CALIFORNIA JPIA  
8081 Moody Street  
La Palma, CA 90623  

AGENDA  

REGULAR MEETING OF THE BOARD OF DIRECTORS  

July 19, 2017  

5:30 P.M. DINNER - Fountain Area  
7:00 P.M. ANNUAL MEETING - California Room  

CALL TO ORDER  
President Curtis Morris  

PLEDGE OF ALLEGIANCE  
President Curtis Morris  

ROLL CALL OF DIRECTORS  

ORAL COMMUNICATIONS  
Any persons present desiring to address the Board of Directors on any proper matter may do so at this time.  

1. APPROVAL  
Minutes of July 20, 2016  

2. ANNUAL REPORT  
President Curtis Morris  

3. ELECTION OF OFFICERS  
President (2-year term)  
1 announced candidate  
Curtis Morris, San Dimas  

Executive Committee (three 2-year terms)  
3 announced candidates:  
Lori Donchak, San Clemente  
Darcy McNaboe, Grand Terrace  
Sonny Santa Ines, Bellflower  

4. PRESENTATION  
Risk Management Awards  

5. PRESENTATION  
Strategic Plan and Operational Overview  

ADJOURNMENT

To the next annual meeting of the Board of Directors at 7:00 p.m. on Wednesday, July 18, 2018 in the California Room at the California JPIA.

In compliance with Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Administrative Assistant at (562) 467-8700. Notification 48 hours before meeting will enable the Authority to make reasonable arrangements to ensure accessibility.

(28 CFR 35.102.35.104 ADA Title II)
CALIFORNIA JPIA

REGULAR MEETING OF THE BOARD OF DIRECTORS

MINUTES

July 20, 2016

7:00 P.M.

CALL TO ORDER: President Morris called the regular meeting of the Board of Directors of the California Joint Powers Insurance Authority to order at 7:06 p.m. in the California Room at the California JPIA.

PLEDGE OF ALLEGIANCE: President Morris led the Pledge of Allegiance.

ROLL CALL: James Bukowski, Agoura Hills/Calabasas Community Center Authority
Scott Nassif, Town of Apple Valley
Jennifer Fuller Cerda, Area E Disaster Management
Jim Hill, City of Arroyo Grande
Troy Butzlaff, City of Azusa
Pedro Aceituno, City Bell Gardens
Sonny Santa Ines, City of Bellflower
Karen Oxandaboure, Big Bear Community Service District
David Caretto, Big Bear Fire Authority
David Caretto, City of Big Bear Lake
Laura Smith, City of Bishop
George Nava, City of Brawley
Ed Andrisek, City of Buellton
Michael Morgan, City of Camarillo
Scott Schoeffel, Coastal Animal Services Authority
Carol Chen, City of Cerritos
Ben Montgomery, City of Chino Hills
Larry Schroeder, City of Claremont
Rick Miczorek, City of Dana Point
Rudy Gutierrez, Desert Recreation District
Margaret Finlay, City of Duarte
John Helm, Eastern Sierra Transit Authority
Roll Call (Continued)

Diana Impeartice, City of Fillmore
Mark McCurdy, City of Fountain Valley
Gene Daniels, Gateway Cities Council of Governments
Darcy McNaboe, City of Grand Terrace
Virginia Ponce, City of Guadalupe
Reynaldo Rodriguez, City of Hawaiian Gardens
Larry Burrola, City of Irwindale
David Spence, City of La Canada Flintridge
Kyle Miller, City of La Habra Heights
David King, LA Interagency Metro Police Apprehension Crime Task Force
Larry Mowles, City of La Mirada
Gerard Goedhart, City of La Palma
Violeta Lewis, City of La Puente
Mark Alexander, LA-RICS
Tim Hepburn, City of La Verne
Cynthia Conners, City of Laguna Woods
Daryl Hickman, Lake Elsinore
Jeff Wood, City of Lakewood
Robert Pullen-Miles, City of Lawndale
Jarb Thaipiejr, City of Loma Linda
Ben Traina, City of Lomita
Laura Rosenthal, City of Malibu
Gloria Crudgington, City of Monrovia
Kathy Hawksford, Mountain Area Regional Transit Authority
Edward Paget, City of Needles
Michael Mendez, City of Norwalk
Van Tanner, City of Palm Desert
John Rea, City of Palos Verdes Estates
Daryl Hofmeyer, City of Paramount
Marlaine Sanders, City of Paso Robles
Mary Ann Reiss, City of Pismo Beach
Emmet Bader, Pomona Valley Transportation Authority
Sylvia Munoz Schnopp, City of Port Hueneme
Velveth Schmitz, City of Rolling Hills Estates
Sandra Armenta, City of Rosemead
James Makshanoff, City of San Clemente
Curtis Morris, City of San Dimas
Kevin Sawkins, City of San Gabriel
Juanita Trujillo, City of Santa Fe Springs
Jaime Fontes, City of Santa Paula
Basil Panas, Southern California Association of Governments
Juanita, Trujillo, Southeast Area Animal Control Authority
Sandra Massa-Lavitt, City of Seal Beach
Roll Call (Continued)  Rachelle Arizmendi, City of Sierra Madre  Lori Woods, City of Signal Hill  Joe Nocella, City of South El Monte  Tom Chavez, City of Temple City  Bruce Smith, Ventura Port District  Bill Nelson, City of Villa Park  Eric Ching, City of Walnut  Dean Grose, West Cities Police Communication Center  Mark Rutherford, City of Westlake Village

Chief Executive Officer Jonathan Shull announced there was a quorum of delegates in attendance, with 74 members represented.


STAFF:  Jonathan Shull, Chief Executive Officer  Michelle Aguayo, Training Coordinator
Staff (Continued)  
Roy Angel, Senior Risk Manager  
Edith Avina, Administrative Assistant  
Robin Baccanti, Office Assistant  
Grazyna Buchowiecki, Senior Accountant  
Lyndsie Buskirk, Office Assistant  
Denise Covell, Office Assistant  
Joe Eynon, Training Manager  
Melaina Francis, Risk Manager  
Jennifer Fullerton, Administrative Analyst  
Abraham Han, Administrative Analyst  
Maria Galvan, Risk Manager  
Jim Gross, Senior Risk Manager  
Tammie Haller, Administrative Programs Manager  
Lam Le, Financial Analyst  
Norm Lefmann, Assistant Executive Officer  
Alex Mellor, Risk Manager  
Courtney Morrison, Administrative Analyst  
Jeff Rush, Workers’ Compensation Program Manager  
Carl Sandstrom, Business Projects Manager  
Alex Smith, Finance Director  
Ryan Thomas, Training and Loss Control Specialist  
Jim Thyden, Insurance Programs Manager  
Chris Yanonis, Maintenance Worker  
Paul Zeglovitch, Liability Program Manager  

ORAL COMMUNICATIONS  
There were no requests to address the Board of Directors.  

APPROVAL OF MINUTES  
President Morris presented the minutes of July 15, 2015.  
It was moved by Board Member Wood, Lakewood, seconded by  
Board Member Mowles, La Mirada, and carried by 54 Yes votes  
by Apple Valley, Arroyo Grande, Bell Gardens, Bellflower, Big  
Bear Lake, Big Bear Fire Authority, Bishop, Brawley, Buellton,  
CASA, Cerritos, Chino Hills, Claremont, Duarte, ESTA,  
Fillmore, Fountain Valley, Gateway Cities COG, Grand Terrace,  
La Canada Flintridge, La Habra Heights, LA IMPACT, La  
Mirada, La Puente, La Verne, Laguna Woods, Lake Elsinore,  
Lakewood, LA-RICS, Lawndale, Malibu, Norwalk, Palm  
Desert, Palos Verdes Estates, Paramount, Paso Robles, Pismo  
Beach, Pomona Valley Transit Authority, Port Hueneme,  
Rosemead, San Clemente, San Dimas, San Gabriel, Santa Fe
Springs, Santa Paula, SCAG, SEAACA, Seal Beach, Sierra Madre, South El Monte, Temple City, Villa Park, West-Comm, and Westlake Village; and 14 Abstentions by Area E, Azusa, Big Bear CSD, Camarillo, Dana Point, Desert Recreation District, Hawaiian Gardens, La Palma, Loma Linda, Monrovia, MARTA, Rolling Hills Estates, Ventura Port District, and Walnut by electronic vote, to approve the minutes of July 15, 2015.

**ANNUAL REPORT**

President

Curtis Morris

President Morris thanked all Board Members for attending, along with members of the Executive Committee, the Managers Committee, the Finance Officers Committee, and the individual risk managers of each member agency. He welcomed the City of Azusa, the Authority’s newest member. The Executive Committee members were each introduced to the Board. President Morris also acknowledged the Authority staff and its Chief Executive Officer, Jonathan Shull.

President Morris explained the history of the Authority, and how it continues to be a leader in the pooling industry. He shared the expansion of coverage programs in the 1980s that included workers’ compensation and property coverage. Morris announced the new Excess Liability Program that began July 1 provides members more control over claims within their self-retained limit.

Morris provided an overview of the governance structure of the Authority, including the role of Executive Committee and advisory committees. He shared the expansion of risk management programs in the areas of loss control and training. He explained the recent change to the funding model; and stated that the Authority had changed to a prospective annual contribution from the previous structure of a using a retrospective calculation.

**ELECTION OF OFFICERS**

President Morris announced the appointment of election inspectors Gene Daniels, Board Member, Gateway Cities Council of Governments; Thaddeus McCormack, Chairman of the Managers Committee; and Jose Gomez, Chairman of the Finance Officers Committee.

President Morris opened nominations to fill one, two-year, term
for the office of Vice President, and stated there was one announced candidate: Margaret Finlay, City of Duarte.

Hearing no further nominations, nominations were closed.

Those present voted electronically to elect Margaret Finlay, City of Duarte, as Vice President for a two-year term.

President Morris opened nominations to fill four, full, two-year terms for the Executive Committee, and stated there were four announced candidates: Tom Chavez, Temple City; Daryl Hofmeyer, Paramount; Mary Ann Reiss, Pismo Beach; and David Spence, La Canada Flintridge.

Hearing no further nominations, nominations were closed.

Those present voted electronically to elect Tom Chavez, Temple City; Daryl Hofmeyer, Paramount; Mary Ann Reiss, Pismo Beach; and David Spence, La Canada Flintridge, to the Executive Committee for a full, two-year term.

PRESENTATION

Risk Management Awards

President Morris presented Risk Management Awards to members that demonstrated superior risk management programs as shown by their cost of claims in both the liability and workers’ compensation programs.

Morris noted that members were divided into groups for which awards were presented. For the Liability Program the groups were Non-Municipal Members, Members without Police exposure, and Members with Police exposure. For the Workers’ Compensation Program, the groups were Non-Municipal Members, Members without Public Safety exposure, and Members with Public Safety exposure.

Morris announced the Liability Program winners as follows:

Best Overall Performance

- Non-municipal category winner was the Southern California Association of Governments
- Members without police exposure winner was the City of Bradbury
- Members with police exposure winner was the City of San Gabriel
Morris announced the Workers’ Compensation Program winners as follows:

- Non-municipal category winner was the Southern California Association of Governments
- Members without public safety exposure winner was the City of Malibu
- Members with public safety exposure winner was the City of La Habra Heights

Chief Executive Officer Shull presented the Strategic Plan, Operational Overview, and Current Initiatives of the Authority, with emphasis on continued commitment to the foundational principals: of Integrity, Excellence, Innovation, and Teamwork.

In the Strategic Plan, Shull presented the Authority’s Mission, Core Values, and Vision. He also identified four key focus areas: develop relations with members; deliver highly valued programs and services; enhance organizational effectiveness; and being efficient and sustainable in purpose.

Chief Executive Officer Shull stated that the Authority currently has 116 members comprised of 93 cities and towns, 17 joint powers authorities, and 6 special districts. Shull explained the programs and services offered by the Authority including: training, risk management, and claims management. He also shared the governance structure of the Authority. Shull stated that the pool continues to have a strong net asset position and conducts annual financial audits and actuarial studies to ensure proper financial controls and reserving practices.

Shull stated that in 2016 the Authority received two accreditations from joint powers pooling organizations: an Accreditation with Excellence from the California Association of Joint Powers Authorities and an Advisory Standards Recognition from the Association of Governmental Risk Pools. He shared the current on-going initiatives of the Authority including: ADA Compliance Support; Sidewalk Inspection and Repair Pilot Program; Medical Provider Network; Predictive Analytics; Risk Technician Program; and Excess Liability Program.

Shull shared that in 2016 the Authority conducted its triennial Member Satisfaction Survey. He stated that over 94% of the
respondents rated the Authority’s overall performance as excellent or good, which represented a 5% increase from 2013. The survey identified the programs with the most value continue to be training, liability protection, risk management, workers’ compensation, and property protection.

**RECEIVE AND FILE**

**Budgets for Fiscal Years 2016-17 and 2017-18**

President Morris presented the Budgets for Fiscal Years 2016-17 and 2017-18 item.

Jonathan Shull, Chief Executive Officer, reported that the Budget for Fiscal Years 2016-17 and 2017-18 were approved and adopted by the Executive Committee. He stated that prior to the Committee’s action the budgets were reviewed by the Budget, Managers, and Finance Officers Committees.

It was moved by Board Member Mowles, La Mirada, seconded by Board Member Mendez Norwalk, and carried by 63 Yes votes by AHCCC, Apple Valley, Arroyo Grande, Bell Gardens, Bellflower, Big Bear CSD, Big Bear Fire, Big Bear Lake, Brawley, Buellton, Camarillo, Cerritos, Chino Hills, Claremont, Dana Point, Duarte, ESTA, Fillmore, Fountain Valley, Gateway Cities COG, Grand Terrace, Guadalupe, Hawaiian Gardens, Irwindale, La Canada Flintridge, La Habra Heights, LA IMPACT, La Mirada, La Palma, La Puente, La Verne, Lakewood, LA-RICS, Lawndale, Loma Linda, Lomita, MARTA, Monrovia, Needles, Norwalk, Palm Desert, Palos Verdes Estates, Paramount, Pomona Valley TA, Port Hueneme, Rolling Hills Estates, Rosemead, San Clemente, San Dimas, San Gabriel, Santa Fe Springs, Santa Paula, SCAG, SEAACA, Seal Beach, Sierra Madre, Signal Hill, South El Monte, Temple City, Ventura Port District, Villa Park, and Walnut; and 7 Abstentions by Area E, Azusa, Desert Recreation District, Malibu, Paso Robles, West-Comm, and Westlake Village by electronic vote by electronic vote, to receive and file the Budgets for Fiscal Years 2016-17 and 2017-18.

**RATIFY**

**Amendments to the Bylaws**

President Morris presented the Amendments to the Bylaws item.
Jonathan Shull, Chief Executive Officer explained to the board that at its meeting on June 22, 2016 the Executive Committee approved amendments to the Bylaws. He stated that the amendments fall into three major categories: 1) clean up and housekeeping; 2) clarity, consistency, and modernization; and 3) policy. Shull explained the following changes:

- Article III, Section 3, addresses vacancies on the Executive Committee, including those created by resignation, and how the vacancies may be filled. Article III, Section 4, previously indicated a process that was inconsistent with Section 3 for use when an Executive Committee member resigned. Section 4 was amended to remove the inconsistent process.
- Article VI, Section 8 and Article VII, Section 2 were revised to modernize language to reflect current usage and technology.
- Article III, Section 2 was revised to remove reference to the Immediate Past President as an ex officio member of the Executive Committee. This reference seemed unnecessary, as there has not been an Immediate Past President eligible to serve in the capacity for over 25 years.

It was moved by Board Member Hill, Arroyo Grande, seconded by Board Member Morgan, Camarillo, and carried by 64 Yes votes by Apple Valley, Arroyo Grande, Bell Gardens, Bellflower, Big Bear CSD, Big Bear Fire, Big Bear Lake, Brawley, Buellton, Camarillo, Cerritos, Claremont, Dana Point, Desert Rec, Duarte, ESTA, Fillmore, Fountain Valley, Gateway Cities COG, Grand Terrace, Guadalupe, Hawaiian Gardens, Irwindale, La Canada Flintridge, La Habra Heights, LA IMPACT, La Mirada, La Punete, La Verne, Lakewood, RA-RICS, Lawndale, Loma Linda, Lomita, Malibu, MARTA, Monrovia, Needles, Norwalk, Palm Desert, Palos Verdes Estates, Paramount, Paso Robles, Pismo Beach, Pomona Valley TA, Port Hueneme, Rolling Hills Estates, Rosemead, San Dimas, San Gabriel, Santa Fe Springs, Santa Paula, SCAG, SEAACA, Seal Beach, Sierra Madre, Signal Hill, Temple City, Ventura Port District, Villa Park, and Walnut; and 6 Abstentions by
Area E, Azusa, Chino Hills, South El Monte, West-Comm, and Westlake Village by electronic vote, to ratify the Amendments to the Bylaws.

**ADOPTION**

Amendments to the Joint Powers Agreement

President Morris presented the Amendments to the Joint Powers Agreement item.

Jonathan Shull, Chief Executive Officer, stated that at its June 22, 2016 meeting the Executive Committee recommended amendments to the Joint Powers Agreement be adopted by Board of Directors. He explained that the amendments fall within three major categories: 1) cleanup and housekeeping, 2) clarity, consistency, and modernization, and 3) policy. Shull reviewed the following proposed changes with the board:

- “Alternates” is added to Article 9 to reflect their role at a meeting of the Board if the Board Member is not present.
- Article 19 is revised to reflect that insurance may be used in addition to a fidelity bond for personnel responsible for handling funds.
- Article 10 is revised to remove reference to any Past President Ex Officio Executive Committee Member. This reference seems unnecessary, as there has not been a Past President Ex Officio Executive Committee Member eligible to serve in the capacity for over 25 years.
- Article 14 is revised to address succession planning for the Officers of the Authority to create a clear path by which the Vice President ascends to the position of President if he or she is no longer able to serve. The new provision also provides for the Executive Committee to appoint one of its own to the position of Vice President if that position becomes vacant.
- Article 17 is revised to explicitly recognize that financial arrangements may be used to allow one program to provide monetary support to another on an interim basis. This authority already exists within the Joint Powers Agreement, but this revision explicitly identifies it.
- Article 20, Section (d) is revised to explicitly recognize that the Authority may make loans to Members for loss control purposes.
- Article 22 is reformatted and amended to establish a
provisional membership status for new Members during their first five years of membership.
  o Applies only to Members joining after July 1, 2016.
  o Would allow for a rebasing of the contribution rate if experience of the provisional Member is materially different from what was used in underwriting.
  o Would allow the Authority to cancel a provisional Member without going through the Performance Improvement Plan process if the Member is demonstrating an unwillingness to operate under the Authority’s rules and procedures.
  o Provides a provisional Member the ability to appeal the decision to terminate the membership.
  o Precludes a terminated or withdrawn provisional Member from receiving any sort of dividend or distribution at any time.

• Article 30, Section (e) is added to reiterate that provisional Members that do not complete five years of membership are not entitled to a distribution of assets upon termination of the Joint Powers Agreement.

• Article 24 is revised to provide that a Member joining the Authority or any of its programs is committed for three years. This is a return to the provision as it existed until it was amended in 2008. The purpose of the current revision is to ensure that Members do not “jump in and out” of the Authority or its programs. Stability of membership in the programs is important to their success.

It was moved by Board Member Mowles, La Mirada, seconded by Board Member Pullen-Miles, Lawndale, and carried by 65 Yes votes by AHCCC, Apple Valley, Arroyo Grande, Azusa, Bell Gardens, Bellflower, Big Bear CSD, Big Bear Fire, Big Bear Lake, Brawley, Buellton, Camarillo, Cerritos, Claremont, Dana Point, Desert Rec, Duarte, ESTA, Fillmore, Fountain Valley, Gateway Cities COG, Grand Terrace, Guadalupe, Hawaiian Gardens, Irwindale, La Canada Flintridge, La Habra Heights, LA IMPACT, La Mirada, La Palma, La Puente, La Verne, Lakewood, LA-RICS, Lawndale, Loma Linda, Lomita, Malibu, Monrovia, Needles,
Norwalk, Palm Desert, Palos Verdes Estates, Paramount, Paso Robles, Pismo Beach, Pomona Valley TA, Port Hueneme, Rolling Hills Estates, Rosemead, San Clemente, San Dimas, San Gabriel, Santa Fe Springs, Santa Paula, SCAG, SEAACA, Seal Beach, Sierra Madre, Signal Hill, South El Monte, Temple City, Ventura Port District, Villa Park, and Walnut; 1 No vote by West-COMM; and 4 Abstentions by Area E, Chino Hills, MARTA, and Westlake Village vote by electronic vote, to adopt the Amendments to the Joint Powers Agreement.

ADJOURNMENT

There being no further business to come before the Board of Directors, President Morris adjourned the meeting at 8:30 p.m. to a meeting on Wednesday, July 19, 2017 at 7:00 p.m., in the California Room at the California JPIA.

Mary Ann Reiss, Secretary
In accordance with the Bylaws of the California Joint Powers Insurance Authority, elections are in order for positions on the California JPIA Executive Committee. Only members of the governing body of a Member Agency are eligible to serve as Directors on the Board, and only Board Members are eligible to serve on the Executive Committee.

The Board of Directors will elect a President and three Executive Committee Members for two-year terms. Directors wishing to place their name in nomination were asked to notify the Chief Executive Officer by June 8, 2017. The announced candidates are:

For Vice President:

Curtis Morris  City of San Dimas

For Executive Committee:

Lori Donchak  City of San Clemente
Darcy McNaboe  City of Grand Terrace
Sonny Santa Ines  City of Bellflower

Nominations may also be made from the floor at the annual meeting.
Members will be recognized for demonstrating superior risk management practices. Those that have demonstrated the best overall performance for both the Primary Liability and Primary Workers’ Compensation Programs will be recognized.

Members have been divided into groups for which awards will be presented. For the Primary Liability Program the groups are Non-Municipal Members, Members without Police exposure, and Members with Police exposure. For the Primary Workers’ Compensation Program the groups are Non-Municipal Members, Members without Public Safety exposure, and Members with Public Safety exposure. Public Safety here means Police and/or Fire exposure.

Best Overall Performance
This award recognizes Members that have demonstrated the best overall performance in each program. Authority staff evaluated both quantitative and qualitative factors that are reflective of a Member’s risk management efforts. Factors included an agency’s five-year average cost of claims per $100 of payroll, its improvement in claims severity when comparing two, five-year coverage periods, its progress toward completing LossCAP action items, and its Agency Exemplar rating.
Staff will present a review of the strategic plan and how it relates to the Authority’s operations.

**Recommended Action**

Receive and file.