

**CALIFORNIA JOINT POWERS RISK MANAGEMENT AUTHORITY
STRATEGIC PLANNING RETREAT
April 19, 2000 * Bodega Bay Lodge**

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MISSION STATEMENT

The California Joint Powers Risk Management Authority is dedicated to maintaining a commitment to excellence in the protection of its member entities from catastrophic liability and other financial losses.

**THREE YEAR GOALS
(2000-2003 * Not in priority order)**

Maintain financial stability

Develop and implement a market growth plan

Provide training for the Board and member entities

Improve communication at all levels

Improve accountability at all levels

ONE YEAR STRATEGIC OBJECTIVES

THREE YEAR GOAL: *Maintain financial stability*

ONE YEAR STRATEGIC OBJECTIVES:

- 1. By September 30, 2000, the ad hoc Board Finance Committee (Paul-lead, Robin, Patricia, Rex) will identify and quantify indicators (e.g., reserves vs. losses) of financial stability and develop a concise report mechanism.**
- 2. On October 5, 2000, the General Manager and the Actuary will present the financial impact of the loss of the two JPAs to the Board.**
- 3. Beginning January 1, 2001 and quarterly thereafter, the General Manager will monitor the indicators of financial stability and report to the Board.**

THREE YEAR GOAL: *Develop and implement a market growth plan*

ONE YEAR STRATEGIC OBJECTIVES:

- 1. By July 1, 2000, the General Manager and Linzie, Marilyn (lead), Dave and Bill K. will develop a visual presentation about CJPRMA's history, successes and benefits of being a member to present to potential members.**
- 2. By the October 2000 Board meeting, the General Manager will ensure that an independent consultant conducts a survey of other existing JPAs to determine their products, services, costs, how CJPRMA compares, and reports the results to the Board.**
- 3. By January 1, 2001, the Executive Committee will make a recommendation to the Board on how/where the JPA should grow.**
- 4. By April 1, 2001, the General Manager will ensure that the Marketing Consultant develops and begins to implement the Marketing Plan.**

OBJECTIVE FOR THE NEXT YEAR:

By July 1, 2001, and quarterly thereafter, the General Manager will provide an update on marketing efforts to the Board.

THREE YEAR GOAL: *Provide training for the Board and member entities*

ONE YEAR STRATEGIC OBJECTIVES:

- 1. By the June 2000 Board meeting, the Executive Committee, working with the General Manager and General Counsel, will recommend an annual training program (including which training should be mandatory and which should be optional) to the Board.**
- 2. By the November 2000 Board meeting, Caren will review and update the Administrative Manual of member entities.**
- 3. By December 31, 2000 and within 60 days after appointment of new directors, the General Manager will implement a face-to-face orientation for directors (mandatory) and alternates (optional).**
- 4. At the January 2001 Board meeting, the Executive Committee will develop and present to the Board a mechanism to keep the member entities updated on legal, insurance and legislative issues.**

THREE YEAR GOAL: *Improve communication at all levels*

Within 48 hours	All	Read the meeting record
Monthly objectives	Board or Executive Cmte.	Review progress on the goals and and revise (add, amend and/or delete) objectives as needed
Monthly	GM	Send strategic plan update to Board
October 2000	Board/Staff	Planning retreat to review progress on the strategic plan and review objectives for the next six months

ASSESS THE STRENGTHS OF CJPRMA (WHAT'S GOING WELL?)

Brainstormed List:

- **settlements**
- **group discussions in conferences (like right now)**
- **customer service is good**
- **similar philosophies**
- **great network**
- **premium redistributions**
- **good staff**
- **group purchasing power**
- **problem-solving skills**
- **large collection of public agencies (over 144)**
- **overall claims management**
- **still financially strong**
- **collective expertise**
- **supportive relationships**
- **reorganization (internal office)**
- **mutual cooperation**
- **strong insurance program**
- **members are committed to making the organization better**
- **good outside 3rd party help**
- **tend to work through problems, even if painful, and work through to the solutions**
- **try and cover the needs of the vast majority of the group**
- **try to take care of the particular needs of the group**
- **good track record**
- **good legal counsel**
- **when claims come, cities are treated better because they are part of a membership group**
- **we provide benefits that would otherwise not be available**
- **willingness to consider new approaches to problems**

ASSESS THE WEAKNESSES OF CJPRMA (WHAT'S NOT GOING AS WELL AS YOU WOULD LIKE?)

Brainstormed List:

- lack of loss prevention and control
- don't identify needs—slow to make decisions, put off training for common procedures and issues
- lack of innovation
- members' focus instead of CJPRMA focus
- no sharing of claims settlements—no learning
- lack of communications—GM to Board, Board to members, GM to members
- pricing not competitive
- slow response from the main insurance broker
- disagreements—cities vs. JPAs on interests and how policies affected
- slow to change
- lack of new member orientation
- members with higher SIRs have different interests than those with lower SIRs
- failure to report on goals and objectives
- brokerage 3rd party representation (types and costs)
- lack of accountability
- lack of computer system reliability
- lack of resources for the members
- lack of benchmarks—evaluation
- turnover of accountant
- lack of understanding of the original goals of the JPA
- lack of analysis
- lack of trust
- problems with problem completion
- lack of follow-through by staff
- blowing things out of proportion
- lack of transition planning
- negative influence of insurance types on the Board
- no training for members
- lack of member accountability
- group often doesn't understand a decision or focus
- trust issue with GM
- no marketing plan of CJPRMA
- ideas aren't implemented
- lack of Board focus
- shrinking size of membership
- failure of JPA staff to notify Board of successes
- no criteria/standards for new members
- not knowing if we are competitive with the insurance companies

WHAT ARE THE EXTERNAL FACTORS/TRENDS THAT WILL/MIGHT HAVE A POSITIVE IMPACT ON CJPRMA?

Brainstormed List:

- it appears that the commercial market is hardening
- a conservative California governor or government
- low unemployment in the world
- public entities have money again
- continuing education for people in the risk management field
- better communication and interaction between agencies
- information technology—Internet
- sharing of loss information
- behavior-based risk management
- stock market crash
- fast growing economy
- communications technology
- getting younger and brighter people into our field
- partnerships with insurance industry/3rd party players
- collaborative efforts that get together on employment issues and training

WHAT ARE THE EXTERNAL FACTORS/TRENDS THAT WILL/MIGHT HAVE A NEGATIVE IMPACT ON CJPRMA?

Brainstormed List:

- deterioration of risk management commitment by certain agencies
- NYPD
- police liability
- liberal legislation—expanding liability to cities
- competition from other JPAs
- employment practices
- lack of motivation
- appointment of liberal judges
- lack of personal responsibility
- lack of transition planning (reflective of aging workforce)
- large losses
- continuously advancing technology
- political agendas by Councils
- regulatory change
- Supreme Court decisions
- deterioration of public facilities
- continued existence of the California Trial Lawyers Association
- global change in values of the average employee—different work ethic and idea of public service—sense of “I’m in it for me”
- Rampart Division LAPD
- aging population and workforce
- erosion of immunities
- innovativeness of plaintiff’s bar

- escalation of jury awards
- litigious society
- claims based on the Internet, email
- FEMA insurance regulations
- difficulty getting good people
- continued aggressiveness of insurance companies
- the number of job changes—people being attracted to other organizations, especially in the private sector
- multiple work demands by agencies that take away time to manage the organization

BRAINSTORMED GOALS

- Maintain financial stability
- Develop measures to ensure accountability and follow-through
- Improve communications between Board and staff
- Maintain or reduce annual premium
- Expand member services
- Maximize use of technology
- Improve information management
- Establish policies and procedures manual for Board members
- Develop operating procedures/ongoing review of current procedures—operational audit
- Develop and implement a market growth plan
- Improve Board member teamwork
- Develop a comprehensive resource center
- Establish standards for members
- Provide better and broader coverage than private insurance companies
- Benchmark evaluation of organization
- Recruit new members
- Keep net price competitive
- Establish rigorous claims reporting procedures
- Provide training—including new Board member orientation, loss prevention
- Develop underwriting standards for new members
- Improve the website
- Strengthen the Executive Committee
- Improve broker/service provider relations
- Improve communication between the Board and its members/governing Councils or Boards
- Support member agencies' risk management programs
- Provide adequate staffing for Board support