



Sandy Seifert-Raffelson, Board President

Robert Swan, Vice President
Jesse Claypool, Secretary
David Aranda, CSDM

Mike Scheafer
Timothy Unruh, CSDM
Thomas Wright

Special District Risk Management Authority
Regular Board Meeting

Wednesday, November 1, 2023
1:00 p.m.

Thursday, November 2, 2023
8:30 a.m.

1112 I Street, 3rd Floor, Earl Sayre Board Room
Sacramento, CA 95814
and

Via Zoom

Phone: (669) 900-9128
Meeting ID: 562 012 1037
Password: 875411

In compliance with AB361 this will be a hybrid virtual/in-person meeting in the SDRMA Board Room/Zoom as the State continues to recommend measures to promote social distancing.

Note: Meeting agendas are posted in accordance with the Ralph M. Brown Act. Govt. Code §54954.2 As amended by AB 361, Section 54953 (e)(3) allows local agencies to conduct meetings via teleconferencing during a proclaimed state of emergency or when state or local officials have recommended measures to promote social distancing, without complying with the requirement to identify all teleconference locations on the agenda, and without complying with the requirement that each location be accessible to the public. Section 54953 (b)(2) still requires that all votes taken during a teleconference meeting shall be by roll call. Any agenda item may be discussed in a different order, if necessary.

Members of the public seeking to attend and to address the Board who require reasonable accommodations to access the meeting, based on disability or other reasons, should contact the following person at least forty-eight (48) hours in advance of a regular meeting to arrange for such reasonable accommodations: Candice Richardson, (916) 231-4141 or crichardson@sdrma.org

AGENDA

1.0 CALL MEETING TO ORDER

- 1.1 Roll Call
- 1.2 Consideration of Off Agenda Items

Pursuant to Government Code Section 54954.2(b), except as provided in this paragraph, no action or discussion shall be taken at a regular meeting on any item which does not appear on the posted Final Agenda. Pursuant to Government Code Section 54954.2 (b)(2) an item may be added to the Final Agenda after the Final Agenda has been posted upon a determination by a two-thirds vote of the Board of Directors (or an unanimous vote if less than two-thirds of the Board of Directors are present); the vote shall be on a motion stating that there is a need to take immediate action and that the need for action came to the attention of the Board of Directors subsequent to the Final Agenda being posted. Any such motion shall be accompanied by distribution of a written statement on a form provided by the office of the Chief Executive Officer/Secretary of the Board, to be included in the record, stating the facts upon which it can be determined that the need to take action arose after the Final Agenda was posted. In addition, action may be taken on an item not on the posted Final Agenda under the circumstances stated in Government Code Section 54954.2 (b)(1) [emergency] and 54954.2 (b)(3) [continued regular meetings].

2.0 PUBLIC COMMENT

At this time, members of the public may speak on any item not on the agenda with comments limited to 5 minutes per person. A maximum time limit of 20 minutes for all public testimony is permitted under this agenda item. The Board reserves the right to waive the foregoing time limits by a majority vote.

3.0 CONSENT CALENDAR – Items expected to be routine and non-controversial

- 3.1 **Approve** draft meeting minutes from the Special Board meeting on October 4, 2023 (Board Clerk)18
- 3.2 **Review recent marketing activities** (Chief Executive Officer)22
- 3.3 **Ratify** payment of bills paid for the months of July, August and September 2023 (Chief Financial Officer)28
- 3.4 **Receive and file** financial reports presented for the Property/Liability, Workers’ Compensation, Health Benefits Programs and Joint/Common Allocated Operations as of September 30, 2023 (Chief Financial Officer)43
- 3.5 **Receive and file** underwriting status report for the first quarter of 2023-24 (Chief Executive Officer)71

3.6	Approve Policy No. 2023-03 Establishing Rates and Charges (Chief Executive Officer)	73
3.7	Adopt Board Resolution 2023-18 Making Findings and Determinations under AB 361 for Continued Virtual Meetings (Board Clerk)	91
4.0	GENERAL BUSINESS ITEMS AND PRESENTATIONS	
4.1	Recognition Staff Anniversaries (Chief Executive Officer)	96
4.2	Review Meeting, Conference, and Educational Schedules (Chief Executive Officer)	98
4.3	Review communication and correspondence (Chief Executive Officer)	103
4.4	Review of Executive Summary of Training (Board President)	121
5.0	CSDA-RELATED ITEMS	
5.1	Review and discuss CSDA business and activity (CSDA Chief Executive Officer)	122
5.2	Approve the 2024 California Special Districts Alliance Collaborative Opportunities and the 2024 Cooperative Marketing Plan (CSDA Chief Executive Officer; Chief Executive Officer; AEC Members)	123
5.3	Review and discuss Special Leadership Foundation business and activity (CSDA Chief Executive Officer; Chief Executive Officer; SDLF Members)	130
5.4	Review of CSDA Committees Updates (Board President)	131
5.5	<u>Subject:</u> Review of 2023 Legislative Session	133

Presenter: Aaron Avery, Senior Legislative Analyst, CSDA

Recommendation: **Receive and file** the end-of-session legislative update concerning legislation related to Workers' Compensation and Property/Liability Programs

6.0 ADMINISTRATIVE ITEMS

6.1 **Subject: Employee Handbook Revisions**143

Presenter: Allison Bateman, HR/Office Manager

Recommendation: **Approve** the recommended final revisions to the Employee Handbook

6.2 **Subject: Draft Board of Directors’ Policy Manual**148

Presenter: Brian Kelley, Chief Executive Officer

Recommendation: **Review and approve** revised SDRMA Board of Directors’ Policy Manual and Policy No. 2023-04 Policy of the Board of Directors Regarding Operations of the SDRMA Board

6.3 **Subject: 2024 Meeting Schedule**194

Presenter: Brian Kelley, Chief Executive Officer

Recommendation: **Adopt** the 2024 board meeting schedule, including specific direction concerning the June meeting

6.4 **Subject: Policy Governing Director Elections and Appointments**197

Presenters: Candice Richardson, Management Analyst

Recommendation: **Approve** Board Policy 2023-05 Guidelines for Director Elections, Director Appointments, and Creation of a Supervising Election Committee and give staff direction on changing the SDRMA Board Election Process

6.5 **Subject: Review of Policy No 97-02**.....213

Presenter: Brian Kelley, Chief Executive Officer

Recommendation: **Review** for discussion and provide direction to staff to Repeal Policy No. 97-02 Establishing Guidelines for Selecting Brokers

7.0 MEMBER ITEMS

7.1 **Subject: Approval of Prospective Members into SDRMA Workers' Compensation and Property/Liability Programs**221

Presenter: Wendy Tucker, Member Services Manager

Recommendation: **Approve** admission of new members into the following programs:

- Property/Liability:
Marin Emergency Radio Authority

7.2 **Subject: Quarterly Claims Review and Settlement Approval**225

Presenter: Debbie Yokota, Chief Risk Officer

Recommendations: Staff recommends the following actions:

- **Receive and file** the status report concerning claims activities for the quarter ending September 30, 2023; and
- **Approve** claims settlements as presented in the status report

7.3 **Subject: Quarterly Review of Risk Control Activities**237

Presenter: Enriqueta (Henri) Castro, Risk Control Manager

Recommendation: **Receive and file** the status report regarding safety and risk control efforts by SDRMA for the quarter ending September 30, 2023

7.4 **Subject: Aggregate Stop-Loss Attachment Point & Corridor Quarterly Status Review**243

Presenter: Debbie Yokota, Chief Risk Officer

Recommendation: **Receive and file** the Aggregate Stop-Loss Attachment Point and Corridor Quarterly Status Reports

7.5 **Subject: Health Benefits Program - 2024 Renewal**248

Presenter: Alana Little, Health Benefits Manager

Recommendation: **Receive and file** the report regarding the Health Benefits renewals for 2024

8.0 FINANCIAL ITEMS

8.1 **Subject: Annual Independent Financial Audit and Internal Controls Final Reports - *Time-Sensitive 3:00 p.m.***252

Presenters: Matt Clutterbuck, Chief Financial Officer
Paul Kaymark, CPA, Nigro & Nigro

Recommendation: **Receive and file** the Annual Independent Financial Audit, Report on Internal Controls, and Letter of Communication with Those Charged with Governance for the year ended June 30, 2023, as presented

8.2 **Subject: Workers’ Compensation Program Actuarial Report**316

Presenters: Mike Harrington, President and Principal, Bickmore Actuarial
Matt Clutterbuck, Chief Financial Officer

Recommendation: **Receive and file** the final version of the Workers’ Compensation Program Actuarial Report by Bickmore Actuarial dated October 2023

8.3 **Subject: Property/Liability Program Actuarial Report**452

Presenters: Mike Harrington, President and Principal, Bickmore Actuarial
Matt Clutterbuck, Chief Financial Officer

Recommendation: **Receive and file** the final version of the Property/Liability Program Actuarial Report by Bickmore Actuarial dated October 2023

8.4 **Subject: Treasurer’s Quarterly Investment Report**.....792

Presenters: Lauren Brant, Managing Director, Public Financial Management
Allison Kuane, Senior Analyst, Public Financial Management
Matt Clutterbuck, Chief Financial Officer

Recommendation: **Receive and file** the Quarterly Investment Report and Certification of Investments and Cash Flow Sufficiency

Thursday, November 2 – 8:30 a.m.

8.5 **Subject: Property/Liability Claims Audit**935

Presenters: Debbie Yokota, Chief Risk Officer
Tim Vincent, Praxis Consulting

Recommendation: **Receive and file** the final 2023 Property/Liability Claims Audit Report, as presented

8.6 **Subject: Workers' Compensation Claims Audit**947

Presenter: Debbie Yokota, Chief Risk Officer
Fernando Rodriguez, ALC
Danielle Buri-Beaton, Intercare
Karin Valenzuela, PRISM

Recommendation: **Receive and file** the 2023 Workers' Compensation Program Claims Audit and provide direction to staff

8.7 **Subject: OPEB Review**979

Presenter: Catherine MacLeod, Principal/Consulting Actuary, MacLeod Watts
Matt Clutterbuck, Chief Financial Officer

Recommendation: **Receive and file** Other Post-Employment Benefits Review

8.8 **Subject: Board Policy and Resolution Revisions** 1018

Presenters: Matt Clutterbuck, Chief Financial Officer

Recommendation:

Approve the following Board Policies:

- Board Policy No. 2023-06 – The Signing of Checks and Reporting Fed Wires and Automated Clearing House (ACH) Transactions

Approve the following Board Resolutions:

- Board Resolution No. 2023-19 – Authorizing Investment of Monies in the California Asset Management Program

8.9 **Subject: Annual Internal Control Policies Review with Proposed Revisions** . 1024

Presenter: Matt Clutterbuck, Chief Financial Officer

Recommendation: **Approve** Board Policy No. 2023-07 - Defining Financial Internal Controls with proposed revisions

8.10 **Subject: 2022-23 Final Budget to Actual Analysis** 1032

Presenter: Matt Clutterbuck, Chief Financial Officer

Recommendation: **Review** the Final Fiscal Year 2022-23 Budget to Actual Analysis for Property/Liability, Workers' Compensation, Health Benefits and Joint/Common Allocated Operations

9.0 REPORTS/COMMENTS/OTHER BUSINESS

9.1 Staff Reports and Updates

9.2 Board Director Reports, Comments, Future Agenda Items, Recommendations, and Questions

10.0 OPPORTUNITY FOR PUBLIC TO ADDRESS CLOSED SESSION MATTERS

11.0 CLOSED SESSION

11.1 Public Employee Performance Evaluation Pursuant to Government Code Section 54957
Title: Chief Executive Officer

12.0 ANNOUNCEMENT OF REPORTABLE ACTION IN CLOSED SESSION

13.0 ADJOURNMENT

The next Board meeting will be held January 10-11, 2024 at the SDRMA Administration Building, 1112 I Street, 3rd Floor, Earl Sayre Board Room Sacramento, CA 95814. Items to be discussed at this meeting include:

- Board Officer Elections
- Reinsurer/Excess Renewal Update
- Update: FY 2024-25 Rate Review
- Conflict of Interest Code

Posted on October 26, 2023



ADA Compliance: *In compliance with the Americans with Disabilities Act, if you are a disabled person and need a disability-related modification or accommodation to participate in this meeting, please contact Candice Richardson, at (800) 537-7790 or at crichardson@sdrma.org. Request must be made as early as possible.*