



CALIFORNIA JOINT POWERS RISK MANAGEMENT AUTHORITY

BOARD OF DIRECTORS MEETING
Thursday August, 17, 2017 9:00 A.M.

**CJPRMA Main Office
3201 Doolan Road, Suite 285
Livermore, CA 94551
(925) 837-0667**

MINUTES

I. CALL TO ORDER

- President Hamilton called the meeting to order at 9:05am.

II. ROLL CALL

PRESENT:

- | | |
|--|---|
| 1) Lucretia Akil, <i>Alameda</i> | 11) David Rawe, <i>Roseville</i> |
| 2) Jamie Cannon, <i>Chico</i> | 12) Mary Ann Perini, <i>San Leandro</i> |
| 3) Craig Conwright, <i>Fremont</i> | 13) Stacey Peterson, <i>San Rafael</i> |
| 4) Janet Hamilton, <i>Livermore</i> | 14) Amanda Tonks, <i>Santa Rosa</i> |
| 5) Janice Magdich, <i>Lodi</i> | 15) Roger Carroll, <i>SCORE</i> |
| 6) Cecilia Quiambao, <i>Petaluma</i> | 16) Gail Kiyomura, <i>Stockton</i> |
| 7) Lynette Frediani, <i>Redding</i> | 17) Laura Marquez, <i>Sunnyvale</i> |
| 8) Kim Greer, <i>Richmond</i> | 18) Erika Leahy, <i>Vallejo</i> |
| 9) Laura Snideman, <i>Fairfield</i> | 19) Celeste Garrett, <i>Vacaville</i> |
| 10) Astrida Trupovnieks, <i>NCCSIF</i> | 20) Marinda Griese, <i>YCPARMIA</i> |

ABSENT: REMIF

OTHERS PRESENT:

- | | |
|---|---|
| 21) Amber Foster, <i>Chico</i> | 31) A. Byrne Conley, <i>Gibbons & Conley</i> |
| 22) Jas Sidhu, <i>Livermore</i> | 32) Dr. William Deeb, <i>AON Risk Services</i> |
| 23) David Clovis, <i>CJPRMA</i> | 33) Robert Lowe, <i>Alliant Insurance Services</i> |
| 24) Lola Deem, <i>CJPRMA</i> | 34) Martin Cassell, <i>Chandler Assets Management</i> |
| 25) Craig Schweikhard, <i>CJPRMA</i> | 35) Marcus Beverly, <i>Alliant Insurance Services</i> |
| 26) Saima Kumar, <i>CJPRMA</i> | 36) Chris Carmona, <i>George Hills Company</i> |
| 27) Marcia Hart, <i>CJPRMA</i> | 37) Theresa Roland, <i>Stockton</i> |
| 28) Susanna Banuelos, <i>CJPRMA</i> | 38) Emily Combs, <i>Fairfield</i> |
| 29) Kelly Trujillo, <i>Vallejo</i> | 39) GeorgeAnne Meggers-Smith, <i>Vacaville</i> |
| 30) Rick Buys, <i>Risky Business Pros</i> | 40) Teri Pacioni, <i>Risky Business Pros</i> |

III. CLOSED SESSION

1. Government Code Section 54956.9 (a)

Conference with Legal Counsel – Litigation

Name of Case: Meyers, Mathew v. City of Davis, et al. (YCPARMIA)

Court: Superior Court of the State of California, Yolo County

Case No.: PO16-316

2. Government Code Section 54956.9 (a)

Conference with Legal Counsel – Litigation

Name of Case: Nguyen, Nhan v. City of Roseville

Court: Superior Court of the State of California, County of Placer

Case No.: SCV0038761

3. Government Code Section 54956.9 (a)

Conference with Legal Counsel – Litigation

Name of Case: Flowers, James v. City of Richmond

Court: Superior Court of the State of California, County of Contra Costa

Case No.: C16-02113

IV. ACTION ON CLOSED SESSION ITEMS

- The Board of Directors conferred with staff regarding litigated claims and provided direction.

V. PRESENTATIONS

- David Clovis, CJPRMA – Upcoming training sessions and new CJPRMA website.

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

VII. COMMUNICATIONS

1. Board of Directors
2. General Manager/Secretary
3. Next Scheduled Meetings: Executive Committee (09/28/2017) CJPRMA
Board of Directors (11/16/17) CJPRMA

VIII. APPROVAL OF MINUTES

- A motion was made by Director Cannon and seconded by Director Griese to approve the May 24 & 25, 2017 minutes. Directors Akil, Schwarz, Hamilton, Magdich, Quiambao, Frediani, Greer, Snideman, Trupovnieks, Peterson, Rawe, Perini, Kurihara, Carroll, Kiyomura, Marquez, Leahy, and Garrett approved the motion. REMIF was not present. Motion passes.

IX. CONSENT CALENDAR

1. Additional Covered Party Certificates Approved by the General Manager (A)

2. Financial Report of CJPRMA as of May 31, 2017 (A)

- A motion was made by Director Quiambao and seconded by Director Perini to approve the Consent Calendar. Directors Akil, Schwarz, Hamilton, Magdich, Cannon, Frediani, Greer, Snideman, Trupovnieks, Peterson, Rawe, Griese, Carroll, Kiyomura, Marquez, Leahy, Tonks and Garrett approved the motion. REMIF was not present. Motion passes.

X. ACTION (A) AND INFORMATION (I) CALENDAR

3. Report from the Investment Manager (I)

Mr. Martin Cassell, Chandler Asset Management, was present to discuss the CJPRMA portfolio and investment strategy. He also provided an update on economic factors that have had a direct impact on the pool investments.

The investment program is divided into three parts: The Loss Payment Account, the Long Term Growth Account and the Long Term Growth/Tactical Account.

The Loss Payment Account is utilized to provide funds for operating expenses and the payment of losses. The Loss Payment Account invests in high grade securities with a maximum maturity of five years. As of July 31, 2017, the Loss Payment Account was valued at \$3,748,897. This was an increase of \$4,648 from its valuation of \$3,744,249 on April 30, 2017. Multiple securities were purchased across the Treasury, Asset Backed, and Commercial Paper sectors of the market to keep the overall duration of the strategy close to the one year target. The purchased securities ranged in maturity from November 2017 to October 2021. Two securities matured to help facilitate the new additions to the portfolio. The overall balance of the portfolio remains below the \$10mm target and CJPRMA staff and the Chandler team will be working to increase the allocation closer to target in the coming months as premium payments are collected by the JPA. The Loss Payment Account has sufficient funds to meet the expenditure requirements of the next six months.

Both Long Term Growth Accounts are utilized to provide long term asset growth in order to offset inflation. The maturity range of these investments is a maximum of ten years.

As of July 31, 2017, the Long Term Growth/Tactical Account was valued at \$29,001,943. This was a decrease of \$2,853,770 from its valuation of \$31,855,713 on April 30, 2017. Several securities were purchased across the Treasury, Agency, Supranational, Asset Backed and Commercial Paper sectors of the market to keep the portfolio structure in-line with Chandler objectives. Due to the below target allocation in

the Loss Payment Account the Tactical Long Term Growth account has been utilized as the source of liquidity over the past several quarters. Notably \$3 million was withdrawn in July and multiple securities in the Treasury, Agency, and Corporate sectors were sold to facilitate the withdrawal.

As of July 31, 2017, the Long Term Growth Account was valued at \$38,693,745. This was an increase of \$324,664 from its valuation of \$38,369,081 on April 30, 2017. Transactional activity was light during the quarter as the yields available in longer maturity assets in both the Treasury and Agency sectors are relatively unattractive in Chandler's judgement. The Chandler team purchased the same security maturing in 2027, once in May and once in June, to keep the overall structure of the portfolio in-line with our internal target for the strategy. Two shorter maturity Treasury notes, both with maturities in 2022, were sold to facilitate the new positions in the portfolio.

The investments in all accounts comply with CJPRMA's investment policy.

- No action was required. This is an information only item.

4. Business Calendar for 2017 and 2018 (I)

The 2017 and 2018 business calendar was provided to the Board as a standing agenda item. The calendar provides key business items and the required dates for completion for the Board.

- No action was required. This was an information only item.

5. Approval of the Holiday Schedule for 2018 (A)

The 2018 Holiday calendar was presented to the Board. The calendar provides the dates of the holidays for calendar year 2018.

- A motion was made by Director Akil and seconded by Director Magdich to approve the Holiday Schedule for 2018. Directors Quiambao, Schwarz, Hamilton, Perini, Cannon, Frediani, Greer, Snideman, Trupovnieks, Peterson, Rawe, Griese, Carroll, Kiyomura, Marquez, Leahy, Tonks and Garrett approved the motion. REMIF was not present. Motion passes.

6. Approval of the Meeting Schedule for 2018 (A)

The 2018 Meeting calendar was presented to the Board. The calendar provides the schedule for the Executive Committee and Board of Director meetings.

- A motion was made by Director Cannon and seconded by Director Snideman to approve the Consent Calendar. Directors Quiambao, Schwarz, Hamilton, Perini, Akil, Frediani, Greer, Magdich, Trupovnieks, Peterson, Rawe, Griese, Tonks, Carroll, Kiyomura, Marquez, Leahy, and Garrett approved the motion. REMIF was not present. Motion passes.

7. Appointment of CJPRMA Claims Committee Members (A)

President Hamilton announced the names of the new CJPRMA Claims Committee. This committee will serve a two year term. They will be responsible for creating a schedule of the committee and developing an approach to provide feedback to the Board of Directors at their meetings. The list of member’s staff that were assigned to the Claims Committee are:

- Kim Greer - Committee Chair, *Richmond*
 - Andria Borba, *Vacaville*
 - Dave Rawe, *Roseville*
 - Steve Schwartz, *Fremont*
 - Jas Sidhu, *Livermore*
 - Kelly Trujillo, *Vallejo*
 - Byrne Conley – *Board Counsel*
 - David Clovis, *CJPRMA Staff Member*
- A motion was made by Director Garrett and seconded by Director Quiambao to approve the appointment of members to the CJPRMA Claims Committee. Directors, Snideman, Schwarz, Hamilton, Perini, Akil, Frediani, Greer, Magdich, Trupovnieks, Peterson, Rawe, Griese, Carroll, Kiyomura, Marquez, Leahy, Tonks and Cannon approved the motion. REMIF was not present. Motion passes.

8. Election and Appointment of Executive Committee Members (A)

The Bylaws require the election of two non-officer positions in odd numbered years. The current terms for Director Magdich and Director Carroll expired on June 30, 2017. The Bylaws state that a non-officer director must have served on the board for at least twelve (12) consecutive months preceding the date of the election to be eligible for the office. The following nominees qualified for election and were listed on the ballot for members to vote. (Note: Strikethroughs indicates Directors that were not interested or unavailable to serve on the Executive Committee and withdrew their names from the ballot)

Lucretia Akil, Alameda	Mary Ann Perini, San Leandro
Jamie Cannon, Chico	Stacey Peterson, San Rafael
Laura Snideman, Fairfield	Deanna Solina, Stockton
Steven Schwarz, Fremont	Laura Marquez, Sunnyvale
Janice Magdich, Lodi	Claudia Quintana, Vallejo
Lynette Frediani, Redding	

Article III – Bylaws states “The candidate receiving the greatest plurality of votes will be elected to that position. In the event of a tie, those not involved in the tie will be eliminated and the remaining candidates will be the subject of a runoff election. If unsuccessful after the runoff, the election for that office will start again with all the candidates eligible”

Members voted by ballot, then the ballots were tallied by General Manager and Board Counsel. The two members with the greatest plurality of votes were Director Magdich, Lodi and Director Frediani, Redding to fulfill the non-officer positions of the 2017-2018 Executive Committee.

In addition to the elected positions, a vacancy of a non-officer needed to be appointed from the rotation list. The next JPA eligible for appointment was SCORE. Director Carroll was appointed to replace Director Tonks and carry out his term. The 2017-2018 Executive Committee is:

- Janet Hamilton – President, Livermore
 - Kim Greer – Vice President, Richmond
 - Celeste Garrett, Vacaville
 - David Rawe, Roseville
 - Roger Carroll, SCORE
 - Janice Magdich, Lodi
 - Lynette Frediani, Redding
- No further action was required.

9. Approval of CJPRMA Litigation Policy (A)

The general manager gave an overview of how a Litigation Policy would benefit the members of CJPRMA versus a Litigation Guideline. It was stated that a Policy would ensure members are on a standard playing field and this would meet the requirements for CAJPA accreditation. He stated that it was first discussed and reviewed by the Executive Committee in February 2017, then presented to the Board of Directors at the May BOD meeting. At that time it was suggested that it remain a Guideline and not a Policy. The Executive Committee re-evaluated and deliberated this topic at their June 2017 meeting. The Executive Committee was unanimous in their evaluation of the Litigation Policy and voted and agreed the item should be adopted as a Policy. The Executive Committee expressed concern over not mandating such a policy that would be good for all members and a benefit to the pool. The committee also believes that a policy would assist staff and the claims auditor in having objective criteria to evaluate each member's performance and ultimately having a positive impact on the litigation experience of CJPRMA. Director Carroll pointed out that the policy states that Risk Manager/City Representative. He suggested this should be changed to member representative since there are a number of JPA's on in the Pool. Director Magdich also agreed with the suggestion and amended to motion to include the new language.

- A motion was made by Director Rawe and seconded by Director Akil to approve and adopt the Litigation Policy with the suggestion made by Director Magdich to make two modifications to the policy. First modification would be to change the wording from "adopted by and complied with" to "comply" and secondly, to change wording throughout the document to read "Member" and not "Risk Manager/City Representative". Directors, Snideman, Hamilton, Perini, Quiambao, Frediani, Greer, Magdich, Trupovnieks, Peterson, Garrett, Griese, Carroll, Kiyomura, Marquez, Leahy Tonks and Cannon approved the motion. Director Schwarz opposed the motion, and REMIF was not present. Motion passes.

10. Approval of Modification of Transit Vehicle Limitations (A)

The general manager explained that the City of Santa Rosa contacted CJPRMA requesting that the current limitation on transit vehicles be modified to include buses that have a seating capacity of 45 passengers or less. The city operates a fixed route transit service in their community and owns, maintains and operates the transit system. The city currently participates in the CalTIP program and their annual premium quote is in the amount of \$139,681 for a \$250,000 SIR. It was further explained that Santa Rosa worked with CJPRMA staff and provided loss run reports and a list of their current fleet. Staff then consulted with Dr. William Deeb at AON and directed him to discuss the possible modification to exclusion #24 of the Memorandum of Coverage with the reinsurers, Munich Re. Munich Re stated they agreed to the modification of exclusion #24 to reflect total capacity of 45 passengers for program year 2017-2018. The maximum limit of coverage for vehicles in excess of 30 passengers would be \$25,000,000 for program year 2017-2018. For future years, staff and Aon would work with the excess carriers to provide additional coverage moving forward.

The Board of Directors discussed with the general manager the potential change to the Memorandum of Coverage (MOC) exclusion #24. The general manager stated during the discussion that Santa Rosa or any city would not have transit coverage until they have reported their payroll. Numerous directors mentioned they were opposed to a modification because of the exposure, and that CalTIP is a stand-alone policy a city can get separate policy from CJPRMA that will take care of their bus maintenance and problems.

- A motion was made by Director Schwarz and seconded by Director Rawe to have the Board of Directors vote to authorize the general manager to modify the current (MOC) exclusion #24. Directors Cannon, Schwarz, Rawe, Tonks, Leahy, and Griese approved the motion. Directors Akil, Snideman, Hamilton, Magdich, Trupovnieks, Quiambao, Frediani, Greer, Perini, Peterson, Carroll, Kiyomura, Marquez, and Garrett opposed the motion, REMIF was not present. Motion failed.

11. Approval of the 2017 Claims Audit (A)

Mr. Rick Buys, Risky Business Pros conducted the 2017 Excess and Primary Claims Audit, and was present to discuss the results and recommendations of his audit.

Mr. Buys examined a total of 150 files reported to CJPRMA for this audit. This represents a modest increase of 1 file from 2016. Included were 100 open files and 50 files that were either closing or recently closed. The audit work included site visits to members, TPAs and the CJPRMA office.

Mr. Buys identified some recommendations made over the last several years, continue to be valid issues:

1. *Quarterly captioned status reports to CJPRMA are required on all Watch List cases, regardless of whether outside or in-house counsel is involved.*
2. *Once a claim is reported as an excess file to CJPRMA, reserve changes should be provided by Members to CJPRMA, at least quarterly.*
3. *CJPRMA now provides Members with an open claim loss run, on a quarterly basis. This document is to be used by the Members to update their reserves to confirm the adequacy and consistency of those reserves between CJPRMA and the Members.*
4. *When changes occur with Member staffs, lapses in excess reporting requirements can occur. CJPRMA meets with legal departments, as necessary, to assure clarity always exists between CJPRMA and the Members.*

Loss development continues to require close monitoring as industry trend of increasing severity continues and in some areas frequency is also increasing.

Mr. Buys articulated a number of conclusions resulting from his audit review of CJPRMA files. The following key items (included in the final report) were noted in the report:

- *In looking at the number of claims reported to CJPRMA, the open claims count is down by 24%, going from 272 in 2015 to 208 in 2016 to 173 in 2017. The Total Pending Excess Reserves (reserves in the CJPRMA layer) is up by 18%, from \$21.1 Million to \$24.8 Million, which is well above overall economy inflation. (However, the fact that the number of open excess cases has dropped over the last year indicates staff is working hard to resolve cases where possible)*
- *The number of Watch List claims dropped from 26 in 2016 to 19 in 2017 (a drop of 27%).*
- *82 of the audited claims are “critical incident” claims (55%), and all of those cases have the potential to become Watch List files.*
- *The climate for taking police claims through trial is currently poor, with some types of police cases worse than others.*
- *With indications of continued industry trends of increasing frequency and severity of claims, the need for effective communication between the Members and CJPRMA is critical to the successful resolution of claims.*
- *A motion was made by Director Akil and seconded by Director Trupovnieks to approve the 2017 Claims Audit. Directors Cannon, Snideman, Schwarz, Hamilton, Magdich, Quiambao, Frediani, Greer, Rawe, Perini, Peterson, Tonks, Carroll, Kiyomura, Marquez, Garrett, Leahy and Griese approved the motion. REMIF was not present. Motion passes.*

12. Development of Loss Allocation Policy for Annual Contributions (I)

The general manager reviewed with the Board of Directors member loss histories and how their exposures impact the annual contributions of the pooled membership. This

item was discussed at the May Board meeting. The item was referred to the Executive Committee to provide recommendations to staff on the development of the loss numbers and development trends.

The loss history was provided to the Executive Committee for comparing a members' loss experience at five, ten, fifteen and twenty year increments. The loss data was reviewed and evaluated on how it would potentially impact the current contributions defined by the annual actuarial evaluation. The general manager worked with Mujtaba Dato, Aon Risk Services, to develop a methodology for developing annual contributions that included an allocation based upon actual losses incurred. A spreadsheet (90-10) was created by Mr. Dato and the loss allocation method was reviewed with the Executive Committee in June and also with the Board of Directors at the August meeting.

The current methodology utilizes a member's payroll as the sole factor in determining their percentage of contribution. The proposed method applies a pro rata share of contribution based upon a member's incurred losses for the 10 year window in addition to payroll. This recommendation would utilize the member's payroll as 90% of the total contribution and 10% would be based upon actual losses incurred in pools B and C. The spreadsheet provided the overall change in the contribution with this methodology. Due to the potential impact, staff recommended that the first year include a 10% maximum increase for any member that would be negatively impacted by the experience factor. The 10% would apply to the amount in excess of the contribution calculation based solely on payroll.

It was also explained that the additional loss contribution would be applied to the Excess Loss Fund (ELF). The additional contribution would not be applied to that member's equity, it would remain in the ELF program. It was suggested that the Board consider modifying the 10% cap in future years, perhaps 15% in year 2 and 20% in year three. This would be included with the annual actuarial report and a final determination would be voted on and approved by the Board of Directors when approving the annual actuarial report.

The general manager stated that the Executive Committee directed staff to review each member's overall loss history in relation to their contributions within the program. A copy of member loss experience rating 10 year rolling average for PY 03/04 – 12/13 was provided to the Board for review. He said that this would help to evaluate members with significant loss histories on an annual basis and make recommendations for adjusting their Self-Insured Retention (SIR). The general manager also stated that Staff considered the impact of a catastrophic individual loss on any one member and applied a \$2,500,000 cap for all losses incurred by CJPRMA.

This would further evaluate any member whose overall loss experience exceeds their contributions in excess of 175%. The Board would have the option of restricting the member's participation in Pool B (\$500K SIR). The recommended approach would be to provide the member with a pro-rata sliding share SIR in pool layer B. Any losses that exceed the \$500K SIR would be subject to a sliding contribution of \$250K; member would be required to pay up to \$250K in layer B and CJPRMA would

contribute the additional \$250K. Staff is not currently recommending a sliding scale SIR to members that are currently only in Pool C. However, the same methodology could be applied as above. Instead of a shared \$500K in excess of the SIR, a Pool C member would have a sliding share SIR to \$1,000,000. The Board of Directors may consider this option at a later time.

The Board was provided with examples of sliding scale experience rated SIR listed below.

If a member assigned to the sliding scale experience rated SIR were to sustain a loss in the total amount of \$800,000 the following would apply:

Member SIR:	\$500,000 (to be paid by member)
Additional \$300,000 expense:	\$150,000 (paid by member) + \$150,000 (paid by CJPRMA)

If a member assigned to the sliding scale experience rated SIR were to sustain a loss in the total amount of \$2,100,000 the following would apply:

Member SIR:	\$500,000 (paid by member)
Pool B: \$500,000	\$250,000 (paid by member) + \$250,000 (paid by CJPRMA)
Pool C: \$1,100,000	\$1,100,000 (paid by CJPRMA)

A member would be assigned to the experience rated SIR for a minimum of three years. The member's contribution to Pool B would remain the same. The member could opt out of the Pool B layer and only participate in Pool C, raising their SIR to \$1,000,000.

The contributions based upon loss experience will be presented to the Board for approval at the November board meeting when approving the June 30, 2017 actuarial study, which sets the funding rates for PY 2018/19. Members will be advised of their potential increase in contribution based upon their history of incurred losses at that time. Members will then have the opportunity to request a change in their retention from \$500k (Pool B) to \$1M (Pool C).

After the boards' collaboration on the matter, direction was provided to Staff to develop a written policy for ongoing evaluation of members and their overall impact on incurred losses.

The board voted on two separate motions:

- 1) Adoption of a contribution based upon loss experience
 - 2) Development of a written policy for ongoing evaluation of member and their overall impact on incurred losses
- A motion was made by Director Carroll and seconded by Director Garrett to vote for the approval to adopt a 90/10 contribution based upon loss experience. Directors Akil,

Cannon, Snideman, Schwarz, Hamilton, Magdich, Quiambao, Perini, Greer, Rawe, Peterson, Carroll, Kiyomura, Marquez, Leahy, Garrett and Griese voted in favor, Directors Trupovnieks, Frediani and Tonks opposed the motion, REMIF was absent. Motion passed.

- A motion was made by Director Griese and seconded by Director Carroll to vote for approval of development of a written policy on evaluation of a Members' SIR. Directors Akil, Snideman, Carroll, Hamilton, Magdich, Quiambao, Trupovnieks, Frediani, Perini, Greer, Peterson, Kiyomura, Marquez, Garrett and Griese voted in favor, Tonks opposed the motion, Leahy, Schwarz, Piazzisi, Cannon and Rawe were absent. Motion passed.

13. Status Update on the Development of CJPRMA Excess Workers' Compensation Program (I)

The general manager presented an update on the status of the development of a CJPRMA Excess Workers' Compensation Program. It was explained that staff has collected initial data provided by members describing the current structure of their respective excess workers' compensation coverage programs. The data was given to Dr. William Deeb, Aon Risk Service. Aon and staff are currently working towards developing a tentative structure for the CJPRMA Excess Workers' Compensation program. The tentative structure of the program was discussed at the June Executive Committee.

Staff then asked the membership to provide exposure data and payroll information. To date, members that have submitted data are: Chico, Livermore, Lodi, NCCSIF, Redding, Roseville, San Leandro and Sunnyvale, which accounts for approximately \$665 million dollars of payroll. Our estimate for program viability predicts that a minimum of \$750 million of payroll as a minimum to make the program stable. This was based upon initial discussions by Dr. Deeb and the market which indicated that their interest in a book of business would require approximately \$1 billion of payroll to influence the program. Dr. Deeb and the general manager discussed that the current payroll value (reported at \$665 million) is significantly less than anticipated, and they are prepared to discuss alternatives with the Board of Directors if needed.

The goal is to develop a long-term cost effective solution for our member's worker's compensation programs, develop actual costs for the program and create a structure to be determined at the November Meeting. At this time, members will be receiving their final numbers to allow them the opportunity to provide withdrawal notices to their current pooling partners if required.

Board agreed to carry on with the development of this program knowing they would need to submit more data so pricing can be done. Members that expressed interest in this program were SCORE, Fairfield, YCPARMIA and Petaluma. It was also stated that REMIF might be interested since their current program ends July 1, 2018. Hence, staff will utilize Aon Actuarial Services by Mr. Mujtaba Dattoo, to create an actuarial study using predictive modeling. Actuarial data will be used to finalize the primary rate and assist staff in contacting the market for potential reinsurers to complete a finalized

product. When the final rates and structure are developed and approved, staff will complete the final steps necessary to implement the program with a start date of July 1, 2018.

- No action was required. This was an information only item.

14. New Board Members / Alternates (I)

Notifications regarding a change in director/alternate designations that have been received as of the last meeting are indicated herein:

1)	REMIF	Director Elena Piazzisi – Workers’ Compensation Claims Administrator (City of Sonoma)
2)	YCPARMIA	Director Marinda Griese – Staff Investigator (City of Woodland)
3)	YCPARMIA	Alternate Jeff Tonks – CEO/Risk Manager (City of Woodland)
4)	REMIF	New General Manager – Amy Northam
5)	Vacaville	Alternate – GeorgeAnne Meggers-Smith – Management Analyst II

15. Risk Management Issues (I)

- 1) Natural Condition Immunity – David Clovis, CJPRMA. David Clovis shared the case County of San Mateo v. Superior Court.
- 2) Cannabis: dispensaries, manufacturers, and growers – Janice Magdich, Lodi
Director Magdich asked what ordinances they use under the new law. She mentioned that Lodi doesn’t allow dispensaries. During the discussion, members mentioned that there is a “land rush” for growing and campuses in office complexes for growing, retail, and distribution. Some members claimed they will be No, No, No cities and not allow cannabis growing, retail, or distribution.
- 3) ADA Coordinator Responsibilities – Stacey Peterson, San Rafael
Director Peterson asked members about ADA responsibilities. San Rafael currently has shared responsibilities under the Department of Justice, and so does Santa Rosa.
- 4) Law Enforcement and Security at Public Meetings – Celeste Garrett, Vacaville
Director Garrett asked members if they provide law enforcement or security at public meets. Director Magdich stated that Lodi has security at council meetings but not planning commission meetings.

XI. ADJOURNMENT

- A motion made by Director Perini, and seconded by Director Snideman to adjourn the meeting at 2:39 p.m., motion passed unanimously.