



California JPIA
El Capitan Room
8081 Moody Street
La Palma, California 90623

******GOVERNOR'S EXECUTIVE ORDER N-29-20******
****RE CORONAVIRUS COVID-19****

**THIS MEETING WILL BE CONDUCTED PURSUANT TO THE PROVISIONS OF THE
GOVERNOR'S EXECUTIVE ORDER WHICH SUSPENDS CERTAIN
REQUIREMENTS OF THE RALPH M. BROWN ACT.**

AGENDA

MANAGERS COMMITTEE

REGULAR MEETING
THIS MEETING WILL BE VIA TELECONFERENCE ONLY

February 8, 2021

12:00 P.M.

CALL TO ORDER

Thaddeus McCormack, Chairman, Managers Committee

ORAL COMMUNICATIONS

Any persons present desiring to address the Managers Committee on any proper matter may do so at this time.

CONSENT CALENDAR

All items under Consent Calendar may be enacted by one motion. Any item may be removed from the Consent Calendar and acted upon separately by the Managers Committee.

1. APPROVAL

Combined Managers Committee and Finance Officers Committee Minutes for the meeting of November 9, 2020

2. RECEIVE AND FILE

2021 Executive Committee Workshop Call for Items

REPORTS AND RECOMMENDATIONS

3. CONSIDERATION

Executive Search Service

ADJOURNMENT

To a regular Managers Committee meeting on May 13, 2021 at 12:00 p.m. **(Until the Governor's Stay-At-Home Order is lifted and it is safe to return to in-person meetings, the meeting will be a teleconference only meeting).**

In compliance with Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Agency Clerk at (562) 467-8736. 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)

TELECONFERENCE PARTICIPATION

Pursuant to the Governor's Executive Order N-29-20
Executive Committee Members may participate via teleconference.

Public Participation:

In accordance with Executive Order N-29-20 and guidance from the California Department of Public Health on gatherings, remote public participation is allowed in the following ways:

Public comment will be accepted by email to vruiz@cjpi.org during the meeting, prior to the close of public comment on an item, and read into the record during public comment.

At the announced time of the meeting, teleconference participants (unless otherwise instructed) should call the California JPIA's teleconference number at **(669) 900-9128**, enter Meeting ID: **985 8741 5700** Password: **375046** and identify themselves for the record. To access the video conferencing and view the meeting online, go to

<https://cjpi.zoom.us/j/98587415700?pwd=bzlsVUFHdjErbVY5M2NYaUp6ZVA4QT09&from=addon>.

If you have any problems with the meeting link or connecting to the meeting, please call Veronica Ruiz at (562) 455-0321.

Dated: February 4, 2021

Posted: February 4, 2021

s/Veronica Ruiz
Veronica Ruiz, CMC
Agency Clerk

AFFIDAVIT OF POSTING

I, Veronica Ruiz, declare as follows: That I am the duly designated Agency Clerk for the California Joint Powers Insurance Authority, and that I caused to be posted the foregoing agenda in accordance with the Brown Act. Dated this 4th day of February, 2021.

By: Veronica Ruiz, CMC, Agency Clerk

CALIFORNIA JPIA

MINUTES

MANAGERS AND FINANCE OFFICERS COMMITTEE

REGULAR MEETING (TELECONFERENCE)

November 9, 2020

12:00 P.M.

CALL TO ORDER

Chairman McCormack called to order the combined meeting of the Managers and Finance Officers Committee of the California Joint Powers Insurance Authority at 12:01 p.m. This meeting was conducted pursuant to the provisions of the Governor's Executive Order N-29-20, which suspends certain requirements of the Ralph M. Brown Act.

ATTENDANCE

A quorum was established by roll call.

PRESENT:

Managers Committee Chairman Thaddeus McCormack, Lakewood
Finance Officers Committee Chairman Jose Gomez, Lakewood
Mark Alexander, La Canada Flintridge
Molly Brennan, Lemon Grove
Erika Bustamante, SCAG
Cheryl Dyas, Mission Viejo
Chris Freeland, Indian Wells
Ben Harvey, Pacific Grove
Travis Hickey, Santa Fe Springs
Elaine Jeng, Rolling Hills
Mike Killebrew, Dana Point
Brad McKinney, San Dimas
Ben Montgomery, Chino Hills
Keith Neves, Lake Forest
Andrea Pham, Mission Viejo
Ron Phillips, Bishop
Mary Reeves, Big Bear CSD
Karla Romero, La Quinta
Terry Shea, Rolling Hills
Kevin Shirah, Lake Forest

Jana Stuard, Norwalk

ATTENDEES:	Richard Babbe, PFM Asset Management Sarah Meacham, PFM Asset Management Mike DeMattei, Milliman Mike Egan, Tripepi Smith
STAFF:	Jon Shull, Chief Executive Officer Habib Ali, Accounting Specialist Grazyna Buchowiecki, Senior Accountant Toni Consolo, Senior Risk Manager Maria Galvan, Senior Risk Manager Tammie Haller, Administrative Programs Manager Norm Lefmann, Assistant Executive Director Tony Leite, Senior Risk Manager Veronica Ruiz, Agency Clerk Jeff Rush, Workers' Compensation Program Manager Alex Smith, Deputy Executive Officer Aaron Webb, Data and Underwriting Analyst

ORAL COMMUNICATIONS

There were no comments from the audience.

CONSENT CALENDAR

Chairman McCormack presented the items appearing on the Consent Calendar.

The Consent Calendar included:

- Combined Managers Committee and Finance Officers Committee Minutes for the meeting of October 13, 2020
- 2021 Committee Meeting Dates
- Local Agency Investment Fund Quarterly Report as of September 30, 2020
- Los Angeles County Pooled Investment Fund Report as of September 30, 2020
- Quarterly Financial Statements for June 30, 2020

It was moved by Harvey, that the Consent Calendar items be approved in one action. The motion was seconded by Dyas. The motion carried unanimously by roll call vote.

RECEIVE AND FILE Investment Performance Review for the Quarter Ended

Chairman McCormack presented the Investment Performance Review for the Quarter Ended September 30, 2020 item.

September 30, 2020

Alex Smith, Deputy Executive Officer, introduced Richard Babbe of PFM Asset Management. Babbe presented a market update and review of the Authority's investment portfolio for the quarter ended September 30, 2020.

It was moved by Dyas, to receive and file the Investment Performance Review for the Quarter Ended September 30, 2020. The motion was seconded by Freeland. The motion carried unanimously by roll call vote.

RECEIVE AND FILE

Actuarial Study as of June 30, 2020

Chairman McCormack presented the Actuarial Study as of June 30, 2020 item.

Alex Smith, Deputy Executive Officer, introduced Mike DeMattei, Principal and Consulting Actuary with Milliman. DeMattei presented the results of the actuarial study of claim reserves for period ending June 30, 2020.

It was moved by Neves, to receive and file the Actuarial Study as of June 30, 2020. The motion was seconded by Bustamante. The motion carried unanimously by roll call vote.

ADJOURNMENT

The meeting adjourned at 12:43 p.m. to a regular Managers Committee meeting on February 8, 2021 at 12:00 p.m. and Finance Officers Committee meeting on February 11, 2021 at 12:00 p.m. in the El Capitan Room of the California JPIA 8081 Moody Street, La Palma, CA 90623. **(Until the Governor's Stay-At-Home Order is lifted, the meeting will be a teleconference only meeting).**

Respectfully submitted,

Jose Gomez, Chairman of the Finance Officers Committee

Thaddeus McCormack, Chairman of the Managers Committee

CALIFORNIA JPIA

AGENDA REPORT

To: **MANAGERS COMMITTEE**

From: **Jonathan Shull, Chief Executive Officer**

Date: **February 8, 2021**

Subject: **2021 Executive Committee Workshop Call for Items**

The Authority typically conducts an Executive Committee Workshop in the spring of each year. The Workshop was established to provide extended time to consider operational and strategic issues facing the Authority. Staff is still contemplating the logistics of how and when to conduct the Workshop, however planning is underway for a number of topics that need in depth consideration.

Members of the Managers Committee are encouraged to suggest items for discussion at the Workshop. Proposed items for the agenda should be received by March 15, 2021 to allow sufficient time for development and preparation.

Recommended Action

Receive and file.

CALIFORNIA JPIA

AGENDA REPORT

To: **MANAGERS COMMITTEE**

From: **Jonathan Shull, Chief Executive Officer**

By: **Norman Lefmann, Assistant Executive Officer**

Date: **February 8, 2021**

Subject: **Executive Search Service**

Background

The California JPIA has always understood the vital role that managers play in its programs and services. In fact, city managers were instrumental in the formation of the Authority in 1977. This has continued over the years and is evidenced by the continuing purpose and responsibility of the Managers Committee.

As the Authority's membership has grown, so has the diversity of its membership. Although cities still make up roughly 80% of all members, other organizational types exist, including special districts and joint powers authorities. Because of this, the Authority adopted the term "chief executive" to refer to that top professional manager, even though the "chief executive" is formally a city manager, chief executive, executive director, or general manager. Accordingly, the term chief executive will be used in this report as follows.

Introduction

The chief executive plays a key role in setting organizational culture and values. As it is in every other area, so it is with risk management. This means that the chief executive sets the tone for the organization regarding the importance of managing risk.

Those chief executives who place risk management as a central organizational responsibility manage their employees as such and empower them to actively partner with the Authority, resulting in a better run organization with fewer claims.

Conversely, where chief executives are lukewarm to risk management or give assent but take no action, the Authority finds itself working significantly more challenged to help members implement critical risk management practices and procedures. In some instances, a chief executive can even act against the Authority's mission by refusing to participate in its many important programs.

Discussion

To encourage the selection of chief executives with risk management acumen, staff recommends a new program that can help members recruit chief executives that exemplify the qualities important to the California JPIA and its membership.

Through a partnership with Peckham & McKenney, the Authority would make available executive search services for California JPIA members. Peckham & McKenney provides executive search services to local government agencies throughout California and the western United States. The Peckham & McKenney team brings over 100 years of experience in local government and executive search. More than one former city manager from the Authority's membership has gone on to work for Peckham & McKenney after their local government career ended.

In line with the Authority's own philosophy, Peckham & McKenney carefully evaluates a prospective client before agreeing to do business, which speaks to its reputation of not being a recruitment mill. The firm also recognizes that every agency is unique, and the candidate must "fit." Nearly 89% of Peckham & McKenney's placements remain in their positions for more than five years. This is a testament to the firm's tagline, "All about fit!"

While understanding that not all members would otherwise select Peckham & McKenney, the firm proposes a 10% reduction in fees for a council/board appointed chief executive. With that, Peckham & McKenney would agree to allow the Authority to provide a non-binding opinion for each of the finalists as they are submitted to the member. The firm would also assist in ensuring the successful candidate's employment contract contains a provision stipulating terms of the Authority's Chief Executive Separation Payment. This coverage provision provides a valuable benefit for a chief executive when informed that they are being involuntarily terminated and they agree to waive any claims against the member.

Conclusion

In recognition of the importance of chief executives to the success of the California JPIA and its members, staff recommends a new partnership that enlists Peckham & McKenney to carry out executive search services for members of the Authority. The program would allow the California JPIA to provide a risk management assessment for all finalists submitted to the member. Such an opportunity has the benefit of using the Authority's cachet to influence who the member hires. Peckham & McKenney would also ensure that a critical coverage element is part of the new chief executive's employment agreement.

Recommended Action

Recommend approval of an Executive Search Service to the Executive Committee.