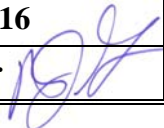
AGENDA BILL

Item #: 2	<u>Title:</u> REVIEW OF STRATEGIC PLAN
Meeting: 9/15-16/2008	
Agenda Bill #: 1015	
General Manager: 	
<u>Recommended Action:</u> None.	
<u>Item Explanation:</u> At its meeting on June 16, 2008, the Board of Directors received the report and recommendations of the ad hoc Committee on Executive Committee structure, strategic planning, and evaluation process review. One of their recommendations was to schedule a two day Strategic Planning session for the two days immediately preceding the CAJPA conference in Lake Tahoe. The recommendation was approved and the Board directed that Board members and Alternates be invited to participate. An itinerary for the meeting has been included in the agenda packet. Please note that all materials for the Strategic Planning session will be provided at the meeting.	
<u>Fiscal Impact:</u> The estimated expense for this special meeting is \$35,000.	
<u>Exhibits:</u> None.	

Board Action:

**CALIFORNIA JOINT POWERS
RISK MANAGEMENT AUTHORITY**

AGENDA BILL

Item #: 3	<u>Title:</u> PROPOSED AMENDMENT TO THE BY-LAWS
Meeting: 9/15-16/2008	
Agenda Bill #: 1016	
General Manager: 	

Recommended Action:

Approval of the proposed amendment to the by-laws.

Item Explanation:

At its meeting of June 16, 2008, the Board of Directors reviewed a number of recommendations from the ad hoc Committee and the Executive Committee.

One of those recommendations related to the election of Executive Committee Members.

The Board approved the recommendation to change the composition of the Executive Committee to elect the President, Vice President and two at large members. The remaining three positions would be appointed, on a rotational basis, from three categories (one from each). The categories are pools, large cities, and small cities. The division between large cities and small cities would be based on population (100,000). The population statistics would be reviewed and updated every two years. The rotation list would carry over from the current list and be assigned to the members in their applicable categories.

On August, 7, 2008, Board Counsel e-mailed the proposed amendment to the by-laws to the Board. A copy is attached hereto as an exhibit.

Staff recommends approval of the proposed change.

Fiscal Impact:

None.

Exhibits:

- 1) Proposed Amendment to by-laws

Board Action:

ARTICLE IV

EXECUTIVE COMMITTEE

The President and Vice-President shall serve on the *Executive Committee* during their incumbency in those offices. The remaining five members shall be elected from among the *directors* to serve a term of two years. A *member entity* cannot hold more than one (1) position on the *Executive Committee*. ~~No less than two members of the *Executive Committee* shall represent joint powers authority members (this includes the President and/or Vice President). In order to serve on the *Executive Committee* after July 1, 1991, a~~ A *director* must have served on the *Board* for at least twelve (12) months preceding the date of the election for the office.

Powers

The powers of the *Executive Committee* shall be those powers delegated to it by the *Board of Directors* which may include but are not limited to:

- a. personnel matters concerning salary, benefits and working conditions of staff;
- b. approval of warrants;
- c. approval of Requests for *Certificates of Coverage for Additional Covered Parties*;
- d. *covered loss* settlement authority in an amount as determined by the *Board*;
- e. approval of contracts for routine services (*claims* audit, financial audit, actuarial study, etc.);
- f. other authority as delegated by the *Board*.

The *Board of Directors* may revoke any of the powers delegated to the *Executive Committee* by a majority vote of the entire *Board*.

Election and Removal of Executive Committee Members

Election of non-officer members of the *Executive Committee* shall occur at the June *Board of Directors* meeting by selection from ~~an~~ three eligibility lists prepared by staff. One list shall be composed of the largest one-half of individual Member Entities based on population; a second list shall be composed of the smallest one-half of individual Member Entities based on population; and a third list shall be composed of Members which are themselves joint powers authorities. If the first and second lists do not comprise an even number of Member Entities, the second list shall contain one more Member Entity than the first. Election of three *directors* shall be conducted in even numbered years after the election of officers, one from each of the three lists. The other two *directors* shall be elected in odd numbered years, one from each list of individual Member entities. Staff shall prepare, starting with the June 2006 2009 election, a the three lists of *directors*, randomly generated. The *directors* at the top of ~~the~~ each applicable list shall be considered elected to open positions on the *Executive Committee* for a single term of two years each. If a *director* reaches the top of the list but is ineligible by reason of not having served on the *Board* for at least twelve (12) months, that *Director* will be passed but remain at

