



CALIFORNIA JOINT POWERS RISK MANAGEMENT AUTHORITY

COVERAGE & CLAIMS COMMITTEE MEETING

April 28, 2010 - 10:00 A.M.

**Hilton Sonoma Wine Country
Nagasawa D
3555 Round Barn Boulevard
Santa Rosa, CA 95403
(707) 523-7555**

AGENDA

- I. CALL TO ORDER: 10:00 a.m.**
- II. ROLL CALL**
- III. APPROVAL OF MINUTES**
 - None
- IV. PRESENTATIONS**
 - None
- V. COMMUNICATIONS**
 - A. Committee Members**
 - B. Staff**
- VI. CONSENT CALENDAR**
 - None
- VII. THIS TIME IS RESERVED FOR MEMBERS OF THE PUBLIC TO ADDRESS THE EDUCATION AND TRAINING COMMITTEE ON MATTERS OF EDUCATION AND TRAINING COMMITTEE BUSINESS**
- VIII. ACTION CALENDAR**
- IX.**
 - 1. Formation of Coverage and Claims Committee**
 - 2. Coverage issues**
 - A) Special Events Endorsement (Pgs. 3-6)
 - B) Benchmarking CJPRMA coverage vs. the competition
 - C) Review and update of the MOC
 - D) Review of Alliant Pollution Program

3. Claims

- A) Evaluate and explore options for involvement of board members in the claim/litigation process
- B) Review of draft litigation policy developed by previous committee
- C) Discussion of claims audit process for value to CJPRMA Members
- D) Explore options for creating a database of primary claims data
- E) Development of claims communications and trending information to the Board of Directors

4. Additional Issues

- A) CJPRMA RFP for Broker of Record
- B) Review of job description of Claims Manager

X. CLOSED SESSION

- None

XI. ACTION ON CLOSED SESSION ITEMS

XII. ADJOURNMENT

CALIFORNIA JOINT POWERS RISK MANAGEMENT AUTHORITY

PROGRAM YEAR 2009-2010

ENDORSEMENT NO. 4

With respect to *bodily injury* or *property damage* arising out of, and caused by, a “Special Event,” the *Retained Limit* stated in the Declarations Page is amended to \$25,000.

For purposes of this Endorsement, “Special Event” means an event described below for which a third party (“Event Sponsor”), by written contract (including by permit agreement executed by the Event Sponsor), agrees to use facilities of the Covered Party for a specified period of time and activity, and agrees by the contract to indemnify and hold harmless the Covered Party from risk of loss arising from the event.

The indemnity and hold harmless agreement must provide that the Event Sponsor “agrees to indemnify and hold harmless [covered party] and its agents and employees from and against any injury, damage, claims, actions or suits arising out of the [Special Event], including those caused by negligence of the parties being indemnified and/or any dangerous condition of property of the parties being indemnified, and further agrees to defend and indemnify [covered party] from and against any injury, damage, claims, actions or suits arising out of or connected with the [special event].”

“Special event” includes:

1. Aerobics – Jazzercise demonstrations
2. Animal Acts/Shows (not Zoos or Circuses)
3. Antique Shows
4. Art Festivals
5. Art Shows
6. Auctions
7. Automobile Shows
8. Awards Presentations
9. Ballets
10. Banquets
11. Bazaars
12. Beauty Pageants
13. Bingo/Casino games
14. Block Parties, including those with Street Closures
15. Boat Shows
16. Body Building Contests
17. Business Meetings
18. Business Shows
19. Carnivals (not including mechanized rides)
20. Casino and Lounge Shows
21. Charity benefits, auctions and sales; fund raisers
22. Civic clubs and group meetings

23. Community Fairs
24. Concerts with total attendance of less than 1500
25. Consumer Shows
26. Conventions in Buildings
27. Craft Shows
28. Dance Shows/Recitals
29. Dances and Parties (except with Rap or Heavy Metal)
30. Debutante Balls
31. Dinner Theater
32. Dog Shows
33. Drill Team exhibitions
34. Educational exhibitions
35. Electronics Conventions
36. Ethnic Fairs or Celebrations
37. Evangelistic meetings
38. Expositions
39. Farmers' Markets
40. Fashion Shows
41. Fishing Shows or contests
42. Flea Markets
43. Flower Shows
44. Food concessions
45. Garden Shows
46. Graduations
47. Harvest Festivals
48. Holiday Shows
49. Home Shows
50. Horse Shows
51. Housing Shows
52. Instructional Classes
53. Job Fairs
54. Ladies Club events
55. Lectures
56. Livestock Shows
57. Luncheon Meetings
58. Mobile Home Shows
59. Musicals
60. Night Club Shows
61. Operas
62. Organized Sight Seeing Tours
63. Pageants
64. Parties with total attendance of less than 500
65. Picnics
66. Plays
67. Political Rallies
68. Proms
69. Quinceaneras
70. RV Shows
71. Religious Assemblies

72. Reunions
73. Rummage Sales
74. Scavenger Hunts
75. Scouting Jamborees
76. Seminars
77. Sidewalk Sales
78. Soap Box Derbies
79. Social Receptions or Gatherings
80. Speaking Engagements
81. Sporting events if non-professional, non-league, non-contact (bicycle races/rallies, equestrian events, golf, gymnastics, tennis, handball or racquetball, roller skating, handball, marathons, fun runs, 10K races, gymnastic competitions, ice skating shows, ski events)
82. Sporting events if non-professional, non-league, limited contact (baseball or softball, soccer, roller hockey, basketball)
83. Street Fairs
84. Swap Meets
85. Symphony Concerts
86. Teleconferences
87. Telethons
88. Theatrical Stage Performances
89. Trade Shows
90. Union Meetings
91. Vacation Shows
92. Voter Registration
93. Walk a Thons
94. Weddings and Receptions

“Special Event” does not include:

1. Aircraft/aviation events (static displays are not excluded)
2. All terrain boarding
3. Ballooning or balloon rides
4. Base jumping
5. Bouldering
6. Bungee Jumping
7. Carnival rides
8. Circuses
9. Concerts over 6 hours
10. Diving
11. Football (except passing camps with no contact drills)
12. Hang gliding/ parachuting/ parasailing
13. Jousting
14. Kayaking, rafting or canoeing in greater than Class 3 rapids
15. Lacrosse and Rugby
16. Mechanical amusement rides or services
17. Motorized sporting equipment including speed or demolition events
18. Mosh Pits
19. Mountain Biking
20. Parades

- 21. Power Boat Racing
- 22. Professional Sporting Activities: games, racing, or contest of a professional nature
- 23. Pyrotechnics or explosives
- 24. Rap or Heavy Metal concerts
- 25. Raves
- 26. Rock Climbing
- 27. Rodeo or Roping Events
- 28. Scuba Diving
- 29. Sporting events if part of a league
- 30. Sporting events if non-professional, full contact (football, ice hockey, rugby, boxing, wrestling, contact karate, contact martial arts)
- 31. Tractor or Truck Pulls
- 32. Trampolines
- 33. Zoos

Exclusion for participants. This endorsement does not apply to “bodily injury” or “property damage” to any person while practicing for or participating in any sports or athletic contest or exhibition, or while performing in any concert, show, or theatrical event.

Exclusion for Sale alcohol. This endorsement does not apply to “bodily injury” or “property damage” arising from or caused, in whole or in part, by the Covered Party or Event Sponsor furnishing alcoholic beverages for which consumers are specifically charged by a third party vendor or caterer.

This Endorsement does not apply to liability arising from *Public Officials Errors and Omissions*.

This Endorsement does not eliminate the operation of any Exclusion in the Memorandum of Coverage.

This endorsement does not provide drop down coverage or reduce the retained limit under the reinsurance program.

This Endorsement forms a part of the Memorandum of Coverage for the program year indicated above.

Effective date: July 1, 2009

July 1, 2009

Date



General Manager



GENERAL MANAGER GOALS & OBJECTIVES FOR 2009-2010

GOALS	ACTION STEPS	STATUS	TARGET COMPLETION	TASKS COMPLETED
1. Maintain financial strength and solvency. 50%	A. Maintain affordable premiums for members.	Reinsurance Liability premiums will be maintained at the current level through 6/2011. Reinsurance Property premiums will be the same for two consecutive years through 6/2011.	Completed for 2010.	The General Manager provided the Board with a two year fixed premium annual renewal for all commercial programs. The Board adopted the program at the 2009 Annual Meeting.
	B. Explore and evaluate enhanced services at affordable costs.	Refer to coverage committee to review alternative coverage programs for members.	April 2010	
	C. Monitor organizational spending for budget compliance.	Ongoing	April 30, 2010	
	D. Establish a vendor pool providing discounted services to members.	Work with committees in defining vendor needs for members.	February 2010	
	E. Compare programs and services provided by other organizations.	Ongoing. To be discussed with Risk Management Committee.	June 2010	
	F. Monitor, review and evaluate all claims.	Ongoing. Report to Claims and Coverage Committee.		
	G. Monitor the use of outside counsel services in order to ensure that they are cost effective and efficient.	Ongoing. To be discussed with Claims and Coverage Committee.		
	H. Negotiate settlements that minimize the financial impact on organizational resources.	Ongoing. To be discussed with Claims and Coverage Committee.		
	I. Develop annual budget for approval.	Budget to be prepared for adoption at the annual meeting.	April 2010	

GOALS	ACTION STEPS	STATUS	TARGET COMPLETION	TASKS COMPLETED
2. Establish training programs for Board Members, staff and member entities. 10%	A. Identify essential core competencies for Board members and alternates.	Open, To be discussed with Education and Training Committee.		
	B. Develop a training curriculum focused on identified core competencies.	Open, To be discussed with Education and Training Committee.		
	C. Conduct New Board Member Orientation twice annually.	Schedule additional Board Member Orientations and consider a session at CAJPA.	December 3, 2009	Staff created a program for Board Member Orientation. First training of this fiscal year completed.
	D. Create a training program focused on frequency and severity of losses.	Open, To be discussed with Education and Training Committee.		Claims auditor to gather loss data during audit process.
	E. Implement a training program that optimizes member involvement and minimizes impact on member resources.	Open, To be discussed with Education and Training Committee.		
	F. Evaluate alternative methods for delivery of training programs.	Open, To be discussed with Education and Training Committee.		
	G. Create training program for professional development of staff.	Staff members attending CAJPA and PARMA Conferences. Additional programs being researched.	September 09 and February 10	Two staff members attended the 2009 CAJPA Conference. Four staff members to attend the 2010 PARMA Conference.

GOALS	ACTION STEPS	STATUS	TARGET COMPLETION	TASKS COMPLETED
3. Create standards for member Risk Management programs. 15%	A. Develop minimum standards for member Risk Management programs.	To be discussed with Risk Management Committee.		
	B. Develop organizational standards (benchmarks) for comparing member programs.	To be discussed with Risk Management Committee.		
	C. Provide enhanced Risk Management services to members.	To be discussed with Risk Management Committee.		
	D. Create a member Risk Management audit policy and procedure.	To be discussed with Risk Management Committee.		
	E. Create a member Risk Management accreditation program.	To be discussed with Risk Management Committee.		
	F. Create model policies and procedures.	Ongoing		
	G. Establish minimum standards for best practices.	To be discussed with Risk Management Committee.		
	H. Provide enhanced communication to members including jury verdicts, legislative developments and other industry related developments.	Open		
	I. Provide enhanced briefings on closing cases.	To commence with December Board Meeting.	December 10, 2009	
H. Establish a process for collecting member loss data.	Open. The CJPRMA Claims Auditor will be collecting loss data. The data will be transferred to CJPRMA for analysis.	April 2010		

	I. Analyze loss data for categorical frequency and severity.	Open	April 2010	
	J. Develop a comparative analysis for member to member experience.	Open	April 2010	

GOALS	ACTION STEPS	STATUS	TARGET COMPLETION	TASKS COMPLETED
<p>4. Improve the agenda process by creating policies and procedures for agenda preparation and distribution.</p> <p>10%</p>	<p>A. Create an agenda calendar which addresses dates for development and preparation of agendas. Agendas will be delivered via email one week prior to Board Meetings.</p>	<p>Completed December 10, 2009</p>	<p>December 10, 2009</p>	<p>A CJPRMA Annual Calendar was created and will be added as a standing agenda item beginning at the December 09 meeting. Completed December 10, 2009</p>
	<p>B. Increase the amount of background information provided in agenda bills.</p>	<p>Ongoing</p>		
	<p>C. Review preliminary agenda with the Board President at least 14 days prior to each meeting.</p>	<p>Commence in October 2009</p>		

GOALS	ACTION STEPS	STATUS	TARGET COMPLETION	TASKS COMPLETED
5. Establish a permanent office site with meeting space. 5%	A. Award contracts for construction of improvements.	Complete		Contracts for Construction, furniture, cabling, exterior signage and audio visual have been executed.
	B. Purchase furniture and equipment for new facility.	Complete		A contract for new furniture for the facility has been executed. The equipment is currently on order with a delivery date in late January.
	C. Relocate staff and equipment to new facility.		February 2010	An RFP for mover services has been issued. Responses for the RFP are due December 14, 2009.
	D. Sublease/terminate lease for existing office space.	Open until move completed.		Preliminary discussions with broker have started. The broker is in the process of creating advertising for existing space.
	E. Complete the new facility within allocated budget.	In progress.	February 2010	
	F. Schedule an Open House for new facility.		March 2010	
	G. Develop policy for use of the facility by members and outside parties.		March 2010	
	H. Provide periodic status updates to the Board and Executive Committee.	Ongoing		The General Manager will report the status of the new building at all Executive Committee Meetings and Board Meetings. The GM provided status reports in October and November.

GOALS	ACTION STEPS	STATUS	TARGET COMPLETION	TASKS COMPLETED
<p>6. Conduct analysis to determine optimum organizational size and explore options for the provision of additional coverages, products and services.</p> <p>10%</p>	A. Conduct member survey to identify additional exposures.	Ongoing. To be discussed with Claims and Coverage Committee.	February 2010	
	B. Evaluate optional coverage programs for common member exposures.	Ongoing. To be discussed with Claims and Coverage Committee.	March 2010	
	C. Develop an enhanced special event program.	Complete. Continued development of the coverage to be discussed with Claims and Coverage Committee.	July 1, 2009	The Board adopted the special event program in June 2009.
	D. Conduct an actuarial analysis.	ARM Tech to review existing data to make recommendations for optimum size of organization based upon exposures.	April 2010	
	E. Create a marketing program based upon organizational needs.	Open		
	F. Identify potential new members, create a priority list, and market accordingly.	Open		
	G. Maintain an organizational size that provides optimal pricing and delivery of services.		April 2010	
	H. Develop marketing plan for members and non-members.	Open		

California Joint Powers Risk Management Authority Strategic Plan 09-10

Priority	Long Range Goals	Initiatives to achieve goals	Fiscal Year	Assignment	Date completed
Strategic Direction					
High	Maintain an effective strategic plan	Review strategic plan annually, update as necessary and formally review at annual meeting.	Ongoing	BOD & GM	
		Provide status update of strategic initiatives at all board of director meetings	Ongoing	GM & Staff	
		Conduct strategic planning workshop annually	2009-2010	GM & Staff	
High	Evaluate the General Manager annually based upon goals and objectives.	Create an evaluation tool to be utilized by BOD and GM.	2008-2009	BOD & GM	
		Establish agreed upon goals and objectives for fiscal year.	2008-2009	BOD & GM	
		Identify and agree upon weighting of objectives.	2008-2009	BOD & GM	
		Create a process with timelines for the annual evaluation of the General Manager.	2008-2009	BOD & GM	
		Conduct an evaluation of the General Manager and review compensation based upon board adopted policy.	2009-2010	BOD & GM	

Internal Excellence					
High	Establish a governance approach which includes involvement of multiple board members.	Establish a policy for the creation of and performance guidelines for board committees.	2009-2010	BOD & GM	
		Identify core business areas that will be assigned to committees for oversight.			
High	Enhance the agenda deliverables to members.	Agenda review by President.	2009-2010	President/GM	
		Create a board agenda calendar including the dates for development and preparation of board agendas.	2009-2010	GM & Staff	
		Enhance the written materials included within the agenda packet and modify board agenda format.	2009-2010	GM & Staff	
Low	Review the continuing performance of the Insurance Broker.	Prepare and distribute an RFP for Broker of Record to qualified brokerage firms.	2010-2011	GM & Staff	
		Staff review of RFP submissions, including oral interviews, reference checks and program review.			
		Recommendation to Board of Directors for adoption at October Board Meeting.	2010-2011	GM & Staff	
		Award Broker of Record and begin marketing process for 2010-2011 program year.	2010-2011	BOD	
High	Establish a permanent office site with meeting space	Purchase a building for office space	2008-2009	BOD	
		Design the internal improvements	2008-2009	GM & Staff	
		Award contract and manage construction	2008-2009	GM & Staff	
		Purchase furniture and equipment for office space	2009-2010	GM & Staff	
		Relocation of staff and equipment to new facility	2009-2010	GM & Staff	
		Terminate existing facility lease	2009-2010	GM & Staff	
		Complete project within allocated budget	2009-2010	GM & Staff	
		Provide ongoing project status update to Board of Directors.	Duration of project	GM & Staff	
		Schedule grand opening celebration of new facility.	2009-2010	GM & Staff	
		Develop usage policy of facility for members and outside parties.	2009-2010	BOD & GM	

Marketing					
High	CJPRMA optimum membership	Determine optimal size parameters for the organization	2009-2010	GM & Staff	
		Perform actuarial review to determine minimum and maximum organizational limits	2009-2010	GM & Staff	
		Create a marketing program for new membership based upon identified needs of the organization.	2009-2010	GM & Staff	
		Establish a prioritized list of potential new members and market as necessary.	2009-2010	GM & Staff	
		Maintain the size of the organization that provides optimal pricing and delivery of service.	Ongoing	GM & Staff	

Core Services					
High	Policy creation and development	Develop model risk management polices for members	2009-2010	GM & Staff	
		Adopt risk management/best practice standards for membership	2009-2010	GM & Staff	
High	Affordable Premiums	Maintain affordable premiums for members	Ongoing	BOD & GM	
		Develop programs that enhance benefits to members	Ongoing	BOD & GM	
		Provide high level of service to members meeting their expectations	Ongoing	BOD & GM	
Medium	Auditing Standards	Develop a model for the performance of risk management audits for members	2009-2010	GM & Staff	
		Develop an organizational policy on the frequency of member audits	2009-2010	GM & Staff	
High	Products and Services	Develop optional individual services for members	2009-2010	GM & Staff	
		Create a CJPRMA approved vendor pool that provides discounted rates to members	2009-2010	GM & Staff	
High	Risk Management Information Services	Develop a standard on the reporting of loss information by member to CJPRMA	2009-2010	GM & Staff	
		Collect data from all members	2009-2010	GM & Staff	
		Create a reporting mechanism to deliver information to members	2009-2010	GM & Staff	
		Identify losses by frequency, severity and type.	2009-2010	GM & Staff	
		Create a member report card to effectively manage risks.	2009-2010	GM & Staff	
Low	Service enhancement deliverables	Service delivered based upon identified frequency and severity.	2009-2010	GM & Staff	
		Targeted service to members based upon individual loss history	2009-2010	GM & Staff	
Medium	Maintain data on offerings from comparable pools	Conduct ongoing assessment of programs offered by alternative JPA's and identify services to benefit membership.	Ongoing	GM & Staff	
Low	Explore expansion of claims audit to include evaluation of primary level work	Identify resources for claims audits and determine fiscal impact for expansion of services.	2009-2010	GM & Staff	
Med	Coverage audits for members	Audit of members insurance programs for adequa	2009-2010	GM & Staff	
High	Communication to membership	Provide ongoing information to members from Jury Verdicts, Appellate Cases and legislative developments	2009-2010	GM & Staff	
		Provide detailed case closure summary to BOD	2009-2010	GM & Staff	

High	Litigation Management Policy	Develop a litigation management policy	2009-2010	GM & Staff	
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	Core Services Continued				
		Claims and litigation management support for membership.	2009-2010	GM & Staff	
Medium	Member Accreditation Standards	Create a system for accrediting the performance of members based upon sound risk management practices and performance.	2009-2010	GM & Staff	

Education and Training					
Medium	Identify training needs and delivery methods	Develop a curriculum of standard board member training topics	2009-2010	GM & Staff	
		Establish minimum risk management competencies for Board Members and alternates	2009-2010	GM & Staff	
		Evaluate alternative methodologies for the delivery of training to member agencies	2009-2010	GM & Staff	
		Implement a training plan that optimizes member involvement and minimizes impact on member resources	2009-2010	GM & Staff	
		Create a training plan that includes delivery focusing on frequency and severity of losses	2009-2010	GM & Staff	
Medium	Training and Education	Provide members with a detailed training plan based upon frequency and severity of losses.	2009-2010	GM & Staff	
		Collect loss data from membership and develop a trending analysis based upon frequency and severity.	2009-2010	GM & Staff	
		Develop loss data evaluation for each members based upon performance to entire membership.	2009-2010	GM & Staff	
		Conduct new Board Member/Alternate Board Member orientation training programs at least semi-annually.	2009-2010	GM & Staff	
Medium	Establish a RM value for members	Identify the key components of an effective risk management program	2010-2011	GM & Staff	
		Develop a standard for comparison of programs for each member	2009-2010	GM & Staff	
Medium	Define additional program deliverables.	Develop core programs to market to existing members and non-members.	2009-2010	GM & Staff	

Coverage Options					
High	Market the foundation programs for CJPRMA	Annually market the GL/Auto/D&C reinsurance product	Ongoing	GM & Staff	
		Market the property,APD, and B&M Products	Ongoing	GM & Staff	
		Market the Special Event Program and focus on the development of a blanket special event coverage.	2009-2010	GM & Staff	
		Conduct a member survey to identify all CJPRMA exposures.	2009-2010	GM & Staff	
High	Identify coverage options for members and explore alternative products and services	With assistance of broker, evaluate optional coverage programs that include multiple exposures to members.	2009-2010	GM & Staff	



CALIFORNIA JOINT POWERS RISK MANAGEMENT AUTHORITY

Mission Statement

The California Joint Powers Risk Management Authority is a member-directed excess liability risk retention pool that is dedicated to protecting its members from catastrophic losses and meeting the needs of its members by:

- Providing comprehensive, stable, and affordable excess liability coverage
- Offering competitive and flexible coverage programs
- Delivering quality risk management services
- Preserving financial strength and solvency