



**CALIFORNIA JOINT POWERS RISK MANAGEMENT AUTHORITY**

**EXECUTIVE COMMITTEE MEETING**

**July 16, 2015 - 10:00 A.M.**

**City of Richmond  
City Hall, Richmond Room, First Floor  
450 Civic Center Plaza  
Richmond, CA 94804**

**MINUTES**

**I. CALL TO ORDER:**

- President Carmona called the meeting to order at 9:58 a.m.

**II. ROLL CALL**

***PRESENT***

- |                                     |                                      |
|-------------------------------------|--------------------------------------|
| 1) Chris Carmona, <i>Redding</i>    | 4) Roger Carroll, <i>SCORE</i>       |
| 2) Janet Hamilton, <i>Livermore</i> | 5) Kim Greer, <i>Richmond</i>        |
| 3) Paula Islas, <i>NCCSIF</i>       | 6) Celeste Garrett, <i>Vacaville</i> |

***ABSENT***

*Lodi*

***OTHERS PRESENT***

- 7) Dr. William Deeb, *AON*
- 8) A. Byrne Conley, *Gibbons & Conley*
- 9) David Clovis, *CJPRMA*
- 10) Craig Schweikhard, *CJPRMA*
- 11) Saima Kumar, *CJPRMA*
- 12) Rachel Henderson, *CJPRMA*
- 13) Susanna Banuelos, *CJPRMA*

**III. PRESENTATIONS**

- None

#### **IV. APPROVAL OF MINUTES**

- A motion was made by Director Islas and seconded by Director Hamilton to approve the minutes of the Executive Committee meeting held March 23, 2015. Directors Carmona, Carroll, Greer, and Garrett voted for the approval of the minutes. Director Magdich was absent. Motion passed.

#### **V. COMMUNICATIONS**

##### **1. Executive Committee Members**

- None

##### **2. General Manager/Secretary**

- None.

- ##### **3. Next Scheduled Meetings:**
- Executive Committee (09/15/2015) CAJPA
  - Board of Directors (10/22/2015) CJPRMA Office
  - Executive Committee (11/19/2015) Town of Loomis

#### **VI. CONSENT CALENDAR**

- None

#### **VII. THIS TIME IS RESERVED FOR MEMBERS OF THE PUBLIC TO ADDRESS THE EXECUTIVE COMMITTEE ON MATTERS OF EXECUTIVE COMMITTEE BUSINESS**

#### **VIII. ACTION CALENDAR**

##### **1. Business Calendar for 2015**

The CJPRMA 2015 Business Calendar was provided as a standing agenda item for the Executive Committee. This calendar provides Committee members and staff with a listing of key business items and the required dates for completion.

No action was required on this item.

## 2. Approval of Biannual Review of Staff Salaries and Benefits

The general manager informed the Executive Committee that the Board of Directors adopted a policy on the process of reviewing and adjusting staff salaries and benefits. A salary survey and review was last completed in 2008. He stated that no changes to the compensation plan or the health and welfare contributions have been made since then.

He said that in 2008 the Board approved modifications to certain staff positions. The risk manager's classification was modified and retitled to claims administrator, the office specialist position was reclassified to an administrative assistant and the position of administrative analyst was reclassified to executive assistant. The title changes included job responsibility changes that are currently included in each of the job descriptions.

The general stated that Intern Rachel Henderson was assigned the responsibility to obtain the data for this survey. The general manager explained the principal duties of each position and provided the Intern with directions on the process for fathering the data. A combination of website data collection and direct contact with the organizations was utilized for the purpose of the survey. Identified titles within organizations that had numerous positions of like kind were reviewed to determine similarities in the skills and performance requirements of each position. A copy of the findings were provided to the Executive Committee for review.

The following areas have been reviewed by staff with recommendations as follows:

### A) Salary Ranges

The median of "top step of base salaries" was used as the determining factor for setting staff salary ranges.

For the purpose of this study total compensation was based upon top step salary plus health and welfare contribution by employer and a deduction for the employee contribution to retirement. This was the format implemented in 2004 and has been used in each study since adoption. The top step numbers below have been adjusted based upon the total compensation as defined above.

- 1) Administrative Assistant – The existing top step salary range of \$5,434/month is \$1,440 (26.5%) below the top step median. An adjustment is recommended.
- 2) Executive Assistant – The existing top step salary range of \$5,848/month is \$2,019 (34.5%) below the top step median. An adjustment is recommended.

- 3) Financial Analyst – The existing top step salary range of \$9,101/month is \$1,729 (19%) below the top step median. An adjustment is recommended
- 4) Claims Administrator – The existing top step salary range of \$10,823/month is \$1,290 (11.9%) below the top step median. An adjustment is recommended

#### B) Health & Welfare

CJPRMA provides staff with a cafeteria plan for their benefits. Staff has the option of choosing their medical provider from the list of programs available under the Cal PERS medical program. Dental is provided by Delta Dental and Vision is provided by Vision Service Plan. All employees are required to participate in the dental and visions programs and are required to contribute to these plans via the defined health and welfare contributions. Employees may opt out of the medical program and the remainder of the cafeteria funds may then be used as a contribution to their deferred compensation plan.

The current allotment for the Health & Welfare Program for each employee is \$1,290 per month. The median determined by the current survey is \$1,778. The current allotted amount is approximately \$488 (37.8%) per month below the median. An adjustment is recommended.

CJPRMA employees are eligible for retiree health benefits based upon the program provided by the City of Livermore at the time this benefit was adopted by the Board of Directors. This program provides for employees that retire from the organization into Cal PERS, with a minimum of ten years of service, eligible for a reimbursement of 75% of the Kaiser employee + one premium. Employees that retire with fifteen years of service are eligible for 100% reimbursement of the Kaiser employee + one premium. The Board of Directors approved the creation of an OPEB Trust Account at the June Board of Directors Meeting.

The general manager said that at the June meeting, a board member recommended staff evaluate options for eliminating this benefit for all new employees. Based upon the review of data provided with the survey, there is not a recommendation to remove this benefit. There are retirements anticipated in the near future and it is recommended that this benefit be retained at the current time. This benefit is beneficial in both the retention and recruitment of new employees.

#### C) Retirement

This study also identified the PERS or County 1937 Act formula provided by the agencies surveyed. The employee contribution for each of the retirement programs was included in the data survey and those calculations are included in the “Total Compensation” analysis provided. CJPRMA adopted the new employee retirement formula as mandated by the legislature. All new hires for CJPRMA receive a pension based upon 2% at age 62 as

required. There is no recommendation to modify the current PERS retirement plan formulas CJPRMA employees.

D) Auto Allowance for Claims Administrator/General Manager

Currently the claims administrator and general manager are provided with an auto allowance of \$450 per month and reimbursement of mileage in excess of 50 miles for any trip. Upon review of the current contributions of the agencies surveyed there is no recommendation for any changes to this allowance.

Recommendations:

Based upon the information collected during the salary survey it was recommended that individual salary ranges and health and welfare contributions be modified to establish a total compensation plan at the median level. The following table adjusts the recommended salary top steps along with the modification to the health & welfare program.

The recommended increase to health & welfare is \$400; this will place the contribution within 5% of the median for a total contribution of \$1,690.

<b>Position</b>	<b>Current Top Step Salary</b>	<b>New Top Step Salary</b>	<b>New Total Comp inc H&amp;W</b>	<b>Survey Median</b>
<b>Administrative Assistant</b>	\$4,504	\$5,184	\$6,874	\$6,874
<b>Executive Assistant</b>	\$4,954	\$6,177	\$7,867	\$7,867
<b>Financial Analyst</b>	\$8,489	\$9,140	\$10,830	\$10,830
<b>Claims Administrator</b>	\$10,361	\$10,423	\$12,113	\$12,113

Director Greer asked if there was COLA adjustment that was given to staff. The general manager said that yes there is a COLA adjustment that is given to staff every other year. Several of the Directors voiced their opinion that an independent consult should review the staff salary survey. Director Garrett asked if there is a compensation plan. The general manager stated that yes; there is an adopted compensation plan. Director Islas recommended that the Health and Welfare Plan be increased from \$1290 to \$1778, to be placed at the median of the current salary survey.

- A motion by Director Islas and seconded by Director Carroll to adjust the Health and Welfare Plan from \$1290 to \$1778. Directors Carmona, Carroll, Greer, and Garrett voted for the approval of the motion. Director Magdich was absent. Motion passed.
- A motion by Director Carroll and seconded by Director Hamilton to defer the salary survey to and outside consultant to review and verify the information. Directors Carmona, Carroll, Greer, and Garrett voted for the approval of the motion. Director Magdich was absent. Motion passed.

### **3. Proposed Amendments to CJPRMA Bylaws Article XI, Settlement of Claims**

The general manager said that the Board of Directors directed staff to consider modifying the general manager settlement authority for the settlement of claims. He said that in 1994 the Board of Directors approved the current settlement authority under Article XI, Settlement of Claims page 14 of the bylaws. The current authority granted under the policy provides the Executive Committee with authority up to \$500,000 and the general manager currently has zero authority for claims. The current authority which is over 22 years old is not efficient or consistent with current practices of other CJPRMA Members.

He stated the staff recommends that the general manager be authorized to settle any claim up to \$100,000 and the authority granted to the Executive committee also be increased from the current \$500,000 to \$750,000. He said that these numbers reflect the current climate for the settlement of claims in light of the impact of inflation on the cost of these settlements.

The Executive Committee recommended that the General Manager's settlement authority should be increased from \$100,000 to \$250,000.

- A motion by Director Greer and seconded by Director Hamilton to recommend to the Board of Directors to approve the recommended changes to current settlement authority under Article XI, Settlement of Claims page 14 of the bylaws to increase Executive Committee's settlement authority to \$750,000 and the general manager's settlement authority to \$250,000. Directors Carmona, Carroll, Greer, and Garrett voted for the approval of the motion. Director Magdich was absent. Motion passed.

### **4. Executive Committee Roles and Responsibilities**

The general manager said that this agenda bill was requested by President Carmona to discuss the responsibilities of the Executive Committee. Director Carmona stated the he would like to see a standing agenda item related to succession planning along with looking into other agencies models on succession planning. He also brought up the discussion on General Manager's Performance Evaluation that is due at the end of the year. He said that it is a whole day process and he would like to start working on it ahead of time.

The general manager stated that the Executive Committees goal has always been to strive to make the pool better.

No Action was required on this item.

**5. Status Update on General Manager's Goals & Objectives 2013-2015 with Accomplishments**

The general manager provided the committee with the General Manager Goals and Objectives for FY 2013-2015. He gave a status updates on all items listed. The Committee reviewed all items and their corresponding progress updates.

No Action was required on this item.

**6. Risk Management Issues**

Dr. William Deeb, Aon said that Starr announced that they will no longer write law enforcement liability coverage. He said the ACE and CHUBB have merged together.

**IX. CLOSED SESSION**

**1. Government Code Section 54956.9 (a)**

Conference with Legal Counsel - Pending Litigation

**Name of Case:** Holt-Singh v. City of Stockton

**Court:** N/A

**Case No.:** N/A

**2. Government Code Section 54956.9 (a)**

Conference with Legal Counsel - Litigation

**Name of Case:** Hernandez v. City of Richmond

**Court:** United States District Court – Northern District of California

**Case No.:** 3:14-cv-030799 JST

**3. Government Code Section 54956.9 (a)**

Conference with Legal Counsel - Litigation

**Name of Case:** Romero and Johnson v. City of Vallejo

**Court:** United States District Court – For the Eastern District of California

**Case No.:** 2:13-cv-01072-JAM-KJN

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

**Name of Case:** Hollyn D’Lil and Richard Skaff v. City of Petaluma

**Court:** United States District Court – Northern California

**Case No.:** 3:11-cv-02088-JCS

**X. ACTION ON CLOSED SESSION ITEMS**

The general manager gave status update on all four of the closed session items.

**XI. ADJOURNMENT**

A motion was made by Director Greer and seconded by Director Carroll to adjourn the meeting at 1.27 p.m. Directors Carmona, Hamilton, Islas and Garrett voted for the approval to adjourn. Director Magdich was absent, motion passed.